CommonwealthBank

BASEL III PILLAR 3

CAPITAL ADEQUACY AND RISKS DISCLOSURES

AS AT 31 DECEMBER 2015

COMMONWEALTH BANK OF AUSTRALIA | ACN 123 123 124 | 10 FEBRUARY 2016

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For further information contact:

Investor Relations

Melanie Kirk
Phone: 02 9118 7166
Email: Melanie.Kirk@cba.com.au

1 Introduction

The Commonwealth Bank of Australia (the Group) is an Authorised Deposit-taking Institution (ADI) regulated by the Australian Prudential Regulation Authority (APRA) under the authority of the Banking Act 1959.

This document is prepared in accordance with Board approved policy and APRA's prudential standard APS 330 "Public Disclosure". It presents information on the Group's capital adequacy and Risk Weighted Asset (RWA) calculations for credit risk including securitisation, market risk, Interest Rate Risk in the Banking Book (IRRBB) and operational risk.

This document also presents information on the Group's leverage and liquidity ratios in accordance with prescribed methodology.

The Group is required to report its assessment of capital adequacy on a Level 2 basis. Level 2 is defined as the consolidated banking group excluding the insurance, funds management businesses and entities through which securitisation of Group assets are conducted.

The Group is predominantly accredited to use the Advanced Internal Ratings Based approach (AIRB) for credit risk and Advanced Measurement Approach (AMA) for operational risk. The Group is also required to assess its traded market risk and IRRBB requirement under Pillar 1 of the Basel capital framework.

The external auditor has performed certain agreed upon procedures over the Pillar 3 report, including verifying the disclosures are consistent with information contained in the Group's Profit Announcement, returns provided to APRA and source systems.

This document is available on the Group's corporate website www.commbank.com.au/about-us/investors/shareholders.

The Group in Review

The Group strengthened its capital position during the half year, by undertaking a $5.1 billion institutional and retail entitlement offer ahead of the APRA requirement to hold additional capital with respect to Australian residential mortgages effective from 1 July 2016. This capital raising places the Group in a strong position both domestically and on an internationally comparable basis. As at 31 December 2015, the Basel III Common Equity Tier 1 (CET1) ratio was 14.3% on an internationally comparable basis. The Group's Basel III CET1, Tier 1 and Total Capital ratios as measured on an APRA basis as at 31 December 2015 were 10.2%, 12.2% and 14.1% respectively.

The Group's Leverage Ratio, which is defined as Tier 1 Capital as a percentage of total exposures was 5.0% at 31 December 2015 on an APRA basis and 5.6% on an internationally comparable basis.

The Liquidity Coverage Ratio (LCR), which came into effect on 1 January 2015, requires Australian ADIs to hold sufficient liquid assets to meet 30 day net cash outflows projected under an APRA-prescribed stress scenario. The Group maintained an average LCR of 125.5% in the December 15 half.

The Group regularly benchmarks and aligns its policy framework against existing prudential and regulatory standards. Potential developments in Australian and international standards, and global best practice are also considered.

The Group continues to monitor and take actions to enhance its strong risk culture. This includes a risk appetite framework and a risk accountability (Three Lines of Defence) model. The Group has a formal Risk Appetite Framework that creates clear obligations and transparency over risk management and strategy decisions. The Three Lines of Defence model requires business management to operate responsibly by taking well understood and managed risks that are appropriately and adequately priced.

The strength and robustness of the Group's risk management framework has been reflected in the Group's overall asset quality and capital position. In particular, the Group remains in a select group of banking institutions with an AA-/Aa2 credit rating. To maintain this strength, the Group continues to invest in its risk systems and management processes.

The Group's capital forecasting process and capital plans are in place to ensure a sufficient capital buffer above minimum levels is maintained at all times. The Group manages its capital by regularly and simultaneously considering regulatory capital requirements, rating agency views on the capital required to maintain the Group's credit rating, the market response to capital, stress testing and the Group's bottom up view of economic capital. These views then cascade into considerations on what capital level is targeted.

The Group's management of its capital adequacy is supported by robust capital management processes applied in each Business Unit. The results are integrated into the Group's consolidated regulatory and economic capital requirements, and risk-adjusted performance and pricing processes.

Summary Group Capital Adequacy Ratios (Level 2)	31 Dec 15 %	30 Jun 15 %	31 Dec 14 %
Common Equity Tier 1	**10. 2**	9. 1	9. 2
Tier 1	**12. 2**	11. 2	11. 6
Tier 2	**1. 9**	1. 5	1. 1
Total Capital (APRA)	**14. 1**	12. 7	12. 7
Common Equity Tier 1 (Internationally Comparable) (1)	**14. 3**	12. 7	n/a

(1) Analysis aligns with the 13 July 2015 APRA study titled "International capital comparison study".

2 Scope of Application

This document has been prepared in accordance with Board approved policy and reporting requirements set out in APS 330.

APRA adopts a tiered approach to the measurement of an ADI's capital adequacy:

- Level 1: the Parent Bank (Commonwealth Bank of Australia) and offshore branches (the Bank) and APRA approved Extended Licenced Entities (ELE);
- Level 2[1]: the Consolidated Banking Group excluding the insurance and funds management businesses and the entities through which securitisation of Group assets are conducted; and
- Level 3: the Conglomerate Group including the Group's insurance and funds management businesses (the Group).

The Group is required to report its assessment of capital adequacy on a Level 2 basis. Additional disclosure of capital ratios relating to material ADIs within the Group together with CBA's own Level 1 capital ratios are included under APS 330 Table 6g of this report (page 5).

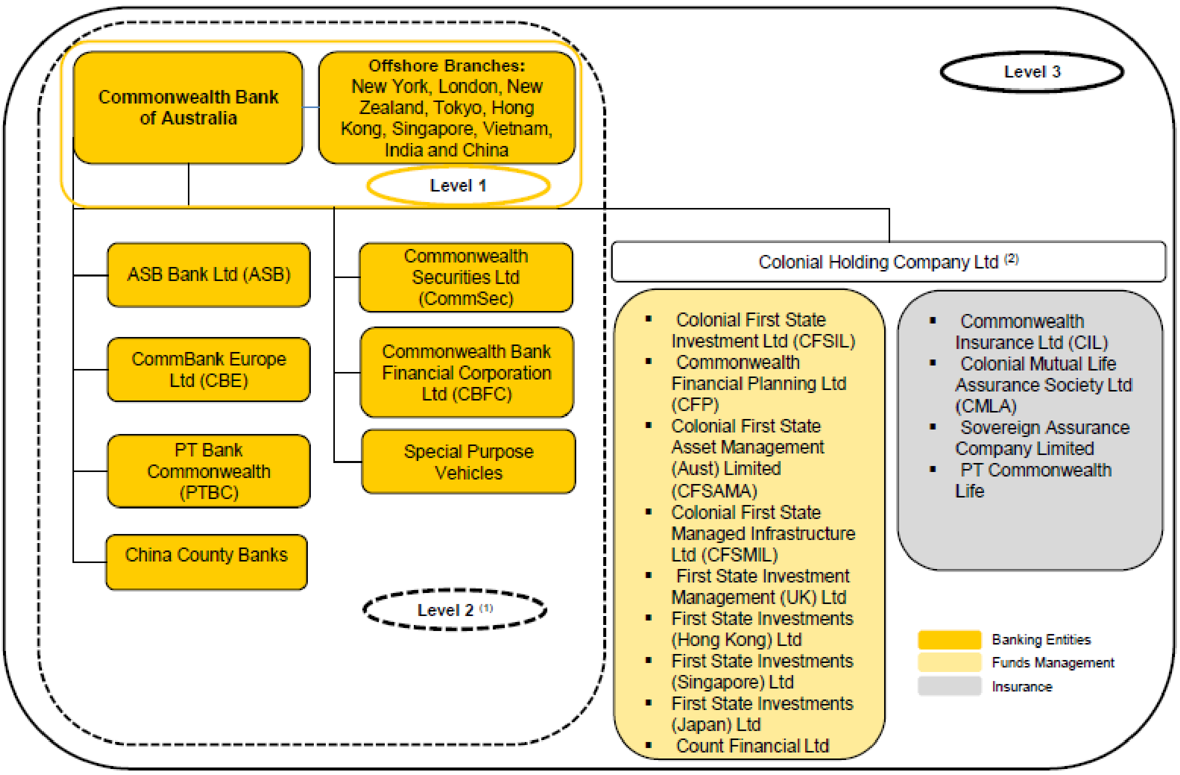
ASB Bank Limited (ASB) operates under advanced Basel III status and is subject to regulation by the Reserve Bank of New Zealand (RBNZ). The RBNZ applies a similar methodology to APRA in calculating regulatory capital requirements.

CommBank Europe (CBE), PT Bank Commonwealth (PTBC) and the China County Banks use Standardised Basel III methodology.

Restrictions on transfer of funds or regulatory capital within the Group

The transfer of regulatory capital and funding within the Group is subject to restrictions imposed by local regulatory requirements. In particular, APS 222 "Associations with Related Entities" establishes prudential limits on the level of exposure that the Bank may have to a related entity.

The Bank and all of the subsidiaries of the Group are adequately capitalised. There are no restrictions or other major impediments on the transfer of funds within the Group. There are no capital deficiencies in non-consolidated (regulatory) subsidiaries in the Group.



(1) The Level 2 Regulatory Consolidated group is based on the historic definition of the Level 2 Group, prior to APRA clarification provided in May 2014. Refer to Section 3 Capital – Other Regulatory Changes on page 5 for more details.

(2) Represents the Colonial Holding Company Ltd and major operating subsidiaries. A more detailed list of non-consolidated entities, together with details on their principal activities is provided in Appendix 11.5.

3 Capital

Capital Adequacy

The Basel Committee on Banking Supervision (BCBS) has implemented a set of capital, liquidity and funding reforms known as "Basel III". The objectives of the capital reforms are to increase the quality, consistency and transparency of capital, to enhance the risk coverage framework, and to reduce systemic and pro-cyclical risk. The major reforms are being implemented on a phased approach to 1 January 2019.

The Basel III capital reforms were implemented in Australia on 1 January 2013. APRA has adopted a more conservative approach than the minimum standards published by the BCBS and also adopted an accelerated timetable for implementation.

The APRA prudential standards require a minimum CET1 ratio of 4.5% effective from 1 January 2013. An additional CET1 capital conservation buffer of 3.5%, inclusive of a Domestic Systemically Important Bank (DSIB) requirement of 1%, effective on 1 January 2016, bringing the CET1 requirement to at least 8%.

In December 2015, APRA announced that the countercyclical capital buffer for Australian exposures, which is also effective from 1 January 2016, has been set at 0%.

The Group has a range of instruments and methodologies available to effectively manage capital. These include share issues and buybacks, dividend and Dividend Reinvestment Plan (DRP) policies, hybrid capital raising and dated and undated subordinated debt issues. All major capital related initiatives require approval by the Board.

The Group's capital position is monitored on a continuous basis and reported monthly to the Executive Committee of the Group and the Risk Committee. Three year capital forecasts are conducted on a quarterly basis and a detailed capital and strategic plan is presented to the Board annually.

Capital Management

The Group's Basel III CET1 ratio as measured on an APRA basis was 10.2% at 31 December 2015, compared with 9.1% at 30 June 2015.

The increase in capital ratios during the period primarily reflects capital generated from earnings combined with the issue of shares as part of the entitlement offer of $5.1 billion completed in September 2015. This was partly offset by:

- The impact of the June 2015 final dividend, which was moderated by the issuance of shares in respect of the Dividend Reinvestment Plan (DRP); and
- Increases in RWA as outlined on pages 8 and 9.

The Group's Basel III internationally comparable CET1 ratio as at 31 December 2015 was 14.3%, compared with 12.7% as at June 2015.

Details of the major differences in the Basel III APRA and the Basel III internationally comparable CET1 ratios are provided on page 6.

The Tier 1 and Total Capital ratios under Basel III (APRA) are 12.2% and 14.1% respectively at 31 December 2015.

Capital Initiatives

In order to actively manage the Group's capital, the following significant initiatives were undertaken during the half year:

Common Equity Tier 1 Capital

- The aforementioned $5.1 billion that the Group raised through an institutional and retail entitlements offer; and
- The DRP in respect of the 2015 final dividend was satisfied by the issuance of $657 million of ordinary shares, representing a participation rate of 18.1%.

Additional Tier 1 and Tier 2 Capital

- In December 2015, the Group issued USD1.25 billion subordinated notes that are Basel III compliant Tier 2 capital.

Other Regulatory Changes

Financial Systems Inquiry

In December 2014, the Government released the final report of the Financial System Inquiry (FSI). The key recommendations from the report included:

- Setting capital standards such that Australian ADI capital ratios are unquestionably strong;
- Raising the average Internal Ratings-Based (IRB) mortgage risk weight for ADIs using IRB risk weight models to increase mortgage competition between the major banks and non-major banks;
- Implementing a framework for minimum loss absorbing and recapitalisation capacity in line with emerging international practice, sufficient to facilitate the orderly resolution of ADIs and minimise taxpayer support;
- Introducing a leverage ratio, in line with the Basel Committee, that acts as a backstop to the capital position of ADIs; and
- Developing a reporting template to improve the transparency and comparability of capital ratios.

In July 2015, in connection with the FSI recommendations, APRA released the following:

- Information paper; "International capital comparison study" (APRA study), which endorsed the FSI recommendation that the capital of Australian ADIs should be unquestionably strong. However, APRA did not confirm the definition of "unquestionably strong". Nevertheless, the report confirmed that the major banks are well-capitalised and compared the major banks' capital ratios against a set of international peers; and
- An announcement in relation to increases in the capital requirements under the IRB approach for Australian residential mortgages, which will increase the average risk weighting for a mortgage portfolio to approximately 25%, effective from 1 July 2016. This change is aimed at increasing mortgage competition between the major banks and non-major banks.

As a result of this additional capital requirement, the Group undertook a $5.1 billion institutional and retail entitlement offer which was completed in September 2015.

In October 2015, the Government provided its formal response to the FSI recommendations, confirming its support for the resilience in the banking system, and has either endorsed APRA's approach, or delegated authority to it, on each of these recommendations.

Basel Committee on Banking Supervision

The BCBS has issued a number of consultation documents, associated with:

- Design of a framework for the application of capital floors based on standardised approaches;
- Revisions to the standardised approach for credit risk;
- Fundamental Review of the Trading Book;
- Revisions to Operational Risk; and
- Interest Rate Risk in the Banking Book.

Other Regulatory Changes (continued)

Finalisation of the review of the Trading Book "Minimum capital requirements for market risk" was completed in January 2016 with an effective implementation date of 1 January 2019.

Finalisation with respect to the remaining proposals is expected during 2016.

Composition of Level 2 ADI Groups

In May 2014, APRA provided more clarity on the definition of the Level 2 Banking Group. Subsidiary intermediate holding companies are considered part of the Level 2 Group, regardless of the nature of any activity undertaken by their operating subsidiaries. As a result, capital benefits arising from the debt issued by the Colonial Group will be phased out. APRA granted transition arrangements on these changes, in line with the maturity profile of the debt.

Conglomerate Groups

APRA has proposed extending its prudential supervision framework to Conglomerate Groups that have material operations in more than one APRA regulated industry and/or have one or more material unregulated entities. APRA released revised conglomerate standards in August 2014. However, a decision on the implementation date has yet to be provided. APRA has confirmed that a minimum transition period of 12 months will apply before the implementation date.

Summary Group Capital Adequacy Ratios (Level 2)	31 Dec 15 %	30 Jun 15 %	31 Dec 14 %
Common Equity Tier 1	**10. 2**	9. 1	9. 2
Tier 1	**12. 2**	11. 2	11. 6
Tier 2	**1. 9**	1. 5	1. 1
Total Capital	**14. 1**	12. 7	12. 7
Common Equity Tier 1 (Internationally Comparable) (1)	**14. 3**	12. 7	n/a

(1) Analysis aligns with the 13 July 2015 APRA study titled "International capital comparison study".

	APRA 31 Dec 15 $M	APRA 30 Jun 15 $M	APRA 31 Dec 14 $M
Ordinary Share Capital and Treasury Shares (1)	**33,577**	27,898	27,326
Reserves	**2,373**	2,252	2,548
Retained earnings	**22,067**	20,999	19,446
Non-controlling interests	**-**	-	-
Common Equity Tier 1 Capital before regulatory adjustments	**58,017**	51,149	49,320
Common Equity Tier 1 regulatory adjustments	**(17,801)**	(17,751)	(16,735)
Common Equity Tier 1 Capital	**40,216**	33,398	32,585
Additional Tier 1 Capital	**7,756**	7,749	8,413
Tier 1 Capital	**47,972**	41,147	40,998
Tier 2 Capital	**7,333**	5,661	3,903
Total Capital	**55,305**	46,808	44,901

(1) Inclusive of Treasury shares held by the Group's life insurance operations and employee share scheme trusts.

Further details on the composition of the Group's capital is detailed in Appendix 11.1.

APS 330 Table 6g – Capital Ratios – Level 1 and Major Subsidiaries

Significant Group ADIs	31 Dec 15 %	30 Jun 15 %	31 Dec 14 %
CBA Level 1 CET1 Capital ratio	**10. 7**	9. 6	9. 1
CBA Level 1 Tier 1 Capital ratio	**12. 6**	11. 5	11. 5
CBA Level 1 Total Capital ratio	**14. 5**	13. 1	12. 5
ASB CET1 Capital ratio	**9. 3**	8. 8	9. 9
ASB Tier 1 Capital ratio	**11. 3**	10. 8	11. 0
ASB Total Capital ratio	**12. 2**	11. 8	12. 0

Capital

Regulatory Capital Framework Comparison

The APRA Basel III capital requirements are more conservative than those of the BCBS, leading to lower reported capital ratios.

In July 2015, APRA published a study on the calculation of internationally comparable capital by Australian banks entitled "International capital comparison study" (APRA study). As at 31 December 2015, the Group's internationally comparable CET1, Tier 1 and Total Capital ratios were 14.3%, 15.9% and 17.5% respectively. The basis of this analysis aligns with the APRA study.

The following table provides details on the differences, as at 31 December 2015, between the APRA Basel III capital requirements and the internationally comparable capital ratios.

Item	APRA Study Reference	Description of adjustment	CET1 %	Tier 1 %	Total Capital %
Basel III (APRA)			**10. 2**	**12. 2**	**14. 1**
Equity investments	Appendix 1 Items 1, 2, 4	Balances below prescribed threshold are risk weighted, compared to a 100% CET1 deduction under APRA's requirements.	0. 9	0. 8	0. 8
Capitalised Expenses	Appendix 1 Item 5	Balances are risk weighted, compared to a 100% CET1 deduction under APRA's requirements.	0. 1	0. 1	0. 1
Deferred tax assets	Appendix 1 Item 3	Balances below prescribed threshold are risk weighted, compared to a 100% CET1 deduction under APRA's requirements.	0. 2	0. 2	0. 2
IRRBB RWA	3.3.2	APRA requires capital to be held for Interest Rate Risk in the Banking Book (IRRBB). The BCBS does not have any capital requirement.	0. 5	0. 6	0. 7
Residential mortgages	3.3.1	Loss Given Default (LGD) of 15%, compared to the 20% LGD floor under APRA's requirements.	0. 7	0. 8	0. 9
Other retail standardised exposures	3.3.6	Risk weighting of 75%, rather than 100% under APRA's requirements.	0. 1	0. 1	0. 1
Unsecured non-retail exposures	3.3.3	LGD of 45%, compared to the 60% or higher LGD under APRA's requirements.	0. 6	0. 7	0. 8
Non-retail undrawn commitments	3.3.4	Credit conversion factor of 75%, compared to 100% under APRA's requirements.	0. 4	0. 5	0. 5
Specialised lending	3.3.5	Use of IRB probabilities of default (PD) and LGDs for income producing real estate and project finance exposures, reduced by application of a scaling factor of 1.06. APRA applies higher risk weights under a supervisory slotting approach, but does not require the application of the scaling factor.	0. 5	0. 6	0. 7
Currency conversion	3.3.7	Increase in the A$ equivalent concessional threshold level for small business retail and small/ medium enterprise corporate exposures.	0. 1	0. 1	0. 1
Subtotal (1)			**14. 3**	**16. 7**	**19. 0**
Basel III non-compliant instruments		Removal of Basel III non compliant Tier 1 and Tier 2 instruments that are currently subject to transitional rules.	-	(0.8)	(1.5)
Basel III (Internationally Comparable - aligns with APRA study)			**14. 3**	**15. 9**	**17. 5**

(1) Represents ratios prior to adjustments made for non-compliant Basel III Tier 1 and Tier 2 Capital instruments. This value is used in determining Leverage Ratio (Internationally Comparable) as determined on page 7.

