



Suncorp Group Limited ABN 66 145 290 124

Suncorp Bank APS330

as at 30 June 2015

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**One Company
Many Brands**



Basis of preparation

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

Suncorp Bank is represented by Suncorp-Metway Limited and its subsidiaries. Suncorp-Metway Limited 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 Suncorp Group's consolidated annual and interim financial reports which have been either audited or reviewed in accordance with Australian Auditing Standards.

Figures relate to the quarter ended 30 June 2015 (unless otherwise stated) and should be read in conjunction with other information concerning Suncorp Group filed with the Australian Securities Exchange (ASX).

Disclaimer

This report contains general information which is current as at 04 August 2015. 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 undertake no obligation to update any forward-looking statement to reflect events or circumstances after the date of this report (subject to ASX disclosure requirements).

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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 – Composition 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-15 \$M	JUN-15 \$M	JUN-15 \$M	
Assets				
Cash and cash equivalents	591	-	591	
Receivables due from other banks	595	-	595	
Trading securities	1,384	-	1,384	
Derivatives	651	-	651	
Investment securities	6,245	-	6,245	
Investment in regulatory non-consolidated subsidiaries	-	18	18	(j)
Loans, advances and other receivables	51,961	(3,294)	48,667	
<i>of which: eligible collective provision component of GRCL in tier 2 capital</i>			(99)	(o)
<i>of which: loan and lease origination fees and commissions paid to mortgage originators and brokers in CET1 regulatory adjustments</i>			177	(f)
<i>of which: costs associated with debt raisings in CET1 regulatory adjustments</i>			8	(g)
Deferred tax assets	81	-	81	
<i>of which: arising from temporary differences included in CET1 regulatory adjustments</i>			79	(e)
Other assets	182	(32)	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	21	-	21	(d)
Total assets	61,711	(3,308)	58,403	
Liabilities				
Deposits and short-term borrowings	(44,431)	(12)	(44,443)	
Derivatives	(401)	17	(384)	
Securitisation derivatives in CET1 regulatory adjustments	-	(4)	(4)	(q)
Payables due to other banks	(297)	-	(297)	
Payables and other liabilities	(599)	5	(594)	
Due to regulatory non-consolidated subsidiaries	-	(62)	(62)	
Securitisation liabilities	(3,651)	3,353	(298)	
<i>of which: securitisation start-up costs in CET1 regulatory adjustments</i>			10	(i)
Debt issues	(7,876)	-	(7,876)	
Total liabilities excluding loan capital	(57,255)	3,297	(53,958)	
Loan capital				
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)
Total loan capital	(742)	-	(742)	
Total liabilities	(57,997)	3,297	(54,700)	
Net assets	3,714	(11)	3,703	
Equity				
Share capital	(2,648)	-	(2,648)	(a)
Capital notes	(450)	-	(450)	(k)
Reserves	224	-	224	
<i>of which: equity component of GRCL in tier 2 capital</i>			(146)	(p)
<i>of which: AFS reserve</i>			(6)	(c)
Retained profits	(840)	11	(829)	
<i>of which: included in CET1</i>			(461)	(b)
Total equity	(3,714)	11	(3,703)	

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-15	JUN-15
	\$	\$
SPDEF #2 Pty Ltd	1	-

Principal activity:

The company acts as trustee for Suncorp Property Development Equity Fund #2 Unit Trust.

	JUN-15 \$M	JUN-15 \$M
Suncorp Property Development Equity Fund #2 Unit Trust	26	(1)

Principal activity:

The Trust was established by the directors of SPDEF #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.

	JUN-15	JUN-15
	\$M	\$M
Securitisation special purpose vehicles¹		
Apollo Series 2007-1E Trust	306	(306)
Apollo Series 2010-1 Trust	271	(271)
Apollo Series 2011-1 Trust	487	(487)
Apollo Series 2012-1 Trust	493	(493)
Apollo Series 2013-1 Trust	656	(656)
Apollo Series 2015-1 Trust	1,179	(1,179)

