

**Provision for impairment**

	Q1 as at Sep-10			Q2 as at Dec-10			Q3 as at Mar-11		
	Core	Non-Core	Total	Core	Non-Core	Total	Core	Non-Core	Total
	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M
<b>Collective Provision</b>									
Balance at the beginning of the period	65	136	201	58	139	197	83	105	188
Charge against contribution to profit	(7)	3	(4)	25	(34)	(9)	-	16	16
<i>Balance at the end of the period</i>	58	139	197	83	105	188	83	121	204
<b>Specific provision</b>									
Balance at the beginning of the period	37	434	471	48	484	532	40	374	414
Charge against impairment losses	20	82	102	5	109	114	5	36	41
Used against write-off	(7)	2	(5)	(10)	(181)	(191)	(1)	(12)	(13)
Charge against interest income	(2)	(34)	(36)	(3)	(38)	(41)	(3)	(40)	(43)
<i>Balance at the end of the period</i>	48	484	532	40	374	414	41	358	399
<b>Total provision for impairment - Banking Activities</b>	<b>106</b>	<b>623</b>	<b>729</b>	<b>123</b>	<b>479</b>	<b>602</b>	<b>124</b>	<b>479</b>	<b>603</b>
<b>Equity reserve for credit loss</b>									
Balance at the beginning of the period	84	142	226	91	151	242	72	90	162
Transfer to (from) retained earnings	7	9	16	(19)	(61)	(80)	(2)	(8)	(10)
<i>Balance at the end of the period</i>	91	151	242	72	90	162	70	82	152
Pre-tax equivalent coverage	130	216	346	103	128	231	100	117	218
<b>Total provision for impairment and equity reserve for credit loss coverage - Banking Activities</b>	<b>236</b>	<b>839</b>	<b>1,075</b>	<b>226</b>	<b>607</b>	<b>833</b>	<b>224</b>	<b>596</b>	<b>821</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%	46.4%	4.5%	7.5%	47.4%	5.2%	8.1%
Specific Provision	24.4%	21.1%	21.3%	22.3%	16.0%	16.5%	23.4%	15.4%	15.9%
Total Provision	53.9%	27.1%	29.2%	68.7%	20.5%	23.9%	70.9%	20.6%	24.1%
Equity reserve for credit loss coverage	65.7%	9.4%	13.9%	57.5%	5.5%	9.2%	57.1%	5.0%	8.7%
Total provision and equity reserve for credit loss coverage	119.6%	36.5%	43.0%	126.3%	26.0%	33.1%	128.0%	25.6%	32.8%

## Impaired Assets

	Q1 as at Sep-10			Q2 as at Dec-10			Q3 as at Mar-11		
	Core	Non-Core	Total	Core	Non-Core	Total	Core	Non-Core	Total
	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M
<b>Gross balances of individually impaired loans</b>	197	2,299	2,496	179	2,337	2,516	175	2,329	2,504
Specific provisions for impairment	(48)	(484)	(532)	(40)	(374)	(414)	(41)	(358)	(399)
<b>Net individually impaired loan</b>	149	1,815	1,964	139	1,963	2,102	134	1,971	2,105
<b>Past due loans not shown as impaired assets</b>	229	88	317	224	107	331	326	137	463
<b>Gross non performing loans</b>	426	2,387	2,813	403	2,444	2,847	501	2,466	2,967
Gross individually impaired assets as a percentage of gross loans	0.52%	20.01%	5.06%	0.46%	23.05%	5.15%	0.45%	24.87%	5.17%
Gross non performing loans as a percentage of gross loans	1.13%	20.77%	5.70%	1.04%	24.11%	5.82%	1.28%	26.33%	6.13%
Gross individually impaired assets as a percentage of impairment provisions and ERCL coverage	83.61%	274.10%	232.13%	79.15%	384.32%	301.66%	78.27%	389.83%	305.01%
Impairment Provisions and ERCL coverage as a percentage of credit risk weighted assets	1.09%	7.09%	3.22%	1.05%	5.37%	2.55%	1.03%	5.67%	2.54%

## Impairment losses on loans and advances

	Q1 as at Sep-10			Q2 as at Dec-10			Q3 as at Mar-11		
	Core	Non-Core	Total	Core	Non-Core	Total	Core	Non-Core	Total
	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M
Collective provision for impairment	(7)	3	(4)	25	(34)	(9)	-	16	16
Specific provision for impairment	20	82	102	5	109	114	5	36	41
Actual net write offs	(1)	7	6	1	3	4	-	2	2
<b>Total</b>	<b>12</b>	<b>92</b>	<b>104</b>	<b>31</b>	<b>78</b>	<b>109</b>	<b>5</b>	<b>54</b>	<b>59</b>
Impairment charge to credit RWA - Period annualised	0.21%	3.11%	1.25%	0.60%	2.73%	1.33%	0.09%	2.05%	0.73%

**SUNCORP-METWAY LTD**  
**APS 330 DISCLOSURE : TABLE 16 CAPITAL ADEQUACY**  
**31 MARCH 2011**

	Risk Weighted Balance 31-Mar-2011 \$m
<b>On-Balance Sheet Risk Weighted Assets</b>	
Cash items	33
Claims on Australian and foreign governments	2
Claims on central banks, international banking agencies, regional development banks, ADIs and overseas banks	1,236
Claims on securitisation exposures	243
Claims secured against eligible residential mortgages	11,881
Past due claims	3,504
Other retail assets	1,164
Corporate	12,407
Other assets and claims	197
<b>Total Banking assets</b>	<b>30,667</b>
<b>Off balance sheet positions</b>	
Guarantees entered into in the normal course of Business	145
Commitments to provide loans and advances	1,194
Capital commitments	-
Foreign exchange contracts	122
Interest rate contracts	95
Securitisation exposures	34
<b>Total off balance sheet positions</b>	<b>1,590</b>
<b>Total Credit Risk capital charge</b>	<b>32,257</b>
<b>Market risk capital charge</b>	428
<b>Operational risk capital charge</b>	3,072
<b>Total risk weighted assets</b>	<b>35,757</b>
<b>Risk weighted capital ratios</b>	<b>%</b>
Tier 1	9.177%
Total risk weighted capital ratios	13.855%

