

19th July 2017

Auswide Bank's response to APRA's release of "unquestionably strong" capital ratios

Auswide Bank (ABA) has received APRA's notice regarding the quantum of capital needed by ADIs to be unquestionably strong, and the timing by which that capital strength is expected to be achieved.

APRA has concluded that an increase in the minimum CET1 for ABA and other standardised ADIs of approximately 50 points will be required to meet the benchmark of 'unquestionably strong' capital. Further details are to be released by APRA which will clarify the new capital requirements leading to the January 2020 deadline.

ABA maintains CET1 capital and total capital comfortably in excess of prudential requirements and the board of directors targets. ABA expects that the current buffer above the capital targets will allow APRA's announced increase to be accommodated within the timeframe, while supporting credit growth and investment opportunities which may arise in the future.



Martin Barrett BA (ECON) MBA
Managing Director

About Auswide Bank Ltd

Auswide Bank became Australia's tenth and Queensland's third Australian owned bank, listed and trading on the ASX, on April 1, 2015. The company had operated as a building society since 1966.

Auswide Bank has an Australian Credit Licence and an Australian Financial Services Licence issued by ASIC and is an Authorised Deposit-taking Institution prudentially supervised by the Australian Prudential Regulation Authority.

Auswide Bank offers Australians an extensive range of personal and business banking products & services issued directly or in partnership with leading service providers via an omni-channel distribution strategy which includes branches, strategic relationships and online & digital channels.

Small things. Big difference.