



Thursday, 12 December 2019

NATIONAL AUSTRALIA BANK LIMITED

ISSUE OF A\$500,000,000 FIXED-TO-FLOATING RATE CAPITAL NOTES

NOTICE UNDER SECTION 708A(12H)(e) CORPORATIONS ACT 2001 (CTH)

Pursuant to its Capital Notes Programme for the Issue of Additional Tier 1 Capital Notes ("**Capital Notes Programme**"), National Australia Bank Limited ("**Issuer**") will today issue A\$500,000,000 Fixed-to-Floating Rate Capital Notes ("**Capital Notes**").

This notice is a cleansing notice prepared for the purposes of section 708A(12H)(e) of the Corporations Act 2001 (Cth) ("**Corporations Act**") (as inserted by ASIC Corporations (Regulatory Capital Securities) Instrument 2016/71) to enable fully paid ordinary shares in the Issuer ("**Ordinary Shares**") or an Approved NOHC which are issued on conversion of the Capital Notes to be freely tradeable without further disclosure.

This notice includes in schedule 1 a description of the commercial particulars of the Capital Notes, extracted from the Capital Notes pricing supplement dated 11 December 2019 ("**Pricing Supplement**").

The Information Memorandum for the Issuer's Capital Notes Programme dated 28 November 2019 ("**Information Memorandum**") that was lodged with the Australian Securities Exchange ("**ASX**") on 3 December 2019 contains a description of:

- the rights and liabilities attaching to the Capital Notes, in the section titled "Capital Note Conditions"; and
- the rights and liabilities attaching to Ordinary Shares, in the section titled "Description of Ordinary Shares".

Words and expressions defined in the Pricing Supplement and the Information Memorandum have the same meanings in this cleansing notice unless the contrary intention appears.

The issue of Capital Notes by the Issuer will not have a material impact on the Issuer's financial position. If the Capital Notes Convert and the Issuer issues Ordinary Shares, the impact of Conversion on the Issuer would be to increase the Issuer's shareholders' equity. The maximum number of Ordinary Shares that can be issued as a result of Conversion is 191.4975 Ordinary Shares per Capital Note (with a denomination of A\$1,000), based on an Issue Date VWAP of A\$26.11.

As a disclosing entity, the Issuer is subject to regular reporting and disclosure obligations under the Corporations Act and ASX Listing Rules. Broadly, these obligations require the Issuer to prepare and lodge with the Australian Securities & Investments Commission ("**ASIC**") both yearly and half yearly financial statements, to report on its operations during the relevant accounting periods, and to obtain audit or review reports from its auditor in respect of those accounting periods.

Copies of documents lodged with ASIC may be obtained from or inspected at an ASIC office.

The Issuer must ensure that the ASX is continuously notified of information about specific events and matters as they arise for the purposes of ASX making the information available to the Australian securities market. In this regard, the Issuer has an obligation under the Corporations Act and ASX Listing Rules (subject to certain exceptions) to notify the ASX immediately of any information concerning it of which it becomes aware, and which a reasonable person would expect to have a material effect on the price or value of its quoted securities.

The Issuer will provide a copy of any of the following documents free of charge to any person who requests a copy before the Capital Notes are issued:

- the Issuer's annual financial report for the year ended 30 September 2019;
- any continuous disclosure notices given by the Issuer in the period after the lodgement of the annual financial report of the Issuer for the year ended 30 September 2019 and before the date of this notice; and
- the Issuer's constitution.

All written requests for copies of the above documents should be addressed to:

Company Secretary
National Australia Bank Limited
Level 1
800 Bourke Street
Docklands VIC 3008

These documents are also available at www.nabgroup.com.

This notice is not a prospectus or other disclosure document in relation to the Capital Notes, and does not constitute an offer or invitation for the Capital Notes or any Ordinary Shares for issue or sale in Australia. Capital Notes are only available for sale to persons in Australia in circumstances where disclosure is not required in accordance with Part 6D.2 of the Corporations Act and the sale is not to a retail client for the purposes of Chapter 7 of the Corporations Act.

