

FINAL TERMS

24 January 2014

National Australia Bank Limited
(ABN 12 004 044 937)

Issue of AUD75,000,000 5.00 per cent. Notes due January 2020 (the Notes)
(to be consolidated and form a single Series with the existing Series 765, Tranche 1 AUD100,000,000
5.00 per cent. Notes due January 2020 issued on 17 January 2014 (the Existing Notes)
under the U.S.\$100,000,000,000
Global Medium Term Note Programme

PART A—CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Offering Circular dated 16 December 2013 which constitutes a base prospectus for the purposes of the Prospectus Directive (the **Offering Circular**). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Offering Circular. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Offering Circular. A summary of the Notes (which comprises the summary in the Offering Circular to reflect the provisions of these Final Terms) is annexed to these Final Terms. Pursuant to Article 14(2) of the Prospectus Directive, the Offering Circular is available, free of charge, at the registered office of the Issuer and on the website of the Luxembourg Stock Exchange (*www.bourse.lu*) and copies may be obtained, free of charge, from the registered office of the Principal Paying Agent at Winchester House, 1 Great Winchester Street, London EC2N 2DB.

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| 1. | (a) | Series Number: | 765 |
| | (b) | Tranche Number: | 2 |
| | (c) | Date on which the Notes will be consolidated and form a single Series: | The Notes will be consolidated and form a single Series with the Existing Notes on the Issue Date. |
| 2. | | Specified Currency or Currencies: | Australian Dollars (AUD) |
| 3. | | Aggregate Nominal Amount: | |
| | (a) | Series: | AUD175,000,000 |
| | (b) | Tranche: | AUD75,000,000 |
| 4. | | Issue Price: | 102.232 per cent. of the Aggregate Nominal Amount plus 11 days' accrued interest on the Aggregate Nominal Amount in respect of the period from and including the Interest Commencement Date to but excluding the Issue Date. |
| 5. | (a) | Specified Denominations: | AUD2,000 and integral multiples of AUD1,000 in excess thereof |

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| | (b) | Calculation Amount: | AUD1,000 |
| 6. | (a) | Issue Date: | 28 January 2014 |
| | (b) | Interest Commencement Date: | 17 January 2014 |
| 7. | | Maturity Date: | 17 January 2020 |
| 8. | | Interest Basis: | 5.00 per cent. per annum Fixed Rate
(further particulars specified below) |
| 9. | | Redemption/Payment Basis: | Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100 per cent. of their nominal amount |
| 10. | | Change of Interest Basis: | Not Applicable |
| 11. | | Put/Call Options: | Not Applicable |

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

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| 12. | | Fixed Rate Note Provisions: | Applicable |
| | (a) | Rate(s) of Interest: | 5.00 per cent. per annum payable in arrear on each Interest Payment Date |
| | (b) | Interest Payment Date(s): | 17 January in each year from (and including) 17 January 2015 up to (and including) the Maturity Date |
| | (c) | Fixed Coupon Amount(s): | AUD50.00 per Calculation Amount |
| | (d) | Broken Amount(s): | Not Applicable |
| | (e) | Day Count Fraction: | Actual/Actual (ICMA) |
| | (f) | Business Day Convention: | Following Business Day Convention |
| | | • Adjusted: | Not Applicable |
| | | • Non-Adjusted: | Applicable |
| | (g) | Additional Business Centres: | Not Applicable |
| | (h) | Determination Date(s): | 17 January in each year |
| 13. | | Floating Rate Note Provisions: | Not Applicable |
| 14. | | Zero Coupon Note Provisions: | Not Applicable |

PROVISIONS RELATING TO REDEMPTION

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|-----|--|-----------------------------------|-------------------------|
| 15. | | Notice periods for Condition 7.2: | Minimum period: 30 days |
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| | | Maximum period: 60 days |
| 16. | Issuer Call: | Not Applicable |
| 17. | Investor Put: | Not Applicable |
| 18. | Final Redemption Amount: | AUD1,000 per Calculation Amount |
| 19. | Early Redemption Amount payable on redemption for taxation reasons or on event of default: | AUD1,000 per Calculation Amount |

GENERAL PROVISIONS APPLICABLE TO THE NOTES

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| 20. | (a) Form of Notes: | Bearer Notes:

