



Prudential Disclosure Document
as at March 2017

Introduction

In accordance with Australian Prudential Standard APS 330, locally incorporated ADI's using the standardised approach under the Basel III regulatory regime such as Regional Australia Bank are required to disclose information about their Capital, Capital Instruments, Credit Risk exposure and Remuneration.

The frequency and timing of Regional Australia Bank's disclosure's as required under the Prudential Standard APS 330 Public Disclosure are:

Table	Frequency of Disclosure
Table 1: Composition of Capital	Annual
Regulatory Capital reconciliation	Annual
Table 2: Main features of Capital Instruments	Continuously
Table 3: Capital Adequacy	Quarterly
Table 4: Credit Risk	Quarterly
Table 5: Securitisation	Quarterly
Table 18: Remuneration	Annual

Capital Management

Regional Australia Bank maintains an actively managed capital base to cover risks inherent in its business. The adequacy of Regional Australia Bank's capital is monitored using, among other measures, the rules and ratios established by the Australian Prudential Regulation Authority.

Regional Australia Bank has complied in full with all its externally imposed capital requirements. The primary objectives of Regional Australia Bank's capital management are to ensure that the business complies with externally imposed capital requirements and that Regional Australia Bank maintains healthy capital ratios in order to support its activities.

For the purposes of Capital disclosures Regional Australia Bank is using the post 1 January 2018 common disclosure template because it is fully applying the Basel III regulatory adjustments as implemented by APRA.



TABLE 2: Capital Instruments

	Main Features	Instrument 1
1	Issuer	Australian Mutual Investment Trust
2	Unique identifier (eg. CUSIP, ISIN or Bloomberg identifier for private placement)	N/a
3	Governing law(s) of the instrument	NSW Australia
	<i>Regulatory Treatment</i>	
4	Transitional Basel III rules	Tier 2 Capital
5	Post-transitional Basel III rules	Non-eligible Capital
6	Eligible as solo/group/group and solo	N/a
7	Instrument Type (ordinary shares/preference shares/subordinated notes/other)	Term Unsecured Subordinated Debt Instrument
8	Amount recognised in regulatory capital (currency in mil, as of most recent reporting date)	\$2.821 mill
9	Par Value of instrument	\$4.0 mill
10	Accounting classification	Subordinated Debt
11	Original date of issuance	9-Nov-12
12	Perpetual or dated	Dated
13	Original maturity date	9-Nov-22
14	Issuer call subject to prior supervisory approval	Yes
15	Optional call date, contingent call dates and redemption amount	On any Interest payment date following 5th anniversary, redmption of all, or some of the debt with a minimum and multiples of AUD\$100,000
16	Subsequent call dates if applicable	As above
	<i>Coupons/Dividends</i>	
17	Fixed or floating Dividend/Coupon	Floating
18	Coupon Rate and any related index	AUD BBSW + 593 bps
19	Existence of a Dividend stopper	N/a
20	Fully discretionary, partially discretionary or mandatory	Mandatory
21	Existence of step-up or other incentive to redeem	No
22	Noncumulative or cumulative	Non cumulative
23	Convertible or non-convertible	Non convertible
24	If convertible, conversion trigger(s)	N/a
25	If convertible, fully or partially	N/a
26	If convertible, conversion rate	N/a
27	If convertible, mandatory or optional conversion	N/a
28	If convertible, specify instrument type convertible into	N/a
29	If convertible, specify issuer of instrument it converts into	N/a
30	Write-down feature	No
31	If write-down, write-down trigger(s)	N/a
32	If write-down, full or partial	N/a
33	If write-down, permanent or temporary	N/a
34	If temporary write-down, description of write-up mechanism	N/a
35	Position in subordination heirarchy in liquidation (specify instrument type immediately senior to instrument)	Subordinated
36	Non-compliant transitioned features	Yes
37	If yes, specify non compliant features	No write down or convertible feature



TABLE 3: Capital Adequacy	31 Mar 2017 000's	31 Dec 2016 000's
Capital requirements (in terms of risk weighted assets) for :		
Credit Risk		
Residential Mortgages	350,392	338,195
Other Retail Loans	58,119	65,228
Corporate Loans	108,318	108,318
Funds Deposited with ADI's	51,453	49,724
Government		
Securitisation		
Fixed Assets	6,954	6,972
Other Assets	41,498	37,551
Total Credit Risk	616,735	605,989
Market risk	-	-
Operational risk	60,005	60,005
Total Assessed Risk	676,740	665,994
Common Equity Tier 1	14.53%	14.38%
Tier 1	14.53%	14.38%
Total Capital	15.40%	15.34%



TABLE 4: Credit Risk March Quarter31 Mar 17
000'sQtr Average
000's

Total Gross Credit Risk exposures, plus average gross exposure over the period, broken down by;

Cash and cash equivalents	221,576	213,537
Trade and other receivables	21,376	25,141
Loans and advances to members		
Personal Loans	78,724	78,103
Mortgage Loans	834,471	820,860
Commercial Loans	98,679	98,879
Revolving Credit	26,000	25,563
Available for sale investments	1,126	1,126
Property, plant and equipment	6,152	6,149
Intangible assets	802	814
Deferred tax assets	2,170	2,170
Loss reserve loan	0	37
	1,291,076	1,272,378

Claims secured by residential mortgage	878,038	863,966
Other retail	104,725	103,666
Corporate (excluding secured by residential mortgage)	55,112	55,773
	1,037,875	1,023,405

By portfolio:

	Mar 17				
	Impaired Facilities \$'000	Past Due \$'000	Specific Provision \$'000	Charges \$'000	Write Offs \$'000
Claims secured by residential mortgage	2,534	4,136	407	0	0
Other retail	2,038	3,339	0	0	105
Corporate	0	0	0	0	0
Bank	0	0	0	0	0
Government	0	0	0	0	0
All other	0	0	0	0	0
Total	4,572	7,475	407	0	105

The General Reserve for Credit Losses

3,093



TABLE 4: Credit Risk December Quarter31 Dec 16
000'sQtr Average
000's

Total Gross Credit Risk exposures, plus average gross exposure over the period, broken down by;

Cash and cash equivalents	205,498	197,838
Trade and other receivables	28,906	24,186
Loans and advances to members		
Personal Loans	77,482	76,650
Mortgage Loans	807,249	792,756
Commercial Loans	99,078	96,261
Revolving Credit	25,126	24,867
Available for sale investments	1,126	1,126
Property, plant and equipment	6,146	6,313
Intangible assets	827	672
Deferred tax assets	2,170	2,170
Loss reserve loan	73	767
	1,253,679	1,223,606
Claims secured by residential mortgage	849,894	833,270
Other retail	102,608	101,518
Corporate (excluding secured by residential mortgage)	56,433	55,747
	1,008,935	990,535

By portfolio:

	Dec 16				
	Impaired Facilities \$'000	Past Due \$'000	Specific Provision \$'000	Charges \$'000	Write Offs \$'000
Claims secured by residential mortgage	1,304	4,230	173	0	0
Other retail	3,048	3,708	0	0	126
Corporate	0	0	0	0	0
Bank	0	0	0	0	0
Government	0	0	0	0	0
All other	0	0	0	0	0
Total	4,352	7,938	173	0	126

The General Reserve for Credit Losses

3,025



TABLE 5: Securitisation exposures	March 000's	December 000's
Loans Securitised during the quarter	17,708	0
On-Balance Sheet Securitisation Exposures		
Claims secured by residential mortgage	121,142	121,216
Off-Balance Sheet Securitisation Exposures		
Claims secured by residential mortgage	1,315	1,347
Total	122,457	122,564

