



**Suncorp Group Limited**

ABN 66 145 290 124

**Suncorp Bank**  
**APS330**

**as at 30 June 2014**

Release date: 13 August 2014

One Company  
Many Brands



## Basis of preparation

This document has been prepared by the Suncorp Bank to meet the disclosure obligations set down under the Australian Prudential Regulation Authority (APRA) Australian Prudential Standard (APS) 330: *Public Disclosure*.

Suncorp Bank is represented by Suncorp-Metway Ltd and its subsidiaries. Suncorp-Metway Ltd is an authorised deposit-taking institution and a wholly owned subsidiary of Suncorp Group Limited. Suncorp Group is represented by Suncorp Group Limited and its subsidiaries.

Other than statutory information required by a regulator (including APRA), all financial information is measured in accordance with Australian Accounting Standards. All figures have been quoted in Australian dollars and have been rounded to the nearest million.

This document has not been audited nor reviewed in accordance with Australian Auditing Standards. It should be read in conjunction with the Suncorp Group's consolidated annual and interim financial reports which have been either audited or reviewed in accordance with Australian Auditing Standards.

## Disclaimer

This report contains general information which is current as at 13 August 2014. It is information given in summary form and does not purport to be complete.

It is not a recommendation or advice in relation to the Suncorp Group and Suncorp Bank or any product or service offered by its entities. It is not intended to be relied upon as advice to investors or potential investors, and does not take into account the investment objectives, financial situation or needs of any particular investor. These should be considered, with or without professional advice, when deciding if an investment is appropriate.

The information in this report is for general information only. To the extent that the information may constitute forward-looking statements, the information reflects Suncorp Group's intent, belief or current expectations with respect to our business and operations, market conditions, results of operations and financial condition, capital adequacy, specific provisions and risk management practices at the date of this report. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks and uncertainties, many of which are beyond Suncorp Group's control, which may cause actual results to differ materially from those expressed or implied.

Suncorp Group and Suncorp Bank undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date of this report (subject to stock exchange disclosure requirements).

## Registered Office

Level 28, 266 George Street  
Brisbane Queensland 4000  
Telephone: (07) 3835 5769  
[www.suncorpgroup.com.au](http://www.suncorpgroup.com.au)

## Investor Relations

Mark Ley  
Head of Investor Relations  
Telephone: (07) 3135 3991  
[mark.ley@suncorp.com.au](mailto:mark.ley@suncorp.com.au)

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## REGULATORY CAPITAL RECONCILIATION

The following table discloses the consolidated Balance sheet of Suncorp-Metway Limited and its subsidiaries (“the Group”), as published in its audited financial statements, and the Balance sheet under the Level 2 regulatory scope of consolidation pursuant to APS 111.

Each component of capital reported below in *Table 1: Common Disclosures – components of capital* can be reconciled to the Balance sheets below using the reference letters included in both tables.

	BALANCE SHEET PER PUBLISHED AUDITED FINANCIAL STATEMENTS	ADJUSTMENTS	BALANCE SHEET UNDER REGULATORY SCOPE OF CONSOLIDATION	REFERENCE
	JUN-14 \$M	JUN-14 \$M	JUN-14 \$M	
<b>Assets</b>				
Cash and cash equivalents	463	-	463	
Receivables due from other banks	927	-	927	
Trading securities	1,593	-	1,593	
Derivatives	334	-	334	
Investment securities	6,500	-	6,500	
Investment in regulatory non-consolidated subsidiaries	-	24	24	(j)
Loans, advances and other receivables	49,927	(3,103)	46,824	
<i>of which: eligible collective provision component of GRCL in tier 2 capital</i>			(86)	(o)
<i>of which: loan and lease origination fees and commissions paid to mortgage originators and brokers in CET1 regulatory adjustments</i>			132	(f)
<i>of which: costs associated with debt raisings in CET1 regulatory adjustments</i>			8	(g)
Deferred tax assets	98	-	98	
<i>of which: arising from temporary differences included in CET1 regulatory adjustments</i>			85	(e)
Other assets	194	(44)	150	
<i>of which: loan and lease origination fees and commissions paid to mortgage originators and brokers in CET1 regulatory adjustments</i>			3	(h)
Goodwill and intangible assets	26	-	26	(d)
<b>Total assets</b>	<b>60,062</b>	<b>(3,123)</b>	<b>56,939</b>	
<b>Liabilities</b>				
Deposits and short-term borrowings	(44,154)	(13)	(44,167)	
Derivatives	(525)	37	(488)	
Payables due to other banks	(81)	-	(81)	
Payables and other liabilities	(617)	16	(601)	
Due to regulatory non-consolidated subsidiaries	-	(70)	(70)	
Securitisation liabilities	(3,598)	3,149	(449)	
<i>of which: securitisation start-up costs in CET1 regulatory adjustments</i>			9	(i)
Debt issues	(6,839)	-	(6,839)	
<b>Total liabilities excluding loan capital</b>	<b>(55,814)</b>	<b>3,119</b>	<b>(52,695)</b>	
<b>Loan capital</b>				
Subordinated notes	(742)	-	(742)	
<i>of which: directly issued qualifying tier 2 instruments</i>			(670)	(m)
<i>of which: directly issued instruments subject to phase out from tier 2</i>			(72)	(n)
Preference shares	-	-	-	(l)
<b>Total loan capital</b>	<b>(742)</b>	<b>-</b>	<b>(742)</b>	
<b>Total liabilities</b>	<b>(56,556)</b>	<b>3,119</b>	<b>(53,437)</b>	
<b>Net assets</b>	<b>3,506</b>	<b>(4)</b>	<b>3,502</b>	
<b>Equity</b>				
Share capital	(2,565)	-	(2,565)	(a)
Capital notes	(450)	-	(450)	(k)
Reserves	239	1	240	
<i>of which: equity component of GRCL in tier 2 capital</i>			(151)	(p)
<i>of which: AFS reserve</i>			(12)	(c)
Retained profits	(730)	3	(727)	
<i>of which: included in CET1</i>			(355)	(b)
<b>Total equity</b>	<b>(3,506)</b>	<b>4</b>	<b>(3,502)</b>	