Temporary Bearer Global Note exchangeable for a Permanent Bearer Global Note which is exchangeable for Definitive Notes only upon an Exchange Event. |
| | (b) New Global Note: | No |
| 21. | Additional Financial Centre(s): | London |
| 22. | Talons for future Coupons to be attached to Definitive Bearer Notes: | No |

Signed on behalf of National Australia Bank Limited (ABN 12 004 044 937):

By: 

Duly authorised

PART B—OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the Regulated Market of the Luxembourg Stock Exchange and listed on the official list of the Luxembourg Stock Exchange with effect from 28 January 2014.

The Existing Notes were admitted to trading on the Regulated Market of the Luxembourg Stock Exchange and listed on the official list of the Luxembourg Stock Exchange on 17 January 2014.

2. RATINGS

Ratings: The Notes to be issued are expected to be rated Aa2 by Moody's Investors Service Pty. Limited and AA- by Standard & Poor's (Australia) Pty Ltd.

3. TERMS AND CONDITIONS OF THE OFFER

(i) Non-exempt Offer: Not Applicable. The Notes are to be issued to qualified investors as defined in the Prospectus Directive.

General Consent: Not Applicable

Other conditions to consent: Not Applicable

(ii) Offer Period: Not Applicable

(iii) Offer Price: Not Applicable

(iv) Conditions to which the offer is subject: Not Applicable

(v) The time period, including any possible amendments, during which the offer will be open and description of the application process: Not Applicable

(vi) Details of the minimum and/or maximum amount of application: Not Applicable

(vii) Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants: Not Applicable

(viii) Details of the method and time limits for paying up and delivering the Notes: Not Applicable

(ix) Manner and date in which: Not Applicable

results of the offer are to be made public:

- (x) Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised: Not Applicable
- (xi) Categories of potential investors to which the Notes are offered and whether tranche(s) have been reserved for certain countries: Not Applicable
- (xii) Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made: Not Applicable
- (xiii) Amount of any expenses and taxes specifically charged to the subscriber or purchaser: Not Applicable
- (xiv) Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place: None

4. **INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE**

Save for any fees payable to the Managers, so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The Managers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.

5. **REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES**

- (i) Reasons for the offer: As described in the Offering Circular under "Use of Proceeds"
- (ii) Estimated net proceeds: AUD75,380,763.70
- (iii) Estimated total expenses: The estimated total expenses of the offer are broken down as follows:
 - (a) Total Commission: AUD1,406,250
 - (b) Admissions to Trading: EUR400

(c) Legal Fees: AUD15,000

6. **YIELD**

Indication of yield: The yield of the Notes is 4.564 per cent. per annum. As set out above, the yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

7. **OPERATIONAL INFORMATION**

- (i) ISIN Code: XS1014094061
- (ii) Common Code: 101409406
- (iii) WKN Code: A1ZB1E
- (iv) Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and DTC and the relevant identification number(s): Not Applicable
- (v) Delivery: Delivery against payment
- (vi) Name(s) and address(es) of additional Paying Agent(s) (if any): Not Applicable
- (vii) Deemed delivery of clearing system notices for the purposes of Condition 14: Any notice delivered to Noteholders through Euroclear and/or Clearstream, Luxembourg and/or DTC will be deemed to have been given on the day after the day on which it was given to Euroclear and Clearstream, Luxembourg or DTC, as applicable.
- (viii) Intended to be held in a manner which would allow Eurosystem eligibility: No. Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the European Central Bank being satisfied that Eurosystem eligibility criteria have been met.

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8. **DISTRIBUTION**

(i) Name(s) and address(es) of Manager(s) / relevant Dealer and underwriting commitment(s):

The Toronto-Dominion Bank AUD37,500,000
60 Threadneedle Street
London EC2R 8AP
United Kingdom

National Australia Bank AUD37,500,000
Limited (ABN 12 004 044 937)
88 Wood Street
London EC2V 7QQ
United Kingdom

(ii) Date of Subscription Agreement: 24 January 2014

(iii) Total commission and concession: 1.875 per cent. of the Aggregate Nominal Amount

(iv) U.S. Selling Restrictions: Reg. S Compliance Category 2; TEFRA D

ANNEX

SUMMARY OF THE PROGRAMME RELATING TO NON-EXEMPT PD NOTES

Summaries are made up of disclosure requirements known as “Elements”. These Elements are numbered in Sections A – E (A.1 – E.7). This Summary contains all the Elements required to be included in a summary for the Notes and NAB. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements. Even though an Element may be required to be inserted in a summary because of the type of securities and issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element should be included in the summary with the mention of “not applicable”.

