

Media Release

13 November 2008

Shareholders approve merger with Westpac to create Australia's leading financial services organisation

St.George shareholders today overwhelmingly approved a proposal for the merger of Westpac and St.George. Approximately 95% of the votes cast at the Share Scheme Meeting held this morning were in favour of the merger proposal.

The Chairman of St.George Bank, Mr John Curtis, said: "Today's vote is an historic event and brings together two great businesses to create the leading financial services organisation and one of the largest companies in Australia.

"In addition, the new entity will be one of only 17 banks in the world which are rated 'AA' or higher."

Under the scheme, St.George shareholders will receive 1.31 Westpac shares for every St.George share they hold. In addition, a final and special dividend totalling \$1.25 will be paid on Thursday 18 December. For shareholders who are Australian residents, Capital Gains Tax roll-over relief is expected to be available.

"St.George shareholders have overwhelmingly endorsed the proposal and the Board's recommendation. Shareholders obviously saw strong merit in the proposal and on behalf of the Board, I would like to thank them for their support throughout the process," Mr Curtis said.

"We are very pleased that under the proposal, the St.George brand and branch network will be maintained, along with a corporate presence in Kogarah. We believe this is a very strong operating model that will benefit all stakeholders. Our customers will be able to enjoy the same exceptional St.George service – with the additional benefit of access to more than 2,700 ATMs across Australia from 1 December.

"The Board would also like to acknowledge the continuing support of St.George staff and management across the Group. The Bank has performed very well in the circumstances due to their stewardship. I would also like to thank Mr Paul Fegan, Managing Director and CEO, and the Group Executive for their leadership during this process."

Westpac Banking Corporation today welcomed the decision of St.George shareholders to vote in favour of merging with Westpac.

Westpac Chairman, Mr Ted Evans, said the strong vote in favour of the merger demonstrated that St.George shareholders appreciated the benefits that this merger will create.

"On behalf of the Westpac Board I welcome St.George shareholders, customers and employees who, with us, will bring together the best of both banks. The merger creates a larger, more diverse and even stronger financial services company – well positioned to meet the challenges of the current global environment.

“This is a transformational transaction for Westpac and will accelerate Westpac’s customer-focussed growth strategy and deliver value for both St.George and Westpac shareholders,” Mr Evans said.

It is anticipated that the Schemes will be implemented on Monday 1 December 2008, in accordance with the timetables set out in the Scheme Booklet.

A timetable of the remaining key dates in relation to the Share Scheme follows at the end of this announcement.

The related proposal to amend St.George's constitution was approved by similar majorities at the Extraordinary General Meeting, which was held immediately after the Share Scheme Meeting. The SAINTS Scheme and Option Scheme were also approved at meetings held today. Particulars of the voting results at each meeting were set out in St.George's releases to the ASX earlier today.

Further details in relation to the Schemes and their implementation are set out in the Scheme Booklet (which is available at www.stgeorgemerger.com.au). Capitalised terms in this announcement have the meanings given in the Scheme Booklet.

Ends.

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Additional Notes

Implementation of the Share Scheme remains subject to satisfaction or waiver of certain conditions precedent, in particular the receipt of approval by the Federal Court of Australia. The same applies in respect of the SAINTS Scheme and Option Scheme. St.George will seek Federal Court approval of the Schemes on Monday 17 November 2008.

If the Court approves the Schemes, St.George intends to lodge a copy of the Court orders with ASIC on the same day, and the Schemes will become effective from that time - as will the changes to the St.George constitution which were approved by shareholders at the Extraordinary General Meeting today. In those circumstances, St.George will apply to the ASX for trading in its ordinary shares and SAINTS to be suspended from the close of trading on Monday 17 November 2008. The Westpac ordinary shares to be issued or transferred (as applicable) under the Share Scheme and Option Scheme ("New Westpac Shares") will commence trading on a deferred settlement basis on Tuesday 18 November 2008.

It is the responsibility of each holder of New Westpac Shares to confirm their holding before trading in New Westpac Shares to avoid the risk of selling shares that they do not own. Persons who sell New Westpac Shares before they receive their holding statements or confirm their uncertificated holdings do so at their own risk.

Key dates in relation to Share Scheme

Note: the following timetable is extracted from the Scheme Booklet dated 29 September 2008. The timetable is indicative only and, among other things, is subject to the satisfaction or, where applicable, waiver of the conditions precedent to the Share Scheme, and to all necessary Court and regulatory approvals. Any variation to the timetable set out above will be announced to ASX and published online at www.stgeorgemerger.com.au.

Effective Date Court order lodged with ASIC and announcement to ASX Last day of trading in St.George Shares – St.George Shares suspended from trading on ASX from close of trading on ASX	Monday 17 November 2008
New Westpac Shares commence trading on ASX on a deferred settlement basis	Tuesday 18 November 2008
Record Date Scheme Record Date for determining entitlement to the Share Scheme Consideration Record date for determining entitlement to St.George Share FY2008 Final Dividend and Special Dividend	7.00pm (Sydney time) on Monday 24 November 2008
Implementation Date Issue of New Westpac Shares and transfer of St.George Shares to Westpac Commencement of despatch to Share Scheme Participants of holding statements confirming the issue of New Westpac Shares Last day of deferred settlement trading on ASX for New Westpac Shares	Monday 1 December 2008
New Westpac Shares commence trading on a normal settlement basis on ASX	Tuesday 2 December 2008
Payment of St.George Share FY2008 Final Dividend and Special Dividend	Thursday 18 December 2008