

APRA BASEL III Pillar 3 Disclosures

QUARTER ENDED 30 NOVEMBER 2013

30 January 2014

This report has been prepared by Bank of Queensland Limited (BOQ) to meet its disclosure requirements under the Australian Prudential Regulation Authority (APRA) Australian Prudential Standard (APS) 330 Capital Adequacy: Public Disclosure. It has been prepared using 30 November 2013 data.

Key points

The disclosures provided within have been prepared in accordance with the changes to APRA's capital rules (effective 1 January 2013). The Bank's Total Capital ratio has remained stable from August 2013 to November 2013 at 12.2% and Bank's Common Equity Tier 1 ratio has also remained stable.

Over the quarter, there has been a significant reduction to impaired assets. Approximately half of the reduction is due to the reduction in hardship/restructured loans over the quarter which were resultant from the January 2013 floods.



TABLE 16: CAPITAL ADEQUACY

Risk Weighted Assets (\$m)	November 13	August 13
Subject to the Standardised approach		
Government	4.7	4.7
Bank	244.0	301.7
Residential mortgage	11,015.8	11,078.5
Other retail	7,697.3	7,676.4
Other	74.8	73.5
Total on balance sheet assets and off balance sheet exposures	19,036.6	19,134.8
Securitisation exposures⁽¹⁾	239.5	177.3
Market risk exposures	320.4	362.1
Operational risk exposures	1,877.5	1,877.5
Total Risk Weighted Assets	21,474.0	21,551.7
Capital ratios		
	%	%
Level 2 Total Capital ratio	12.2	12.2
Level 2 Common Equity Tier 1 Capital ratio	8.6	8.6
Level 2 Net Tier 1 Capital ratio	10.0	10.0

(1) Refer to Table 18 for securitisation exposures.

TABLE 17: CREDIT RISK

Exposure Type	Gross Credit Exposure ⁽¹⁾ (\$m)		Average Gross Credit Exposure (\$m)	
	November 13	August 13	November 13	August 13
Cash and due from financial institutions	807.5	739.2	773.4	645.6
Debt securities	647.5	536.3	591.9	542.8
Loans and advances	31,936.5	31,934.2	31,935.4	32,109.5
Off balance sheet exposures for derivatives	205.5	274.0	239.8	265.5
Other off balance sheet exposures ⁽²⁾	760.3	698.6	729.5	716.4
Other	43.1	41.7	42.4	40.7
Total exposures	34,400.4	34,224.0	34,312.4	34,320.5

Portfolios subject to Standardised approach	Gross Credit Exposure ⁽¹⁾ (\$m)		Average Gross Credit Exposure (\$m)	
	November 13	August 13	November 13	August 13
Government	447.3	400.3	423.8	419.7
Bank	1,240.5	1,176.5	1,208.5	1,062.0
Residential Mortgage	24,972.8	24,933.5	24,953.3	25,113.6
Other retail	7,680.2	7,656.6	7,668.4	7,667.1
Other	59.6	57.1	58.4	58.1
Total exposures	34,400.4	34,224.0	34,312.4	34,320.5

Notes:

(1) Gross credit exposures reflect credit equivalent amounts.

(2) Other off balance sheet exposures largely relate to customer commitments.

TABLE 17: CREDIT RISK (CONTINUED)

November 13

Portfolios subject to the Standardised approach	Impaired loans \$m	Past due loans > 90 days \$m	Specific provision balance \$m	Charges for specific provision \$m	Write-offs \$m
Corporate	-	-	-	-	-
Government	-	-	-	-	-
Bank	-	-	-	-	-
Residential Mortgage	226.5	151.5	52.9	(1.4)	11.4
Other retail	190.0	127.6	109.8	(8.8)	22.3
Other	-	-	-	-	-
Total	416.5	279.1	162.7	(10.2)	33.7

August 13

Portfolios subject to the Standardised approach	Impaired loans \$m	Past due loans > 90 days \$m	Specific provision balance \$m	Charges for specific provision \$m	Write-offs \$m
Corporate	-	-	-	-	-
Government	-	-	-	-	-
Bank	-	-	-	-	-
Residential Mortgage	266.8	150.1	54.2	(5.2)	11.2
Other retail	232.8	130.5	118.3	(19.7)	42.0
Other	-	-	-	-	-
Total	499.6	280.6	172.5	(24.9)	53.2

	November 13 \$m	August 13 \$m
Statutory equity reserve for credit losses	70.2	70.2
Collective provision	137.1	137.5
APRA General reserve for credit losses	207.3	207.7

TABLE 18: SECURITISATION EXPOSURES

Exposure Type	November 13		August 13	
	Securitisation Activity \$m	Gain or Loss on Sale \$m	Securitisation Activity \$m	Gain or Loss on Sale \$m
Securities held in the banking book	343.2	-	30.2	-
Securities held in the trading book	-	-	-	-
Liquidity facilities	3.3	-	12.9	-
Funding facilities	-	-	1.0	-
Swaps	(20.3)	-	20.6	-
Other ⁽¹⁾	(16.5)	-	(16.3)	-
Total	309.7	-	48.4	-

November 13

Securitisation Exposure	Securities held in the banking book \$m	Securities held in the trading book \$m	Liquidity facilities \$m	Funding facilities \$m	Swaps \$m	Other ⁽¹⁾ \$m
On-balance sheet securitisation exposure retained or purchased	864.0	-	53.2	8.4	-	3,191.4
Off-balance sheet securitisation exposure	-	-	-	-	110.3	-
Total	864.0	-	53.2	8.4	110.3	3,191.4

August 13

Securitisation Exposure	Securities held in the banking book \$m	Securities held in the trading book \$m	Liquidity facilities \$m	Funding facilities \$m	Swaps \$m	Other ⁽¹⁾ \$m
On-balance sheet securitisation exposure retained or purchased	520.8	-	49.9	8.4	-	3,207.9
Off-balance sheet securitisation exposure	-	-	-	-	130.6	-
Total	520.8	-	49.9	8.4	130.6	3,207.9

Notes:

(1) Exposures relate to notes held in the Bank's on balance sheet securitisation vehicles.