Section A – Introduction and warnings

Element		
A.1	<ul style="list-style-type: none"> • This summary should be read as an introduction to the prospectus. • Any decision to invest in the securities should be based on a consideration of the prospectus as a whole by the investor. • Where a claim relating to information contained in the prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member States, have to bear the costs of translating the prospectus before the legal proceedings are initiated. • Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the prospectus or it does not provide, when read together with the other parts of the prospectus, key information in order to aid investors when considering whether to invest in such securities. 	
A.2	<p>Consent by the Issuer to the use of the Offering Circular for subsequent resale or final placement by financial intermediaries, during the offer period indicated and the conditions attached to such consent.</p> <p>Notice to investors that information on the terms and conditions of the offer by any financial intermediary is to be provided at the time of the offer by the financial intermediary.</p>	<p>Not Applicable - the Notes are to be issued to qualified investors as defined in Directive 2003/71/EC as amended (which includes the amendments made by Directive 2010/73/EU to the extent that such amendments have been implemented in a relevant Member State of the European Economic Area) (the Prospectus Directive).</p> <p><i>Offer period:</i> Not Applicable.</p> <p><i>Conditions to consent:</i> Not Applicable.</p> <p>Not Applicable.</p>

Section B – The Issuer

Element	Title	
B.1	Legal and commercial name of the Issuer	The legal name of the Issuer is National Australia Bank Limited and the Issuer trades commercially as "National Australia Bank" and, particularly within Australia, as "NAB".
B.2	Domicile/ legal form/ legislation/ country of incorporation	The Issuer is incorporated in Australia as a public limited company and registered in the State of Victoria and has its registered office at Level 1, 800 Bourke Street, Docklands, Victoria 3008, Australia. The Issuer operates under Australian legislation including the Corporations Act 2001 and the Banking Act 1959 of Australia (the Banking Act).
B.4b	Trends affecting the Issuer and the industries in which it operates	There are no known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Issuer's prospects for at least the current financial year, other than contingent liabilities relating to certain litigation, conduct and regulatory matters within the NAB Group, for which provisions have been made where appropriate.
B.5	Description of the group and the Issuer's position within the group	<p>The Issuer and its controlled entities (the NAB Group) is an international financial services group providing a comprehensive and integrated range of financial products and services. The NAB Group's major financial services franchises are in Australia but it also operates businesses in New Zealand, Asia, the United Kingdom and the United States.</p> <p>The Issuer is the holding company and main operating company for the NAB Group.</p>
B.9	Profit forecast or estimate	<p>Not Applicable.</p> <p>No profit forecast or estimate has been made in the Offering Circular.</p>
B.10	Audit report qualifications	<p>Not Applicable.</p> <p>There are no qualifications in the audit report on historical financial information.</p>
B.12	Selected historical key financial information regarding the Issuer	<p><i>Income Statement</i></p> <p>The table below sets out summary information extracted from the Issuer's audited consolidated income statement for each of the two years ended 30 September 2013:</p>