**SUNCORP-METWAY LTD**  
**APS 330 DISCLOSURE : TABLE 17 CREDIT RISK**  
**31 MARCH 2011**

**Table 17A: CREDIT RISK BY GROSS CREDIT EXPOSURE - OUTSTANDING AS AT 31 MARCH 2011**

31-Mar-2011	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	-	-	-	3,298	20	-	3,318	226	29	3,063	48
Construction and development	-	-	-	3,337	151	-	3,488	1,480	69	1,939	261
Financial services	259	5,527	4,155	3,135	-	579	13,655	-	-	13,655	-
Hospitality	-	-	-	1,135	-	-	1,135	75	5	1,055	5
Manufacturing	-	-	-	618	-	-	618	15	1	602	4
Professional services	-	-	-	380	-	-	380	6	2	372	1
Property investment	-	-	-	4,890	-	-	4,890	569	67	4,254	63
Real estate - Mortgage	-	-	-	28,895	2,229	-	31,124	20	248	30,856	4
Personal	-	-	-	352	-	-	352	-	7	345	-
Government and public authorities	-	-	-	3	-	-	3	-	-	3	-
Other commercial and industrial	-	-	-	2,452	117	-	2,569	113	35	2,421	13
<b>Total gross credit risk</b>	<b>259</b>	<b>5,527</b>	<b>4,155</b>	<b>48,495</b>	<b>2,517</b>	<b>579</b>	<b>61,532</b>	<b>2,504</b>	<b>463</b>	<b>58,565</b>	<b>399</b>
Securitisation Exposures	-	-	1,217	1,947	30	8	3,202	-	-	3,202	-
<b>Total including securitisation exposures</b>	<b>259</b>	<b>5,527</b>	<b>5,372</b>	<b>50,442</b>	<b>2,547</b>	<b>587</b>	<b>64,734</b>	<b>2,504</b>	<b>463</b>	<b>61,767</b>	<b>399</b>
Impairment provision	-	-	-	-	-	-	(603)	(399)	(31)	(173)	-
<b>TOTAL</b>							<b>64,131</b>	<b>2,105</b>	<b>432</b>	<b>61,594</b>	<b>399</b>

**Table 17A: CREDIT RISK BY GROSS CREDIT EXPOSURE - AVERAGE GROSS EXPOSURE OVER PERIOD - 01 JANUARY 2011 to 31 MARCH 2011**

31-Mar-2011	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	-	-	-	3,271	23	-	3,294	214	21	3,059	46
Construction and development	-	-	-	3,426	157	-	3,583	1,459	73	2,051	267
Financial services	177	5,193	4,396	3,212	-	455	13,433	-	-	13,433	-
Hospitality	-	-	-	1,133	-	-	1,133	79	5	1,049	6
Manufacturing	-	-	-	622	-	-	622	14	1	607	4
Professional services	-	-	-	391	-	-	391	6	2	383	1
Property investment	-	-	-	4,965	-	-	4,965	605	57	4,303	66
Real estate - Mortgage	-	-	-	28,702	2,035	-	30,737	15	209	30,513	4
Personal	-	-	-	350	-	-	350	-	8	342	-
Government and public authorities	-	-	-	4	-	-	4	-	-	4	-
Other commercial and industrial	-	-	-	2,609	135	-	2,744	121	24	2,599	15
<b>Total gross credit risk</b>	<b>177</b>	<b>5,193</b>	<b>4,396</b>	<b>48,685</b>	<b>2,350</b>	<b>455</b>	<b>61,256</b>	<b>2,513</b>	<b>400</b>	<b>58,343</b>	<b>409</b>
Securitisation Exposures	-	5	1,215	2,044	31	8	3,303	-	-	3,303	-
<b>Total including securitisation exposures</b>	<b>177</b>	<b>5,198</b>	<b>5,611</b>	<b>50,729</b>	<b>2,381</b>	<b>463</b>	<b>64,559</b>	<b>2,513</b>	<b>400</b>	<b>61,646</b>	<b>409</b>
Impairment provision	-	-	-	-	-	-	(603)	(407)	(29)	(167)	-
<b>TOTAL</b>							<b>63,956</b>	<b>2,106</b>	<b>371</b>	<b>61,479</b>	<b>409</b>

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

31-Mar-2011	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	31,124	30,737	20	248	4	2
Other retail	352	350	-	7	-	(1)
Financial services	13,655	13,433	-	-	-	-
Government and public authorities	3	4	-	-	-	-
Corporate and other claims	16,398	16,732	2,484	208	395	43
<b>Total</b>	<b>61,532</b>	<b>61,256</b>	<b>2,504</b>	<b>463</b>	<b>399</b>	<b>44</b>

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

31-Mar-2011	\$m
Collective provision for impairment	204
Ineligible CP on Past Due not Impaired	(31)
<b>Eligible Collective Provisions</b>	<b>173</b>
FITB relating to collective provision	(52)
Equity Reserve for credit losses	152
<b>General Reserve for Credit losses</b>	<b>273</b>