

asx release



13 September 2017

Basel III Pillar 3 Disclosures: Prudential Standard APS 330

Bendigo and Adelaide Bank Limited is an Authorised Deposit-taking Institution (ADI) subject to regulation by the Australian Prudential Regulation Authority (APRA). Attached is the prudential information required to be disclosed in accordance with Prudential Standard APS 330.

The prudential disclosures have been prepared for Bendigo and Adelaide Bank Limited including Rural Bank Limited (the Group).

The disclosures provided have been prepared as at 30 June 2017.

Further information

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Table 1 Common Disclosure Template

The Group is applying the Basel III regulatory adjustments in full as implemented by APRA. The capital disclosures detailed in the Common Disclosure template below represent the post 1 January 2018 Basel III common disclosure requirements.

	30 June 2017 Basel III %
Capital Ratios	
Common Equity Tier 1	8.27%
Tier 1	10.49%
Total Capital	12.46%

	30 June 2017 Basel III \$m	Reconciliation Table Reference
Common Equity Tier 1 capital: instruments and reserves		
1	4,456.8	a
2	621.7	e
3	-31.2	f, p, q, r, s
4	N/A	
5	N/A	
6	5,047.3	
Common Equity Tier 1 capital : regulatory adjustments		
7	N/A	
8	1,441.5	d
9	27.4	g + h
10	0.0	
11	-20.7	f
12	0.0	
13	N/A	
14	N/A	
15	1.3	c
16	N/A	
17	N/A	
18	N/A	
19	N/A	
20	N/A	
21	N/A	
22	N/A	

Table 1 Common Disclosure Template Continued

		30 June 2017	Reconciliation
		Basel III	Table
			Reference
		\$m	
23	of which: significant investments in the ordinary shares of financial entities	N/A	
24	of which: mortgage servicing rights	N/A	
25	of which: deferred tax assets arising from temporary differences	N/A	
26	National specific regulatory adjustments (sum of rows 26a, 26b, 26c, 26d, 26e, 26f, 26g, 26h, 26i and 26j)	449.5	
26a	of which: treasury shares	N/A	
26b	of which: offset to dividends declared under a dividend reinvestment plan (DRP), to the extent that the dividends are used to purchase new ordinary shares issued by the ADI	N/A	
26c	of which: deferred fee income	N/A	
26d	of which: equity investments in financial institutions not reported in rows 18, 19 and 23	21.8	v (less g)
26e	of which: deferred tax assets not reported in rows 10, 21 and 25	59.5	t (less u)
26f	of which: capitalised expenses	336.4	i to n
26g	of which: investments in commercial (non-financial) entities that are deducted under APRA prudential requirements	9.9	v
26h	of which: covered bonds in excess of asset cover in pools	N/A	
26i	of which: undercapitalisation of a non-consolidated subsidiary	9.1	v
26j	of which: other national specific regulatory adjustments not reported in rows 26a to 26i	12.8	x
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	0.0	
28	Total regulatory adjustments to Common Equity Tier 1	1,899.0	
29	Common Equity Tier 1 Capital (CET1)	3,148.3	
Additional Tier 1 Capital: instruments			
30	Directly issued qualifying Additional Tier 1 instruments	843.2	b
31	of which: classified as equity under applicable accounting standards	N/A	
32	of which: classified as liabilities under applicable accounting standards	843.2	
33	Directly issued capital instruments subject to phase out from Additional Tier 1	0.0	
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)	N/A	
35	of which: instruments issued by subsidiaries subject to phase out	N/A	
36	Additional Tier 1 Capital before regulatory adjustments	843.2	
Additional Tier 1 Capital: regulatory adjustments			
37	Investments in own Additional Tier 1 instruments	N/A	
38	Reciprocal cross-holdings in Additional Tier 1 instruments	N/A	
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)	N/A	

Table 1 Common Disclosure Template Continued

		30 June 2017 Basel III	Reconciliation Table Reference
		\$m	
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)	N/A	
41	National specific regulatory adjustments (sum of rows 41a, 41b and 41c)	N/A	
41a	of which: holdings of capital instruments in group members by other group members on behalf of third parties	N/A	
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	N/A	
41c	of which: other national specific regulatory adjustments not reported in rows 41a and 41b	N/A	
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	N/A	
43	Total regulatory adjustments to Additional Tier 1 capital	0.0	
44	Additional Tier 1 capital (AT1)	843.2	
45	Tier 1 Capital (T1=CET1+AT1)	3,991.5	
Tier 2 Capital: instruments and provisions			
46	Directly issued qualifying Tier 2 instruments	425.0	y
47	Directly issued capital instruments subject to phase out from Tier 2	150.5	w
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 T2)	N/A	
49	of which: instruments issued by subsidiaries subject to phase out	N/A	
50	Provisions	176.4	o
51	Tier 2 Capital before regulatory adjustments	751.9	
Tier 2 Capital: regulatory adjustments			
52	Investments in own Tier 2 instruments	N/A	
53	Reciprocal cross-holdings in Tier 2 instruments	N/A	
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)	N/A	
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	N/A	
56	National specific regulatory adjustments (sum of rows 56a, 56b and 56c)	0.0	
56a	of which: holdings of capital instruments in group members by other group members on behalf of third parties	N/A	
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	N/A	
56c	of which: other national specific regulatory adjustments not reported in rows 56a and 56b	N/A	
57	Total regulatory adjustments to Tier 2 capital	0.0	
58	Tier 2 capital (T2)	751.9	
59	Total capital (TC=T1+T2)	4,743.4	
60	Total risk-weighted assets based on APRA standards	38,062.3	