## REGULATORY CAPITAL RECONCILIATION (continued)

The Level 2 group for regulatory capital purposes consists of the head entity, Suncorp-Metway Limited ("SML"), and its eligible subsidiaries.

There are no entities included in the regulatory scope of consolidation which are excluded from the accounting scope of consolidation.

The following legal entities are included in the accounting scope of consolidation but are excluded from the regulatory scope of consolidation:

	TOTAL ASSETS	TOTAL LIABILITIES
	JUN-14	JUN-14
	\$	\$
<b>Suncorp Property Development Equity Fund #2 Pty Limited</b>	1	-
<b>Principal activity:</b>		
<i>The company acts as trustee for Suncorp Property Development Equity Fund #2 Unit Trust and Polaris Data Centre Unit Trust.</i>		
	JUN-14	JUN-14
	\$	\$
<b>Polaris Data Centre Unit Trust</b>	10	-
<b>Principal activity:</b>		
<i>The Trust was established by the directors of Suncorp Property Development Equity Fund #2 Pty Ltd (the trustee) for the purpose of forming an unincorporated joint venture for the construction and subsequent leasing of the Polaris Data Centre. In December 2011, the Trust sold its interest in the joint venture, and has since been non-operating.</i>		
	JUN-14	JUN-14
	\$M	\$M
<b>Suncorp Property Development Equity Fund #2 Unit Trust</b>	39	(12)
<b>Principal activity:</b>		
<i>The Trust was established by the directors of Suncorp Property Development Equity Fund #2 Pty Ltd (the trustee) for the purpose of forming an unincorporated joint venture to develop land for the purpose of reselling as residential housing lots.</i>		
	JUN-14	JUN-14
	\$M	\$M
<b>Securitisation special purpose vehicles<sup>1</sup></b>		
Apollo Series 2005-2 Trust	-	-
Apollo Series 2006-1E Trust	283	(283)
Apollo Series 2007-1E Trust	400	(399)
Apollo Series 2010-1 Trust	362	(362)
Apollo Series 2011-1 Trust	656	(656)
Apollo Series 2012-1 Trust	651	(651)
Apollo Series 2013-1 Trust	858	(858)

**Principal activity:**

*The Trusts were established for the purpose of raising funds, via the issue of mortgage backed securities, to fund the purchase of mortgage loans by equitable assignment.*

**Note**

- The Trusts qualify for regulatory capital relief under APS 120 and are therefore deconsolidated from the Level 2 regulatory group. The assets of the Trusts include the secured loans from SML, representing the outstanding balance of securitised mortgages and accrued interest, as well as cash and other receivables.

Any transfer of funds or regulatory capital within the Level 2 group can occur only after the relevant approvals from management and the Board of each affected entity, in line with the Group's capital management policies. Any such transactions must be consistent with the Group's capital management strategy objectives to ensure each entity in the Level 2 group has sufficient capital resources to maintain the business and operational requirements, retain sufficient capital to exceed externally imposed capital requirements, and ensure the Group's ability to continue as a going concern.

## TABLE 1: COMMON DISCLOSURES – COMPOSITION OF CAPITAL

The disclosures below are presented using the post 1 January 2018 common disclosure template as, pursuant to APRA guidelines, the Bank is applying, in full, the Basel III regulatory adjustments from 1 January 2013.

