Media Release

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Financial Disclosure by Overseas Incorporated Authorised Institution

In accordance with the Hong Kong Monetary Authority's disclosure standard for overseas incorporated authorised institutions, the required financial information as specified by the HKMA is detailed below in respect of Australia and New Zealand Banking Group Limited, Hong Kong Branch and the Group for the financial year 30 September 2016.

The information is also available at Australia and New Zealand Banking Group Limited Hong Kong Branch and the Public Registry of the Hong Kong Monetary Authority.

Our services include corporate and commercial banking, trade finance, treasury and retail and wealth banking services and private banking to high net worth individuals.

Section A - Branch Information (Hong Kong offices only)

I. Profit and Loss Information

		30-Sep-16 HK$'000		30-Sep-15 HK$'000
Interest income		2,029,526		2,519,454
Interest expense		(1,053,681)		(1,396,811)
Other operating income				
- Gains less losses arising from trading in foreign currencies		482,023		175,621
- Gains less losses on securities held for trading purposes		101,720		123,993
- Gains less losses from other trading activities		61,276		427,500
- Net fees and commission income	491,901		740,019	
Less: direct income related expense	0	491,901	0	740,019
- Others		310,198		285,236
Operating expenses				
- Staff and rental	(1,588,213)		(1,707,489)	
- Others	(605,048)	(2,193,261)	(663,734)	(2,371,223)
Impairment loss and specific provision and collective provision for impaired assets		(126,834)		(20,427)
Gains less losses from disposal of property, plant and investment properties		(3,939)		(1,133)
Profit before taxation		98,929		482,229
Taxation (charge)		(17,800)		(74,222)
Profit after taxation		81,129		408,007

II. Balance Sheet Information	30-Sep-16 HK$'000	31-Mar-16 HK$'000
Assets		
Cash and balances with banks (except those included in amount due from overseas offices)	8,826,130	11,723,455
Placements with banks maturing between 1 and 12 months (except those included in amount due from overseas offices)	2,340,686	3,683,085
Amount due from central banks	1,733,098	1,683,816
Amount due from overseas offices	42,631,089	46,342,501
Trade bills	3,510,055	3,250,620
Certificate of deposit held	589,722	592,545
Securities held for trading purposes	9,851	669,047
Loans and receivables		
Loans and advances to customers	43,415,232	48,250,550
Loans and advances to banks	1,473,241	1,783,489
Accrued interest and other accounts	24,748,279	40,546,699
Provisions for impaired loans and receivables		
- Collective	(199,344)	(213,225)
- Specific - Loans and advances	(132,205)	(76,974)
- Investment securities	0	0
Investment securities	10,561,519	10,510,907
Property, plant and equipment and investment properties	358,301	392,332
Total assets	139,865,654	169,138,847
Liabilities		
Deposits and balances from banks (except those included in amount due to overseas offices)	1,197,890	8,235,979
Amount due to central bank	189	6,052
Deposits from customers		
Demand deposits and current accounts	30,096,391	36,659,159
Saving deposits	205,245	216,200
Time, call and notice deposits	34,159,875	36,498,224
Amount due to overseas offices	45,061,586	40,666,472
Issued debt securities	2,927,650	5,337,622
Other liabilities	26,216,828	41,519,139
Total liabilities	139,865,654	169,138,847

III. Additional Balance Sheet Information

			30-Sep-16 HK$'000	31-Mar-16 HK$'000
(i)	(a)	Gross impaired loans and advances to customers	249,083	166,754
		Of which: Those which are individually determined to be impaired	212,755	153,178
		Impaired loans and advances breakdown by major geographical areas		
		Hong Kong	211,190	151,613
		Bahamas	1,565	1,565
		Amount of specific provisions made for such loans and advances	132,205	76,974
		Value of collateral which has been taken into account in respect of such loans and advances to which the specific provisions relate	56,585	34,200
		Percentage of such loans and advances to total advances to customers	0.49%	0.32%
	(b)	Amount of other assets (including trade bills and debt securities) which are individually determined to be impaired	0	0
		Impaired other assets breakdown by geographical areas	0	0
		Amount of specific provisions made for such other assets	0	0
		Value of collateral which has been taken into account in respect of such other assets to which the specific provisions relate	0	0
		Percentage of such other assets to total other assets	0.00%	0.00%
(ii)	(a)	Gross amount of loans and advances to customers which have been Overdue for		
		- 6 months or less but more than 3 months	16,574	88,284
		- 1 year or less but more than 6 months	106,644	26,573
		- More than 1 year	11,346	8,962
		Overdue loans and advances breakdown by major geographical areas		
		Hong Kong	134,564	123,819
		Amount of specific provisions made for such overdue loans	100,631	53,292
		Market value of collateral held against the covered portion of overdue loans	53,977	53,000
		Covered portion of overdue loans	38,144	24,229
		Uncovered portion of overdue loans	96,420	99,590
		Percentage of such loans and advances to total loans and advances to customers		
		- 6 months or less but more than 3 months	0.04%	0.18%
		- 1 year or less but more than 6 months	0.25%	0.06%
		- More than 1 year	0.03%	0.02%
	(b)	Other assets (including trade bills and debt securities) which have been Overdue for		
		- 6 months or less but more than 3 months	0	0
		- 1 year or less but more than 6 months	0	0
		- More than 1 year	0	0
		Overdue other assets breakdown by geographical areas	0	0
	(c)	Amount of rescheduled loans and advances to customers, excluding those which have been overdue for more than 3 months and report in item (ii) (a) above	12,431	10,986
		Percentage of such loans and advances to total loans and advances to customers	0.03%	0.02%
	(d)	There is no impaired, overdue nor rescheduled loans and advances to banks as of 30 Sep 2016 and 31 Mar 2016.		
	(e)	Repossessed assets	0	0