Table 1 Common Disclosure Template Continued

		30 June 2017 Basel III	Reconciliation Table Reference
		\$m	
Capital ratios and buffers			
61	Common Equity Tier 1 (as a percentage of risk-weighted assets)	8.27%	
62	Tier 1 (as a percentage of risk-weighted assets)	10.49%	
63	Total capital (as a percentage of risk-weighted assets)	12.46%	
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)	7.00%	
65	of which: capital conservation buffer requirement	2.50%	
66	of which: ADI-specific countercyclical buffer requirements	0.00%	
67	of which: G-SIB buffer requirement (not applicable)	0.00%	
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk-weighted assets)	3.77%	
National minima (if different from Basel III)			
69	National Common Equity Tier 1 minimum ratio (if different from Basel III minimum)		
70	National Tier 1 minimum ratio (if different from Basel III minimum)		
71	National total capital minimum ratio (if different from Basel III minimum)		
Amount below thresholds for deductions (not risk-weighted)			
72	Non-significant investments in the capital of other financial entities	N/A	
73	Significant investments in the ordinary shares of financial entities	N/A	
74	Mortgage servicing rights (net of related tax liability)	N/A	
75	Deferred tax assets arising from temporary differences (net of related tax liability)	N/A	
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)	176.4	
77	Cap on inclusion of provisions in Tier 2 under standardised approach	428.3	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	N/A	
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	N/A	
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	N/A	
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	N/A	
82	Current cap on AT1 instruments subject to phase out arrangements	0.0	
83	Amount excluded from AT1 instruments due to cap (excess over cap after redemptions and maturities)	0.0	
84	Current cap on T2 instruments subject to phase out arrangements	150.5	w
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	130.5	

Common Disclosure Template Reconciliation as at 30 June 2017

Common Disclosure Template Reconciliation as at 30 June 2017

The following table provides details on the Bendigo and Adelaide Bank Limited Group's Balance Sheet and the Level 2 Regulatory Balance Sheet.

	Group Balance Sheet	Adjustment ¹	Level 2 Regulatory Balance Sheet	Template/ Reconciliation Table Reference
	\$m	\$m	\$m	
Assets				
Cash and cash equivalents	1,059.6	-62.8	996.8	
Due from other financial institutions	270.3	0.0	270.3	
Amounts receivable from controlled entities	0.0	10.1	10.1	
Financial assets held for trading	5,657.6	0.3	5,657.9	
Financial assets available for sale	286.6	-9.3	277.3	
of which Equity Investment Exposures			23.1	v
Financial assets held to maturity	378.7	-5.3	373.4	
Other assets	381.2	31.9	413.1	
of which Defined Benefit Superannuation Fund			1.3	c
of which Tax Adjustments for Reserves and Unrealised Gains/(Losses)			0.6	t
of which Other Capitalised Expenses			56.7	m
of which Other Common Equity Tier 1 Specific Adjustments Relating to Securitisation			12.8	x
Derivatives	77.7	28.7	106.4	
Net loans and other receivables	60,776.6	-3,231.2	57,545.4	
of which Loan and Lease Origination Fees and Commissions (Capitalised Expenses)			57.7	i
of which Securitisation Start-up Costs (Capitalised Expenses)			12.2	l
of which General Reserves for Credit Losses			36.2	o
of which Other Intangibles			0.0	h
Investments in joint ventures accounted for using the equity method	8.5	0.0	8.5	v
Shares in controlled entities	0.0	18.3	18.3	v
Property, plant & equipment	77.8	-2.5	75.3	
Deferred tax assets	110.8	2.9	113.7	t
Investment property	666.3	0.0	666.3	
Goodwill and other intangible assets	1,663.8	-9.2	1,654.6	
of which is Intangible Component of Investment in Subsidiaries and Other Entities			9.2	g
of which is Goodwill			1,441.5	d
of which Other Intangibles			18.2	h
of which Information Technology Software Costs (Capitalised Expenses)			196.0	k
Total Assets	71,415.5	-3,228.1	68,187.4	
Liabilities				
Due to other financial institutions	328.4	0.0	328.4	
Deposits	58,772.3	23.1	58,795.4	
Notes payable	4,480.2	-3,319.6	1,160.6	
Derivatives	59.0	13.0	72.0	
Other payables	532.3	65.5	597.8	
Income tax payable	21.5	20.7	42.2	
Provisions	130.8	0.0	130.8	
Deferred tax liabilities	126.6	8.0	134.6	
of which Tax Adjustments for Reserves and Unrealised Gains/(Losses)			45.9	u
Convertible Preference Shares	830.1	0.0	830.1	
of which Amount Eligible AT1			843.2	b
of which Cost Associated with Issuing Capital Instruments (Capitalised Expenses)			13.1	j
Subordinated debt	708.7	0.0	708.7	
of which Amount Included in Tier 2 Capital (Post Haircut, Excluding Redemptions and Maturities)			150.5	w
of which Amount Included in Tier 2 Capital			425.0	y
of which Costs Associated with Issuing Capital Instrument (Capitalised Expenses)			0.7	n
Total Liabilities	65,989.9	-3,189.3	62,800.6	
Net Assets	5,425.6	-38.8	5,386.8	
Equity				
Share capital	4,448.7	0.0	4,448.7	
of which Amount Included in Eligible for CET1			4,456.8	a
Reserves	112.3	-3.2	109.1	
of which Gains/(Losses) on Effective Cash Flow Hedges			-20.7	f
of which Tax Adjustments for Reserves and Unrealised Gains/(Losses)			8.9	u
of which General Reserves for Credit Losses			140.2	o
of which Unrealised Gains/(Losses) on AFS Items			0.0	p
of which Property Revaluation Reserves			0.4	q
of which General Reserves			-20.4	r
of which Reserves for Equity-Settled Share-Based Payments			9.5	s
Retained earnings	864.6	-35.6	829.0	
of which Retained Earnings and Current Year Earnings			621.7	e
Total Equity	5,425.6	-38.8	5,386.8	