Element	Title																																								
		30 September <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 80%;"></th> <th style="width: 10%; text-align: center; border-bottom: 1px solid black;">2012</th> <th style="width: 10%; text-align: center; border-bottom: 1px solid black;">2013</th> </tr> <tr> <th></th> <th style="text-align: center;">A\$(m)</th> <th style="text-align: center;">A\$(m)</th> </tr> </thead> <tbody> <tr> <td>Profit before income tax expense</td> <td style="text-align: right;">6,159</td> <td style="text-align: right;">8,201</td> </tr> <tr> <td>Net profit for the year</td> <td style="text-align: right;">4,083</td> <td style="text-align: right;">5,460</td> </tr> <tr> <td>Basic earnings per share (cents)</td> <td style="text-align: right;">175.3</td> <td style="text-align: right;">229.5</td> </tr> <tr> <td>Diluted earnings per share (cents)</td> <td style="text-align: right;">174.4</td> <td style="text-align: right;">227.5</td> </tr> </tbody> </table> <p>Balance Sheet</p> <p>The table below sets out summary information extracted from the Issuer's audited consolidated balance sheet as at 30 September 2012 and 30 September 2013:</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 80%;"></th> <th style="width: 10%; text-align: center; border-bottom: 1px solid black;">2012</th> <th style="width: 10%; text-align: center; border-bottom: 1px solid black;">2013</th> </tr> <tr> <th></th> <th style="text-align: center;">A\$(m)</th> <th style="text-align: center;">A\$(m)</th> </tr> </thead> <tbody> <tr> <td>Total assets</td> <td style="text-align: right;">763,090</td> <td style="text-align: right;">808,427</td> </tr> <tr> <td>Total liabilities</td> <td style="text-align: right;">719,287</td> <td style="text-align: right;">761,807</td> </tr> <tr> <td>Net assets</td> <td style="text-align: right;">43,803</td> <td style="text-align: right;">46,620</td> </tr> <tr> <td>Total equity (parent entity interest)</td> <td style="text-align: right;">43,756</td> <td style="text-align: right;">46,561</td> </tr> <tr> <td>Total equity</td> <td style="text-align: right;">43,803</td> <td style="text-align: right;">46,620</td> </tr> </tbody> </table> <p>Significant changes in the financial or trading position of the Issuer / Material adverse change in the prospects of the Issuer</p> <p>There has been no significant change in the financial or trading position of the NAB Group since 30 September 2013 and there has been no material adverse change in the prospects of the NAB Group since 30 September 2013.</p>		2012	2013		A\$(m)	A\$(m)	Profit before income tax expense	6,159	8,201	Net profit for the year	4,083	5,460	Basic earnings per share (cents)	175.3	229.5	Diluted earnings per share (cents)	174.4	227.5		2012	2013		A\$(m)	A\$(m)	Total assets	763,090	808,427	Total liabilities	719,287	761,807	Net assets	43,803	46,620	Total equity (parent entity interest)	43,756	46,561	Total equity	43,803	46,620
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B.13	Events impacting the Issuer's solvency	<p>Not Applicable.</p> <p>There are no recent events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency.</p>																																							
B.14	Dependence upon other group entities	<p>Not Applicable.</p> <p>The Issuer is not dependent on other NAB Group entities.</p> <p>See Element B.5 for information on the Issuer's position in the NAB Group.</p>																																							

Element	Title	
B.15	A description of the Issuer's principal activities	The principal activities of the NAB Group are banking services, credit and access card facilities, leasing, housing and general finance, international banking, investment banking, wealth management, funds management, life insurance, and custodian, trustee and nominee services.
B.16	Controlling shareholders	Not Applicable. The Issuer is not directly or indirectly owned or controlled.
B.17	Solicited credit ratings	The Notes are expected to be rated Aa2 by Moody's Investors Service Pty. Limited and AA- by Standard & Poor's (Australia) Pty Ltd.

Section C – Securities

Element	Title	
C.1	Description of Notes/ISIN	The Notes are AUD75,000,000 5.00 per cent. Notes due 17 January 2020 (to be consolidated and form a single Series with the existing Series 765, Tranche 1 AUD100,000,000 5.00 per cent. Notes due January 2020 issued on 17 January 2014). International Securities Identification Number (ISIN): XS1014094061
C.2	Currency of the securities issue	The currency of this Series of Notes is Australian Dollars (AUD).
C.5	A description of any restrictions on the free transferability of the securities	Not Applicable – There are no restrictions on the free transferability of the Notes.
C.8	Rights attaching to the notes, ranking and limitations to those rights	<i>Status</i> The Notes and any Coupons are unsubordinated, direct and unsecured obligations of the Issuer and rank <i>pari passu</i> with all other unsecured and unsubordinated obligations of the Issuer (other than any obligation preferred by mandatory provisions of applicable law including but not limited to those referred to in Division 2 of Part II of the Banking Act and section 86 of the Reserve Bank Act 1959 of Australia). The Notes do not constitute deposit liabilities of the Issuer, are not protected accounts for the purposes of the Banking Act and are not guaranteed or insured by any government, government agency or compensation scheme of Australia or of any other jurisdiction or by any other party.

