

## FINAL TERMS

19 January 2009

**National Australia Bank Limited**  
(ABN 12 004 044 937)

**Issue of AUD100,000,000 4.25 per cent. Guaranteed Notes due January 2012**

**Guaranteed by the Commonwealth of Australia**  
**under a deed governed by the laws of the State of New South Wales**  
**under the U.S.\$100,000,000,000**  
**Global Medium Term Note Programme**

Provided an Eligibility Certificate (as defined in the Australian Government Guarantee) has been issued in respect of the Notes, the Commonwealth of Australia (the **Australian Government Guarantor**) has irrevocably guaranteed the payment of the Issuer's liabilities in respect of such Notes.

The Australian Government Guarantor's obligations in that respect are contained in a deed of guarantee dated 20 November 2008 (the **Australian Government Guarantee**), the form of which is available at [www.guaranteescheme.gov.au](http://www.guaranteescheme.gov.au).

The Offering Circular referred to below (as completed by these Final Terms) has been prepared on the basis that, except as provided in sub-paragraph (ii) below, any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (2003/71/EC) (each, a **Relevant Member State**) will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer of the Notes may only do so:

- (i) in circumstances in which no obligation arises for the Issuer or any Manager to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer; or
- (ii) in those Public Offer Jurisdictions mentioned in Paragraph 36 of Part A below, provided such person is one of the persons mentioned in Paragraph 36 of Part A below and that such offer is made during the Offer Period specified for such purpose therein.

Neither the Issuer nor any Manager has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.

### PART A—CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Offering Circular dated 19 December 2008 (the **Offering Circular**) which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the **Prospectus Directive**). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Offering Circular. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Offering Circular. Pursuant to Article 14(2) of the Prospectus Directive, the Offering Circular is available, free of charge, at the registered office of the Issuer and on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) and copies may be obtained, free of charge, from the registered office of the Principal Paying Agent at Winchester House, 1 Great Winchester Street, London, EC2N 2DB.

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| 1. (a) Issuer:                             | National Australia Bank Limited  |
| (b) Australian Government Guaranteed Note: | An Eligibility Certificate (as defined in the Australian Government Guarantee) in respect of |

the Notes has been issued.

2. (a) Series Number: 339
- (b) Tranche Number: 1
3. Specified Currency or Currencies: Australian Dollars (**AUD**)
4. Aggregate Nominal Amount:
  - (a) Series: AUD100,000,000
  - (b) Tranche: AUD100,000,000
5. Issue Price: 100.345 per cent. of the Aggregate Nominal Amount
6. (a) Specified Denominations: AUD5,000 and integral multiples of AUD1,000 in excess thereof. No Notes in definitive form will be issued with a denomination above AUD9,000.
- (b) Calculation Amount: AUD1,000
7. (a) Issue Date: 27 January 2009
- (b) Interest Commencement Date: The Issue Date
8. Maturity Date: 27 January 2012
9. Interest Basis: 4.25 per cent. per annum Fixed Rate
10. Redemption/Payment Basis: Redemption at par
11. Change of Interest Basis or Redemption/Payment Basis: Not Applicable
12. Put/Call Options: Not Applicable
13. Status of the Notes: Senior
14. Method of distribution: Syndicated

#### **PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

15. Fixed Rate Note Provisions: Applicable
  - (a) Rate(s) of Interest: 4.25 per cent. per annum payable annually in arrear
  - (b) Interest Payment Date(s): 27 January in each year from (and including) 27 January 2010 up to (and including) the Maturity Date, subject to adjustment in accordance with the Business Day Convention set out below
  - (c) Fixed Coupon Amount(s): AUD42.50 per Calculation Amount
  - (d) Broken Amount(s): Not Applicable



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|--|--|
| (e) Day Count Fraction:  | Actual/Actual (ICMA)   |
| (f) Business Day Convention:   | Following Business Day Convention  |
| • Adjusted:  | Not Applicable   |
| • Non-Adjusted:  | Applicable   |
| (g) Additional Business Centres:   | Not Applicable.  |
|  | For the avoidance of doubt, in accordance with the Conditions the Business Centres are London and Sydney |
| (h) Determination Date(s):   | 27 January in each year  |
| (i) Other terms relating to the method of calculating interest for Fixed Rate Notes: | None   |
| 16. Floating Rate Note Provisions:   | Not Applicable   |
| 17. Zero Coupon Note Provisions:   | Not Applicable   |
| 18. Index Linked Interest Note Provisions:   | Not Applicable   |
| 19. Dual Currency Interest Note Provisions:  | Not Applicable   |