IV. Off-balance Sheet Exposures

(i) The contractual or notional amounts of each of the following significant class of off-balance sheet financial instruments or contracts outstanding:

	30-Sep-16 HK$'000	31-Mar-16 HK$'000
Contingent Liabilities and Commitments		
Direct credit substitutes	9,927,116	5,985,521
Transaction-related contingencies	5,775,027	6,393,084
Trade-related contingencies	2,281,596	2,796,943
Note issuance and revolving underwriting facilities	0	0
Other commitments	14,568,249	19,476,845
Others (including forward asset purchases, amounts owing on partly paid shares and securities, forward forward deposits placed, asset sales or other transactions with recourse)	2,321,136	1,387,727
Derivatives		
Contract Amounts		
- Exchange rate contracts (excluding forward foreign exchange contracts arising from swap deposit arrangements)	3,411,545,471	3,398,796,956
- Interest rate contracts	948,078,482	800,854,782
- Others	3,408	0
Fair value		
- Exchange rate contracts (excluding forward foreign exchange contracts arising from swap deposit arrangements)	(192,148)	224,327
- Interest rate contracts	(182,344)	(39,129)
- Others	0	0

The contractual amounts and fair value above do not take into account the effect of bilateral netting arrangements.

V. Segmental Information

(i) Breakdown of the gross amount of loans and advances to customers by industry sectors:

	30-Sep-16 HK$'000	% covered by collateral	31-Mar-16 HK$'000	% covered by collateral
Loans and advances for use in Hong Kong				
Industrial, commercial and financial				
- Property development	3,864,011	62.85%	4,059,110	38.75%
- Property investment	2,387,019	39.66%	2,625,398	37.51%
- Financial concerns	2,069,888	20.14%	2,176,456	21.74%
- Stockbrokers	0		0	
- Wholesale and retail trade	2,002,323	1.56%	3,383,410	2.31%
- Manufacturing	814,415	8.80%	959,273	21.76%
- Transport and transport equipment	3,565,216	62.40%	2,418,393	91.73%
- Electricity and gas	69,785	0.00%	460,000	0.00%
- Information technology	5,000	0.00%	785,000	0.00%
- Hotels, boarding houses & catering	809,671	59.37%	1,911,500	50.35%
- Others	3,246,168	13.84%	3,751,451	23.14%
Individuals				
- Loans for the purchase of flats in Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme	0		0	
- Loans for the purchase of other residential properties	681,405	100.00%	622,493	100.00%
- Credit card advances	0		0	
- Others	3,782,325	73.17%	4,203,840	84.33%
Trade finance	7,041,478	5.27%	8,652,246	11.17%
Loans and advances for use outside Hong Kong	13,076,528	38.81%	12,241,980	52.96%
	43,415,232		48,250,550	
Aggregate Intra-group items included in the above	*1,424,733*		*1,527,648*	

(ii) Breakdown of the gross amount of loans and advances to customers by countries where it constitutes 10% or more of the aggregate gross amount of loans and advances to customers after taking into consideration of transfers of risks

	30-Sep-16 HK$'000	31-Mar-16 HK$'000
Hong Kong	34,567,948	35,295,660
Others	8,847,284	12,954,890
	43,415,232	48,250,550

V. Segmental Information (cont'd)

(iii) Breakdown of the international claims by countries where it constitutes 10% or more of the total international claims after taking into consideration of transfers of risks, according to the location of the counterparties and the type of counterparties.