In July 2015, APRA announced increases in the capital requirements under the IRB approach for Australian residential mortgages, which will increase the average risk weighting for a mortgage portfolio to 25%, effective from 1 July 2016. In the future, the calculation of internationally comparable capital will require an adjustment for this amount.

The above calculations do not include the impact of a Basel I capital floor, which was introduced as a transitional measure as part of the implementation of Basel II. The Australian banks have now fully implemented Basel III and, therefore, it is difficult to calculate the impact of such a floor. APRA concluded in the APRA study that it is difficult to make adjustments for the floor in internationally comparable calculations at this time but the inclusion of a floor could reduce internationally comparable ratios by a material amount.

4 Leverage Ratio

The Group's Leverage Ratio, which is defined as Tier 1 Capital as a percentage of total exposures was 5.0% at 31 December 2015 on an APRA basis and 5.6% on an internationally comparable basis. The Group commenced the disclosure of its leverage ratio from 30 September 2015.

The BCBS has initially advised that the leverage ratio will migrate to a Pillar 1 minimum capital requirement of 3% from 1 January 2018. The BCBS will confirm the final calibration in 2017.

Summary Group Leverage Ratio (1)	31 Dec 15	30 Sept 15
Tier 1 Capital ($M)	**47,972**	45,341
Total Exposures ($M) (2)	**952,969**	959,272
Leverage Ratio (APRA) (%)	**5.0**	4. 7
Leverage Ratio (Internationally Comparable) (%) (3)	**5.6**	5. 3

(1) Refer to Appendix 11.2 for further details on the composition of the leverage ratio.

(2) Total exposures is the sum of on Balance Sheet exposures, derivatives, securities financing transactions (SFTs), and off Balance Sheet exposures, net of any Tier 1 regulatory deductions, as outlined in APS 110 "Capital Adequacy".

(3) The Tier 1 Capital included in the calculation of the internationally comparable leverage ratio aligns with the 13 July 2015 APRA study titled "International capital comparison study", and includes Basel III non-compliant Tier 1 instruments that are currently subject to transitional rules.

5 Risk Weighted Assets

Risk weighted assets are calculated in accordance with the AIRB approach for the majority of the Group's credit risk exposures.

Internal assessment and supervisory formula approaches are used where relevant for non-rated securitisation exposures and the ratings-based approach is used for securitisation exposures rated by External Credit Assessment Institutions (ECAI).

APS 330 Table 6b to 6f – Basel III Capital Requirements (RWA)

	Risk Weighted Assets			Change in RWA for December 2015 half	
	31 Dec 15	30 Jun 15	31 Dec 14		
Asset Category	$M	$M	$M	$M	%
Credit Risk					
Subject to advanced IRB approach					
Corporate	**69,392**	60,879	56,612	8,513	14. 0
SME corporate	**25,066**	25,289	23,913	(223)	(0. 9)
SME retail	**5,328**	5,068	4,963	260	5. 1
SME retail secured by residential mortgage	**2,670**	2,949	3,285	(279)	(9. 5)
Sovereign	**6,147**	5,163	5,432	984	19. 1
Bank	**12,581**	12,024	10,983	557	4. 6
Residential mortgage	**75,010**	74,382	72,278	628	0. 8
Qualifying revolving retail	**9,306**	8,861	8,533	445	5. 0
Other retail	**14,249**	13,942	13,620	307	2. 2
Impact of the regulatory scaling factor (1)	**13,185**	12,513	11,977	672	5. 4
Total RWA subject to advanced IRB approach	**232,934**	221,070	211,596	11,864	5. 4
Specialised lending	**54,885**	51,081	48,774	3,804	7. 4
Subject to standardised approach					
Corporate	**10,284**	10,357	11,358	(73)	(0. 7)
SME corporate	**4,571**	5,921	5,470	(1,350)	(22. 8)
SME retail	**6,093**	5,843	5,571	250	4. 3
Sovereign	**206**	209	169	(3)	(1. 4)
Bank	**236**	244	204	(8)	(3. 3)
Residential mortgage	**7,044**	6,728	6,416	316	4. 7
Other retail	**2,744**	2,679	2,946	65	2. 4
Other assets	**5,811**	4,982	4,924	829	16. 6
Total RWA subject to standardised approach	**36,989**	36,963	37,058	26	0. 1
Securitisation	**1,567**	1,653	5,016	(86)	(5. 2)
Credit valuation adjustment	**7,686**	7,712	8,126	(26)	(0. 3)
Central counterparties	**896**	695	954	201	28. 9
Total RWA for credit risk exposures	**334,957**	319,174	311,524	15,783	4. 9
Traded market risk	**7,451**	6,335	6,466	1,116	17. 6
Interest rate risk in the banking book	**17,511**	10,847	4,846	6,664	61. 4
Operational risk	**32,743**	32,365	30,212	378	1. 2
Total risk weighted assets	**392,662**	368,721	353,048	23,941	6. 5

(1) APRA requires RWA amounts derived from IRB risk weight functions to be multiplied by a factor of 1.06.

Risk Weighted Assets

Total Group RWA increased by $23.9 billion or 6.5% on the prior half to $392.7 billion.

Credit Risk Exposure and RWA

Credit risk RWA increased over the half by $15.8 billion or 4.9% to $335.0 billion, mostly due to:

- Growth in most portfolios;
- Refreshed parameters in models used to calculate credit risk estimates; and
- Depreciation of the Australian dollar.

RWA increases were partly offset by a reduction in Bank exposures.

Traded Market Risk RWA

Traded market risk RWA increased by $1.1 billion or 17.6% to $7.5 billion. This increase is mainly due to the impact of higher level of market volatility on the capital charge under the Internal Model Approach.

Interest Rate Risk in the Banking Book (IRRBB) RWA

IRRBB RWA increased by $6.7 billion or 61.4% driven by increases arising from interest rate risk management activity and the capital raising.

Operational Risk RWA

Operational Risk RWA remained stable at $32.7 billion. The Group continues to monitor industry events and the current regulatory environment to assess the impact on its Operational Risk profile.

Explanation of change in credit RWA

The composition of the movement in Credit RWA over the prior half is shown below.

		Credit RWA movement drivers				
	Change in RWA for Dec 15 half	Volume changes	FX changes	Credit risk estimates changes and regulatory treatments	Data and methodology changes	Change in credit quality
Asset Category	**$M**	**$M**	**$M**	**$M**	**$M**	**$M**
AIRB corporate including SME and specialised lending	**12,571**	7,394	1,841	1,953	(232)	1,615
AIRB bank	**591**	(1,018)	165	564	-	880
AIRB sovereign	**1,043**	430	69	180	(178)	542
AIRB consumer retail	**1,463**	2,689	375	166	-	(1,767)
Standardised (including other assets, CCP and CVA)	**201**	357	-	-	519	(675)
Securitisation exposures	**(86)**	(78)	7	-	-	(15)
Total credit RWA movement	**15,783**	**9,774**	**2,457**	**2,863**	**109**	**580**

6 Credit Risk

6.1 Credit Risk Exposure – Excluding Equities and Securitisation

The following tables detail credit risk exposures subject to Advanced IRB and Standardised approaches.

APS 330 Table 7i – Credit risk exposures by portfolio type and modelling approach

	31 December 2015						
		Off Balance Sheet					
Portfolio Type	On Balance Sheet $M	Non-market related $M	Market related $M	Total $M	Average exposure for December 2015 half [(1)] $M	Change in exposure for December 2015 half [(2)] $M	%
Subject to advanced IRB approach							
Corporate	66,654	48,033	7,112	**121,799**	114,907	13,785	12. 8
SME corporate	33,208	6,565	279	**40,052**	41,588	(3,072)	(7. 1)
SME retail	7,400	3,305	238	**10,943**	10,667	552	5. 3
SME retail secured by residential mortgage	4,537	1,267	-	**5,804**	6,008	(408)	(6. 6)
Sovereign	74,277	1,124	2,661	**78,062**	73,107	9,911	14. 5
Bank	27,691	2,444	11,907	**42,042**	45,697	(7,310)	(14. 8)
Residential mortgage	429,051	71,885	-	**500,936**	492,887	16,098	3. 3
Qualifying revolving retail	9,945	17,284	-	**27,229**	27,149	161	0. 6
Other retail	7,937	3,059	-	**10,996**	10,913	166	1. 5
Total advanced IRB approach	660,700	154,966	22,197	**837,863**	822,922	29,883	3. 7
Specialised lending	49,399	14,036	1,649	**65,084**	62,986	4,196	6. 9
Subject to standardised approach							
Corporate	8,646	1,651	80	**10,377**	10,394	(33)	(0. 3)
SME corporate	4,129	385	21	**4,535**	5,194	(1,318)	(22. 5)
SME retail	5,289	774	28	**6,091**	5,965	253	4. 3
Sovereign	421	7	-	**428**	409	38	9. 7
Bank	758	1	-	**759**	746	27	3. 7
Residential mortgage	10,835	1,890	18	**12,743**	12,358	771	6. 4
Other retail	2,643	88	1	**2,732**	2,698	68	2. 6
Other assets	11,304	-	-	**11,304**	10,583	1,442	14. 6
Central counterparties	-	-	4,502	**4,502**	3,966	1,072	large
Total standardised approach	44,025	4,796	4,650	**53,471**	52,311	2,320	4. 5
Total credit exposures [(3)]	754,124	173,798	28,496	**956,418**	938,219	36,399	4. 0

(1) The simple average of balances as at 31 December 2015 and 30 June 2015.
(2) The difference between exposures as at 31 December 2015 and 30 June 2015.
(3) Total credit risk exposures (calculated as EAD) do not include equities or securitisation exposures.

Explanation of change in credit risk exposure

Details of credit risk exposure movements over the prior half are as follows:

Asset Category	Total exposure change $M	Regulatory Exposure Driver
AIRB corporate (including SME) and specialised lending	**15,053**	Portfolio growth and depreciation of the Australian dollar.
AIRB sovereign	**9,911**	Liquidity management and depreciation of the Australian dollar.
AIRB bank	**(7,310)**	Liquidity management and depreciation of the Australian dollar.
AIRB consumer retail	**16,425**	Portfolio growth and depreciation of the Australian dollar.
Total advanced and specialised lending	**34,079**	
Standardised including other assets and central counterparties	**2,320**	Increase in trades and margins held with central counterparties and reclassifications of exposures.
Total excluding securitisation and equity exposures	**36,399**	

APS 330 Table 7i – Credit risk exposures by portfolio type and modelling approach (continued)

	30 June 2015						
		Off Balance Sheet					
	On balance sheet	Non-market related	Market related	Total	Average exposure for June 2015 half (1)	Change in exposure for June 2015 half (2)	
Portfolio Type	$M	$M	$M	$M	$M	$M	%
Subject to advanced IRB approach							
Corporate	56,926	44,405	6,683	108,014	104,389	7,251	7. 2
SME corporate	33,855	8,664	605	43,124	41,976	2,296	5. 6
SME retail	7,393	2,978	20	10,391	10,228	327	3. 2
SME retail secured by residential mortgage	4,918	1,294	-	6,212	6,701	(978)	(13. 6)
Sovereign	64,526	1,309	2,316	68,151	70,297	(4,291)	(5. 9)
Bank	33,138	2,924	13,290	49,352	47,214	4,275	9. 5
Residential mortgage	414,950	69,888	-	484,838	480,183	9,309	2. 0
Qualifying revolving retail	9,847	17,221	-	27,068	26,952	232	0. 9
Other retail	7,913	2,917	-	10,830	10,774	112	1. 0
Total advanced IRB approach	633,466	151,600	22,914	807,980	798,714	18,533	2. 3
Specialised lending	47,358	11,921	1,609	60,888	59,646	2,483	4. 3
Subject to standardised approach							
Corporate	8,328	1,987	95	10,410	10,946	(1,073)	(9. 3)
SME corporate	4,831	997	25	5,853	5,619	467	8. 7
SME retail	5,290	534	14	5,838	5,700	276	5. 0
Sovereign	382	8	-	390	351	78	25. 0
Bank	731	1	-	732	638	187	34. 3
Residential mortgage	10,134	1,819	19	11,972	11,480	985	9. 0
Other retail	2,608	55	1	2,664	2,797	(266)	(9. 1)
Other assets	9,862	-	-	9,862	10,192	(659)	(6. 3)
Central counterparties	-	-	3,430	3,430	5,770	(4,679)	(57. 7)
Total standardised approach	42,166	5,401	3,584	51,151	53,493	(4,684)	(8. 4)
Total credit exposures (3)	722,990	168,922	28,107	920,019	911,853	16,332	1. 8

(1) The simple average of balances as at 30 June 2015 and 31 December 2014.
(2) The difference between exposures as at 30 June 2015 and 31 December 2014.
(3) Total credit risk exposures (calculated as EAD) do not include equities or securitisation exposures.

APS 330 Table 7i – Credit risk exposures by portfolio type and modelling approach (continued)

	31 December 2014						
		Off Balance Sheet					
	On balance sheet	Non-market related	Market related	Total	Average exposure for December 2014 half [(1)]	Change in exposure for December 2014 half [(2)]	
Portfolio Type	$M	$M	$M	$M	$M	$M	%
Subject to advanced IRB approach							
Corporate	53,498	41,140	6,125	100,763	94,334	12,859	14. 6
SME corporate	33,516	6,725	587	40,828	39,112	3,432	9. 2
SME retail	7,163	2,845	56	10,064	10,325	(521)	(4. 9)
SME retail secured by residential mortgage	5,768	1,422	-	7,190	7,273	(165)	(2. 2)
Sovereign	68,504	1,371	2,567	72,442	68,224	8,437	13. 2
Bank	30,315	3,382	11,380	45,077	43,981	2,192	5. 1
Residential mortgage	403,297	72,232	-	475,529	468,159	14,741	3. 2
Qualifying revolving retail	10,028	16,808	-	26,836	26,616	441	1. 7
Other retail	7,764	2,954	-	10,718	10,542	352	3. 4
Total advanced IRB approach	619,853	148,879	20,715	789,447	768,563	41,768	5. 6
Specialised lending	44,682	11,696	2,027	58,405	57,881	1,049	1. 8
Subject to standardised approach							
Corporate	9,110	2,295	78	11,483	11,274	418	3. 8
SME corporate	4,539	815	32	5,386	5,096	581	12. 1
SME retail	5,225	337	-	5,562	5,380	364	7. 0
Sovereign	310	2	-	312	285	54	20. 9
Bank	544	1	-	545	531	29	5. 6
Residential mortgage	9,203	1,762	22	10,987	10,291	1,393	14. 5
Other retail	2,896	33	1	2,930	2,779	302	11. 5
Other assets	10,521	-	-	10,521	10,343	356	3. 5
Central counterparties	-	-	8,109	8,109	4,990	6,239	large
Total standardised approach	42,348	5,245	8,242	55,835	50,967	9,736	21. 1
Total credit exposures [(3)]	706,883	165,820	30,984	903,687	877,411	52,553	6. 2

(1) The simple average of balances as at 31 December 2014 and 30 June 2014.
(2) The difference between exposures as at 31 December 2014 and 30 June 2014.
(3) Total credit risk exposures (calculated as EAD) do not include equities or securitisation exposures.

APS 330 Table 7b – Credit risk exposure by portfolio type

Portfolio Type	As at 31 Dec 15 $M	Half year average [1] $M
Corporate	**132,176**	125,300
SME corporate	**44,587**	46,782
SME retail	**17,034**	16,632
SME retail secured by residential mortgage	**5,804**	6,008
Sovereign	**78,490**	73,516
Bank	**42,801**	46,443
Residential mortgage	**513,679**	505,245
Qualifying revolving retail	**27,229**	27,149
Other retail	**13,728**	13,611
Specialised lending	**65,084**	62,986
Other assets	**11,304**	10,583
Cental counterparties	**4,502**	3,966
Total credit exposures [2]	**956,418**	938,219

Portfolio Type	As at 30 Jun 15 $M	Half year average [1] $M
Corporate	118,424	115,335
SME corporate	48,977	47,595
SME retail	16,229	15,928
SME retail secured by residential mortgage	6,212	6,701
Sovereign	68,541	70,648
Bank	50,084	47,852
Residential mortgage	496,810	491,663
Qualifying revolving retail	27,068	26,952
Other retail	13,494	13,571
Specialised lending	60,888	59,646
Other assets	9,862	10,192
Cental counterparties	3,430	5,770
Total credit exposures [2]	920,019	911,853

Portfolio Type	As at 31 Dec 14 $M	Half year average [1] $M
Corporate	112,246	105,608
SME corporate	46,214	44,208
SME retail	15,626	15,705
SME retail secured by residential mortgage	7,190	7,273
Sovereign	72,754	68,509
Bank	45,622	44,512
Residential mortgage	486,516	478,449
Qualifying revolving retail	26,836	26,616
Other retail	13,648	13,321
Specialised lending	58,405	57,881
Other assets	10,521	10,343
Central counterparties	8,109	4,990
Total credit exposures [2]	903,687	877,411

(1) The simple average of closing balances of each half year.
(2) Total credit risk exposures do not include equities or securitisation exposures.

APS 330 Table 7c – Credit risk exposure by portfolio type and geographic distribution

	31 December 2015 [1]			
Portfolio Type	Australia $M	New Zealand $M	Other $M	Total $M
Corporate	80,488	8,827	42,861	**132,176**
SME corporate	31,605	12,386	596	**44,587**
SME retail [2]	18,925	2,852	1,061	**22,838**
Sovereign	44,837	2,578	31,075	**78,490**
Bank	16,974	1,500	24,327	**42,801**
Residential mortgage	463,587	49,615	477	**513,679**
Qualifying revolving retail	27,229	-	-	**27,229**
Other retail	11,113	2,591	24	**13,728**
Specialised lending	47,452	6,686	10,946	**65,084**
Other assets	9,224	613	1,467	**11,304**
Central counterparties	326	-	4,176	**4,502**
Total credit exposures [3]	751,760	87,648	117,010	**956,418**

	30 June 2015 [1]			
Portfolio Type	Australia $M	New Zealand $M	Other $M	Total $M
Corporate	74,439	7,870	36,115	118,424
SME corporate	35,965	11,842	1,170	48,977
SME retail [2]	19,765	1,879	797	22,441
Sovereign	39,779	2,883	25,879	68,541
Bank	22,199	2,628	25,257	50,084
Residential mortgage	451,559	44,800	451	496,810
Qualifying revolving retail	27,068	-	-	27,068
Other retail	11,057	2,415	22	13,494
Specialised lending	44,442	6,243	10,203	60,888
Other assets	7,997	624	1,241	9,862
Central counterparties	292	-	3,138	3,430
Total credit exposures [3]	734,562	81,184	104,273	920,019

	31 December 2014 [1]			
Portfolio Type	Australia $M	New Zealand $M	Other $M	Total $M
Corporate	73,908	6,887	31,451	112,246
SME corporate	33,915	11,622	677	46,214
SME retail [2]	19,909	1,953	954	22,816
Sovereign	42,715	2,458	27,581	72,754
Bank	20,869	1,805	22,948	45,622
Residential mortgage	439,479	46,793	244	486,516
Qualifying revolving retail	26,834	2	-	26,836
Other retail	10,767	2,602	279	13,648
Specialised lending	42,546	6,541	9,318	58,405
Other assets	8,184	455	1,882	10,521
Central counterparties	52	-	8,057	8,109
Total credit exposures [3]	719,178	81,118	103,391	903,687

(1) Balances are reported based on the risk domicile of the borrowers.
(2) Including SME retail secured by residential property.
(3) Total credit risk exposures do not include equities or securitisation exposures.