	JUN-14	SOURCE IN REGULATORY CAPITAL RECONCILIATION
	<b>\$M</b>	
<b>Common Equity Tier 1 capital: instruments and reserves</b>		
1	Directly issued qualifying ordinary shares (and equivalent for mutually-owned entities) capital	2,565 (a)
2	Retained earnings	355 (b)
3	Accumulated other comprehensive income (and other reserves)	12 (c)
4	Directly issued capital subject to phase out from CET1 (only applicable to mutually-owned companies)	-
5	Ordinary share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	-
6	<b>Common Equity Tier 1 capital before regulatory adjustments</b>	<b>2,932</b>
<b>Common Equity Tier 1 capital: regulatory adjustments</b>		
7	Prudential valuation adjustments	-
8	Goodwill (net of related tax liability)	26 (d)
9	Other intangibles other than mortgage servicing rights (net of related tax liability)	-
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-
11	Cash-flow hedge reserve	-
12	Shortfall of provisions to expected losses	-
13	Securitisation gain on sale (as set out in paragraph 562 of Basel II framework)	-
14	Gains and losses due to changes in own credit risk on fair valued liabilities	-
15	Defined benefit superannuation fund net assets	-
16	Investments in own shares (if not already netted off paid-in capital on reported balance sheet)	-
17	Reciprocal cross-holdings in common equity	-
18	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the ADI does not own more than 10% of the issued share capital (amount above 10% threshold)	-
19	Significant investments in the ordinary shares of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold)	-
20	Mortgage service rights (amount above 10% threshold)	-
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	-
22	Amount exceeding the 15% threshold	-
23	<i>of which: significant investments in the ordinary shares of financial entities</i>	-
24	<i>of which: mortgage servicing rights</i>	-
25	<i>of which: deferred tax assets arising from temporary differences</i>	-

## TABLE 1: COMMON DISCLOSURES – COMPOSITION OF CAPITAL (continued)

		JUN-14	SOURCE IN REGULATORY CAPITAL RECONCILIATION
		\$M	
26	National specific regulatory adjustments (sum of rows 26a, 26b, 26c, 26d, 26e, 26f, 26g, 26h, 26i and 26j)	261	
26a	<i>of which: treasury shares</i>	-	
26b	<i>of which: offset to dividends declared under a dividend reinvestment plan (DRP), to the extent that the dividends are used to purchase new ordinary shares issued by the ADI</i>	-	
26c	<i>of which: deferred fee income</i>	-	
26d	<i>of which: equity investments in financial institutions not reported in rows 18, 19 and 23</i>	-	
26e	<i>of which: deferred tax assets not reported in rows 10, 21 and 25</i>	85	(e)
26f	<i>of which: capitalised expenses</i>	152	(f)+(g)+(h)+(i)
26g	<i>of which: investments in commercial (non-financial) entities that are deducted under APRA rules</i>	-	
26h	<i>of which: covered bonds in excess of asset cover in pools</i>	-	
26i	<i>of which: undercapitalisation of a non-consolidated subsidiary</i>	-	
26j	<i>of which: other national specific regulatory adjustments not reported in rows 26a - 26i</i>	24	(j)
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	-	
28	<b>Total regulatory adjustments to Common Equity Tier 1</b>	<b>287</b>	
29	<b>Common Equity Tier 1 Capital (CET1)</b>	<b>2,645</b>	
<b>Additional Tier 1 Capital: instruments</b>			
30	Directly issued qualifying Additional Tier 1 instruments	450	(k)
31	<i>of which: classified as equity under applicable accounting standards</i>	450	(k)
32	<i>of which: classified as liabilities under applicable accounting standards</i>	-	
33	Directly issued capital instruments subject to phase out from Additional Tier 1	-	(l)
34	Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1)	-	
35	<i>of which: instruments issued by subsidiaries subject to phase out</i>	-	
36	<b>Additional Tier 1 Capital before regulatory adjustments</b>	<b>450</b>	
<b>Additional Tier 1 Capital: regulatory adjustments</b>			
37	Investments in own Additional Tier 1 instruments	-	
38	Reciprocal cross-holdings in Additional Tier 1 instruments	-	
39	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the ADI does not own more than 10% of the issued share capital (amount above 10% threshold)	-	
40	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-	
41	National specific regulatory adjustments (sum of rows 41a, 41b and 41c)	-	
41a	<i>of which: holdings of capital instruments in group members by other group members on behalf of third parties</i>	-	
41b	<i>of which: investments in the capital of financial institutions that are outside the scope of regulatory consolidations not reported in rows 39 and 40</i>	-	
41c	<i>of which: other national specific regulatory adjustments not reported in rows 41a &amp; 41b</i>	-	
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-	
43	<b>Total regulatory adjustments to Additional Tier 1 capital</b>	<b>-</b>	
44	<b>Additional Tier 1 capital (AT1)</b>	<b>450</b>	
45	<b>Tier 1 Capital (T1=CET1+AT1)</b>	<b>3,095</b>	

