



## Notification of interest payment & interest rate change

### Announcement Summary

**Entity name**

NATIONAL AUSTRALIA BANK LIMITED

**Security on which the Interest Payment will be paid**

NABHB - SUB BOND 3-BBSW+2.75% 18-06-22 RED T-06-17

**Announcement Type**

New announcement

**Date of this announcement**

Tuesday December 20, 2016

**Interest Payment Amount**

AUD 1.1306

**Ex Date**

Thursday March 9, 2017

**Record Date**

Friday March 10, 2017

**Payment Date**

Monday March 20, 2017

**Additional Information**

The Interest Rate was determined using the following formula:

Bank Bill Rate + Margin

Bank Bill Rate: The 90 Bank Bill Rate on 19 December 2016: 1.7850%

Plus Margin: 2.75% per annum

Equals Interest Rate: 4.5350% per annum

The Interest Amount per NAB Subordinated Note of \$1.1306 was calculated using the following formula.

Interest Rate: 4.5350% per annum

Multiplied by Face Value: \$100 per NAB Subordinated Note

Multiplied by days in Interest Period: 91 from 19 December 2016 to (but not including) 20 March 2017

Divided by 365

**Refer to below for full details of the announcement**

### Announcement Details

#### Part 1 - Entity and announcement details



**1.1 Name of +Entity**

NATIONAL AUSTRALIA BANK LIMITED

**1.2 Registered Number Type**

ABN

**Registration Number**

12004044937

**1.3 ASX issuer code**

NAB

**1.4 The announcement is**

New announcement

**1.5 Date of this announcement**

Tuesday December 20, 2016

**1.6 ASX +Security Code for Interest Payment**

NABHB

**ASX +Security Description**

SUB BOND 3-BBSW+2.75% 18-06-22 RED T-06-17

Part 2A - Interest period dates and interest payment details

**Interest Rate Calendar Type**

Rule 7(2), 7 calendar day

**2A.1 Payment date**

Monday March 20, 2017

**2A.2 +Record Date**

Friday March 10, 2017

**2A.3 Ex-Date**

Thursday March 9, 2017

**2A.4 First day of payment period**

Monday December 19, 2016

**2A.5 Last day of payment period**

Sunday March 19, 2017

**2A.6 Number of days in the payment period**

91

**2A.7 Interest rate expressed as a per annum rate**

4.535000 %

**2A.8 Interest rate pro-rated for the number of days in the payment period**

%

**2A.9 Currency in which the interest payment is made ("primary currency")**

AUD - Australian Dollar

**2A.10 Interest payment amount per +security**

AUD 1.13060000

**2A.10(i) Comment on how the interest payment amount per security is calculated**

Refer to 4.3 (located on page 4)



**2A.11 Are any of the below approvals required for the interest payment before business day 0 of the timetable?**

- Security holder approval
- Court approval
- Lodgement of court order with ASIC
- ACCC approval
- FIRB approval
- Another approval/condition external to the entity required before business day 0 of the timetable for the interest payment.

No

**2A.12 Is the interest payment franked?**

No

**2A.13 Is the interest payment payable in the form of +securities rather than cash?**

No

**2A.14 Does the entity have arrangements relating to currency in which the interest payment is paid to security holders that it wishes to disclose to the market?**

No

**2A.15 Is there a principal amount payment component payable?**

No

Part 3 - Floating rate +securities - details of interest rate applicable to the payment notified in

Part 2A

**3.1 Date interest rate is set**

Monday December 19, 2016

**3.2 Comments on how the date that interest rate is set is determined**

The Interest Rate is equal to the sum of the Bank Bill Rate plus a fixed Margin.

The Margin was determined through the Bookbuild and is 2.75% per annum.

The Bank Bill Rate is set on the first Business Day of the Interest Period, being 19 December 2016.

**3.3 Interest base rate**

1.7850 %

**3.4 Comments on how interest base rate is set**

90 day Bank Bill Rate as at 19 December 2016 of 1.7850%pa

**3.5 Interest margin**

2.7500 %

**3.6 Comments on how interest margin is set**

The Margin was determined by the Bookbuild and is 2.7500%pa



### 3.7 Any other rate/multiplier used in calculating interest rate

%

### 3.8 Comments on how other rate used in calculating interest rate is set

### 3.9 Total interest rate expressed as a per annum rate

4.5350 %

### 3.10 Comment on how the total interest rate expressed as a per annum rate is set

90 Day Bank Bill Rate set on 19 December 2016:	1.7850%pa
Plus Margin:	2.7500%pa
Total:	4.5350%pa

## Part 4 - Further information

### 4.1 Please provide any further information applicable to this payment

The Record Date for NAB Subordinated Notes (NABHB) is 8 days before the Payment Date.

### 4.2 URL link to a copy of the prospectus/PDS or further information about the +security

<http://www.nab.com.au/content/dam/nabrwd/legacy/about-us/shareholder-centre/nab-subordinated-notes/documents/nab-subordinated-notes-offer-document-2012.pdf>

### 4.3 Additional information for inclusion in the Announcement Summary

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