

ASX ANNOUNCEMENT

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16 October 2015

Westpac successfully completes institutional entitlement offer

On Wednesday, 14 October 2015, Westpac Banking Corporation ("Westpac") announced a fully underwritten, pro rata accelerated renounceable entitlement offer ("Entitlement Offer") to raise approximately \$3.5 billion, which allows eligible shareholders to buy new fully paid ordinary shares in Westpac ("New Shares") at an offer price of \$25.50 per New Share.

Westpac has now successfully completed the institutional component of the Entitlement Offer ("Institutional Entitlement Offer").

Westpac ordinary shares ("Shares") will resume trading on ASX from Monday 19, October 2015.

Result of the Institutional Entitlement Offer and institutional shortfall bookbuild

The Institutional Entitlement Offer and institutional shortfall bookbuild have been completed, raising approximately \$1.6 billion. The Institutional Entitlement Offer was strongly supported, with approximately 95% of entitlements taken up by eligible institutions.

Entitlements not exercised by eligible institutional shareholders and entitlements of ineligible institutional shareholders were taken up in the institutional shortfall bookbuild at a clearing price of \$30.00 per New Share (being the offer price of \$25.50 per New Share, plus \$4.50 per entitlement). This represents a 2% premium to the Theoretical Ex-Rights Price ("TERP")¹. Eligible institutional shareholders who elected not to exercise their entitlements, and ineligible institutional shareholders, will receive \$4.50 in cash for each entitlement sold in the institutional shortfall bookbuild, less any applicable withholding tax.

New Shares issued as part of the Institutional Entitlement Offer (including as part of institutional shortfall bookbuild) are expected to be issued on Thursday, 29 October 2015 and commence trading on ASX on the same day.

As New Shares issued under the Institutional Entitlement Offer will not be entitled to the 2015 Final Dividend, they will trade under a separate ASX code ("WBCN") until the ex-dividend date for the 2015 Final Dividend, expected to be 11 November 2015. New Shares will rank equally with existing Shares in all other respects.

Retail Entitlement Offer

The Retail Entitlement Offer will open on Friday, 23 October 2015 and close at 5.00pm (Sydney time) on Wednesday, 11 November 2015.

Eligible retail shareholders in Australia and New Zealand will be issued entitlements, which can be traded on ASX (under code: "WBCR") from Monday, 19 October 2015 on a deferred settlement basis, and from Tuesday, 27 October 2015 on a normal settlement basis.

¹ TERP is the theoretical price at which Westpac shares should trade immediately after the ex-date for the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which Westpac shares trade immediately after the ex-date for the Entitlement Offer will depend on many factors and may not be equal to TERP. TERP is \$29.33 and is adjusted by subtracting the expected final 2015 dividend of 94 cents per share. TERP is calculated by reference to Westpac's closing price on 13 October 2015.

The record date for eligibility for the Retail Entitlement Offer is 19 October 2015. Accordingly, any Shares acquired on or after 14 October 2015 will not be eligible for the Entitlement Offer with respect to those Shares, as settlement will occur after the record date.

Any questions relating to the Retail Entitlement Offer can be directed to the Westpac Offer Information Line on 1300 365 790 (within Australia) or +61 1300 365 790 (outside Australia) between 8.30am to 5.30pm (Sydney time), Monday to Friday, or 0800 767 556 (within New Zealand) between 8.30am to 5.30pm (New Zealand time), Monday to Friday. Information is also available online at the Offer Website, accessible via www.westpac.com.au/investorcentre.

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This announcement does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or to persons acting for the account or benefit of persons in the United States. Neither the entitlements nor the new shares have been, or will be, registered under the U.S. Securities Act of 1933 (the "Securities Act"), or the securities laws of any state or other jurisdiction of the United States. Accordingly, the entitlements and the new shares may not be offered or sold to persons in the United States or to persons who are acting for the account or benefit of persons in the United States, unless they have been registered under the Securities Act, or are offered and sold in a transaction exempt from, or not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws.

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