

AS A BANK WE  
ARE GOOD WITH *money*  
BUT IT'S BIGGER THAN THAT. WE ARE MORE  
INTERESTED IN THE GOOD THAT MONEY CAN DO.

WE CARE ABOUT **PEOPLE**  
AND WHAT THEY CARE ABOUT.

PEOPLE SHOULD BE TREATED FAIRLY AND  
DECENTLY NO MATTER THEIR CIRCUMSTANCES.

WE KNOW PEOPLE WITH A  
**PURPOSE** MAKE GREAT  
THINGS HAPPEN

**COMMUNITY**  
IS AS IMPORTANT TO US  
AS IT IS TO ITS MEMBERS.

WE STRIVE TO  
CREATE AND **SHARE VALUE**  
WITH EVERYONE CONNECTED WITH OUR BUSINESS.

WE WEIGH ALL OF OUR DECISIONS  
BECAUSE THEY AFFECT THE *FUTURE* WE HELP TO  
CREATE.

**OUR ACTIONS** DEFINE US MORE THAN  
OUR WORDS WILL.



# Results Presentation

For the half year ended  
31 December 2015

**Mike Hirst**

Managing Director

**Richard Fennell**

Chief Financial Officer

This document is a presentation of general background information about the Group's activities current at the date of the presentation. It is information in a summary form and no representation or warranty is made as to the accuracy, completeness or reliability of the information. It is to be read in conjunction with the Bank's interim results filed with the Australian Securities Exchange on 15 February 2016. It is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor. These should be considered, with or without professional advice, when deciding if an investment is appropriate.

This presentation may contain certain "forward-looking statements". The words "anticipate", "believe", "expect", "project", "forecast", "estimate", "likely", "intend", "should", "could", "may", "target", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of the Group that may cause actual results to differ materially from those expressed or implied in such statements. There can be no assurance that actual outcomes will not differ materially from these statements. You are cautioned not to place undue reliance on forward-looking statements. Such forward-looking statements only speak as of the date of this presentation and the Group assumes no obligation to update such information.

To the maximum extent permitted by law, the Group shall have no liability whatsoever for any loss or liability of any kind arising in respect of the information contained, or not being contained, in this document.

**Non-IFRS Financial Information:** The discussion and analysis discloses the net profit after tax on both a 'statutory basis' and a 'cash basis'. The statutory basis is prepared in accordance with the Corporations Act 2001 and the Australian Accounting Standards, which comply with International Financial Reporting Standards (IFRS). The cash basis is used by management to present a clear view of the Group's underlying operating results, excluding a number of items that are deemed to be outside of our core activities and such items are not considered to be representative of the Group's ongoing financial performance. Refer to the Appendix 4D for reconciliation to statutory profit.

Copyright protection exists in this presentation.

- Overview
- Financial performance
- Summary and outlook
- Appendices

Mike Hirst

---

Group Managing Director

# Our 1H16 result

## Financial performance

- |  |  |
|--|--|
| <ul style="list-style-type: none"> <li>▪ Cash earnings of \$223.7m</li> <li>▪ Cash earnings per share 48.9¢</li> <li>▪ Statutory profit after tax \$208.7m</li> <li>▪ Interim dividend of 34.0¢, fully franked<sup>1</sup></li> <li>▪ DRP discount of 1.5% introduced</li> </ul> | <ul style="list-style-type: none"> <li>▪ Net Interest Margin down 1bps half-on-half to 2.16%</li> <li>▪ Expense to Income ratio unchanged at 55.6%<sup>2</sup></li> <li>▪ Total Operating expenses down 0.1%<sup>2</sup></li> <li>▪ Return on average tangible equity 13.15%<sup>4</sup></li> <li>▪ Return on average ordinary equity 9.10%<sup>4</sup></li> </ul> |
|--|--|

## Balance Sheet Management & Capital

- Basel III CET1 ratio increased 7bps to 8.24%<sup>3</sup>
- Total capital increased 9bps to 12.66%<sup>3</sup>
- DRP participation expected to increase
- Liquidity Coverage Ratio of 117%
- Retail deposit funding mix increased to 81.4%

## Credit

- BDD charge of \$20.6m down 46%<sup>3</sup>
- Residential, Business and Rural arrears all remain low
- Payback of Great Southern portfolio as expected

1. Ex-dividend date for interim dividend is 1 March 2016, record date is 3 March 2016, and dividend payment date is 31 March 2016.

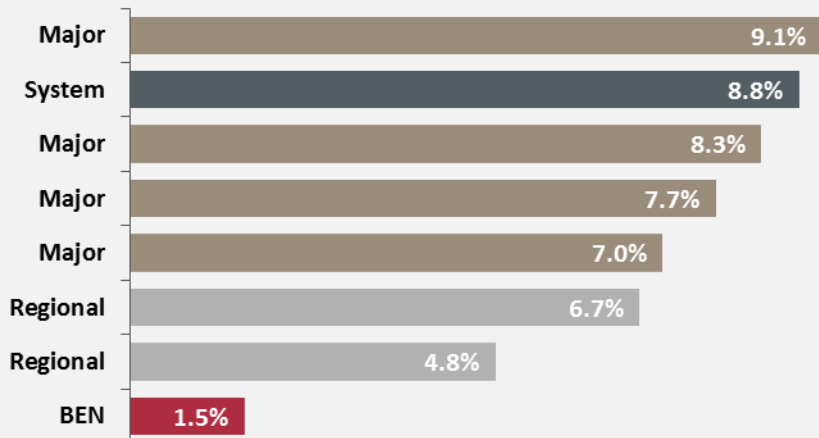
2. Movements on prior comparative period

3. Movements on prior half

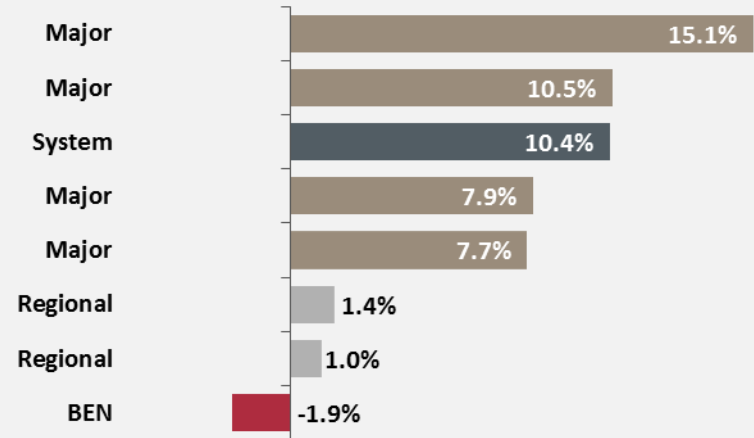
4. Cash basis

# Annual growth outcome

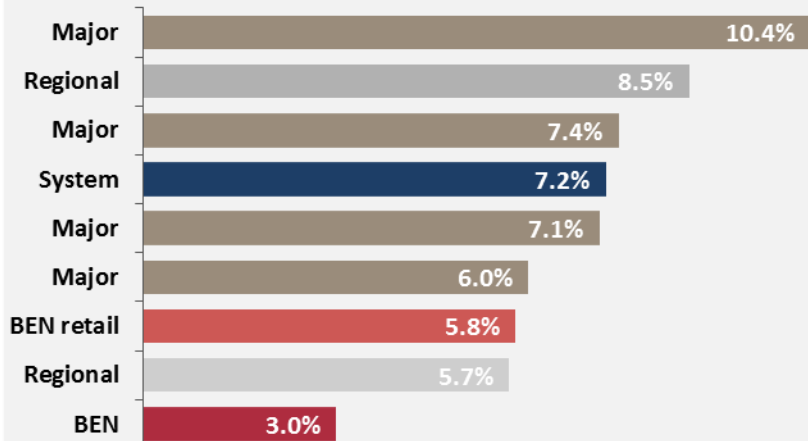
## Total lending growth<sup>1</sup>



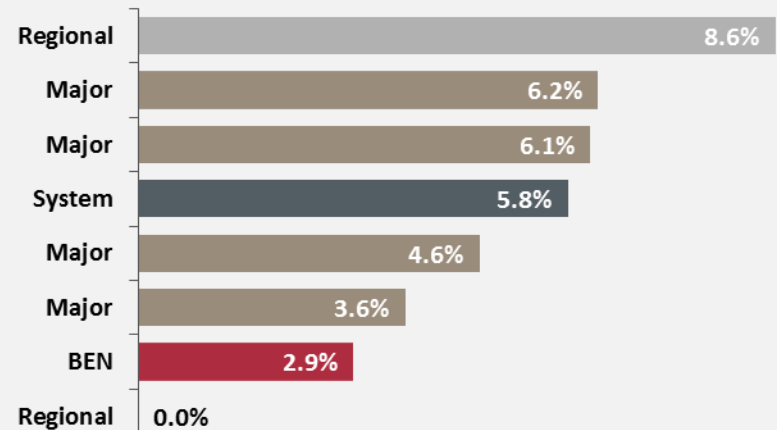
## Business lending growth<sup>1</sup>



## Housing lending growth<sup>1</sup>



## Total deposit growth<sup>1</sup>

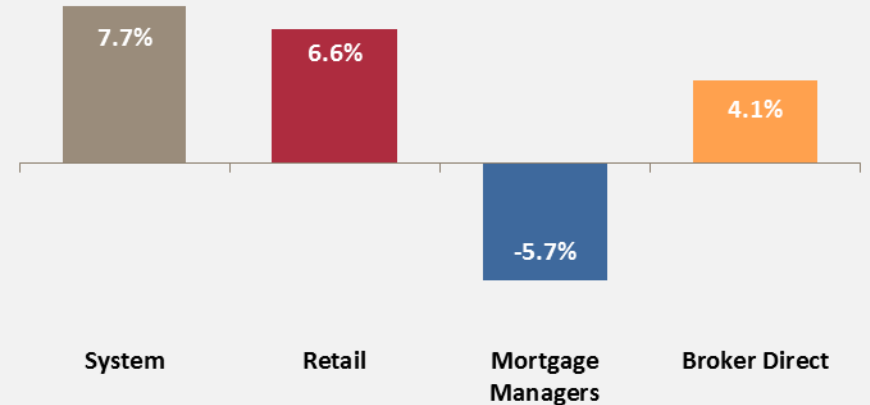


Source: Credit Suisse, APRA statistics Dec 2015  
 1. Data is based on 12 month growth, excludes RBL

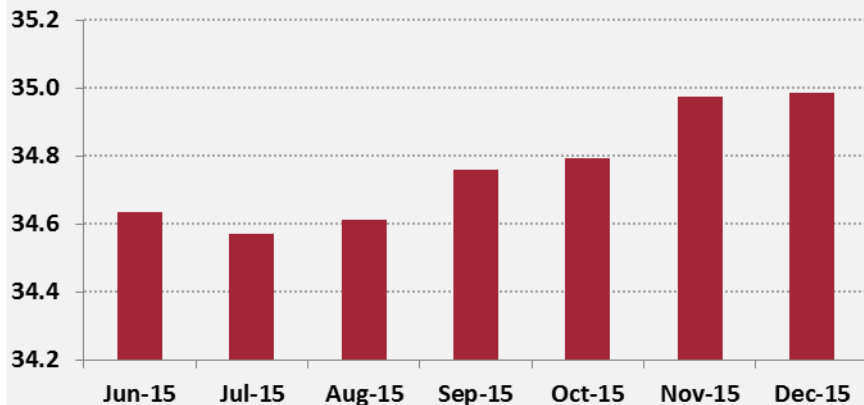
# Housing lending growth

- July 2015 APRA announcements have improved the competitive environment
- Partial levelling of the playing field is having a positive impact on recent growth rates
- Improved performance in Broker Direct channel follows relaunch of Adelaide Bank proposition
- Mortgage Managers growth impacted by run off in heritage Investec portfolio and highly competitive pricing

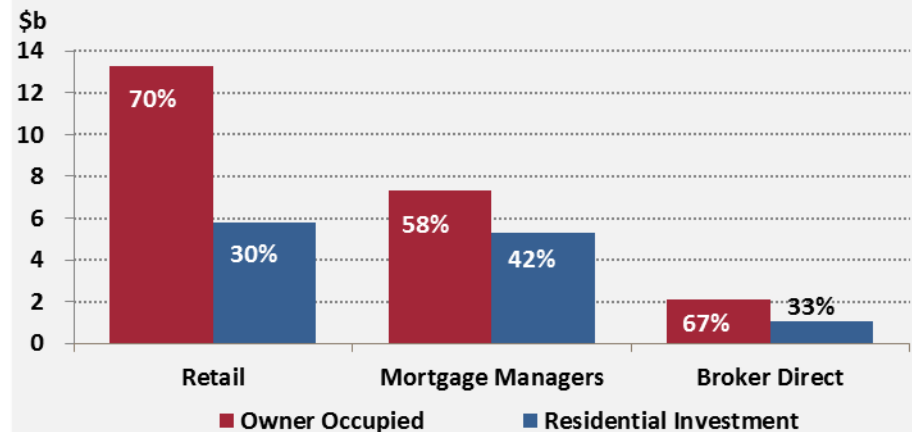
## Housing lending growth (three months)<sup>1</sup>



## Residential portfolio balance<sup>2</sup> (\$b)



## Residential portfolio by distribution channel



Source: Company data, Credit Suisse, APRA statistics Dec 2015

1. Growth is shown using 3 month annualised figures (Oct-15 to Dec-15)

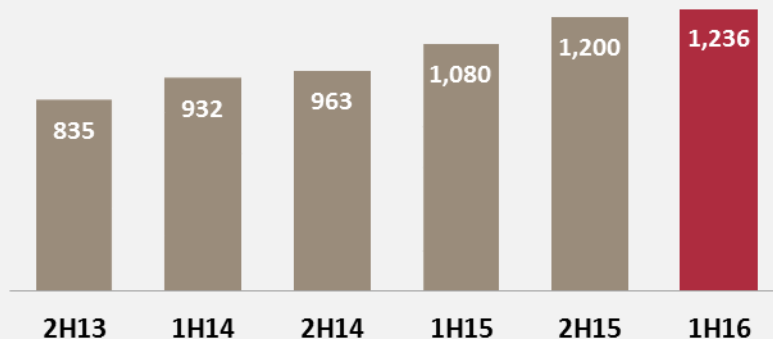
2. Based on APRA statistics (loans to households : owner occupied & investment and housing loans securitised)

## Overview

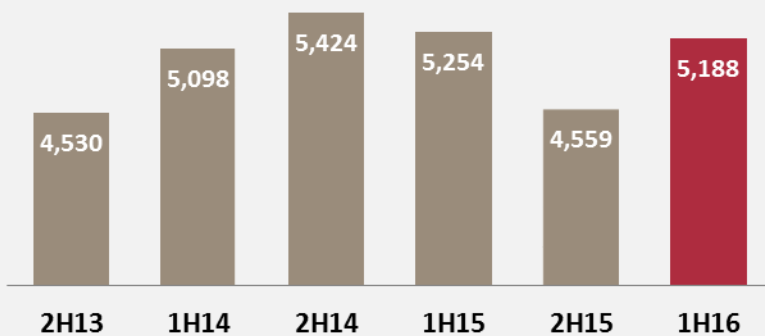
# Customer repayments remain strong

- Amortisation of back book continues to impact net loan growth but improves customer's financial position
- 14% increase in excess repayments since 1H15
- 12% growth in Offset portfolio since December 2014
- 43% of home loan customers are ahead of minimum repayments, with 31% of customers 3 or more repayments ahead <sup>1</sup>

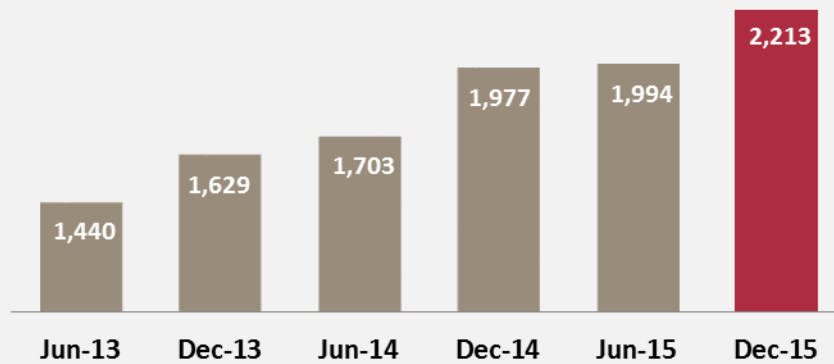
## Bendigo Bank (retail) excess repayments (\$m)



