



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

Monday March 20, 2017

Interest Payment Amount

AUD 1.1331

Ex Date

Thursday June 8, 2017

Record Date

Friday June 9, 2017

Payment Date

Monday June 19, 2017

Additional Information

The Interest Rate was determined using the following formula:

Bank Bill Rate + Margin

Bank Bill Rate: The 90 day Bank Bill Rate on 20 March 2017: 1.7950%

Plus Margin: 2.75% per annum

Equals Interest Rate: 4.5450%

The Interest Amount per NAB Subordinated Note of \$1.1331 was calculated using the following formula.

Interest Rate: 4.5450% per annum

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

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

Monday March 20, 2017

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 June 19, 2017

2A.2 +Record Date

Friday June 9, 2017

2A.3 Ex-Date

Thursday June 8, 2017

2A.4 First day of payment period

Monday March 20, 2017

2A.5 Last day of payment period

Sunday June 18, 2017

2A.6 Number of days in the payment period

91

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

4.545000 %

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 1.13310000

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 March 20, 2017

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 20 March 2017

3.3 Interest base rate

1.7950 %

3.4 Comments on how interest base rate is set

90 day Bank Bill Rate as at 20 March 2017 of 1.7950%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

4.5450 %

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

90 Day Bank Bill Rate set on 20 March 2017: 1.7950%pa
Plus Margin: 2.7500%pa
Total: 4.5450%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 (or as otherwise prescribed by the ASX Listing Rules)

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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