

SUPPLEMENT DATED 26 MAY 2016 TO THE PROSPECTUS DATED 11 DECEMBER 2015

Westpac Securities NZ Limited

(incorporated with limited liability in New Zealand, company number 1859984)

**Programme for the
Issuance of Debt Instruments**

Unconditionally and irrevocably guaranteed by

Westpac New Zealand Limited

(incorporated with limited liability in New Zealand, company number 1763882)

This supplement (the “**Supplement**”, which definition shall also include all information incorporated by reference herein) to the base prospectus dated 11 December 2015 (the “**Base Prospectus**”, which definition includes the Base Prospectus as supplemented, amended or updated from time to time (including the supplement dated 23 February 2016) and includes all information incorporated by reference therein) constitutes a supplementary prospectus for the purposes of Section 87G of the Financial Services and Markets Act 2000 (the “**FSMA**”) and is prepared in connection with the Programme for the Issuance of Debt Instruments (the “**Programme**”) established by Westpac Securities NZ Limited (“**WSNZL**” or the “**Issuer**”) and Westpac New Zealand Limited (“**WNZL**”). Terms defined in the Base Prospectus have the same meaning when used in this Supplement.

This Supplement is supplemental to and updates the Base Prospectus and must be read in conjunction with, and forms part of the Base Prospectus and any other supplements to the Base Prospectus issued by the Issuer and WNZL.

This Supplement has been approved by the United Kingdom Financial Conduct Authority (the “**FCA**”), which is the United Kingdom competent authority for the purposes of Directive 2003/71/EC (as amended) (the “**Prospectus Directive**”) and relevant implementing measures in the United Kingdom, as a supplementary prospectus to the Base Prospectus. The Base Prospectus constitutes a base prospectus issued in compliance with the Prospectus Directive and relevant implementing measures in the United Kingdom for the purpose of giving information with regard to the issue of Instruments under the Programme.

Each of the Issuer and WNZL accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuer and WNZL (each of whom has taken all reasonable care to ensure that such is the case), the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

The purpose of this Supplement is to: (i) incorporate by reference certain sections of WNZL’s disclosure statement for the six months ended 31 March 2016, namely the unaudited consolidated interim financial statements as at and for the six month period ended 31 March 2016; (ii) incorporate by reference certain sections of WSNZL’s interim financial report for the six months ended 31 March 2016, namely the unaudited non-

consolidated interim financial statements as at and for the six month period ended 31 March 2016; and (iii) to update the Summary set out in the Base Prospectus with key financial information for the six-month period ended 31 March 2016.

Incorporation by reference: WNZL financial statements

On 25 May 2016, WNZL released its disclosure statement (the “**Disclosure Statement**”) containing the consolidated unaudited financial statements as at and for the six months ended 31 March 2016 (including the notes thereto) as set out on pages 4 to 30 inclusive of the Disclosure Statement (the “**WNZL Financial Statements**”). By virtue of this Supplement, the WNZL Financial Statements are incorporated in and form part of this Supplement, and are thereby incorporated in and form part of the Base Prospectus.

A copy of the Disclosure Statement containing the WNZL Financial Statements has been filed with the National Storage Mechanism. Any information in the Disclosure Statement which is not incorporated in and does not form part of this Supplement and therefore is not incorporated in and does not form part of the Base Prospectus is not relevant for investors or is contained elsewhere in the Base Prospectus.

Incorporation by reference: WSNZL interim financial report

On 18 May 2016, WSNZL released its interim financial report (the “**Interim Financial Report**”) containing its non-consolidated unaudited interim financial statements as at and for the six months ended 31 March 2016 (including the notes thereto) as set out on pages 11 to 19 inclusive of the Interim Financial Report (the “**WSNZL Interim Financial Statements**”). By virtue of this Supplement, the WSNZL Interim Financial Statements are incorporated in and form part of this Supplement, and are thereby incorporated and form part of the Base Prospectus.

A copy of the Interim Financial Report has been filed with the National Storage Mechanism. Any information in the Interim Financial Report which is not incorporated in and does not form part of this Supplement and therefore is not incorporated in and does not form part of the Base Prospectus is not relevant for investors or is contained elsewhere in the Base Prospectus.

Update of the Summary

Following the release of the Disclosure Statement and the Interim Financial Report, Elements B.12 and B.19 of the “Summary of the Programme” are updated as set out in the Appendix to this Supplement.

Significant change statements

There has been no significant change in the financial or trading position of the Issuer since 31 March 2016.

There has been no significant change in the financial or trading position of WNZL and its controlled entities taken as a whole since 31 March 2016.

General

To the extent there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Base Prospectus by this Supplement and (b) any other statement in or incorporated by reference in the Base Prospectus prior to the date of this Supplement, the statements in (a) above will prevail.

To the extent that any document incorporated by reference in this Supplement incorporates further information by reference, either expressly or impliedly, such further information does not form part of this Supplement.

Any information contained in a document incorporated by reference herein which is not incorporated in, and does not form part of, this Supplement is either not relevant for investors or is contained elsewhere in the Base Prospectus.

Save as disclosed in this Supplement and the Base Prospectus, the Issuer and WNZL are not aware of any other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus which is capable of affecting the assessment of Instruments issued under the Programme since the publication of the Base Prospectus.

Factors which could be material for the purpose of assessing the risks associated with the Instruments issued under the Programme are set out on pages 19 to 22 (inclusive) and 35 to 39 (inclusive) of the Base Prospectus.

A copy of the Disclosure Statement, containing the WNZL Financial Statements, and the Interim Financial Report, containing the WSNZL Interim Financial Statements, each of which are incorporated by reference into, and form part of, this Supplement are available for viewing at www.Hemscott.com/nsm.do.