## Total residential loan approval (\$m)



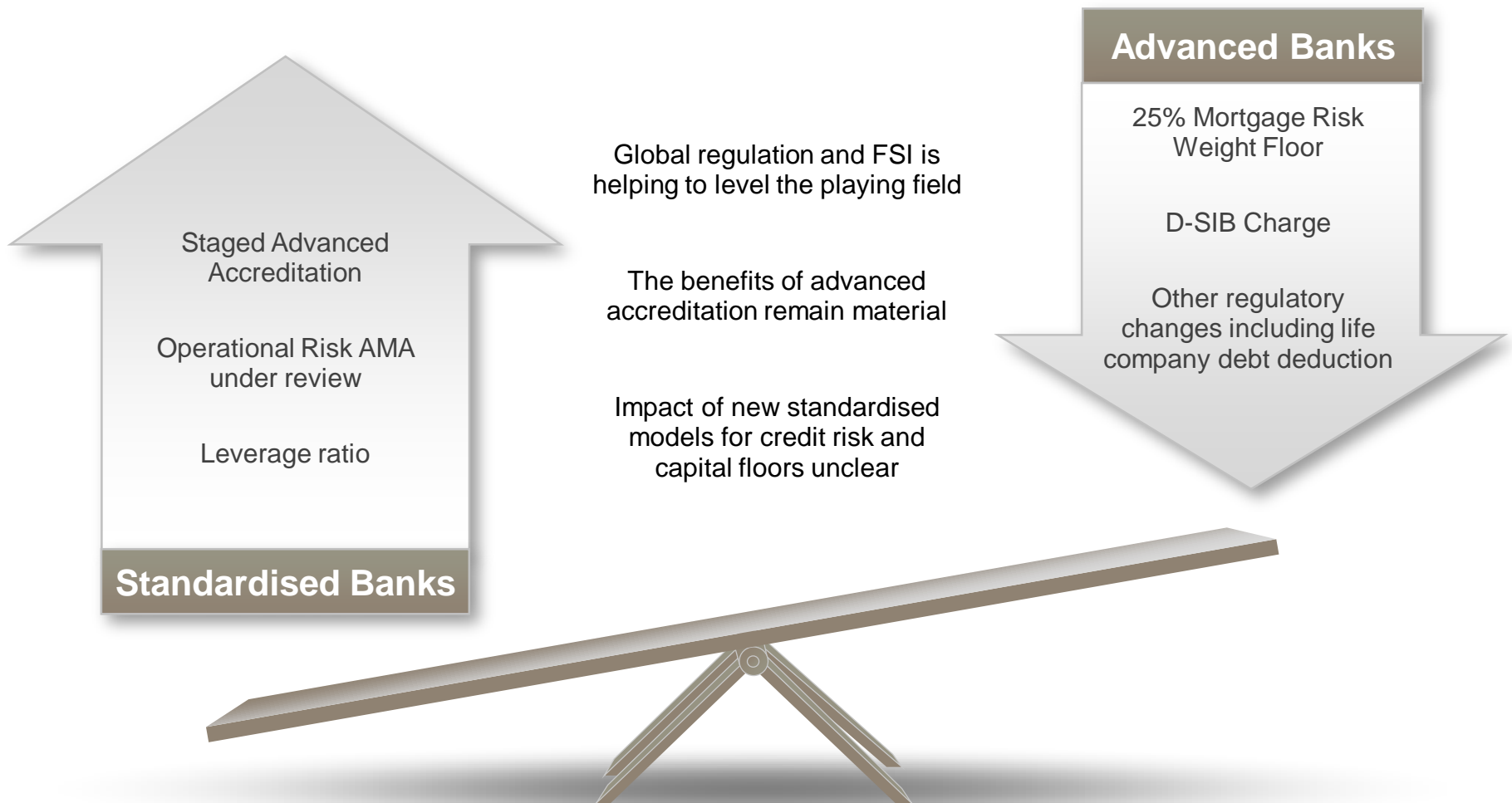
## Offset account portfolio (\$m)



1. Excludes amounts held in Offset facilities

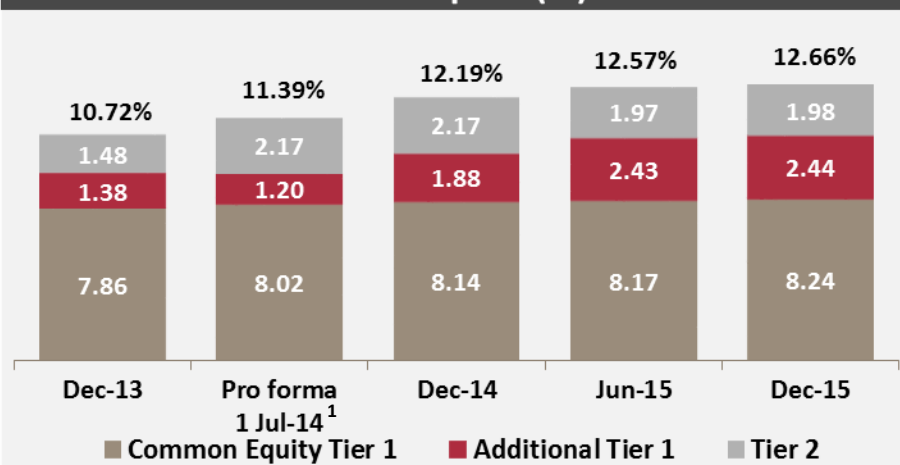


# Levelling the playing field

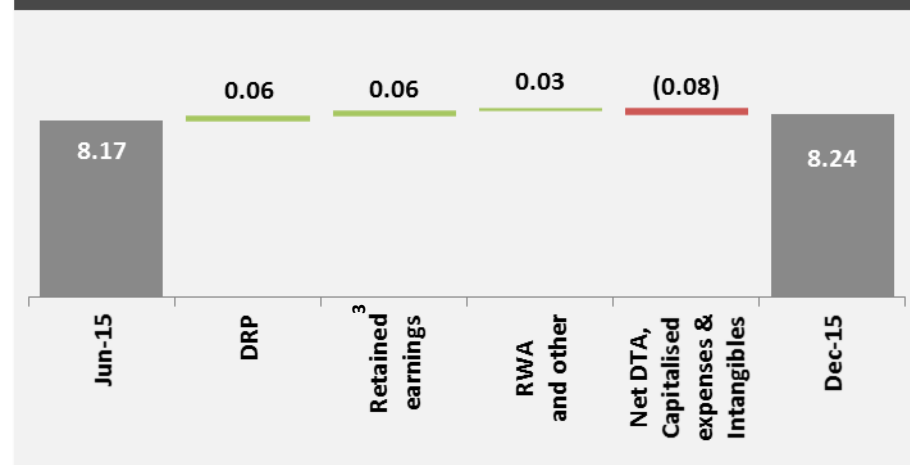


# Strong capital position

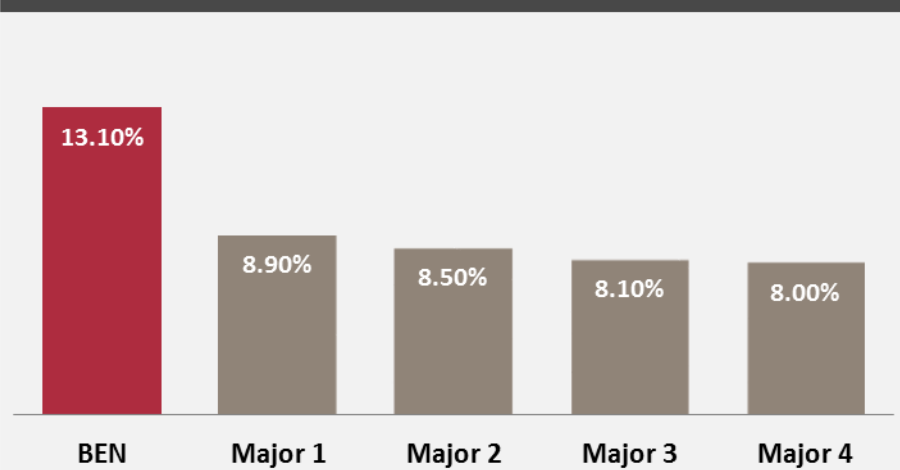
## Total capital (%)



## CET1 movement



## S&P RAC ratio<sup>2</sup>



## Group Economic Capital<sup>4</sup> (\$b)



## Group Regulatory Capital (\$b)



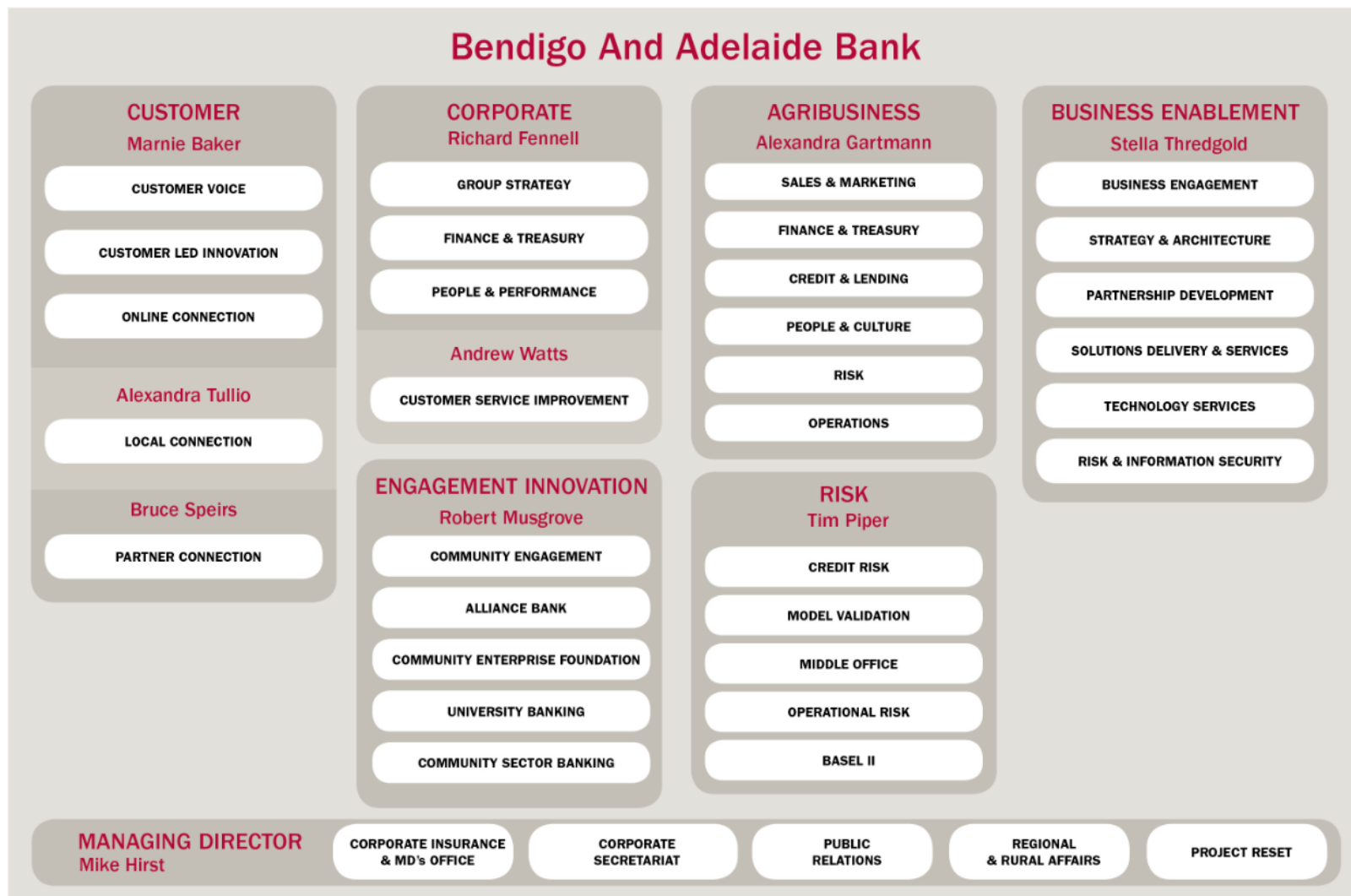
1. Shows pro-forma impact to capital adequacy ratios of the Rural Finance acquisition which was completed on 1 July 2014

2. S&P RAC ratio, Major 1, 2 & 3 as at 30 Sept 2015, Major 4 & BEN as at 30 June 2015

3. Unrealised Homesafe revaluation revenue excluded from increases in retained earnings was 10bps

4. Calculated using a combination of internal models and standardised measures

# Our organisation



# Unique and valued customer proposition

- ★ Business Bank of the year for four consecutive years (2011 – 2014)<sup>1</sup>
- ★ miBanker app won the 2015 Victoria iAwards for financial services
- ★ Best rated Australian financial institution on the Corporate Reputation index<sup>2</sup>
- ★ Bendigo SmartStart Super<sup>®</sup> awarded 5 star rating for outstanding value for 3 consecutive years<sup>3</sup>

**#1 in  
Customer  
Satisfaction<sup>5</sup>**

**#1 Business  
Bank<sup>1</sup>**

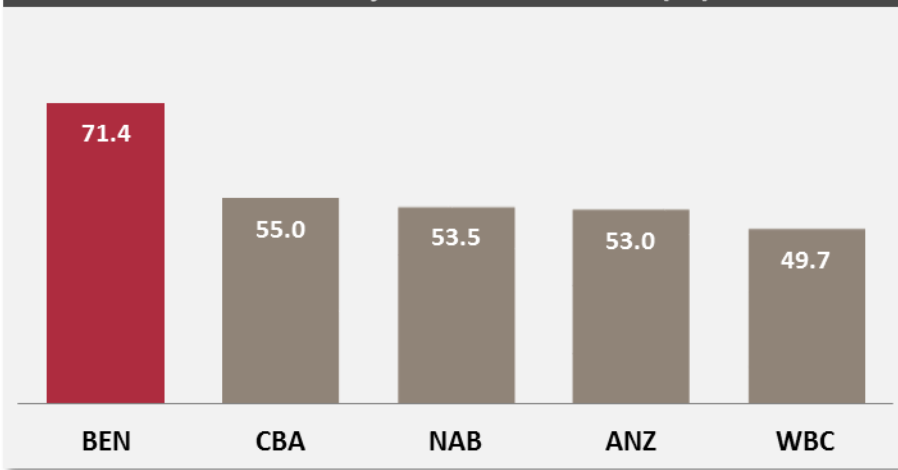
**Best  
Innovative  
Banking  
Product<sup>6</sup>**

**Best Credit  
Card<sup>7</sup>**

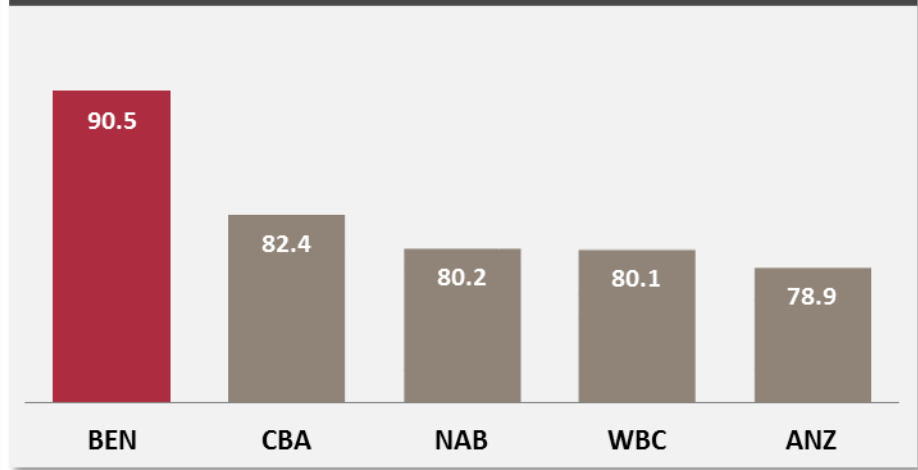
**Best Term  
Deposit<sup>7</sup>**

**Best Value  
Mobile Plan<sup>6</sup>**

**Most likely to recommend<sup>4</sup> (%)**



**Retail customer satisfaction<sup>5</sup> (%)**



1. Roy Morgan – Business Bank of the year (2011-2014)

2. AMR research consultancy

3. Canstar

4. Roy Morgan Research, High Advocate Main Financial Institution customers, 6 months to Dec 2015

5. Roy Morgan Research, Consumer Banking Customer Satisfaction Report, 6 months to Dec 2015 (excludes mutual banks)

6. Money magazine's 2016 Best of the Best awards (Most Innovative Banking Product, Best Value Mobile Plan)

7. Mozo people's choice awards 2015

Richard Fennell

---

Chief Financial Officer

# At a glance

	1H16	2H15	1H15	Change 1H16 vs 2H15	Change 1H16 vs 1H15
<b>Cash earnings</b>	<b>\$223.7m</b>	<b>\$214.5m</b>	<b>\$217.9m</b>	<b>4.3%</b>	<b>2.7%</b>
Statutory NPAT	\$208.7m	\$196.6m	\$227.3m	6.2%	(8.2%)
Cash EPS	48.9¢	47.1¢	48.1¢	3.8%	1.7%
Net interest margin	2.16%	2.17%	2.24%	(1 bps)	(8 bps)
Expense to income ratio	55.6%	54.9%	55.6%	70 bps	-
Expense to average assets	1.30%	1.29%	1.32%	1 bps	(2 bps)
Return on tangible equity <sup>1</sup>	13.15%	13.14%	13.42%	1 bps	(27 bps)
Return on equity <sup>1</sup>	9.10%	9.00%	9.18%	10 bps	(8 bps)
Dividend per share	34.0	33.0	33.0	3.0%	3.0%

