

ASX ANNOUNCEMENT

Tuesday, 19 November 2013

NATIONAL AUSTRALIA BANK INCREASES CONVERTIBLE PREFERENCE SHARE II OFFER TO \$1.5 BILLION AND SETS THE MARGIN AT 3.25%

National Australia Bank (NAB) today announced that, following the successful completion of the Bookbuild,¹ it will increase the size of its offer of NAB Convertible Preference Shares II (NAB CPS II) from \$750 million to at least \$1.5 billion.

Following strong demand from Syndicate Brokers to the Offer, NAB has allocated \$1.5 billion of NAB CPS II under the Broker Firm Offer and the Margin has been set at 3.25% per annum, the low end of the indicative margin range of 3.25% to 3.40% per annum.

The Securityholder Offer and General Offer open tomorrow, 20 November 2013. The final size of the Offer may be increased further, subject to Applications received and accepted under the Securityholder Offer and General Offer.

A replacement Prospectus containing the Margin and an Application Form is expected to be lodged with ASIC and ASX on 20 November 2013 and will be available within Australia at www.nab.com.au/cps or by calling the NAB Information Line on 1300 367 647, Monday to Friday from 8.00am to 7.30pm (AEDT). The Securityholder Offer and General Offer are expected to close at 5.00pm (AEDT), 9 December 2013.

Applications may only be made using the Application Form attached to or accompanying the Prospectus. Investors should read the Prospectus and Terms of NAB CPS II in full before deciding to invest.

For Eligible Securityholders who have registered to receive a paper copy of the Prospectus and a personalised Application Form, mailing is expected to commence on 22 November 2013.

For further information:

Media

Fiona Macrae
M: 0412 693 182

Brian Walsh
M: 0411 227 585

The information provided in this ASX announcement is not investment advice and has been prepared without taking into account individual investment objectives, financial situation or particular needs (including financial and taxation issues). Investors should consider the Prospectus and obtain advice from a financial adviser or other professional adviser in deciding whether to apply for NAB CPS II.

The statement 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 CPS II 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) absent registration or an applicable exemption from the registration requirements.

¹ Capitalised terms which are undefined in this ASX announcement have the meaning given to them in the Prospectus.