Notes

¹ The Adjustment column reflects entities that are treated as non-consolidated entities and are excluded from the Level 2 Regulatory Consolidated Banking Group.

Entities Excluded from Level 2 Regulatory Consolidation Group

The following table provides details of material entities included within the accounting scope of consolidation but excluded from regulatory consolidation.

Entity	Total Assets \$m	Total Liabilities \$m
Securitisation		
Torrens Series 2009-3	119.3	119.3
Torrens Series 2010-1	153.5	153.5
Torrens Series 2010-2	216.8	216.8
Torrens Series 2010-3	143.8	143.8
Torrens Series 2011-1(E)	216.9	216.9
Torrens Series 2011-2	131.0	131.0
Torrens Series 2013-1	266.2	266.2
Torrens Series 2013-2	161.7	161.7
Torrens Series 2014-1	199.2	199.2
Torrens Series 2014-2	306.3	306.3
Torrens Series 2015-1	270.5	270.5
Torrens Series 2017-1	808.5	808.5
Torrens Series 2017-2(P)	401.4	401.4
AIL Trust No 1	0.8	0.8
ABL Portfolio Funding Trust 2007-1	2.3	2.3
Insurance and Funds Management		
Sandhurst Trustees Limited	50.5	2.5
Adelaide Managed Funds Limited	1.1	0.0

Table 2 Main Features of Capital Instruments

The main features of capital instruments are updated on an ongoing basis. The information as at the reporting date is provided in Appendix A.

Table 3 Capital Adequacy

Risk-weighted Assets	30 June 2017 \$m	31 March 2017 \$m
Capital requirements (in terms of risk-weighted assets) for credit risk (excluding securitisation) by portfolio:		
Claims secured by residential mortgage	16,636.4	16,828.2
Other retail	16,330.5	16,277.9
Corporate	-	-
Banks and Other ADIs	190.2	177.2
Government	39.4	30.3
All other	907.6	693.7
Total on balance sheet assets and off balance sheet exposures	34,104.1	34,007.3
Securitisation Risk weighted assets ¹	159.4	259.7
Market Risk weighted assets	231.8	214.8
Operational Risk weighted assets	3,567.0	3,451.5
Total Risk Weighted Assets	38,062.3	37,933.3
Capital Ratios (for the consolidated group)	%	%
Common Equity Tier 1	8.27	8.05
Tier 1	10.49	10.28
Total Capital	12.46	12.26

Notes
² Please refer to Table 5 for securitisation exposures.

