

## ASB BANK LIMITED

### QUOTATION DOCUMENT FOR FIXED RATE MEDIUM TERM NOTES

31 AUGUST 2016

#### Overview

ASB Bank Limited issued the Notes referred to in this document on 26 November 2015 with a further tranche of Notes issued on 26 May 2016. The Notes have now been accepted for quotation by NZX and will be quoted on the NZX Debt Market from 31 August 2016. However, NZX accepts no responsibility for any statement in this document. NZX is a licensed market operator and the NZX Debt Market is a licensed market under the Financial Markets Conduct Act 2013.

This document is a "Profile" for the purposes of the NZX Listing Rules. Capitalised terms used but not otherwise defined in this document have the meaning given to them in the Deed Poll (defined below).

#### Description of the Notes

The Notes referred to in this document are fixed term, interest bearing debt securities. As a holder of the Notes, you would be entitled to receive interest on scheduled Interest Payment Dates and to be repaid the Principal Amount of the Notes on the Maturity Date. You are not entitled to be repaid the Principal Amount prior to the Maturity Date except in certain circumstances if an Event of Default occurs.

Key information about the Notes is set out in the table below including the Interest Rate, Interest Payment Dates, Maturity Date and Transfer restrictions associated with the Notes.

| <b>Issuer:</b>                             | ASB Bank Limited (" <b>ASB</b> ")   |                     |  |                   |     |       |     |         |     |
|--|---|---------------------|--|-------------------|-----|-------|-----|---------|-----|
| <b>Instrument:</b>                         | New Zealand dollar (" <b>NZ\$</b> ") medium term unsecured unsubordinated notes (" <b>Notes</b> ") issued pursuant to the deed poll dated 18 October 2007 (as amended and restated on 10 October 2014 and on 30 August 2016) (" <b>Deed Poll</b> ").  |                     |  |                   |     |       |     |         |     |
| <b>Series Amount:</b>                      | NZ\$650,000,000   |                     |  |                   |     |       |     |         |     |
| <b>Credit Ratings:</b>                     | <p>ASB has issuer credit ratings from:</p> <table border="1"><thead><tr><th colspan="2">ASB's Credit Rating</th></tr></thead><tbody><tr><td>Standard &amp; Poor's</td><td>AA-</td></tr><tr><td>Fitch</td><td>AA-</td></tr><tr><td>Moody's</td><td>Aa3</td></tr></tbody></table> <p>A credit rating is not a recommendation by any rating organisation to buy, sell or hold Notes and may be subject to revision or withdrawal at any time. More information on these ratings is contained in ASB's latest full year disclosure statement (see "Documentation" below).</p> | ASB's Credit Rating |  | Standard & Poor's | AA- | Fitch | AA- | Moody's | Aa3 |
| ASB's Credit Rating                        |   |                     |  |                   |     |       |     |         |     |
| Standard & Poor's                          | AA-   |                     |  |                   |     |       |     |         |     |
| Fitch                                      | AA-   |                     |  |                   |     |       |     |         |     |
| Moody's                                    | Aa3   |                     |  |                   |     |       |     |         |     |
| <b>Expected date of initial quotation:</b> | 31 August 2016  |                     |  |                   |     |       |     |         |     |
| <b>Issue Date:</b>                         | 26 November 2015 with a further tranche of the Notes issued on 26 May 2016. Although the Notes were issued as separate tranches with different Issue Dates, each such tranche is consolidated and forms a single series which will be quoted under NZX Debt Market ticker code ABB040.  |                     |  |                   |     |       |     |         |     |