Balance sheet	1H16	Change 1H16 vs 2H15	Change 1H16 vs 1H15	Capital and funding	1H16	Change 1H16 vs 2H15	Change 1H16 vs 1H15
Total assets	\$65.7b	(0.5%)	0.5%	CET1 capital	8.24%	7 bps	10 bps
Total liabilities	\$60.7b	(0.7%)	0.4%	Total capital	12.66%	9 bps	47 bps
RWA's	\$34.5b	(0.5%)	-	Deposit funding	81.4%	230 bps	330 bps

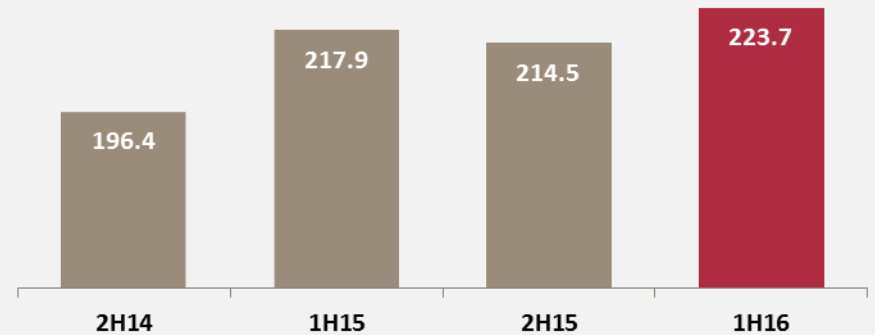
1: Cash earnings basis

## Financial performance

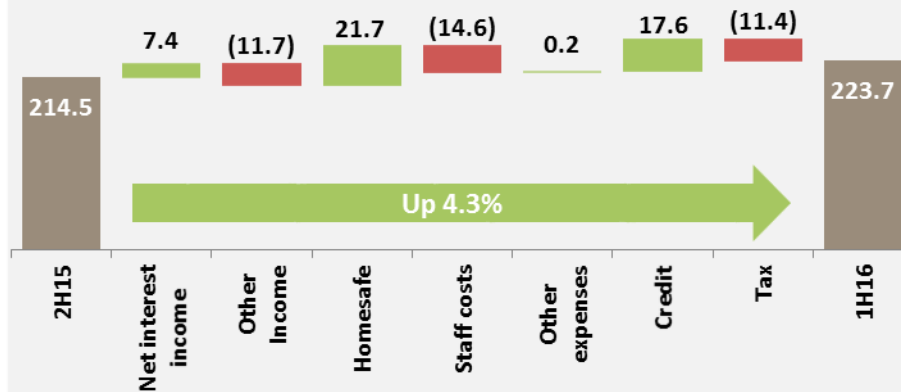
# Cash earnings growth

- Margin performance improved over the half
- Homesafe portfolio providing earnings diversification
- Costs continue to be well managed
- Improved underlying credit performance

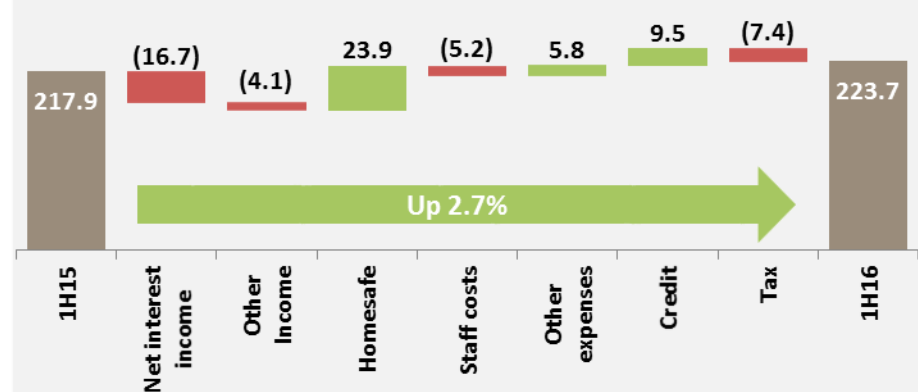
Cash earnings (\$m)



Cash earnings 1H16 - 2H15 (\$m)



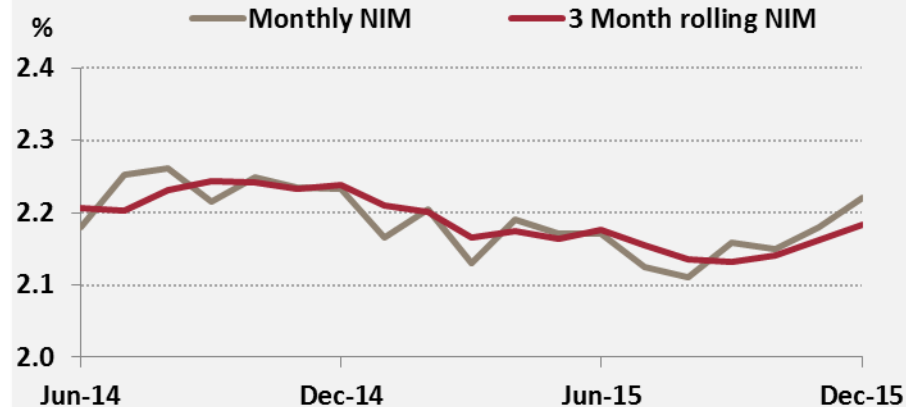
Cash earnings 1H16 - 1H15 (\$m)



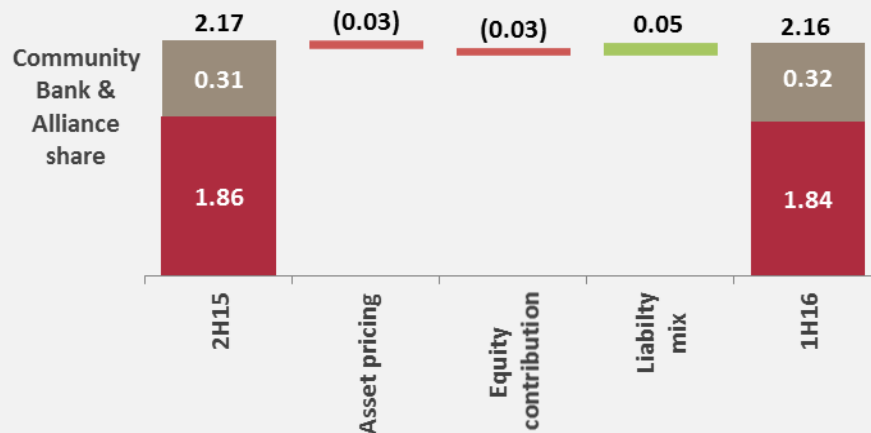
# Net interest margin

- NIM pressure in first 2 months reflects competitive lending environment
- Asset pricing impact due to competition and customer preference for fixed rates, partially offset by variable lending portfolio repricing
- Positive impact of flows into call deposits was partially offset by reduced contribution from net equity

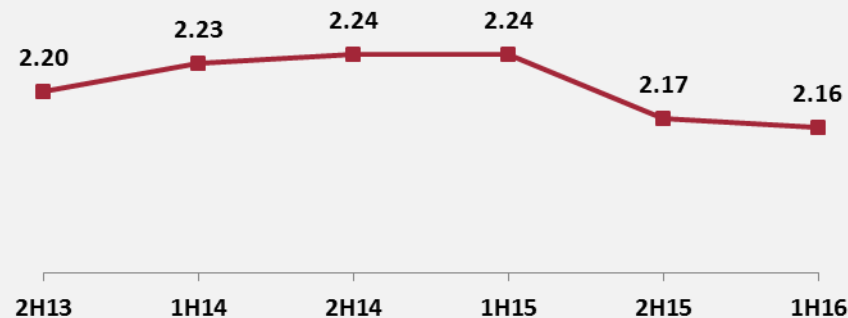
## NIM monthly movement



## Net interest margin movement (%)



## Net interest margin (%)

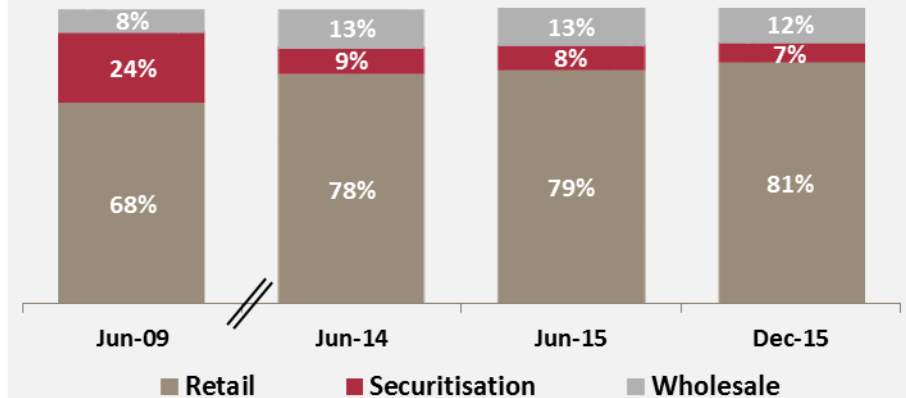




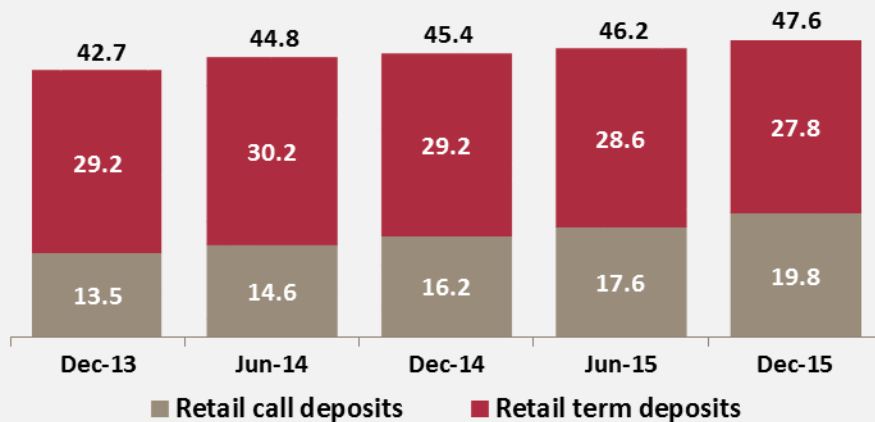
# Strong funding position

- Leveraging core strengths of the retail brand and distribution network
- Strong growth in retail at call continues across a range of deposit products
- Basel III liquidity transition successfully completed
- Average LCR of 118% for 1H16
- LCR of 117% at 31 December 2015

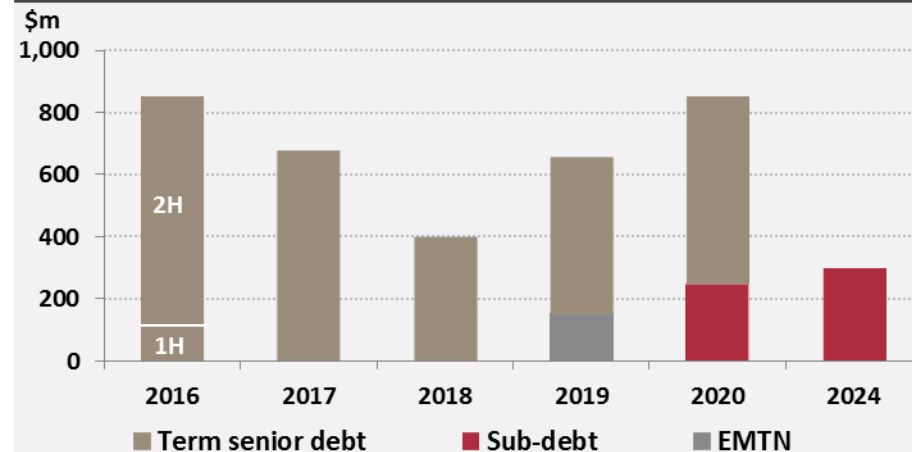
## Historical funding mix



## Retail deposit balances (\$bn)



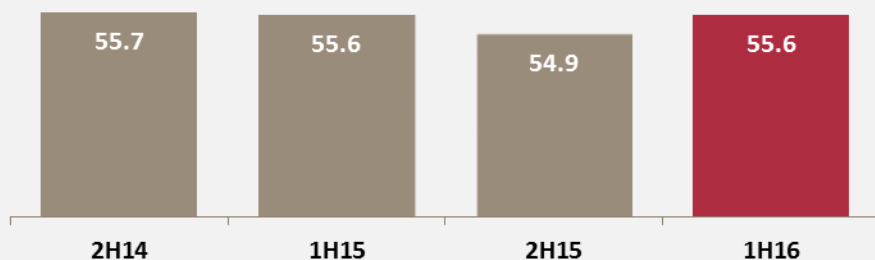
## Term funding maturity profile



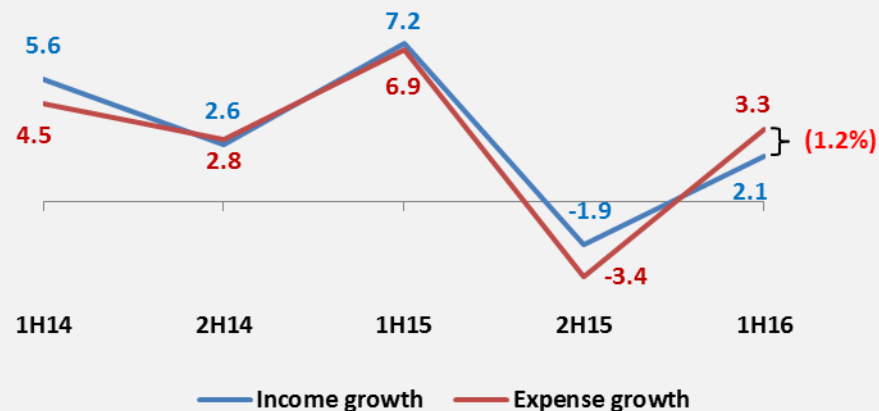
## Financial performance

# Focus on efficiency

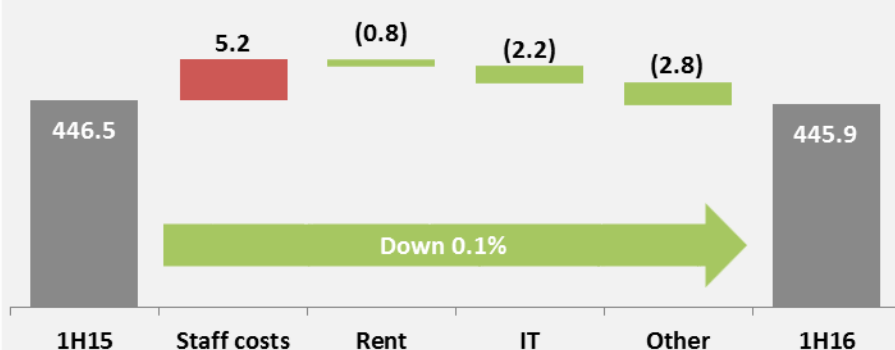
## Expense to income ratio (%)



## Jaws momentum (%)



## Operating expenses (\$m)

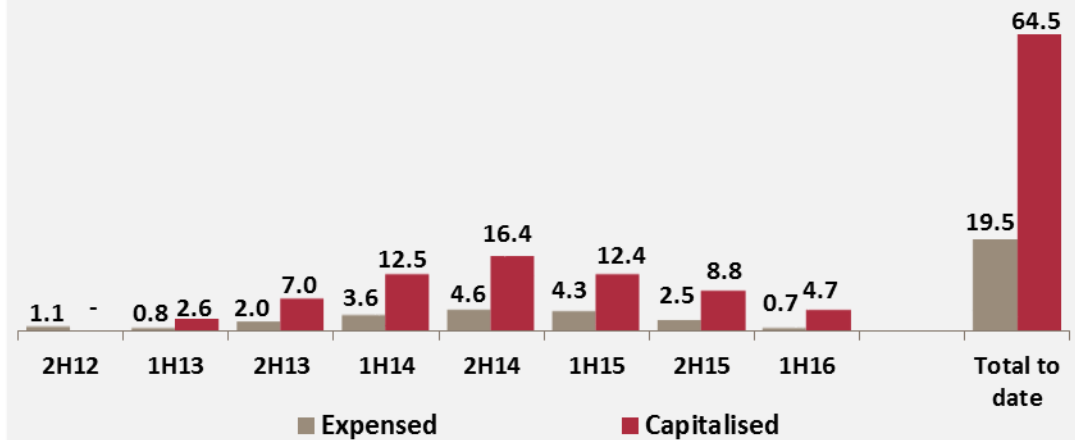


- Expense impacts
  - Project Reset established
  - Wage inflation approximately 3%
  - FTE lower by 39 FTE half-on-half