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-15	SOURCE IN REGULATORY CAPITAL RECON- CILIATION
		\$M	
	Common Equity Tier 1 capital: instruments and reserves		
1	Directly issued qualifying ordinary shares (and equivalent for mutually-owned entities) capital	2,648	(a)
2	Retained earnings	461	(b)
3	Accumulated other comprehensive income (and other reserves)	6	(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	Common Equity Tier 1 capital before regulatory adjustments	3,115	
	Common Equity Tier 1 capital: regulatory adjustments		
7	Prudential valuation adjustments	-	
8	Goodwill (net of related tax liability)	21	(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-15	SOURCE IN REGULATORY CAPITAL RECON- CILIATION
		\$M	
26	National specific regulatory adjustments (sum of rows 26a, 26b, 26c, 26d, 26e, 26f, 26g, 26h, 26i and 26j)	299	
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>	79	(e)
26f	<i>of which: capitalised expenses</i>	198	(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>	22	(j)-(q)
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	-	
28	Total regulatory adjustments to Common Equity Tier 1	320	
29	Common Equity Tier 1 Capital (CET1)	2,795	
	Additional Tier 1 Capital: instruments		
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	Additional Tier 1 Capital before regulatory adjustments	450	
	Additional Tier 1 Capital: regulatory adjustments		
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 & 41b</i>	-	
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-	
43	Total regulatory adjustments to Additional Tier 1 capital	-	
44	Additional Tier 1 capital (AT1)	450	
45	Tier 1 Capital (T1=CET1+AT1)	3,245	

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

		JUN-15	SOURCE IN REGULATORY CAPITAL RECON- CILIATION
		\$M	
	Tier 2 Capital: instruments and provisions		
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	245	(o)+(p)
51	Tier 2 Capital before regulatory adjustments	987	
	Tier 2 Capital: regulatory adjustments		
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 & 56b</i>	-	
57	Total regulatory adjustments to Tier 2 capital	-	
58	Tier 2 capital (T2)	987	
59	Total capital (TC=T1+T2)	4,232	
60	Total risk-weighted assets based on APRA standards	30,610	
	Capital ratios and buffers		
61	Common Equity Tier 1 (as a percentage of risk-weighted assets)	9.13%	
62	Tier 1 (as a percentage of risk-weighted assets)	10.60%	
63	Total capital (as a percentage of risk-weighted assets)	13.83%	
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)	9.13%	
	National minima (if different from Basel III)		
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	
	Amount below thresholds for deductions (not risk-weighted)		
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)	79	(e)

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

		JUN-15	SOURCE IN REGULATORY CAPITAL RECON- CILIATION
		\$M	
	Applicable caps on the inclusion of provisions in Tier 2		
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	245	(o)+(p)
77	Cap on inclusion of provisions in Tier 2 under standardised approach	340	
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	
	Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2018 and 1 Jan 2022)		
80	Current cap on CET1 instruments subject to phase out arrangements	-	
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	-	
82	Current cap on AT1 instruments subject to phase out arrangements	612	
83	Amount excluded from AT1 instruments due to cap (excess over cap after redemptions and maturities)	-	
84	Current cap on T2 instruments subject to phase out arrangements	151	
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	-	

TABLE 2: MAIN FEATURES OF CAPITAL INSTRUMENTS

Attachment B of APS330 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.

The full terms and conditions of all of Suncorp Group's regulatory capital instruments are available at www.suncorpgroup.com.au/investors/securities¹.

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-15	MAR-15	JUN-15	JUN-15	MAR-15
	\$M	\$M	%	\$M	\$M
On-balance sheet credit risk-weighted assets					
Cash items	596	523	2	10	4
Claims on Australian and foreign governments	2,442	2,676	-	-	-
Claims on central banks, international banking agencies, regional development banks, ADIs and overseas banks	3,289	3,987	20	674	798
Claims on securitisation exposures	1,047	1,040	20	209	208
Claims secured against eligible residential mortgages	38,965	38,586	39	15,035	14,983
Past due claims	538	573	88	473	537
Other retail assets	511	520	81	412	418
Corporate	8,451	8,602	100	8,433	8,581
Other assets and claims	242	181	100	241	179
Total Banking assets	56,081	56,688	45	25,487	25,708
	NOTIONAL AMOUNT	CREDIT EQUIVALENT	AVG RISK WEIGHT	RISK-WEIGHTED ASSETS	
	JUN-15	JUN-15	JUN-15	JUN-15	MAR-15
	\$M	\$M	%	\$M	\$M
Off-balance sheet positions					
Guarantees entered into in the normal course of business	283	281	70	196	192
Commitments to provide loans and advances	8,091	2,438	50	1,229	1,104
Foreign exchange contracts	6,203	217	24	53	76
Interest rate contracts	57,060	139	35	48	60
Securitisation exposures	2,973	47	83	39	43
CVA capital charge	-	-	-	108	150
Total off-balance sheet positions	74,610	3,122	54	1,673	1,625
Market risk capital charge				172	299
Operational risk capital charge				3,278	3,282
Total off-balance sheet positions				1,673	1,625
Total on-balance sheet credit risk-weighted assets				25,487	25,708
Total assessed risk				30,610	30,914
Risk-weighted capital ratios				%	%
Common Equity Tier 1				9.13	8.82
Tier 1				10.60	10.27
Tier 2				3.23	3.20
Total risk-weighted capital ratio				13.83	13.47