APS 330 Table 7d – Credit risk exposure by portfolio type and industry sector

	31 December 2015							
	Industry Sector							
Portfolio Type	Residential mortgage $M	Other personal $M	Asset finance $M	Sovereign $M	Bank $M	Other finance $M	Agriculture $M	Mining $M
Corporate	-	-	2,349	-	-	22,980	1,795	12,422
SME corporate	-	387	2,861	-	-	1,629	13,881	202
SME retail [(2)]	-	551	3,760	-	-	667	1,730	66
Sovereign	-	-	-	78,490	-	-	-	-
Bank	-	-	-	-	42,801	-	-	-
Residential mortgage	510,423	-	-	-	-	108	256	7
Qualifying revolving retail	-	27,229	-	-	-	-	-	-
Other retail	-	13,728	-	-	-	-	-	-
Specialised lending	-	-	10	-	-	86	206	4,249
Other assets	-	3,304	-	-	-	-	15	-
Central counterparties	-	-	-	-	-	4,502	-	-
Total credit exposures [(1)]	510,423	45,199	8,980	78,490	42,801	29,972	17,883	16,946

	Industry Sector							
Portfolio Type	Manufacturing $M	Energy $M	Construction $M	Retail/ wholesale trade $M	Transport and storage $M	Property [(3)] $M	Other $M	Total $M
Corporate	13,964	8,449	3,325	14,211	13,205	13,949	25,527	**132,176**
SME corporate	2,580	24	2,396	5,604	1,160	687	13,176	**44,587**
SME retail [(2)]	915	32	1,390	2,736	479	1,964	8,548	**22,838**
Sovereign	-	-	-	-	-	-	-	**78,490**
Bank	-	-	-	-	-	-	-	**42,801**
Residential mortgage	146	-	176	514	96	1,334	619	**513,679**
Qualifying revolving retail	-	-	-	-	-	-	-	**27,229**
Other retail	-	-	-	-	-	-	-	**13,728**
Specialised lending	3	1,851	1,080	320	6,334	46,001	4,944	**65,084**
Other assets	16	-	-	11	1	-	7,957	**11,304**
Central counterparties	-	-	-	-	-	-	-	**4,502**
Total credit exposures [(1)]	17,624	10,356	8,367	23,396	21,275	63,935	60,771	**956,418**

(1) Total credit risk exposures do not include equities or securitisation exposures.
(2) SME retail business lending secured by residential property has been allocated by industry.
(3) Property includes Real Estate Investment Trusts (REIT) and excludes Business Services.

APS 330 Table 7d – Credit risk exposure by portfolio type and industry sector (continued)

	30 June 2015							
	Industry Sector							
Portfolio Type	Residential mortgage $M	Other personal $M	Asset finance $M	Sovereign $M	Bank $M	Other finance $M	Agriculture $M	Mining $M
Corporate	-	-	2,156	-	-	19,180	2,188	12,377
SME corporate	-	444	3,096	-	-	2,629	13,628	325
SME retail (2)	-	607	3,697	-	-	530	1,781	67
Sovereign	-	-	-	68,541	-	-	-	-
Bank	-	-	-	-	50,084	-	-	-
Residential mortgage	493,584	-	-	-	-	110	274	11
Qualifying revolving retail	-	27,068	-	-	-	-	-	-
Other retail	-	13,494	-	-	-	-	-	-
Specialised lending	-	-	9	-	-	94	255	4,101
Other assets	-	3,263	-	-	-	-	-	-
Central counterparties	-	-	-	-	-	3,430	-	-
Total credit exposures (1)	493,584	44,876	8,958	68,541	50,084	25,973	18,126	16,881

	Industry Sector							
Portfolio Type	Manufacturing $M	Energy $M	Construction $M	Retail/ wholesale trade $M	Transport and storage $M	Property (3) $M	Other $M	Total $M
Corporate	12,358	6,418	3,100	13,167	12,800	14,017	20,663	118,424
SME corporate	2,947	78	2,414	5,988	1,282	1,773	14,373	48,977
SME retail (2)	918	32	1,415	2,753	495	1,959	8,187	22,441
Sovereign	-	-	-	-	-	-	-	68,541
Bank	-	-	-	-	-	-	-	50,084
Residential mortgage	137	-	183	574	104	1,172	661	496,810
Qualifying revolving retail	-	-	-	-	-	-	-	27,068
Other retail	-	-	-	-	-	-	-	13,494
Specialised lending	19	1,492	1,420	160	5,451	42,814	5,073	60,888
Other assets	-	-	-	-	-	-	6,599	9,862
Central counterparties	-	-	-	-	-	-	-	3,430
Total credit exposures (1)	16,379	8,020	8,532	22,642	20,132	61,735	55,556	920,019

(1) Total credit risk exposures do not include equities or securitisation exposures.
(2) SME retail business lending secured by residential property has been allocated by industry.
(3) Property includes REITs and excludes Business Services.

APS 330 Table 7d – Credit risk exposure by portfolio type and industry sector (continued)

	31 December 2014							
	Industry Sector							
	Residential mortgage	Other personal	Asset finance	Sovereign	Bank	Other finance	Agriculture	Mining
Portfolio Type	$M	$M	$M	$M	$M	$M	$M	$M
Corporate	-	-	2,123	-	-	17,119	2,017	12,988
SME corporate	-	486	3,168	-	-	2,150	13,128	275
SME retail [(2)]	-	673	3,531	-	-	540	1,852	73
Sovereign	-	-	-	72,754	-	-	-	-
Bank	-	-	-	-	45,622	-	-	-
Residential mortgage	483,194	-	-	-	-	106	253	10
Qualifying revolving retail	-	26,836	-	-	-	-	-	-
Other retail	-	13,648	-	-	-	-	-	-
Specialised lending	-	-	10	-	-	391	241	3,369
Other assets	-	3,230	-	-	-	-	-	-
Central counterparties	-	-	-	-	-	8,109	-	-
Total credit exposures [(1)]	483,194	44,873	8,832	72,754	45,622	28,415	17,491	16,715

	Industry Sector							
	Manufacturing	Energy	Construction	Retail/ wholesale trade	Transport and storage	Property [(3)]	Other	Total
Portfolio Type	$M	$M	$M	$M	$M	$M	$M	$M
Corporate	11,677	6,647	2,913	12,190	10,206	14,216	20,150	112,246
SME corporate	2,595	112	2,561	6,060	1,233	1,134	13,312	46,214
SME retail [(2)]	980	33	1,345	2,626	478	2,635	8,050	22,816
Sovereign	-	-	-	-	-	-	-	72,754
Bank	-	-	-	-	-	-	-	45,622
Residential mortgage	139	-	210	601	103	1,216	684	486,516
Qualifying revolving retail	-	-	-	-	-	-	-	26,836
Other retail	-	-	-	-	-	-	-	13,648
Specialised lending	15	1,798	1,258	153	7,066	38,793	5,311	58,405
Other assets	-	-	-	-	-	-	7,291	10,521
Central counterparties	-	-	-	-	-	-	-	8,109
Total credit exposures [(1)]	15,406	8,590	8,287	21,630	19,086	57,994	54,798	903,687

(1) Total credit risk exposures do not include equities or securitisation exposures.
(2) SME retail business lending secured by residential property has been allocated by industry.
(3) Property includes REITs and excludes Business Services.

APS 330 Table 7e – Credit risk exposure by portfolio type and contractual maturity

	31 December 2015				
	≤ 12mths	1 ≤ 5yrs	> 5 years	No specified maturity	Total
Portfolio Type	$M	$M	$M	$M	$M
Corporate	22,417	103,115	6,200	444	**132,176**
SME corporate	10,720	26,114	7,753	-	**44,587**
SME retail (1)	4,264	13,879	4,695	-	**22,838**
Sovereign	22,971	31,918	23,601	-	**78,490**
Bank	22,540	20,226	35	-	**42,801**
Residential mortgage	19,260	15,730	421,036	57,653	**513,679**
Qualifying revolving retail	-	-	-	27,229	**27,229**
Other retail	101	5,016	3,529	5,082	**13,728**
Specialised lending	17,770	41,470	5,741	103	**65,084**
Other assets	3,411	840	366	6,687	**11,304**
Central counterparties	2,282	2,153	67	-	**4,502**
Total credit exposures (2)	125,736	260,461	473,023	97,198	**956,418**

	30 June 2015				
	≤ 12mths	1 ≤ 5yrs	> 5 years	No specified maturity	Total
Portfolio Type	$M	$M	$M	$M	$M
Corporate	18,810	93,647	5,669	298	118,424
SME corporate	10,280	30,433	8,264	-	48,977
SME Retail (1)	4,311	13,315	4,815	-	22,441
Sovereign	21,991	28,304	18,246	-	68,541
Bank	21,300	28,767	17	-	50,084
Residential mortgage	17,425	14,292	408,041	57,052	496,810
Qualifying revolving retail	-	-	-	27,068	27,068
Other retail	102	4,871	3,614	4,907	13,494
Specialised lending	15,979	38,685	6,121	103	60,888
Other assets	3,377	666	342	5,477	9,862
Central counterparties	1,439	1,930	61	-	3,430
Total credit exposures (2)	115,014	254,910	455,190	94,905	920,019

	31 December 2014				
	≤ 12mths	1 ≤ 5yrs	> 5 years	No specified maturity	Total
Portfolio Type	$M	$M	$M	$M	$M
Corporate	18,141	86,398	6,849	858	112,246
SME corporate	8,975	27,855	9,384	-	46,214
SME Retail (1)	4,357	13,014	5,445	-	22,816
Sovereign	28,202	27,123	17,429	-	72,754
Bank	19,903	25,674	45	-	45,622
Residential mortgage	16,562	13,205	400,288	56,461	486,516
Qualifying revolving retail	-	-	-	26,836	26,836
Other retail	97	5,028	3,567	4,956	13,648
Specialised lending	14,043	37,660	6,599	103	58,405
Other assets	3,249	712	459	6,101	10,521
Central counterparties	1,191	6,872	46	-	8,109
Total credit exposures (2)	114,720	243,541	450,111	95,315	903,687

(1) Including SME retail secured by residential property.
(2) Total credit risk exposures do not include equities or securitisation exposures.

6.2 Past Due and Impaired Exposures, Provisions and Reserves

All provisions for impairment assessed on an individual basis in accordance with the Australian Accounting Standards are classified as specific provisions in accordance with APS220 “Credit Quality”. Most of the collective provisions raised under the Australian Accounting Standards are included in the General Reserve for Credit Losses (GRCL), however, certain collective provisions not eligible for inclusion in the GRCL are classified as specific provisions. This includes, for example, collective provisions on unsecured retail products 90 days or more past due.

Reconciliation of Australian Accounting Standards, APS 220 based credit provisions and APS 330 Table 7j – General reserve for credit losses

	31 December 2015		
	General reserve for credit losses (1) $M	Specific provision (1) $M	Total provisions $M
Collective provision (2)	2,656	145	**2,801**
Individual provisions (2)	-	909	**909**
Total provisions	2,656	1,054	**3,710**
Additional GRCL requirement (3)	386	-	**386**
Total regulatory provisions	3,042	1,054	**4,096**

(1) Provisions classified according to APS 220 “Credit Quality”.
(2) Provisions as reported in financial accounts according to the Australian Accounting Standards.
(3) The Group has recognised a deduction from CET1 of $386 million in order to maintain the required minimum GRCL.

	30 June 2015		
	General reserve for credit losses (1) $M	Specific provision (1) $M	Total provisions $M
Collective provision (2)	2,599	163	2,762
Individual provisions (2)	-	887	887
Total provisions	2,599	1,050	3,649
Additional GRCL requirement (3)	346	-	346
Total regulatory provisions	2,945	1,050	3,995

(1) Provisions classified according to APS 220 “Credit Quality”.
(2) Provisions as reported in financial accounts according to the Australian Accounting Standards.
(3) The Group has recognised a deduction from CET1 of $346 million in order to maintain the required minimum GRCL.

	31 December 2014		
	General reserve for credit losses (1) $M	Specific provision (1) $M	Total provisions $M
Collective provision (2)	2,613	150	2,763
Individual provisions (2)	-	1,116	1,116
Total provisions	2,613	1,266	3,879
Additional GRCL requirement (3)	321	-	321
Total regulatory provisions	2,934	1,266	4,200

(1) Provisions classified according to APS 220 “Credit Quality”.
(2) Provisions as reported in financial accounts according to the Australian Accounting Standards.
(3) The Group has recognised a deduction from CET1 of $321 million in order to maintain the required minimum GRCL.

The following tables provide a summary of the Group's financial losses by portfolio type, industry and geography.

APS 330 Table 7f (i) – Impaired, past due, specific provisions and write-offs charged by industry sector

	31 December 2015				
Industry Sector	Impaired assets $M	Past due loans ≥ 90 days $M	Specific provision balance [1] $M	Net half year charges for individual provisions $M	Half year actual losses [2] $M
Home loans	984	1,587	180	46	51
Other personal	253	27	133	(1)	314
Asset finance	104	3	37	27	27
Sovereign	-	-	-	-	-
Bank	10	-	10	-	-
Other finance	28	13	33	6	(27)
Agriculture	323	53	73	(13)	66
Mining	350	11	172	106	4
Manufacturing	67	43	34	(4)	13
Energy	18	-	8	-	-
Construction	46	27	23	6	3
Wholesale/retail trade	104	57	61	28	18
Transport and storage	63	31	21	10	-
Property	164	66	104	(3)	12
Other	274	127	165	32	46
Total	2,788	2,045	1,054	240	527

(1) Specific Provision Balance includes certain Australian Accounting Standards collective provisions on some past due loans ≥ 90 days.
(2) Actual losses equal write-offs from individual provisions, write-offs direct from collective provisions less recoveries of amounts previously written off, for the half year ended 31 December 2015.

	30 June 2015				
Industry Sector	Impaired assets $M	Past due loans ≥ 90 days $M	Specific provision balance [1] $M	Net half year charges for individual provisions $M	Half year actual losses [2] $M
Home loans	951	1,753	179	33	40
Credit cards and other personal loans	282	25	149	(1)	301
Asset Finance	120	2	41	25	18
Sovereign	-	-	-	-	-
Banks	10	-	10	-	-
Other Finance	26	10	26	43	97
Agriculture	506	97	147	11	44
Mining	155	8	71	66	35
Manufacturing	108	37	49	8	35
Energy	28	-	8	-	(1)
Construction	40	34	21	(3)	9
Retail trade and wholesale trade	79	64	53	6	20
Transport and storage	22	23	11	1	(2)
Property	175	109	114	(8)	98
Other	353	161	171	42	95
Total	2,855	2,323	1,050	223	789

(1) Specific Provision Balance includes certain Australian Accounting Standards collective provisions on some past due loans ≥ 90 days.
(2) Actual losses equal write-offs from individual provisions, write-offs direct from collective provisions less recoveries of amounts previously written off, for the half year ended 30 June 2015.

APS 330 Table 7f (i) – Impaired, past due, specific provisions and write-offs charged by industry sector (continued)

	31 December 2014				
Industry Sector	**Impaired assets $M**	**Past due loans ≥ 90 days $M**	**Specific provision balance [1] $M**	**Net half year charges for individual provisions $M**	**Half year actual losses [2] $M**
Home loans	905	1,583	176	27	36
Other personal	254	28	138	(1)	292
Asset finance	106	3	36	28	23
Sovereign	-	-	-	-	-
Bank	10	-	10	-	-
Other finance	79	20	76	11	(1)
Agriculture	631	67	171	66	24
Mining	118	6	41	14	-
Manufacturing	125	30	73	(9)	37
Energy	32	-	7	-	(1)
Construction	42	36	30	6	5
Wholesale/retail trade	95	73	61	7	20
Transport and storage	74	26	5	1	(3)
Property	318	131	208	8	26
Other	571	148	234	18	56
Total	3,360	2,151	1,266	176	514

(1) Specific Provision Balance includes certain Australian Accounting Standards collective provisions on some past due loans ≥ 90 days.
(2) Actual losses equal write-offs from individual provisions, write-offs direct from collective provisions less recoveries of amounts previously written off, for the half year ended 31 December 2014.

APS 330 Table 7f (ii) – Impaired, past due, specific provisions and write-offs charged by portfolio

Portfolio	Impaired assets $M	Past due loans ≥ 90 days $M	Specific provision balance (1) $M	Net half year charges for individual provisions $M	Half year actual losses (2) $M
	31 December 2015				
Corporate including SME, specialised lending and central counterparties	1,541	431	731	195	162
Sovereign	-	-	-	-	-
Bank	10	-	10	-	-
Residential mortgage	984	1,587	180	46	51
Qualifying revolving retail	103	-	59	-	137
Other retail	150	27	74	(1)	177
Total	2,788	2,045	1,054	240	527

(1) Specific Provision Balance includes certain Australian Accounting Standards collective provisions on some past due loans ≥ 90 days.
(2) Actual losses equal write-offs from individual provisions, write-offs direct from collective provisions less recoveries of amounts previously written off, for the half year ended 31 December 2015.

Portfolio	Impaired assets $M	Past due loans ≥ 90 days $M	Specific provision balance (1) $M	Net half year charges for individual provisions $M	Half year actual losses (2) $M
	30 June 2015				
Corporate including SME, specialised lending and central counterparties	1,612	545	712	191	448
Sovereign	-	-	-	-	-
Bank	10	-	10	-	-
Residential mortgage	951	1,753	179	33	40
Qualifying revolving retail	117	-	59	-	132
Other retail	165	25	90	(1)	169
Total	2,855	2,323	1,050	223	789

(1) Specific Provision Balance includes certain Australian Accounting Standards collective provisions on some past due loans ≥ 90 days.
(2) Actual losses equal write-offs from individual provisions, write-offs direct from collective provisions less recoveries of amounts previously written off, for the half year ended 30 June 2015.

Portfolio	Impaired assets $M	Past due loans ≥ 90 days $M	Specific provision balance (1) $M	Net half year charges for individual provisions $M	Half year actual losses (2) $M
	31 December 2014				
Corporate including SME, specialised lending and central counterparties	2,191	540	942	150	186
Sovereign	-	-	-	-	-
Bank	10	-	10	-	-
Residential mortgage	905	1,583	176	27	36
Qualifying revolving retail	105	-	53	-	129
Other retail	149	28	85	(1)	163
Total	3,360	2,151	1,266	176	514

(1) Specific Provision Balance includes certain Australian Accounting Standards collective provisions on some past due loans ≥ 90 days.
(2) Actual losses equal write-offs from individual provisions, write-offs direct from collective provisions less recoveries of amounts previously written off, for the half year ended 31 December 2014.

APS 330 Table 7g (i) – Impaired, past due and specific provisions by geographic region

	31 December 2015		
Geographic Region (1)	Impaired assets $M	Past due loans ≥ 90 days $M	Specific provision balance $M
Australia	2,154	1,913	828
New Zealand	424	82	73
Other	210	50	153
Total	2,788	2,045	1,054

	30 June 2015		
Geographic Region (1)	Impaired assets $M	Past due loans ≥ 90 days $M	Specific provision balance $M
Australia	2,335	2,205	908
New Zealand	404	89	76
Other	116	29	66
Total	2,855	2,323	1,050

	31 December 2014		
Geographic Region (1)	Impaired assets $M	Past due loans ≥ 90 days $M	Specific provision balance $M
Australia	2,791	2,040	1,139
New Zealand	431	98	80
Other	138	13	47
Total	3,360	2,151	1,266

(1) Balances are reported based on the risk domicile of the borrower. The Group's financial statements disclose balances based on the domicile of the lending entity.

