



Thursday, 12 March 2020

ASX ANNOUNCEMENT

NAB withdraws the NAB Capital Notes 4 offer

National Australia Bank Limited (NAB) today announces that it is withdrawing its offer of NAB Capital Notes 4, which was made under a Prospectus dated 25 February 2020.

Withdrawal of the Offer

NAB recognises that market conditions have changed substantially since the Offer was launched and that the ongoing market volatility would be likely to impact on the trading value of the NAB Capital Notes 4. NAB considers that the withdrawal of the Offer is in the best interests of relevant stakeholders, including the large number of retail investors who had expressed interest in participating in the Offer.

Other options, including potential repricing, were not considered appropriate in the absence of an orderly market.

Resale of NCN

On 17 February 2020, NAB announced that all NAB Capital Notes issued on 23 March 2015 (NCN) would be mandatorily purchased by a nominated purchaser appointed by NAB for \$100 per NCN (the NCN Resale Proceeds) on 23 March 2020.

Under the Reinvestment Offer, Eligible NCN Holders were given the option to have their NCN Resale Proceeds reinvested directly into NAB Capital Notes 4.

The withdrawal of the Offer of NAB Capital Notes 4 does not impact the Resale of the NCN. All NCN Holders will receive \$100 per NCN on 23 March 2020.

Following the Resale of the NCN, NAB still intends to convert up to \$750m¹ of NCN into Ordinary Shares (equivalent to approximately 18 basis points of Common Equity Tier 1 capital) and redeem the balance of the NCN, in the hands of the nominated purchaser.

Pro forma capital position

NAB remains well-capitalised. Group Tier 1 capital and Common Equity Tier 1 capital as at 31 December 2019, adjusted for the Resale and conversion, is set out below:

Pro forma Group Tier 1 capital	12.6%
Pro forma Common Equity Tier 1 capital	10.8%

Refunds of Application Monies

Application Monies received by NAB will be refunded (without interest). Refunds are expected to be despatched on Monday, 23 March 2020. NAB will return the Application Monies by way of direct credit into the bank account nominated by the Applicant for payment of distributions. Those

¹ The issue price per Ordinary Share that will be paid by the nominated purchaser will be determined by applying a 0.6% discount to the volume weighted average price of NAB ordinary shares over certain days between 17 February 2020 and 20 March 2020.

Applicants who have not nominated a valid bank account for payment of distributions will receive the refund of their Application Monies by cheque.

Investors who applied for NAB Capital Notes 4 through the Broker Firm Offer should contact their broker to obtain their refund.

No securities have been or will be issued on the basis of the Prospectus dated 25 February 2020. The expiry date of the Prospectus is brought forward to 12 March 2020.

For further information:

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Further Information

If you have questions in relation to the withdrawal of the NAB Capital Notes 4 offer or the return of your Application Monies, you can call the NAB Information Line on 1300 367 647 (within Australia) or +61 3 9415 4299 (outside of Australia) Monday to Friday from 8.00am to 7.30pm (Melbourne time).

Unless otherwise defined, capitalised terms in this ASX announcement have the meaning given to them in the NAB Capital Notes 4 Prospectus dated 25 February 2020.

This announcement does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer. In particular, NAB Capital Notes 4 have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or the securities laws of any state or other jurisdiction of the United States and may not be offered, sold or resold in the United States or to, or for the account or benefit of, any "U.S. person" (as defined in Regulation S under the Securities Act) unless the NAB Capital Notes 4 are registered under the Securities Act or an exemption from the registration requirements of the Securities Act is available.

The release of this announcement was authorised by the NAB Board.