ASB Finance Limited

Issue of USD 100,000,000 Floating Rate Notes due April 2019
Guaranteed by ASB Bank Limited
under the U.S.$70,000,000,000
Euro Medium Term Note Programme

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 Programme Circular dated 24 June 2015 and the supplements to it dated 12 August 2015, 15 September 2015 and 10 February 2016, which together constitute a base prospectus for the purposes of the Prospectus Directive (the “Programme Circular”). 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 Programme Circular. Full information on the Issuer and the Guarantor and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Programme Circular. The Programme Circular has been published on the website of the Regulatory News Service operated by the London Stock Exchange at http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html.

1. (i) Issuer: ASB Finance Limited
   (ii) Guarantor: ASB Bank Limited

2. (i) Series of which Notes are to be treated as forming part: 6020
   (ii) Tranche Number: 1
   (iii) Date on which the Notes will be consolidated and form a single Series: Not Applicable

3. Specified Currency or Currencies: United States Dollars (“USD”)

4. Aggregate Nominal Amount:
   (i) Series: USD 100,000,000
   (ii) Tranche: USD 100,000,000

5. Issue Price:
   99.70365 per cent. of the Aggregate Nominal Amount

6. (i) Specified Denominations: USD 200,000 and integral multiples of USD 1,000 in excess thereof
   (ii) Calculation Amount: USD 1,000

7. (i) Issue Date: 22 April 2016
   (ii) Interest Commencement Date: Issue Date

8. Maturity Date: Interest Payment Date falling in or nearest to April 2019

9. Interest Basis: 3 month USD-LIBOR + 0.95 per cent. per annum Floating Rate
   (see paragraph 14 below)

10. Redemption/Payment Basis: Subject to any purchase and cancellation or early
redemption, the Notes will be redeemed on the Maturity Date at 100 per cent. of their nominal amount

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<tbody>
<tr>
<td>11. Change of Interest Basis:</td>
<td>Not Applicable</td>
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<td>12. Put/Call Options:</td>
<td>Not Applicable</td>
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**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

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<tr>
<td>13. Fixed Rate Note Provisions</td>
<td>Not Applicable</td>
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<td>14. Floating Rate Note Provisions</td>
<td>Applicable</td>
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<tr>
<td>(i) Specified Period(s)/Specified Interest Payment Date(s):</td>
<td>22 January, 22 April, 22 July and 22 October in each year, commencing 22 July 2016, subject to adjustment in accordance with the Business Day Convention, with the final coupon on 23 April 2019</td>
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<td>(ii) Business Day Convention:</td>
<td>Modified Following Business Day Convention</td>
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<td>(iii) Additional Business Centre(s):</td>
<td>London, New York, Wellington and Auckland</td>
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<td>(iv) Manner in which the Rate of Interest and Interest Amount are to be determined:</td>
<td>Screen Rate Determination</td>
</tr>
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<td>(v) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Principal Paying Agent):</td>
<td>Not Applicable</td>
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<td>(vi) Screen Rate Determination:</td>
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<td>Reference Rate: 3 month USD-LIBOR</td>
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<td>Interest Determination Date(s): Second London business day prior to the start of each Floating Interest Period</td>
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<td>Relevant Screen Page: Reuters Screen LIBOR01 Page (or any page which replaces that page)</td>
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<td>(vii) ISDA Determination:</td>
<td>Not Applicable</td>
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<td>(viii) Linear Interpolation:</td>
<td>Not Applicable</td>
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<tr>
<td>(ix) Margin(s):</td>
<td>+ 0.95 per cent. per annum</td>
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<td>(x) Minimum Rate of Interest:</td>
<td>Not Applicable</td>
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<td>(xi) Maximum Rate of Interest:</td>
<td>Not Applicable</td>
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<td>(xii) Day Count Fraction:</td>
<td>Actual/360</td>
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15. Zero Coupon Note Provisions | Not Applicable |

**PROVISIONS RELATING TO REDEMPTION**

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<td>16. Issuer Call:</td>
<td>Not Applicable</td>
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<tr>
<td>17. Investor Put:</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>18. Final Redemption Amount:</td>
<td>USD 1,000 per Calculation Amount</td>
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<tr>
<td>19. Early Redemption Amount payable on redemption for taxation reasons or on event of default:</td>
<td>Condition 6(f) shall apply</td>
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GENERAL PROVISIONS APPLICABLE TO THE NOTES

20. 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

21. Payment Business Day Convention:
Modified Following Business Day Convention

22. Additional Financial Centre(s):
London, New York, Wellington and Auckland

23. Talons for future Coupons to be attached to Definitive Notes:
No

Signed on behalf of the Issuer by its attorneys in the presence of:

---------------------------------------------------------  ---------------------------------------------------------
Signature of Attorney                                  Signature of Attorney

---------------------------------------------------------  ---------------------------------------------------------
Name of Attorney                                       Name of Attorney

Signature of Witness ........................................
Name of Witness ..........................................
Occupation ..............................................
Address ..................................................

Signed on behalf of the Guarantor by its attorneys in the presence of:

---------------------------------------------------------  ---------------------------------------------------------
Signature of Attorney                                  Signature of Attorney

---------------------------------------------------------  ---------------------------------------------------------
Name of Attorney                                       Name of Attorney

Signature of Witness ........................................
Name of Witness ..........................................
Occupation ..............................................
Address ..................................................
Part B – Other Information

1. LISTING AND ADMISSION TO TRADING
   (i) 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 London Stock Exchange’s regulated market and to be listed on the Official List of the UK Listing Authority with effect from the Issue Date.
   (ii) Estimate of total expenses related to admission to trading: GBP 2,700

2. RATINGS
   The Notes to be issued are expected to be rated:
   S&P: AA-
   Moody’s: Aa3

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE
   Save for any fees payable to the Commonwealth Bank of Australia (the “Lead Manager”), so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The Lead Manager and its affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.

4. YIELD
   Not Applicable

5. HISTORIC INTEREST RATES
   Details of historic USD LIBOR rates can be obtained from Reuters.

6. OPERATIONAL INFORMATION
   (i) ISIN Code: XS1399291100
   (ii) Common Code: 139929110
   (iii) CMU Instrument Number: Not Applicable
   (iv) Any clearing system(s) other than Euroclear and Clearstream Luxembourg and the relevant identification number(s): Not Applicable
   (v) CMU Lodging and Paying Agent: Not Applicable
   (vi) Delivery: Delivery against payment
   (vii) Names and addresses of additional Paying Agent(s) (if any): Not Applicable
   (viii) U.S. Selling Restrictions: Reg. S Compliance Category 2; TEFRA D

7. THIRD PARTY INFORMATION
   Not Applicable