

APRA BASEL III Pillar 3 Disclosures

QUARTER ENDED 31 MAY 2013

26 July 2013

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 of Prudential Information. It has been prepared using 31 May 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 decreased from 13.1% in February to 12.7%. The main reason for the decrease is due to the interim dividend payment made during the quarter and acquisition of Virgin Money (Australia) Limited.



TABLE 16: CAPITAL ADEQUACY

Risk Weighted Assets (\$m)	May 13	February 13
Subject to the Standardised approach		
Government	4.9	4.9
Bank	249.7	258.7
Residential mortgage	11,318.6	11,158.1
Other retail	7,704.3	7,528.5
Other	75.3	78.8
Total on balance sheet assets and off balance sheet exposures	19,352.8	19,029.0
Securitisation exposures⁽¹⁾	158.1	145.0
Market risk exposures	417.7	347.9
Operational risk exposures	1,823.8	1,823.8
Total Risk Weighted Assets	21,752.4	21,345.7
Capital ratios		
	%	%
Level 2 Total Capital ratio	12.7	13.1
Level 2 Common Equity Tier 1 Capital ratio	8.5	8.7
Level 2 Net Tier 1 Capital ratio	9.9	10.2

(1) Refer to Table 18 for securitisation exposures.

TABLE 17: CREDIT RISK

Exposure Type	Gross Credit Exposure ⁽¹⁾ (\$m)		Average Gross Credit Exposure (\$m)	
	May 13	February 13	May 13	February 13
Cash and due from financial institutions	552.0	549.6	550.8	531.4
Debt securities	549.3	533.9	541.6	569.1
Loans and advances	32,284.5	31,631.7	31,958.1	31,584.9
Off balance sheet exposures for derivatives	256.9	284.3	270.6	258.9
Other off balance sheet exposures ⁽²⁾	734.2	699.8	717.0	734.3
Other	39.7	41.2	40.5	41.2
Total exposures	34,416.6	33,740.5	34,078.6	33,719.8

Portfolios subject to Standardised approach	Gross Credit Exposure ⁽¹⁾ (\$m)		Average Gross Credit Exposure (\$m)	
	May 13	February 13	May 13	February 13
Government	439.0	438.0	438.5	483.2
Bank	947.4	957.8	952.6	904.3
Residential Mortgage	25,293.8	24,775.9	25,034.8	24,915.7
Other retail	7,677.5	7,506.4	7,592.0	7,358.7
Other	58.9	62.4	60.7	57.9
Total exposures	34,416.6	33,740.5	34,078.6	33,719.8

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)

May 13

Portfolios subject to the Standardised approach	Impaired loans \$m	Past due loans > 90 days \$m	Specific provision balance ⁽¹⁾ \$m	Charges for specific provision \$m	Write-offs \$m
Corporate	-	-	-	-	-
Government	-	-	-	-	-
Bank	-	-	-	-	-
Residential Mortgage	298.1	165.9	59.7	(1.7)	12.2
Other retail	289.4	141.0	138.7	(12.4)	37.1
Other	-	-	-	-	-
Total	587.5	306.9	198.4	(14.1)	49.3

February 13

Portfolios subject to the Standardised approach	Impaired loans \$m	Past due loans > 90 days \$m	Specific provision balance ⁽¹⁾ \$m	Charges for specific provision \$m	Write-offs \$m
Corporate	-	-	-	-	-
Government	-	-	-	-	-
Bank	-	-	-	-	-
Residential Mortgage	282.4	206.8	62.5	(14.7)	24.2
Other retail	313.8	147.1	151.4	1.6	42.7
Other	-	-	-	-	-
Total	596.2	353.9	213.9	(13.1)	66.9

	May 13 \$m	February 13 \$m
Statutory equity reserve for credit losses	70.2	70.2
Collective provision	141.5	150.3
Ineligible collective provisions	-	-
APRA General reserve for credit losses	211.7	220.5

Notes:

(1) Under APRA guidelines specific provision balance includes ineligible collective provisions which are identified with certain exposures.

TABLE 18: SECURITISATION EXPOSURES

Exposure Type	May 13		February 13	
	Current Period Securitisation Activity \$m	Gain or Loss on Sale \$m	Current Period Securitisation Activity \$m	Gain or Loss on Sale \$m
Securities held in the banking book	77.1	-	(11.6)	-
Securities held in the trading book	-	-	-	-
Liquidity facilities	-	-	(1.9)	-
Funding facilities	-	-	(0.1)	-
Swaps	(6.3)	-	(29.4)	-
Other ⁽¹⁾	125.0	-	(3.3)	-
Total	195.8	-	(46.3)	-

May 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	490.6	-	37.0	7.4	-	3,224.2
Off-balance sheet securitisation exposure	-	-	-	-	110.0	-
Total	490.6	-	37.0	7.4	110.0	3,224.2

February 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	413.5	-	37.0	7.4	-	3,099.2
Off-balance sheet securitisation exposure	-	-	-	-	116.3	-
Total	413.5	-	37.0	7.4	116.3	3,099.2

Notes:

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