

## PRICING SUPPLEMENT



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**AUSTRALIA AND NEW ZEALAND BANKING GROUP LIMITED**  
**(As Issuer)**

**US\$800,000,000**

**FIXED RATE SUBORDINATED NOTES DUE**  
**(SUBJECT TO CONVERSION)**

March 12, 2014

This Pricing Supplement relates to the US\$800,000,000 Fixed Rate Subordinated Notes Due 2024, Subject to Conversion (the “Subordinated Notes”) of Australia and New Zealand Banking Group Limited (“ANZ”), which are described below and also generally in the US\$25,000,000,000 Medium-Term Note Offering Memorandum dated November 15, 2013, as amended and supplemented by this Pricing Supplement (the “Offering Memorandum”). This Pricing Supplement amends the Offering Memorandum in the manner specified in **Annex A**. This Pricing Supplement contains the final terms of the offering of the Subordinated Notes. This Pricing Supplement must be read in conjunction with the Offering Memorandum.

This Pricing Supplement relating to the offering of the Subordinated Notes is subject to, and is qualified in its entirety by reference to, all of the provisions included in the Amended and Restated Fiscal Agency Agreement dated as of March 11, 2014 and the Form of Fixed Rate Subordinated Note, copies of which have been made available to you by ANZ. You should read each of the foregoing documents in conjunction with this Pricing Supplement for a complete understanding of the terms of the Subordinated Notes.

All capitalized terms used in this Pricing Supplement and not otherwise defined herein shall have the meanings assigned to them in the Offering Memorandum.

**The Subordinated Notes are novel and complex financial instruments and may not be a suitable investment for all investors**

Investing in the Subordinated Notes will involve certain risks, and you must determine the suitability of such investment in light of its own circumstances. You should carefully review the section entitled “Risk Factors Relating to the Notes” in the Offering Memorandum, and, in particular, should review pages 11 – 16 of the Offering Memorandum, which discuss specific risks relating to the Subordinated Notes. In addition, you should review the risk factor supplementing the Offering Memorandum entitled “If, under certain circumstances, we are merged or consolidated into another entity, or substantially all of our assets are sold to another entity, such entity need not assume the obligations under the Notes” set out in Annex A of this Pricing Supplement.

**The Subordinated Notes are subject to mandatory conversion in the event of the non-viability of ANZ**

The Subordinated Notes are subject to mandatory Conversion into Ordinary Shares of ANZ if a Non-Viability Trigger Event occurs. A Non-Viability Trigger Event occurs when APRA has provided a written determination to ANZ that the Conversion or Write-Off of certain securities of ANZ is necessary because without either such Conversion or Write-Off or a public sector injection of capital, ANZ would become non-viable.

If a Non-Viability Trigger Event occurs, on the date APRA notifies ANZ of such event (whether or not a Business Day) (such date, the “Trigger Event Date”), ANZ will be required to Convert some or all of the nominal amount of the Subordinated Notes into Ordinary Shares, or if ANZ is prevented by applicable law, court order or any other reason from Converting the Subordinated Notes within five business days after the Trigger Event Date, ANZ will be required to write off some or all of the nominal amount of the Subordinated Notes and immediately and irrevocably terminate the rights of the holders of such Subordinated Notes.

#### **No right to principal or interest following Trigger Event Date**

On the Trigger Event Date, in respect of the principal amount of any Subordinated Note which is to be Converted, the sole right of the holder of such Subordinated Note in respect of that principal amount will be its right to be issued Ordinary Shares upon Conversion, *provided, however*, that where on the Trigger Event Date an Inability Event exists, and Conversion of the principal amount of the Subordinated Notes that are subject to Conversion has not been effected within five Business Days after the relevant Trigger Event Date, (A) to the extent such event prevents the Issuer from Converting the principal amount of Securities which would otherwise be Converted, the principal amount of those Subordinated Notes will not be Converted and instead will be Written-Off on the expiry of the fifth Business Day after the Trigger Event Date and (B) the Issuer shall notify the Fiscal Agent and the holders of the Notes that an Inability Event has impeded Conversion as promptly as practically possible. “Expiry of the fifth Business Day” means 11:59 p.m., Sydney time on the fifth Business Day.