Bendigo and Adelaide Bank Limited, Basel III Pillar 3 Disclosures, 30 June 2017

Table 4 Credit Risk

Exposure Type ⁴	Gross Credit Exposure		Average Gross Credit Exposure	
	30 June 2017 \$m	31 March 2017 \$m	30 June 2017 \$m	31 March 2017 \$m
Loans ⁷	59,257.3	58,713.5	58,985.4	58,911.0
Debt securities	644.2	586.4	615.3	599.5
Commitments and other non-market off balance sheet exposures ³	2,400.5	2,853.5	2,627.0	2,878.6
Market-related off balance sheet exposures ³	68.2	72.8	70.5	76.0
Total exposures	62,370.2	62,226.2	62,298.2	62,465.1

Portfolios ⁴	Gross Credit Exposure		Average Gross Credit Exposure	
	30 June 2017 \$m	31 March 2017 \$m	30 June 2017 \$m	31 March 2017 \$m
Claims secured by residential mortgage ^{3,7}	41,976.1	42,300.9	42,138.6	42,527.4
Other retail ³	17,767.9	17,661.7	17,714.8	17,621.7
Corporate	-	-	-	-
Banks and other ADIs	1,201.6	1,125.5	1,163.5	1,129.2
Government	40.5	31.3	35.9	32.2
All other ³	1,384.1	1,106.8	1,245.4	1,154.6
Total exposures	62,370.2	62,226.2	62,298.2	62,465.1

30 June 2017 Portfolios	Impaired Loans \$m	Past Due Loans > 90 days \$m	Specific Provisions \$m	Charges for Specific Provisions and Write-offs during the Period \$m
Claims secured by residential mortgage	51.2	319.6 ⁶	14.2	1.2
Other retail	229.7	312.3 ⁶	90.1 ⁵	14.0
Corporate	-	-	-	-
Banks and other ADIs	-	-	-	-
Government	-	-	-	-
All other	-	-	-	-
Total exposures	280.9	631.9	104.3	15.2

31 March 2017 Portfolios	Impaired Loans \$m	Past Due Loans > 90 days \$m	Specific Provisions \$m	Charges for Specific Provisions and Write-offs during the Period \$m
Claims secured by residential mortgage	46.9	314.0 ⁶	13.9	2.9
Other retail	238.5	339.8 ⁶	101.1 ⁵	13.2
Corporate	-	-	-	-
Banks and other ADIs	-	-	-	-
Government	-	-	-	-
All other	-	-	-	-
Total exposures	285.4	653.8	115.0	16.1

	30 June 2017 \$m	31 March 2017 \$m
The general reserve for credit losses	176.4	175.6

Notes

³ Off-balance sheet exposures have been converted to their credit equivalent amounts.

⁴ Excludes equity investments and securitisation exposures.

⁵ \$16.5 million of provisions as at 31 March 2017 and \$16.5 million of provisions as at 30 June 2017 raised on the Great Southern Portfolio as collective provisions for statutory accounting purposes are reported here as specific provisions for APRA reporting purposes.

⁶ Includes \$117.10 million of loans under commercial arrangement as at 31 March 2017 and \$111.52 million of loans as at 30 June 2017.

⁷ \$400 million of residential mortgages securitised as at 16 June 2017 under Torrens Series 2017-2(P) Trust.

Table 5 Securitisation

Exposure Type	30 June 2017 Quarter		31 March 2017 Quarter	
	Securitisation Activity \$m	Gain or Loss on Sale \$m	Securitisation Activity \$m	Gain or Loss on Sale \$m
Residential Mortgage	400.0	-	849.4	-
Credit Card and Other Personal Loans	-	-	-	-
Commercial Loans	-	-	-	-
Other	-	-	-	-
Total	400.0	-	849.4	-

30 June 2017

Securitisation Exposures	Liquidity Support Facilities \$m	Derivative Facilities \$m	Holdings of Securities \$m	Other \$m
On-balance sheet securitisation exposures retained or purchased	-	156.3	4,960.1	-
Off-balance sheet securitisation exposures	43.5	42.2	-	-
Total	43.5	198.5	4,960.1	-

31 March 2017

Securitisation Exposures	Liquidity Support Facilities \$m	Derivative Facilities \$m	Holdings of Securities \$m	Other \$m
On-balance sheet securitisation exposures retained or purchased	-	79.7	5,262.0	-
Off-balance sheet securitisation exposures	42.0	39.6	-	-
Total	42.0	119.3	5,262.0	-

Bendigo and Adelaide Bank Limited, Basel III Pillar 3 Disclosures, 30 June 2017

From 1 January 2015, following the introduction of APS 210, APRA requires ADIs to maintain a minimum 100% Liquidity Coverage Ratio (LCR). The LCR requires banks to hold sufficient High Quality Liquid Assets (HQLA) to meet net cash outflows over a 30-day period, under a regulator-defined stress scenario. The Group's LCR for the quarters ending 31 December 2016, 31 March 2017 and 30 June 2017 is presented in the following table (Table 20), using the Basel standard disclosure template and is based on a simple average of LCR outcomes observed during each period (i.e. 89 data points for the quarter ended 30 June 2017, 87 data points for the quarter ended 31 March 2017 and 11 data points for the quarter ended 31 December 2016).

