

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Name of entity

Westpac Banking Corporation (Westpac)

ABN

33 007 457 141

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|--|
| 1 | Class of securities issued or to be issued | Tranche No. 1 of Series 1227 fully paid fixed rate subordinated instruments due February 2046 (the "Series 1227 Notes") |
| 2 | Number of securities issued or to be issued (if known) or maximum number which may be issued | USD100,000,000 Series 1227 Notes |
| 3 | Principal terms of the securities (eg, if options, exercise price and expiry date; if partly paid securities, the amount outstanding and due dates for payment; if convertible securities, the conversion price and dates for conversion) | The Series 1227 Notes are fully paid subordinated instruments paying fixed rate interest in denominations of USD200,000 as more fully described in the Information Memorandum dated 25 January 2016 and the Pricing Supplement dated 24 February 2016 (which is attached to this Appendix 3B). |
| 4 | <p>Do the securities rank equally in all respects from the issue date with an existing class of quoted securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none">• the date from which they do• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment• the extent to which they do not rank equally, other than | <p>In a Winding-Up of Westpac, the Series 1227 Notes rank for payment ahead of Ordinary Shares and any other Junior Ranking Capital Instruments, equally among themselves and with Equal Ranking Instruments and behind the claims of Senior Creditors.</p> <p>If the Series 1227 Notes have been Converted into Ordinary Shares, those Ordinary Shares will rank equally with other holders of Ordinary Shares.</p> |

	in relation to the next dividend, distribution or interest payment	
5	Issue price or consideration	100 per cent. of the aggregate principal amount of the Series 1227 Notes
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	The net proceeds of the issue of the Series 1227 Notes will be used for Westpac's general funding purposes. The Series 1227 Notes will satisfy the requirements of the Australian Prudential Regulation Authority to qualify as Tier 2 Capital of Westpac.
6a	Is the entity an eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i	<i>Not Applicable</i>
6b	The date the security holder resolution under rule 7.1A was passed	<i>Not Applicable</i>
6c	Number of securities issued without security holder approval under rule 7.1	<i>Not Applicable</i>
6d	Number of securities issued with security holder approval under rule 7.1A	<i>Not Applicable</i>
6e	Number of securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	<i>Not Applicable</i>
6f	Number of securities issued under an exception in rule 7.2	<i>Not Applicable</i>
6g	If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation.	<i>Not Applicable</i>

6h	If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	Not Applicable
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6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	Not Applicable
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7	<p>Issue dates</p> <p><i>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.</i></p>	26 February 2016
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- 8 Number and class of all securities quoted on ASX
(including the securities in clause 2 if applicable)

Number	Class
3,335,774,947	Fully Paid Ordinary Shares
16,950	Series 2009-7 Fully Paid Senior Fixed Rate Medium Term Notes ASX Code WBCHAL
3,900	Series 2010-1 Fully Paid Senior Fixed Rate Medium Term Notes ASX Code WBCHAM
13,000	Series 2010-11 Fully Paid Senior Floating Rate Medium Term Notes ASX Code WBCHAY
21,500	Series 2011-3 Fully Paid Senior Floating Rate Medium Term Notes ASX Code WBCHAU
5,250	Series 2011-4 Fully Paid Senior Fixed Rate Medium Term Notes ASX Code WBCHAV
19,250	Series 2012-6 Fully Paid Senior Floating Rate Medium Term Notes ASX Code WBCHAW
7,250	Series 2012-7 Fully Paid Senior Fixed Rate Medium Term Notes ASX Code WBCHAX
24,000	Series 2013-1 Fully Paid Senior Floating Rate Medium Term Notes ASX Code WBCHAZ
2,500	Series 2013-2 Fully Paid Senior Fixed Rate Medium Term Notes ASX Code WBCHBA
21,000	Series 2014-1 Fully Paid Senior Floating Rate Medium Term Notes ASX Code WBCHBB