## TABLE 1: COMMON DISCLOSURES – COMPOSITION OF CAPITAL (continued)

	JUN-14	SOURCE IN REGULATORY CAPITAL RECONCILIATION
	\$M	
<b>Tier 2 Capital: instruments and provisions</b>		
46	Directly issued qualifying Tier 2 instruments	670 (m)
47	<i>Directly issued capital instruments subject to phase out from Tier 2</i>	72 (n)
48	Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group T2)	-
49	<i>of which: instruments issued by subsidiaries subject to phase out</i>	-
50	Provisions	237 (o)+(p)
51	<b>Tier 2 Capital before regulatory adjustments</b>	<b>979</b>
<b>Tier 2 Capital: regulatory adjustments</b>		
52	Investments in own Tier 2 instruments	-
53	Reciprocal cross-holdings in Tier 2 instruments	-
54	Investments in the Tier 2 capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the ADI does not own more than 10% of the issued share capital (amount above 10% threshold)	-
55	Significant investments in the Tier 2 capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	-
56	National specific regulatory adjustments (sum of rows 56a, 56b and 56c)	-
56a	<i>of which: holdings of capital instruments in group members by other group members on behalf of third parties</i>	-
56b	<i>of which: investments in the capital of financial institutions that are outside the scope of regulatory consolidation not reported in rows 54 and 55</i>	-
56c	<i>of which: other national specific regulatory adjustments not reported in rows 56a &amp; 56b</i>	-
57	<b>Total regulatory adjustments to Tier 2 capital</b>	<b>-</b>
58	<b>Tier 2 capital (T2)</b>	<b>979</b>
59	<b>Total capital (TC=T1+T2)</b>	<b>4,074</b>
60	<b>Total risk-weighted assets based on APRA standards</b>	<b>30,997</b>
<b>Capital ratios and buffers</b>		
61	Common Equity Tier 1 (as a percentage of risk-weighted assets)	8.53%
62	Tier 1 (as a percentage of risk-weighted assets)	9.99%
63	Total capital (as a percentage of risk-weighted assets)	13.14%
64	Buffer requirement (minimum CET1 requirement of 4.5% plus capital conservation buffer of 2.5% plus any countercyclical buffer requirements expressed as a percentage of risk-weighted assets)	7.00%
65	<i>of which: capital conservation buffer requirement</i>	2.50%
66	<i>of which: ADI-specific countercyclical buffer requirements</i>	-
67	<i>of which: G-SIB buffer requirement (not applicable)</i>	-
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk-weighted assets)	8.53%
<b>National minima (if different from Basel III)</b>		
69	National Common Equity Tier 1 minimum ratio (if different from Basel III minimum)	n/a
70	National Tier 1 minimum ratio (if different from Basel III minimum)	n/a
71	National total capital minimum ratio (if different from Basel III minimum)	n/a
<b>Amount below thresholds for deductions (not risk-weighted)</b>		
72	Non-significant investments in the capital of other financial entities	-
73	Significant investments in the ordinary shares of financial entities	-
74	Mortgage servicing rights (net of related tax liability)	-
75	Deferred tax assets arising from temporary differences (net of related tax liability)	85 (e)



## TABLE 1: COMMON DISCLOSURES – COMPOSITION OF CAPITAL (continued)

		JUN-14	SOURCE IN REGULATORY CAPITAL RECONCILIATION
		<b>\$M</b>	
<b>Applicable caps on the inclusion of provisions in Tier 2</b>			
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	237	<b>(o)+(p)</b>
77	Cap on inclusion of provisions in Tier 2 under standardised approach	342	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	n/a	
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	n/a	
<b>Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2018 and 1 Jan 2022)</b>			
80	<i>Current cap on CET1 instruments subject to phase out arrangements</i>	-	
81	<i>Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)</i>	-	
82	<i>Current cap on AT1 instruments subject to phase out arrangements</i>	612	
83	<i>Amount excluded from AT1 instruments due to cap (excess over cap after redemptions and maturities)</i>	-	
84	<i>Current cap on T2 instruments subject to phase out arrangements</i>	151	
85	<i>Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)</i>	-	

## TABLE 2: MAIN FEATURES OF CAPITAL INSTRUMENTS

Attachment B of APS 330 details the continuous disclosure requirements for the main features of all capital instruments included in the Group's regulatory capital.

The Group's main features of capital instruments are updated on an ongoing basis and are available at [www.suncorpgroup.com.au/investors/regulatory-disclosures](http://www.suncorpgroup.com.au/investors/regulatory-disclosures).

The full terms and conditions of all of Suncorp Group's regulatory capital instruments are available at [www.suncorpgroup.com.au/investors/securities](http://www.suncorpgroup.com.au/investors/securities)<sup>1</sup>.

### Note

1. The published full terms and conditions represent the comparable capital instruments issued by Suncorp Group Limited to external investors. The terms of these instruments may differ slightly to those instruments issued by the regulatory Level 2 group.

