APRA BASEL III Pillar 3 Disclosures

QUARTER ENDED 31 MAY 2014

28 July 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 31 May 2014 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 increased to 14.0% as at May 2014 from 12.4% at February 2014.

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TABLE 16: CAPITAL ADEQUACY

Risk Weighted Assets ($m)	May 14	February 14
Subject to the Standardised approach		
Government	5.5	4.3
Bank	513.5	339.9
Residential mortgage	11,034.5	10,995.6
Other retail	8,059.2	7,818.1
Other	57.4	57.8
Total on balance sheet assets and off balance sheet exposures	**19,670.1**	**19,215.7**
Securitisation exposures(1)	**251.0**	**246.1**
Market risk exposures	**273.4**	**311.7**
Operational risk exposures	**1,943.8**	**1,943.8**
Total Risk Weighted Assets	**22,138.3**	**21,717.3**

Capital ratios	%	%
Level 2 Total Capital ratio	**14.0**	**12.4**
Level 2 Common Equity Tier 1 Capital ratio	**10.5**	**8.8**
Level 2 Net Tier 1 Capital ratio	**11.9**	**10.2**

Note:

(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 14	February 14	May 14	February 14
Cash and due from financial institutions	797.9	688.1	743.0	747.8
Debt securities	1,990.9	1,075.5	1,533.2	861.5
Loans and advances	32,400.8	32,089.9	32,245.4	32,013.3
Off balance sheet exposures for derivatives	180.0	217.7	198.8	211.6
Other off balance sheet exposures[2]	890.6	763.7	827.2	762.0
Other	44.6	44.5	44.5	43.8
Total exposures	**36,304.8**	**34,879.4**	**35,592.1**	**34,640.0**

Portfolios subject to Standardised approach	Gross Credit Exposure[1] ($m)		Average Gross Credit Exposure ($m)	
	May 14	February 14	May 14	February 14
Government	831.7	506.3	669.0	476.8
Bank	2,168.1	1,499.5	1,833.8	1,370.0
Residential Mortgage	25,205.0	25,014.7	25,109.8	24,993.8
Other retail	8,042.6	7,801.1	7,921.9	7,740.7
Other	57.4	57.8	57.6	58.7
Total exposures	**36,304.8**	**34,879.4**	**35,592.1**	**34,640.0**

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 14

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	194.0	136.8	52.0	1.5	4.6
Other retail	165.4	104.0	95.7	(4.4)	18.8
Other	-	-	-	-	-
Total	**359.4**	**240.8**	**147.7**	**(2.9)**	**23.4**

February 14

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	200.6	142.1	52.1	(2.3)	7.3
Other retail	163.7	114.0	98.1	(11.6)	30.8
Other	-	-	-	-	-
Total	**364.3**	**256.1**	**150.2**	**(13.9)**	**38.1**

	May 14 $m	February 14 $m
Statutory equity reserve for credit losses	70.2	70.2
Collective provision	134.0	134.2
APRA General reserve for credit losses	204.2	204.4

TABLE 18: SECURITISATION EXPOSURES

Exposure Type	May 14 Securitisation Activity $m	May 14 Gain or Loss on Sale $m	February 14 Securitisation Activity $m	February 14 Gain or Loss on Sale $m
Securities held in the banking book	70.2	-	53.8	-
Securities held in the trading book	-	-	-	-
Liquidity facilities	(9.3)	-	-	-
Funding facilities	-	-	-	-
Swaps	(9.6)	-	(11.9)	-
Other[(1)]	(36.1)	-	(24.6)	-
Total	**15.2**	**-**	**17.3**	**-**

May 14

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	988.0	-	43.9	8.4	-	3,130.7
Off-balance sheet securitisation exposure	-	-	-	-	88.8	-
Total	**988.0**	**-**	**43.9**	**8.4**	**88.8**	**3,130.7**

February 14

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	917.8	-	53.2	8.4	-	3,166.8
Off-balance sheet securitisation exposure	-	-	-	-	98.4	-
Total	**917.8**	**-**	**53.2**	**8.4**	**98.4**	**3,166.8**

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