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

11,000	Series 2014-2 Fully Paid Senior Fixed Rate Medium Term Notes ASX Code WBCHBC
10,000	Series 2014-3 Fully Paid Subordinated Floating Rate Medium Term Notes ASX Code WBCHBD
24,500	Series 2015-1 Fully Paid Senior Floating Rate Medium Term Notes ASX Code WBCHBF
3,250	Series 2015-2 Fully Paid Senior Fixed Rate Medium Term Notes ASX Code WBCHBE
27,000	Series 2015-9 Fully Paid Senior Floating Rate Medium Term Notes ASX Code WBCHBI
2,000	Series 2015-10 Fully Paid Senior Fixed Rate Medium Term Notes ASX Code WBCHBJ
21,000	Series 2015-15 Fully Paid Senior Floating Rate Medium Term Notes ASX Code WBCHBL
1,750	Series 2015-16 Fully Paid Senior Fixed Rate Medium Term Notes ASX Code WBCHBM
2,400	Series 2015-20 Fully Paid Senior Fixed Rate Medium Term Notes ASX Code WBCHBN
11,893,605	Westpac CPS ASX Code WBCPC
16,762,190	Westpac Subordinated Notes ASX Code WBCHA
13,835,690	Westpac Capital Notes ASX Code WBCPD
9,252,850	Westpac Subordinated Notes II ASX Code WBCHB
13,105,705	Westpac Capital Notes 2 ASX Code WBCPE
13,244,280	Westpac Capital Notes 3 ASX Code WBCPF
Series 1183 CNY1,250,000,000 Fixed Rate Subordinated Instruments due February 2025 ASX Code WBCHBG	
Series 1187 AUD350,000,000 Fixed Rate Subordinated Instruments due March 2027 ASX Code WBCHBH	
Series 1198 SGD325,000,000 Fixed Rate Subordinated Instruments due August 2027 ASX Code WBCHBK	
Series 1227 USD100,000,000 Fixed Rate Subordinated Instruments due February 2046 ASX Code WBCHBO	

9 Number and class of all securities not quoted on ASX (including the securities in clause 2 if applicable)

Number	Class
483,436	Chief Executive Officer Agreements
577,450	Westpac Performance Plan
5,801,094	Westpac Reward Plan

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	<i>Not Applicable</i>
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Part 2 - Pro rata issue

11	Is security holder approval required?	<i>Not Applicable</i>
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12	Is the issue renounceable or non-renounceable?	<i>Not Applicable</i>
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13	Ratio in which the securities will be offered	<i>Not Applicable</i>
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14	Class of securities to which the offer relates	<i>Not Applicable</i>
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15	Record date to determine entitlements	<i>Not Applicable</i>
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16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	<i>Not Applicable</i>
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17	Policy for deciding entitlements in relation to fractions	<i>Not Applicable</i>
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18	Names of countries in which the entity has security holders who will not be sent new offer documents <i>Note: Security holders must be told how their entitlements are to be dealt with.</i>	<i>Not Applicable</i>
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19	Closing date for receipt of acceptances or renunciations	<i>Not Applicable</i>
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20	Names of any underwriters	<i>Not Applicable</i>
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21	Amount of any underwriting fee or commission	<i>Not Applicable</i>
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22	Names of any brokers to the issue	<i>Not Applicable</i>
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23	Fee or commission payable to the broker to the issue	<i>Not Applicable</i>
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Rule 2.7, 3.10.3, 3.10.4, 3.10.5

24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	Not Applicable
25	If the issue is contingent on security holders' approval, the date of the meeting	Not Applicable
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	Not Applicable
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	Not Applicable
28	Date rights trading will begin (if applicable)	Not Applicable
29	Date rights trading will end (if applicable)	Not Applicable
30	How do security holders sell their entitlements in full through a broker?	Not Applicable
31	How do security holders sell part of their entitlements through a broker and accept for the balance?	Not Applicable
32	How do security holders dispose of their entitlements (except by sale through a broker)?	Not Applicable
33	Issue date	Not Applicable

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of securities (tick one)
- (a) ☒ Securities described in Part 1
- (b) ☐ All other securities
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued

on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 ☐ If the securities are equity securities, the names of the 20 largest holders of the additional securities, and the number and percentage of additional securities held by those holders
- 36 ☐ If the securities are equity securities, a distribution schedule of the additional securities setting out the number of holders in the categories
 1 - 1,000
 1,001 - 5,000
 5,001 - 10,000
 10,001 - 100,000
 100,001 and over
- 37 ☐ A copy of any trust deed for the additional securities

Entities that have ticked box 34(b)

38	Number of securities for which quotation is sought	Not Applicable					
39	Class of securities for which quotation is sought	Not Applicable					
40	Do the securities rank equally in all respects from the date of allotment with an existing class of quoted securities? If the additional securities do not rank equally, please state: <ul style="list-style-type: none"> the date from which they do the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	Not Applicable					
41	Reason for request for quotation now <i>Example: In the case of restricted securities, end of restriction period</i> (if issued upon conversion of another security, clearly identify that other security)	Not Applicable					
42	Number and class of all securities quoted on ASX (including the securities in clause 38)	<table border="1"> <thead> <tr> <th>Number</th> <th>Class</th> </tr> </thead> <tbody> <tr> <td colspan="2">Not Applicable</td> </tr> </tbody> </table>	Number	Class	Not Applicable		
Number	Class						
Not Applicable							

Quotation agreement

- 1 Quotation of our additional securities is in ASX's absolute discretion. ASX may quote the securities on any conditions it decides.

