

**Auswide Bank Limited**  
**Basel III Pillar 3 Disclosures**  
**Quarter Ended 31 March 2016**

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 Auswide Bank Ltd Group ("the Group").

In accordance with the APRA standard, the following tables 3, 4 and 5 disclose the information required under Pillar 3 of the Basel III Capital Accord that came into effect from 1 January 2013.

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 March 2016 data as required by the standard APS330.

**TABLE 3: CAPITAL ADEQUACY**

<b>Risk Weighted Assets (\$000's)</b>	<b>Mar 16</b>	<b>Dec 15</b>
Subject to standardised approach		
Residential mortgage	849,296	816,222
Other retail	54,758	54,033
Corporate	-	-
Bank	69,011	70,166
Government	-	-
Other	39,310	41,522
<b>Total on balance sheet assets and off balance sheet exposures</b>	<b>1,012,375</b>	<b>981,943</b>
Securitisation exposures	28,171	28,811
Market risk exposures	-	-
Operational risk exposures	137,936	137,936
<b>Total Risk Weighted Assets</b>	<b>1,178,482</b>	<b>1,148,690</b>
<b>Capital Ratios</b>	<b>%</b>	<b>%</b>
Level 2 Total Capital ratio	14.34%	14.89%
Level 2 Tier 1 Capital ratio	11.76%	12.24%

TABLE 4: CREDIT RISK

Exposure Type	Gross Credit Exposure (\$000's)		Average Gross Credit Exposure (\$000's)	
	Mar 16	Dec 15	Mar 16	Dec 15
Cash and cash equivalents	52,945	84,021	68,483	68,040
Due from other financial institutions	207,981	182,848	195,415	188,671
Loans and advances	2,097,059	1,990,708	2,043,884	1,963,924
Property, plant and equipment	16,633	16,274	16,454	17,418
Non market off balance sheet exposures	179,915	162,611	171,263	178,679
Other	22,677	25,249	23,963	23,916
<b>Total exposures</b>	<b>2,577,210</b>	<b>2,461,711</b>	<b>2,519,462</b>	<b>2,440,648</b>

Portfolios	Gross Credit Exposure (\$000's)		Average Gross Credit Exposure (\$000's)	
	Mar 16	Dec 15	Mar 16	Dec 15
Residential mortgage	2,222,216	2,099,286	2,160,751	2,090,531
Other retail	54,758	54,033	54,396	52,072
Corporate	-	-	-	-
Bank	260,925	266,869	263,897	256,711
Government	-	-	-	-
Other	39,310	41,522	40,416	41,332
<b>Total exposures</b>	<b>2,577,209</b>	<b>2,461,710</b>	<b>2,519,460</b>	<b>2,440,646</b>

TABLE 4: CREDIT RISK (CONTINUED)

31 March 2016	Impaired loans	Past due loans > 90 days	Specific Provision balance	Charges for specific provision	Write Offs
Portfolios subject to the Standardised approach	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)
Residential mortgage	45,984	56,664	4,879	1,225	1,032
Other retail	22	22	-	-	-
Corporate	54	54	-	-	-
Bank	-	-	-	-	-
Government	-	-	-	-	-
Other	-	-	-	-	-
<b>Total exposures</b>	<b>46,060</b>	<b>56,740</b>	<b>4,879</b>	<b>1,225</b>	<b>1,032</b>

31 December 2015	Impaired loans	Past due loans > 90 days	Specific Provision balance	Charges for specific provision	Write Offs
Portfolios subject to the Standardised approach	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)
Residential mortgage	43,092	52,564	5,205	1,602	480
Other retail	11	-	-	-	-
Corporate	354	365	-	-	-
Bank	-	-	-	-	-
Government	-	-	-	-	-
Other	-	-	-	-	-
<b>Total exposures</b>	<b>43,457</b>	<b>52,929</b>	<b>5,205</b>	<b>1,602</b>	<b>480</b>

	Mar 16 (\$000's)	Dec 15 (\$000's)
<b>General reserve for credit losses</b>	<b>2,388</b>	<b>2,388</b>

TABLE 5: SECURITISATION EXPOSURES

Exposure Type	31 March 2016		31 December 2015	
	Current Period Securitisation Activity	Gain or Loss on Sale	Current Period Securitisation Activity	Gain or Loss on Sale
	(\$000's)	(\$000's)	(\$000's)	(\$000's)
Securities held in the banking book	481	-	4,303	-
Securities held in the trading book	-	-	-	-
Liquidity facilities	-	-	-	-
Funding facilities	-	-	-	-
Swaps	37,378	-	(14,779)	-
Other	(87)	-	382	-
<b>Total</b>	<b>37,771</b>	<b>-</b>	<b>(10,094)</b>	<b>-</b>

31 March 2016	Securities held in the banking book	Securities held in the trading book	Liquidity facilities	Funding facilities	Swaps	Other
Securitisation Exposure	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)
On-balance sheet securitisation exposure retained or purchased	27,918	-	-	-	111,473	2,538
Off-balance sheet securitisation exposure	-	-	-	-	69,399	2,157
<b>Total</b>	<b>27,918</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>180,872</b>	<b>4,695</b>

31 December 2015	Securities held in the banking book	Securities held in the trading book	Liquidity facilities	Funding facilities	Swaps	Other
Securitisation Exposure	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)
On-balance sheet securitisation exposure retained or purchased	27,437	-	-	-	68,281	2,534
Off-balance sheet securitisation exposure	-	-	-	-	75,213	2,249
<b>Total</b>	<b>27,437</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>143,494</b>	<b>4,782</b>