The Group's GRCL (before tax) by geographic region is distributed as follows:

APS 330 Table 7g (ii) – GRCL by geographic region

Geographic Region	31 Dec 15 $M	30 Jun 15 $M	31 Dec 14 $M
Australia	**2,692**	2,634	2,573
New Zealand	**199**	169	198
Other	**151**	142	163
Total GRCL	**3,042**	2,945	2,934

APS 330 Table 7h (i) – Movement in collective and other provisions

	Half Year Ended		
Movement in Collective Provisions	**31 Dec 15 $M**	**30 Jun 15 $M**	**31 Dec 14 $M**
Opening balance	**2,762**	2,763	2,779
Net charge against profit and loss	**324**	325	264
Recoveries	**120**	78	98
Other	**10**	(17)	5
Write-offs	**(415)**	(387)	(383)
Total collective provisions	**2,801**	2,762	2,763
Less collective provisions transferred to specific provisions	**(145)**	(163)	(150)
Additional GRCL requirement (1)	**386**	346	321
General reserve for credit losses	**3,042**	2,945	2,934

(1) The Group has recognised a deduction from CET1 of $386 million for 31 December 2015 (30 June 2015: $346 million; 31 December 2014: $321 million) in order to maintain the required minimum GRCL.

APS 330 Table 7h (ii) – Movement in individual provisions

	Half Year Ended		
Movement in Individual Provisions	**31 Dec 15 $M**	**30 Jun 15 $M**	**31 Dec 14 $M**
Opening balance for the period	**887**	1,116	1,127
Net new and increased provisioning	**334**	362	297
Net write back of provisions no longer required	**(94)**	(139)	(121)
Discount unwind to interest income	**(13)**	(20)	(18)
Other	**27**	48	60
Write-offs	**(232)**	(480)	(229)
Individual provisions	**909**	887	1,116
Add collective provisions transferred to specific provisions	**145**	163	150
Specific provisions	**1,054**	1,050	1,266

6.3 Portfolios Subject to Standardised and Supervisory Risk-Weights

Portfolios that use the Standardised approach include:

Commonwealth Bank of Australia:

- Some retail SMEs (overdrawn accounts);
- Non-rated Corporate exposures;
- Some residential mortgages (purchased portfolios);
- Reverse mortgages;
- Margin Lending;
- Non-recourse purchased receivables;
- Some branches (China, India and Vietnam); and
- Central counterparties.

Bankwest Division:

- Non-retail asset classes;
- Some residential mortgages (equity lines of credit); and
- Unsecured consumer retail (personal loans, credit cards and personal cheque accounts).

ASB Bank Limited:

- Personal Loans and Retail SME.

All exposures in the following entities:

- CommBank Europe Limited;
- PT Bank Commonwealth (Indonesia); and
- China County Banks.

APS 330 Table 8b – Exposures subject to standardised and supervisory risk weights

	Exposure After Credit Risk Mitigation (1)		
Standardised Approach Exposures	**31 Dec 15 $M**	**30 Jun 15 $M**	**31 Dec 14 $M**
Risk weight			
0%	**2,685**	1,963	2,999
20%	**4,171**	4,185	3,783
35%	**6,563**	5,889	4,884
50%	**3,467**	3,413	3,565
75%	**443**	440	312
100%	**31,336**	31,354	31,828
150%	**304**	449	323
> 150%	**-**	-	-
Capital deductions	**-**	-	-
Total	**48,969**	47,693	47,694

(1) Exposure after credit risk mitigation does not include central counterparties, equity or securitisation exposures.

APS 330 Table 8b – Exposures subject to standardised and supervisory risk weights (continued)

Other Assets [1]	31 December 2015 Exposure $M	Risk weight %	RWA $M
Cash	2,531	-	-
Cash items in course of collection	978	20	196
Margin lending [2]	3,304	34	1,124
Fixed and forward purchase assets	1,343	100	1,343
Other	3,148	≥100	3,148
Total	11,304	51	5,811

Other Assets [1]	30 June 2015 Exposure $M	Risk weight %	RWA $M
Cash	1,850	-	-
Cash items in course of collection	1,117	20	223
Margin lending [2]	3,263	35	1,127
Fixed and forward purchase assets	1,358	100	1,358
Other	2,274	≥100	2,274
Total	9,862	51	4,982

Other Assets [1]	31 December 2014 Exposure $M	Risk weight %	RWA $M
Cash	2,814	-	-
Cash items in course of collection	966	20	193
Margin lending [2]	3,231	38	1,217
Fixed and forward purchase assets	1,282	100	1,282
Other	2,228	≥100	2,232
Total	10,521	47	4,924

(1) Other Assets are included in Standardised Approach Exposures table above.
(2) Margin lending against listed instruments are risk weighted at 20%. Other unlisted instruments are risk weighted at 100%.

Specialised Lending Exposures Subject to Supervisory Slotting [1]	31 Dec 15 $M	30 Jun 15 $M	31 Dec 14 $M
Risk Weight			
0%	**480**	560	669
70%	**26,087**	25,073	24,726
90%	**33,198**	30,072	27,494
115%	**4,853**	4,809	5,237
250%	**466**	374	279
Total exposures	**65,084**	60,888	58,405

(1) APRA requires certain specialised lending exposures including Income Producing Real Estate, Object and Project Finance to be assigned specific risk weights according to “slotting” criteria defined by the regulator.

6.4 Portfolios Subject to Internal Ratings Based Approaches

The Group's mapping of internal rating scales for risk-rated exposures to external rating agencies is detailed in APS 330 Table 9b.

APS 330 Table 9b – Internal ratings structure for credit risk exposures

Description	Internal Rating	Probability of Default
Exceptional	A0, A1, A2, A3	0% - 0.040%
Strong	B1, B2, B3, C1, C2, C3	>0.040% - 0.453%
Pass	D1, D2, D3, E1, E2, E3	>0.453% - 6.096%
Weak/doubtful	F1, F2, F3, G1, G2, G3	> 6.096%
Restructured/default	R, H	22.22%, 100%

Description	S&P Rating	Moody's Rating
Exceptional	AAA, AA+, AA, AA-	Aaa, Aa1, Aa2, Aa3
Strong	A+, A, A-, BBB+, BBB, BBB-	A1, A2, A3, Baa1, Baa2, Baa3
Pass	BB+, BB, BB-, B+, B, B-	Ba1, Ba2, Ba3, B1, B2, B3
Weak/doubtful	CCC, CC, C	Caa, Ca
Restructured/default	D	C

APS 330 Table 9c – PD rating methodology by portfolio segment

Portfolio Segment	PD Rating Methodology
Bank and sovereign exposures	Expert judgement assigned risk rating, informed but not driven by rating agency views.
Large corporate exposures	Combination of Expert Judgement and PD Rating Tool assigned risk ratings depending on the industry sector.
Middle market and local business banking exposures	PD Rating Tool(s) and Expert Judgement assigned risk rating.
SME retail exposures < $1m	SME Behaviour Score assigned PD pools.
Consumer retail exposures	Depending on the product, PD pools are assigned using product specific Application Scorecards, Behavioural Scorecards, payment status or a combination of these.

Credit Risk Exposure Subject to the Advanced IRB Approach

APS 330 Table 9d (i) – Non-Retail exposures by portfolio type and PD band

	31 December 2015							
	PD Band							
	0 < 0.03%	0.03% < 0.15%	0.15% < 0.5%	0.5% < 3%	3% < 10%	10% < 100%	Default	Total
Non Retail [1]	$M	$M	$M	$M	$M	$M	$M	$M
Total credit risk exposures								
Corporate	-	40,103	51,734	28,402	411	719	430	**121,799**
SME corporate	-	247	2,783	32,438	2,529	1,140	915	**40,052**
SME retail [2]	-	-	2,981	10,180	3,078	241	267	**16,747**
Sovereign	70,526	7,168	290	78	-	-	-	**78,062**
Bank	-	35,677	5,796	444	-	-	125	**42,042**
Total	70,526	83,195	63,584	71,542	6,018	2,100	1,737	**298,702**
Undrawn commitments [3]								
Corporate	-	13,990	23,594	9,958	113	272	106	**48,033**
SME corporate	-	77	731	5,380	235	92	50	**6,565**
SME retail [2]	-	-	1,393	2,750	399	13	17	**4,572**
Sovereign	779	223	114	8	-	-	-	**1,124**
Bank	-	1,833	497	107	-	-	7	**2,444**
Total	779	16,123	26,329	18,203	747	377	180	**62,738**
Exposure - weighted average EAD ($M)								
Corporate	-	3.192	2.821	0.807	0.446	0.542	0.942	**2.451**
SME corporate	-	0.158	0.220	0.241	0.208	0.173	0.319	**0.237**
SME retail [2]	-	-	0.015	0.031	0.030	0.023	0.040	**0.028**
Sovereign	7.552	7.398	0.026	0.001	-	-	-	**7.503**
Bank	-	9.254	5.076	0.751	-	-	20.791	**8.623**
Exposure - weighted average LGD (%)								
Corporate	-	57.1	56.9	46.5	35.7	59.3	54.3	**54.5**
SME corporate	-	56.1	32.2	30.5	32.4	35.9	35.1	**31.2**
SME retail [2]	-	-	32.8	34.6	32.0	42.4	38.1	**34.0**
Sovereign	26.2	59.2	53.3	64.2	-	-	-	**29.4**
Bank	-	60.3	61.0	61.0	-	-	61.3	**60.4**
Exposure - weighted average risk weight (%)								
Corporate	-	29.3	61.3	80.4	117.5	293.0	115.1	**57.0**
SME corporate	-	20.3	31.7	55.7	87.3	155.0	226.9	**62.6**
SME retail [2]	-	-	17.5	41.9	64.8	107.9	357.8	**47.7**
Sovereign	6.7	16.4	41.8	125.9	-	-	-	**7.9**
Bank	-	25.0	56.2	86.5	-	-	-	**29.9**

(1) Total credit risk exposures do not include specialised lending, equity or securitisation exposures.
(2) Including SME retail secured by residential property.
(3) The credit exposure value of undrawn commitments included in Total Credit Risk Exposures above.

APS 330 Table 9d (i) – Non-Retail exposures by portfolio type and PD band (continued)

	30 June 2015							
	PD Band							
	0 < 0.03%	0.03% < 0.15%	0.15% < 0.5%	0.5% < 3%	3% < 10%	10% < 100%	Default	Total
Non Retail [1]	$M	$M	$M	$M	$M	$M	$M	$M
Total credit risk exposures								
Corporate	-	36,187	45,709	24,830	558	241	489	108,014
SME corporate	-	805	3,721	34,460	2,036	1,039	1,063	43,124
SME retail [2]	-	-	3,005	9,606	3,493	228	271	16,603
Sovereign	61,753	5,704	455	239	-	-	-	68,151
Bank	-	46,306	2,344	578	-	-	124	49,352
Total	61,753	89,002	55,234	69,713	6,087	1,508	1,947	285,244
Undrawn commitments [3]								
Corporate	-	14,213	20,812	8,989	234	38	119	44,405
SME corporate	-	251	968	7,016	242	117	70	8,664
SME retail [2]	-	-	1,425	2,370	442	12	23	4,272
Sovereign	706	259	275	69	-	-	-	1,309
Bank	-	2,482	295	147	-	-	-	2,924
Total	706	17,205	23,775	18,591	918	167	212	61,574
Exposure - weighted average EAD ($M)								
Corporate	-	2. 953	2. 572	0. 791	0. 870	0. 222	1. 370	2. 271
SME corporate	-	0. 388	0. 259	0. 181	0. 220	0. 182	0. 328	0. 197
SME retail [2]	-	-	0. 012	0. 028	0. 023	0. 018	0. 036	0. 024
Sovereign	6. 777	5. 979	0. 038	0. 001	-	-	-	6. 641
Bank	-	10. 277	2. 873	0. 693	-	-	41. 399	9. 891
Exposure - weighted average LGD (%)								
Corporate	-	56. 9	57. 4	45. 9	52. 9	52. 0	46. 2	54. 5
SME corporate	-	59. 7	35. 8	29. 7	30. 0	34. 6	34. 2	31. 1
SME retail [2]	-	-	30. 9	34. 6	31. 6	44. 2	34. 2	33. 4
Sovereign	24. 1	58. 7	55. 2	55. 1	-	-	-	27. 3
Bank	-	60. 6	60. 5	61. 0	-	-	61. 3	60. 6
Exposure - weighted average risk weight (%)								
Corporate	-	27. 8	62. 9	79. 8	177. 2	248. 4	128. 6	56. 4
SME corporate	-	21. 1	36. 0	53. 6	77. 9	146. 6	207. 0	58. 6
SME retail [2]	-	-	16. 5	42. 5	64. 7	116. 0	337. 4	48. 3
Sovereign	6. 6	11. 3	42. 8	112. 8	-	-	-	7. 6
Bank	-	22. 2	54. 0	83. 5	-	-	-	24. 4

(1) Total credit risk exposures do not include specialised lending, equity or securitisation exposures.
(2) Including SME retail secured by residential property.
(3) The credit exposure value of undrawn commitments included in Total Credit Risk Exposures above.

APS 330 Table 9d (i) – Non-Retail exposures by portfolio type and PD band (continued)

	31 December 2014							
	PD Band							
	0 < 0.03%	0.03% < 0.15%	0.15% < 0.5%	0.5% < 3%	3% < 10%	10% < 100%	Default	Total
Non Retail [1]	$M	$M	$M	$M	$M	$M	$M	$M
Total credit risk exposures								
Corporate	-	33,762	42,840	22,744	274	272	871	100,763
SME corporate	-	791	3,854	32,211	2,043	882	1,047	40,828
SME retail [2]	-	-	3,071	10,320	3,255	360	248	17,254
Sovereign	65,347	5,802	1,058	235	-	-	-	72,442
Bank	-	42,222	1,825	906	-	-	124	45,077
Total	65,347	82,577	52,648	66,416	5,572	1,514	2,290	276,364
Undrawn commitments [3]								
Corporate	-	14,356	18,909	7,718	69	48	40	41,140
SME corporate	-	187	903	5,268	219	90	58	6,725
SME retail [2]	-	-	1,287	2,533	409	21	17	4,267
Sovereign	835	199	233	104	-	-	-	1,371
Bank	-	2,490	405	487	-	-	-	3,382
Total	835	17,232	21,737	16,110	697	159	115	56,885
Exposure - weighted average EAD ($M)								
Corporate	-	1. 557	2. 466	0. 787	0. 636	0. 284	2. 531	1. 772
SME corporate	-	0. 477	0. 249	0. 173	0. 239	0. 194	0. 330	0. 194
SME retail [2]	-	-	0. 012	0. 029	0. 022	0. 018	0. 033	0. 024
Sovereign	7. 075	5. 569	0. 142	0. 001	-	-	-	6. 830
Bank	-	9. 970	2. 825	1. 121	0. 024	-	62. 097	9. 646
Exposure - weighted average LGD (%)								
Corporate	-	56. 3	56. 3	47. 0	42. 8	40. 9	43. 7	54. 0
SME corporate	-	59. 6	36. 0	29. 8	29. 4	32. 9	37. 8	31. 2
SME retail [2]	-	-	31. 4	33. 8	31. 5	39. 1	35. 1	33. 1
Sovereign	26. 3	58. 5	57. 5	56. 1	61. 3	58. 9	-	29. 5
Bank	-	60. 4	60. 3	59. 6	57. 8	-	61. 3	60. 4
Exposure - weighted average risk weight (%)								
Corporate	-	26. 6	62. 9	85. 7	145. 6	194. 2	35. 7	56. 3
SME corporate	-	23. 3	36. 2	53. 6	75. 7	139. 2	219. 3	58. 6
SME retail [2]	-	-	16. 6	42. 3	65. 0	107. 2	353. 8	47. 8
Sovereign	6. 0	11. 8	54. 1	98. 2	195. 0	252. 0	-	7. 5
Bank	-	21. 8	56. 2	80. 8	164. 1	-	-	24. 4

(1) Total credit risk exposures do not include specialised lending, equity or securitisation exposures.
(2) Including SME retail secured by residential property.
(3) The credit exposure value of undrawn commitments included in Total Credit Risk Exposures above.

APS 330 Table 9d (ii) – Retail exposures by portfolio type and PD band

	31 December 2015							
	PD Band							
	0 < 0.1%	0.1% < 0.3%	0.3% < 0.5%	0.5% < 3%	3% < 10%	10% < 100%	Default	Total
Retail	$M	$M	$M	$M	$M	$M	$M	$M
Total credit risk exposures								
Residential mortgage	146,692	138,258	86,257	112,183	5,511	9,083	2,952	**500,936**
Qualifying revolving retail	-	14,330	3,635	5,677	2,893	550	144	**27,229**
Other retail	59	-	347	8,241	1,627	599	123	**10,996**
Total	146,751	152,588	90,239	126,101	10,031	10,232	3,219	**539,161**
Undrawn commitments [1]								
Residential mortgage	54,765	8,132	3,371	5,404	135	57	21	**71,885**
Qualifying revolving retail	-	11,364	2,722	2,611	512	73	2	**17,284**
Other retail	57	-	311	2,380	276	32	3	**3,059**
Total	54,822	19,496	6,404	10,395	923	162	26	**92,228**
Exposure - weighted average EAD ($M)								
Residential mortgage	0. 234	0. 266	0. 273	0. 203	0. 209	0. 246	0. 251	**0. 240**
Qualifying revolving retail	-	0. 010	0. 009	0. 009	0. 009	0. 008	0. 009	**0. 009**
Other retail	0. 004	-	0. 002	0. 009	0. 003	0. 005	0. 005	**0. 006**
Exposure - weighted average LGD (%)								
Residential mortgage	20. 0	20. 2	20. 4	21. 0	21. 2	20. 1	20. 3	**20. 4**
Qualifying revolving retail	-	88. 0	88. 0	88. 0	88. 0	88. 0	88. 0	**88. 0**
Other retail	108. 2	-	108. 6	97. 7	99. 1	99. 8	99. 1	**98. 5**
Exposure - weighted average risk weight (%)								
Residential mortgage	2. 8	9. 2	14. 8	24. 1	69. 5	101. 0	180. 7	**15. 0**
Qualifying revolving retail	-	5. 3	13. 4	45. 1	132. 6	218. 9	319. 0	**34. 2**
Other retail	26. 2	-	75. 3	118. 7	149. 7	199. 3	454. 4	**129. 6**

(1) The credit exposure value of undrawn commitments included in Total Credit Risk Exposures above.

APS 330 Table 9d (ii) – Retail exposures by portfolio type and PD band (continued)

	30 June 2015							
	PD Band							
	0 < 0.1%	0.1% < 0.3%	0.3% < 0.5%	0.5% < 3%	3% < 10%	10% < 100%	Default	Total
Retail	$M	$M	$M	$M	$M	$M	$M	$M
Total credit risk exposures								
Residential mortgage	143,305	126,752	81,712	115,612	5,075	9,305	3,077	484,838
Qualifying revolving retail	13,976	14	3,643	5,534	3,126	615	160	27,068
Other retail	60	46	299	7,999	1,629	663	134	10,830
Total	157,341	126,812	85,654	129,145	9,830	10,583	3,371	522,736
Undrawn commitments (1)								
Residential mortgage	53,018	7,019	4,185	5,476	124	49	17	69,888
Qualifying revolving retail	11,278	13	2,738	2,456	632	101	3	17,221
Other retail	57	40	265	2,257	261	34	3	2,917
Total	64,353	7,072	7,188	10,189	1,017	184	23	90,026
Exposure - weighted average EAD ($M)								
Residential mortgage	0. 231	0. 267	0. 239	0. 206	0. 203	0. 243	0. 248	0. 236
Qualifying revolving retail	0. 010	0. 011	0. 008	0. 009	0. 009	0. 008	0. 008	0. 009
Other retail	0. 004	0. 004	0. 002	0. 008	0. 003	0. 005	0. 005	0. 007
Exposure - weighted average LGD (%)								
Residential mortgage	20. 0	20. 1	20. 4	21. 0	21. 3	20. 1	20. 3	20. 3
Qualifying revolving retail	88. 0	88. 0	88. 0	88. 0	88. 0	88. 0	88. 0	88. 0
Other retail	94. 2	94. 1	94. 6	96. 9	97. 8	98. 9	98. 2	97. 1
Exposure - weighted average risk weight (%)								
Residential mortgage	2. 9	9. 2	14. 4	24. 3	73. 4	99. 5	186. 2	15. 3
Qualifying revolving retail	3. 9	7. 8	15. 1	38. 8	122. 4	208. 6	315. 8	32. 7
Other retail	17. 9	48. 7	59. 7	118. 2	147. 5	195. 9	426. 6	128. 7

(1) The credit exposure value of undrawn commitments included in Total Credit Risk Exposures above.

APS 330 Table 9d (ii) – Retail exposures by portfolio type and PD band (continued)

	31 December 2014							
	PD Band							
	0 < 0.1%	0.1% < 0.3%	0.3% < 0.5%	0.5% < 3%	3% < 10%	10% < 100%	Default	Total
Retail	$M	$M	$M	$M	$M	$M	$M	$M
Total credit risk exposures								
Residential mortgage	141,596	121,022	82,892	113,741	4,880	8,590	2,808	475,529
Qualifying revolving retail	13,904	8	3,644	5,559	2,982	595	144	26,836
Other retail	62	47	292	8,060	1,540	608	109	10,718
Total	155,562	121,077	86,828	127,360	9,402	9,793	3,061	513,083
Undrawn commitments (1)								
Residential mortgage	53,971	7,365	4,404	6,341	91	42	18	72,232
Qualifying revolving retail	10,953	7	2,693	2,448	589	115	3	16,808
Other retail	59	41	267	2,298	255	31	3	2,954
Total	64,983	7,413	7,364	11,087	935	188	24	91,994
Exposure - weighted average EAD ($M)								
Residential mortgage	0. 227	0. 263	0. 227	0. 215	0. 202	0. 241	0. 250	0. 233
Qualifying revolving retail	0. 010	0. 010	0. 008	0. 009	0. 009	0. 007	0. 008	0. 009
Other retail	0. 004	0. 004	0. 002	0. 009	0. 003	0. 005	0. 005	0. 008
Exposure - weighted average LGD (%)								
Residential mortgage	20. 0	20. 1	20. 3	21. 1	21. 3	20. 2	20. 4	20. 4
Qualifying revolving retail	88. 0	88. 0	88. 0	88. 0	88. 0	88. 0	88. 0	88. 0
Other retail	94. 3	94. 2	94. 6	96. 9	97. 8	98. 9	97. 9	97. 1
Exposure - weighted average risk weight (%)								
Residential mortgage	2. 9	9. 2	14. 4	24. 4	74. 0	99. 8	183. 2	15. 2
Qualifying revolving retail	3. 9	7. 8	15. 1	38. 7	121. 2	207. 5	300. 2	31. 8
Other retail	17. 9	48. 7	59. 7	118. 0	147. 5	195. 4	404. 3	127. 1

(1) The credit exposure value of undrawn commitments included in Total Credit Risk Exposures above.

Analysis of Losses

The following tables provide a summary of financial losses by IRB portfolio (APS 330 Table 9e) and a comparison of financial losses to regulatory EL estimates (APS 330 Table 9f(i)).

APS 330 Table 9e – Actual losses by portfolio type

	31 December 2015 Half year losses in reporting period		
Portfolio Type	**Gross write-offs $M**	**Recoveries $M**	**Actual losses $M**
Corporate	49	(35)	14
SME corporate	35	(2)	33
SME retail (including SME retail secured by residential mortgages)	43	(4)	39
Specialised lending	3	-	3
Total corporate including SME and specialised lending	130	(41)	89
Sovereign	-	-	-
Bank	-	-	-
Residential mortgage (excluding SME retail secured by residential mortgages)	52	(2)	50
Qualifying revolving retail	169	(32)	137
Other retail	180	(34)	146
Total advanced IRB and specialised lending portfolios	531	(109)	422

	30 June 2015 Full year losses in reporting period		
Portfolio Type	**Gross write-offs $M**	**Recoveries $M**	**Actual losses $M**
Corporate	161	(10)	151
SME corporate	142	(17)	125
SME retail (including SME retail secured by residential mortgages)	60	(5)	55
Specialised lending	70	(2)	68
Total corporate including SME and specialised lending	433	(34)	399
Sovereign	-	-	-
Bank	-	-	-
Residential mortgage (excluding SME retail secured by residential mortgages)	79	(4)	75
Qualifying revolving retail	317	(56)	261
Other retail	329	(62)	267
Total advanced IRB and specialised lending portfolios	1,158	(156)	1,002

	31 December 2014 Half year losses in reporting period		
Portfolio Type	**Gross write-offs $M**	**Recoveries $M**	**Actual losses $M**
Corporate	58	(9)	49
SME corporate	56	(14)	42
SME retail (including SME retail secured by residential mortgages)	30	(1)	29
Specialised lending	2	-	2
Total corporate including SME and specialised lending	146	(24)	122
Sovereign	-	-	-
Bank	-	-	-
Residential mortgage (excluding SME retail secured by residential mortgages)	37	(2)	35
Qualifying revolving retail	157	(28)	129
Other retail	164	(33)	131
Total advanced IRB and specialised lending portfolios	504	(87)	417

APS 330 Table 9f (i) – Historical loss analysis by portfolio type

	31 December 2015	
	Half year actual loss $M	Regulatory one year expected loss estimate $M
Corporate	14	573
SME corporate	33	569
SME retail (including SME retail secured by residential mortgages)	39	160
Specialised lending	3	783
Total corporate including SME and specialised lending	89	2,085
Sovereign	-	8
Bank	-	146
Residential mortgage (excluding SME retail secured by residential mortgages)	50	940
Qualifying revolving retail	137	543
Other retail	146	492
Total advanced IRB and specialised lending portfolios	422	4,214

	30 June 2015	
	Full year actual loss $M	Regulatory one year expected loss estimate $M
Corporate	151	451
SME corporate	125	605
SME retail (including SME retail secured by residential mortgages)	55	132
Specialised lending	68	785
Total corporate including SME and specialised lending	399	1,973
Sovereign	-	6
Bank	-	143
Residential mortgage (excluding SME retail secured by residential mortgages)	75	944
Qualifying revolving retail	261	509
Other retail	267	508
Total advanced IRB and specialised lending portfolios	1,002	4,083

	31 December 2014	
	Half year actual loss $M	Regulatory one year expected loss estimate $M
Corporate	49	768
SME corporate	42	550
SME retail (including SME retail secured by residential mortgages)	29	136
Specialised lending	2	822
Total corporate including SME and specialised lending	122	2,276
Sovereign	-	7
Bank	-	142
Residential mortgage (excluding SME retail secured by residential mortgages)	35	906
Qualifying revolving retail	129	478
Other retail	131	472
Total advanced IRB and specialised lending portfolios	417	4,281

Actual losses are historical and are based on the quality of the assets in prior periods, write-offs (whether full or partial) and recent economic conditions. Regulatory EL for AIRB portfolios is calculated on non-defaulted exposures at a point in time using long-run PDs and downturn LGDs as required by APRA and for defaulted exposures the Best Estimate of Expected Loss (BEEL) is used. Hence, actual outcomes may differ from modelled regulatory estimates for a number of reasons.

Actual losses are expected to be below the regulatory EL estimate in most years. Regulatory EL is reported for both defaulted and non-defaulted exposures. Regulatory EL measures economic loss including costs (such as internal costs) not included in actual losses.

Accuracy of Risk Estimates

The following tables compare IRB credit risk estimates used in calculating regulatory capital, to realised outcomes.

Probability of Default

APS 330 Table 9f (ii) compares estimates of long-run PD to actual default rates averaged over 7.5 financial years to 31 December 2015, where results for the half year to December 2015 have been annualised without adjustment for seasonality.

APS 330 Table 9f (ii) – Accuracy of risk estimates – PD

	As at 31 December 2015	
Portfolio Type	Average estimated PD %	Average actual PD %
Corporate	1. 34	0. 82
SME corporate	2. 21	2. 01
SME retail (including SME retail secured by residential mortgages)	1. 82	0. 91
Specialised lending (1)	n/a	1. 67
Sovereign (2)	0. 63	0. 04
Bank (2)	0. 28	0. 29
Residential mortgage (excluding SME retail secured by residential mortgages)	0. 90	0. 74
Qualifying revolving retail	1. 96	2. 07
Other retail	4. 80	4. 49

(1) Average estimated PD not relevant for specialised lending under the Supervisory Slotting approach.
(2) Realised PDs based on a low volume of defaults observed.

Loss Given Default and Exposure at Default

LGDs for non-retail portfolios are based on accounts that defaulted in 2009 to 2013 financial years. LGDs for retail portfolios are based on accounts that defaulted in 2009 to 2014 financial years. Defaults occurring in the most recent years have been excluded from the analysis, to allow sufficient time for workout of impaired assets, booking of losses and more meaningful disclosures.

The EAD ratio compares estimates of EAD prior to default to realised EAD for obligors that defaulted.

APS 330 Table 9f (iii) – Accuracy of risk estimates – LGD and EAD

	As at 31 December 2015		
Portfolio Type	Average estimated downturn LGD %	Average actual LGD %	Ratio of estimated EAD to actual EAD
Corporate	57. 1	42. 4	1. 1
SME corporate	33. 0	22. 3	1. 1
SME retail (including SME retail secured by residential mortgages)	34. 5	24. 5	1. 3
Specialised lending (1)	n/a	37. 9	1. 2
Sovereign	n/a	nil	n/a
Bank (2)	64. 9	109. 2	1. 8
Residential mortgage (excluding SME retail secured by residential mortgages) (3)	20. 8	6. 7	1. 0
Qualifying revolving retail	87. 1	70. 4	1. 1
Other retail	96. 1	79. 2	1. 0

(1) Average estimated LGD is not relevant for specialised lending under Supervisory Slotting approach.
(2) Realised LGDs based on a low volume of defaults observed.
(3) Estimated downturn LGD based on minimum regulatory floor requirements imposed by APRA and RBNZ.

6.5 Credit Risk Mitigation

APS 330 Table 10b and 10c – Credit risk mitigation

	31 December 2015				
	Total exposure (1) $M	Eligible financial collateral $M	Exposures covered by guarantees $M	Exposures covered by credit derivatives $M	Coverage %
Advanced approach (2)					
Corporate	121,799	-	1,759	2	1. 4
SME corporate	40,052	-	-	-	-
SME retail (3)	16,747	-	-	-	-
Sovereign	78,062	-	-	-	-
Bank	42,042	-	471	535	2. 4
Residential mortgage	500,936	-	-	-	-
Qualifying revolving retail	27,229	-	-	-	-
Other retail	10,996	-	-	-	-
Total advanced approach	837,863	-	2,230	537	0. 3
Specialised lending	65,084	-	-	-	-
Standardised approach					
Corporate	10,377	152	-	-	1. 5
SME corporate	4,535	37	-	-	0. 8
SME retail	6,091	6	-	-	0. 1
Sovereign	428	-	-	-	-
Bank	759	-	-	-	-
Residential mortgage	12,743	23	-	-	0. 2
Other retail	2,732	-	-	-	-
Other assets	11,304	-	-	-	-
Central clearing counterparties	4,502	-	-	-	-
Total standardised approach	53,471	218	-	-	0. 4
Total exposures	956,418	218	2,230	537	0. 3

	30 June 2015				
	Total exposure (1) $M	Eligible financial collateral $M	Exposures covered by guarantees $M	Exposures covered by credit derivatives $M	Coverage %
Advanced approach (2)					
Corporate	108,014	-	1,000	10	0. 9
SME corporate	43,124	-	-	1	-
SME retail (3)	16,603	-	-	-	-
Sovereign	68,151	-	-	-	-
Bank	49,352	-	588	342	1. 9
Residential mortgage	484,838	-	-	-	-
Qualifying revolving retail	27,068	-	-	-	-
Other retail	10,830	-	-	-	-
Total advanced approach	807,980	-	1,588	353	0. 2
Specialised lending	60,888	-	-	-	-
Standardised approach					
Corporate	10,410	118	-	-	1. 1
SME corporate	5,853	41	-	-	0. 7
SME retail	5,838	5	-	-	0. 1
Sovereign	390	-	-	-	-
Bank	732	-	-	-	-
Residential mortgage	11,972	15	-	-	0. 1
Other retail	2,664	-	-	-	-
Other assets	9,862	-	-	-	-
Central clearing counterparties	3,430	-	-	-	-
Total standardised approach	51,151	179	-	-	0. 3
Total exposures	920,019	179	1,588	353	0. 2

(1) Credit derivatives that are treated as part of synthetic securitisation structures are excluded from credit risk mitigation disclosures and included within those relating to securitisation.
(2) Advanced approach: Exposure for derivatives is after netting and financial collateral.
(3) Including SME retail secured by residential property.

APS 330 Table 10b and 10c – Credit risk mitigation (continued)

	31 December 2014				
	Total exposure [1] $M	Eligible financial collateral $M	Exposures covered by guarantees $M	Exposures covered by credit derivatives $M	Coverage %
Advanced approach [2]					
Corporate	100,763	-	1,301	-	1. 3
SME corporate	40,828	-	-	9	-
SME retail [3]	17,254	-	-	-	-
Sovereign	72,442	-	-	-	-
Bank	45,077	-	727	237	2. 1
Residential mortgage	475,529	-	-	-	-
Qualifying revolving retail	26,836	-	-	-	-
Other retail	10,718	-	-	-	-
Total advanced approach	789,447	-	2,028	246	0. 3
Specialised lending	58,405	-	-	-	-
Standardised approach					
Corporate	11,483	166	-	-	1. 4
SME corporate	5,386	31	-	-	0. 6
SME retail	5,562	5	-	-	0. 1
Sovereign	312	-	-	-	-
Bank	545	-	-	-	-
Residential mortgage	10,987	21	-	-	0. 2
Other retail	2,930	-	-	-	-
Other assets	10,521	-	-	-	-
Central clearing counterparties	8,109	-	-	-	-
Total standardised approach	55,835	223	-	-	0. 4
Total exposures	903,687	223	2,028	246	0. 3

(1) Credit derivatives that are treated as part of synthetic securitisation structures are excluded from credit risk mitigation disclosures and included within those relating to securitisation.
(2) Advanced approach: Exposure for derivatives is after netting and financial collateral.
(3) Including SME retail secured by residential property.

6.6 Counterparty Credit Risk

APS 330 Table 11b (i) Counterparty credit risk derivative exposure under the current exposure method [1]

	31 Dec 15
	$M
Gross positive fair value	42,677
Netting benefits	(21,771)
Netted current credit exposure	20,906
Collateral held, of which:	
Cash	(12,358)
Government Bonds	-
Other	-
Net derivatives credit exposure	8,548
Potential Future Exposure under the Current Exposure Method	15,446
Exposure at Default	**23,994**

(1) Excluding exposures to CCPs.

APS 330 Table 11b (ii) Counterparty credit risk derivative exposure [1]

	Current Credit Exposure 31 Dec 15
Exposure type	$M
Interest rate contracts	12,473
Foreign currency contracts	29,673
Equity contracts	10
Credit derivatives	41
Commodities and other	480
Total	**42,677**

(1) Excluding exposures to CCPs.

APS 330 Table 11c Counterparty credit risk derivative transactions [1] [2]

	Own Credit Portfolio as		Intermediation Activity as	
	Protection buyer	Protection seller	Protection buyer	Protection seller
Notional Value by Product type as at December 15	$M	$M	$M	$M
Credit default swaps	164	-	2,808	846
Total return swaps	-	-	-	-
Credit options	-	-	-	-
Other	-	-	-	-
Total	**164**	**-**	**2,808**	**846**

(1) Excluding exposures to CCPs.
(2) Notional values are presented for credit derivatives with positive fair values and include credit derivative hedges.

6.7 Securitisation

APS 330 Table 12g (i) – Banking book exposures securitised – traditional securitisation

	31 December 2015			
Underlying Asset	Group originated assets capital relief [1] $M	Group originated assets - non capital relief [2] $M	Group originated assets - internal RMBS[3] $M	Third party originated assets [4] $M
Residential mortgage	964	13,103	84,444	-
Credit cards and other personal loans	-	-	-	-
Auto and equipment finance	-	-	-	-
Commercial loans	-	-	-	-
Other	-	-	-	-
Total	964	13,103	84,444	-

	30 June 2015			
Underlying Asset	Group originated assets capital relief [1] $M	Group originated assets - non capital relief [2] $M	Group originated assets - internal RMBS[3] $M	Third party originated assets [4] $M
Residential mortgage	1,458	12,806	82,327	-
Credit cards and other personal loans	-	-	-	-
Auto and equipment finance	-	-	-	-
Commercial loans	-	-	-	-
Other	-	-	-	-
Total	1,458	12,806	82,327	-

	31 December 2014			
Underlying Asset	Group originated assets capital relief [1] $M	Group originated assets - non capital relief [2] $M	Group originated assets - internal RMBS[3] $M	Third party originated assets [4] $M
Residential mortgage	2,225	12,405	74,435	-
Credit cards and other personal loans	-	-	-	-
Auto and equipment finance	-	-	-	-
Commercial loans	-	-	-	-
Other	-	-	-	-
Total	2,225	12,405	74,435	-

(1) Group originated assets (capital relief) comprise CBA Medallion and Bankwest Swan Trusts subject to capital treatment under APS 120.
(2) Group originated assets (non-capital relief) comprise CBA Medallion and Bankwest Swan Trusts subject to capital treatment under APS 113.
(3) Group originated assets (internal RMBS) comprise CBA Medallion, Bankwest Swan and ASB Medallion Trusts held for contingent liquidity purposes.
(4) Third party originated assets comprise assets managed and sponsored by the Group.

APS 330 Table 12g (ii) – Banking book exposures securitised – synthetic securitisation

APS 120 provides specific regulatory treatment for synthetic securitisations where credit risk is transferred to a third party, however, legal ownership of the underlying assets remains with the originator.

The Group has not undertaken any synthetic securitisation in the banking book.

APS 330 Table 12g (iii) – Total banking book exposures securitised

APS 330 Table 12g (i) discloses the total banking book exposures securitised by the Group.

APS 330 Table 12h – Past due and impaired banking book exposures by asset type

	31 December 2015			
	Group originated assets securitised			
Underlying Asset	Outstanding exposure $M	Impaired $M	Past due $M	Losses recognised $M
Residential mortgage	98,511	12	434	-
Credit cards and other personal loans	-	-	-	-
Auto and equipment finance	-	-	-	-
Commercial loans	-	-	-	-
Other	-	-	-	-
Total	98,511	12	434	-

	30 June 2015			
	Group originated assets securitised			
Underlying Asset	Outstanding exposure $M	Impaired $M	Past due $M	Losses recognised $M
Residential mortgage	96,591	11	443	-
Credit cards and other personal loans	-	-	-	-
Auto and equipment finance	-	-	-	-
Commercial loans	-	-	-	-
Other	-	-	-	-
Total	96,591	11	443	-

	31 December 2014			
	Group originated assets securitised			
Underlying Asset	Outstanding exposure $M	Impaired $M	Past due $M	Losses recognised $M
Residential mortgage	89,065	36	368	-
Credit cards and other personal loans	-	-	-	-
Auto and equipment finance	-	-	-	-
Commercial loans	-	-	-	-
Other	-	-	-	-
Total	89,065	36	368	-

APS 330 Table 12i – Banking book exposures intended to be securitised

The Group does not have any outstanding banking book exposures that are intended to be securitised at 31 December 2015.

APS 330 Table 12j (i) – Banking book activity for the reporting period

The Group securitised $3,498 million of new exposures in the banking book during the half year ended 31 December 2015.