|   |   |
|---|---|
| <b>Maturity Date:</b>                   | 26 May 2021   |
| <b>Interest Rate:</b>                   | 4.245 percent per annum   |
| <b>Interest Payments:</b>               | Semi annually in arrears in two equal payments  |
| <b>Interest Payment Date:</b>           | 26 May and 26 November each year up to and including the Maturity Date. The first Interest Payment Date following the expected date of initial quotation will be 26 November 2016.  |
| <b>NZX Debt Market ticker code</b>      | ABB040  |
| <b>ISIN:</b>                            | NZABBDT034C0  |
| <b>NZClear Code:</b>                    | ABB034  |
| <b>Principal Amount / denomination:</b> | \$1.00  |
| <b>Redemption Amount:</b>               | In respect of each Note, the Principal Amount of that Note  |
| <b>Minimum holding:</b>                 | \$5,000 and in multiples of \$1,000 thereafter  |
| <b>Transfer restrictions</b>            | As a holder of Notes, you may only transfer Notes if the transfer is in respect of Notes having an aggregate Principal Amount that is an integral multiple of \$1,000. However, ASB will not register any transfer of Notes if the transfer would result in the transferor or the transferee holding or continuing to hold Notes with an aggregate Principal Amount of less than \$5,000, unless the transferor would then hold no Notes.   |
| <b>Registrar</b>                        | Computershare Investor Services Limited   |
| <b>Documentation:</b>                   | <p>Information about ASB is contained or referred to in ASB's latest interim and full year disclosure statements (which contain ASB's most recent financial statements). You can obtain a copy of ASB's latest disclosure statements free of charge at ASB's registered office at Level 2, ASB North Wharf, 12 Jellicoe Street, Auckland 1010 or from <a href="https://www.asb.co.nz/section176.aspx">https://www.asb.co.nz/section176.aspx</a></p> <p>Additional information about the Notes is contained in the term sheets for the Notes (which sets out specific commercial terms and conditions applicable to the Notes) (each a "<b>Term Sheet</b>"), the Deed Poll and the Investment Statement dated 10 November 2015 ("<b>Investment Statement</b>") (which sets out key information designed to assist a prudent but non-expert person in deciding whether or not they should have subscribed for the Notes when they were issued). The information in the Term Sheets and Investment Statement was correct as at the Issue Dates.</p> <p>You may obtain a copy of the Term Sheets, the Deed Poll and the Investment Statement, free of charge, on request, during normal business hours from:</p> <p><i>The Registrar</i></p> <p>Computershare Investor Services Limited<br/> Level 2, 159 Hurstmere Road<br/> Takapuna<br/> Auckland 0622</p> <p>Private Bag 92119<br/> Auckland 1142</p> <p>Telephone for investor enquiries: (09) 488 8777<br/> Facsimile: (09) 488 8787<br/> Email: <a href="mailto:enquiry@computershare.co.nz">enquiry@computershare.co.nz</a></p> <p>In addition to the above information, if you purchase Notes you will receive a holding statement from the Registrar setting out various information in relation to your holding of Notes within 5 business days after the date of registration of the relevant transfer.</p> |

|   |  |
|---|--|
| <p><b>Trading of Notes on NZX Debt Market</b></p> | <p>To be eligible to trade the Notes on the NZX Debt Market, you must have an account with a NZX Primary Market Participant, a Common Shareholder Number ("<b>CSN</b>") and an Authorisation Code ("<b>FIN</b>"). If you do not have an account with a financial adviser you should be aware that opening an account can take a number of days depending on the NZX Primary Market Participant's new client procedures.</p> <p>You will receive your Holding Statement from the Registrar within 5 business days of the initial date of quotation, which will also include your CSN. You will also be able to obtain your CSN by calling (09) 488 8777.</p> <p>If you do not have a FIN, it is expected that you will be sent one as a separate communication by the Registrar.</p> <p>If you have a financial adviser and have not received a FIN by the date you want to trade your Notes, your financial adviser can arrange to obtain your FIN from the Registrar.</p> <p>Your financial adviser may be charged for requesting your FIN from the Registrar and may pass this cost on to you.</p>   |
| <p><b>NZX Waiver</b></p>                          | <p>NZX has provided ASB with a waiver from the following NZX Listing Rules:</p> <ul style="list-style-type: none"> <li>• NZX Listing Rules 3.2.1(a), which means that ASB is able to rely on the exclusion for registered banks from the requirement to have a trust deed and a trustee in respect of the Notes;</li> <li>• NZX Listing Rule 3.2.1(c), which means that the Deed Poll is not required to comply with Listing Rule 3.2.1(c) in relation to notes issued under the Deed Poll that are not quoted on the NZX Debt Market;</li> <li>• NZX Listing Rule 6.3.2 which means that the Deed Poll may deem delivery of notices to holders of Notes to have occurred at a later date than that set out in the Listing Rules; and</li> <li>• NZX Listing Rules 10.3 and 10.4 which means that ASB is able to provide its quarterly disclosure statements as a registered bank instead of complying with NZX Listing Rules 10.3 and 10.4.</li> </ul> <p>NZX has also provided its approval under NZX Listing Rule 11.1.5 to the effect that the Deed Poll contains provisions requiring a transferor to retain the minimum holding of \$5,000 of Notes (if not zero) and that transfers be in multiples of \$1,000.</p> |