- 2 We warrant the following to ASX.
- The issue of the securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those securities should not be granted quotation.
 - An offer of the securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any securities to be quoted and that no-one has any right to return any securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the securities to be quoted under section 1019B of the Corporations Act at the time that we request that the securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before quotation of the securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:
Company Secretary

Date: 26 February 2016

Print name: Timothy Hartin

THIS PRICING SUPPLEMENT HAS BEEN ISSUED IN RESPECT OF INSTRUMENTS WHICH ARE NOT ADMITTED TO THE OFFICIAL LIST OF THE UK FINANCIAL CONDUCT AUTHORITY OR TO ANY OTHER EUROPEAN ECONOMIC AREA REGULATED MARKET OR OFFERED TO THE PUBLIC IN THE EUROPEAN ECONOMIC AREA FOR THE PURPOSES OF THE PROSPECTUS DIRECTIVE. THE PRICING SUPPLEMENT HAS NOT BEEN REVIEWED OR APPROVED BY THE UK LISTING AUTHORITY AND DOES NOT CONSTITUTE A PROSPECTUS FOR THE PURPOSES OF THE PROSPECTUS DIRECTIVE.

PRICING SUPPLEMENT

Series No.: 1227

Tranche No.: 1

WESTPAC BANKING CORPORATION ABN 33 007 457 141

Programme for the Issuance of Debt Instruments

Issue of

USD100,000,000

Fixed Rate Subordinated Instruments due February 2046

by Westpac Banking Corporation

This document constitutes the Pricing Supplement relating to the issue of Subordinated Instruments described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions (the “**Conditions**”) set forth in the Information Memorandum dated 25 January 2016 (the “**Information Memorandum**”). This Pricing Supplement must be read in conjunction with the Information Memorandum.

Full information on the Issuer and the Subordinated Instruments described herein is only available on the basis of a combination of this Pricing Supplement and the Information Memorandum dated 25 January 2016. The Information Memorandum is available for viewing at Camomile Court, 23 Camomile Street, London EC3A 7LL, United Kingdom and copies may be obtained from the Specified Offices of the Paying Agents.

Part A: Contractual Terms

The Subordinated Instruments being purchased have the following terms:

- | | | |
|---|--------------------------------------|--|
| 1 | Issuer | : Westpac Banking Corporation, acting through its head office |
| 2 | Date of Board Approval of the Issuer | : Not applicable, save as discussed in Section 2 of the “General Information” section of the |

Information Memorandum

3	Status	: Subordinated
	<p>The primary method of loss absorption is Conversion, subject to possible Write-off in accordance with Condition 5.3.</p> <p>For the purposes of:</p> <ul style="list-style-type: none"> • Condition 6.1, the formula to be used for calculating the Conversion Number, P is 0.99; and • Condition 6.10(b), the Clearing System Cut-off Date is 10 Business Days prior to the Non-Viability Trigger Event Date. 	
4	Specified Currency:	
	(i) of denomination	: United States Dollars (" USD ")
	(ii) of payment	: USD
5	Aggregate Principal Amount of Tranche	: USD100,000,000
6	If interchangeable with existing Series, Series No.	: Not applicable
7	Issue Date	: 26 February 2016
8	Interest Commencement Date	: Issue Date
9	Issue Price	: 100 per cent. of the Aggregate Principal Amount of Tranche
10	Maturity Date	: 23 February 2046, subject to adjustment in accordance with the Business Day Convention specified at paragraph 16(ix)
11	Total Expenses related to admission to trading	: Approximately USD4,000 in respect of admission to trading
12	Form of Subordinated Instruments:	: Bearer
	(i) Initially represented by a Temporary Global Instrument or Permanent Global Instrument	: Temporary Global Instrument

	(ii) Temporary Global Instrument exchangeable for a Permanent Global Instrument or for Definitive Instruments	: Yes. The Exchange Date shall be no earlier than 40 days after the Issue Date
	(iii) Permanent Global Instrument exchangeable at the option of the bearer for Definitive Instruments	: No. Permanent Global Instruments are only exchangeable for Definitive Instruments in the limited circumstances set out in Condition 2.5(a) and (b)
	(iv) Talons for future Coupons to be attached to Definitive Instruments	: Not applicable
13	Denomination	: USD200,000
14	Type of Subordinated Instrument(s)	: Fixed Rate Subordinated Instruments
15	Interest	: 5.00 per cent. Fixed Rate (further particulars specified below)
16	Fixed Rate Subordinated Instruments	: Applicable
	(i) Fixed Coupon Amount	: USD5,000 per Calculation Amount other than in respect of the short last Interest Period (as to which see paragraph 16(vii) below)
		<i>(N.B. The Fixed Coupon Amount will not apply if the Outstanding Principal Amount of each Subordinated Instrument has been adjusted in accordance with paragraph (c) of the definition of Outstanding Principal Amount and the amount of interest payable in respect of each Subordinated Instrument for such Interest Accrual Period shall be calculated in accordance with Condition 7.2(d))</i>
	(ii) Interest Rate	: 5.00 per cent. per annum payable semi-annually in arrear
	(iii) Interest Commencement Date (if not Issue Date)	: Issue Date
	(iv) Interest Payment Date(s)	: 26 February and 26 August of each year commencing on 26 August 2016 up to and including the Interest Payment Date falling on 26 August 2045, and the Maturity Date, subject in each case to adjustment in accordance with the Business Day Convention specified at paragraph 16(ix) below