Louise Thomson
Group Company Secretary

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION IN WHOLE OR IN PART IN OR INTO THE UNITED STATES.

The Capital Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), or any other applicable U.S. state securities laws and, accordingly, may not be offered, sold, pledged or otherwise transferred within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S of the Securities Act) except (i) pursuant to an exemption from registration under the Securities Act or to an effective registration statement under the Securities Act covering the Capital Notes and (ii) in accordance with all applicable state securities laws of any state of the United States. This notice does not constitute an offer or invitation to any U.S. persons.

Schedule 1 – Description of the commercial particulars of the Capital Notes

This description is extracted from the Pricing Supplement.

1	Issuer:	NAB
2	Type of Issue:	Syndicated Issue
3	Relevant Dealer:	National Australia Bank Limited (ABN 12 004 044 937)
4	Lead Manager:	National Australia Bank Limited (ABN 12 004 044 937)
5	Registrar:	Austraclear Services Limited (ABN 28 003 284 419)
6	Calculation Agent:	National Australia Bank Limited (ABN 12 004 044 937)
7	If to form a single Series with an existing Series, specify date on which all Capital Notes of the Series become fungible, if not the Issue Date:	Not applicable
8	Aggregate Principal Amount of Tranche:	A\$500,000,000
9	Aggregate Principal Amount of Series (including the Tranche)	A\$500,000,000
10	If interchangeable with existing Series:	Applicable: No
11	Issue Date:	12 December 2019
12	Issue Price:	100.00 per cent of the Aggregate Principal Amount of Tranche
13	Denomination:	A\$1,000

The minimum aggregate consideration for offers or transfers of the Capital Notes in Australia must be at least A\$500,000 (disregarding any moneys lent by the offeror, the transferor or their associates to the transferee), unless the offer or invitation resulting in the transfer does not otherwise require disclosure in accordance with the Part 6D.2 or Chapter 7 of the Corporations Act of Australia and is not an offer or invitation to a retail client for the purposes of section 761G of the Corporations Act of Australia.

14	Type of Capital Notes	Fixed-to-Floating Rate Capital Note
15	If the Capital Notes are Fixed Rate Capital Notes, specify:	Applicable: Yes
	(a) Fixed Rate:	1.20 per cent per annum
	(b) Margin:	3.75 per cent per annum
	(c) Distribution Commencement Date:	Issue Date
	(d) Distribution Payment Dates:	each 12 June and 12 December, commencing on 12 June 2020 up to (and including) the Floating Rate Commencement Date
	(e) Business Day Convention:	Following Business Day Convention
	(f) Day Count Fraction:	RBA Bond Basis
16	If the Capital Notes are Floating Rate, specify:	Applicable: Yes
	(a) Basis for determining Base Rate	Bank Bill Rate Determination
	(b) Margin	3.75 per cent per annum
	(c) Distribution Commencement Date:	Floating Rate Commencement Date
	(d) Distribution Payment Dates:	each 12 March, 12 June, 12 September and 12 December, commencing 12 March 2030
	(e) Business Day Convention:	Modified Following Business Day Convention
	(f) Day Count Fraction:	Actual/365 (Fixed)
	(g) Floating Rate Commencement Date	12 December 2029
17	Scheduled Mandatory Conversion Date	12 December 2031
18	Scheduled Optional Conversion Date	12 December 2029
19	Scheduled Optional Redemption Date	12 December 2029
20	Scheduled Optional Resale Date	12 December 2029
21	Modification to notice periods	Not applicable
22	Modifications to payment provisions	Not applicable
23	ISIN:	AU3CB0269215
24	Common Code:	Not applicable
25	U.S. selling restrictions:	Regulation S Compliance Category 2

26	Other selling restrictions:	Not applicable
27	Listing:	Not applicable
28	Additional or alternate newspapers:	Not applicable
29	Relevant Time	10:00 am
30	Other amendments	Not applicable