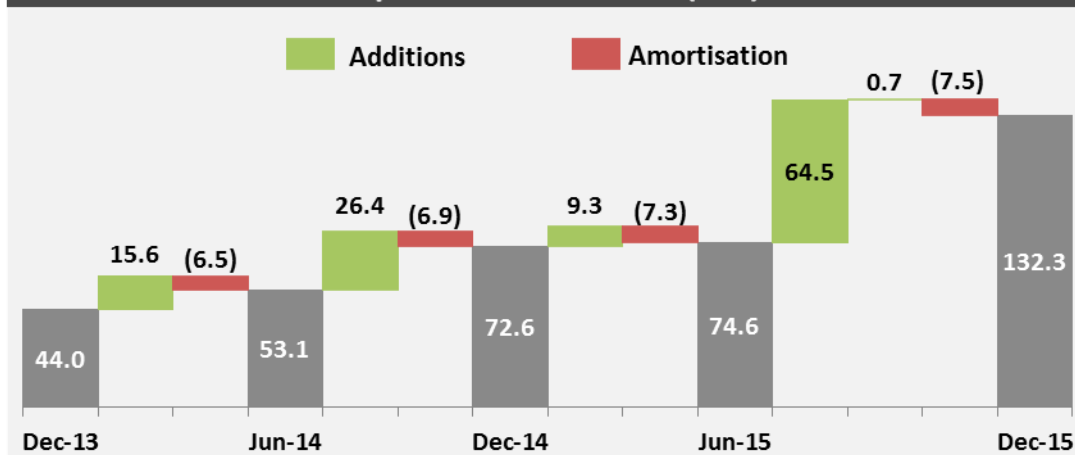
# Basel II & technology investment

- Enhancements to data, decision making processes and risk and return measurements improving how we serve our customers
- Actively engaging with APRA
- APRA have taken up the FSI recommendation by permitting ADI's to obtain partial accreditation and removing the requirement for operational risk accreditation
- Amortisation of \$64.5m of Basel II capitalised costs initiated
- Investment in advanced accreditation capabilities actively being used

## Basel II - project to date (\$m)

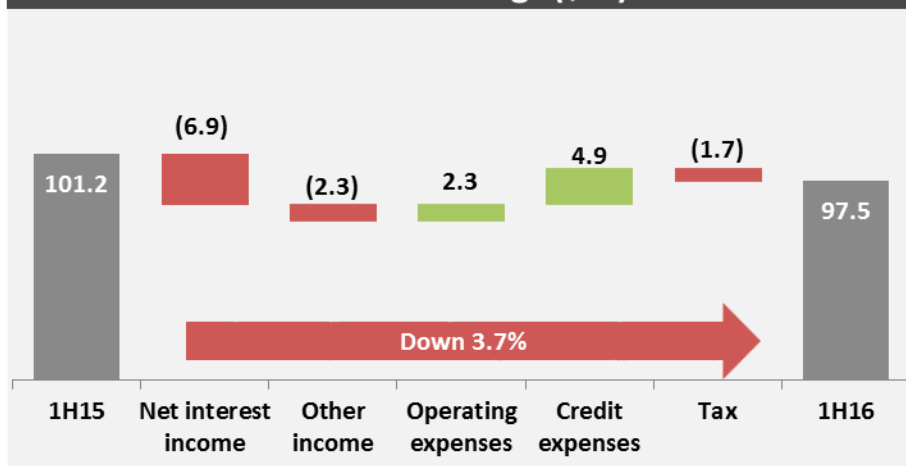


## Capitalised software (\$m)

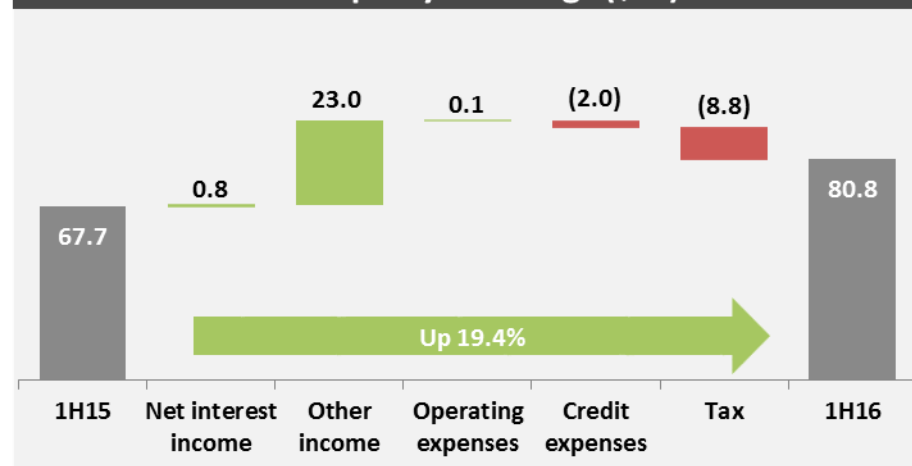


# Business segment performance

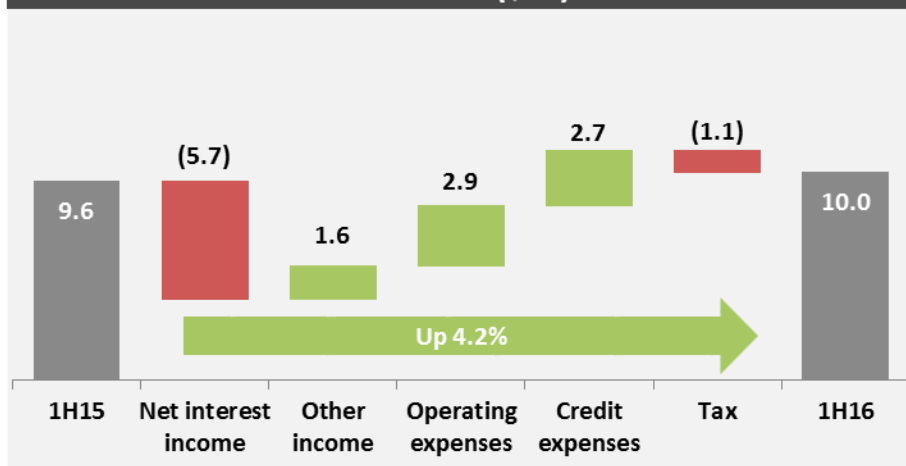
## Retail banking<sup>1</sup> (\$m)



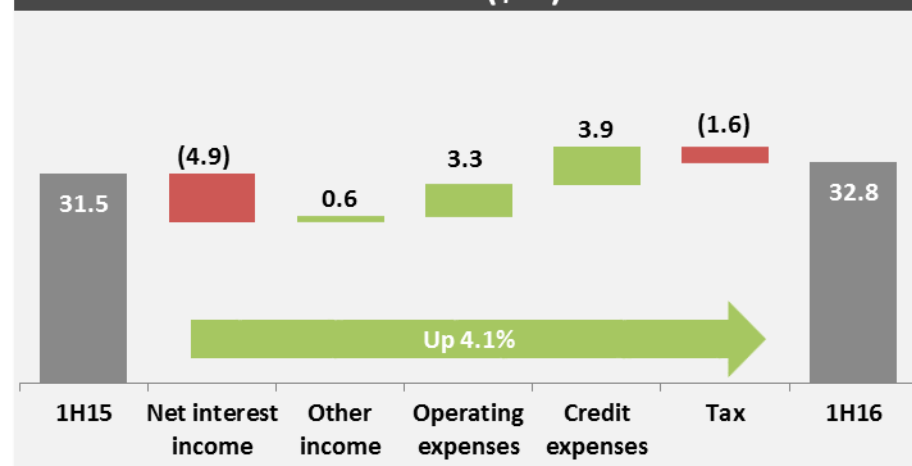
## Third party banking<sup>1</sup> (\$m)



## Wealth<sup>1</sup> (\$m)



## Rural<sup>1</sup> (\$m)

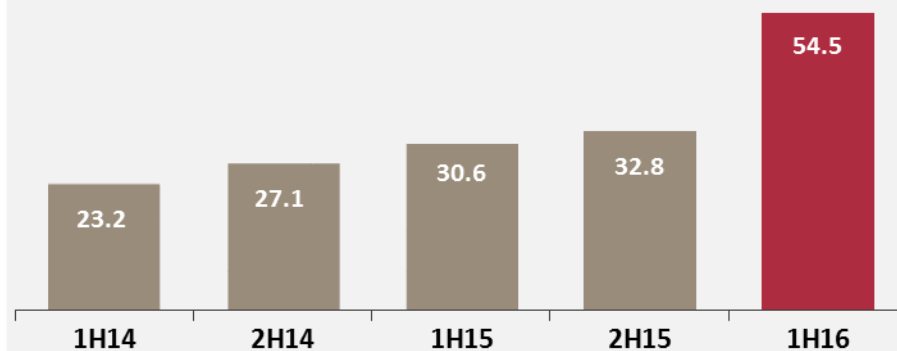


1. Graphs refer to segment results (cash basis) beginning on p39 in the 4D, excludes central functions.

# Homesafe investment property portfolio

- Asset growth driven by:
  - New business (properties acquired)
  - Portfolio revaluation (income contribution)
    - Change in property prices – Residex index increase for 6 months<sup>1</sup>;
      - Melbourne +9.4% (60% of portfolio)
      - Sydney +11.0% (40% of portfolio)
      - 30 June 2015 revaluation +\$13m
    - Ageing of portfolio
- Average annual return on completed contracts since inception 9.0%, pre funding costs
- An additional \$20m has been placed in an overlay, taking the total overlay on the value of the portfolio to \$30m
- This total overlay reflects an assumed 3% increase in property prices for the next 24 months before returning to a long term growth rate of 6%

## Homesafe income contribution (\$m)



	FY14 (\$m)	FY15 (\$m)	1H16 (\$m)
Profit on sale	\$0.5	\$1.0	\$1.1
Discount	\$12.6	\$15.6	\$8.1
Property revaluation	\$44.6	\$48.8	\$52.3
Prior period revaluation	-\$2.4	\$3.0	\$13.0
Portfolio overlay	-\$5.0	-\$5.0	-\$20.0
<b>Total income contribution</b>	<b>\$50.3</b>	<b>\$63.4</b>	<b>\$54.5</b>

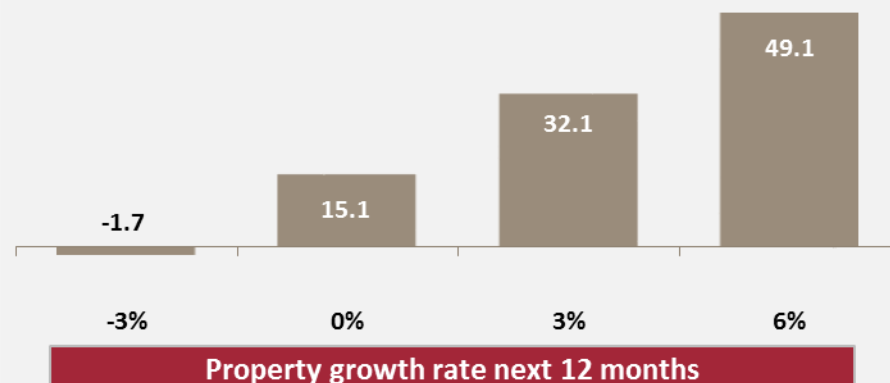
1. 6 months June 2015 – November 2015

# Homesafe investment property portfolio

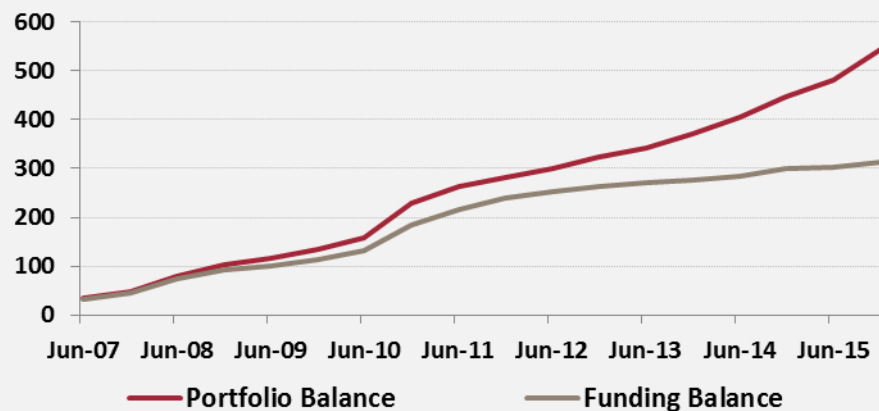
Property growth rate (12months)

	-3%	0%	3%	6%
Income Contribution (Discount + Property Revaluation) (\$m)	-\$1.7	\$15.1	\$32.1	\$49.1

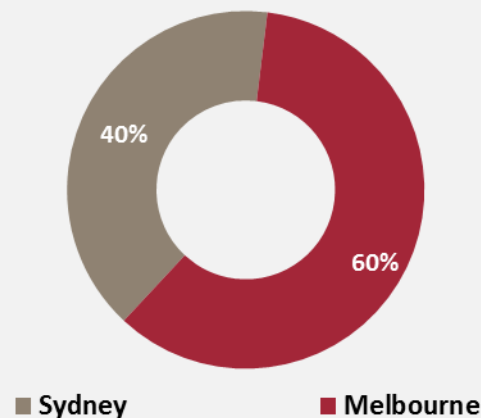
Homesafe income sensitivity for 12 months (\$m)



Homesafe portfolio & funding balance (\$m)



Homesafe portfolio distribution

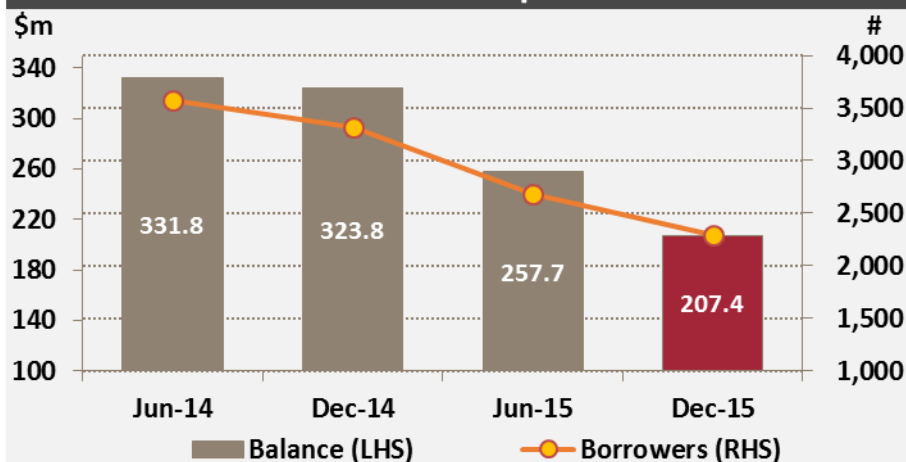


Note – Income contribution sensitivities based on portfolio balance as at 31-Dec-15 with no new or completed contracts over the 12 months

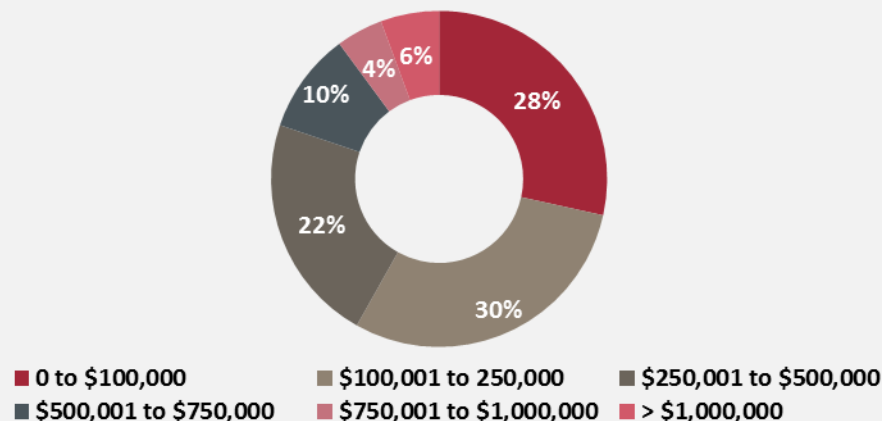
# Great Southern paying down as expected

- Total loans net of specific provisions has reduced by 36%, from \$323.8m to \$207.4m since 31 December 2014
- Specific and collective provisions at December 2015 were \$13.6m and \$25.3m respectively
- Total borrowers:
  - 3,321 at December 2014
  - 2,295 at December 2015