Appendix

| | | | | | | |
|--|--|---|--------------|-------|---------------|-------|
| | | Net assets | 8,665 | 8,641 | 13,744 | 9,825 |
| | | Equity | | | | |
| | | Share capital | 651 | 651 | 651 | 651 |
| | | Retained profits | 8,014 | 7,990 | 13,093 | 9,174 |
| | | Total equity attributable to owners of the Company | 8,665 | 8,641 | 13,744 | 9,825 |

| Section B – Guarantor: | | | | | | |
|-------------------------------|--|--|--------------------|---|--------------------|--|
| B.19 / B.12 | Key Historical Financial Information: | Income statement for the half-year ended 31 March | | Income statement for the year ended 30 September | | |
| | | 2016 NZ \$m | 2015 NZ \$m | 2015 NZ \$m | 2014 NZ \$m | |
| | Interest income | 2,088 | 2,188 | 4,397 | 3,979 | |
| | Interest expense | (1,222) | (1,312) | (2,607) | (2,339) | |
| | Net interest income | 866 | 876 | 1,790 | 1,640 | |
| | Non-interest income | 198 | 198 | 399 | 480 | |
| | Net operating income | 1,064 | 1,074 | 2,189 | 2,120 | |
| | Operating expenses | (447) | (416) | (888) | (817) | |
| | Impairment charges on loans | (9) | (31) | (47) | (26) | |
| | Operating profit | 608 | 627 | 1,254 | 1,277 | |
| | Share of profit of associate accounted for using the equity method | - | - | - | 1 | |
| | Profit before income tax expense | 608 | 627 | 1,254 | 1,278 | |
| | Income tax expense | (168) | (176) | (343) | (337) | |
| | Profit after income tax expense | 440 | 451 | 911 | 941 | |
| | Profit after income tax expense attributable to: | | | | | |
| | Owners of the Banking Group | 440 | 450 | 908 | 938 | |
| | Non-controlling interests | - | 1 | 3 | 3 | |
| | | 440 | 451 | 911 | 941 | |

| | | Balance sheet as at 31 March | | Balance sheet as at 30 September | |
|--|--|---------------------------------|----------------|-------------------------------------|----------------|
| | | 2016 NZ \$m | 2015 NZ \$m | 2015 NZ \$m | 2014 NZ \$m |
| | Assets | | | | |
| | Cash and balances with central banks | 1,523 | 1,568 | 857 | 1,903 |
| | Due from other financial institutions | 172 | 569 | 18 | 553 |
| | Trading securities and other financial assets designated at fair value | 1,788 | 1,291 | 2,085 | 1,216 |
| | Derivative financial instruments | 253 | 49 | 618 | 73 |
| | Available-for-sale securities | 3,713 | 3,520 | 3,421 | 3,010 |
| | Loans | 71,723 | 66,667 | 69,155 | 64,582 |
| | Due from related entities | 2,149 | 2,245 | 2,587 | 1,852 |
| | Investment in associate | 8 | 48 | - | 48 |
| | Property, plant and equipment | 149 | 163 | 164 | 178 |
| | Current tax assets | 20 | - | - | - |
| | Deferred tax assets | 184 | 175 | 183 | 144 |
| | Goodwill and other intangible assets | 591 | 652 | 607 | 662 |
| | Other assets | 242 | 252 | 230 | 228 |
| | Total assets | 82,515 | 77,199 | 79,925 | 74,449 |
| | Liabilities | | | | |
| | Due to other financial institutions | 78 | 60 | 490 | 201 |
| | Deposits and other borrowings | 55,965 | 52,909 | 52,986 | 50,570 |
| | Other financial liabilities at fair value through income statement | 157 | 117 | - | 90 |
| | Derivative financial instruments | 461 | 616 | 203 | 186 |
| | Debt issues | 14,748 | 12,684 | 14,685 | 12,592 |
| | Current tax liabilities | - | 36 | 25 | 45 |
| | Provisions | 68 | 67 | 83 | 76 |
| | Other liabilities | 511 | 515 | 514 | 647 |
| | Total liabilities excluding related entities liabilities | 71,988 | 67,004 | 68,986 | 64,407 |
| | Due to related entities | 2,897 | 3,647 | 3,405 | 3,437 |
| | Subordinated notes | 1,152 | - | 1,143 | - |
| | Total related entities liabilities | 4,049 | 3,647 | 4,548 | 3,437 |
| | Total liabilities | 76,037 | 70,651 | 73,534 | 67,844 |
| | Net assets | 6,478 | 6,548 | 6,391 | 6,605 |

| | | | | |
|--|--|---|--------|---------------|
| | Equity | | | |
| | Share capital | 3,750 | 3,700 | 3,750 |
| | Retained profits | 2,809 | 2,842 | 2,700 |
| | Available-for-sale securities reserve | 5 | 37 | 16 |
| | Cash flow hedge reserve | (86) | (33) | (75) |
| | Total equity attributable to owners of the Banking Group | 6,478 | 6,546 | 6,391 |
| | Non-controlling interests | - | 2 | - |
| | Total equity | 6,478 | 6,548 | 6,391 |
| | Interest earning and discount bearing assets | 81,168 | 75,826 | 77,961 |
| | Interest and discount bearing liabilities | 69,745 | 64,956 | 68,088 |
| | | | | 62,989 |
| | Description of Significant Changes in Financial or Trading Position: | Since 31 March 2016, the last day of the financial period in respect of which the most recent published unaudited consolidated financial statements of WNZL have been prepared, there has been no significant change in the financial or trading position of WNZL and its controlled entities taken as a whole. | | |