	Half year ended 31 December 2015	
Underlying Asset Type	Total exposures securitised $M	Recognised gain or loss on sale $M
Residential mortgages	3,418	-
Credit cards and other personal loans	-	-
Auto and equipment finance	80	-
Commercial loans	-	-
Other	-	-
Total	3,498	-

	Full year ended 30 June 2015	
Underlying Asset Type	Total exposures securitised $M	Recognised gain or loss on sale $M
Residential mortgages	11,436	-
Credit cards and other personal loans	806	-
Auto and equipment finance	636	-
Commercial loans	-	-
Other	-	-
Total	12,878	-

	Half year ended 31 December 2014	
Underlying Asset Type	Total exposures securitised $M	Recognised gain or loss on sale $M
Residential mortgages	7,113	-
Credit cards and other personal loans	-	-
Auto and equipment finance	341	-
Commercial loans	-	-
Other	-	-
Total	7,454	-

APS330 Table 12k – Banking book securitisation exposures retained or purchased

	31 December 2015		
Securitisation Facility Type	On Balance Sheet $M	Off Balance Sheet $M	Total exposures $M
Liquidity support facilities	-	119	119
Warehouse facilities	4,018	1,456	5,474
Derivative facilities	22	1	23
Holdings of securities	8,579	-	8,579
Other	-	-	-
Total securitisation exposures in the banking book	12,619	1,576	14,195

	30 June 2015		
Securitisation Facility Type	On Balance Sheet $M	Off Balance Sheet $M	Total exposures $M
Liquidity support facilities	-	54	54
Warehouse facilities	2,200	2,564	4,764
Derivative facilities	35	1	36
Holdings of securities	8,676	-	8,676
Other	5	-	5
Total securitisation exposures in the banking book	10,916	2,619	13,535

	31 December 2014		
Securitisation Facility Type	On Balance Sheet $M	Off Balance Sheet $M	Total exposures $M
Liquidity support facilities	-	106	106
Warehouse facilities	2,311	1,714	4,025
Derivative facilities	52	1	53
Holdings of securities	7,573	-	7,573
Other	-	-	-
Total securitisation exposures in the banking book	9,936	1,821	11,757

APS 330 Table 12I (i) – Banking book exposure by risk weighting

Total securitisation exposures in the banking book increased by $660 million or 4.9% during the half year ended 31 December 2015. Corresponding RWA decreased by $86 million or 5.2%. This was mainly due to changes in risk profile for securitisation exposures.

	31 December 2015					
	Exposures		Total	Risk Weighted Assets		Total
	Securitisation	Resecuritisation	exposures	Securitisation	Resecuritisation	RWA
Risk Weight Band	$M	$M	$M	$M	$M	$M
≤ 25%	13,952	-	**13,952**	1,374	-	**1,374**
> 25% ≤ 35%	42	-	**42**	15	-	**15**
> 35% ≤ 50%	160	-	**160**	80	-	**80**
> 50% ≤ 75%	-	-	**-**	-	-	**-**
> 75% ≤ 100%	-	-	**-**	-	-	**-**
> 100% ≤ 650%	-	-	**-**	-	-	**-**
> 650% ≤ 1250%	18	23	**41**	-	95	**95**
Total	14,172	23	**14,195**	1,469	95	**1,564**

	30 June 2015					
	Exposures		Total	Risk Weighted Assets		Total
	Securitisation	Resecuritisation	exposures	Securitisation	Resecuritisation	RWA
Risk Weight Band	$M	$M	$M	$M	$M	$M
≤ 25%	12,449	-	**12,449**	1,123	-	**1,123**
> 25% ≤ 35%	830	-	**830**	291	-	**291**
> 35% ≤ 50%	210	-	**210**	105	-	**105**
> 50% ≤ 75%	-	-	**-**	-	-	**-**
> 75% ≤ 100%	-	-	**-**	-	-	**-**
> 100% ≤ 650%	-	-	**-**	-	-	**-**
> 650% ≤ 1250%	20	26	**46**	-	131	**131**
Total	13,509	26	**13,535**	1,519	131	**1,650**

	31 December 2014					
	Exposures		Total	Risk Weighted Assets		Total
	Securitisation	Resecuritisation	exposures	Securitisation	Resecuritisation	RWA
Risk Weight Band	$M	$M	$M	$M	$M	$M
≤ 25%	11,032	-	**11,032**	981	-	**981**
> 25% ≤ 35%	109	-	**109**	38	-	**38**
> 35% ≤ 50%	212	-	**212**	106	-	**106**
> 50% ≤ 75%	-	-	**-**	-	-	**-**
> 75% ≤ 100%	-	-	**-**	-	-	**-**
> 100% ≤ 650%	62	-	**62**	68	-	**68**
> 650% ≤ 1250%	316	26	**342**	3,678	138	**3,816**
Total	11,731	26	**11,757**	4,871	138	**5,009**

APS 330 Table 12l (ii) – Banking book exposure deducted entirely from capital

	Common Equity Tier 1 Capital		
	31 Dec 15	30 Jun 15	31 Dec 14
Underlying Asset Type	$M	$M	$M
Residential mortgage	33	35	37
Credit cards and other personal loans	-	-	-
Auto and equipment finance	-	-	-
Commercial loans	-	-	-
Other	-	-	-
Total	33	35	37

APS 330 Table 12m – Banking book exposures subject to early amortisation

The Group has not undertaken any securitisation subject to early amortisation treatment.

APS 330 Table 12n – Banking book resecuritisation exposures

As at 31 December 2015, banking book resecuritisation exposures without credit risk mitigation total $23 million (30 June 2015: $26 million; 31 December 2014: $26 million).

The Group did not have any resecuritisation exposures subject to credit risk mitigation.

The Group did not have any exposure to third party guarantors providing guarantees for securitised assets.

APS 330 Table 12o (i) – Trading book exposures securitised – traditional securitisation

The Group has not undertaken any traditional securitisations of exposures in the trading book.

APS 330 Table 12o (ii) – Trading book exposures securitised – synthetic securitisation

The Group has not undertaken any synthetic securitisations of exposures in the trading book.

APS 330 Table 12o (iii) – Total trading book exposures securitised

The Group has not securitised any exposures from the trading book.

APS 330 Table 12p – Trading book exposures intended to be securitised

The Group does not have any outstanding trading book exposures that are intended to be securitised at 31 December 2015.

APS 330 Table 12q – Trading book activity for the reporting period

The Group securitised $20 million residential mortgages in the trading book for the half year to 31 December 2015 (30 June 2015: $25 million; 31 December 2014: $33 million).

APS 330 Table 12r – Trading book exposures subject to APS 116

The aggregate amount of exposures securitised by the Group and subject to Prudential Standard APS 116 “Capital Adequacy: Market Risk” was $41 million as at 31 December 2015 (30 June 2015: $45 million; 31 December 2014: $83 million). This consists of:

- Securities held in the trading book subject to the Standard Method of $28 million (30 June 2015: $28 million; 31 December 2014: $36 million); and
- Derivatives held in the trading book subject to the Internal Models Approach (IMA) of $13 million (30 June 2015: $17 million; 31 December 2014: $47 million).

APS 330 Table 12s – Trading book exposures retained or purchased subject to APS 120

	31 December 2015		
Securitisation Facility Type	On Balance Sheet $M	Off Balance Sheet $M	Total exposures $M
Liquidity support facilities	-	-	-
Warehouse facilities	-	-	-
Derivative facilities	4	9	13
Holdings of securities	28	-	28
Other	-	-	-
Total securitisation exposures in the trading book	32	9	41

	30 June 2015		
Securitisation Facility Type	On Balance Sheet $M	Off Balance Sheet $M	Total exposures $M
Liquidity support facilities	-	-	-
Warehouse facilities	-	-	-
Derivative facilities	8	9	17
Holdings of securities	28	-	28
Other	-	-	-
Total securitisation exposures in the trading book	36	9	45

	31 December 2014		
Securitisation Facility Type	On Balance Sheet $M	Off Balance Sheet $M	Total exposures $M
Liquidity support facilities	-	-	-
Warehouse facilities	-	-	-
Derivative facilities	36	11	47
Holdings of securities	36	-	36
Other	-	-	-
Total securitisation exposures in the trading book	72	11	83

APS 330 Table 12t (i) – Trading book exposures retained/purchased subject to IMA

The Group has $13 million of derivatives exposures held in the trading book subject to IMA (default risk) under APS 116 as at 31 December 2015 (30 June 2015: $17 million; 31 December 2014: $47 million).

APS 330 Table 12t (ii) – Trading book exposures subject to APS 120 by risk weighting

Total securitisation exposures in the trading book decreased by $4 million during the half year ended 31 December 2015 reflecting run off of derivatives exposures.

	31 December 2015			
Risk Weight Band	IAA Approach $M	RBA Approach $M	SFA Approach $M	Total exposures $M
≤ 25%	-	26	15	**41**
> 25% ≤ 35%	-	-	-	**-**
> 35% ≤ 50%	-	-	-	**-**
> 50% ≤ 75%	-	-	-	**-**
> 75% ≤ 100%	-	-	-	**-**
> 100% ≤ 650%	-	-	-	**-**
> 650% ≤ 1250%	-	-	-	**-**
Total	-	26	15	**41**

	30 June 2015			
Risk Weight Band	IAA Approach $M	RBA Approach $M	SFA Approach $M	Total exposures $M
≤ 25%	-	26	19	**45**
> 25% ≤ 35%	-	-	-	**-**
> 35% ≤ 50%	-	-	-	**-**
> 50% ≤ 75%	-	-	-	**-**
> 75% ≤ 100%	-	-	-	**-**
> 100% ≤ 650%	-	-	-	**-**
> 650% ≤ 1250%	-	-	-	**-**
Total	-	26	19	**45**

	31 December 2014			
Risk Weight Band	IAA Approach $M	RBA Approach $M	SFA Approach $M	Total exposures $M
≤ 25%	-	34	48	**82**
> 25% ≤ 35%	-	-	-	**-**
> 35% ≤ 50%	-	-	-	**-**
> 50% ≤ 75%	-	-	-	**-**
> 75% ≤ 100%	-	-	-	**-**
> 100% ≤ 650%	-	-	1	**1**
> 650% ≤ 1250%	-	-	-	**-**
Total	-	34	49	**83**

APS 330 Table 12u (i) – RWA of trading book exposures retained/purchased subject to IMA

The Group has $175 million of RWA held in the trading book subject to IMA (default risk) under APS 116 as at 31 December 2015 (30 June 2015: $156 million; 31 December 2014: $209 million).

APS330 Table 12u (ii) – Capital requirements (RWA) of trading book exposures subject to APS 120 by risk weighting

31 December 2015

Risk Weight Band	IAA Approach		RBA Approach		SFA Approach		Standardised Approach		Total Capital Requirements	
	Securitisation	Resecuritisation	Securitisation	Resecuritisation	Securitisation	Resecuritisation	Securitisation	Resecuritisation	Securitisation	Resecuritisation
	$M	$M	$M	$M	$M	$M	$M	$M	$M	$M
≤ 25%	-	-	2	-	1	-	-	-	**3**	**-**
> 25% ≤ 35%	-	-	-	-	-	-	-	-	**-**	**-**
> 35% ≤ 50%	-	-	-	-	-	-	-	-	**-**	**-**
> 50% ≤ 75%	-	-	-	-	-	-	-	-	**-**	**-**
> 75% ≤ 100%	-	-	-	-	-	-	-	-	**-**	**-**
> 100% ≤ 650%	-	-	-	-	-	-	-	-	**-**	**-**
> 650% ≤ 1250%	-	-	-	-	-	-	-	-	**-**	**-**
Total	-	-	2	-	1	-	-	-	**3**	**-**

30 June 2015

Risk Weight Band	IAA Approach		RBA Approach		SFA Approach		Standardised Approach		Total Capital Requirements	
	Securitisation	Resecuritisation	Securitisation	Resecuritisation	Securitisation	Resecuritisation	Securitisation	Resecuritisation	Securitisation	Resecuritisation
	$M	$M	$M	$M	$M	$M	$M	$M	$M	$M
≤ 25%	-	-	2	-	1	-	-	-	**3**	**-**
> 25% ≤ 35%	-	-	-	-	-	-	-	-	**-**	**-**
> 35% ≤ 50%	-	-	-	-	-	-	-	-	**-**	**-**
> 50% ≤ 75%	-	-	-	-	-	-	-	-	**-**	**-**
> 75% ≤ 100%	-	-	-	-	-	-	-	-	**-**	**-**
> 100% ≤ 650%	-	-	-	-	-	-	-	-	**-**	**-**
> 650% ≤ 1250%	-	-	-	-	-	-	-	-	**-**	**-**
Total	-	-	2	-	1	-	-	-	**3**	**-**

31 December 2014

Risk Weight Band	IAA Approach		RBA Approach		SFA Approach		Standardised Approach		Total Capital Requirements	
	Securitisation	Resecuritisation	Securitisation	Resecuritisation	Securitisation	Resecuritisation	Securitisation	Resecuritisation	Securitisation	Resecuritisation
	$M	$M	$M	$M	$M	$M	$M	$M	$M	$M
≤ 25%	-	-	2	-	3	-	-	-	**5**	**-**
> 25% ≤ 35%	-	-	-	-	-	-	-	-	**-**	**-**
> 35% ≤ 50%	-	-	-	-	-	-	-	-	**-**	**-**
> 50% ≤ 75%	-	-	-	-	-	-	-	-	**-**	**-**
> 75% ≤ 100%	-	-	-	-	-	-	-	-	**-**	**-**
> 100% ≤ 650%	-	-	-	-	2	-	-	-	**2**	**-**
> 650% ≤ 1250%	-	-	-	-	-	-	-	-	**-**	**-**
Total	-	-	2	-	5	-	-	-	**7**	**-**

APS 330 Table 12u (iii) – Trading book exposures entirely deducted from capital

The Group has no trading book exposures that are deducted entirely from Common Equity Tier 1 capital as at 31 December 2015 (30 June 2015: $nil; 31 December 2014: $nil).

The Group does not have any trading book exposures that are credit enhancements deducted from total capital or any other exposures deducted from total capital.

APS 330 Table 12v – Trading book exposures subject to early amortisation

The Group has not undertaken any securitisation subject to early amortisation treatment.

APS 330 Table 12w – Trading book resecuritisation exposures

The Group did not have any trading book resecuritisation exposures without credit risk mitigation as at 31 December 2015 (30 June 2015: $nil; 31 December 2014: $nil).

The Group did not have any resecuritisation exposures subject to credit risk mitigation.

The Group did not have any third party guarantors providing guarantees for securitised assets.

APS 330 Table 5a – Total securitisation activity for the reporting period

The Group disclosed the summary of the current period's securitisation activity including the total amount of exposures securitised and recognised gain or loss on sale by exposure type in APS 330 Table 12j (banking book) and APS 330 Table 12q (trading book).

The total exposures securitised in the half year to 31 December 2015 was $3,518 million (30 June 2015: $5,450 million; 31 December 2014: $7,487 million).

APS 330 Table 5b – Summary of total securitisation exposures retained or purchased

	As at 31 December 2015		
Securitisation Facility Type	On Balance Sheet $M	Off Balance Sheet $M	Total exposures $M
Liquidity support facilities	-	119	119
Warehouse facilities	4,018	1,456	5,474
Derivative facilities	26	10	36
Holdings of securities	8,607	-	8,607
Other	-	-	-
Total securitisation exposures	12,651	1,585	14,236

	As at 30 June 2015		
Securitisation Facility Type	On Balance Sheet $M	Off Balance Sheet $M	Total exposures $M
Liquidity support facilities	-	54	54
Warehouse facilities	2,200	2,564	4,764
Derivative facilities	43	10	53
Holdings of securities	8,704	-	8,704
Other	5	-	5
Total securitisation exposures	10,952	2,628	13,580

	As at 31 December 2014		
Securitisation Facility Type	On Balance Sheet $M	Off Balance Sheet $M	Total exposures $M
Liquidity support facilities	-	106	106
Warehouse facilities	2,311	1,714	4,025
Derivative facilities	88	12	100
Holdings of securities	7,609	-	7,609
Other	-	-	-
Total securitisation exposures	10,008	1,832	11,840

7 Equity Risk

APS 330 Table 16b to 16f – Equity investment exposures

Equity Investments	31 December 2015 Balance Sheet value $M	31 December 2015 Fair value $M
Value of listed (publicly traded) equities	682	682
Value of unlisted (privately held) equities	2,576	3,080
Total	3,258	3,762

Equity Investments	30 June 2015 Balance Sheet value $M	30 June 2015 Fair value $M
Value of listed (publicly traded) equities	665	665
Value of unlisted (privately held) equities	2,509	3,004
Total	3,174	3,669

Equity Investments	31 December 2014 Balance Sheet value $M	31 December 2014 Fair value $M
Value of listed (publicly traded) equities	911	911
Value of unlisted (privately held) equities	2,072	2,386
Total	2,983	3,297

	Half year ended		
	31 Dec 15	30 Jun 15	31 Dec 14
Gain/(Losses) on Equity Investments	$M	$M	$M
Cumulative realised gains in reporting period	**75**	175	32
Total unrealised gains	**693**	574	281

8 Market Risk

8.1 Traded Market Risk

The breakdown of traded market risk RWA by modelling method is summarised below:

Traded Market Risk RWA by Modelling Approach	31 Dec 15 $M	30 Jun 15 $M	31 Dec 14 $M
Internal Model Approach	5,665	3,821	3,497
Standard Method	1,786	2,514	2,969
Total Traded Market Risk RWA	**7,451**	6,335	6,466

APS 330 Table 13b – Traded Market Risk under the Standard Method

Exposure Type	31 Dec 15 $M	30 Jun 15 $M	31 Dec 14 $M
Interest rate risk	92. 2	148. 0	158. 9
Equity risk	50. 6	30. 2	65. 3
Foreign exchange risk	0. 1	22. 9	13. 3
Commodity risk	-	-	-
Total	**142. 9**	201. 1	237. 5
Risk Weighted Asset equivalent (1)	**1,786**	2,514	2,969

(1) Risk Weighted Asset equivalent is the capital requirements multiplied by 12.5 in accordance with APRA Prudential Standard APS 110.

APS 330 Table 14f – Value at Risk and Stressed Value at Risk for trading portfolios under the Internal Model Approach

	Aggregate Value at Risk Over the Reporting Period			
Average VaR (1)	Mean value $M	Maximum value $M	Minimum value $M	As at balance date $M
Over the 6 months to 31 December 2015	26	39	21	25
Over the 6 months to 30 June 2015	28	43	23	26
Over the 6 months to 31 December 2014	31	63	22	35

	Aggregate SVaR Over the Reporting Period			
Stressed VaR (1)	Mean value $M	Maximum value $M	Minimum value $M	As at balance date $M
Over the 6 months to 31 December 2015	119	153	81	120
Over the 6 months to 30 June 2015	70	94	56	82
Over the 6 months to 31 December 2014	54	95	35	83

Summary Table of the Number of Back-Testing Outliers (2)	
Over the 6 months to 31 December 2015	-
Over the 6 months to 30 June 2015	-
Over the 6 months to 31 December 2014	-

(1) 10 day, 99% confidence interval over the reporting period.
(2) 1 day, 99% confidence interval over the reporting period.

Internal Model Approach – VaR Outliers

There were no outliers during the 6 months to 31 December 2015, when the hypothetical loss exceeded VaR at 99% confidence for the corresponding day.

	Over the Reporting Period 1 July 2015 to 31 December 2015	
	Hypothetical loss	VaR 99%
Date	$M	$M
	-	-

	Over the Reporting Period 1 January 2015 to 30 June 2015	
	Hypothetical loss	VaR 99%
Date	$M	$M
	-	-

	Over the Reporting Period 1 July 2014 to 31 December 2014	
	Hypothetical loss	VaR 99%
Date	$M	$M
	-	-

8.2 Non-Traded Market Risk

APS 330 Table 17b – Interest Rate Risk in the Banking Book

	Change in Economic Value		
	31 Dec 15	30 Jun 15	31 Dec 14
Stress Testing: Interest Rate Shock Applied	$M	$M	$M
AUD			
200 basis point parallel increase	(1,287)	(638)	(418)
200 basis point parallel decrease	1,420	664	472
NZD			
200 basis point parallel increase	(250)	(205)	(208)
200 basis point parallel decrease	268	219	222
Other			
200 basis point parallel increase	(18)	(18)	(18)
200 basis point parallel decrease	18	18	18

	31 Dec 15	30 Jun 15	31 Dec 14
Regulatory RWA (1)	$M	$M	$M
Interest rate risk in the banking book	17,511	10,847	4,846

(1) The methodology for determining the Regulatory RWA for IRRBB is outlined in the 30 June 2015 Basel III Pillar 3 report of the Group and is in accordance with APRA's Prudential Standard APS 110 "Capital Adequacy".