The Group manages its daily LCR requirement in line with the regulatory minimum, with appropriate additional Board and management buffers that are set in line with the Group's risk appetite. Movements in the LCR are attributed to changes in net cash outflows and holdings of liquid assets. Table 20 details the quantum of movements impacting the LCR between periods. These differences between periods are not material and are in line with the Group's normal course of business. As at 30 June 2017, the Group held a diverse mix of liquid assets, with approximately 68% of total liquid assets in HQLA as defined by APRA. HQLA comprises cash, deposits with the Reserve Bank of Australia (RBA), Australian Semi-Government and Commonwealth Government Securities, as well as other securities eligible for repo with the RBA which provide additional liquidity and form a buffer against adverse liquidity events.

Cash inflows and outflows are as prescribed in APS 210 and are calculated by applying APRA-prescribed run-off factors to maturing debt and deposits and discount factors to inflows/assets.

The Group has a well-diversified deposit and funding base without undue concentration. The Group does not have significant derivative or currency exposures that would impact upon cash flows.

The Group manages LCR on a centralised level 2 basis (including Bendigo and Adelaide Bank and its Rural Bank subsidiary). The Group also prepares level 1 tabulation (Bendigo and Adelaide Bank and Rural Bank separately) for regulatory and internal management purposes, as Rural Bank is a Minimum Liquidity Holding (MLH) entity for APRA's purposes.

	30 June 2017 Quarter		31 March 2017 Quarter		31 December 2016 Quarter	
	Total unweighted value (average)	Total weighted value (average)	Total unweighted value (average)	Total weighted value (average)	Total unweighted value (average)	Total weighted value (average)
	\$m	\$m	\$m	\$m	\$m	\$m
Liquid assets, of which						
1	High-quality liquid assets (HQLA)	-	4,130.7		4,160.2	3,865.5
2	Alternate liquid assets (ALA)		3,279.4		3,280.1	3,676.7
3	Reserve Bank of New Zealand (RBNZ) securities		-		-	-
Cash outflows						
4	Retail deposits and deposits from small business customers, of which:	23,199.6	1,712.3	23,256.0	1,707.5	22,862.1
5	<i>stable deposits</i>	16,438.6	821.9	16,483.6	824.2	17,175.9
6	<i>less stable deposits</i>	6,761.0	890.4	6,772.4	883.3	5,686.2
7	Unsecured wholesale funding, of which:	5,085.7	3,187.8	4,533.2	2,964.6	4,441.7
8	<i>operational deposits (all counterparties) and deposits in networks for cooperative banks</i>	-	-	-	-	-
9	<i>non-operational deposits (all counterparties)</i>	4,109.6	2,211.7	3,583.7	2,015.1	3,374.5
10	<i>unsecured debt</i>	976.1	976.1	949.5	949.5	1,067.2
11	Secured wholesale funding					
12	Additional requirements, of which:	4,139.8	364.7	4,218.7	387.0	1,733.5
13	<i>outflows related to derivatives exposures and other collateral requirements</i>	84.6	84.6	97.6	97.6	127.3
14	<i>outflows related to loss of funding on debt products</i>	-	-	-	-	-
15	<i>credit and liquidity facilities</i>	4,055.2	280.1	4,121.1	289.4	1,606.2
16	Other contractual funding obligations	929.0	668.2	1,029.1	750.4	1,152.9
17	Other contingent funding obligations	15,615.8	1,238.8	16,024.5	1,258.5	18,034.9
18	Total cash outflows		7,171.8		7,068.0	7,427.2
Cash inflows						
19	Secured lending (e.g. reverse repos)	-	-	-	-	-
20	Inflows from fully performing exposures	663.6	402.8	729.9	451.2	726.3
21	Other cash inflows	349.6	349.6	205.4	205.4	514.2
22	Total cash inflows	1,013.2	752.4	935.3	656.6	1,240.5
			Total adjusted value \$m		Total adjusted value \$m	Total adjusted value \$m
23	Total liquid assets		7,410.1		7,440.3	7,542.2
24	Total net cash outflows		6,419.4		6,411.4	6,445.3
25	Liquidity Coverage Ratio (%)		115.5%		116.4%	117.1%

