

4 February 2016

Ms Charmaine Breadon
Warrant Administration
Australian Securities Exchange
Level 6, 20 Bridge St
Sydney NSW 2000

Dear Ms Breadon,

**Re: Westpac Vanilla Instalment Equity Warrants over securities in
National Australia Bank Limited (NAB) - Demerger of CYBG PLC (CYBG)**

Westpac Banking Corporation ("Westpac") is the issuer of the following Westpac Vanilla Instalment Equity Warrants ("VIEWS") over securities in NAB:

NABIWG

As issuer, Westpac notifies an adjustment to the Completion Payment in respect of those VIEWS:

At meetings held on 27 January 2016, shareholders of NAB approved the in-specie distribution of CYBG PLC shares to shareholders of NAB ("Demerger"). As a result of the Demerger, shareholders of NAB were entitled to 1 share in CYBG PLC for every 4 shares they hold in NAB. On the ASX the CYBG PLC shares trade as CHESS Depository Interests (CDIs). Under the Terms of Issue of the above warrants, Westpac has sold the CYBG CDIs at an average price of \$3.90 per CDI. As a result, holders will have their Completion Payment reduced by \$0.9750 per warrant.

Resulting Change in Completion Payment for each VIEW

ASX Code	Previous Completion Payment	Proceeds of sale of CYBG CDIs applied to reduce Completion Payment	New Completion Payment
NABIWG	\$21.0000	\$0.9750	\$20.0250

The new Completion Payment will become effective immediately. The VIEWS outlined above will commence trading on an adjusted basis on 5 February 2016.

For further information please contact Westpac on 1800 990 107.

For and on behalf of Westpac Banking Corporation