Element	Title	
		<p><i>Taxation</i></p> <p>All payments of principal and interest in respect of the Notes and any Coupons by the Issuer will be made without withholding or deduction for or on account of any present or future taxes, assessments, other governmental charges or duties of whatever nature imposed or levied by or on behalf of Australia (and, in the case of Notes issued by a borrowing office of the Issuer located outside Australia, the jurisdiction in which such borrowing office is located), unless such withholding or deduction is required by law. In such event, the Issuer will, subject to certain exceptions described herein, pay such additional amounts as shall be necessary in order that the amounts received by the holders of the Notes or Coupons after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Notes or Coupons, as the case may be, in the absence of such withholding or deduction. Any amounts to be paid on the Notes will be paid net of any deduction or withholding imposed or required pursuant to Sections 1471 through 1474 of the Internal Revenue Code (the Code), any current or future regulations or official interpretations thereof, any agreement entered into pursuant to Section 1471(b) of the Code, or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such Sections of the Code, and no additional amounts will be required to be paid on account of any such deduction or withholding.</p> <p><i>Negative pledge</i></p> <p>The terms of the Notes do not contain a negative pledge provision.</p> <p><i>Events of default</i></p> <p>The terms of the Notes contain, amongst others, the following events of default (the Events of Default) (the events described in paragraphs (c), (d), (e), (f), (h) or (i) inclusive below, are subject to the Trustee having certified in writing to the Issuer that such event is, in its opinion materially prejudicial to the interests of the Noteholders):</p> <p>(a) default by the Issuer in any payment when due of principal on the Notes or any of them and the default continues for a period of seven days;</p> <p>(b) default by the Issuer in payment when due of any</p>

Element	Title	
		<p>instalment of interest on the Notes or any of them and the default continues for a period of 30 days;</p> <p>(c) a failure by the Issuer to perform or observe any of its other obligations under the Conditions or the Trust Deed and the failure continues for the period of 30 days;</p> <p>(d) a distress or execution or other legal process is levied or enforced upon or sued out or put in force against any part of the property, assets or revenues of the Issuer and such distress or execution or other legal process, as the case may be, is not discharged or stayed within 14 days of having been so levied, enforced or sued out;</p> <p>(e) an encumbrancer takes possession or a receiver or administrator is appointed of the whole or any part of the undertaking, property, assets or revenues of the Issuer (other than in respect of monies borrowed or raised on a non-recourse basis);</p> <p>(f) the Issuer (i) becomes insolvent or is unable to pay its debts as they mature; or (ii) applies for or consents to or suffers the appointment of a liquidator or receiver or administrator of the Issuer or of the whole or any part of the undertaking, property, assets or revenues of the Issuer (other than in respect of monies borrowed or raised on a non-recourse basis); or (iii) takes any proceeding under any law for a readjustment or deferment of its obligations or any part thereof or makes or enters into a general assignment or any arrangement or composition with or for the benefit of creditors;</p> <p>(g) an order is made or an effective resolution passed for a Winding Up (as defined in Condition 3.2) of the Issuer other than under or in connection with a scheme of amalgamation or reconstruction not involving a bankruptcy or insolvency;</p> <p>(h) a moratorium shall be agreed or declared in respect of any indebtedness of the Issuer or any governmental authority or agency shall have condemned, seized or compulsorily purchased or expropriated all or a substantial part of the assets of or capital of the Issuer; or</p> <p>(i) the Issuer (i) ceases to carry on a banking business in Australia, or the Issuer's authority under the Banking Act or any amendment or re-enactment</p>