#### **Deemed acknowledgement, agreement and consent**

By its acquisition of the Subordinated Notes, each holder of Subordinated Notes shall be deemed to have (i) consented to the Conversion or Write-off of its Subordinated Notes in accordance with the terms of the section of the Offering Memorandum entitled “Description of the Notes—Conversion or Write-off of Subordinated Notes on Non-Viability of ANZ” and acknowledged that such Conversion or Write-off of its Subordinated Notes (including any beneficial interest therein) following a Non-Viability Trigger Event may occur without any action on such holder’s part and (ii) authorized, directed and requested DTC and any direct participant in DTC or other intermediary through which it holds such Subordinated Notes to take any and all necessary action, if required, to effectuate the Conversion or Write-off of the Subordinated Notes without any further action or direction on the part of such holder.

#### **Additional Operational Procedures Relating to the Subordinated Notes**

The below operational procedures supplement the terms and conditions of the Subordinated Notes as described in the section of the Offering Memorandum entitled “Description of the Notes—Conversion or Write-off of Subordinated Notes on Non-Viability of ANZ”.

Promptly following the receipt of the Trigger Event Notice by DTC (the “Trigger Event Notice Receipt Date”), DTC will suspend all clearance and settlement of the Subordinated Notes that are specified by the Trigger Event Notice to be Subordinated Notes that have been Converted or Written Off (“Relevant Subordinated Notes”), with such suspension commencing no later than the close of the next day following the Trigger Event Notice Receipt Date that is a business day in New York City (the date of such suspension, the “Suspension Date”). Promptly following its receipt of the Trigger Event Notice, DTC will, pursuant to its procedures currently in effect, post the Trigger Event Notice to its Reorganization Inquiry for Participants System.

The Trigger Event Notice shall request that holders of Relevant Subordinated Notes provide to ANZ a notice (a “Conversion Shares Settlement Notice”), containing the information specified in subsection (b) of the Section “Description of the Notes—Conversion or Write-off of Subordinated Notes on Non-Viability of ANZ—Conversion Option” in the Offering Memorandum. The Conversion Shares Settlement Notice must be given in accordance with the standard procedures of DTC (which may include the notice being given to ANZ by electronic means) and in a form acceptable to DTC and ANZ. In order to obtain delivery of Ordinary Shares in respect of Relevant Subordinated Notes, a holder of Relevant Subordinated Notes must deliver its Conversion Shares Settlement Notice on or before the date that is 30 days after the Trigger Event Date (the “Notice Cut-off Date”).

**Transfers of Subordinated Notes that are initiated prior to the Suspension Date and are scheduled to be settled within DTC afterwards may be rejected by DTC and may not settle within DTC**

Holders of Relevant Subordinated Notes will not be able to settle the transfer of any Relevant Subordinated Notes from the Suspension Date, and any sale or transfer of the Relevant Subordinated Notes that a holder of Relevant Subordinated Notes may have initiated prior to the Suspension Date that is scheduled to settle after the Suspension Date will be rejected by DTC and will not be settled within DTC.

**Final Terms of the Subordinated Notes**

<b>Deal Reference MTN:</b>	61
Issuer:	Australia and New Zealand Banking Group Limited (ABN 11 005 357 522)
Principal Amount and Specified Currency:	US\$800,000,000
Option to receive payment in Specified Currency:	Not Applicable
Type of Note:	Rule 144A Global Note and Regulation S Global Note
Status of Note:	Subordinated Note
Term:	10 years
Issue Date:	March 19, 2014
Trade Date:	March 12, 2014
Stated Maturity:	March 19, 2024
Redemption:	At option of the Issuer at any time on or after a Regulatory Event. Any early redemption will be subject to the prior written approval of APRA.
Repayment:	No repayment at the option of the holders prior to Stated Maturity. Any early repayment will be subject to the prior written approval of APRA.
Conversion Option:	Conversion with a Fall back to Write-off (Option 1: Section 8A.2 of the Subordinated Notes applies)
<b>Fixed Rate Notes:</b>	Applicable
Interest Rate:	4.500% per annum
Interest Rate Frequency:	Semi-annually
Regular Record Date(s):	15 calendar days preceding applicable Interest Payment Date whether or not a "business" day
Interest Payment Dates:	On March 19 and September 19 of each year, commencing on September 19, 2014 and ending on the Stated Maturity Date.
<b>Floating Rate Notes:</b>	Not Applicable

