

APRA BASEL III Pillar 3 Disclosures

QUARTER ENDED 30 NOVEMBER 2015

29 January 2016

This report has been prepared by Bank of Queensland Limited (Bank) 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 2015 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 decreased from 12.7% as at August 2015 to 12.4% as at November 2015.

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TABLE 3: CAPITAL ADEQUACY

Risk Weighted Assets (\$m)	November 15	August 15
Subject to the Standardised approach		
Government	7	7
Bank	210	244
Residential mortgage	12,302	11,954
Other retail	11,422	11,332
Other	82	80
Total on balance sheet assets and off balance sheet exposures	24,023	23,617
Securitisation exposures⁽¹⁾	174	190
Market risk exposures	218	182
Operational risk exposures	2,332	2,332
Total Risk Weighted Assets	26,747	26,321
Capital ratios		
	%	%
Level 2 Total Capital ratio	12.4	12.7
Level 2 Common Equity Tier 1 Capital ratio	8.6	8.9
Level 2 Net Tier 1 Capital ratio	10.3	10.6

Note:

(1) Refer to Table 5 for securitisation exposures.

TABLE 4: CREDIT RISK

Exposure Type	Gross Credit Exposure ⁽¹⁾ (\$m)		Average Gross Credit Exposure (\$m)	
	November 15	August 15	November 15	August 15
Cash and due from financial institutions	999	1,529	1,265	1,353
Debt securities	2,139	1,501	1,820	1,858
Loans and advances	39,297	38,371	38,834	37,877
Off balance sheet exposures for derivatives	30	40	35	39
Other off balance sheet exposures ⁽²⁾	441	421	431	434
Other	62	61	61	63
Total exposures	42,968	41,923	42,446	41,624

Portfolios subject to Standardised approach	Gross Credit Exposure ⁽¹⁾ (\$m)		Average Gross Credit Exposure (\$m)	
	November 15	August 15	November 15	August 15
Government	2,079	1,801	1,940	1,847
Bank	1,128	1,307	1,217	1,441
Residential Mortgage	28,265	27,414	27,840	26,737
Other retail	11,434	11,321	11,378	11,519
Other	62	80	71	80
Total exposures	42,968	41,923	42,446	41,624

Notes:

(1) Gross credit exposures reflect credit equivalent amounts.

(2) Other off balance sheet exposures largely relate to customer commitments. Subsequent to clarification by APRA, the Bank has adopted the concessional treatment available on housing approvals resulting in reduced exposure levels.

TABLE 4: CREDIT RISK (CONTINUED)

November 15

Portfolios subject to the Standardised approach	Impaired loans ⁽¹⁾ \$m	Past due loans > 90 days ⁽²⁾ \$m	Specific provision balance \$m	Charges for specific provision \$m	Write-offs \$m
Corporate	-	-	-	-	-
Government	-	-	-	-	-
Bank	-	-	-	-	-
Residential Mortgage	291	119	42	1	3
Other retail	143	111	79	(5)	17
Other	-	-	-	-	-
Total	434	230	121	(4)	20

August 15

Portfolios subject to the Standardised approach	Impaired loans ⁽¹⁾ \$m	Past due loans > 90 days ⁽²⁾ \$m	Specific provision balance \$m	Charges for specific provision \$m	Write-offs \$m
Corporate	-	-	-	-	-
Government	-	-	-	-	-
Bank	-	-	-	-	-
Residential Mortgage	277	148	41	2	2
Other retail	155	96	84	(8)	32
Other	-	-	-	-	-
Total	432	244	125	(6)	34

	November 15 \$m	August 15 \$m
Statutory equity reserve for credit losses	81	81
Collective provision	149	146
APRA General reserve for credit losses	230	227

Notes:

(1) Includes restructured facilities (hardship accounts) and excludes impaired assets in off balance sheet securitisation trusts as required under APS 220.

(2) Excludes assets in off balance sheet securitisation trusts as required under APS 220.

TABLE 5: SECURITISATION EXPOSURES

Exposure Type	November 15		August 15	
	Securitisation Activity \$m	Gain or Loss on Sale \$m	Securitisation Activity \$m	Gain or Loss on Sale \$m
Securities held in the banking book	(7)	-	(55)	-
Securities held in the trading book	(66)	-	-	-
Liquidity facilities	-	-	-	-
Funding facilities	-	-	-	-
Swaps	(3)	-	(5)	-
Other ⁽¹⁾	73	-	-	-
Total	(3)	-	(60)	-

November 15

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	671	-	18	6	-	4,299
Off-balance sheet securitisation exposure	-	-	-	-	70	-
Total	671	-	18	6	70	4,299

August 15

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	737	-	25	6	-	4,226
Off-balance sheet securitisation exposure	-	-	-	-	73	-
Total	737	-	25	6	73	4,226

Notes:

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