

Media Release

5 January 2009

Not for release into the United States

This press release does not constitute an offer of shares for sale in the United States or any other jurisdiction in which such an offer would be illegal. The shares have not been registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States or to or for the account or benefit of U.S. persons unless the shares are registered under such Act or an exemption from the registration requirements of the Act is available.

Westpac Share Purchase Plan details

Westpac Banking Corporation (Westpac) announced on 9 December 2008 that it would be conducting a Share Purchase Plan (SPP) to provide eligible shareholders with the opportunity to subscribe for up to A\$10,000 worth of new Westpac ordinary shares without paying any brokerage costs.

The SPP supplements the recent A\$2.5 billion institutional share placement conducted at A\$16.00 per share. Shareholders taking up this offer will be able to purchase Westpac ordinary shares at the lower of:

- A\$16.00; and
- the average of the daily volume weighted average market price at which Westpac ordinary shares trade on the 5 trading days up to and including the closing date for the offer (30 January 2009).

Therefore, the maximum price that participants in the SPP will pay is A\$16.00 per Westpac share.

If the total value of applications for shares under the SPP is more than A\$500 million, Westpac reserves the right to scale back applications.

The SPP offer opens on 5 January 2009 and is scheduled to close at 5.00pm (Sydney time) on 30 January 2009.

The offer is open only to shareholders who were registered holders of fully paid ordinary shares in Westpac (or persons expressly noted on the register as a beneficiary of shares held by a trustee or nominee) on the record date (5.00pm (Sydney time) on 8 December 2008) with a registered address in Australia or New Zealand, and who are eligible to participate under the SPP terms and conditions.

Westpac will not seek shareholder approval for the issue of the Shares under the SPP.

Shareholders who may be eligible to participate in the offer were today mailed the attached SPP terms and conditions and a letter inviting them to participate in the SPP. Shareholders are encouraged to read the terms and conditions carefully and if in any doubt about whether or not to accept the offer, to consult a professional adviser.



Ends.

For Further Information

Jane Counsel
Westpac Media Relations
Ph: 02 8253 3443
Ph: 0416 275 273

WESTPAC BANKING CORPORATION

SHARE PURCHASE PLAN

5 January 2009

Dear Shareholder

On behalf of the Board, I am pleased to offer you the opportunity to participate in the Share Purchase Plan (**SPP**) to increase your investment in Westpac Banking Corporation (**Westpac**).

Under the SPP, you can buy up to A\$10,000 worth of new Westpac ordinary shares without paying any brokerage costs.

The SPP was announced on 9 December 2008 in conjunction with a A\$2.5 billion institutional share placement. Together, these provide both institutional and retail shareholders an opportunity to purchase new Westpac ordinary shares.

The placement and SPP further increase Westpac's capital resources, enhance its balance sheet flexibility and will position the organisation to capture organic growth opportunities.

SPP Offer

The SPP will open at 9.00am (Sydney time) on 5 January 2009 and will remain open until 5.00pm (Sydney time) on 30 January 2009.

Participation in the SPP is optional and is open to shareholders who were holders of fully paid ordinary shares in Westpac on the record date (5.00pm (Sydney Time) on 8 December 2008) with a registered address in Australia or New Zealand and who are eligible to participate under the SPP Terms and Conditions.

If you decide to take up this offer, the price will be the lower of A\$16.00 and the average of the daily volume weighted average market price at which Westpac ordinary shares trade on the 5 trading days up to and including the closing date for the offer.

If the total value of applications for shares under the SPP is more than A\$500 million, Westpac may, in its absolute discretion, undertake a scaleback. If a scaleback is applied, the balance of any application monies not applied to the purchase of shares under the SPP will be refunded to you. Westpac will make an announcement to the ASX regarding the outcome of the SPP and the number of shares to be issued as soon as practicable after the close of the offer.

Full details of this offer are set out in the attached SPP Terms and Conditions and Application Form.

How to participate

Participation in the SPP is optional and entirely up to you. If you are eligible to participate in the SPP, you may apply to purchase A\$1,000, A\$2,500, A\$5,000, A\$7,500 or A\$10,000 worth of new Westpac ordinary shares.