Appendix A – Main features of Capital Instruments

Table 2 Main Features of Capital Instruments										
Disclosure template for main features of Regulatory Capital instruments		Instrument 1	Instrument 2	Instrument 3	Instrument 4	Instrument 5	Instrument 6	Instrument 7	Instrument 8	Instrument 9
1	Issuer	Bendigo and Adelaide Bank Limited	Bendigo and Adelaide Bank Limited	Bendigo and Adelaide Bank Limited	Bendigo and Adelaide Bank Limited	Bendigo and Adelaide Bank Limited	Bendigo and Adelaide Bank Limited	Bendigo and Adelaide Bank Limited	Bendigo and Adelaide Bank Limited	Rural Bank Limited
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	BEN	BENPD	BENPE	BENPF	BENHB	BE3073	BE3085	BE4009	AU3FN0010856
3	Governing law(s) of the instrument	Victoria	Victoria	Victoria	Victoria	South Australia	South Australia	Victoria	Victoria	Victoria
Regulatory Treatment		Instrument 1	Instrument 2	Instrument 3	Instrument 4	Instrument 5	Instrument 6	Instrument 7	Instrument 8	Instrument 9
4	Transitional Basel III rules	Common Equity Tier 1	Additional Tier 1	Additional Tier 1	Additional Tier 1	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2
5	Post-transitional Basel III rules	Common Equity Tier 1	Additional Tier 1	Additional Tier 1	Additional Tier 1	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2
6	Eligible at solo/group/group & solo	Solo and Group	Solo and Group	Solo and Group	Solo and Group	Solo and Group	Solo and Group	Solo and Group	Solo and Group	Solo
7	Instrument type (ordinary shares/preference shares/subordinated notes/other)	Ordinary shares	Preference shares	Preference shares	Preference shares	Subordinated notes	Subordinated notes	Subordinated notes	Subordinated notes	Subordinated Notes
8	Amount recognised in Regulatory Capital (Currency in mil, as of most recent reporting date)	4456.75	268.87	292.12	282.21	21.09	119.45	300.00	125.00	10.00
9	Par value of instrument	N/A	268.87	292.12	282.21	21.09	250.00	300.00	125.00	10.00
10	Accounting classification	Shareholders equity	Liability-amortised cost	Liability-amortised cost	Liability-amortised cost	Liability-amortised cost	Liability-amortised cost	Liability-amortised cost	Liability-amortised cost	Liability - Amortised Cost
11	Original date of issuance	19-December-1985	01-November-2012	10-October-2014	15-June-2015	28-August-1998	15-December-2010	29-January-2014	09-December-2016	22-June-2010
12	Perpetual or dated	Perpetual	Perpetual	Perpetual	Perpetual	Perpetual	Dated	Dated	Dated	Dated
13	Original maturity date	No maturity	No maturity	No maturity	No maturity	No maturity	15-December-2020	29-January-2024	09-December-2026	22-June-2020
14	Issuer call subject to prior supervisory approval	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No
15	Optional call date, contingent call dates and redemption amount	N/A	Optional Call Date : 13 December 2017, Redemption of \$100 per CPS.	Optional Call Date : 30 November 2020, Redemption of \$100 per CPS2.	Optional Call Date: 15 June 2021, Redemption of \$100 per CPS3.	N/A	Subject to receiving prior written approval from APRA, the Issuer may elect (but will not be obliged) to redeem all of the Notes at par plus accrued interest (if any) after the Issue Date on any Interest Payment Date if a Regulatory Call Event occurs.	Subject to receiving prior written approval from APRA, the Issuer may elect (but will not be obliged) to redeem all of the Notes at par plus accrued interest (if any) on 29 January 2019 (the "First Call Date") and on any Business Day being an Interest Payment Date thereafter.	Subject to receiving prior written approval from APRA, the Issuer may elect (but will not be obliged) to redeem all of the Notes (subject to any earlier Conversion or Write Off (in whole or in part) following Non-Viability Loss Absorption) at par plus accrued interest (if any) on 9 December 2021 (the "First Call Date") and on any Business Day being an Interest Payment Date thereafter.	Date of Call Option: N/A, Contingent Call Dates: Yes - Regulatory, Redemption Price: \$10,000,000.00

