



Prudential Disclosure Document
as at December 2018

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 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 3: Capital Adequacy	31 Dec 2018 000's	30 Sep 2018 000's
Capital requirements (in terms of risk weighted assets) for :		
Credit Risk		
Residential Mortgages	400,983	389,262
Other Retail Loans	32,754	34,262
Corporate Loans	126,433	116,550
Funds Deposited with ADI's	48,903	50,817
Government		
Securitisation		
Fixed Assets	6,375	6,595
Other Assets	56,002	56,002
Total Credit Risk	<u>672,339</u>	<u>653,487</u>
Market risk	-	-
Operational risk	66,335	64,174
Total Assessed Risk	<u>738,674</u>	<u>717,661</u>
Common Equity Tier 1	15.49%	15.41%
Tier 1	15.49%	15.41%
Total Capital	15.92%	15.85%



TABLE 4: Credit Risk December Quarter31 Dec 18
000'sQtr Average
000's

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

Cash and cash equivalents	237,820	235,653
Trade and other receivables	18,480	25,253
Loans and advances to members		
Personal Loans	73,475	73,534
Mortgage Loans	988,794	974,346
Commercial Loans	115,150	110,342
Revolving Credit	26,977	26,559
Available for sale investments	1,379	1,379
Property, plant and equipment	5,537	5,595
Intangible assets	838	890
Deferred tax assets	1,689	1,689
	1,470,139	1,455,241
Claims secured by residential mortgage	1,046,223	1,027,304
Other retail	100,452	100,093
Corporate (excluding secured by residential mortgage)	57,720	57,384
	1,204,396	1,184,781

By portfolio:

	Dec 18				
	Impaired Facilities	Past Due	Specific Provision	Charges	Write Offs
	\$'000	\$'000	\$'000	\$'000	\$'000
Claims secured by residential mortgage	633	2,093	476	0	0
Other retail	3,134	3,486	0	0	688
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	3,768	5,579	476	0	688

The General Reserve for Credit Losses

3,154



TABLE 4: Credit Risk September Quarter30 Sep 18
000'sQtr Average
000's

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

Cash and cash equivalents	233,487	116,743
Trade and other receivables	32,026	16,013
Loans and advances to members		
Personal Loans	73,593	36,796
Mortgage Loans	959,898	479,949
Commercial Loans	105,534	52,767
Revolving Credit	26,142	13,071
Available for sale investments	1,379	689
Property, plant and equipment	5,653	2,826
Intangible assets	942	471
Deferred tax assets	1,689	845
	1,440,343	720,171
Claims secured by residential mortgage (reflect	1,008,385	504,192
Other retail	99,734	49,867
Corporate (excluding secured by residential mortgage)	57,048	28,524
	1,165,167	582,583

By portfolio:

	Sep 18				
	Impaired Facilities \$'000	Past Due \$'000	Specific Provision \$'000	Charges \$'000	Write Offs \$'000
Claims secured by residential mortgage	1,666	1,997	436	0	0
Other retail	2,588	3,973	0	0	203
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	4,254	5,970	436	0	203

The General Reserve for Credit Losses

3,104



TABLE 5: Securitisation exposures	31 Dec 18 000's	30 Sep 18 000's
Loans Securitised during the quarter	23,092	0
On-Balance Sheet Securitisation Exposures		
Claims secured by residential mortgage	138,885	138,915
Off-Balance Sheet Securitisation Exposures		
Claims secured by residential mortgage	825	846
Total	139,710	139,761