If you would like to participate in the SPP, you should either:

- (a) pay directly via BPAY®, on the internet or by telephone (for Australian shareholders only) so that application payments are received no later than 5.00pm (Sydney time) on 30 January 2009; **or**
- (b) complete the enclosed Application Form and return it with a cheque or money order for the relevant amount to our share registry so that it is received no later than 5.00pm (Sydney time) on 30 January 2009.

The SPP offer is non-renounceable, which means that you cannot transfer your right to purchase shares under the SPP offer to anyone else.

Please note that this letter does not constitute financial product advice and does not take into account the investment objectives, financial situation, tax position or particular needs of individuals. If you are in any doubt as to the course of action you should follow, you should consult your professional adviser(s) before participating in the SPP.

I encourage you to carefully read the SPP Terms and Conditions attached to this letter before making your investment decision. You should be aware that the market price of Westpac shares may rise or fall between the date of the SPP offer and the date that shares are allotted to you under the SPP. This means that the price you pay for shares under the SPP may be either higher or lower than Westpac's share price at the time the shares are issued to you under the SPP.

If you have any questions in relation to the SPP or how to complete the Application Form, please call Westpac's share registry, Link Market Services Limited, any time from 8.30am to 5.30pm (Sydney time) Monday to Friday on the telephone numbers below or visit our website at www.westpac.com.au/investorcentre.

Within Australia: 1800 180 497 (Toll Free within Australia)

Outside Australia: +61 2 8280 7195

Yours sincerely



Ted Evans AC
Chairman

This shareholder communication does not constitute an offer of shares for sale in the United States or any other jurisdiction in which such an offer would be illegal. The shares have not been registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States or to or for the account or benefit of U.S. persons unless the shares are registered under such Act or an exemption from the registration requirements of the Act is available.

Key Dates*

Date	Event
8 December 2008	Record Date 5.00pm (Sydney time)
5 January 2009	Offer Opening Date
30 January 2009	Offer Closing Date 5.00pm (Sydney time)
11 February 2009	Allotment Date
18 February 2009	Transaction Confirmation Despatch Date

* Westpac may vary any of the above dates at its discretion by lodging a revised timetable with ASX.

Instructions

1. Carefully read the SPP Terms and Conditions

2. Apply and pay for the Shares by following the instructions outlined in the enclosed Application Form.

- You may apply to purchase either A\$1,000, A\$2,500, A\$5,000, A\$7,500 or A\$10,000 worth of Westpac ordinary shares.
- Your payment must be for a minimum of A\$1,000.
- Payments must be in Australian dollars.

You have two options on how to apply and pay:

Option 1: Paying by BPAY®

If paying by BPAY®, you do **NOT** need to complete or return the Acceptance Slip attached to the enclosed Application Form. **Payment must be received by the Registry by BPAY® by 5:00pm (Sydney time) on 30 January 2009.**

Option 2: Paying by Cheque or Money Order

If paying by cheque or money order, complete and return the Acceptance Slip attached to the enclosed Application Form with your application payment.

Send the Application Form and your cheque or money order using the reply-paid envelope provided. Alternatively, mail or deliver to the mailing address, or hand delivery address, on the reverse side of the Application Form.

Make sure you send your Application Form and application payment allowing enough time for mail delivery so Link Market Services Limited receives them no later than 5.00pm (Sydney time) on Friday, 30 January 2009.

Questions

If you have any questions in relation to the SPP or how to complete the Application Form, please call Westpac's share registry, Link Market Services Limited, any time from 8.30am to 5.30pm (Sydney time) Monday to Friday on the telephone numbers below or visit our website at www.westpac.com.au/investorcentre.