<b>LIBOR Notes:</b>	Not Applicable
<b>CMT Rate Notes:</b>	Not Applicable
<b>Floating Rate/Fixed Rate Security:</b>	Not Applicable
<b>Fixed Rate/Floating Rate Security:</b>	Not Applicable
<b>Inverse Floating Rate Security:</b>	Not Applicable
<b>Zero Coupon Notes:</b>	Not Applicable
<b>Indexed Notes/other variable-linked interest note provisions:</b>	Not Applicable
<b>Amortizing Notes:</b>	Not Applicable
<b>Redemption:</b>	At option of the Issuer at any time on or after a Regulatory Event.  Any early redemption will be subject to the prior written approval of APRA.  Any redemption of the Subordinated Notes will be pursuant to the terms of the Subordinated Notes pertaining to redemption, as described in the sections of the Offering Memorandum entitled “Description of the Notes—Redemption or Repurchase of Subordinated Notes” and “Description of the Notes—Redemption of Subordinated Notes for Regulatory Event”.
Redemption Commencement Date:	Not applicable
Redemption Price(s):	Par
Redemption Period(s):	Not Applicable
<b>General Provisions:</b>	
Business Day Convention:	Following Business Day Convention
Business Days:	London, New York, Sydney
Alternative Day Count Fraction:	30/360, unadjusted
Resale Price (Price to public):	99.864%
Offering Agents:	ANZ Securities, Inc. Citigroup Global Markets Inc. Goldman, Sachs & Co. UBS Securities LLC
Agents acting in capacity of:	Principal
Paying Agent:	The Bank of New York Mellon
Calculation Agent:	The Bank of New York Mellon, London branch
Exchange Rate Agent:	Not Applicable
Additional Paying Agent:	Not Applicable

Redenomination, renominatisation and reconventioning provisions:	Not Applicable
Listing:	Not Applicable
Admission to trading:	Not Applicable
Denominations:	Minimum denomination of US\$200,000, and any integral multiple of US\$1,000 thereafter
Covenant Defeasance:	Not Applicable
CUSIP:	052528AH9 - Rule 144A Q0426RNB0 - Reg. S
ISIN:	US052528AH96 - Rule 144A USQ0426RNB07 - Reg. S
Additional Selling Restrictions:	See Offering Memorandum and Canadian wrapper
Stabilizing Manager:	Not Applicable
Exchange Rate:	Not Applicable
Depository (if other than DTC):	Not Applicable
Subordinated Notes Ratings*:	S & P: BBB+ Moody's: A3 Fitch: A+
Other terms:	See Annex A

Signed on behalf of the Issuer

By: \_\_\_\_\_

\* A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the ratings agency at any time.

Credit ratings are for distribution only to a person (a) who is not a "retail client" within the meaning of section 761G of the Corporations Act 2001 and is also a sophisticated investor, professional investor or other investor in respect of whom disclosure is not required under Part 6D.2 or 7.9 of the Corporations Act, and (b) who is otherwise permitted to receive credit ratings in accordance with applicable law in any jurisdiction in which the person may be located. Anyone who is not such a person is not entitled to receive this Pricing Supplement and any who receives this Pricing Supplement must not distribute it to any person who is not entitled to receive it.

## Annex A

### Amendments to Offering Memorandum

The disclosure in the Offering Memorandum is amended as set out below:

- 1 The following paragraph is added into the section “Description of the Notes - How the Notes rank against other debt” after the third paragraph beneath that heading:

Further, the Subordinated Notes will be mandatorily converted into Ordinary Shares or written off (as specified in the relevant Pricing Supplement) where this is determined by APRA to be necessary on the grounds that APRA considers that ANZ would otherwise become non-viable or APRA determines that without a public sector injection of capital or equivalent support ANZ would become non-viable, as further described under “Description of the Notes—Conversion or Write-off of Subordinated Notes on Non-Viability of ANZ”.

- 2 The following paragraph is added into the section “Description of the Notes - Status and Subordination of Subordinated Notes” after the first paragraph beneath that heading:

The Subordinated Notes will be mandatorily converted into Ordinary Shares or written off (as specified in the relevant Pricing Supplement) where this is determined by APRA to be necessary on the grounds that APRA considers that ANZ would otherwise become non-viable or APRA determines that without a public sector injection of capital or equivalent support ANZ would become non-viable, as further described under “Description of the Notes—Conversion or Write-off of Subordinated Notes on Non-Viability of ANZ”.

- 3 In the section “Description of the Notes - Redemption or repurchase of Subordinated Notes”, the definition of “Regulatory Capital” is replaced with the following:

“Regulatory Capital” means a Tier 1 Capital Security (which means a share, note or other security or instrument constituting Tier 1 Capital) or a Tier 2 Capital Security (which means a note or other security or instrument constituting Tier 2 Capital).

- 4 In the section “Description of the Notes - Redemption of Subordinated Notes for Regulatory Event”, the definition of “Tier 2 Capital” is deleted.