9 Operational Risk

APS 330 Table 6e – Capital requirements for operational risk

	31 Dec 15	30 Jun 15	31 Dec 14
	$M	$M	$M
Advanced measurement approach	32,554	32,175	30,026
Standardised approach	189	190	186
Total operational risk RWA (1)	32,743	32,365	30,212

(1) Refer to page 9 for commentary.

10 Liquidity Risk

10.1 Liquidity Coverage Ratio Disclosure

The Group manages its LCR position on a daily basis, ensuring a buffer is maintained over the minimum regulatory requirement and the Board's risk appetite. Excess liquid assets averaged $28 billion over the last two quarters. Any methodologies used to determine LCR treatment are reviewed at least annually.

The Group holds a diverse mix of liquid assets, consisting of cash, deposits with central banks, Australian Semi-Government and Commonwealth Government securities, together categorised as High Quality Liquid Assets, securities eligible for repo with the Reserve Bank of Australia under the Committed Liquidity Facility and securities classified as liquid assets by the Reserve Bank of New Zealand. Liquid assets are distributed across the Group to support regulatory and internal requirements and are consistent with the distribution of liquidity needs by currency. The composition of the liquid asset portfolio has remained relatively stable over the last two quarters.

The Group's 30 day projected net cash outflows (NCO) decreased by $1 billion over the December quarter. The Group manages its wholesale funding maturity profile and deposit and loan product terms and conditions to minimise NCO's as part of its overall liquidity management strategy. Cash outflows associated with the Group's large stable funding base from retail and SME customers were unchanged, despite balance growth. Cash outflows due to unsecured wholesale funding fell by $3 billion due largely to lower debt maturities within the next 30 day period, while cash outflows from additional requirements increased by $4 billion due largely to higher undrawn committed facilities with customers.

APS 330 Table 20 - LCR disclosure template

		31 Dec 15 Total unweighted value (average) $M	31 Dec 15 Total weighted value (average) $M	30 Sept 15 Total unweighted value (average) $M	30 Sept 15 Total weighted value (average) $M
Liquid assets, of which:					
1	High-quality liquid assets (HQLA)		**71,189**		70,381
2	Alternative liquid assets (ALA)		**61,728**		60,905
3	Reserve Bank of New Zealand (RBNZ) securities		**5,477**		5,221
Cash outflows					
4	Retail deposits and deposits from small business customers, of which:	**255,064**	**21,111**	250,135	20,582
5	Stable deposits	**153,102**	**7,655**	150,714	7,536
6	Less stable deposits	**101,962**	**13,456**	99,421	13,046
7	Unsecured wholesale funding, of which:	**116,262**	**68,978**	117,782	71,540
8	Operational deposits (all counterparties) and deposits in networks for cooperative banks	**18,441**	**4,515**	18,228	4,475
9	Non-operational deposits (all counterparties)	**83,924**	**50,566**	83,004	50,515
10	Unsecured debt	**13,897**	**13,897**	16,550	16,550
11	Secured wholesale funding		**1,364**		1,420
12	Additional requirements, of which:	**186,478**	**31,727**	177,799	27,750
13	Outflows related to derivatives exposures and other collateral requirements	**13,914**	**13,914**	13,044	13,044
14	Outflows related to loss of funding on debt products	**710**	**710**	269	269
15	Credit and liquidity facilities	**171,854**	**17,103**	164,486	14,437
16	Other contractual funding obligations	**3,404**	**519**	3,283	287
17	Other contingent funding obligations	**52,499**	**7,269**	54,538	8,954
18	**Total cash outflows**		**130,968**		130,533
Cash inflows					
19	Secured lending	**7,316**	**2,841**	6,660	2,194
20	Inflows from fully performing exposures	**14,688**	**11,803**	13,813	10,628
21	Other cash inflows	**7,226**	**7,226**	7,605	7,605
22	**Total cash inflows**	**29,230**	**21,870**	28,078	20,427
23	**Total liquid assets**		**138,394**		136,507
24	**Total net cash outflows**		**109,098**		110,106
25	**Liquidity Coverage Ratio (%)**		**127**		124
Number of data points used (Business Days)			**64**		65

11 Appendices

11.1 Detailed Capital Disclosures Template (APS 330 Attachment A)

The capital disclosures detailed in the template below represents the post 1 January 2018 Basel III common disclosure requirements. The Group is applying the Basel III regulatory adjustments in full as implemented by APRA. These tables should be read in conjunction with section 11.3 Regulatory Balance Sheet and section 11.4 Reconciliation between detailed capital disclosures template and the Regulatory Balance Sheet.

Summary Group Capital Adequacy Ratios (Level 2)	31 Dec 15 Basel III APRA %	31 Dec 15 Basel III Internationally Comparable %
CET1	10.2	14.3
Tier 1	12.2	15.9
Total Capital	14.1	17.5

		31 Dec 15 Basel III $M	Reconciliation Table Reference
Common Equity Tier 1 Capital: instruments and reserves			
1	Directly issued qualifying ordinary shares (and equivalent for mutually-owned entities) capital	**33,397**	Table A
2	Retained earnings	**22,067**	
3	Accumulated other comprehensive income (and other reserves)	**2,373**	
4	Directly issued capital subject to phase out from CET1 (only applicable to mutually-owned companies)	**-**	
5	Ordinary share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	**-**	Table B
6	Common Equity Tier 1 Capital before regulatory adjustments	**57,837**	
Common Equity Tier 1 Capital: regulatory adjustments			
7	Prudential valuation adjustments	**-**	
8	Goodwill (net of related tax liability)	**(7,597)**	Table C
9	Other intangibles other than mortgage servicing rights (net of related tax liability) (1)	**(2,461)**	Table C
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	**-**	Table D
11	Cash-flow hedge reserve	**(137)**	
12	Shortfall of provisions to expected losses (2)	**(515)**	
13	Securitisation gain on sale (as set out in paragraph 562 of Basel II framework)	**-**	
14	Gains and losses due to changes in own credit risk on fair valued liabilities	**(132)**	
15	Defined benefit superannuation fund net assets (3)	**(307)**	
16	Investments in own shares (if not already netted off paid-in capital on reported Balance Sheet)	**(2)**	
17	Reciprocal cross-holdings in common equity	**-**	
18	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the ADI does not own more than 10% of the issued share capital (amount above 10% threshold)	**-**	Table G
19	Significant investments in the ordinary shares of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold)	**-**	Table G
20	Mortgage service rights (amount above 10% threshold)	**-**	
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	**-**	Table D
22	Amount exceeding the 15% threshold	**-**	
23	of which: significant investments in the ordinary shares of financial entities	**-**	Table G
24	of which: mortgage servicing rights	**-**	
25	of which: deferred tax assets arising from temporary differences	**-**	Table D
	CET1 (Internationally Comparable)	**46,686**	

(1) Includes other intangibles and deferred fee income adjustment.

(2) Represents regulatory expected loss (pre-tax) using stressed loss given default assumptions associated with the loan portfolio in excess of eligible credit provisions of $245 million and general reserve for credit losses (post-tax, with the associated tax amount incorporated in the row 26e adjustment) of $270 million.

(3) In accordance with APRA regulations, the surplus in the Group's defined benefit superannuation fund, net of any deferred tax liability, must be deducted from Common Equity Tier 1.

11.1 Detailed Capital Disclosures Template (APS 330 Attachment A) (continued)

		31 Dec 15 Basel III $M	Reconciliation Table Reference
APRA Specific Regulatory Adjustments			
26	National specific regulatory adjustments (rows 26a, 26b, 26c, 26d, 26e, 26f, 26g, 26h, 26i, 26j)	-	
26a	of which: treasury shares	180	Table A
26b	of which: offset to dividends declared due to a dividend reinvestment plan (DRP), to the extent that the dividends are used to purchase new ordinary shares issued by the ADI	-	
26c	of which: deferred fee income	-	
26d	of which: equity investments in financial institutions not reported in rows 18, 19 and 23	(4,863)	Table G
26e	of which: deferred tax assets not reported in rows 10, 21 and 25	(1,078)	Table D
26f	of which: capitalised expenses	(331)	
26g	of which: investments in commercial (non-financial) entities that are deducted under APRA prudential requirements	(88)	Table G
26h	of which: covered bonds in excess of asset cover in pools	-	
26i	of which: undercapitalisation of a non-consolidated subsidiary	-	
26j	of which: other national specific regulatory adjustments not reported in rows 26a to 26i	(290)	
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	-	
28	Total regulatory adjustments to CET1 (1)	(17,621)	
29	CET1 (APRA)	40,216	
Additional Tier 1 Capital: instruments			
30	Directly issued qualifying Additional Tier 1 instruments	-	
31	of which: classified as equity under applicable accounting standards	-	
32	of which: classified as liabilities under applicable accounting standards	5,000	Table E
33	Directly issued capital instruments subject to phase out from Additional Tier 1	2,251	Table E
34	Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1)	-	
35	of which: instruments issued by subsidiaries subject to phase out	505	Table E
36	Additional Tier 1 Capital before regulatory adjustments	7,756	Table E
Additional Tier 1 Capital: regulatory adjustments			
37	Investments in own Additional Tier 1 instruments	-	
38	Reciprocal cross-holdings in Additional Tier 1 instruments	-	
39	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the ADI does not own more than 10% of the issued share capital (amount above 10% threshold)	-	
40	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-	
41	National specific regulatory adjustments (rows 41a, 41b, 41c)	-	
41a	of which: holdings of capital instruments in group members by other group members on behalf of third parties	-	
41b	of which: investments in the capital of financial institutions that are outside the scope of regulatory consolidations not reported in rows 39 and 40	-	
41c	of which: other national specific regulatory adjustments not reported in rows 41a and 41b	-	
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-	
43	Total regulatory adjustments to Additional Tier 1 Capital	-	
44	Additional Tier 1 Capital (AT1)	7,756	Table E
45	Tier 1 Capital (T1=CET1+AT1)	47,972	
Tier 2 Capital: instruments and provisions			
46	Directly issued qualifying Tier 2 instruments	5,033	Table F
47	Directly issued capital instruments subject to phase out from Tier 2	2,141	Table F
48	Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	-	
49	of which: instruments issued by subsidiaries subject to phase out	-	
50	Provisions	178	
51	Tier 2 Capital before regulatory adjustments	7,352	

(1) Total regulatory adjustments to CET1 of $17,621 million in row 28 is net of APRA's allowance for treasury shares held by the Group's employee share scheme trusts of $180 million as detailed in row 26a.

11.1 Detailed Capital Disclosures Template (APS 330 Attachment A) (continued)

		31 Dec 15 Basel III $M	Reconciliation Table Reference
Tier 2 Capital: regulatory adjustments			
52	Investments in own Tier 2 instruments	(15)	
53	Reciprocal cross-holdings in Tier 2 instruments	-	
54	Investments in the Tier 2 Capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the ADI does not own more than 10% of the issued share capital (amount above 10% threshold)	(4)	
55	Significant investments in the Tier 2 Capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	-	
56	National specific regulatory adjustments (rows 56a, 56b, 56c)	-	
56a	of which: holdings of capital instruments in group members by other group members on behalf of third parties	-	
56b	of which: investments in the capital of financial institutions that are outside the scope of regulatory consolidation not reported in rows 54 and 55	-	
56c	of which: other national specific regulatory adjustments not reported in rows 56a and 56b	-	
57	Total regulatory adjustments to Tier 2 Capital	(19)	
58	Tier 2 Capital (T2)	7,333	
59	Total Capital (TC=T1+T2)	55,305	
60	Total risk weighted assets based on APRA standards	392,662	
Capital ratios and buffers			
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	10.2%	
62	Tier 1 (as a percentage of risk weighted assets)	12.2%	
63	Total Capital (as a percentage of risk weighted assets)	14.1%	
64	Buffer requirement (minimum CET1 requirement of 4.5% plus capital conservation buffer of 2.5% plus any countercyclical buffer requirements, expressed as a percentage of risk weighted assets)	-	
65	of which: capital conservation buffer requirement	-	
66	of which: ADI-specific countercyclical buffer requirements	-	
67	of which: G-SIB buffer requirement (not applicable)	-	
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets)	-	
National minima			
69	National Common Equity Tier 1 minimum ratio	4.5%	
70	National Tier 1 minimum ratio	6.0%	
71	National Total Capital minimum ratio	8.0%	
Amount below thresholds for deductions (not risk weighted)			
72	Non-significant investments in the capital of other financial entities	782	Table G
73	Significant investments in the ordinary shares of financial entities	4,081	Table G
74	Mortgage servicing rights (net of related tax liability)	-	
75	Deferred tax assets arising from temporary differences (net of related tax liability)	1,078	Table D
Applicable caps on the inclusion of provisions in Tier 2			
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	178	
77	Cap on inclusion of provisions in Tier 2 under standardised approach	570	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	-	
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	1,736	
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2018 and 1 Jan 2022)			
80	Current cap on CET1 instruments subject to phase out arrangements	-	
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	-	
82	Current cap on AT1 instruments subject to phase out arrangements	3,672	
83	Amount excluded from AT1 instruments due to cap (excess over cap after redemptions and maturities)	-	Table E
84	Current cap on Tier 2 instruments subject to phase out arrangements	2,257	
85	Amount excluded from Tier 2 due to cap (excess over cap after redemptions and maturities)	-	Table F

11.2 Detailed Leverage Disclosures Template (APS 330 Attachment E)

APS 330 Table 19 – Summary comparison of accounting assets vs leverage ratio exposure measure

		31 Dec 15 Basel III APRA $M
1	Total consolidated assets as per published financial statements	903,075
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	(14,863)
3	Adjustment for assets held on the Balance Sheet in a fiduciary capacity pursuant to the Australian Accounting Standards but excluded from the leverage ratio exposure measure	-
4	Adjustments for derivative financial instruments	(1,954)
5	Adjustment for SFTs (i.e. repos and similar secured lending)	1,195
6	Adjustment for Off Balance Sheet exposures (i.e. conversion to credit equivalent amounts of Off Balance Sheet exposures)	83,056
7	Other adjustments	(17,540)
8	**Leverage ratio exposure**	**952,969**

APS 330 Table 18 – Leverage ratio disclosure template

		31 Dec 15 Basel III APRA $M
On Balance Sheet exposures		
1	On Balance Sheet items (excluding derivatives and securities financing transactions (SFTs), but including collateral)	828,050
2	Asset amounts deducted in determining Tier 1 capital	(17,540)
3	**Total On Balance Sheet exposures (excluding derivatives and SFTs)**	**810,510**
Derivative exposures		
4	Replacement cost associated with all derivatives transactions (i.e. net of eligible cash variation margin)	23,832
5	Add-on amounts for potential future credit exposure (PFCE) associated with all derivatives transactions	16,536
6	Gross-up for derivatives collateral provided where deducted from the Balance Sheet assets pursuant to the Australian Accounting Standards	-
7	Deductions of receivables assets for cash variation margin provided in derivatives transactions	-
8	Exempted central counterparty (CCP) leg of client-cleared trade exposures	-
9	Adjusted effective notional amount of written credit derivatives	5,766
10	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	(2,556)
11	**Total derivative exposures**	**43,578**
SFT exposures		
12	Gross SFT assets (with no recognition of netting), after adjusting for sales accounting transactions	14,630
13	Netted amounts of cash payables and cash receivables of gross SFT assets	-
14	CCR exposure for SFT assets	1,195
15	Agent transaction exposures	-
16	**Total SFT exposures**	**15,825**
Other Off Balance Sheet exposures		
17	Off Balance Sheet exposure at gross notional amount	183,658
18	Adjustments for conversion to credit equivalent amounts	(100,602)
19	**Other Off Balance Sheet exposures**	**83,056**
Capital and total exposures		
20	Tier 1 Capital	47,972
21	Total exposures	952,969
Leverage ratio		
22	Leverage ratio (%)	5.0

11.3 Regulatory Balance Sheet

The following table provides details on the Commonwealth Bank of Australia Group's Balance Sheet and the Level 2[(1)] Regulatory Balance Sheet as at 31 December 2015.

	Group Balance Sheet $M	Adjustment [(2)] $M	Level 2 Regulatory Balance Sheet $M	Template/ Reconciliation Table Reference
Assets				
Cash and liquid assets	**31,587**	(252)	31,335	
Receivables due from other financial institutions	**12,350**	(53)	12,297	
Assets at fair value through Income Statement:				
Trading	**27,140**	(328)	26,812	
Insurance	**13,316**	(13,316)	-	
Other	**1,488**	(251)	1,237	
Derivative assets	**45,532**	-	45,532	
Available-for-sale investments	**78,161**	(360)	77,801	Table G
Loans, bills discounted and other receivables	**669,163**	(413)	668,750	
Bank acceptances of customers	**1,640**	-	1,640	
Investment in regulatory non-consolidated subsidiaries [(3)]	**-**	1,688	1,688	Table G
Property, plant and equipment	**3,321**	(38)	3,283	
Investment in associates and joint ventures	**2,673**	(246)	2,427	Table G
Intangible assets	**10,018**	-	10,018	Table C
Deferred tax assets	**394**	119	513	Table D
Other assets	**6,292**	(1,413)	4,879	
Total assets	**903,075**	(14,863)	**888,212**	
Liabilities				
Deposits and other public borrowings	**560,498**	3,770	564,268	
Payables due to other financial institutions	**35,053**	-	35,053	
Liabilities at fair value through Income Statement	**9,011**	-	9,011	
Derivative liabilities	**37,357**	(11)	37,346	
Bank acceptances	**1,640**	-	1,640	
Current tax liabilities	**559**	(38)	521	
Deferred tax liabilities	**360**	(360)	-	Table D
Other provisions	**1,657**	(307)	1,350	
Insurance policy liabilities	**12,611**	(12,611)	-	
Debt issues	**160,798**	(2,338)	158,460	
Managed funds units on issue	**1,326**	(1,326)	-	
Bills payable and other liabilities	**7,959**	(1,105)	6,854	
Loan capital	**14,399**	-	14,399	Table E
Total liabilities	**843,228**	(14,326)	828,902	
Net assets	**59,847**	(537)	59,310	
Shareholders' Equity				
Share capital:				
Ordinary share capital	**33,252**	145	33,397	Row 1, Table A
Other equity instruments	**939**	-	939	Table E
Reserves	**2,554**	(181)	2,373	Row 3
Retained profits	**22,548**	(481)	22,067	Row 2
Shareholders' Equity attributable to Equity holders of the Bank	**59,293**	(517)	58,776	
Non-controlling interests	**554**	(20)	534	Table B
Total Shareholders' Equity	**59,847**	(537)	59,310	

(1) Level 2 Balance Sheet based on historic definition of Level 2 Group, prior to APRA clarification provided in May 2014.

(2) Reflects the deconsolidation of the Insurance and funds management entities and those entities through which securitisation of the Group's assets are conducted. These entities are classified as non-consolidated subsidiaries by APRA and are excluded from the Level 2 Regulatory Consolidated Banking Group.

(3) Represents the tangible investment in non-consolidated subsidiaries only. No adjustment has been made to the intangible component of the investment as APRA requires this to be deducted in full from CET1.

11.4 Reconciliation between Detailed Capital Template and Regulatory Balance Sheet

The following tables provide additional information on the differences between the detailed capital disclosures (section 11.1) and the Regulatory Balance Sheet (section 11.3).