Within Australia: 1800 180 497 (Toll Free within Australia)

Outside Australia: +61 2 8280 7195

SHARE PURCHASE PLAN

Terms and Conditions

IMPORTANT NOTICES: *The offer to purchase Shares under the SPP is not a recommendation to purchase Shares. If you are in any doubt about this SPP, you should consider obtaining professional financial and/or taxation advice to assist you in determining whether or not, and the extent to which, you wish to participate in the SPP (taking into account your own financial situation, needs and objectives). Nothing in these Terms and Conditions, the Application Form or any other accompanying documentation constitutes investment or financial product advice or is intended to influence your decision whether or not to participate in the SPP.*

If you apply to participate in the SPP, by making a BPAY® payment or completing and returning the Application Form with a cheque or money order, you are accepting the risk that the market price of Shares may change between the Record Date, the date on which you send in an Application Form or make a BPAY® payment and the Allotment Date. This means it is possible that, up to or after the Allotment Date, you may be able to buy Shares at a lower price than the Issue Price

1. Eligible Shareholders

- (a) Subject to clauses 1(c) to 1(f), all persons registered as holders of fully paid ordinary shares of Westpac Banking Corporation (the **Shares**), at 5.00pm (Sydney time) on 8 December 2008 (the **Record Date**), whose address in the share register of Westpac Banking Corporation (ABN 33 007 457 141) (**Westpac**) is in Australia or New Zealand may participate in the Share Purchase Plan (the **SPP**) (the **Eligible Shareholders**). Westpac has determined that it is not practical for holders of Shares with registered addresses in other jurisdictions to participate in the SPP.
- (b) Directors and employees of Westpac who hold Shares may be Eligible Shareholders.
- (c) Shareholders who hold Shares on behalf of persons who reside outside Australia or New Zealand or who are "U.S. persons" (as defined in Regulation S under the United States Securities Act of 1933 (as amended)) (the **Securities Act**) (**US Persons**) or who act for the account or benefit of a U.S. Person are not entitled to participate in the SPP. The Shares to be issued under this SPP have not been and will not be registered under the Securities Act. Accordingly, shareholders who are located in the "United States" or who are, or are acting for the account or benefit of, U.S. Persons, are not Eligible Shareholders entitled to participate in the SPP.
- (d) In accordance with relevant New Zealand securities law, a person who, on the Record Date was registered as a holder of Shares with a New Zealand address but who, as at the time of this offer (5 January 2009) no longer holds Shares, is not eligible to participate in the SPP.
- (e) Shareholders who are joint holders of Shares are taken to be a single registered holder of Shares for the purposes of determining whether they are an Eligible Shareholder, and the certification under clause 3(a)(iv) by one joint holder will be effective in respect of the other joint holder(s).
- (f) Where a trustee or nominee is a registered holder of Shares and is expressly noted on the register as holding Shares on account of another person (a **beneficiary**), the beneficiary will be taken to be the registered holder of those Shares. In this instance, an application, certification or issue of Shares to the trustee or nominee will be taken to be an application or certification by, or an issue to, the beneficiary (ie, each such beneficiary may apply for up to A\$10,000 worth of Shares under the SPP).
- (g) If you are an Eligible Shareholder, your rights under this offer are personal to you and are non-renounceable, which means you cannot transfer your rights to another person.

2. Applying for Shares

- (a) Participation in the SPP is optional. Eligible Shareholders may apply to purchase a parcel of Shares with a dollar amount of either A\$1,000, A\$2,500, A\$5,000, A\$7,500 or A\$10,000. If you are an Eligible Shareholder and wish to participate in the SPP, you must follow the instructions on the SPP Application Form (the **Application Form**) and:
 - (i) make payment by BPAY® equivalent to the dollar amount of the parcel of Shares you wish to apply for; or
 - (ii) complete the Application Form and provide a cheque or money order made payable to "Westpac Share Purchase Plan Offer",so that it is received by the share registry by 5.00pm (Sydney time) on 30 January 2009 (the Closing Date). Payments must be in Australian dollars.

If you make a payment by BPAY® and Westpac receives an amount that is not equal to either A\$1,000, A\$2,500, A\$5,000, A\$7,500 or A\$10,000, Westpac will round down the dollar amount of Shares that you are applying for to the next lowest parcel, or if Westpac receives less than A\$1,000, reject your application, and refund any application monies that are not used to purchase Shares, without interest, as soon as practicable following allotment.
- (b) If you apply for Shares under the SPP, you will apply for a certain dollar amount, rather than a certain number, of Shares. Subject to clauses 2(c) and 6, Westpac will divide the parcel dollar amount you select by the Issue Price (as determined under clause 4(a)) in order to determine the number of Shares that you have applied for, then rounded up to the nearest whole number of Shares. A Scaleback may be applied, refer to clause 6.
- (c) Eligible Shareholders who receive more than one offer under the SPP (for example, because they hold Shares in more than

Terms and Conditions

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one capacity) may apply on different Application Forms for Shares but may not apply for Shares with an aggregate dollar amount of more than A\$10,000.

