



Monday, 11 January 2021

ASX ANNOUNCEMENT

Repayment of National Income Securities - Exchange Notice

Following the recent approval by shareholders at National Australia Bank Limited's (NAB) 2020 Annual General Meeting, NAB has elected to repay the National Income Securities (NIS) (ASX Code: NABHA) issued by NAB in 1999. If not repaid, these securities will cease to be eligible to be treated as Tier 1 regulatory capital from 1 January 2022.

This announcement contains a notice (referred to in the terms of the NIS as an "Exchange Notice") under which NAB will repay the NIS on 15 February 2021.

As stated in the Exchange Notice, each NIS will be repaid for \$100 cash, and the final interest payment will be made, on 15 February 2021.

To facilitate these final payments, holders of NIS are asked to ensure that they have provided their preferred Australian bank account details to NAB's Share Registry by no later than 5.00pm (Melbourne time) on 29 January 2021 in one of the following ways:

- Online by visiting www.computershare.com.au/easyupdate/nab;
- Email your request to nabservices@computershare.com.au;
- Telephone NAB's Share Registry on 1300 367 647 (Australia) or +61 3 9415 4299 (outside Australia); or
- By mail addressed to NAB's Share Registry, GPO Box 2333, Melbourne Victoria, 3001 Australia.

If NIS holders do not provide their bank account details, payment will be made by cheque in Australian dollars, mailed to the address appearing in the Register as at 5.00pm (Melbourne time) on 29 January 2021.

For further information:

For enquiries about the repayment of the NIS or to provide updated bank account details, please **contact NAB's Share Registry on 1300 367 647** (within Australia) or +61 3 9415 4299 (outside Australia) (8.00am-6.00pm, Melbourne time, Monday to Friday).

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The release of this announcement was authorised by Louise Thomson, Group Company Secretary.

THIS NOTICE IS IMPORTANT AND REQUIRES THE IMMEDIATE ATTENTION OF NATIONAL INCOME SECURITY HOLDERS. IF YOU ARE IN ANY DOUBT AS TO THE EFFECT OF THIS NOTICE, YOU SHOULD SEEK ADVICE FROM YOUR FINANCIAL ADVISOR OR OTHER PROFESSIONAL ADVISOR.

Exchange Notice

given in respect of the

A\$2,000,000,000 National Income Securities (ASX Code: NABHA) (the “NIS”)

11 January 2021

A. NIS

Each NIS comprises:

- (a) a note with a Principal Amount of \$100 issued by National Australia Bank Limited (ABN 12 004 044 937) (“**NAB**”), through its New York branch (“**Note**”); and
- (b) an unpaid preference share issued by NAB (“**Preference Share**”).

The Note and Preference Share are stapled together under the terms and conditions of the NIS (“**Terms**”) and cannot be transferred separately.

Terms used and not otherwise defined in this Exchange Notice have the meaning given to them in the Terms.

B. Exchange Notice

This Exchange Notice is given in respect of:

- (a) the Notes in accordance with clause 4.3 of the Terms; and
- (b) the Preference Shares in accordance with clauses 4.5 and 13.4 of the Terms.

This Exchange Notice is irrevocable.

C. Exchange of the Notes

NAB, acting through its New York branch, hereby gives notice to each holder of the NIS (each, a “**NIS Holder**”) that it has elected to Exchange all NIS on 15 February 2021 (the “**Exchange Date**”). Each Note will be Exchanged for \$100 per Note (the “**Exchange Price**”).

D. Exchange of the Preference Shares

NAB also hereby makes an offer to each NIS Holder to buy-back all of the Preference Shares on the Exchange Date for no cash consideration in conjunction with the Exchange of the Notes (“**Buy-Back Offer**”) and each NIS Holder has agreed to accept the Buy-Back Offer in accordance with clause 4.6 of the Terms.

E. Payment of interest and completion of Exchange

The final interest payment on the Notes (“**Final Payment**”) will be paid on the Exchange Date, subject to and in accordance with clause 3 of the Terms.

All payments will be subject to clause 18 of the Terms.

To facilitate payment of the Final Payment and the Exchange Price, NIS Holders are asked to ensure that they have provided their preferred Australian bank account details to NAB's Share Registry by no later than 5.00pm (Melbourne time) on 29 January 2021 in one of the following ways:

- Online by visiting www.computershare.com.au/easyupdate/nab;
- Email your request to nabservices@computershare.com.au;
- Telephone NAB's Share Registry on 1300 367 647 (Australia) or +61 3 9415 4299 (outside Australia) (8.00am – 6.00pm, Melbourne time, Monday to Friday); or
- By mail addressed to NAB's Share Registry, GPO Box 2333, Melbourne Victoria, 3001 Australia.

If you do not provide your bank account details, payment will be made by cheque in Australian dollars, mailed to the address appearing in the Register as at 5.00pm (Melbourne time) on 29 January 2021.

F. Trading

The last date for trading in NIS will be 27 January 2021 and the Record Date for the payment of the Exchange Price and the Final Payment will be 29 January 2021.

National Australia Bank Limited (ABN 12 004 044 937)