Table A	31 Dec 15 $M	Template Reference
Share Capital		
Ordinary Share Capital	33,252	
Add Treasury Shares held by the Group's life insurance operations	145	
Total per Balance Sheet (Ordinary Share Capital Internationally Comparable) [(1)]	33,397	Row 1
Treasury Shares held by the Group's employee share scheme trusts (APRA specific adjustment)	180	Row 26a
Total Ordinary Share Capital and Treasury Shares (APRA)	33,577	

Table B	31 Dec 15 $M	Template Reference
Non Controlling Interests		
Total per Balance Sheet [(1)]	534	
Less ASB perpetual Shares transferred to Additional Tier 1 Capital (refer Table E)	(505)	
Less other non controlling interests not included in capital	(29)	
Total per Capital Template (APRA and Internationally Comparable)	-	Row 5

Table C	31 Dec 15 $M	Template Reference
Goodwill & Other Intangibles		
Total per Balance Sheet [(1)]	10,018	
Less capitalised software and other intangibles separately disclosed in template	(2,421)	
Total per Capital Template - Goodwill (APRA and Internationally Comparable)	7,597	Row 8
Capitalised software	2,183	
Other intangibles	238	
Total per Balance Sheet	2,421	
Deferred fee income	167	
Less DTL associated with other intangibles	(127)	
Total per Capital Template - Other Intangibles (APRA and Internationally Comparable)	2,461	Row 9

Table D	31 Dec 15 $M	Template Reference
Deferred Tax Assets		
Deferred tax asset per Balance Sheet [(1)]	513	
Less deferred tax liability per Balance Sheet [(1)]	-	
Net Deferred Tax Assets [(2)]	513	
Adjustments required in accordance with APRA prudential standards [(3)]	565	
Deferred tax asset adjustment before applying prescribed thresholds (APRA specific adjustment)	1,078	Row 26e
Less amounts below prescribed threshold - risk weighted [(4)]	(1,078)	Row 75
Total per Capital Template (Internationally Comparable)	-	Row 10, 21, 25

(1) Represents the balance per Level 2 Regulatory Balance Sheet.
(2) Represents the balance of deferred tax asset net of deferred tax liability per Level 2 Regulatory Balance Sheet.
(3) Represents the deferred tax balances associated with reserves ineligible for inclusion in regulatory capital, the general reserve for credit losses, intangibles and the impact of limitations of netting of balances within the same geographic tax authority.
(4) The BCBS allows these items to be risk weighted at 250% if the balance falls below prescribed threshold levels. APRA require these to be deducted from CET 1.

11.4 Reconciliation between Detailed Capital Template and Regulatory Balance Sheet (continued)

Table E	31 Dec 15 $M	Template Reference
Additional Tier 1 Capital		
Total Loan Capital per Balance Sheet [1]	14,399	
Less fair value hedge adjustments [2]	(379)	
Total Loan Capital net of issue costs at their contractual values	14,020	
Less amount related to Tier 2 Capital Instruments	(7,766)	
Total Tier 1 Loan Capital	6,254	
Add ASB perpetual Shares transferred from Non Controlling interest (refer Table B)	505	
Add other equity instruments included in share capital [3]	939	
Add issue costs [4]	58	
Less Basel III transitional relief amortisation for directly issued instruments [5]	-	Row 83
Less Basel III transitional relief amortisation for instruments issued by subsidiaries [5]	-	Row 83
Total per Capital Template (APRA)	7,756	Row 36, 44
Additional Tier 1 Capital Instruments comprises		
Basel III Complying Instruments		
PERLS VI	2,000	
PERLS VII	3,000	
	5,000	Row 32
Basel III Non Complying Instruments		
PERLS III	1,166	
TPS 06 [3] [4]	948	
Other Instruments	137	
Less Basel III transitional relief amortisation for directly issued instruments [5]	-	Row 83
	2,251	Row 33
Basel III Non Complying Instruments - issued by subsidiaries		
ASB preference shares	505	
Less Basel III transitional relief amortisation for instruments issued by subsidiaries [5]	-	Row 83
	505	Row 35
Total Basel III Non Complying Instruments	2,756	
Total Additional Tier 1 Capital Instruments (APRA)	7,756	Row 44

Table F	31 Dec 15 $M	Template Reference
Tier 2 Capital Instruments		
Total included in Balance Sheet	7,765	
Less amount of Tier 2 debt issued by subsidiary ineligible for inclusion in the Group's Capital [6]	(130)	
Add issue costs [4]	30	
Less amortisation of instruments [7]	(491)	
Less Basel III transitional relief amortisation for directly issued instruments [5]	-	Row 85
Total per Capital Template (APRA and Internationally Comparable)	7,174	Row 46, 47

(1) Represents the balance per Level 2 Regulatory Balance Sheet.
(2) For regulatory capital purposes, APRA requires these instruments to be included as if they were unhedged.
(3) Represents Trust Preferred Securities 2006 issued on 15 March 2006.
(4) Unamortised issue costs relating to capital instruments are netted off against each instrument in the Balance Sheet. For regulatory capital purposes, these capital instruments are shown at face value. The unamortised issue costs are deducted from CET1 as part of capitalised expenses in Row 26f in the Capital template.
(5) Basel III transitional arrangements apply to directly issued capital instruments and instruments issued by subsidiaries not compliant with the new Basel III requirements.
(6) In April 2014 the Group issued NZD$400 million ASB Subordinated Notes through ASB, its New Zealand subsidiary. The notes are Basel III compliant Tier 2 securities and fully contribute towards ASB capital ratios. The amount of these notes that contributes to ASB capital in excess of its minimum regulatory requirements is not eligible for inclusion in the Group's capital (31 December 2015 ineligible amount AUD $130 million).
(7) APRA requires these instruments to be amortised by 20% of the original amount during each of the last five years to maturity. This is in addition to Basel III transitional arrangements.

Details on the main features of Capital instruments included in the Group's Regulatory Capital, (Ordinary Share Capital, Additional Tier 1 Capital and Tier 2 Capital) as required by APS 330 Attachment B can be found at www.commbank.com.au/about-us/investors/shareholders.

11.4 Reconciliation between Detailed Capital Template and Regulatory Balance Sheet (continued)

Table G	31 Dec 15 $M	Template Reference
Equity Investments		
Investment in commercial entities	88	Row 26g
Investments in significant financial entities	2,393	Row 26d, 73
Investments in non-significant financial entities	782	Row 26d, 72
	3,263	
Equity investment in non-consolidated subsidiaries	1,688	Row 26d, 73
Total Equity Investments before applying prescribed thresholds APRA specific adjustment (1)	4,951	
Less amounts risk weighted under Internationally Comparable (2)	(4,951)	
Total per Capital Template (Internationally Comparable)	-	Row 18, 19, 23

(1) Equity Investments are classified in the Level 2 Regulatory Balance Sheet across Investments in Associates, Assets held for Sale, Available-for-Sale Securities and Investment in non-consolidated subsidiaries. In addition, the Group has undrawn commitments (Off-Balance Sheet) which are deemed in the nature of equity for Regulatory Capital purposes.

(2) The aggregate of investments in significant financial entities of $2,393 million, investments in non-significant financial entities of $782 million and equity investment in non-consolidated subsidiaries of $1,688 million is a total of $4,863 million and is included in row 26d in the Capital template. The BCBS allows for equity investments to be concessionally risk weighted provided they are below prescribed thresholds. APRA requires such items to be deducted 100% from CET1 capital. The remaining balance of $88 million related to Investments in commercial entities are risk weighted under Internationally Comparable methodology, with no prescribed threshold limits.

11.5 Entities excluded from Level 2 Regulatory Consolidated Group

The legal entities included within the accounting scope of consolidation, but excluded from the Level 2[(1)] Regulatory Consolidated Group are detailed below.

The total assets and liabilities should not be aggregated as some of the entities listed are holding companies for other entities included in the table below.

Entity name	Total Assets $M	Total Liabilities $M
(a) Securitisation		
Medallion Trust Series 2007-1G	858	858
Swan Trust Series 2010-1	135	135

Entity name	Total Assets $M	Total Liabilities $M
(b) Insurance and Funds Management		
ASB Group (Life) Limited	749	-
Avanteos Investments Limited	57	21
Avanteos Pty Ltd	-	-
BW Financial Advice Limited	13	-
BW Securitisation Management Pty Ltd	2	-
Capital 121 Pty Limited	1,571	1
CFS Seeding Trust	33	33
CFSPAI Europe Co Limited	-	-
CFSPAI Europe Holdco Limited	-	-
CISL (Hazelwood) Pty. Limited	-	-
CMG Asia Life Holdings Limited	25	-
CMG Asia Pty Ltd	17	1
Colonial (UK) Trustees Limited	-	-
Colonial First State Asset Management (Australia) Limited	53	44
Colonial First State Group Limited	279	5
Colonial First State Investment Managers (UK) Limited	4	-
Colonial First State Investments (NZ) Limited	-	-
Colonial First State Investments Limited	646	323
Colonial First State Infrastructure Holdings Limited	31	11
Colonial First State Infrastructure Managers (Australia) Pty Limited	1	1
Colonial First State Managed Infrastructure Limited	18	7
Colonial Holding Company Limited	8,026	2,000
Colonial Mutual Superannuation Pty Ltd	16	1
Colonial Services Pty Limited	-	-
Commonwealth Custodial Services Pty Ltd	-	-
Commonwealth Financial Planning Limited	213	188
Commonwealth Insurance Holdings Limited	7,260	-
Commonwealth Insurance Limited	1,009	732
Commwealth International Holdings Pty Limited	63	1
Count Finance Pty Limited	-	-
Count Financial Limited	51	27
Emerald Holding Company Pty Limited	-	-
Financial Wisdom Limited	37	22
Finconnect (Australia) Pty Ltd	43	4
First State European Diversified Infrastructure Sarl	1	1
First State Infrastructure Managers (International) Limited	1	1
First State Investment Management (UK) Limited	154	34
First State Investment Managers (Asia) Limited	46	-
First State Investment Services (UK) Limited	193	162

(1) The Level 2 Regulatory Consolidated Group is based on the historic definition of the Level 2 Group, prior to APRA clarification provided in May 2014.

11.5 Entities excluded from Level 2 Regulatory Consolidated Group (continued)

Entity name	Total Assets $M	Total Liabilities $M
First State Investments (Hong Kong) Limited	180	84
First State Investments (Japan) Limited	-	-
First State Investments (NZ) Limited	1	-
First State Investments (Singapore)	129	51
First State Investments (UK Holdings) Limited	138	24
First State Investments (UK) Limited	199	181
First State Investments (US) LLC	6	4
First State Investments Fund Management Sarl	18	16
First State Investments GIP Management Sarl	2	1
First State Investments Holdings (Singapore) Limited	18	-
First State Investments International Inc	-	-
First State Investments International Limited	108	25
First State Nominees (Hong Kong) Limited	-	-
FSIB Limited	21	-
FSIC Limited	-	-
Jacques Martin Administration and Consulting Pty Ltd	7	2
Jacques Martin Pty. Ltd.	3	-
KIP NZ Limited	1	-
KPM NZ Limited	-	-
Premium Alternative Investments Pty Limited	-	-
Premium Plantations Pty Limited	-	-
Premium Plantations Services Pty Limited	-	-
PT Commonwealth Life	656	550
PT First State Investments Indonesia	8	4
Realindex Investments Pty Limited	9	7
Securitisation Advisory Services Pty. Limited	40	17
SI Holdings Limited	72	-
Sovereign Assurance Company Limited	1,841	1,476
Sovereign Services Limited	50	21
Sovereign Superannuation Funds Limited	10	1
Sovereign Superannuation Trustees Limited	-	-
St Andrew's Australia Pty Ltd	-	-
The Colonial First State Global Asset Management Seeding Trust	295	295
The Colonial Mutual Life Assurance Society Limited	13,138	11,498
Total Keen Investment Limited	1	-
Westside Properties Limited	24	1

11.6 List of APRA APS 330 Tables

The following schedule lists the quantitative tables in this document as referenced in APRA Prudential Standard APS 330 "Capital Adequacy: Public Disclosure of Prudential Information" paragraph 11, and Attachments A, C and D.

Appendices

11.6 List of APRA APS 330 Tables (continued)

11.7 List of Supplemental Tables and Diagrams

Appendices

11.8 Glossary

Term	Definition
Additional Tier 1 Capital	Additional Tier 1 Capital is a Basel III defined concept and consists of high quality capital that essentially includes providing a permanent and unrestricted commitment of funds, is freely available to absorb losses, ranks behind the claims of depositors and other more senior creditors in the event of a wind-up, and provides for fully discretionary capital distributions.
Australian Accounting Standards	The Australian Accounting Standards as issued by the Australian Accounting Standards Board.
Authorised Deposit-taking Institution (ADI)	Includes banks, building societies and credit unions which are authorised by APRA to take deposits from customers.
Advanced Internal Ratings Based (AIRB) Approach	Used to measure credit risk in accordance with the Group's Basel III accreditation that allows the Group to use internal estimates of PD, LGD and EAD for the purposes of calculating regulatory capital.
Advanced Measurement Approach (AMA)	Used to measure operational risk in accordance with the Group's Basel III accreditation that allows the Group to use its own internal model for the purposes of calculating regulatory capital.
Australian Prudential Regulation Authority (APRA)	The regulator of banks, insurance companies and superannuation funds, credit unions, building societies and friendly societies in Australia.
ADI Prudential Standards (APS)	APRA's ADI Prudential Standards. For more information, refer to the APRA web site.
ASB	ASB Bank Limited – a subsidiary of the Commonwealth Bank of Australia that is directly regulated by the Reserve Bank of New Zealand.
Bank	Basel asset class – includes claims on ADIs and overseas banks.
Basel II	Refers to the Basel Committee on Banking Supervision's Revised Framework for International Convergence of Capital Measurement and Capital Standards issued in June 2006 and as subsequently amended.
Basel III	Refers to the Basel Committee on Banking Supervision's framework for more resilient banks and banking systems issued December 2010 (revised June 2011) and Capital requirements for bank exposures to central counterparties (July 2012).
CBA	Commonwealth Bank of Australia – the head entity of the Group.
Central counterparty (CCP)	A clearing house that interposes itself between counterparties to contracts traded in one or more financial markets, thereby ensuring the future performance of open contracts.
Committed Liquidity Facility (CLF)	The Reserve Bank of Australia (RBA) provides the CLF to participating ADIs under the LCR, as a shortfall in Commonwealth government and Semi-government securities exists in Australia. ADIs can draw under the CLF in a liquidity crisis against qualifying securities pledged to the RBA. The amount of the CLF for each ADI is set by APRA annually.
Common Equity Tier 1 (CET1) Capital	The highest quality of capital available to the Group reflecting the permanent and unrestricted commitment of funds that are freely available to absorb losses. It comprises ordinary share capital, retained earnings and reserves less prescribed deductions.
Collective Provision	All loans and receivables that do not have an individually assessed provision are assessed collectively for impairment. The collective provision is maintained to reduce the carrying value of the portfolio of loans to their estimated recoverable amounts. These provisions are as reported in the Group's Financial Statements in accordance with the Australian Accounting Standards (AASB 139 "Financial Instruments: Recognition and Measurement").
Corporate	Basel asset class – includes commercial credit risk where annual revenues exceed $50 million.
Credit Valuation Adjustment (CVA) Risk	The risk of mark-to-market losses related to deterioration in the credit quality of a derivative counterparty.

11.8 Glossary (continued)

Term	Definition
Exposure at Default (EAD)	The extent to which a bank may be exposed upon default of an obligor.
External Credit Assessment Institution (ECAI)	For example Moody's, Standard & Poor's or Fitch.
Extended Licenced Entity (ELE)	APRA may deem an entity of an ADI to be part of the ADI itself for the purposes of measuring the ADIs exposures to related entities.
General Reserve for Credit Losses (GRCL)	APS 220 requires the Group to establish a reserve that covers credit losses prudently estimated, but not certain to arise, over the full life of all individual facilities making up the business of the ADI. Most of the Group's collective provisions are included in the General Reserve for Credit Losses. An excess of required General Reserve for Credit Losses over the Group's collective provisions is recognised as a deduction from CET1.
Individual Provisions	Provisions made against individual facilities in the credit-rated managed segment where there is objective evidence of impairment and full recovery of principal and interest is considered doubtful. These provisions are as reported in the Group's Financial Statements in accordance with the Australian Accounting Standards (AASB 139 "Financial Instruments: Recognition and Measurement"). Also known as individually assessed provisions or IAP.
Interest Rate Risk in the Banking Book (IRRBB)	The risk that the Bank's profit derived from Net Interest Income (interest earned less interest paid), in current and future periods, is adversely impacted from changes in interest rates. This is measured from two perspectives; firstly by quantifying the change in the net present value of the Balance Sheet's future earnings potential and secondly, as the anticipated change to the Net Interest Income earned over 12 months. The APS117 IRRBB regulatory capital requirement is calculated using the net present value approach.
Level 1	Represents the ADI and each entity of the ADI that has been approved as an extended licence entity by APRA.
Level 2	The level at which the Group reports its capital adequacy to APRA being the consolidated banking group comprising the ADI and all of its subsidiary entities other than the insurance and funds management entities and entities through which securitisation of Group assets is conducted. This is the basis on which this report has been produced.
Level 3	The conglomerate group including the Group's insurance and wealth management business.
Leverage Ratio	Tier 1 Capital divided by Total Exposures, with this ratio expressed as a percentage.
Liquidity Coverage Ratio (LCR)	The LCR is a quantitative liquidity measure that is part of the Basel III reforms. It was implemented by APRA in Australia on 1 January 2015. It requires Australian ADIs to hold sufficient liquid assets to meet 30 day net cash outflows projected under an APRA-prescribed stress scenario.
Loss Given Default (LGD)	The fraction of EAD that is not expected to be recovered following default.
Net Cash Outflows	Net cash outflows in the LCR are calculated by applying prescribed run-off factors on liabilities and various Off Balance Sheet exposures that can generate a cash outflow in the next 30 days.
Other Assets	Basel asset class – primarily includes Cash, Investments in Related Entities, Fixed Assets and Margin Lending.
Other Retail	Basel asset class – primarily includes retail credit exposures not otherwise classed as a residential mortgage, SME retail or a qualifying revolving retail asset.
Probability of Default (PD)	The likelihood that a debtor fails to meet an obligation or contractual commitment.
Qualifying Revolving Retail (QRR)	Basel asset class – represents revolving exposures to individuals less than $0.1m, unsecured and unconditionally cancellable by the Group. Only Australian retail credit cards qualify for this AIRB asset class.

11.8 Glossary (continued)

Term	Definition
Residential Mortgage	Basel asset class – retail exposures secured by residential mortgage property.
RBA	Reserve Bank of Australia.
RBNZ	Reserve Bank of New Zealand.
Risk Weighted Assets (RWA)	The value of the Group's On and Off Balance Sheet assets are adjusted by risk weights calculated according to various APRA prudential standards. For more information, refer to the APRA web site.
Scaling Factor	In order to broadly maintain the aggregate level of capital in the global financial system post implementation of Basel II, the Basel Committee on Banking Supervision applies a scaling factor to the risk weighted asset amounts for credit risk under the IRB approach of 1.06.
Securitisation	Basel asset class – Group-originated securitised exposures and the provision of facilities to customers in relation to securitisation activities.
SME Corporate	Basel asset class – Small and Medium Enterprise (SME) commercial credit risk where annual revenues are less than $50 million and exposures are greater than $1 million.
SME Retail	Basel asset class – Small and Medium Enterprise (SME) exposures up to $1 million that are not secured by residential mortgage property.
SME Retail Secured by Residential Mortgage	Small and Medium Enterprise (SME) exposures up to $1 million that are partly or fully secured by residential mortgage property.
Sovereign	Basel asset class – primarily includes claims on Australian and foreign governments, central banks (including Reserve Bank of Australia), international banking agencies and regional development banks.
Specialised Lending	Basel asset classes subject to the supervisory slotting approach and which include Income Producing Real Estate (IPRE), object finance, project finance and commodity finance.
Specific Provisions	APS 220 requires ADIs to report as specific provisions all provisions for impairment assessed by an ADI on an individual basis in accordance with the Australian Accounting Standards and that portion of provisions assessed on a collective basis which are deemed ineligible to be included in the General Reserve for Credit Losses (which are primarily collective provisions on some defaulted assets).
Stress VAR	Stressed Value at Risk uses the same methodology as Value at Risk (VaR) except that the historical data used is taken from a one year observation period of significant market volatility as seen during the Global Financial Crisis.
Tier 1 Capital	Comprises CET1 and Additional Tier 1 Capital.
Tier 2 Capital	Capital items that fall short of the necessary conditions to qualify as Tier 1 Capital.
Total Exposures (as used in the Leverage Ratio)	The sum of On Balance Sheet items, derivatives, securities financing transactions (SFTs), and Off Balance Sheet items, net of any Tier 1 regulatory deductions that are already included in these items, as outlined in APS 110 "Capital Adequacy" (APS 110) Attachment D.