- (d) Westpac may accept or reject your application for Shares at its discretion. Westpac may reject your application in the following circumstances (among others):
- (i) your Application Form is incorrectly completed, incomplete or otherwise determined by Westpac to be invalid;
 - (ii) you have applied for less than A\$1,000 worth of Shares;
 - (iii) your cheque is dishonoured or the cheque or money order that you enclose with your Application Form is not made out for the amount corresponding to the value of the parcel of Shares you have applied for;
 - (iv) your BPAY® payment is not received by the Closing Date or is otherwise incomplete or invalid;
 - (v) it appears that you are applying to buy more than A\$10,000 worth of Shares in aggregate;
 - (vi) your Application Form or BPAY® payment is received after the Closing Date. Late payments will be refunded, without interest, as soon as practicable following allotment; **or**
 - (vii) Westpac believes you are not an Eligible Shareholder (subject to compliance with any applicable Australian Securities and Investments Commission or ASX requirements).

3. Effect of Making an Application

- (a) If you submit a BPAY® payment or complete and return an Application Form together with a cheque or money order:
- (i) you acknowledge that you are an Eligible Shareholder;
 - (ii) you irrevocably and unconditionally agree to these Terms and Conditions and the terms of the Application Form and agree not to do any act or thing that would be contrary to the spirit, intention or purpose of the SPP;
 - (iii) you acknowledge your application is irrevocable and unconditional;
 - (iv) you certify that you have not applied for more than A\$10,000 of Shares in aggregate under the SPP and any similar Westpac arrangement in the 12 months prior to your application, even though you may have received more than one offer under the SPP or received offers in more than one capacity under the SPP (Westpac has not conducted a similar arrangement in the preceding 12 months);
 - (v) you authorise Westpac to correct minor errors in your Application Form and to complete the Application Form by inserting any missing minor detail;
 - (vi) you acknowledge that Westpac may determine that your Application Form is valid, in accordance with these Terms and Conditions, even if the Application Form is incomplete, contains errors or is otherwise defective;

- (vii) you accept the risk associated with any refund that may be dispatched to your address or to your nominated bank account as shown on Westpac's share register;
- (viii) you are responsible for any dishonour fees or other costs Westpac may incur in presenting a cheque for payment that is dishonoured;
- (ix) you acknowledge that no interest will be paid on any application monies held pending the allotment of the Shares or subsequently returned to you for any reason;
- (x) you acknowledge that you have not been provided with investment advice or financial product advice by Westpac or Link Market Services Limited and that neither of them has any obligation to provide this advice in relation to your consideration as to whether or not to participate in the SPP; **and**
- (xi) you acknowledge that Westpac is not liable for any exercise of its discretions referred to in these Terms and Conditions.

4. Issue Price of Shares under the SPP

- (a) The Issue Price per Share on offer under the SPP will be the **lower** of:
- (i) A\$16.00 per Share. This was the price paid by institutional investors in the institutional placement conducted on 9 December 2008; **and**
 - (ii) the arithmetic average (rounded to the nearest cent) of the daily volume weighted average market price of Shares (rounded to four decimal places) traded on the ASX on the five trading days up to (and including) the Closing Date. The arithmetic average of the daily volume weighted average market price per Share will be calculated excluding all off-market trades, overseas trades, trades related to the exercise of options and any trades that Westpac determines to exclude on the basis that they are not fairly reflective of supply and demand.
- (b) It is recommended that you monitor the Share price, which can be obtained from Westpac's website at **www.westpac.com.au/investorcentre** or from the ASX website at **www.asx.com.au** (ASX code: WBC) and is listed in the financial and business section of major daily newspapers circulating in Australia.
- (c) You agree to pay the Issue Price per Share for the number of Shares calculated under clause 2(b) or, if there is a Scaleback (as defined below), the number of Shares calculated under clause 6.
- (d) You acknowledge that the market price of Shares may rise or fall between the date of this offer and the date the Shares are allotted to you under the SPP (the **Allotment Date**) and that the Issue Price you pay for the Shares may exceed the market price of the Shares on the Allotment Date.

