

Full year 2014 shareholder newsletter.

STRENGTH

RETURN

GROWTH

PRODUCTIVITY

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Dear shareholder

PERFORMANCE HIGHLIGHTS

The 2014 financial year has been another strong period of delivery for the Westpac Group. We announced our full year 2014 result on 3 November 2014 and this was followed up with the launching of our *Annual Review and Sustainability Report* and our more detailed *Annual Report* on 12 November.

Details of our performance, and these reports, can be accessed from our Investor Centre website at www.westpac.com.au/investorcentre.

In summary, we lifted cash earnings¹ by 8%, and increased reported profit by 12% while improving our return on equity by almost half a percentage point to 16.4%.

The Group also maintained its hallmark strengths with a common equity tier 1 ratio at the upper end of peers at 9%, a further improvement in asset quality and boosting our liquidity resources with an additional \$9 billion in liquid assets.

A highlight for the year has been the strong operational performances across our divisions. All are generating strong returns and equally importantly are working seamlessly together for customers.

This performance has enabled the Board to maintain our consistent dividend path announcing a final ordinary dividend of 92 cents per share. This was paid on 19 December 2014. This brings total dividends for the 2014 financial year to

182 cents per share, up 5% on the 2013 financial year.

RESPONDING TO CHANGE

As we indicated in our *Annual Review and Sustainability Report*, 2014 has also been a period of significant change. Digital technologies are transforming our business while we are also dealing with major regulatory change as both global and local authorities seek to further strengthen the financial system. In aggregate, these shifts create some challenges but also present Westpac with significant new opportunities to get closer to customers and grow our businesses.

The Financial System Inquiry (FSI) in particular has been an area of focus through the year. At the time of going to print, it was not clear what would ultimately be implemented from the FSI recommendations although shareholders can be assured that your company is in excellent shape to respond.

CEO RETIREMENT

While on the topic of change, on 13 November 2014 we announced that our CEO, Gail Kelly had decided to retire after seven years leading your company. Gail has made an extraordinary contribution to the Group. Over her time as CEO there has been a doubling of the value of the company, significant strengthening of the balance sheet and a material lifting in the

Group's customer focus. Gail's efforts have contributed to a major increase in shareholder returns and on behalf of shareholders I would like to thank her for her contribution.

Importantly, the Board also announced it had appointed Brian Hartzer as our new CEO, from February next year. Brian has successfully led our Australian Financial Services business over recent years and comes to the role with over 25 years of global financial services experience.

We spoke further about these changes at our Annual General Meeting, which was held on 12 December 2014. Details of the AGM, including an archived webcast of proceedings, are available online via our Investor Centre at the web address cited earlier.

We thank our customers and our shareholders for their ongoing support and wish you and your families a happy and safe holiday period.

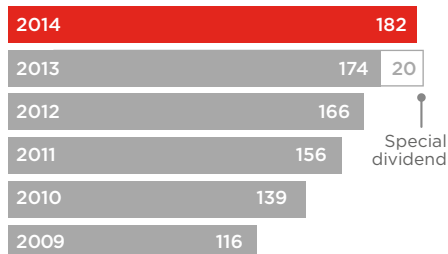
LINDSAY MAXSTED
Chairman, Westpac Group
19 December 2014

See bottom of reverse page for footnotes.

2014 PERFORMANCE

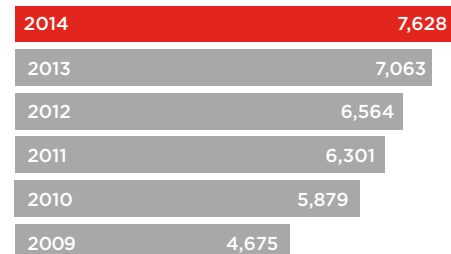
Dividends per share (cents)

182¢, up 5%



Cash earnings (\$m)¹

\$7,628m, up 8%



FINANCIAL CALENDAR

Westpac Ordinary Shares (ASX code: WBC)

Financial Half Year end	31 March 2015
Interim results and dividend announcement	4 May 2015
Ex-dividend date for interim dividend	13 May 2015 ³
Record date for interim dividend	15 May 2015 ^{2, 3}
Interim dividend payable	2 July 2015 ³
Financial Year end	30 September 2015
Final results and dividend announcement	2 November 2015
Ex-dividend date for final dividend	11 November 2015 ^{4, 7}
Record date for final dividend	13 November 2015 ^{5, 7}
Annual General Meeting	11 December 2015 ⁶
Final dividend payable	21 December 2015 ⁷

FURTHER DETAILS

OUR SHARE REGISTRAR

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ABOUT THE WESTPAC GROUP

Visit our dedicated Investor Centre at www.westpac.com.au/investorcentre.

The Centre houses a raft of information including annual reports, profit announcements, our detailed investor discussion packs, dividend and dividend reinvestment plan history, links to our share price and ASX announcements.

1. Cash earnings is net profit attributable to equity holders adjusted for the impact of treasury shares, fair value changes on economic hedges of hybrid instruments, and one-off significant items not part of ongoing business operations. For a full explanation of cash earnings and reconciliation to reported results refer to pages 5 and 6 of the Group's 2014 Full Year Results announcement.

2. Record date for 2015 interim dividend in New York - 14 May 2015.

3. Dates will be confirmed at the time of announcing the 2015 interim results.

4. Ex-dividend date for 2015 final dividend in New York - 10 November 2015.

5. Record date for 2015 final dividend in New York - 12 November 2015.

6. Details regarding the location of this meeting and the business to be dealt with will be contained in the separate *Notice of Meeting* sent to shareholders in November 2015.

7. Dates will be confirmed at the time of announcing the 2015 final results.