

## Provision for impairment

	Q1 as at Sep-10		
	Core \$M	Non-Core \$M	Total \$M
<b>Collective Provision</b>			
Balance at the beginning of the period - 1 July 2010	65	136	201
Charge against contribution to profit	(7)	3	(4)
<i>Balance at the end of the period</i>	58	139	197
<b>Specific provision</b>			
Balance at the beginning of the period - 1 July 2010	37	434	471
Charge against impairment losses	20	82	102
Used against write-off	(7)	2	(5)
Charge against interest income	(2)	(34)	(36)
<i>Balance at the end of the period</i>	48	484	532
<b>Total provision for impairment - Banking Activities</b>	<b>106</b>	<b>623</b>	<b>729</b>
<b>Equity reserve for credit loss</b>			
Balance at the beginning of the period - 1 July 2010	84	142	226
Transfer to/from retained earnings	7	9	16
<i>Balance at the end of the period</i>	91	151	242
Pre-tax equivalent coverage	130	216	346
<b>Total provision for impairment and equity reserve for credit loss coverage - Banking Activities</b>	<b>236</b>	<b>839</b>	<b>1075</b>
<b>Provision for impairment expressed as a percentage of gross impaired assets are as follows:</b>			
Collective Provision	29.5%	6.0%	7.9%
Specific Provision	24.4%	21.1%	21.3%
Total Provision	53.9%	27.1%	29.2%
Equity reserve for credit loss coverage	65.7%	9.4%	13.9%
Total provision and equity reserve for credit loss coverage	119.6%	36.5%	43.0%

## Impaired Assets

	Q1 as at Sep-10		
	Core \$M	Non-Core \$M	Total \$M
<b>Gross balances of individually impaired loans</b>	197	2299	2496
Specific provisions for impairment	(48)	(484)	(532)
<b>Net individually impaired loan</b>	149	1815	1964
<b>Past due loans not shown as impaired</b>	229	88	317
<b>Gross non performing loans</b>	426	2387	2813
Gross individually impaired assets as a percentage of gross loans	0.52%	20.01%	5.06%
Gross non performing loans as a percentage of gross loans	1.13%	20.77%	5.70%
Gross individually impaired assets as a percentage of impairment provisions and ERCL coverage	83.61%	274.10%	232.13%
Impairment Provisions and ERCL coverage as a percentage of credit risk weighted assets	1.09%	7.09%	3.22%

## Impairment losses on loans and advances

	Q1 to Sep-10		
	Core \$M	Non-Core \$M	Total \$M
Collective provision for impairment	(7)	3	(4)
Specific provision for impairment	20	82	102
Actual net write offs	(1)	7	6
<b>Total</b>	<b>12</b>	<b>92</b>	<b>104</b>
Impairment charge to credit RWA - Period annualised	0.21%	3.11%	1.25%

# SUNCORP-METWAY LTD

## APS 330 DISCLOSURE : TABLE 16 CAPITAL ADEQUACY

### 30 SEPTEMBER 2010

	Risk Weighted Balance 30-Sep-2010 \$m
<b>On-Balance Sheet Risk Weighted Assets</b>	
Cash items	24
Claims on Australian and foreign governments	3
Claims on central banks, international banking agencies, regional development banks, ADIs and overseas banks	1,275
Claims on securitisation exposures	233
Claims secured against eligible residential mortgages	11,048
Past due claims	3,033
Other retail assets	1,103
Corporate	14,247
Other assets and claims	786
<b>Total Banking assets</b>	<b>31,752</b>
<b>Off balance sheet positions</b>	
Guarantees entered into in the normal course of Business	188
Commitments to provide loans and advances	1,075
Capital commitments	6
Foreign exchange contracts	128
Interest rate contracts	157
Securitisation exposures	46
<b>Total off balance sheet positions</b>	<b>1,600</b>
<b>Total Credit Risk capital charge</b>	<b>33,352</b>
<b>Market risk capital charge</b>	539
<b>Operational risk capital charge</b>	3,106
<b>Total risk weighted assets</b>	<b>36,997</b>
<b>Risk weighted capital ratios</b>	<b>%</b>
Tier 1	13.103%
Total risk weighted capital ratios	13.923%

