



Australian Government

Australian Office of Financial Management

A\$4,600,000,000 of Treasury Bonds due 21 November 2027

Terms and Conditions of Issue

These Terms and Conditions of Issue relate to the series of Treasury Bonds referred to above. It is supplementary to, and should be read in conjunction with the Information Memorandum for Treasury Bonds dated 14 August 2015.

The Issuer has prepared and has authorised the issue of these Terms and Conditions of Issue and Information Memorandum and accepts responsibility for the information contained in each of them.

These Terms and Conditions of Issue do not constitute, and may not be used for the purpose of, an offer or solicitation by anyone in any jurisdiction in which such an offer or solicitation is not authorised or to any person to whom it is unlawful to make such an offer or solicitation, and no action is being taken to permit an offering of the Treasury Bonds or the distribution of Terms and Conditions of Issue in any jurisdiction where such action is required.

The particulars to be specified in relation to the series of Treasury Bonds referred to above are as follows:

Issuer	Commonwealth of Australia
Issuer Ratings	AAA (Stable) by Fitch Aaa (Stable) by Moody's Investors Service AAA (Stable) by Standard & Poor's
Instrument	Treasury Bonds
Series Number	TB148
Face Value Amount	A\$4,600,000,000
Method of Distribution	Syndicated Issue
Pricing Date	20 January 2016
Settlement Date	28 January 2016
Maturity Date	21 November 2027
Coupon	2.75% per annum paid semi-annually in arrears
Redemption	Par
Issue Yield	2.865%
Issue Price	98.852 (clean) plus 0.514 accrued

Coupon Payment Dates	21 May and 21 November in each year commencing on 21 May 2016, to and including the Maturity Date. A full first coupon will be paid on 21 May 2016.
Day Count	Actual/ Actual
Business Days	Sydney
Business Day Convention	Following, unadjusted Business Day Convention
Denominations	Denominations of A\$1,000
Record Date	Close of business eight calendar days prior to the coupon payment date. If this day is not a business day, the preceding business day is the record date.
Registrar	Computershare Investor Services Pty Limited
Clearing System	Austraclear, via a bridge to Euroclear and Clearstream
Listing	Quoted on ASX
ISIN	AU000XCLWAQ1
Documentation	Information Memorandum for Treasury Bonds dated 14 August 2015 (available on Australian Office of Financial Management website – www.aofm.gov.au)
Non-resident Interest Withholding Tax	It is intended that the Treasury Bonds will be issued in a manner which would result in the bonds not being subject to non-resident interest withholding tax. In the event the Issuer is required to withhold any amounts on account of Australian taxes, it will not be liable to pay any additional amounts to bondholders as compensation for any such withholdings.
Joint Lead Managers	ANZ, Citi, UBS AG Australia Branch and Westpac Institutional Bank.
Selling Restrictions	Regulation S
Governing law	Australian Capital Territory