## TABLE 3: CAPITAL ADEQUACY

	CARRYING VALUE		AVG RISK WEIGHT	RISK-WEIGHTED ASSETS	
	JUN-14	MAR-14	JUN-14	JUN-14	MAR-14
	\$M	\$M	%	\$M	\$M
<b>On-balance sheet credit risk-weighted assets</b>					
Cash Items	723	597	-	2	2
Claims on Australian and foreign Governments	1,733	1,989	-	-	-
Claims on central banks, international banking agencies, regional development banks, ADIs and overseas banks	4,162	4,937	21	891	1,017
Claims on securitisation exposures	1,208	1,330	20	242	266
Claims secured against eligible residential mortgages	36,494	35,952	40	14,553	14,355
Past due claims	673	823	94	631	837
Other retail assets	568	573	81	458	463
Corporate	8,961	8,862	100	8,942	8,836
Other assets and claims	186	209	99	184	203
<b>Total Banking assets<sup>(1)</sup></b>	<b>54,708</b>	<b>55,272</b>	<b>47</b>	<b>25,903</b>	<b>25,979</b>

<sup>(1)</sup> The total carrying value of Banking assets differs from the Group's total assets under the accounting scope of consolidation due to the adoption of APRA's classification of intangible assets, deferred tax assets, incorporation of trading book assets in the market risk capital charge and general reserve for credit losses for capital adequacy purposes.

	NOTIONAL AMOUNT	CREDIT EQUIVALENT	AVG RISK WEIGHT	RISK-WEIGHTED ASSETS	
	JUN-14	JUN-14	JUN-14	JUN-14	MAR-14
	\$M	\$M	%	\$M	\$M
<b>Off-balance sheet positions</b>					
Guarantees entered into in the normal course of business	297	295	71	208	210
Commitments to provide loans and advances	7,100	1,737	56	975	1,057
Foreign exchange contracts	5,492	180	31	56	42
Interest rate contracts	55,393	177	53	93	88
Securitisation exposures	3,240	42	86	36	40
CVA capital charge	-	-	-	128	120
<b>Total off-balance sheet positions</b>	<b>71,522</b>	<b>2,431</b>	<b>62</b>	<b>1,496</b>	<b>1,557</b>
Market risk capital charge				333	333
Operational risk capital charge				3,265	3,275
Total on-balance sheet credit risk-weighted assets				25,903	25,979
<b>Total Assessed Risk</b>				<b>30,997</b>	<b>31,144</b>
<b>Risk-weighted capital ratios</b>				%	%
Common Equity Tier 1				8.53	8.22
Tier 1				9.99	9.66
Tier 2				3.15	3.21
<b>Total risk-weighted capital ratio</b>				<b>13.14</b>	<b>12.87</b>

## TABLE 4: CREDIT RISK

TABLE 4A: CREDIT RISK BY GROSS CREDIT EXPOSURE – OUTSTANDING AS AT 30 JUNE 2014

	RECEIVABLES DUE FROM OTHER BANKS (4)	TRADING SECURITIES	INVESTMENT SECURITIES	LOANS, ADVANCES AND OTHER RECEIVABLES (3)	CREDIT COMMITMENTS (2)	DERIVATIVE INSTRUMENTS (2)	TOTAL CREDIT RISK	IMPAIRED ASSETS	PAST DUE NOT IMPAIRED > 90 DAYS	TOTAL NOT PAST DUE OR IMPAIRED	SPECIFIC PROVISIONS
	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M
Agribusiness	-	-	-	4,269	172	-	4,441	197	8	4,236	50
Construction & development	-	-	-	606	142	-	748	36	4	708	12
Financial services	927	1,593	5,292	341	187	358	8,698	-	-	8,698	-
Hospitality	-	-	-	1,002	60	-	1,062	29	-	1,033	11
Manufacturing	-	-	-	364	24	-	388	11	15	362	10
Professional services	-	-	-	258	10	-	268	5	2	261	2
Property investment	-	-	-	1,995	81	-	2,076	12	14	2,050	9
Real estate - Mortgage	-	-	-	35,844	1,237	-	37,081	22	358	36,701	4
Personal	-	-	-	431	10	-	441	-	8	433	-
Government/public authorities	-	-	-	1	-	-	1	-	-	1	-
Other commercial & industrial	-	-	-	1,939	109	-	2,048	21	30	1,997	8
<b>Total gross credit risk</b>	<b>927</b>	<b>1,593</b>	<b>5,292</b>	<b>47,050</b>	<b>2,032</b>	<b>358</b>	<b>57,252</b>	<b>333</b>	<b>439</b>	<b>56,480</b>	<b>106</b>
Securitisation Exposures <sup>(1)</sup>	-	-	1,208	3,103	30	12	4,353	-	-	4,353	-
<b>Total including Securitisation Exposures</b>	<b>927</b>	<b>1,593</b>	<b>6,500</b>	<b>50,153</b>	<b>2,062</b>	<b>370</b>	<b>61,605</b>	<b>333</b>	<b>439</b>	<b>60,833</b>	<b>106</b>
Impairment provision							(226)	(106)	(34)	(86)	
<b>TOTAL</b>							<b>61,379</b>	<b>227</b>	<b>405</b>	<b>60,747</b>	

(1) The securitisation exposures of \$3,103 million included under "Loans advances and other receivables" qualify for regulatory capital relief under APS 120 and therefore does not contribute to the Bank's Total gross credit risk. The remaining securitisation exposures carry credit risk commensurate with their respective asset classes in accordance with APS 120.

