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**PRICING SUPPLEMENT**



**Australia and New Zealand Banking Group Limited  
(Australian Business Number 11 005 357 522)**

(Incorporated with limited liability in Australia and registered in the State of\*Victoria)

US\$60,000,000,000  
Euro Medium Term Note Programme

Series No: 1880

Tranche No: 1

JPY10,000,000,000 0.952 per cent. Fixed Rate Subordinated Notes due 11 July 2028

Issue Price: 100 per cent.

**Nomura International plc**

The date of this Pricing Supplement is 7 July 2016

## PART A – CONTRACTUAL TERMS

This document constitutes the Pricing Supplement relating to the issue of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Information Memorandum dated 16 May 2016, the Supplemental Information Memorandum dated 23 May 2016 and any supplement to the Base Prospectus of the Issuer dated 16 May 2016, which are deemed to be incorporated by reference into the Information Memorandum (which, for the avoidance of doubt, includes the Supplemental Base Prospectus dated 25 May 2016) (together, the "**Information Memorandum**"). This Pricing Supplement of the Notes must be read in conjunction with such Information Memorandum as so supplemented.

|    |       |   |   |
|----|-------|---|---|
| 1. | (i)   | Issuer  | Australia and New Zealand Banking Group Limited                                     |
| 2. | (i)   | Series Number:                                    | 1880  |
|    | (ii)  | Tranche Number:                                   | 1   |
| 3. | (i)   | Specified Currency or Currencies:                 | Japanese Yen ("JPY")  |
|    | (ii)  | Exotic Currency Payments:                         | Not Applicable  |
| 4. |       | Aggregate Principal Amount:                       | JPY10,000,000,000   |
|    | (i)   | Series:   | JPY10,000,000,000   |
|    | (ii)  | Tranche:  | JPY10,000,000,000   |
| 5. |       | Issue Price:                                      | 100 per cent. of the Aggregate Principal Amount                                     |
| 6. | (i)   | Specified Denomination(s) (and Principal Amount): | JPY100,000,000 in each case as it may be adjusted in accordance with Condition 5A.4 |
|    | (ii)  | Calculation Amount:                               | JPY100,000,000 as it may be adjusted in accordance with Condition 5A.4              |
| 7. | (i)   | Issue Date:                                       | 11 July 2016  |
|    | (ii)  | Interest Commencement Date:                       | Issue Date  |
|    | (iii) | Trade Date:                                       | 1 July 2016   |
| 8. |       | Maturity Date:                                    | 11 July 2028  |
| 9. |       | Interest Basis:                                   | Fixed Rate (Further particulars specified below)                                    |

- |     |   |  |
|-----|---|--|
| 10. | Redemption/Payment Basis:                       | Redemption at Par  |
| 11. | Change of Interest or Redemption/Payment Basis: | Change of Interest Basis as specified in item 15 (i) below |
| 12. | Put/Call Options:                               | Issuer Call Option (Further particulars specified below)   |
| 13. | Status of the Notes:                            | Subordinated Notes   |
| 14. | Method of distribution:                         | Non-syndicated   |

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

- |     |                                    |  |
|-----|------------------------------------|--|
| 15. | Fixed Rate Note Provisions         | Applicable   |
|     | (i) Rate(s) of Interest:           | <p>0.952 per cent. per annum payable semi-annually in arrear from (and including) the Issue Date up to (but excluding) the Optional Redemption Date.</p> <p>“<b>Spread</b>” is defined as 1.103 per cent. per annum, being the difference between the Rate of Interest on the Trade Date and the seven-year JPY Mid Swap Rate which is calculated as the mid-point of the Ask and Bid swap rate rounded up to the nearest tenth basis point (“<b>MSR</b>”), of -0.151 per cent. appearing on Bloomberg page GDCO157 (or its replacement page) at the time of pricing on the Trade Date.</p> <p>If the Notes are not redeemed, purchased and cancelled, Written-Off or Converted on or before the Optional Redemption Date, the interest payable on the Notes from, and including, the Optional Redemption Date to, but excluding, the Maturity Date, shall be reset to a fixed rate equal to the prevailing five-year JPY MSR rate, appearing on Bloomberg page GDCO157 (or its replacement page) at 3pm Tokyo time on the day that is two Tokyo business days preceding the Optional Redemption Date plus the Spread of 1.103 per cent.</p> |
|     | (ii) (a) Interest Payment Date(s): | 11 January and 11 July in each year subject to adjustment for payment purposes only in accordance with the Business Day Convention specified below commencing in January 2017  |
|     | (b) Interest Period(s):            | Not Applicable   |

|        |  |   |
|--------|--|---|
|        | (c) Interest Period Date:  | Not Applicable                                  |
| (iii)  | Fixed Coupon Amount:   | Not Applicable                                  |
| (iv)   | Broken Amount(s):  | Not Applicable                                  |
| (v)    | Day Count Fraction:  | 30/360  |
| (vi)   | Business Day Convention:   | Modified Following Business Day Convention      |
|        | (a) Adjusted:  | Not Applicable                                  |
|        | (b) No Adjustment:   | Applicable                                      |
| (vii)  | Additional Business Centre(s):   | New York, Tokyo, Sydney, London                 |
| (viii) | Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s): | The Fiscal Agent shall be the Calculation Agent |
| (ix)   | Other terms relating to the method of calculating interest for Fixed Rate Notes:     | Not Applicable                                  |
| 16.    | Floating Rate Note Provisions:   | Not Applicable                                  |
| 17.    | CMS Rate Note Provisions:  | Not Applicable                                  |
| 18.    | Inverse Floating Rate Note Provisions:   | Not Applicable                                  |
| 19.    | Zero Coupon Note Provisions:   | Not Applicable                                  |
| 20.    | Linear interpolation   | Not Applicable                                  |
| 21.    | Index-Linked Interest Note/Other variable-linked interest Note Provisions:           | Not Applicable                                  |
| 22.    | Dual Currency Note Provisions:   | Not Applicable                                  |