**SUNCORP-METWAY LTD**  
**APS 330 DISCLOSURE : TABLE 17 CREDIT RISK**  
**30 SEPTEMBER 2010**

**Table 17A: CREDIT RISK BY GROSS CREDIT EXPOSURE - OUTSTANDING AS AT 30 SEPTEMBER 2010**

30-Sep-2010	Receivables due from other banks \$m	Trading securities \$m	Investment securities \$m	Loans, advances and other receivables \$m	Credit commitments \$m	Derivative instruments \$m	Total Credit Risk \$m	Impaired assets \$m	Past Due not Impaired > 90days \$m	Total not past due or impaired \$m	Specific Provisions \$m
Agribusiness	-	-	-	3,209	23	-	3,232	224	16	2,992	63
Construction and development	-	-	-	3,953	201	-	4,154	1,325	58	2,771	314
Financial services	130	7,208	4,465	3,418	-	742	15,963	-	-	15,963	-
Hospitality	-	-	-	1,234	-	-	1,234	106	-	1,128	27
Manufacturing	-	-	-	642	-	-	642	11	13	618	7
Professional services	-	-	-	427	-	-	427	9	3	415	2
Property investment	-	-	-	5,380	-	-	5,380	735	32	4,613	89
Real estate - Mortgage	-	-	-	26,561	1,823	-	28,384	16	162	28,206	7
Personal	-	-	-	564	-	-	564	-	4	560	-
Government and public authorities	-	-	-	4	-	-	4	-	-	4	-
Other commercial and industrial	-	-	-	2,811	162	-	2,973	70	29	2,874	23
<b>Total gross credit risk</b>	<b>130</b>	<b>7,208</b>	<b>4,465</b>	<b>48,203</b>	<b>2,209</b>	<b>742</b>	<b>62,957</b>	<b>2,496</b>	<b>317</b>	<b>60,144</b>	<b>532</b>
Securitisation Exposures	-	24	1,068	3,239	39	14	4,384	-	-	4,384	-
<b>Total including securitisation exposures</b>	<b>130</b>	<b>7,232</b>	<b>5,533</b>	<b>51,442</b>	<b>2,248</b>	<b>756</b>	<b>67,341</b>	<b>2,496</b>	<b>317</b>	<b>64,528</b>	<b>532</b>
Impairment provision	-	-	-	-	-	-	(729)	(532)	(44)	(153)	-
<b>TOTAL</b>							<b>66,612</b>	<b>1,964</b>	<b>273</b>	<b>64,375</b>	<b>532</b>

**Table 17A: CREDIT RISK BY GROSS CREDIT EXPOSURE - AVERAGE GROSS EXPOSURE OVER PERIOD - 01 JULY 2010 to 30 SEPTEMBER 2010**

30-Sep-2010	Receivables due from other banks \$m	Trading securities \$m	Investment securities \$m	Loans, advances and other receivables \$m	Credit commitments \$m	Derivative instruments \$m	Total Credit Risk \$m	Impaired assets \$m	Past Due not Impaired > 90days \$m	Total not past due or impaired \$m	Specific Provisions \$m
Agribusiness	-	-	-	3,229	23	-	3,252	214	19	3,019	60
Construction and development	-	-	-	4,155	218	-	4,373	1,315	74	2,984	299
Financial services	181	7,720	3,534	3,041	-	768	15,244	-	-	15,244	-
Hospitality	-	-	-	1,193	-	-	1,193	97	-	1,096	27
Manufacturing	-	-	-	677	-	-	677	12	7	658	6
Professional services	-	-	-	434	-	-	434	10	3	421	2
Property investment	-	-	-	5,830	-	-	5,830	572	23	5,235	78
Real estate - Mortgage	-	-	-	26,204	1,845	-	28,049	18	166	27,865	7
Personal	-	-	-	567	-	-	567	-	7	560	-
Government and public authorities	-	-	-	5	-	-	5	-	-	5	-
Other commercial and industrial	-	-	-	2,948	204	-	3,152	70	33	3,049	23
<b>Total gross credit risk</b>	<b>181</b>	<b>7,720</b>	<b>3,534</b>	<b>48,283</b>	<b>2,290</b>	<b>768</b>	<b>62,776</b>	<b>2,308</b>	<b>332</b>	<b>60,136</b>	<b>502</b>
Securitisation Exposures	-	12	792	3,351	39	16	4,210	-	-	4,210	-
<b>Total including securitisation exposures</b>	<b>181</b>	<b>7,732</b>	<b>4,326</b>	<b>51,634</b>	<b>2,329</b>	<b>784</b>	<b>66,986</b>	<b>2,308</b>	<b>332</b>	<b>64,346</b>	<b>502</b>
Impairment provision	-	-	-	-	-	-	(701)	(502)	(37)	(162)	-
<b>TOTAL</b>							<b>66,285</b>	<b>1,806</b>	<b>295</b>	<b>64,184</b>	<b>502</b>

**Table 17B: CREDIT RISK BY PORTFOLIO**

30-Sep-2010	Gross Credit Risk Exposure \$m	Average Gross Exposure \$m	Impaired assets \$m	Past Due not Impaired > 90days \$m	Specific Provisions \$m	Charges for Specific Provisions & Write-offs \$m
Claims secured against eligible residential mortgages	28,384	28,049	16	162	7	2
Other retail	564	567	-	4	-	1
Financial services	15,963	15,244	-	-	-	-
Government and public authorities	4	5	-	-	-	-
Corporate and other claims	18,042	18,911	2,480	151	525	106
<b>Total</b>	<b>62,957</b>	<b>62,776</b>	<b>2,496</b>	<b>317</b>	<b>532</b>	<b>109</b>

**Table 17C: GENERAL RESERVES FOR CREDIT LOSSES**

30-Sep-2010	\$m
Collective provision for impairment	197
Ineligible CP on Past Due not Impaired	(44)
<b>Eligible Collective Provisions</b>	<b>153</b>
FITB relating to collective provision	(46)
Equity Reserve for credit losses	242
<b>General Reserve for Credit losses</b>	<b>349</b>