(2) "Credit commitments" and "Derivative instruments" represent the credit equivalent amount of the Bank's off-balance sheet exposures calculated in accordance with APS 112.

(3) Total loans, advances and other receivables includes receivables due from related parties.

(4) Receivables due from other Banks includes collateral deposits provided to derivative counterparties.

## TABLE 4: CREDIT RISK (continued)

TABLE 4A: CREDIT RISK BY GROSS CREDIT EXPOSURE – OUTSTANDING AS AT 31 MARCH 2014

	RECEIVABLES DUE FROM OTHER BANKS (4)	TRADING SECURITIES	INVESTMENT SECURITIES	LOANS, ADVANCES AND OTHER RECEIVABLES (3)	CREDIT COMMITMENTS (2)	DERIVATIVE INSTRUMENTS (2)	TOTAL CREDIT RISK	IMPAIRED ASSETS	PAST DUE NOT IMPAIRED > 90 DAYS	TOTAL NOT PAST DUE OR IMPAIRED	SPECIFIC PROVISIONS
	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M
Agribusiness	-	-	-	4,186	178	-	4,364	200	10	4,154	44
Construction & development	-	-	-	644	152	-	796	57	15	724	15
Financial services	809	1,613	5,116	320	187	298	8,343	-	-	8,343	-
Hospitality	-	-	-	989	43	-	1,032	34	-	998	13
Manufacturing	-	-	-	391	18	-	409	28	14	367	8
Professional services	-	-	-	261	11	-	272	6	1	265	2
Property investment	-	-	-	2,019	86	-	2,105	72	14	2,019	11
Real estate - Mortgage	-	-	-	35,312	1,296	-	36,608	27	394	36,187	5
Personal	-	-	-	446	11	-	457	-	9	448	-
Government/public authorities	-	-	-	1	-	-	1	-	-	1	-
Other commercial & industrial	-	-	-	1,979	124	-	2,103	61	21	2,021	14
<b>Total gross credit risk</b>	<b>809</b>	<b>1,613</b>	<b>5,116</b>	<b>46,548</b>	<b>2,106</b>	<b>298</b>	<b>56,490</b>	<b>485</b>	<b>478</b>	<b>55,527</b>	<b>112</b>
Securitisation Exposures <sup>(1)</sup>	-	-	1,330	3,359	34	13	4,736	-	-	4,736	-
<b>Total including Securitisation Exposures</b>	<b>809</b>	<b>1,613</b>	<b>6,446</b>	<b>49,907</b>	<b>2,140</b>	<b>311</b>	<b>61,226</b>	<b>485</b>	<b>478</b>	<b>60,263</b>	<b>112</b>
Impairment provision							(219)	(112)	(44)	(63)	
<b>TOTAL</b>							<b>61,007</b>	<b>373</b>	<b>434</b>	<b>60,200</b>	

<sup>(1)</sup> The securitisation exposures of \$3,359 million included under "Loans advances and other receivables" qualify for regulatory capital relief under APS 120 and therefore does not contribute to the Bank's Total gross credit risk. The remaining securitisation exposures carry credit risk commensurate with their respective asset classes in accordance with APS 120.

<sup>(2)</sup> "Credit commitments" and "Derivative instruments" represent the credit equivalent amount of the Bank's off-balance sheet exposures calculated in accordance with APS 112.

<sup>(3)</sup> Total loans, advances and other receivables includes receivables due from related parties.

<sup>(4)</sup> Receivables due from other Banks includes collateral deposits provided to derivative counterparties.