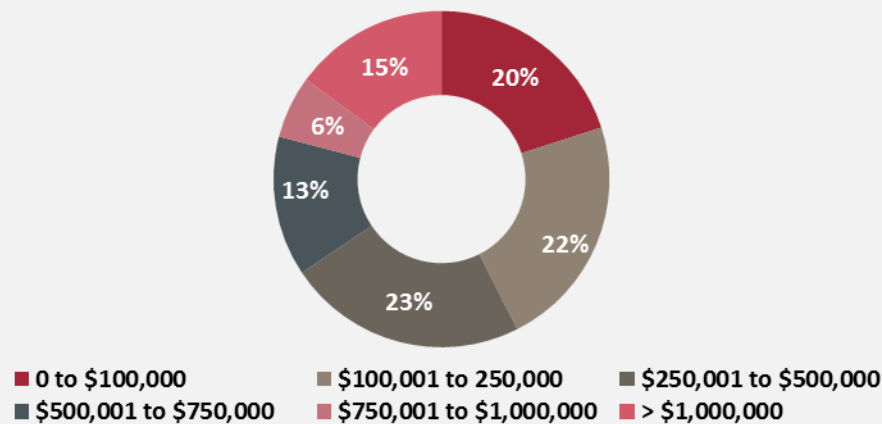
Great Southern portfolio



Loan size distribution<sup>1</sup>



Obligor exposure<sup>1</sup>

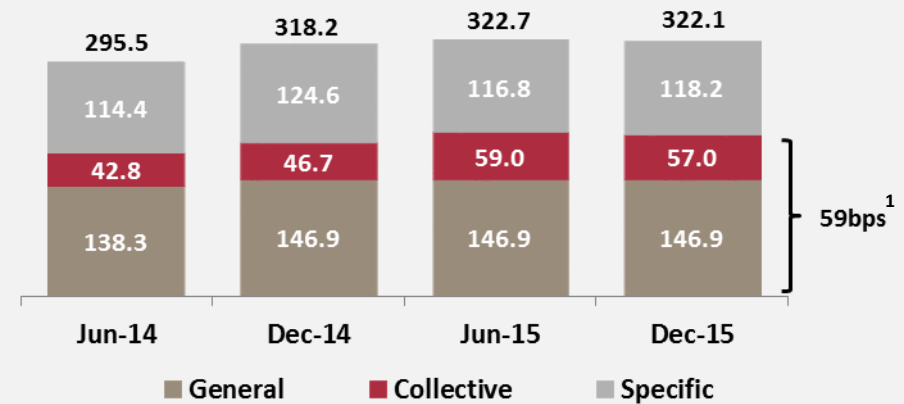


1 - Data as at 31 December 2015

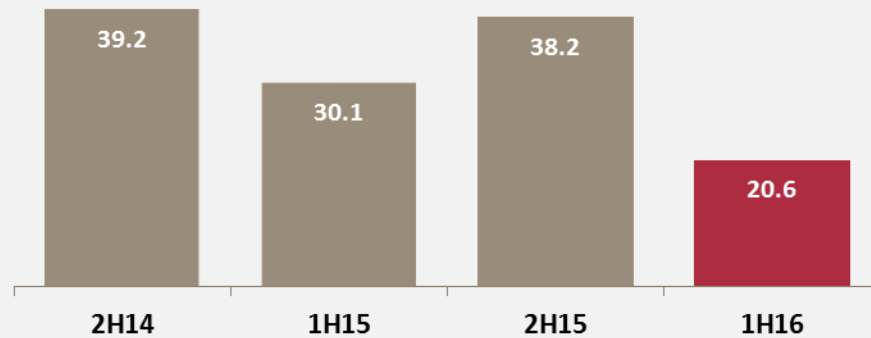
# Bad and doubtful debts

- Bad and doubtful debts charge of \$20.6 million, down 32% from 1H15 and down 46% from 2H15
- Portfolio remains well secured, with low LVR's

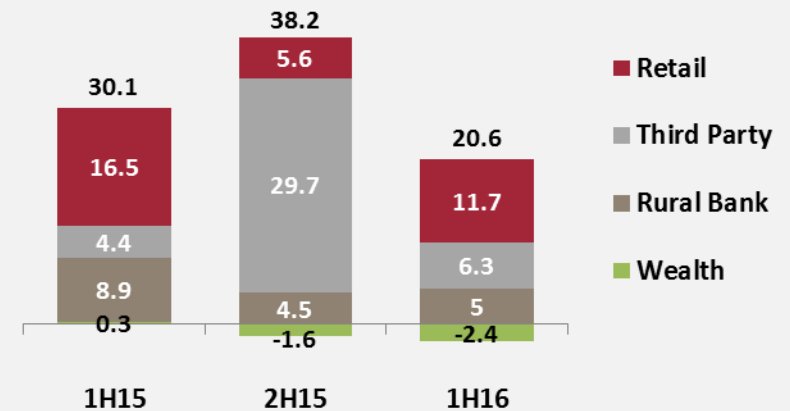
## Provisions for doubtful debts (\$m)



## Bad and doubtful debts expense (\$m)



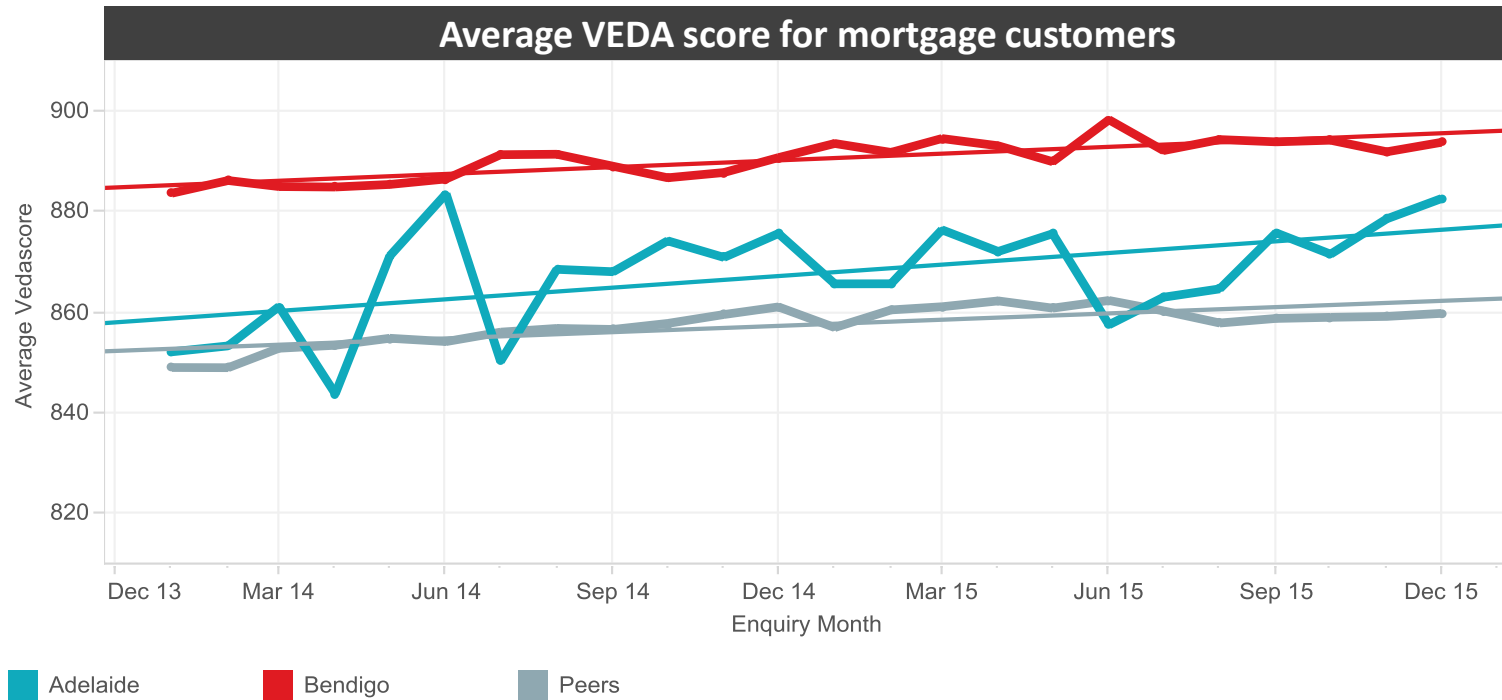
## Bad and doubtful debts composition (\$m)



1. Collective provision (adjusted for tax) & GRCL to risk weighted assets



# High quality mortgage customers



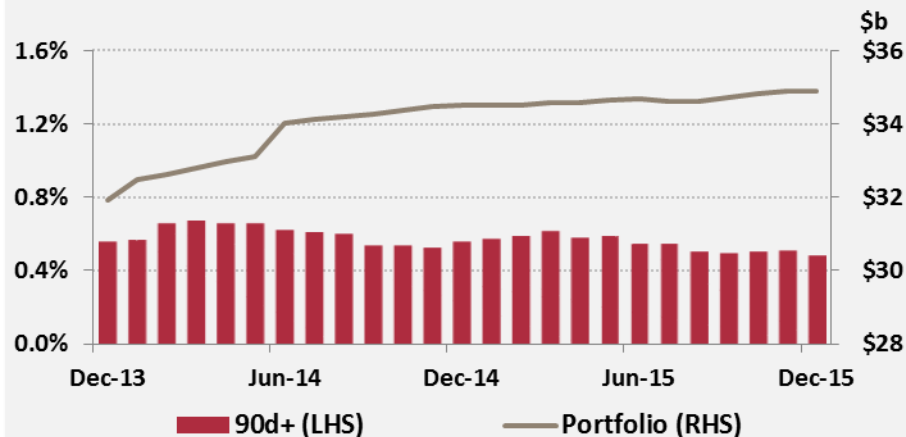
Source VEDA

## Financial performance

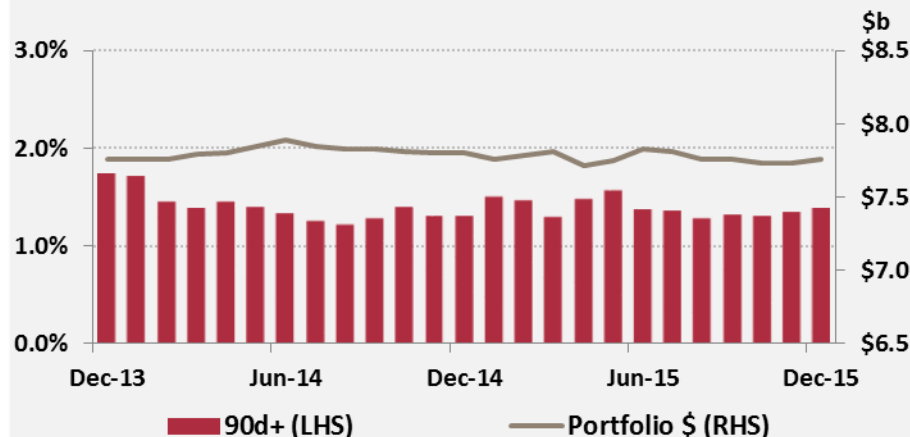


# Arrears – 90 days+

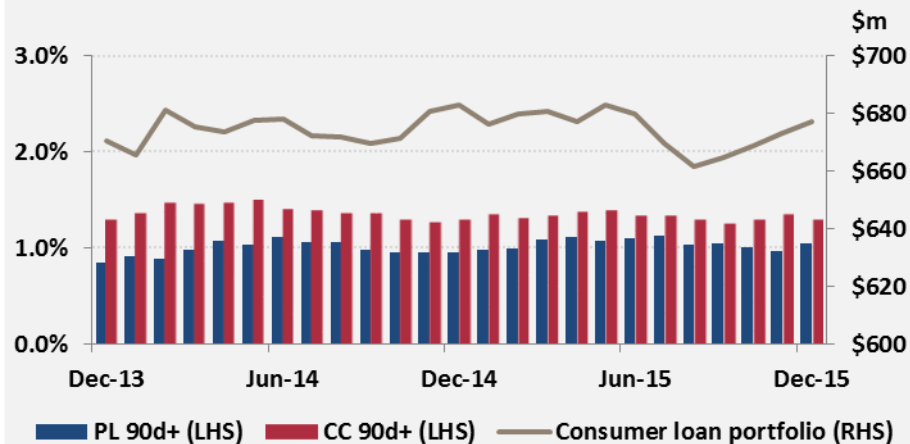
## Residential Loan Arrears



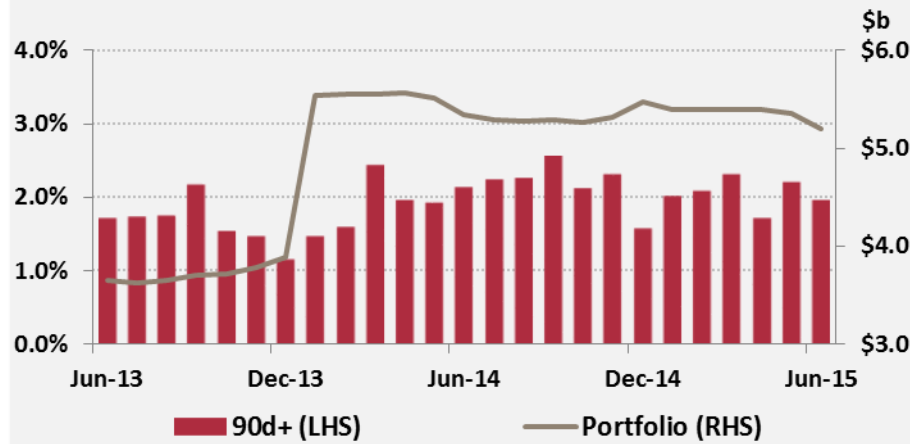
## Business Loan Arrears



## Consumer Loan Arrears



## Rural Loan Arrears



Mike Hirst

---

Group Managing Director

## Summary and outlook

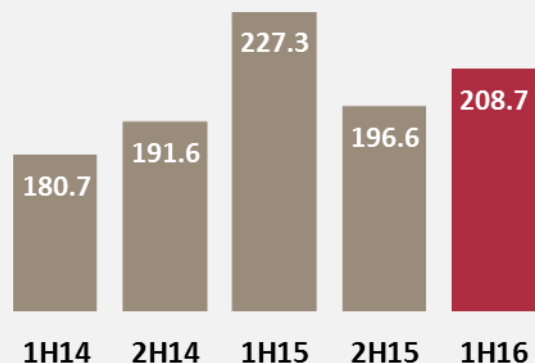
- 1 Competition barriers falling
- 2 Market leading value proposition
- 3 Significant investments coming on stream
- 4 Well placed for current market conditions
- 5 Strong capital position
- 6 Strong credit position
- 7 Strong funding position



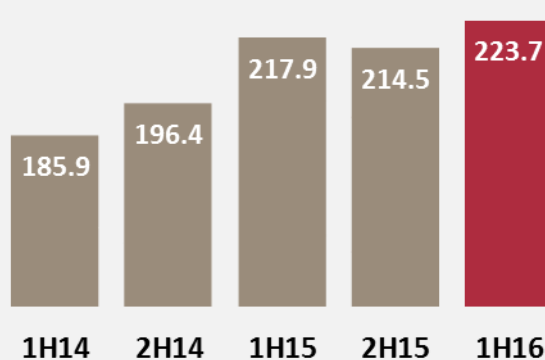


# Positive earnings progression

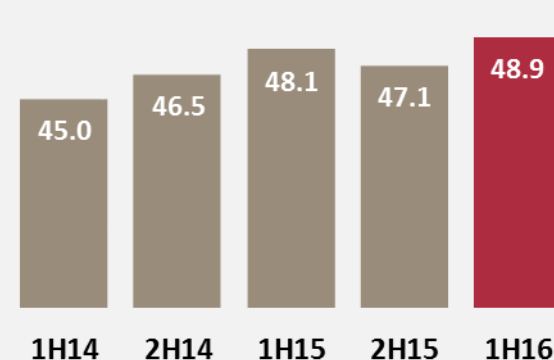
## Statutory profit (\$m)



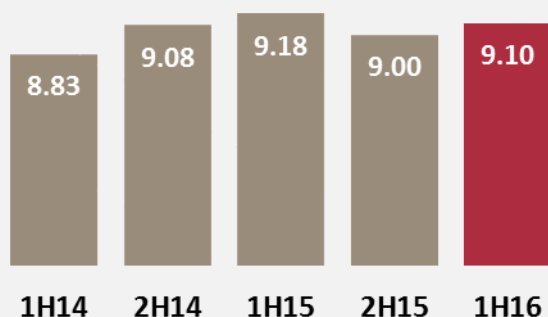
## Cash earnings (\$m)



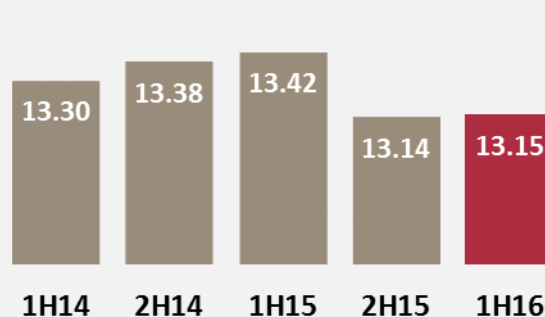
## Cash earnings per share (cents)



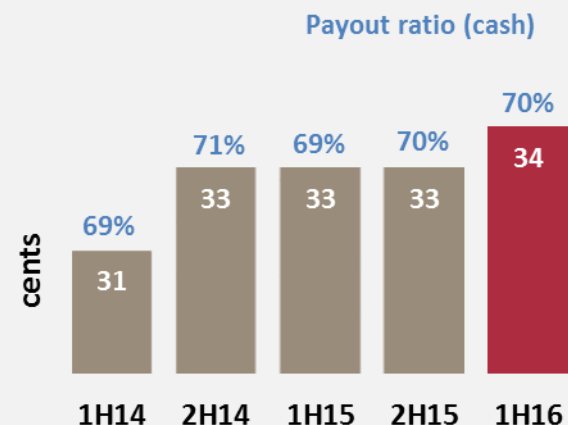
## Return on equity (%)