TABLE 4: CREDIT RISK

Table 4A: Credit risk by gross credit exposure – outstanding as at 30 June 2015

	RECEIVABLES DUE FROM OTHER BANKS (2)	TRADING SECURITIES	INVESTMENT SECURITIES	LOANS, ADVANCES AND OTHER RECEIVABLES (3)	CREDIT COMMITMENTS (4)	DERIVATIVE INSTRUMENTS (4)	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	-	-	-	3,983	173	-	4,156	111	21	4,024	27
Construction & development	-	-	-	489	155	-	644	15	-	629	8
Financial services	595	1,384	5,198	334	216	356	8,083	-	-	8,083	-
Hospitality	-	-	-	912	47	-	959	25	3	931	16
Manufacturing	-	-	-	319	20	-	339	14	3	322	11
Professional services	-	-	-	233	11	-	244	7	1	236	2
Property investment	-	-	-	1,997	80	-	2,077	3	6	2,068	3
Real estate - Mortgage	-	-	-	38,506	1,898	-	40,404	21	323	40,060	4
Personal	-	-	-	380	10	-	390	-	8	382	-
Government/public authorities	-	-	-	-	-	-	-	-	-	-	-
Other commercial & industrial	-	-	-	1,722	109	-	1,831	22	34	1,775	11
Total gross credit risk	595	1,384	5,198	48,875	2,719	356	59,127	218	399	58,510	82
Securitisation Exposures ⁽¹⁾	-	-	1,047	3,294	32	15	4,388	-	-	4,388	-
Total including Securitisation Exposures	595	1,384	6,245	52,169	2,751	371	63,515	218	399	62,898	82
Impairment provision							(208)	(82)	(27)	(99)	
TOTAL							63,307	136	372	62,799	

⁽¹⁾ The securitisation exposures of \$3,294 million included under "Loans advances and other receivables" qualify for regulatory capital relief under APS 120 and therefore do 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⁾ Receivables due from other banks include collateral deposits provided to derivative counterparties.

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

⁽⁴⁾ "Credit commitments" and "Derivative instruments" represent the credit equivalent amount of the Bank's off-balance sheet exposures calculated in accordance with APS 112.

TABLE 4: CREDIT RISK (continued)

Table 4A: Credit risk by gross credit exposure – outstanding as at 31 March 2015

	RECEIVABLES DUE FROM OTHER BANKS (2)	TRADING SECURITIES	INVESTMENT SECURITIES	LOANS, ADVANCES AND OTHER RECEIVABLES (3)	CREDIT COMMITMENTS (4)	DERIVATIVE INSTRUMENTS (4)	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	-	-	-	4,052	148	-	4,200	138	26	4,036	45
Construction & development	-	-	-	528	138	-	666	21	-	645	11
Financial services	565	2,121	5,530	248	203	463	9,130	-	-	9,130	-
Hospitality	-	-	-	949	52	-	1,001	25	1	975	11
Manufacturing	-	-	-	336	16	-	352	16	12	324	10
Professional services	-	-	-	247	9	-	256	8	1	247	2
Property investment	-	-	-	1,911	72	-	1,983	7	2	1,974	6
Real estate - Mortgage	-	-	-	38,110	1,714	-	39,824	25	321	39,478	4
Personal	-	-	-	391	10	-	401	-	7	394	-
Government/public authorities	-	-	-	-	-	-	-	-	-	-	-
Other commercial & industrial	-	-	-	1,825	100	-	1,925	12	29	1,884	5
Total gross credit risk	565	2,121	5,530	48,597	2,462	463	59,738	252	399	59,087	94
Securitisation Exposures (1)	-	-	1,040	3,537	34	18	4,629	-	-	4,629	-
Total including Securitisation Exposures	565	2,121	6,570	52,134	2,496	481	64,367	252	399	63,716	94
Impairment provision							(231)	(94)	(30)	(107)	
TOTAL							64,136	158	369	63,609	

(1) The securitisation exposures of \$3,537 million included under "Loans advances and other receivables" qualify for regulatory capital relief under APS 120 and therefore do 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) Receivables due from other banks include collateral deposits provided to derivative counterparties.