#### **PROVISIONS RELATING TO REDEMPTION**

|     |             |            |
|-----|-------------|------------|
| 23. | Call Option | Applicable |
|-----|-------------|------------|

Any early redemption will be subject to the prior approval of the Australian Prudential Regulation Authority

|       |   |   |
|-------|---|---|
| (i)   | Option Exercise Date(s) (if other than as set out in the Conditions):               | As provided in Condition 5(e)   |
| (ii)  | Optional Redemption Date(s):  | One time on the 11 July 2023 subject to adjustment for payment purposes only in accordance with the Business Day Convention.<br><br><i>The Optional Redemption Date must not be earlier than 5 years from the Issue Date.</i> |
| (iii) | Optional Redemption Amount(s) and method, if any, of calculation of such amount(s): | The Principal Amount, as it may be adjusted in accordance with Condition 5A.4   |
| (iv)  | If redeemable in part:  |   |
|       | (a) Minimum Redemption Amount:  | Not Applicable  |
|       | (b) Maximum Redemption Amount:  | Not Applicable  |
| 24.   | Put Option  | Not Applicable  |
| 25.   | Final Redemption Amount of each Note  | The Principal Amount as it may be adjusted in accordance with Condition 5A.4  |
| 26.   | Early Redemption Amount:  | The Principal Amount as it may be adjusted in accordance with Condition 5A.4<br><br>Any early redemption will be subject to the prior approval of the Australian Prudential Regulation Authority                              |
| 27.   | Redemption for Regulatory Event:  | Applicable  |
| 28.   | Redemption for taxation reasons:  |   |
|       | Condition 5(b)(i)   | Applicable (Note that Condition 5(b)(i) applies automatically)  |
|       | Condition 5(b)(ii)  | Applicable  |
|       | Condition 5(b)(iii)   | Applicable  |

## GENERAL PROVISIONS APPLICABLE TO THE NOTES

29. Form of Notes: Registered Notes  
Registered Global Note exchangeable for Certificates in definitive form in the limited circumstances specified in the Registered Global Note/Certificates in definitive form
30. Additional Financial Centre(s) or other special provisions relating to Payment Business Days: New York, Tokyo, Sydney, London  
Payment Business Days shall be subject to Modified Following in accordance with Condition 6(h).
31. Talons for future Coupons or Receipts to be attached to Notes in definitive form (and dates on which such Talons mature): No
32. Details relating to Instalment Notes, including Instalment Amount(s) and Instalment Date(s): Not Applicable
33. Redenomination, renominatisation and reconventioning provisions: Not Applicable
34. Consolidation provisions: Not Applicable
35. Governing Law: English, except in relation to subordination, Conversion and Write-Off provisions of the Notes which will be governed by, and construed in accordance with, the laws of the State of Victoria and the Commonwealth of Australia
36. Other final terms:
- (i) Conversion: Applicable  
CD: 1.00 per cent.  
VWAP Period: 5 Business Days
- (ii) Alternative Conversion Number: Not Applicable
- (iii) Write-Off (see Condition 5B.1 and 5C.1): Not Applicable  
(Where "Not Applicable" is specified at this item 36(iii), this is without prejudice to the application of Condition 5B.5 where

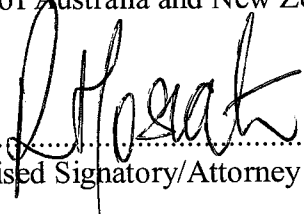
"Applicable" is specified at item 36(i)

**DISTRIBUTION**

- 37. (i) If syndicated, names of Managers: Not Applicable
- (ii) Stabilising Manager (if any): Not Applicable
- 38. If non-syndicated, name of Dealer: Nomura International plc
- 39. Additional selling restrictions: Not Applicable
- 40. US Selling Restrictions: TEFRA Not Applicable / Reg S. Category 2

Signed on behalf of Australia and New Zealand Banking Group Limited:

By: .....  
Duly Authorised Signatory/Attorney



## PART B – OTHER INFORMATION

### 1. LISTING

None, the Notes are not listed

### 2. RATINGS

Ratings: The Notes to be issued are expected to be rated:  
Standard & Poor's (Australia) Pty Ltd: BBB+  
Moody's Investors Service Pty, Limited: A3  
Fitch Australia Pty Ltd: A+

A 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 by the assigning rating organisation.

### 3. OPERATIONAL INFORMATION

ISIN Code: XS1442245822

Common Code: 144224582

Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking, société anonyme and the relevant identification number(s): Not Applicable

Delivery: Delivery against payment

Names and addresses of additional Paying Agent(s) or other Agent(s) (if any): Not Applicable