## Return on tangible equity (%)



## Dividend per share (cents)













# A portfolio of diverse businesses

Business	Segment	
	Domestic bank operating seven distinct brands	<ul style="list-style-type: none"> <li>• Challenges through continued regulatory change</li> <li>• Unique community, customer, and partner proposition</li> </ul>
	Consumer and SME banking	<ul style="list-style-type: none"> <li>• #1 banking brand for customer and business satisfaction, and advocacy</li> <li>• Unique business model – positioned for growth through business cycle</li> <li>• Valued and unique customer proposition</li> </ul>
	Third party channel	<ul style="list-style-type: none"> <li>• Independent brand</li> <li>• Continue to upgrade key systems</li> <li>• Origination channel of choice for many consumers</li> </ul>
	Margin lending, wealth management, superannuation	<ul style="list-style-type: none"> <li>• Independent provider of choice in select products</li> <li>• Investment in IT and distribution capability</li> <li>• Margin lending positioned for growth</li> </ul>
	Agri-business banking	<ul style="list-style-type: none"> <li>• Growing brand and distribution</li> <li>• Long-term prospects for agricultural services strong</li> <li>• Expansion of capability and customer base through RFC acquisition</li> </ul>
	Consumer and SME banking for Hellenic communities	<ul style="list-style-type: none"> <li>• Strategic fit with BEN business model</li> <li>• Solid loan growth and deposit retention</li> </ul>



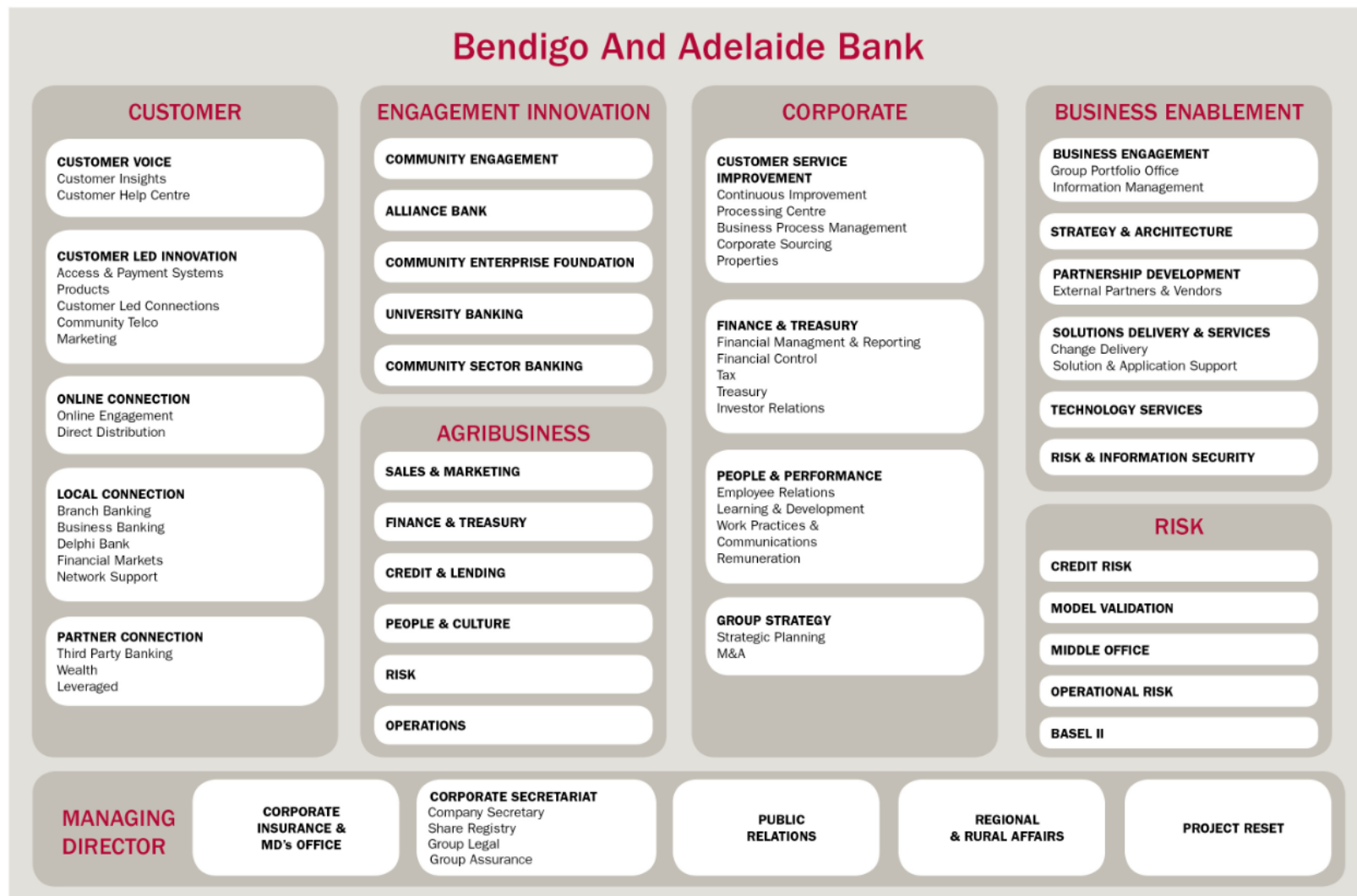
# Executive team

<b>Mike Hirst</b>  Managing Director	<b>Richard Fennell</b>  Chief Financial Officer and Executive, Corporate	<b>Mamie Baker</b>  Chief Customer Officer	<b>Tim Piper</b>  Chief Risk Officer	<b>Alexandra Gartmann</b>  Managing Director and Chief Executive Officer, Rural Bank
<b>Stella Thredgold</b>  Executive, Business Enablement	<b>Robert Musgrove</b>  Executive, Engagement Innovation	<b>Alexandra Tullio</b>  Executive, Local Connection	<b>Bruce Speirs</b>  Executive, Partner Connection	<b>Andrew Watts</b>  Executive, Customer Service Improvement

## New Executive team members

- Alexandra Gartmann joined the Bendigo and Adelaide Bank Group as Rural Bank Chief Executive Officer in October 2015, having been a member of the Board since November 2014. Before joining Rural Bank, Alexandra was CEO of the Foundation for Rural and Regional Renewal (FRRR), a charitable foundation based on a partnership between philanthropy, community, government and business supporting the economic prosperity of rural, regional and remote communities across Australia. Prior to this, Alexandra held the position of CEO of the Birchip Cropping Group for 10 years — an agricultural research organisation based in the Mallee Wimmera region. She was previously a member of the Board of the Rural Finance Corporation of Victoria. Alexandra is Chair of the CSIRO Agriculture Flagship Advisory Council, a member of the Prime Minister's Community Business Partnership and the Victorian Agriculture Advisory Council.
- Bruce Speirs joined the Bank in 2004 and has held a number of senior positions including Head of Products, General Manager Managed Funds, Head of Financial Management and Reporting. Most recently, Bruce held the role of Chief Financial Officer of the Group's wholly owned subsidiary Rural Bank before becoming Executive, Partner Connection in 2015. Prior to his appointment at Bendigo and Adelaide Bank, Bruce worked for Ernst & Young for 9 years in Australia, the United Kingdom and the United States

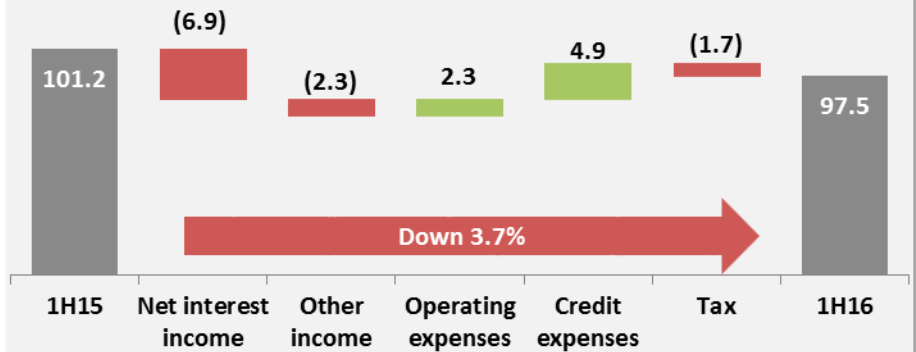
# Our organisation



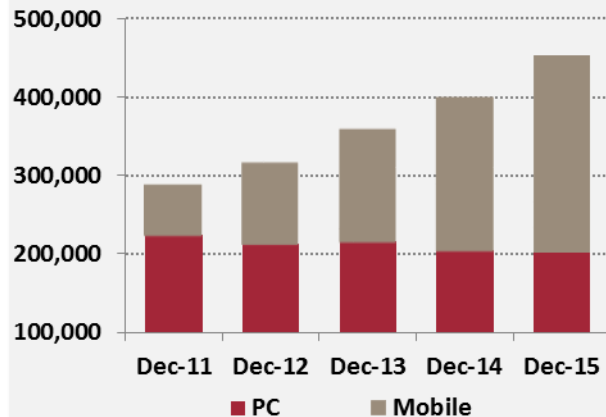
# Retail banking

- Leading Consumer and Business satisfaction ratings
- Strong focus on Customer strategy execution
- Highly competitive lending market
- Low cost deposits yield impacted by RBA cash rate reductions in 2H15
- Continued strong growth with in excess of \$1bn into EasySaver product within 15 months of launch

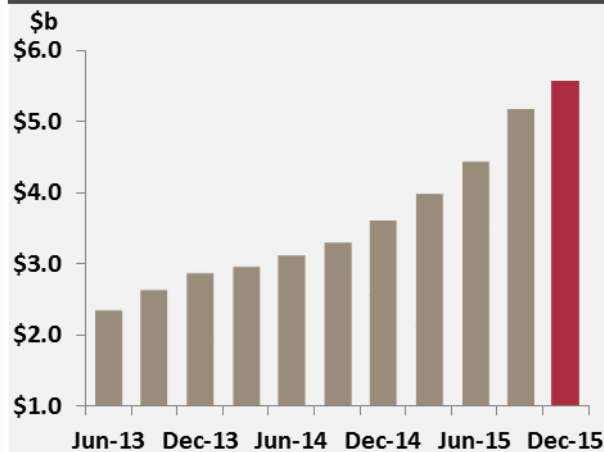
## Retail banking<sup>1</sup> (\$m)



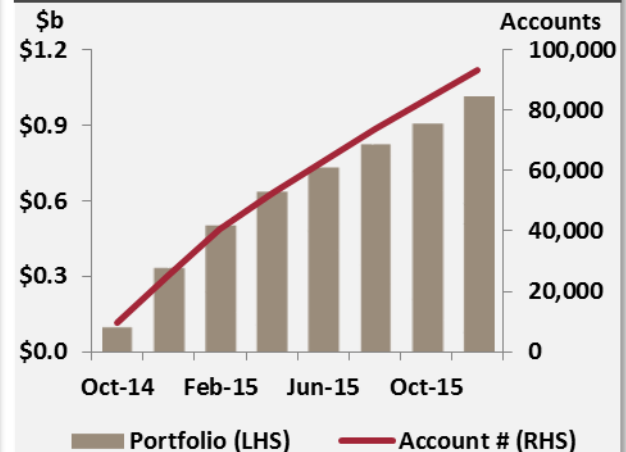
## E-banking active users growing



## Retirement account portfolio



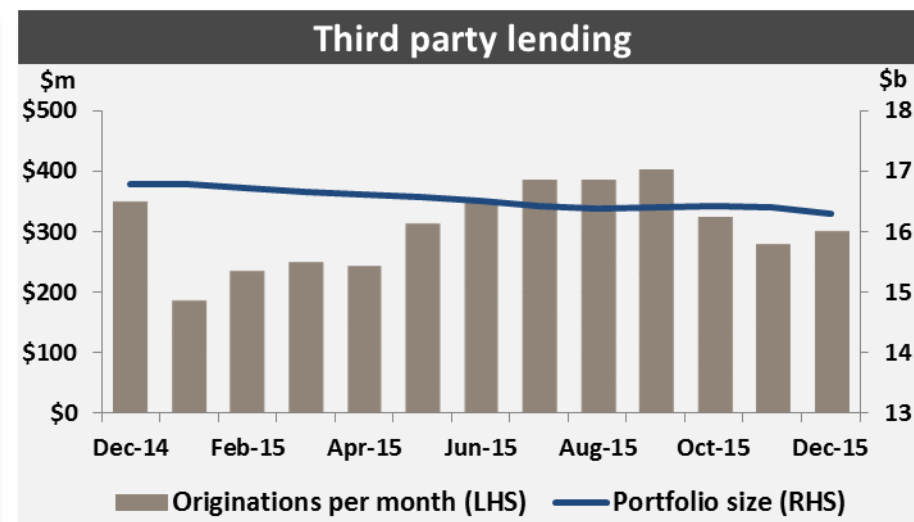
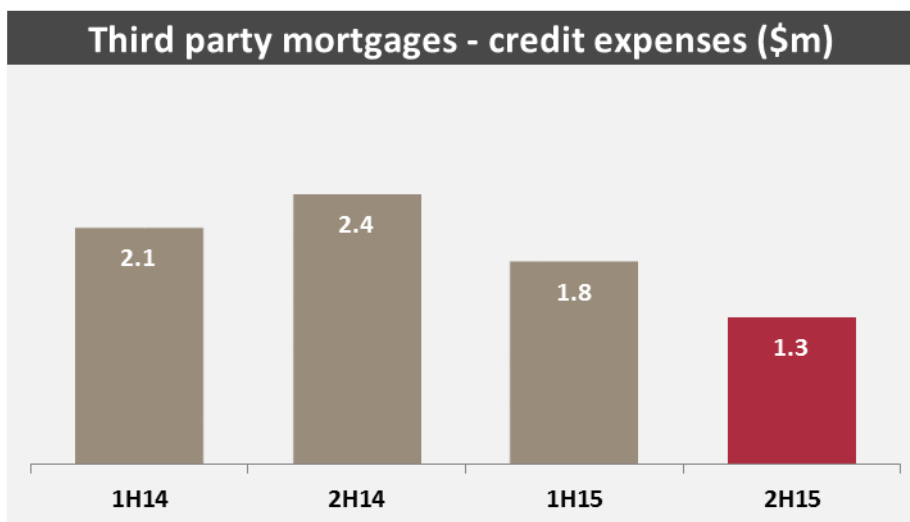
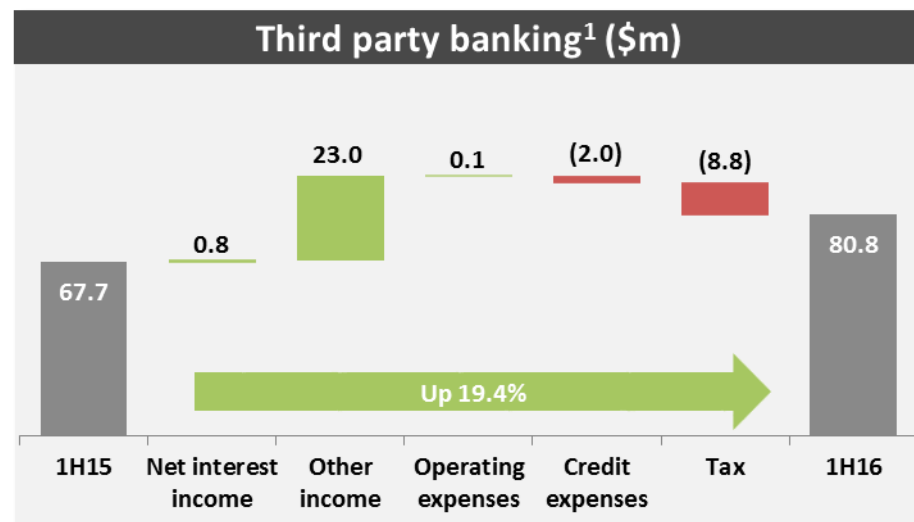
## EasySaver



1 - Graph refers to segment results (cash basis) beginning on p39 in the 4D, excludes central functions.

# Third party banking

- Deep price discounting prevalent in the broker market
- Responding through targeted, tactical activity across key partners in lieu of broad-based discounting
- Replacement of existing lending system with integrated solution in progress
- Credit expenses in the mortgage business remain low
- Increase in other income primarily due to Homesafe

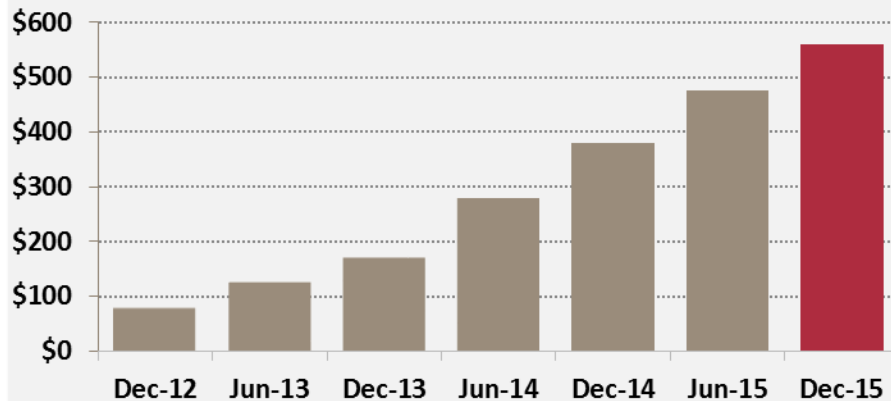


1 - Graph refers to segment results (cash basis) beginning on p39 in the 4D, excludes central functions.