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

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

TABLE 4: CREDIT RISK (continued)

Table 4A: Credit risk by gross credit exposure – average gross exposure over period 1 April to 30 June 2015

	RECEIVABLES DUE FROM OTHER BANKS (2)	TRADING SECURITIES	INVESTMENT SECURITIES	LOANS, ADVANCES AND OTHER RECEIVABLES (3)	CREDIT COMMITMENTS (4)	DERIVATIVE INSTRUMENTS (4)	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	-	-	-	4,018	161	-	4,179	125	24	4,030	35
Construction & development	-	-	-	509	147	-	656	18	-	638	9
Financial services	580	1,753	5,364	291	210	410	8,608	-	-	8,608	-
Hospitality	-	-	-	931	50	-	981	25	2	954	14
Manufacturing	-	-	-	328	18	-	346	15	7	324	11
Professional services	-	-	-	240	10	-	250	8	1	241	2
Property investment	-	-	-	1,954	76	-	2,030	5	4	2,021	5
Real estate - Mortgage	-	-	-	38,308	1,806	-	40,114	23	322	39,769	4
Personal	-	-	-	386	10	-	396	-	7	389	-
Government/public authorities	-	-	-	-	-	-	-	-	-	-	-
Other commercial & industrial	-	-	-	1,774	105	-	1,879	17	32	1,830	8
Total gross credit risk	580	1,753	5,364	48,739	2,593	410	59,439	236	399	58,804	88
Securitisation Exposures ⁽¹⁾	-	-	1,044	3,416	33	17	4,510	-	-	4,510	-
Total including Securitisation Exposures	580	1,753	6,408	52,155	2,626	427	63,949	236	399	63,314	88
Impairment provision							(220)	(88)	(29)	(103)	
TOTAL							63,729	148	370	63,211	

⁽¹⁾ The securitisation exposures of \$3,416 million included under "Loans advances and other receivables" qualify for regulatory capital relief under APS 120 and therefore do 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⁾ Receivables due from other banks include collateral deposits provided to derivative counterparties.

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

⁽⁴⁾ "Credit commitments" and "Derivative instruments" represent the credit equivalent amount of the Bank's off-balance sheet exposures calculated in accordance with APS 112.

TABLE 4: CREDIT RISK (continued)

Table 4A: Credit risk by gross credit exposure – average gross exposure over period 1 January to 31 March 2015

	RECEIVABLES DUE FROM OTHER BANKS (2)	TRADING SECURITIES	INVESTMENT SECURITIES	LOANS, ADVANCES AND OTHER RECEIVABLES (3)	CREDIT COMMITMENTS (4)	DERIVATIVE INSTRUMENTS (4)	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	-	-	-	4,078	167	-	4,245	147	26	4,072	48
Construction & development	-	-	-	555	143	-	698	19	2	677	10
Financial services	566	2,210	5,555	263	190	429	9,213	-	-	9,213	-
Hospitality	-	-	-	974	50	-	1,024	26	1	997	11
Manufacturing	-	-	-	350	19	-	369	15	13	341	10
Professional services	-	-	-	246	9	-	255	9	1	245	3
Property investment	-	-	-	1,911	80	-	1,991	8	12	1,971	7
Real estate - Mortgage	-	-	-	37,713	2,294	-	40,007	23	306	39,678	4
Personal	-	-	-	397	11	-	408	-	7	401	-
Government/public authorities	-	-	-	1	-	-	1	-	-	1	-
Other commercial & industrial	-	-	-	1,837	103	-	1,940	13	31	1,896	7
Total gross credit risk	566	2,210	5,555	48,325	3,066	429	60,151	260	399	59,492	100
Securitisation Exposures (1)	-	-	1,047	3,001	29	14	4,091	-	-	4,091	-
Total including Securitisation Exposures	566	2,210	6,602	51,326	3,095	443	64,242	260	399	63,583	100
Impairment provision							(232)	(99)	(30)	(103)	
TOTAL							64,010	161	369	63,480	

(1) The securitisation exposures of \$3,001 million included under "Loans advances and other receivables" qualify for regulatory capital relief under APS 120 and therefore do 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) Receivables due from other banks include collateral deposits provided to derivative counterparties.