## TABLE 4: CREDIT RISK (continued)

TABLE 4A: CREDIT RISK BY GROSS CREDIT EXPOSURE – AVERAGE GROSS EXPOSURE OVER PERIOD 1 APRIL TO 30 JUNE 2014

	RECEIVABLES DUE FROM OTHER BANKS (4)	TRADING SECURITIES	INVESTMENT SECURITIES	LOANS, ADVANCES AND OTHER RECEIVABLES (3)	CREDIT COMMITMENTS (2)	DERIVATIVE INSTRUMENTS (2)	TOTAL CREDIT RISK	IMPAIRED ASSETS	PAST DUE NOT IMPAIRED > 90 DAYS	TOTAL NOT PAST DUE OR IMPAIRED	SPECIFIC PROVISIONS
	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M
Agribusiness	-	-	-	4,228	175	-	4,403	199	9	4,195	46
Construction & development	-	-	-	625	147	-	772	47	10	715	13
Financial services	868	1,603	5,204	330	187	328	8,520	-	-	8,520	-
Hospitality	-	-	-	996	52	-	1,048	32	-	1,016	12
Manufacturing	-	-	-	378	21	-	399	20	15	364	9
Professional services	-	-	-	260	11	-	271	6	2	263	2
Property investment	-	-	-	2,007	84	-	2,091	42	14	2,035	10
Real estate - Mortgage	-	-	-	35,578	1,267	-	36,845	25	376	36,444	5
Personal	-	-	-	439	11	-	450	-	9	441	-
Government/public authorities	-	-	-	1	-	-	1	-	-	1	-
Other commercial & industrial	-	-	-	1,959	117	-	2,076	41	26	2,009	11
<b>Total gross credit risk</b>	<b>868</b>	<b>1,603</b>	<b>5,204</b>	<b>46,801</b>	<b>2,072</b>	<b>328</b>	<b>56,876</b>	<b>412</b>	<b>461</b>	<b>56,003</b>	<b>108</b>
Securitisation Exposures <sup>(1)</sup>	-	-	1,269	3,231	32	13	4,545	-	-	4,545	-
<b>Total including Securitisation Exposures</b>	<b>868</b>	<b>1,603</b>	<b>6,473</b>	<b>50,032</b>	<b>2,104</b>	<b>341</b>	<b>61,421</b>	<b>412</b>	<b>461</b>	<b>60,548</b>	<b>108</b>
Impairment provision							(223)	(109)	(39)	(75)	
<b>TOTAL</b>							<b>61,198</b>	<b>303</b>	<b>422</b>	<b>60,473</b>	

(1) The securitisation exposures of \$3,231 million included under "Loans advances and other receivables" qualify for regulatory capital relief under APS 120 and therefore does not contribute to the Bank's Total gross credit risk. The remaining securitisation exposures carry credit risk commensurate with their respective asset classes in accordance with APS 120.

(2) "Credit commitments" and "Derivative instruments" represent the credit equivalent amount of the Bank's off-balance sheet exposures calculated in accordance with APS 112.

(3) Total loans, advances and other receivables includes receivables due from related parties.

(4) Receivables due from other Banks includes collateral deposits provided to derivative counterparties.

## TABLE 4: CREDIT RISK (continued)

TABLE 4A: CREDIT RISK BY GROSS CREDIT EXPOSURE – AVERAGE GROSS EXPOSURE OVER PERIOD 1 JANUARY TO 31 MARCH 2014

	RECEIVABLES DUE FROM OTHER BANKS (4)	TRADING SECURITIES	INVESTMENT SECURITIES	LOANS, ADVANCES AND OTHER RECEIVABLES (3)	CREDIT COMMITMENTS (2)	DERIVATIVE INSTRUMENTS (2)	TOTAL CREDIT RISK	IMPAIRED ASSETS	PAST DUE NOT IMPAIRED > 90 DAYS	TOTAL NOT PAST DUE OR IMPAIRED	SPECIFIC PROVISIONS
	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M
Agribusiness	-	-	-	4,151	177	-	4,328	184	8	4,136	42
Construction & development	-	-	-	644	147	-	791	64	18	709	17
Financial services	800	1,871	5,162	420	178	341	8,772	-	-	8,772	-
Hospitality	-	-	-	1,002	43	-	1,045	37	-	1,008	13
Manufacturing	-	-	-	397	19	-	416	28	8	380	8
Professional services	-	-	-	262	11	-	273	5	3	265	2
Property investment	-	-	-	2,004	81	-	2,085	47	8	2,030	10
Real estate - Mortgage	-	-	-	34,975	1,368	-	36,343	25	384	35,934	5
Personal	-	-	-	449	11	-	460	-	9	451	-
Government/public authorities	-	-	-	2	-	-	2	-	-	2	-
Other commercial & industrial	-	-	-	1,967	132	-	2,099	63	24	2,012	16
<b>Total gross credit risk</b>	<b>800</b>	<b>1,871</b>	<b>5,162</b>	<b>46,273</b>	<b>2,167</b>	<b>341</b>	<b>56,614</b>	<b>453</b>	<b>462</b>	<b>55,699</b>	<b>113</b>
Securitisation Exposures <sup>(1)</sup>	-	-	1,388	3,508	35	14	4,945	-	-	4,945	-
<b>Total including Securitisation Exposures</b>	<b>800</b>	<b>1,871</b>	<b>6,550</b>	<b>49,781</b>	<b>2,202</b>	<b>355</b>	<b>61,559</b>	<b>453</b>	<b>462</b>	<b>60,644</b>	<b>113</b>
Impairment provision							(215)	(113)	(39)	(63)	
<b>TOTAL</b>							<b>61,344</b>	<b>340</b>	<b>423</b>	<b>60,581</b>	

<sup>(1)</sup> The securitisation exposures of \$3,508 million included under "Loans advances and other receivables" qualify for regulatory capital relief under APS 120 and therefore does not contribute to the Bank's Total gross credit risk. The remaining securitisation exposures carry credit risk commensurate with their respective asset classes in accordance with APS 120.