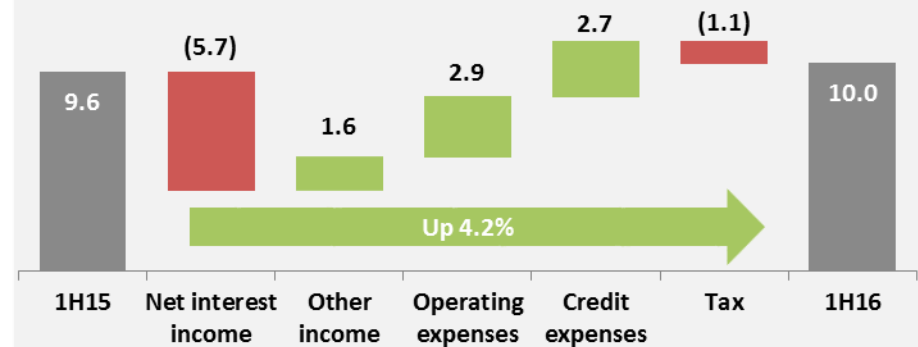
# Wealth

- Margin Lending portfolio steady not withstanding volatility in equity markets
- Leveraged ranked #1 for overall client satisfaction<sup>2</sup>
- Smart Start Super continues to perform strongly with a 47% increase for the year
- NII impacted by deposit portfolio management

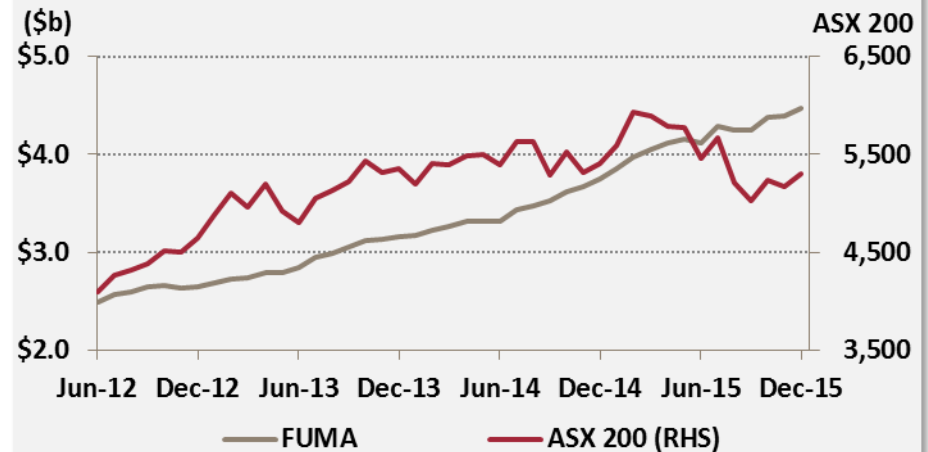
## Smart Start Super (\$m)



## Wealth<sup>1</sup> (\$m)



## Total FUMA



1 - Graph refers to segment results (cash basis) beginning on p39 in the 4D, excludes central functions

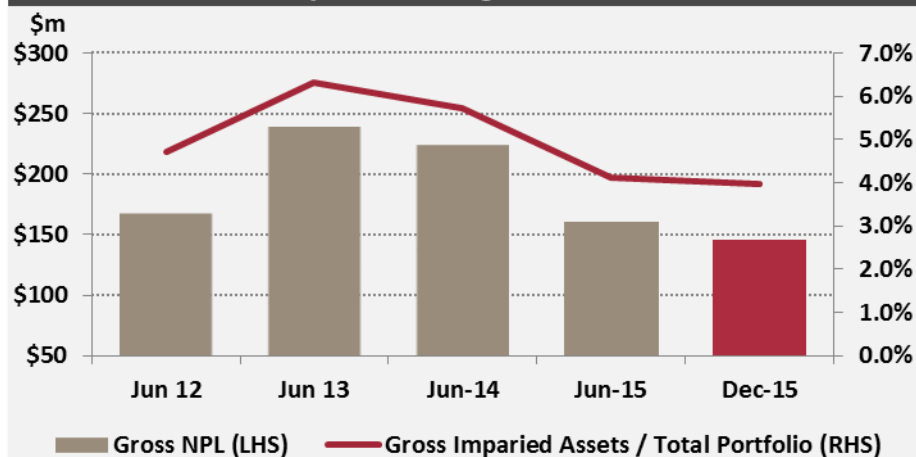
2 - Investment Trends report

## Appendices

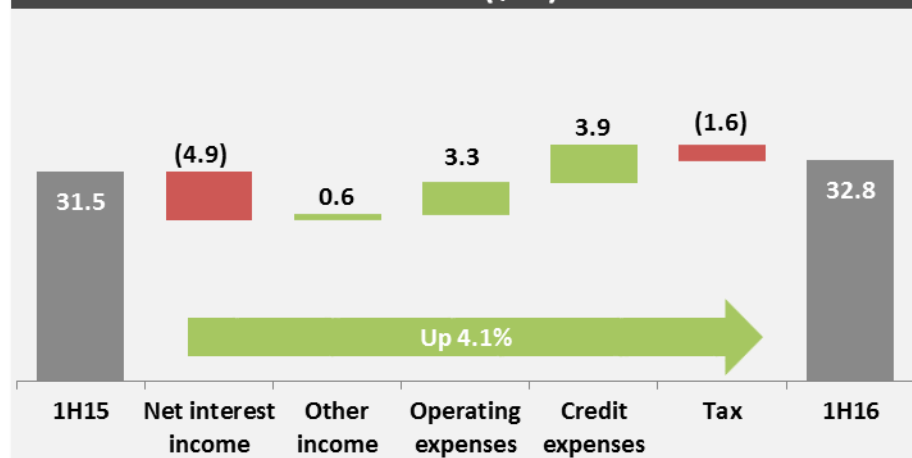
# Agri-business

- Underlying improvement in operating performance
- Strong retention of Rural Finance customer base
- Cost synergies from Rural Finance delivered ahead of schedule
- Continued reduction in non-performing loans
- Improving macro environment

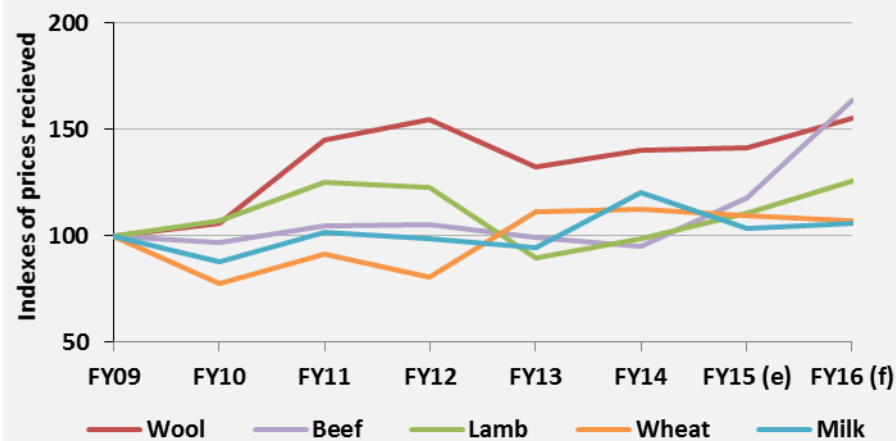
## Non performing loan trends



## Rural<sup>1</sup> (\$m)



## Commodity indices<sup>2</sup>



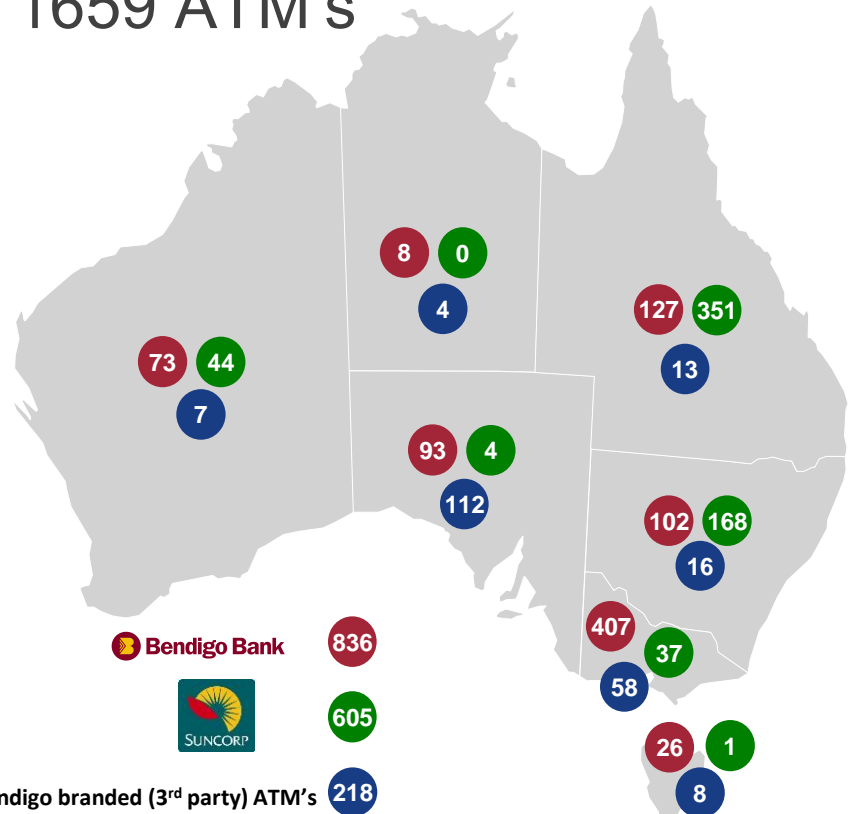
1 - Graph refers to segment results (cash basis) beginning on p39 in the 4D, excludes central functions.

2 - Source : ABARES

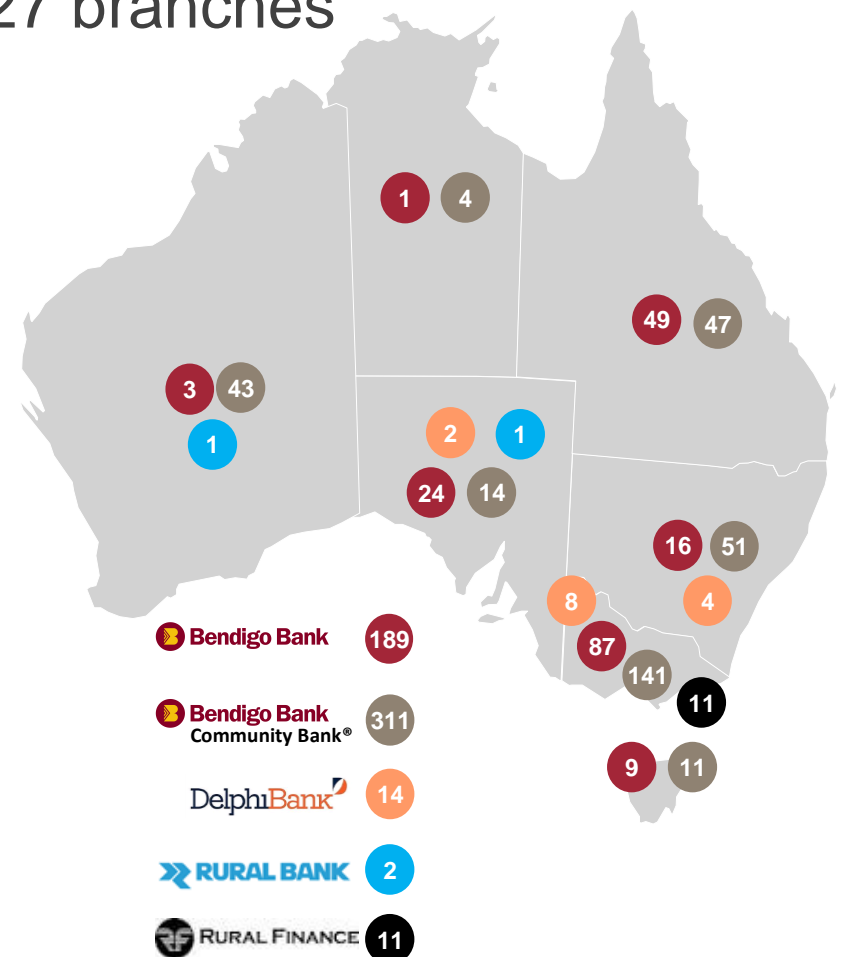
## Appendices

# Diverse geographic footprint

1659 ATM's



527 branches

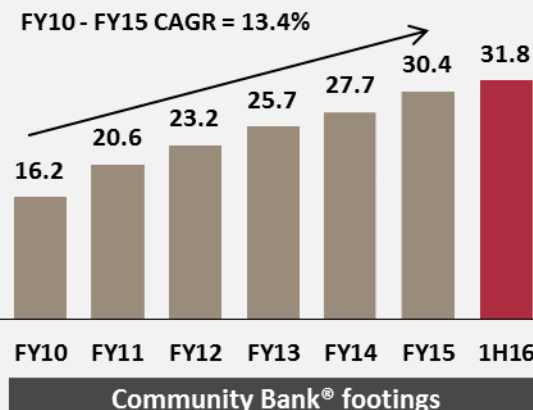
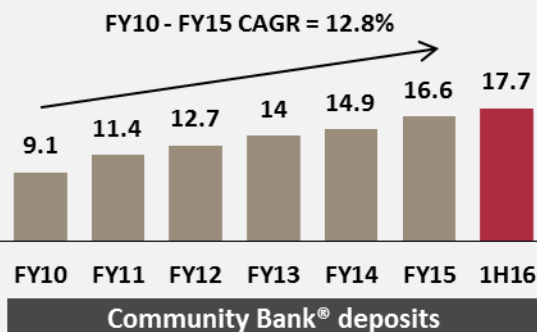
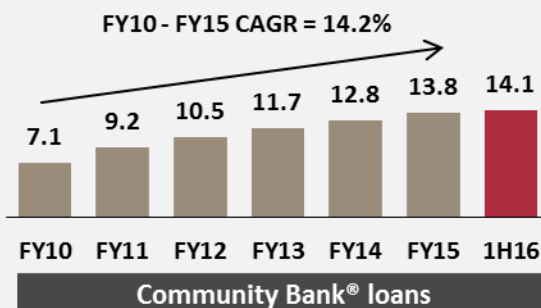


# The Community Bank® model 18 years old

- **\$148m in community grants<sup>1</sup> since inception** – delivering tangible benefits for these communities and our business
- 311 Community Bank branches with more than 90 in communities where there is no alternative provider
- Proven, reliable and cost effective distribution strategy



## Community Bank® footings growth (\$bn)



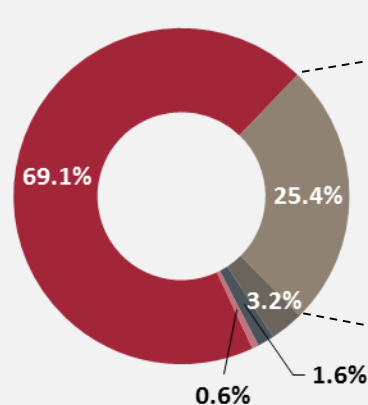
1. Includes total sponsorships, donations and contributions



# Secure and low risk loan portfolios

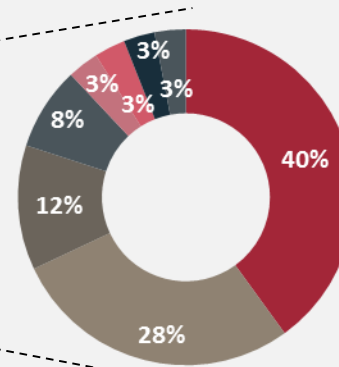
BEN loan composition<sup>1</sup>

- Residential mortgages
- Commercial mortgages
- Listed securities & managed funds
- Unsecured
- Other



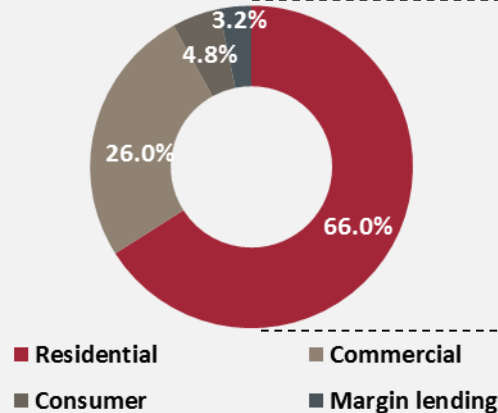
Commercial breakdown

- Agri, forestry & fishing
- Rental, hiring & real estate
- Other
- Construction
- Finance & insurance
- Retail trade
- Accom & food services
- Health Care & Social assist



- 98.4% secured
- 97.7% secured by mortgages and listed securities
- Residential mortgages
  - average LVR 58.1%
  - 65% owner occupied
- Margin Lending
  - 80% of portfolios hold ≥ 4 stocks
  - Average LVR 41.0%