(v)	Interest Period End Date(s)	: 26 February and 26 August of each year commencing on 26 August 2016 up to and including 23 February 2046
		There shall be a short last Interest Accrual Period commencing on and including 26 August 2045 and ending on but excluding 23 February 2046
(vi)	Day Count Fraction	: 30/360
(vii)	Broken Amount	: USD4,916.67 per Calculation Amount payable on the Interest Payment Date falling on the Maturity Date
		<i>(N.B. The Broken Amount will not apply if the Outstanding Principal Amount of each Subordinated Instrument has been adjusted in accordance with paragraph (c) of the definition of Outstanding Principal Amount and the amount of interest payable in respect of each Subordinated Instrument for such Interest Accrual Period shall be calculated in accordance with Condition 7.2(d))</i>
(viii)	Determination Date	: Not applicable
(ix)	Applicable Business Day Convention	:
	- for Interest Payment Dates:	Following Business Day Convention
	- for Interest Period End Dates:	Not applicable
	- for Maturity Date:	Following Business Day Convention
	- any other date:	Not applicable
(x)	Additional Business Centre(s)	: London, New York and Sydney
17	Floating Rate Subordinated Instruments	: Not applicable
18	Final Redemption Amount of each Subordinated Instrument	: USD200,000 per Calculation Amount
19	Early Redemption at the option of the Issuer (Call)	: Not applicable
20	Early Redemption (Adverse Tax Event)	Condition 8.4 is applicable
(i)	Early Redemption Amount (Adverse Tax Event) of each Subordinated Instrument	: USD200,000 per Calculation Amount
(ii)	Series redeemable in part	: Not applicable

	(iii) Notice period(s)	: As set out in Condition 8.7
	(iv) Specify any additional conditions to exercise of option	: Not applicable
21	Early Redemption (Regulatory Event)	Condition 8.5 is applicable
	(i) Early Redemption Amount (Regulatory Event) of each Subordinated Instrument	: USD200,000 per Calculation Amount
	(ii) Series redeemable in part	: Not applicable
	(iii) Notice period(s)	: As set out in Condition 8.7
	(iv) Specify any additional conditions to exercise of option	: Not applicable
22	Early Termination (Event of Default)	: Condition 11 is applicable
	Early Termination Amount	: USD200,000 per Calculation Amount
23	Taxation	: Condition 10.1 is applicable
24	Other terms and conditions	: Not applicable
25	Lead Manager	: Morgan Stanley & Co. International plc
26	Relevant Dealer	: Lead Manager
27	Paying Agent(s)	: As set out in the Information Memorandum
28	Calculation Agent	: Fiscal Agent
29	Notices	: Condition 16 is applicable
30	U.S. selling restrictions	: Regulation S Category 2 restrictions apply to the Subordinated Instruments
		Not Rule 144A eligible
		TEFRA D Rules apply to the Subordinated Instruments

Part B: Other Information

1. **Listing** : Application will be made for official quotation of the Subordinated Instruments on the Australian Securities Exchange's wholesale Interest Rate Securities Market
2. **Ratings** : Standard and Poor's (Australia) Pty Limited: BBB+

Moody's Investors Service, Pty Limited: A3
3. **Interests of natural and legal persons involved in the issue** : Save as discussed in the "Subscription and Sale" section of the Information Memorandum, so far as the Issuer is aware, no person involved in the offer of the Subordinated Instruments has an interest material to the offer.
4. **Operational Information**
 - (i) ISIN : XS1361112052
 - (ii) Common Code : 136111205
 - (iii) Common Depository/Lodging Agent : The Bank of New York Mellon
 - (iv) Any Clearing System other than Euroclear and Clearstream : Not applicable
 - (v) CMU Service Instrument Number: Not applicable
 - (vi) Settlement procedures Customary medium term note settlement and payment procedures apply
5. **Other**
 - (i) Distribution of Information Memorandum : See pages 1 to 4 and the "Subscription and Sale" section of the Information Memorandum
 - (ii) Other selling restrictions : See pages 145 to 154 of the Information Memorandum
 - (iii) Stabilisation Manager : Not applicable
 - (iv) Other amendments : Not applicable
 - (v) Additional disclosure : Not applicable

WESTPAC BANKING CORPORATION

By: 

Name: *Alexander Bischoff*

Date: *24/02/2016*