Element	Title	
		<p>thereof to carry on banking business in Australia is revoked; or (ii) enters into an arrangement or agreement for any sale or disposal of the whole of its business by amalgamation or otherwise other than, in the case of (ii) only, (a) under or in connection with a scheme of amalgamation or reconstruction not involving a bankruptcy or insolvency which results in a substitution of the principal debtor under the Notes and Coupons; or (b) with the consent of the Noteholders by Extraordinary Resolution.</p> <p>No Event of Default (other than (g) above) in respect of the Notes shall occur solely on account of any failure by the Issuer to perform or observe any of its obligations in relation to, or the agreement or declaration of any moratorium with respect to, or the taking of any proceeding in respect of, any share, note or other security or instrument constituting Tier 1 Capital or Tier 2 Capital (as defined by the Australian Prudential Regulation Authority from time to time).</p> <p><i>Meetings</i></p> <p>The conditions of the Notes contain provisions for calling meetings of holders of the Notes to consider matters affecting their interests generally. These provisions permit defined majorities to bind all holders, including holders who did not attend and vote at the relevant meeting and holders who voted in a manner contrary to the majority.</p> <p><i>Governing law</i></p> <p>English law.</p>
C.9	<p>Interest: The interest rate and the due dates for interest</p> <p>Redemption: The maturity date, amortisation and repayment procedures</p>	<p><i>Interest</i></p> <p>The Notes bear interest from their date of issue at the fixed rate of 5.00 per cent. per annum. The yield of the Notes is 4.564 per cent. Interest will be paid annually in arrear on 17 January in each year.</p> <p><i>Redemption</i></p> <p>Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on 17 January 2020 at 100 per cent. of their nominal amount. The Notes may be redeemed early for tax reasons.</p>

Element	Title	
	Representative of the debt security holders	<p><i>Representative of holders</i></p> <p>Deutsche Trustee Company Limited will act as trustee for the holders of the Notes (the Trustee). The Trustee may agree, without the consent of the Noteholders or Couponholders, to any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of the Notes or the Trust Deed, or determine, without any such consent as aforesaid, that any Event of Default or potential Event of Default shall not be treated as such, where, in any such case, it is not, in the opinion of the Trustee, materially prejudicial to the interests of the Noteholders so to do or may agree, without any such consent as aforesaid, to any modification which is of a formal, minor or technical nature or to correct a manifest error or an error which in the opinion of the Trustee is proven. Any such modification, waiver, authorisation or determination shall be binding on the Noteholders and the Couponholders.</p>
C.10	If the security has a derivative component, an explanation of how the value of the investment is affected by the value of the underlying instrument	<p>Not Applicable.</p> <p>The Notes do not have a derivative component in the interest payment.</p> <p>See Element C.9 for information on the interest payable in respect of the Notes.</p>
C.11	Application for admission to trading and distribution in a regulated market	<p><i>Listing and Admission to Trading</i></p> <p>The Notes will be listed on the Regulated Market of the Luxembourg Stock Exchange and on the official list of the Luxembourg Stock Exchange.</p> <p><i>Distribution</i></p> <p>The Notes may be offered pursuant to an exemption from the requirement to publish a prospectus pursuant to the Prospectus Directive. See Element A.2 for further information relating to the distribution of the Notes.</p>

Section D – Risks

Element	Title	
D.2	Key risks regarding the Issuer	<p>In purchasing the Notes, investors assume the risk that the Issuer may become insolvent or otherwise be unable to make all payments due in respect of the Notes. There is a wide range of factors which individually or together may</p>

Element	Title	
		<p>result in the Issuer becoming unable to make all payments due in respect of the Notes. It is not possible to identify all such factors or to determine which factors are most likely to occur, as the Issuer may not be aware of all relevant factors and certain factors which it currently deems not to be material may become material as a result of the occurrence of events outside the Issuer's control. There are a number of factors which may materially adversely affect the Issuer's business and its ability to make payments due under the Notes. These factors include, amongst others:</p> <ul style="list-style-type: none"> • Subsequent changes in actual or perceived creditworthiness of the Issuer may adversely affect the market value of the Notes; • Changes in the economic climate in which the NAB Group operates (including, but not limited to, economic growth rates, interest rates, inflation and deflation rates, employment levels, labour costs, consumer sentiment, demand for credit, market volatility, relative changes in exchange rates, commodity and asset prices, industrial production, taxation levels, domestic and international competition, monetary policy, fiscal policy, domestic and international political changes and environmental conditions) may adversely impact the NAB Group's financial performance and position; • Global financial conditions and, in particular, the Eurozone crisis may affect the financial performance and position of the NAB Group, including as a result of the default, or further significant decline in the credit rating, of one or more sovereigns, financial institutions, insurers or corporates; • The financial performance and position of one or more of the NAB Group's businesses may be affected by changes in the laws, regulations or other policies required by various regulatory authorities of Australian and foreign governments and any such changes in regulations or regulatory policy may result in the NAB Group incurring substantial cost to comply; and • Implementation of regulatory reforms (including, <i>inter alia</i>, regulation to implement the revised capital and liquidity principles of Basel III, schemes to protect deposits held by Australian