- 5 In the section “Description of the Notes – Certain Defined Terms”, after the definition of Tier 1 Capital:

- (a) the definition of “Trigger Event Date” is replaced with the following:

“Trigger Event Date” shall mean the date (whether or not a Business Day) on which APRA notifies ANZ of a Non-Viability Trigger Event as contemplated under “Conversion or Write-off of Subordinated Notes on Non-Viability of ANZ” above.

- (b) the following definition of “Tier 2 Capital” is inserted:

“Tier 2 Capital” shall mean Tier 2 capital of ANZ (on a Level 1 basis) or the ANZ Group (on a Level 2 basis or, if applicable, a Level 3 basis) as defined by APRA from time to time.

- 6 In the section “Description of the Notes – Conversion or Write-off of Subordinated Notes on Non-Viability of ANZ - Conversion Option”:

- in section (e), the phrase “6<sup>th</sup> Business Day” is replaced with “expiry of the fifth Business Day”;

- in section (g)(ii), “sixth Business Day” is replaced with “expiry of the fifth Business Day”, and “(including to any right to receive any payment thereunder)” is replaced with “(including to any right to receive any payment thereunder, including interest both future and as accrued but unpaid as at the Trigger Event Date)”.

7 In the section “Description of the Notes – Conversion or Write-off of Subordinated Notes on Non-Viability of ANZ - Write-Off Option”:

- in section (a)(i), the phrase “such Principal Amount of the Subordinated Notes shall be Written-Off as is sufficient” is replaced with “such Principal Amount of the Subordinated Notes shall be immediately Written-Off as is sufficient”; and
- in section (f), the phrase “(including to any right to receive any payment thereunder)” is replaced with “(including to payment of interest with respect to such Principal Amount, both in the future and as accrued but unpaid as at the Trigger Event Date)”.

8 In the section “Description of the Notes - Conversion or Write-off of Subordinated Notes on Non-Viability of ANZ – Conversion Mechanics”:

- in section (b), the phrase “(including to payment of interest)” is replaced with “(including to payment of interest with respect to such Principal Amount, both in the future and as accrued but unpaid as at the Trigger Event Date)”.

9 In the section “Description of the Notes – Defeasance of Senior Notes”, the second paragraph is replaced with the following: “Full defeasance or covenant defeasance is not available to Holders of Subordinated Notes.”

10 The following is added to the end of the section entitled “Description of the Notes – Mergers and similar transactions”:

Notwithstanding the above, we are not prevented from consolidating with or merging into any other person or conveying, transferring or leasing our properties and assets substantially as an entirety to any person, or from permitting any person to consolidate with or merge into us or to convey, transfer or lease its properties and assets substantially as an entirety to us where such consolidation, merger, transfer or lease is:

- required by APRA (or any statutory manager or similar official appointed by it) under law and prudential regulation applicable in the Commonwealth of Australia (including without limitation the Banking Act 1959 or the Financial Sector Transfer (Business Transfer and Group Restructure) Act 1999, which terms, as used herein, includes any amendments thereto, rules thereunder and any successor laws, amendments and rules)); or
- determined by our directors or by APRA (or any statutory manager or similar official appointed by it) to be necessary in order for the Issuer to be managed in a sound and prudent manner or for the Issuer or APRA (or any statutory manager or similar official appointed by it) to resolve any financial difficulties affecting the Issuer, in each case in accordance with prudential regulation applicable in the Commonwealth of Australia.

11 The following is added to the end of the section entitled “Risk Factors Relating to the Notes”:

***If, under certain circumstances, we are merged or consolidated into another entity, or substantially all of our assets are sold to another entity, such entity need not assume the obligations under the Notes***

We are permitted to consolidate or merge with another company or other entity or to sell substantially all of our assets to another company or entity where required to do so by APRA (or a statutory manager or a similar official) under applicable law or prudential regulation in Australia or where determined by our directors or by APRA (or a statutory manager or a similar official) to be necessary in order for us to be managed in a sound or prudent manner or for us or APRA (or a statutory manager or a similar official) to resolve any financial difficulties affecting us. In either case, such entity need not assume the obligations under the Notes, and Holders of the Notes may have no recourse to such entity and no grounds to require repayment of the principal amount of the Notes on account of that consolidation or merger. In particular, such a transaction may be effected in certain circumstances by the Australian Prudential Regulation Authority under the Financial Sector (Business Transfer and Group Restructure) Act 1999, pursuant to which some or all of our assets or liabilities may be transferred to another authorized deposit taking institution. Such a merger, consolidation, or asset sale, whether or not effected by the Australian Prudential Regulation Authority, may adversely affect the value of the Notes and the likelihood of us making payment to holders of any amount due under their Notes.