

Wide Bay Australia Ltd Basel II Pillar 3 Disclosures

APRA standard APS330 "Capital Adequacy: Public Disclosure of Prudential Information" requires public disclosure of the capital structure, capital adequacy ratios and credit risk exposures for the Wide Bay Australia Ltd Group ("the Group").

In accordance with the APRA standard the following tables 16 and 17 disclose the information required under Pillar 3 of the Basel II Capital Accord introduced in Australia on 1 January 2008.

The Group commenced reporting to APRA on the basis of Basel II from 1 January 2008 using the standardised approach. The disclosures in this report have been prepared using 31 December 2010 data as required by the standard APS330.

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Table 15: Capital Structure

	\$000's
Tier 1 capital	
Paid-up ordinary share capital	155,436
Reserves	8,396
Retained earnings including current year earnings	<u>11,483</u>
Gross Tier 1 capital	<u>175,315</u>
Less Deductions from Tier 1 capital	
Goodwill	43,316
Investments	18,429
Other	<u>11,519</u>
Total deductions from Tier 1 capital	<u>73,264</u>
Net Tier 1 capital	<u><u>102,051</u></u>
Total Tier 2 capital net of deductions	<u><u>14,127</u></u>
Total capital base	<u><u>116,178</u></u>

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Table 16: Capital Adequacy

	Risk Weighted Assets \$000's
Capital requirements for standardised approach (non-securitization)	
Residential mortgage	639,830
Other retail	25,808
Corporate	-
Bank	67,770
Government	-
Other	27,002
Credit risk - securitization exposures	8,939
Capital requirements for market risk	-
Capital requirements for operational risk	123,447
Total Risk Weighted Assets	<u><u>892,796</u></u>
	%
Capital Ratios	
Level 2 Total capital ratio	13.01
Level 2 Tier 1 capital ratio	11.43

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Table 17: Credit Risk

Exposure Type	Gross Credit Exposure \$000's	Average Gross Credit Exposure \$000's
Cash and cash equivalents	169,086	175,748
Due from other financial institutions	168,345	123,810
Loans and advances	1,643,631	1,505,921
Property, plant and equipment	20,100	20,244
Non market off balance sheet exposures	165,984	171,586
Other	6,902	13,216
Total exposures	2,174,048	2,010,525

Portfolios	Gross Credit Exposure \$000's	Average Gross Credit Exposure \$000's
Residential mortgage	1,763,896	1,637,412
Other retail	45,719	40,095
Corporate	-	-
Bank	337,430	299,558
Government	-	-
Other	27,002	33,460
Total exposures	2,174,047	2,010,525

Portfolios	Impaired loans \$000's	Past due loans > 90 days \$000's	Specific Provision balance \$000's	Charges for specific provision \$000's	Write Offs \$000's
Residential mortgage	-	11,422	-	-	-
Other retail	801	787	738	406	5
Corporate	-	-	-	-	-
Bank	-	-	-	-	-
Government	-	-	-	-	-
Other	-	-	-	-	-
Total exposures	801	12,209	738	406	5

General reserve for credit losses	\$000's 2,388
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