#### PROVISIONS RELATING TO REDEMPTION

- |   |                                 |
|---|---------------------------------|
| 20. Issuer Call:  | Not Applicable                  |
| 21. Investor Put:   | Not Applicable                  |
| 22. Final Redemption Amount:  | AUD1,000 per Calculation Amount |
| 23. Early Redemption Amount payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in Condition 8.5): | AUD1,000 per Calculation Amount |

#### GENERAL PROVISIONS APPLICABLE TO THE NOTES

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|--------------------------------------|---|
| 24. Any applicable Tax Jurisdiction: | Not Applicable  |
| 25. (a) Form of Notes:               | Bearer Notes:   |
|                                      | Temporary Bearer Global Note exchangeable for a Permanent Bearer Global Note which is exchangeable for Definitive Notes only upon an Exchange Event. <b>The Notes shall not be physically delivered in Belgium, except to a clearing system, a depositary or other institution for the purpose of their immobilisation in accordance with article 4 of the Belgian Law of 14 December 2005.</b> |

- (b) New Global Note: No
26. Additional Financial Centre(s) or other special provisions relating to Payment Days: Not Applicable.  
For the avoidance of doubt, in accordance with the Conditions the Financial Centres are London and Sydney
27. Talons for future Coupons or Receipts to be attached to Definitive Bearer Notes: No
28. Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: Not Applicable
29. Details relating to Instalment Notes: Not Applicable
30. Redenomination applicable: Redenomination not applicable
31. Other final terms: The following Conditions shall not apply to the Notes, save for any defined terms contained therein required by other Conditions applicable to the Notes:  
  
*Conditions 3.2 (Subordination – NAB), 3.3 (Subordination – Clydesdale), 3.4 (Status of Guaranteed Notes and Subordinated Guarantee), 3.5 (Status of the Senior Guarantee), 8.3 (Redemption at the option of the Issuer (Issuer Call)), 8.4 (Redemption at the option of the Noteholders (Investor Put)), 11.1(d) (Events of Default relating to Senior Notes) relating to cross default, 11.2 (Events of Default relating to Subordinated Notes issued by NAB or BNZ-IF), 11.3 (Events of Default relating to Subordinated Notes issued by Clydesdale), 11.4 (Consequences of an Event of Default relating to Subordinated Notes issued by NAB), 11.5 (Consequences of an Event of Default relating to Guaranteed Subordinated Notes issued by BNZ-IF), 11.6 (Consequences of an Event of Default relating to Subordinated Notes issued by Clydesdale) and 11.7(b) (Enforcement – Subordinated Notes).*  
  
Pursuant to clause 24 of the Trust Deed, the Issuer undertakes that it shall not make any request to the Trustee to concur with or agree to any variation, amendment, waiver, release, novation, supplement, extension or restatement of the terms and conditions of the Notes (including, inter alia, the substitution of the



Issuer) without the prior written consent of the Australian Government Guarantor.

Condition 11.7(c) (*Enforcement – General*) is amended in respect of the Notes such that no Noteholder or Couponholder shall be entitled to institute proceedings directly against the Issuer or the Australian Government Guarantor or prove in the Winding Up (as defined in Condition 3.3) of the Issuer unless the Trustee, having become bound so to do fails to do so within a reasonable period and such failure is continuing, in which event any Noteholder or Couponholder may, on giving an indemnity and/or security satisfactory to the Trustee, in the name of the Trustee (but not otherwise) himself institute such proceedings against the Issuer or the Australian Government Guarantor and/or prove in the Winding Up of the Issuer to the same extent and in the same jurisdiction (but not further or otherwise than the Trustee would have been entitled to do so in respect of the Notes and Coupons and/or the Trust Deed).

The Noteholders and Couponholders are entitled to the benefit of, are bound by, and are deemed to have notice of those provisions applicable to them under the Australian Government Guarantee.