Table 2 Main Features of Capital Instruments continued

Regulatory Treatment	Instrument 1	Instrument 2	Instrument 3	Instrument 4	Instrument 5	Instrument 6	Instrument 7	Instrument 8	Instrument 9	
16	Subsequent call dates, if applicable	N/A	Bendigo and Adelaide Bank may also elect at its option to Exchange all or some CPS after a Tax Event or a Regulatory Event, and may elect at its option to Convert all CPS following the occurrence of an Acquisition Event.	Bendigo and Adelaide Bank may also elect at its option to Exchange all or some CPS2 after a Tax Event or a Regulatory Event, and may elect at its option to Convert all CPS2 following the occurrence of an Acquisition Event.	Bendigo and Adelaide Bank may also elect at its option to Exchange all or some CPS3 after a Tax Event or a Regulatory Event, and may elect at its option to Convert all CPS3 following the occurrence of an Acquisition Event.	N/A	N/A	Subject to receiving prior written approval from APRA, the Issuer may elect (but will not be obliged) to redeem all of the Notes at par plus accrued interest (if any) on any Business Day being an Interest Payment Date after 29 January 2019 (the "First Call Date").	Subject to receiving prior written approval from APRA, the Issuer may elect (but will not be obliged) to redeem all of the Notes (subject to any earlier Conversion or Write Off (in whole or in part) following Non-Viability Loss Absorption) at par plus accrued interest (if any) on 9 December 2021 (the "First Call Date") and on any Business Day being an Interest Payment Date thereafter.	N/A
Coupons/Dividends	Instrument 1	Instrument 2	Instrument 3	Instrument 4	Instrument 5	Instrument 6	Instrument 7	Instrument 8	Instrument 9	
17	Fixed or floating dividend/coupon	N/A	Floating	Floating	Floating	Floating	Floating	Floating	Floating	Floating
18	Coupon rate and any related index	N/A	180 Day BBSW + 5.00% Margin	180 Day BBSW + 3.20% Margin	180 Day BBSW + 4.00% Margin	90 Day BBSW + 1.00% Margin	3 month BBSW + 4.00% Margin	3 month BBSW + 2.80% Margin	3 month BBSW + 2.80% Margin	3 month BBSW + 4.25% Margin
19	Existence of a dividend stopper	Fully discretionary	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	N/A
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary	Fully discretionary	Fully discretionary	Fully discretionary	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	N/A	No	No	No	No	No	No	No	No
22	Noncumulative or cumulative	Noncumulative	Noncumulative	Noncumulative	Noncumulative	Noncumulative	Noncumulative	Cumulative	Cumulative	Non-Cumulative
23	Convertible or non-convertible	Nonconvertible	Convertible	Convertible	Convertible	Nonconvertible	Nonconvertible	Convertible	Convertible	Nonconvertible
24	If convertible, conversion trigger(s)	N/A	Mandatory Conversion Optional Conversion Conversion or write-down on Capital Trigger Event or a Non-Viability Trigger Event	Mandatory Conversion Optional Conversion Conversion or write-down on Capital Trigger Event or a Non-Viability Trigger Event	Mandatory Conversion Optional Conversion Conversion or write-down on Capital Trigger Event or a Non-Viability Trigger Event	N/A	N/A	Non-Viability Trigger Event: A Non-Viability Trigger Event will occur if APRA has provided a written determination to the Issuer that the conversion or write-off of relevant Tier 1 and Tier 2 instruments of the Issuer is necessary because without (1) the conversion or write-off, or (2) a public sector injection of capital into (or equivalent capital support with respect to) the Issuer, APRA considers that the Issuer would become non-viable.	Non-Viability Trigger Event: A Non-Viability Trigger Event occurs when APRA has provided a written determination (Non-Viability Determination) to the Issuer that: (i) the conversion or write-off of Relevant Capital Instruments of the Issuer is necessary because without the conversion or write-off APRA considers that the Issuer would become non-viable; or (ii) without a public sector injection of capital, or equivalent support, APRA determines that the Issuer will become non-viable.	N/A

Table 2 Main Features of Capital Instruments continued

	Coupons/Dividends	Instrument 1	Instrument 2	Instrument 3	Instrument 4	Instrument 5	Instrument 6	Instrument 7	Instrument 8	Instrument 9
25	If convertible, fully or partially	N/A	May convert fully or partially	May convert fully or partially	May convert fully or partially	N/A	N/A	May convert fully or partially	May convert fully or partially	N/A
26	If convertible, conversion rate	N/A	<p>Conversion into Ordinary Shares: Conversion is into approximately \$102.56 worth of Ordinary Shares per CPS based on the \$100 CPS Issue Price and the volume weighted average price (subject to certain adjustments and calculated in accordance with the Term).</p>	<p>Conversion into Ordinary Shares: Conversion is into approximately \$101.01 worth of Ordinary Shares per CPS2 based on the \$100 CPS2 Issue Price and the volume weighted average price (subject to certain adjustments and calculated in accordance with the Term).</p>	<p>Conversion into Ordinary Shares: Conversion is into approximately \$101.01 worth of Ordinary Shares per CPS3 based on the \$100 CPS3 Issue Price and the volume weighted average price (subject to certain adjustments and calculated in accordance with the Term).</p>	N/A	N/A	<p>The Conversion Number is calculated according to the following formula, subject to the Conversion Number being no greater than the Maximum Conversion Number:</p> <p>1. Conversion Number for each Note = Nominal Amount / ((1-0.01) x VWAP);</p> <p>2. VWAP refers to the VWAP of BEN ordinary shares over the latest period of 5 business days on which trading of BEN ordinary shares took place before (but not including) the conversion date; and</p> <p>3. Nominal Amount means \$10,000.</p> <p>Maximum Conversion Number is the Nominal Amount / (20% x Issue Date VWAP). Issue Date VWAP refers to the VWAP of BEN ordinary shares over the 20 business days on which trading of BEN ordinary shares took place before (but not including) issue date of the Notes.</p>	<p>The Conversion Number is calculated according to the following formula, subject to the Conversion Number being no greater than the Maximum Conversion Number:</p> <p>1. Conversion Number for each Note = Nominal Amount / ((1-0.01) x VWAP);</p> <p>2. VWAP refers to the VWAP of BEN ordinary shares over the latest period of 5 business days on which trading of BEN ordinary shares took place before (but not including) the conversion date; and</p> <p>3. Nominal Amount means \$10,000.</p> <p>Maximum Conversion Number: Nominal Amount / (20% x Issue Date VWAP). Issue Date VWAP refers to the VWAP of BEN ordinary shares over the 20 business days on which trading of BEN ordinary shares took place before (but not including) Settlement Date of the Notes.</p>	N/A
27	If convertible, mandatory or optional conversion	N/A	Mandatory	Mandatory	Mandatory	N/A	N/A	Mandatory	Mandatory	N/A
28	If convertible, specify instrument type convertible into	N/A	Ordinary Shares	Ordinary Shares	Ordinary Shares	N/A	N/A	Ordinary Shares	Ordinary Shares	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	BEN	BEN	BEN	N/A	N/A	BEN	BEN	N/A
30	Write-down feature	N/A	Yes	Yes	Yes	N/A	No	Yes	Yes	No

