

FINAL TERMS

MiFID II product governance/Professional investors and eligible counterparties only target market – Solely for the purposes of the manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, **MiFID II**); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the manufacturer's target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer's/ target market assessment) and determining appropriate distribution channels.

28 August 2018

National Australia Bank Limited (ABN 12 004 044 937)

**Issue of £50,000,000 1.375 per cent. Notes due 27 June 2022
under the U.S.\$100,000,000,000**

(to be consolidated and form a single Series with the existing Series 1,068, Tranche 1 £ 250,000,000 1.375 per cent. Notes due 27 June 2022 issued on 27 November 2017 (the Existing Notes))

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 17 November 2017 and the supplements to it dated 9 February 2018, 8 May 2018 and 17 August 2018 which together constitute 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. 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: | 1,068 |
| | (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 exchange of the Temporary Bearer Global Note for interests in the Permanent Bearer Global Note, as referred to in Paragraph 22 below, which is expected to occur on or about 9 October 2018 |
| 2. | | Specified Currency or Currencies: | Pounds Sterling (£) |

3. Aggregate Nominal Amount:
- (a) Series: £300,000,000
 - (b) Tranche: £50,000,000, comprising £25,000,000 in Aggregate Nominal Amount of Tranche A Notes (the “**Tranche A Notes**”) and £25,000,000 in Aggregate Nominal Amount of Tranche B Notes (the “**Tranche B Notes**”)
4. Issue Price:
- The Issue Price in respect of the Tranche A Notes is 99.822 per cent. of the Aggregate Nominal Amount of the Tranche A Notes plus 64 days accrued interest of £60,273.97 in respect of the period from (and including) the Interest Commencement Date to (but excluding) the Issue Date.
- The Issue Price in respect of the Tranche B Notes is 99.804 per cent. of the Aggregate Nominal Amount of the Tranche B Notes plus 64 days accrued interest of £60,273.97 in respect of the period from (and including) the Interest Commencement Date to (but excluding) the Issue Date.
5. (a) Specified Denominations: £100,000 and integral multiples of £1,000 in excess thereof up to and including £199,000. No Notes in definitive form will be issued with a denomination above £199,000
- (b) Calculation Amount (in relation to calculation of interest for Notes in global form see Conditions): £1,000
6. (a) Issue Date: 30 August 2018
- (b) Interest Commencement Date: 27 June 2018
7. Maturity Date: 27 June 2022
8. Interest Basis: 1.375 per cent. per annum Fixed Rate
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. U.S. Dollar Equivalent: Not Applicable
12. Put/Call Options: Not Applicable
13. (a) Status of the Notes: Senior
- (b) Date of Board approval for: Not Applicable

issuance of Notes obtained:

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

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| 14. | Fixed Rate Note Provisions: | Applicable |
| (a) | Rate(s) of Interest: | 1.375 per cent. per annum payable in arrear on each Interest Payment Date |
| (b) | Interest Payment Date(s): | 27 June in each year, commencing on 27 June 2019, up to (and including) the Maturity Date |
| (c) | Fixed Coupon Amount(s) for Notes in definitive form (and in relation to Notes in global form, see Conditions): | £13.75 per Calculation Amount |
| (d) | Broken Amount(s): (Applicable to Notes in definitive form) | Not Applicable |
| (e) | Day Count Fraction: | Actual/Actual (ICMA) |
| (f) | Business Day Convention: | Following Business Day Convention |
| (i) | Adjusted: | Not Applicable |
| (ii) | Non-Adjusted: | Applicable |
| (g) | Additional Business Centre(s): | New York and Sydney |
| (h) | Determination Date(s): | 27 June in each year |
| 15. | Floating Rate Note Provisions: | Not Applicable |
| 16. | Zero Coupon Note Provisions: | Not Applicable |

PROVISIONS RELATING TO REDEMPTION

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| 17. | Notice periods for Condition 7.2: | Minimum period: 30 days
Maximum period: 60 days |
| 18. | Issuer Call: | Not Applicable |
| 19. | Investor Put: | Not Applicable |
| 20. | Final Redemption Amount: | £1,000 per Calculation Amount |
| 21. | Early Redemption Amount payable on redemption for taxation reasons or on event of default: | £1,000 per Calculation Amount |

GENERAL PROVISIONS APPLICABLE TO THE NOTES

- 22. (a) Form of Notes: Bearer Notes:
Temporary Bearer Global Note exchangeable for a Permanent Bearer Global Note which is exchangeable for Definitive Bearer Notes only upon an Exchange Event.
- (b) New Global Note: No
- 23. Additional Financial Centre(s): New York and Sydney
- 24. 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

- (a) 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 30 August 2018.

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 27 November 2017.

- (b) Estimate of total expenses related to admission to trading: €3,100

2. RATINGS

- Ratings: The Notes to be issued are expected to be rated Aa3 by Moody's Investors Service Pty Limited and AA- by Standard & Poor's (Australia) Pty Ltd.

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save for any fees payable to Credit Suisse Securities (Europe) Limited (the **Dealer**), so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The Dealer and its 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

4. YIELD

- Indication of yield: Tranche A Notes: 1.688 per cent. per annum
Tranche B Notes: 1.693 per cent. per annum

5. OPERATIONAL INFORMATION

- (a) ISIN: Temporary ISIN Code until exchange of the Temporary Bearer Global Note for a Permanent Bearer Global Note: XS1873219726
ISIN Code after the exchange: XS1725805722
- (b) Common Code: Temporary Common Code until exchange of the Temporary Bearer Global Note for a Permanent Bearer Global Note: 1187321972
Common Code after the exchange: 17258052
- (c) Any clearing system(s) other than Euroclear and Clearstream, Not Applicable

Luxembourg and the relevant identification number(s):

- (d) Name(s) and address(es) of additional Paying Agent(s) (if any): Not Applicable
- (e) Deemed delivery of clearing system notices for the purposes of Condition 14: Any notice delivered to Noteholders through Euroclear and/or Clearstream, Luxembourg will be deemed to have been given on the day after the day on which it was given to Euroclear and Clearstream, Luxembourg.
- (f) 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.

6. SELLING RESTRICTIONS

- (a) U.S. Selling Restrictions: Reg. S Compliance Category 2; TEFRA D
- (b) Prohibition of Sales to EEA Retail Investors: Not Applicable
- (c) Prohibition of Sales to Belgian Consumers: Applicable