## DISTRIBUTION

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| 32. (a) | If syndicated, names and addresses of Managers and underwriting commitments: | The names, addresses and underwriting commitments of the Managers are listed in Part B hereof.   |
| (b)     | Date of Subscription Agreement:  | 19 January 2009  |
| (c)     | Stabilising Manager (if any):  | Not Applicable   |
| 33.     | If non-syndicated, name and address of relevant Dealer:                      | Not Applicable   |
| 34.     | Total commission and concession:   | 1.125 per cent. of the Aggregate Nominal Amount  |
| 35.     | TEFRA rules:   | TEFRA D  |
| 36.     | Non-Exempt Offer:  | An offer of the Notes may be made by the Managers and other parties authorised thereby (together with the Managers, the <b>Financial Intermediaries</b> ) other than pursuant to Article 3(2) of the Prospectus Directive in Austria, Belgium, France, Germany, The Netherlands and the United Kingdom (the <b>Public Offer Jurisdictions</b> ) during the period from 20 January 2009 until 27 January 2009 (the <b>Offer</b> |

**Period**) provided, in particular, that the Offer Period will not commence in:

1) Austria, until the day following the banking day in Austria on which the OeKB, as registration office (Meldestelle), has been notified of the intended public offer and the Final Terms have been filed with the FMA; and

2) France, until such time as the Final Terms have been published on the website of the Autorité des Marchés Financiers (AMF).

See further Paragraph 3 of Part B below.

37. Additional selling restrictions: Not Applicable

### **PAYMENTS BY THE AUSTRALIAN GOVERNMENT GUARANTOR UNDER THE AUSTRALIAN GOVERNMENT GUARANTEE**

In the event that any payment made by the Australian Government Guarantor in respect of the Australian Government Guarantee is made subject to deduction or withholding for or on account of any taxes, duties, assessments or governmental charges of any nature, no additional amounts shall be payable by the Australian Government Guarantor, the Issuer, the Trustee, any Paying Agent or any other person in respect of such deduction or withholding.


### **PURPOSE OF FINAL TERMS**

These Final Terms comprise the final terms required for the issue and public offer in the Public Offer Jurisdictions and admission to trading on the Regulated Market of the Luxembourg Stock Exchange and listing on the official list of the Luxembourg Stock Exchange of the Notes described herein pursuant to the U.S.\$100,000,000,000 Global Medium Term Note Programme of National Australia Bank Limited and others.

### **RESPONSIBILITY**

The Issuer accepts responsibility for the information contained in these Final Terms. The Australian Government Guarantor does not accept any responsibility for the information contained in these Final Terms.

Signed on behalf of the National Australia Bank Limited:

By: 

*Duly authorised*

National Australia Bank Limited does not have authorisation of De Nederlandsche Bank NV to pursue the business of a credit institution (*kredietinstelling*) in the Netherlands and is not registered pursuant to section 1:107 of the Netherlands Financial Supervision Act (*Wet op het financieel toezicht*). National Australia Bank Limited has authorisation of the Australian Prudential Regulation Authority to pursue the business of a credit institution. In addition, the National Australia Bank Limited's London Branch is authorised and regulated by the Financial Services Authority, has permission to carry on the regulated activity of (amongst other things) accepting deposits, and is an authorised person for the purposes of the Financial Services and Markets Act 2000.



## PART B—OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the Regulated Market of the Luxembourg Stock Exchange and to be listed on the official list of the Luxembourg Stock Exchange with effect from 27 January 2009.

### 2. RATINGS

Ratings:

The Notes to be issued have been rated:

S&P: AAA

Moody's: Aaa

### 3. TERMS AND CONDITIONS OF THE OFFER

(i) Offer Price:

The Issuer has offered the Notes to the Managers at the initial issue price of 100.345 per cent. of the Aggregate Nominal Amount less a total commission of 1.125 per cent. of the Aggregate Nominal Amount.

The offer price of the Notes thereafter will be determined by the seller and purchaser of such Notes in accordance with market conditions then prevailing, including supply and demand for the Notes and other similar securities (and within a range of 90 per cent. to 110 per cent. of the principal amount of the Notes).

(ii) Conditions to which the offer is subject:

Offers of the Notes are conditional on their issue. As between the Financial Intermediaries and their customers, offers of the Notes are further subject to conditions as may be agreed between them and/or as specified in the arrangements in place between them.

(iii) The time period, including any possible amendments, during which the offer will be open and description of the application process:

A prospective Noteholder should contact the applicable Financial Intermediary in the applicable Public Offer Jurisdiction prior to the end of the Offer Period. A prospective Noteholder will subscribe for the Notes in accordance with the arrangements existing between such Financial Intermediary and its customers relating to the subscription of securities generally. Noteholders will not be required to enter into any contractual arrangements directly with the Issuer in connection with the subscription of the Notes.