Element	Title	
		<p>authorised deposit-taking institutions, regulation to impose additional supervisory and prudential standards on domestic systemically important banks (which would include the Issuer) and market reforms in the over the counter derivative market) may, alone or in the aggregate, have an adverse impact on the operations, structure, compliance costs and/or capital requirements of the NAB Group and, consequently, adversely impact the financial performance and position of the NAB Group.</p> <p>In addition, there are a number of risk factors which arise directly from the operations of the NAB Group as a major participant in the banking and financial service industry and from the specific structure of the NAB Group which may have an adverse impact on the NAB Group's financial performance and position. These include, <i>inter alia</i>:</p> <ul style="list-style-type: none"> • The portfolio of credit risk in the NAB Group (i.e. the level of the risk that a counterparty will fail to meet its obligations to the NAB Group in accordance with agreed terms) is large and diverse and, whilst it exists principally in the NAB Group's bank lending activities, it also exists in the NAB Group's banking book, the trading book and other financial instruments and loans, as well as in the extension of commitments and guarantees and the settlement of transactions. Accordingly, an increase in credit impairment may have an adverse impact on the NAB Group's financial performance and position; • The Issuer is undertaking significant transformation programmes (including with respect to its enterprise-wide technology and infrastructure and upgrading its core banking platform) and transitioning to a new organisational structure and operating model (within Australia). Such changes require significant management attention and resources, which may adversely affect the Issuer's business and operations. There is also a risk that implementation may not be completed within expected timeframes or budget, or doesn't deliver some or all of its anticipated benefits; • Operational and technology risks arise from the day-to-day operational activities of the NAB Group (including, <i>inter alia</i>, process error or failure, inadequate process design, poor product

Element	Title	
		<p>development and maintenance, system failure, fraud, deficiencies in employees' skills and performance, operational failures by third parties (including off-shored and outsourced providers), natural disasters, internal or external failures of information and payment systems and technology) and may result in direct or indirect losses which may adversely impact the NAB Group's financial performance and position;</p> <ul style="list-style-type: none"> <li data-bbox="730 629 1445 1211">• The NAB Group is also subject to compliance risk across, but not limited to, its banking, wealth management and third party distribution channels. Compliance risk refers to the risk of legal or regulatory sanctions and/or material financial loss and/or a loss of reputation as a result of failure to comply with laws, regulations, taxation requirements, licence conditions, supervisory requirements, self-regulatory industry codes of conduct and related internal policies, procedures and organisational frameworks and standards. To the extent that these compliance risks limit the NAB Group's operations or flexibility, or result in fines, settlements, or restitution to customers, regulators or other stakeholders, they may adversely impact its financial performance and position; <li data-bbox="730 1249 1445 1485">• The NAB Group may be involved from time to time in legal proceedings arising from the conduct of its business. The aggregate potential liability in respect thereof cannot be accurately assessed. Any material legal proceedings may have an adverse impact on the NAB Group's financial performance and position; <li data-bbox="730 1523 1445 1727">• The NAB Group may be subject to capital risk, i.e. the risk that the NAB Group does not hold sufficient capital and reserves to meet prudential standards requirements, achieve its strategic plans and objectives or cover the risks to which it is exposed and protect against unexpected losses; <li data-bbox="730 1765 1445 1955">• The NAB Group may be subject to funding risk, i.e. it may be unable to raise short- and long-term funding to support its strategic plans and objectives or to liquidity risk, i.e. that the NAB Group is unable to meet its financial obligations as they fall due;