<sup>(2)</sup> "Credit commitments" and "Derivative instruments" represent the credit equivalent amount of the Bank's off-balance sheet exposures calculated in accordance with APS 112.

<sup>(3)</sup> Total loans, advances and other receivables includes receivables due from related parties.

<sup>(4)</sup> Receivables due from other Banks includes collateral deposits provided to derivative counterparties.

## TABLE 4: CREDIT RISK (continued)

TABLE 4B: CREDIT RISK BY PORTFOLIO – 30 JUNE 2014

	GROSS CREDIT RISK EXPOSURE	AVERAGE GROSS EXPOSURE	IMPAIRED ASSETS	PAST DUE NOT IMPAIRED > 90 DAYS	SPECIFIC PROVISIONS	CHARGES FOR SPECIFIC PROVISIONS & WRITE OFFS	LOSSES ON DISPOSAL OF LOANS AND ADVANCES
	\$M	\$M	\$M	\$M	\$M	\$M	\$M
Claims secured against eligible residential mortgages	37,081	36,845	22	358	4	1	-
Other retail	441	450	-	8	-	2	-
Financial services	8,698	8,520	-	-	-	-	-
Government and public authorities	1	1	-	-	-	-	-
Corporate and other claims	11,031	11,060	311	73	102	33	-
<b>Total</b>	<b>57,252</b>	<b>56,876</b>	<b>333</b>	<b>439</b>	<b>106</b>	<b>36</b>	<b>-</b>

TABLE 4B: CREDIT RISK BY PORTFOLIO – 31 MARCH 2014

	GROSS CREDIT RISK EXPOSURE	AVERAGE GROSS EXPOSURE	IMPAIRED ASSETS	PAST DUE NOT IMPAIRED > 90 DAYS	SPECIFIC PROVISIONS	CHARGES FOR SPECIFIC PROVISIONS & WRITE OFFS	LOSSES ON DISPOSAL OF LOANS AND ADVANCES
	\$M	\$M	\$M	\$M	\$M	\$M	\$M
Claims secured against eligible residential mortgages	36,608	36,343	27	394	5	2	-
Other retail	457	460	-	9	-	1	-
Financial services	8,343	8,772	-	-	-	-	-
Government and public authorities	1	2	-	-	-	-	-
Corporate and other claims	11,081	11,037	458	75	107	17	-
<b>Total</b>	<b>56,490</b>	<b>56,614</b>	<b>485</b>	<b>478</b>	<b>112</b>	<b>20</b>	<b>-</b>

TABLE 4C: GENERAL RESERVES FOR CREDIT LOSSES

	JUN-14	MAR-14
	\$M	\$M
Collective provision for impairment	120	107
Ineligible Collective Provisions on Past Due not Impaired	(34)	(44)
<b>Eligible Collective Provisions</b>	<b>86</b>	<b>63</b>
Equity Reserve for credit losses	151	116
<b>General Reserve for Credit losses</b>	<b>237</b>	<b>179</b>



## TABLE 5: SECURITISATION EXPOSURES

TABLE 5A: SUMMARY OF SECURITISATION ACTIVITY FOR THE PERIOD

	EXPOSURES SECURITISED		RECOGNISED GAIN OR (LOSS) ON SALE	
	JUN-14	MAR-14	JUN-14	MAR-14
	\$M	\$M	\$M	\$M
Residential mortgages	-	-	-	-
<b>Total exposures securitised during the period</b>	-	-	-	-

TABLE 5B(i): AGGREGATE OF ON-BALANCE SHEET SECURITISATION EXPOSURES BY EXPOSURE TYPE

Exposure type	EXPOSURE	
	JUN-14	MAR-14
	\$M	\$M
Debt securities	1,208	1,330
<b>Total on-balance sheet securitisation exposures</b>	<b>1,208</b>	<b>1,330</b>

TABLE 5B(ii): AGGREGATE OF OFF-BALANCE SHEET SECURITISATION EXPOSURES BY EXPOSURE TYPE

Exposure type	PRINCIPAL OR NOTIONAL EXPOSURE	
	JUN-14	MAR-14
	\$M	\$M
Liquidity facilities	60	67
Derivative exposures	3,180	3,438
<b>Total off-balance sheet securitisation exposures</b>	<b>3,240</b>	<b>3,505</b>

## **TABLE 18: REMUNERATION DISCLOSURES**

Table 18: Remuneration disclosures for the year ended 30 June 2014 will be included with the Group's prudential disclosures for the quarter ended 30 September 2014, in accordance with the requirements of APS 330.