Group Secretariat
Level 20, 275 Kent Street
Sydney NSW 2000 Australia
Telephone: 1300 551 909
westpac@linkmarketservices.com.au

30 July 2014

Company Announcements
ASX Limited
20 Bridge Street
SYDNEY NSW 2000

LETTER TO HOLDERS OF WESTPAC SPS II (WBCPB) AND TRANSFER NOTICE

Westpac Banking Corporation today mailed the attached letter and transfer notice to holders of Westpac Stapled Preferred Securities II (**Westpac SPS II**) regarding the transfer of all Westpac SPS II on issue on 30 September 2014 to a Nominated Party.

Yours faithfully,

Tim Hartin
Group Company Secretary
Westpac Banking Corporation

Westpac GROUP
EST. 1817

Westpac Banking Corporation (**Westpac**)
ABN 33 007 457 141

All Registry communications to:
Link Market Services Limited
Locked Bag A6015, Sydney South NSW 1235 Australia
Telephone (local call cost within Australia): +61 1300 551 909
Facsimile: +61 2 9287 0303
Email: westpac@linkmarketservices.com.au
Website: www.linkmarketservices.com.au

30 July 2014

Dear Westpac SPS II Investor,

TRANSFER OF YOUR WESTPAC SPS II ON 30 SEPTEMBER 2014

As a holder of Westpac Stapled Preferred Securities II (**Westpac SPS II**), I am writing to notify you of an election made by Westpac Banking Corporation (**Westpac**) under the terms of Westpac SPS II that will impact your holding.

Westpac has elected to exercise the option for all Westpac SPS II on issue on 30 September 2014 to be acquired by a third party nominated by Westpac (**Nominated Party**), subject to the Westpac SPS II terms and conditions. This is known as a Transfer under the Westpac SPS II terms. The Nominated Party is The Hongkong and Shanghai Banking Corporation Limited, Sydney Branch (**HSBC**).

A Transfer Notice is enclosed in accordance with the Westpac SPS II terms.

What this means for you

If you hold Westpac SPS II on 30 September 2014 you will receive:

- $100 for each Westpac SPS II from HSBC (unless the Transfer does not occur); and
- the expected final distribution of $1.1424 per Westpac SPS II (provided you hold those Westpac SPS II on 22 September 2014 (being the record date for the expected final distribution) and the distribution payment test in the Westpac SPS II terms is satisfied).

There is nothing you need to do as part of the Transfer. Payments will be made to Westpac SPS II holders in the same manner in which their distributions are usually paid.

If you do not wish your Westpac SPS II to be transferred to HSBC, you can sell your Westpac SPS II on the ASX at the prevailing market price on or before 17 September 2014, which is expected to be the last day of trading. In this case, you will not own Westpac SPS II on 30 September 2014 and will not participate in the Transfer process.

If you have any questions regarding this process or other matters relating to your Westpac SPS II holding, please contact Westpac's share registrar, Link Market Services, via email at westpac@linkmarketservices.com.au or on 1300 551 909.

Finally, I would like to take this opportunity to thank you for your investment and support of Westpac.

Yours faithfully,

Lindsay Maxsted
Chairman

Westpac Banking Corporation (**Westpac**)
ABN 33 007 457 141

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Website: www.linkmarketservices.com.au

30 July 2014

Dear Westpac SPS II Investor,

Westpac SPS II Transfer Notice

Westpac Banking Corporation (**Westpac**) notifies holders of Westpac Stapled Preferred Securities II issued in 2009 (**Westpac SPS II**) that, under their terms, Westpac has elected to exercise the option for all Westpac SPS II on issue on 30 September 2014 to be acquired by a third party nominated by Westpac, subject to certain conditions (**Transfer**).

All Westpac SPS II on issue at that time will be acquired by The Hongkong and Shanghai Banking Corporation Limited, Sydney Branch (**Nominated Party**).

The Nominated Party will pay each holder of Westpac SPS II the face value of $100 for each Westpac SPS II under the Transfer.

On 30 September 2014, subject to the Nominated Party making those payments, all Westpac SPS II then on issue will be transferred to the Nominated Party in accordance with clause 5.1 of the Preference Share Terms (as amended).

The Nominated Party has given an undertaking under a Deed Poll in favour of each Westpac SPS II holder to pay $100 for each Westpac SPS II that will be transferred from the relevant holder on 30 September 2014.

Copies of the Deed Poll containing the undertaking by the Nominated Party and the Preference Share Terms (as amended) are available from Westpac's website (www.westpac.com.au/westpacsps2).

The Transfer payments will be made to Westpac SPS II holders in the same manner in which their distributions are usually paid.

Yours faithfully,

Tim Hartin
Group Company Secretary
Westpac Banking Corporation