Element	Title	
		<ul style="list-style-type: none"> <li data-bbox="730 315 1444 658">• Credit rating risk is the risk that rating agencies reduce the credit rating of the Issuer or the sovereign rating of the countries in which the NAB Group operates or raises capital, which may result in an increase in the NAB Group's borrowing costs, limit its access to capital markets and trigger additional collateral requirements in derivative contracts and other secured funding arrangements which may, in turn, adversely impact the NAB Group's financial performance and position; <li data-bbox="730 696 1444 831">• Interest rate risk is the risk that interest rates and yield curves change over time and expose the NAB Group to a loss in earnings and economic value due to the interest rate profile of its balance sheet; and <li data-bbox="730 869 1444 1899">• Foreign exchange and translation risk arises from the impact of changes in foreign currency exchange rates on the value of the NAB Group's cash flows and assets and liabilities as a result of participation in the global financial markets and international operations. It includes structural foreign exchange risk resulting from the NAB Group's ownership structure, including investment in overseas subsidiaries or associates, and exposures from known foreign currency transactions (such as repatriation of capital and dividends from offshore subsidiaries). It also includes any currency positions in the banking book emanating from transactions with customers, banks and other counterparties. Any adverse movement in foreign exchange rates may adversely impact the NAB Group's financial performance and position. Also, as the NAB Group conducts business in different currencies, mainly Australian, New Zealand and U.S. dollars, British pounds sterling and euros, the NAB Group's businesses may be affected by a change in currency exchange rates, or a full or partial break-up of the Eurozone or a change in the reserve status of any of these currencies. Additionally, as the Issuer's financial statements are prepared and presented in Australian dollars, any appreciation in the Australian dollar against other currencies in which the NAB Group invests or transacts and profits may adversely impact the Issuer's financial performance and position. <p data-bbox="730 1937 1444 1998">The operations of the NAB Group are also exposed to a variety of other risks which include, but are not limited to,</p>

Element	Title	
		<p>the failure, in whole or in part, of the NAB Group's strategic initiatives or the NAB Group's risk management framework and processes, loss of key personnel, reputational risks, risks relating to changes in taxation law and accounting standards, risks relating to the competitive environment in which the NAB Group's operations are undertaken, risks related to the NAB Group's exposure to defined benefit pension fund liabilities, risks related to reductions in the valuation of non-traded equity investments and market prices of positions in financial instruments, risks related to unforeseen increases in liabilities of the NAB Group's life insurance business, underwriting risk and acquisition and divestment risk. If any of these risks are realised, they may have an adverse impact on the financial performance and position of the NAB Group.</p>
<p>D.3</p>	<p>Key risks regarding the Notes</p>	<p>There are also risks associated with the Notes, including a range of market risks, as follows:</p> <ul style="list-style-type: none"> • there may be no, or only a limited, secondary market in the Notes and this would adversely affect the value at which an investor could sell their Notes; • any credit rating assigned to the Notes may not adequately reflect all the risks associated with an investment in the Notes; • the conditions of the Notes may be modified without the consent of the holder in certain circumstances; • the holder may not receive payment of the full amounts due in respect of the Notes as a result of amounts being withheld by the Issuer in order to comply with applicable law; • investors are exposed to the risk of changes in law or regulation affecting the value of the Notes; and • an investor's investment may be adversely affected by exchange rate movements. <p>In addition, there are also a range of risks which may apply, depending on the particular structure of the Notes to be issued, including:</p> <ul style="list-style-type: none"> • A holder of Fixed Rate Notes is exposed to the risk that the price of such Notes falls as a result of changes in the market interest rate.

Section E – Offer

Element	Title	
E.2b	Reasons for the offer and the use of proceeds when different from making profit and/or hedging risk	The net proceeds from the issue of the Notes will be used for the general purposes of the Issuer (which include making a profit) and its subsidiaries.
E.3	Terms and conditions of the offer	Not Applicable; the Notes are to be issued to qualified investors as defined in the Prospectus Directive.
E.4	Interest of natural and legal persons involved in the issue/offer	The Managers will be paid aggregate commissions equal to 1.875 per cent. of the nominal amount of the Notes. Any Manager and its affiliates may also have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.
E.7	Expenses charged to the Investor by the Issuer	Not Applicable – No expenses will be charged to Investors by the Issuer.