

MEMBERS EQUITY BANK PTY LIMITED

APRA Basel II Pillar 3 Disclosure

APS 330: Public Disclosure of Prudential Information

Table 15: Capital Structure

	31-Dec-11 \$m
Tier 1 Capital	
Share Capital	430.1
Retained Earnings	26.8
Gross Tier 1 Capital	456.9
Deductions from Tier 1 Capital	
Fair Value Reserve	-
Deferred Tax Assets	(5.4)
Intangible Assets	(16.5)
Loan Establishment Costs	(23.9)
Debt Raising Cost capitalised	(0.6)
50% Investment in Controlled Entity	(0.0)
Total Tier 1 Capital Deductions	(46.5)
Net Tier 1 Capital	410.5
Tier 2 capital	
Upper Tier 2 Capital	6.2
Lower Tier 2 Capital	66.0
Net Tier 2 Capital	72.2
50% Investment in Controlled Entity	(0.0)
Total Capital Base	482.7

Table 16: Capital Adequacy

	31-Dec-11 Risk Weighted Assets \$m
Subject to the Standardised approach	
Residential Mortgage	2,124.0
Other Retail	295.3
Corporate	71.2
Bank	241.9
Government	-
Other	27.7
Capital Requirement for Credit Risk by Portfolio	2,760.0
Capital Requirement for Credit Risk Relating to Securitisation Exposures	76.6
Capital Requirement for Market Risk	-
Capital requirement for Operational Risk	485.2
Total RWA and Capital Requirement	3,321.8

Capital Ratios

Level 2 Total Capital Ratio	14.53%
Level 2 Tier 1 Capital Ratio	12.36%

Table 17: Credit Risk

Exposure Type	Period End 31-Dec-11 Gross Credit Risk Exposure \$m	Period End 31-Dec-11 Average Gross Credit Exposure \$m
	Cash and Due from Financial Institutions	72.0
Debt Securities	1,483.8	1,396.8
Loans and Advances	5,715.8	5,933.6
Other	67.1	63.0
Non Market Off Balance Sheet Exposures	1,128.4	1,123.8
Market Related Off Balance Sheet	14.0	11.5
Total exposures	8,481.1	8,601.3

Portfolios Subject to Standardised Approach	Period End 31-Dec-11 Gross Credit Risk Exposure \$m	Period End 31-Dec-11 Average Gross Credit Exposure \$m
	Residential Mortgage	5,297.3
Other Retail	295.1	291.2
Corporate	75.7	64.5
Bank	928.6	508.8
Government	386.3	381.2
Other	1,227.3	671.6
Total Exposures	8,210.1	8,601.3

Portfolios Subject to Standardised Approach	Impaired Loans \$m	Past Due Loans >90 Days \$m	Specific Provision Balance \$m	Charges for Specific Provision \$m	Write-offs \$m
Residential Mortgage	19.5	5.7	0.6	-	-
Other Retail	3.5	2.6	1.9	-	4.7
Corporate	-	-	-	-	-
Bank	-	-	-	-	-
Government	-	-	-	-	-
Other	-	-	-	-	-
Total	23.0	8.3	2.5	-	4.7

	Balance \$m
General Reserve for Credit Losses	8.2