Terms and Conditions

continued

5. The Shares

- (a) Shares issued under the SPP will rank equally in all respects with existing Shares quoted on the ASX, with the same voting rights, dividend rights and other entitlements.
- (b) Westpac will apply for new Shares issued under the SPP to be quoted on the ASX.

6. Scaleback

- (a) If the total value of applications for Shares under the SPP is more than A\$500 million, Westpac may in its absolute discretion allocate to you less than the number of Shares you have applied for (**Scaleback**). If there is a Scaleback, Westpac may in its absolute discretion determine to apply the Scaleback to the extent and in the manner that it sees fit.
- (b) If there is a Scaleback you may receive less than the parcel of Shares for which you have applied. If a Scaleback produces a fractional number of Shares when applied to your parcel, the number of Shares you will be allocated will be rounded up to the nearest whole number of Shares.
- (c) In the event of a Scaleback the difference between the application monies received, and the number of Shares allocated to you multiplied by the Issue Price, will be refunded to you by direct credit (to your nominated account as recorded on the Westpac share register) or cheque, without interest, as soon as practicable following allotment.

7. Costs of Participation

No brokerage, commissions or other transaction costs will be payable by Eligible Shareholders in respect of the application for, and allotment of, Shares under the SPP.

8. Timetable

- (a) Subject to clause 8(b):
 - (i) **(Record Date)** 5.00pm (Sydney time) on 8 December 2008;
 - (ii) **(Opening Date)** the offer opens on 5 January 2009;
 - (iii) **(Closing Date)** the offer closes at 5.00pm (Sydney time) on 30 January 2009. If Westpac does not receive a payment made by BPAY or a completed Application Form and a cheque or money order before the Closing Date, Westpac reserves the right to return any payment and not allot any Shares to the shareholder;
 - (iv) **(SPP Results Announcement)** the number of Shares to be issued, the Issue Price and, if applicable, any Scaleback will be announced to the ASX by 9 February 2009;
 - (v) **(Allotment Date)** Westpac proposes to allot the Shares by 11 February 2009; and
 - (vi) **(Despatch Date)** the date on which transaction confirmations are sent to shareholders and, if applicable,

a direct credit deposit to your nominated account is made or refund cheque is dispatched, is expected to be no later than 18 February 2009;

- (b) Westpac may vary any of the above dates in clause 8(a) at its discretion (even if the offer has opened, or BPAY® or Application Forms have been received) by lodging a revised timetable with ASX.

9. Dispute Resolution

Westpac may settle in any manner it thinks fit, any difficulties, anomalies or disputes that may arise in connection with or by reason of the operation of the SPP and the decision of Westpac will be conclusive and binding on all participants and other persons to whom the determination relates.

10. Waiver, Amendment, Suspension and Withdrawal

Westpac may, at its discretion, waive compliance with any provision of these Terms and Conditions, amend or vary these Terms and Conditions, or suspend or withdraw the offer at any time. Any such waiver, amendment, variation, suspension or withdrawal will be binding on all Eligible Shareholders even where Westpac does not notify you of the event.

11. No Underwriting

The SPP will not be underwritten.

12. Governing Law

These Terms and Conditions are governed by the laws in force in New South Wales.

13. Other terms and conditions

Shareholders will be bound by the constitution of Westpac and these Terms and Conditions by accepting the offer to acquire Shares under the SPP.

NOT FOR RELEASE INTO THE UNITED STATES OR TO U.S. PERSONS

These Terms and Conditions do not constitute an offer of Shares for sale in the United States or any other jurisdiction in which such an offer would be illegal. The Shares have not been registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. Persons unless the Shares are registered under such Act or an exemption from the registration requirements of the Act is available.