BEN loan composition<sup>2</sup>



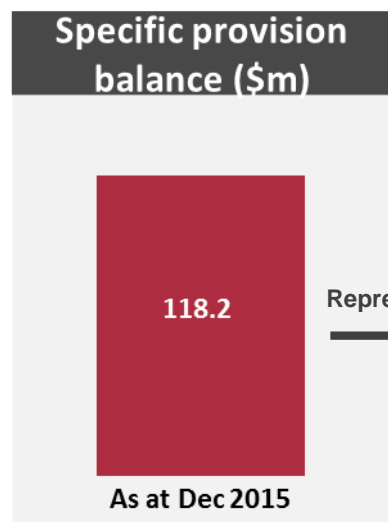
Residential Mortgages <sup>3</sup>	Dec-15	Jun-15	Dec-14
Owner occupied	65.2%	64.8%	65.0%
Investment	34.8%	35.2%	35.0%
Lo Doc	2.6%	2.9%	3.4%
Retail mortgages	54.7%	53.6%	52.1%
Third Party mortgages	45.3%	46.4%	47.9%
Mortgages with LMI	32.7%	35.1%	37.5%
Average LVR	58.1%	58.8%	59.1%
Average loan balance	\$205k	\$203k	\$201k
90+ days past due	0.49%	0.55%	0.56%
Impaired loans	0.09%	0.09%	0.10%
Specific provisions	0.03%	0.03%	0.03%
Loss rate	0.01%	0.01%	0.02%
Variable	66.3%	64.1%	64.8%
Fixed	33.7%	35.9%	35.2%
First home owners % portfolio	6.2%	5.9%	5.9%

1. Loan data represented by security as per page 13 in the 4D.

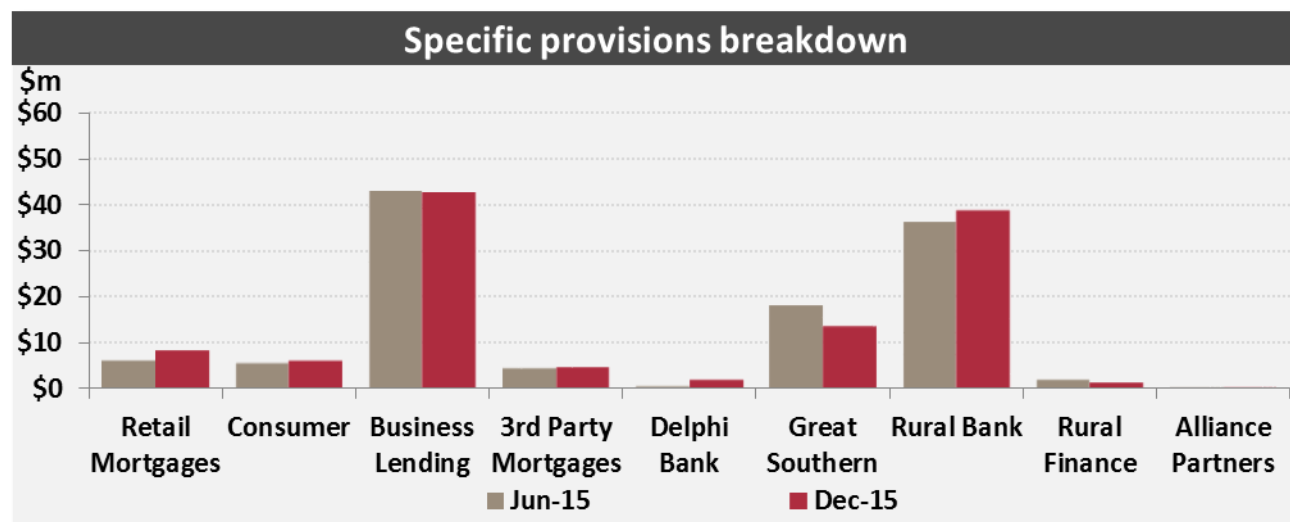
2. Loan data represented by purpose

3. Excludes Delphi Bank data

# Specific provisions



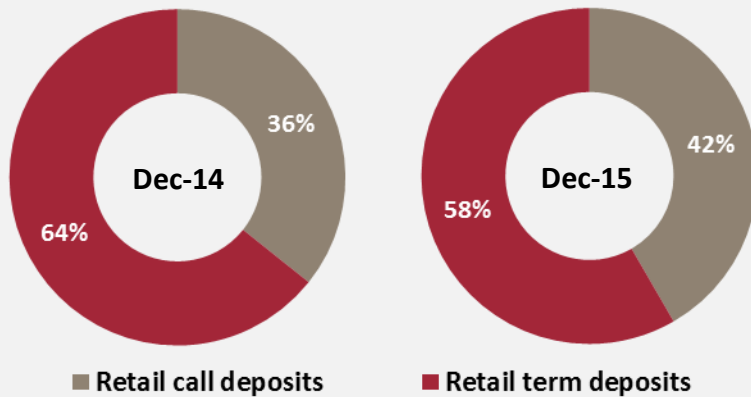
Represented by



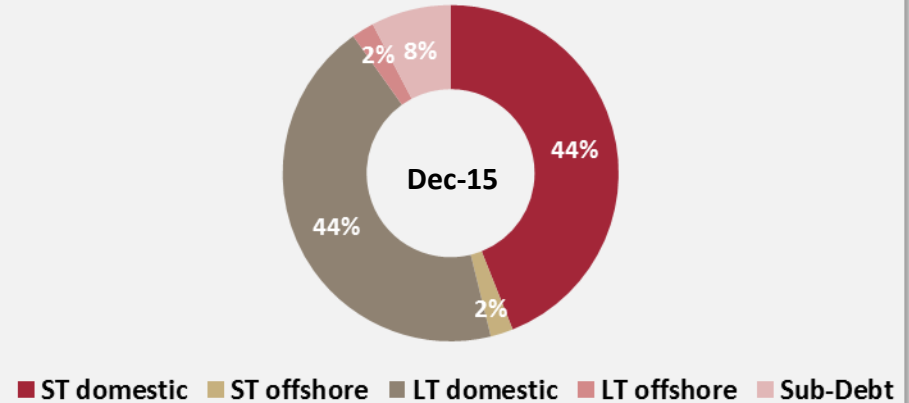
Provision as % of each portfolio's gross loans	Retail Mortgages	Consumer	Business Lending	3 <sup>rd</sup> Party Mortgages	Delphi Bank	Great Southern	Rural Bank	Rural Finance	Wealth	Alliance Partners	BEN total
June 2015	0.03%	0.51%	0.60%	0.03%	0.03%	6.19%	0.96%	0.11%	-	0.02%	0.21%
Dec 2015	0.04%	0.55%	0.60%	0.03%	0.11%	5.52%	1.09%	0.09%	-	0.02%	0.21%
Portfolio as % of gross loans	38.8%	2.0%	12.9%	28.9%	3.3%	0.4%	6.4%	3.0%	3.2%	1.1%	100%

# Funding

## Retail deposit composition



## Wholesale funding composition



## Retail term deposit retention rate<sup>1</sup>



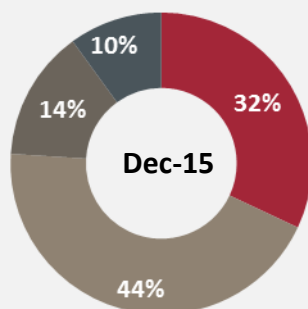
1. Company data

# Key capital ratios & LVR breakdown

Key capital ratios (%)			
	1H15	2H15	1H16
Common equity tier 1	8.14	8.17	<b>8.24</b>
Additional tier 1	1.88	2.43	<b>2.44</b>
Tier 1 Capital	10.02	10.60	<b>10.68</b>
Tier 2	2.17	1.97	<b>1.98</b>
Total regulatory capital	12.19	12.57	<b>12.66</b>
Risk weighted assets (RWA) (\$bn)	34.5	34.7	<b>34.5</b>

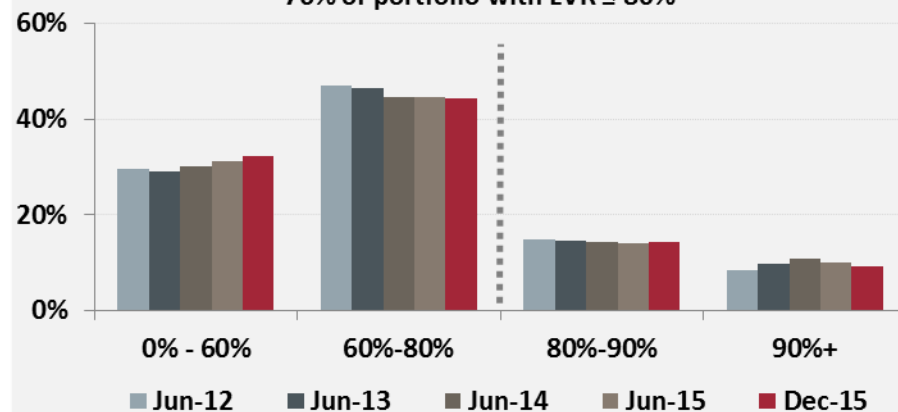
## Residential LVR breakdown

0% - 60%	32%
60%-80%	44%
80%-90%	14%
90%+	10%



## Residential loan-to-value profile

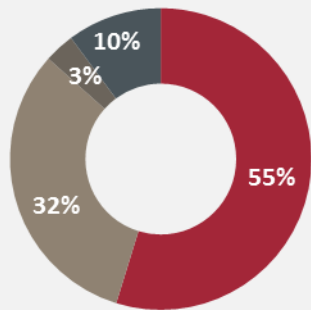
76% of portfolio with LVR ≤ 80%



1. Breakdown of LVRs for by residential mortgages at 31 Decemeber 2015 by origination

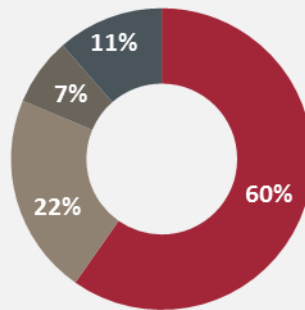
# Contributions by segment

Contribution by assets



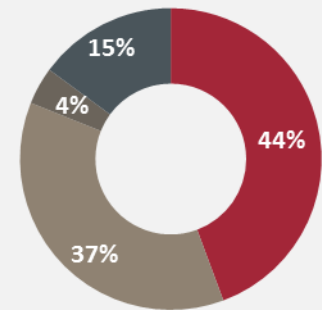
■ Retail ■ Third party banking ■ Wealth ■ Rural

Contribution by income



■ Retail ■ Third party banking ■ Wealth ■ Rural

Contribution by cash earnings

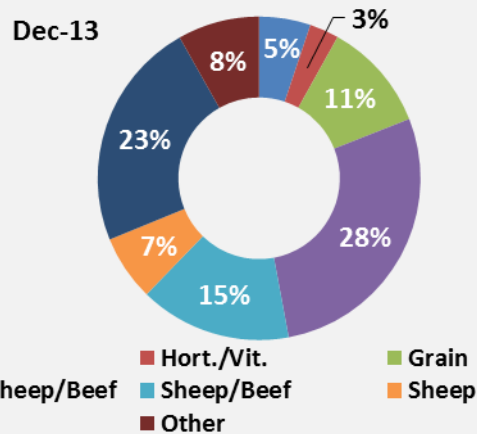


■ Retail ■ Third party banking ■ Wealth ■ Rural

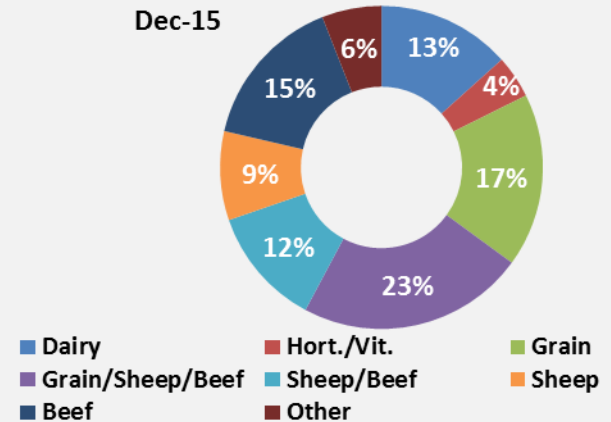
1. Graph refers to segment results (cash basis) beginning on p39 in the 4D, excludes central functions.

# Agri-business exposure by industry and state

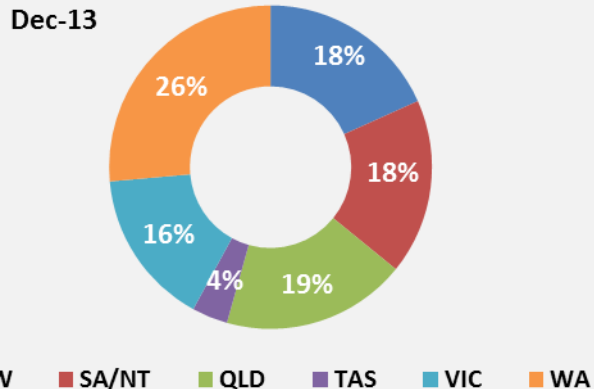
RBL exposure by industry



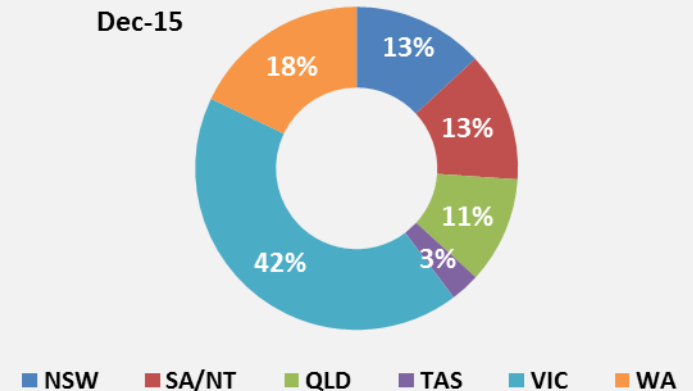
RBL/RFC exposure by industry



RBL exposure by state



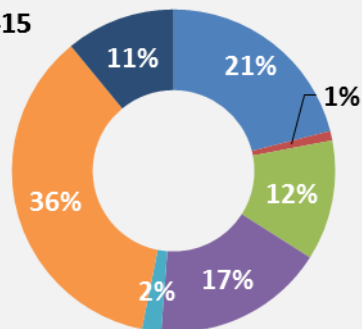
RBL/RFC exposure by state



# Residential/Business<sup>1</sup> exposure and arrears by state

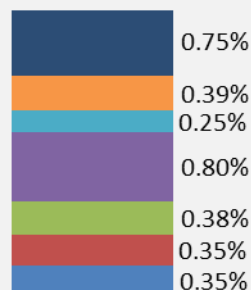
## Residential exposure by state

Dec-15



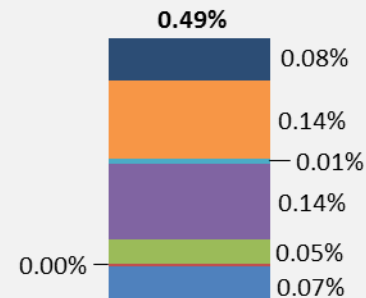
■ NSW/ACT ■ NT ■ SA ■ QLD ■ TAS ■ VIC ■ WA

## Residential arrears as a % of state portfolio



■ NSW/ACT ■ NT ■ SA ■ QLD ■ TAS ■ VIC ■ WA

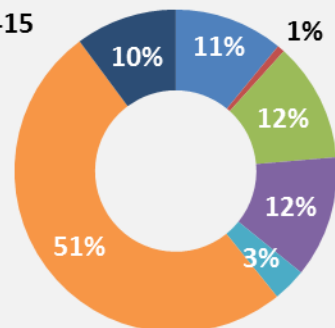
## Residential arrears by state as a % of portfolio



■ NSW/ACT ■ NT ■ SA ■ QLD ■ TAS ■ VIC ■ WA

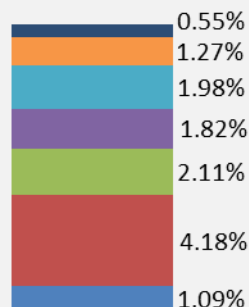
## Business exposure by state

Dec-15



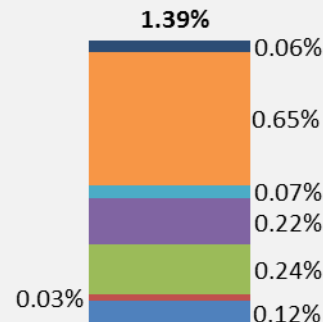
■ NSW/ACT ■ NT ■ SA ■ QLD ■ TAS ■ VIC ■ WA

## Business arrears as a % of state portfolio



■ NSW/ACT ■ NT ■ SA ■ QLD ■ TAS ■ VIC ■ WA

## Business arrears by state as a % of portfolio



■ NSW/ACT ■ NT ■ SA ■ QLD ■ TAS ■ VIC ■ WA

1. Excludes Agri-business.

### **Analysts**

Travis Crouch  
Head of Capital and Investor Relations  
Bendigo and Adelaide Bank Limited  
Tel: +61 3 5485 6261  
Mob: +61 418 552 922  
Email: [travis.crouch@bendigoadelaide.com.au](mailto:travis.crouch@bendigoadelaide.com.au)

James Officer  
Senior Manager Investor Relations  
Bendigo and Adelaide Bank Limited  
Tel: +61 8 8300 6056  
Mob: +61 403 112 796  
Email: [james.officer@bendigoadelaide.com.au](mailto:james.officer@bendigoadelaide.com.au)

### **Media**

Silvana Arena  
Head of Public Relations  
Bendigo and Adelaide Bank Limited  
Tel: +61 8 8220 7784  
Mob: +61 402 110 445  
Email: [silvana.arena@bendigoadelaide.com.au](mailto:silvana.arena@bendigoadelaide.com.au)