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

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

TABLE 4: CREDIT RISK (continued)

Table 4B: Credit risk by portfolio – 30 June 2015

	GROSS CREDIT RISK EXPOSURE	AVERAGE GROSS EXPOSURE	IMPAIRED ASSETS	PAST DUE NOT IMPAIRED > 90 DAYS	SPECIFIC PROVISIONS	CHARGES FOR SPECIFIC PROVISIONS & WRITE OFFS
	\$M	\$M	\$M	\$M	\$M	\$M
Claims secured against eligible residential mortgages	40,405	40,115	21	323	4	2
Other retail	391	396	-	8	-	2
Financial services	8,081	8,607	-	-	-	-
Government and public authorities	-	-	-	-	-	-
Corporate and other claims	10,250	10,321	197	68	78	6
Total	59,127	59,439	218	399	82	10

Table 4B: Credit risk by portfolio – 31 March 2015

	GROSS CREDIT RISK EXPOSURE	AVERAGE GROSS EXPOSURE	IMPAIRED ASSETS	PAST DUE NOT IMPAIRED > 90 DAYS	SPECIFIC PROVISIONS	CHARGES FOR SPECIFIC PROVISIONS & WRITE OFFS
	\$M	\$M	\$M	\$M	\$M	\$M
Claims secured against eligible residential mortgages	39,824	40,007	25	321	4	3
Other retail	401	408	-	7	-	2
Financial services	9,130	9,213	-	-	-	-
Government and public authorities	-	1	-	-	-	-
Corporate and other claims	10,383	10,522	227	71	90	3
Total	59,738	60,151	252	399	94	8

Table 4C: General reserves for credit losses

	JUN-15	MAR-15
	\$M	\$M
Collective provision for impairment	126	137
Ineligible Collective Provisions on Past Due not Impaired	(27)	(30)
Eligible Collective Provisions	99	107
Equity Reserve for credit losses	146	142
General Reserve for Credit losses	245	249

TABLE 5: SECURITISATION EXPOSURES

Table 5A: Summary of securitisation activity for the period

	EXPOSURES SECURITISED		RECOGNISED GAIN OR (LOSS) ON SALE	
	JUN-15	MAR-15	JUN-15	MAR-15
	\$M	\$M	\$M	\$M
Residential mortgages	-	1,250	-	-
Total exposures securitised during the period	-	1,250	-	-

Table 5B(i): Aggregate of on-balance sheet securitisation exposures by exposure type

Exposure type	EXPOSURE	EXPOSURE
	JUN-15	MAR-15
	\$M	\$M
Debt securities	1,047	1,040
Total on-balance sheet securitisation exposures	1,047	1,040

Table 5B(ii): Aggregate of off-balance sheet securitisation exposures by exposure type

Exposure type	PRINCIPAL OR NOTIONAL EXPOSURE	PRINCIPAL OR NOTIONAL EXPOSURE
	JUN-15	MAR-15
	\$M	\$M
Liquidity facilities	64	68
Derivative exposures	2,909	3,096
Total off-balance sheet securitisation exposures	2,973	3,164

TABLE 18: REMUNERATION DISCLOSURES

Table 18: Remuneration disclosures for the year ended 30 June 2015 will be included with the Group's prudential disclosures for the quarter ended 30 September 2015, in accordance with the requirements of APS330.

Appendix - Definitions

Capital adequacy ratio	Capital base divided by total assessed risk, as defined by APRA
Common Equity Tier 1	Common Equity Tier 1 Capital (CET1) comprises accounting equity plus adjustments for intangible assets and regulatory reserves
Common equity tier 1 ratio	Common Equity tier 1 divided by total assessed risk
Equity reserve for credit losses	The equity reserve for credit losses represents the difference between the collective provision for impairment and the estimate of credit losses across the credit cycle based on guidance provided by APRA
Past due loans	Loans outstanding for more than 90 days
Risk weighted assets	Total of the carrying value of each asset class multiplied by their assigned risk weighting, as defined by APRA
Total assessed risk	Risk weighted assets, off balance sheet positions and market risk capital charge and operational risk capital charge, as defined by APRA