(iv) Details of the minimum and/or maximum amount of application:

There are no pre-identified allotment criteria. The Financial Intermediaries will adopt allotment criteria in accordance with customary market practices and applicable laws and

- regulations.
- (v) Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants: None
- (vi) Details of the method and time limits for paying up and delivering the Notes: Investors will be notified by the relevant Financial Intermediary of their allocations of Notes and the settlement arrangements in respect thereof. The Notes will be issued on the Issue Date against payment to the Issuer of the net subscription moneys.
- (vii) Manner and date in which results of the offer are to be made public: Investors will be notified by the applicable Financial Intermediary of their allocations of Notes and the settlement procedures in respect thereof.
- (viii) Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised: None
- (ix) Categories of potential investors to which the Notes are offered and whether tranche(s) have been reserved for certain countries: Offers may be made by the Financial Intermediaries in each of the Public Offer Jurisdictions to any person during the Offer Period. In other EEA countries and in all jurisdictions (including the Public Offer Jurisdictions) outside of the Offer Period, offers will only be made by the Financial Intermediaries pursuant to an exemption under the Prospectus Directive, as implemented in such countries. All offers of the Notes by the Financial Intermediaries will be made in compliance with all applicable laws and regulations.
- (x) Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made: A prospective Noteholder will receive 100 per cent. of the amount of the Notes allocated to it during the Offer Period. Prospective Noteholders will be notified by the applicable Financial Intermediary in accordance with the arrangements in place between such Financial Intermediary and the prospective Noteholders.
- No dealings in the Notes on a regulated market for the purposes of the Markets in Financial Instruments Directive 2004/39/EC may take place prior to the Issue Date.
- (xi) Amount of any expenses and taxes specifically charged to the subscriber or purchaser: Not Applicable
- (xii) Name(s) and address(es), to the extent known to the Issuer, of the Not applicable



placers in the various countries where the offer takes place.

#### 4. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save for any fees payable to the Managers, so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer.

#### 5. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

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|---------------------------------|---|
| (i) Reasons for the offer:      | As described in the Offering Circular under "Use of Proceeds".  |
| (ii) Estimated net proceeds:    | AUD99,220,000   |
| (iii) Estimated total expenses: | The estimated total expenses of the offer are broken down as follows:<br><br>(i) <b>Total Commission:</b> AUD1,125,000;<br>(ii) <b>Admission to Trading:</b> €600; and<br>(iii) <b>Legal fees:</b> £30,000. |

#### 6. YIELD (*Fixed Rate Notes only*)

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|----------------------|--|
| Indication of yield: | 4.125 per cent. per annum<br><br>As set out above, the yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield. |
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#### 7. OPERATIONAL INFORMATION

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|---|---|
| (i) ISIN Code:  | XS0408889771  |
| (ii) Common Code:   | 040888977   |
| (iii) Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, <i>société anonyme</i> and DTC and the relevant identification number(s): | Not Applicable  |
| (iv) Delivery:  | Delivery against payment  |
| (v) Name(s) and address(es) of initial Paying Agent(s):   | Deutsche Bank AG, London Branch<br>Winchester House<br>1 Great Winchester Street<br>London<br>EC2N 2DB<br>United Kingdom<br><br>Deutsche Bank Luxembourg S.A.<br>2 Boulevard Konrad Adenauer<br>L-1115 Luxembourg |
| (vi) Name(s) and address(es) of additional Paying Agent(s) (if any):  | Not Applicable  |

(vii) Intended to be held in a manner which would allow Eurosystem eligibility: No

**8. NAMES, ADDRESSES AND UNDERWRITING COMMITMENTS OF THE MANAGERS**

**Royal Bank of Canada Europe Limited** AUD80,000,000  
71 Queen Victoria Street  
London  
EC4V 4DE  
United Kingdom

**Deutsche Bank AG, London Branch** AUD4,000,000  
Winchester House  
1 Great Winchester Street  
London  
EC2N 2DB  
United Kingdom

**The Toronto-Dominion Bank** AUD4,000,000  
Triton Court  
14/18 Finsbury Square  
London  
EC2A 1DB  
United Kingdom

**UBS Limited** AUD4,000,000  
1 Finsbury Avenue  
London  
EC2M 2PP  
United Kingdom

**Dexia Banque Internationale à Luxembourg, société anonyme, acting under the name of Dexia Capital Markets** AUD2,000,000  
69 route d' Esh  
L – 1470 Luxembourg

**ING Belgium SA/NV** AUD2,000,000  
Avenue Marnix 24  
B – 1000 Brussels  
Belgium

**KBC Bank NV** AUD2,000,000  
Havenlaan 12  
B – 1080 Brussels  
Belgium

**The Royal Bank of Scotland plc** AUD2,000,000  
135 Bishopsgate  
London  
EC2M 3UR  
United Kingdom