

800 Bourke Street
Docklands VIC 3008
AUSTRALIA

www.nabgroup.com



Thursday, 20 April 2017

ASX ANNOUNCEMENT

National Australia Bank – Notice of Redemption of NAB Subordinated Notes

National Australia Bank (NAB) today gives notice to the Australian Securities Exchange (ASX), and to holders of NAB Subordinated Notes (NSN) that NAB has elected to redeem all outstanding NSN in accordance with their terms. The NSN were issued by NAB in 2012 and trade on the ASX under the code 'NABHB'. \$633,692,300 of NSN (representing 6,336,923 NSN at \$100 each) is currently outstanding.

The NSN will be redeemed on Monday, 19 June 2017, being their first optional redemption date.

For each NSN held on Friday, 9 June 2017, NSN Holders will receive a cash payment of \$100 (being the face value of the NSN) plus \$1.1331 interest in respect of the period from (and including) 20 March 2017 to (but not including) Monday, 19 June 2017. All payments will be made subject to the NSN terms.

A letter regarding this notice of redemption is being sent to all NSN holders in the form attached to this announcement.

For further information:

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National Australia Bank Limited
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AUSTRALIA

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20 April 2017

Dear Securityholder

Notice of redemption of NAB Subordinated Notes (NSN)

National Australia Bank Limited (NAB) today gives notice that it has elected to redeem all outstanding NSN on their first optional redemption date of Monday, 19 June 2017, in accordance with their terms (NSN Terms).¹

On 19 June 2017, for each NSN you hold on Friday, 9 June 2017 (being the record date for the final payment), you will receive a cash payment of:

- \$100 (being the face value of the NSN); plus
- a final interest payment of \$1.1331, in respect of the interest period from (and including) 20 March 2017 to (but not including) 19 June 2017.

All payments will be made subject to the NSN Terms and in accordance with your existing payment instructions, unless you request otherwise. You may amend your payment instructions at any time up until 5.00pm (Melbourne time) on Friday, 9 June 2017 by either submitting these instructions online at www.computershare.com.au/easyupdate/nab or by calling Computershare on the phone numbers provided below.

The last day of trading in NSN on the Australian Securities Exchange (ASX) will be 7 June 2017.

You may sell your NSN on the ASX at the prevailing market price on or before the last NSN trading date. However, if you sell your NSN before 9 June 2017, you will not be entitled to the final interest payment.

A redemption notice has been lodged with the ASX today.

If you have any questions regarding this redemption, please contact Computershare on 1300 367 647 (within Australia) or on +61 3 9415 4299 (International) Monday to Friday 8am – 6pm.

On behalf of the Board, I would like to thank you for your support of NAB.

Yours sincerely

A handwritten signature in black ink, appearing to read "Louise Thomson".

Louise Thomson
Company Secretary

¹ The NSN Terms are set out in Appendix A of the NAB Subordinated Notes Information Memorandum dated 21 May 2012 (the Information Memorandum). A copy of the Information Memorandum is available at www.nab.com.au/nab-subordinated-notes