Table 2. Main Features of Capital Instruments continued

Coupons/Dividends	Instrument 1	Instrument 2	Instrument 3	Instrument 4	Instrument 5	Instrument 6	Instrument 7	Instrument 8	Instrument 9
31 If write-down, write-down trigger(s)	N/A	APRA notifies the Issuer in writing that: conversion or write-off of Additional Capital Instruments is necessary because, without it, APRA considers that Bendigo and Adelaide Bank would become non-viable.	APRA notifies the Issuer in writing that: conversion or write-off of Additional Capital Instruments is necessary because, without it, APRA considers that Bendigo and Adelaide Bank would become non-viable.	APRA notifies the Issuer in writing that: conversion or write-off of Additional Capital Instruments is necessary because, without it, APRA considers that Bendigo and Adelaide Bank would become non-viable.	N/A	N/A	A Non-Viability Trigger Event will occur if APRA has provided a written determination to the Issuer that the conversion or write-off of relevant Tier 1 and Tier 2 instruments of the Issuer is necessary because without (1) the conversion or write-off, or (2) a public sector injection of capital into (or equivalent capital support with respect to) the Issuer, APRA considers that the Issuer would become non-viable.	Upon a Non-Viability Trigger Event occurring, BEN must convert some or all of the relevant Tier 1 and Tier 2 instruments (including the Notes) into BEN ordinary shares in accordance with APRA's written determination. If this occurs, holders of the Notes will, for each Note converted, receive the Conversion Number of BEN ordinary shares, subject to the Maximum Conversion Number. Investors will be required to provide specified information (including their CHES account details) by the conversion date in order to receive BEN ordinary shares on conversion.	N/A
		If Conversion is prevented for any reason the CPS would be written down in accordance with the terms of BEN CPS.	If Conversion is prevented for any reason the CPS2 would be Written Off.	If Conversion is not effected within five Business Days after a Capital Trigger Conversion Date or Non-Viability Conversion Date (as applicable) for any reason (including an Inability Event), the CPS3 would be Written Off.				If conversion is not possible or does not occur as specified in the Conditions, the Notes (including all rights under the Notes) will be immediately Written-Off and the rights of holders of Notes will be immediately and irrevocably terminated within 5 days of the Conversion Date, with any such Write-Off to be taken as having effect on and from the Conversion Date. If the Issuer fails to issue BEN ordinary shares when it is required to do so, the remedies of holders of Notes will be limited to seeking an order for specific performance (noting that when Notes are Written-Off, no rights to conversion will	
32 If write-down, full or partial	N/A	Maybe written down partially	Maybe written down partially	Maybe written down partially	N/A	N/A	Maybe written down in full or partially	Maybe written down in full or partially	N/A
33 If write-down, permanent or temporary	N/A	Permanent	Permanent	Permanent	NA	NA	Permanent	Permanent	N/A
34 If temporary write-down, description of write-up mechanism	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
35 Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)		Senior obligations (ranking higher): Preferred and secured debt, Unsubordinated and unsecured debt, Subordinated and unsecured debt.	Senior obligations (ranking higher): Preferred and secured debt, Unsubordinated and unsecured debt, Subordinated and unsecured debt.	Senior obligations (ranking higher): Preferred and secured debt, Unsubordinated and unsecured debt, Subordinated and unsecured debt.	Senior Notes	Senior Notes	Senior Notes	Senior Notes	Senior Notes
36 Non-compliant transitioned features	N/A	No	No	No	No	No	No	No	No
37 If yes, specify non-compliant features	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A