HK$ M

As at 30/09/2016

	Banks	Official Sector	Non-Bank private sector: Non-Bank Financial Institutions	Non-Bank private sector: Non-Financial Private sector	Others	Total
Developed countries						
Australia	45,236	1	0	194	0	45,431
Offshore Centres						
Hong Kong	990	1,312	1,262	17,172	0	20,736
Developing Asia and Pacific						
China	8,183	0	233	3,425	0	11,841

As at 31/03/2016

	Banks	Official Sector	Non-Bank private sector: Non-Bank Financial Institutions	Non-Bank private sector: Non-Financial Private sector	Others	Total
Developed countries						
Australia	47,753	1	0	220	0	47,974
Offshore Centres						
Hong Kong	440	0	233	19,428	0	20,101
Developing Asia and Pacific						
China	6,987	1	23	3,499	0	10,510

(iv) Non-bank Mainland exposures

Non-bank counterparties and the type of direct exposures are identified in accordance with the method set out in the "Return of Mainland Activities" issued by the HKMA.

30-Sep-16
HK$ M

	On-balance sheet exposures	Off-balance sheet exposures	Total
Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	7,268	2,033	9,301
Local governments, local government-owned entities and their subsidiaries and JVs	576	194	770
PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	2,306	1,971	4,277
Other entities of central government not reported in the 1st item above	202	17	219
PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	5,935	474	6,409
Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	155	542	697
Total	16,442	5,231	21,673
Total assets after provision	139,866		
On-balance sheet exposures as percentage of total assets	11.76%		

V. Segmental Information (cont'd)

	On-balance sheet exposures	Off-balance sheet exposures	31-Mar-16 HK$ M Total
Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	6,256	2,369	8,625
Local governments, local government-owned entities and their subsidiaries and JVs	1,004	11	1,015
PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	4,031	2,101	6,132
Other entities of central government not reported in the 1st item above	0	20	20
PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	4,324	3,537	7,861
Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	0	214	214
Total	15,615	8,252	23,867
Total assets after provision	169,139		
On-balance sheet exposures as percentage of total assets	9.23%		

VI. Currency Risk

The net position in a particular foreign currency where it constitutes 10% or more of the total net position in all foreign currencies.

	NZD	*USD*	*OTH*	**30-Sep-16** *Total*
Equivalent to millions of Hong Kong Dollars				
Spot assets	1,324	73,855	24,914	100,093
Spot liabilities	(2,210)	(74,799)	(22,112)	(99,121)
Forward purchases	19,967	1,683,386	1,515,644	3,218,997
Forward sales	(18,376)	(1,680,850)	(1,518,649)	(3,217,875)
Net options position	0	0	0	0
Net long (short) position	705	1,592	(203)	2,094
Net structural position	0	0	0	0

	AUD	*CNY*	*NZD*	*USD*	*OTH*	**31-Mar-16** *Total*
Equivalent to millions of Hong Kong Dollars						
Spot assets	6,706	6,302	780	86,672	10,095	110,555
Spot liabilities	(7,319)	(3,779)	(2,657)	(84,323)	(10,866)	(108,944)
Forward purchases	60,795	1,341,043	23,081	1,658,359	143,230	3,226,508
Forward sales	(58,855)	(1,346,433)	(20,522)	(1,659,328)	(142,447)	(3,227,585)
Net options position	0	0	0	0	0	0
Net long (short) position	1,327	(2,867)	682	1,380	12	534
Net structural position	0	0	0	0	0	0

VII. Liquidity

	30-Sep-16	30-Sep-15
The average liquidity maintenance ratio (%)	36.43%	45.97%

36.43% for 30-Sep-16 is the average of the ratios from Oct 2015 to Sep 2016 which are prepared according to the liquidity maintenance ratio methodologies as stipulated in the completion instructions 1/2015.

45.97% for 30-Sep-15 is the average of the ratios from Oct 2014 to Dec 2014 and from Jan 2015 to Sep 2015 which are prepared according to liquidity ratio and liquidity maintenance ratio methodologies as stipulated in the completion instructions 6/2005 and 1/2015 respectively.

Liquidity Information Disclosures: Approach to Liquidity Risk Management

ANZ HK Branch manages its liquidity risk in accordance with ANZ Group's Liquidity Policy, which is governed by a set of principles approved by the ANZ Board Risk Committee. The Policy provides a set of guidelines for the prudent management of liquidity in the normal course of business. The Branch also follows the guidance set forth by the HKMA in Supervisory Policy Manuals LM-1 (Regulatory Framework for Supervision of Liquidity Risk) and LM-2 (Sound Systems and Controls for Liquidity Risk Management).

Net funding exposures are managed through regular reviews of projected cash flows. Cumulative cashflow profiles under normal and stress conditions across different horizons are monitored against limits for each of these scenarios. The policy also provides a framework for the management of market access and contingency planning to withstand a liquidity crisis.

VIII. Disclosure on Remuneration

Pursuant to section 3 of Supervisory Policy Manual (CG-5) Guideline on a sound remuneration system issued by the HKMA, ANZ HK Branch complies with the requirements and has adopted the remuneration systems of ANZ Head Office. For details on ANZ Head Office Remuneration Report, please refer to pages 32 – 59 of the 2016 Annual Report.

SECTION B - Bank Information (consolidated basis)
I. