

AUSWIDE BANK LTD
BASEL III PILLAR 3 DISCLOSURES
30 September 2018

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 30 September 2018 data as required by the standard APS330.

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TABLE 3: CAPITAL ADEQUACY

Risk Weighted Assets (\$000's)	Sep 18	Jun 18
Subject to standardised approach		
Residential mortgage	983,907	977,409
Other retail	122,542	114,800
Corporate	-	-
Bank	73,904	73,159
Government	-	-
Other	22,597	38,776
Total on balance sheet assets and off balance sheet exposures	1,202,950	1,204,144
Securitisation exposures	12,529	11,341
Market risk exposures	-	-
Operational risk exposures	161,962	159,879
Total Risk Weighted Assets	1,377,441	1,375,364
Capital Ratios	%	%
Level 2 Total Capital ratio	14.51%	14.89%
Level 2 Tier 1 Capital ratio	12.30%	12.68%

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TABLE 4: CREDIT RISK

Exposure Type	Gross Credit Exposure (\$000's)		Average Gross Credit Exposure (\$000's)	
	Sep 18	Jun 18	Sep 18	Jun 18
Cash and cash equivalents	70,727	77,095	73,911	82,589
Due from other financial institutions	230,779	226,138	228,459	215,801
Loans and advances	2,604,204	2,532,538	2,568,371	2,472,105
Property, plant and equipment	15,005	17,324	16,165	16,870
Non market off balance sheet exposures	155,204	195,911	175,558	184,979
Other	7,592	21,451	14,522	20,179
Total exposures	3,083,511	3,070,457	3,076,986	2,992,523

Portfolios	Gross Credit Exposure (\$000's)		Average Gross Credit Exposure (\$000's)	
	Sep 18	Jun 18	Sep 18	Jun 18
Residential mortgage	2,636,866	2,613,649	2,625,258	2,548,414
Other retail	122,542	114,800	118,671	108,670
Corporate	-	-	-	-
Bank	301,506	303,233	302,370	298,390
Government	-	-	-	-
Other	22,597	38,776	30,687	37,049
Total exposures	3,083,511	3,070,458	3,076,986	2,992,523

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TABLE 4: CREDIT RISK (CONTINUED)

30 September 2018	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	3,289	9,586	3,181	1,778	302
Other retail		-	-	-	-
Corporate	88	-	-	-	-
Bank	-	-	-	-	-
Government	-	-	-	-	-
Other	-	-	-	-	-
Total exposures	3,377	9,586	3,181	1,778	302

30 June 2018	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	4,290	14,833	3,197	1,724	2,436
Other retail		-	-	-	-
Corporate	84	-	-	-	-
Bank	-	-	-	-	-
Government	-	-	-	-	-
Other	-	-	-	-	-
Total exposures	4,374	14,833	3,197	1,724	2,436

	Sep 18 (\$000's)	Jun 18 (\$000's)
General reserve for credit losses	2,388	2,388

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TABLE 5: SECURITISATION EXPOSURES

Exposure Type	30 September 2018		30 June 2018	
	Current Period Securitisatio n Activity (\$000's)	Gain or Loss on Sale (\$000's)	Current Period Securitisatio n Activity (\$000's)	Gain or Loss on Sale (\$000's)
Securities held in the banking book	-	-	2,000	-
Securities held in the trading book	-	-	-	-
Liquidity facilities	-	-	-	-
Funding facilities	-	-	-	-
Swaps	22,989	-	7,518	-
Other	(378)	-	274	-
Total	22,611	-	9,792	-

30 September 2018	Securities held in the banking book (\$000's)	Securities held in the trading book (\$000's)	Liquidity facilities (\$000's)	Funding facilities (\$000's)	Swaps (\$000's)	Other (\$000's)
Securitisatio n Exposure						
On-balance sheet securitisation exposure retained or purchased	32,386	-	-	-	156,282	2,406
Off-balance sheet securitisation exposure	-	-	-	-	60,464	2,031
Total	32,386	-	-	-	216,747	4,438

30 June 2018	Securities held in the banking book (\$000's)	Securities held in the trading book (\$000's)	Liquidity facilities (\$000's)	Funding facilities (\$000's)	Swaps (\$000's)	Other (\$000's)
Securitisatio n Exposure						
On-balance sheet securitisation exposure retained or purchased	32,386	-	-	-	127,113	2,649
Off-balance sheet securitisation exposure	-	-	-	-	66,646	2,166
Total	32,386	-	-	-	193,759	4,815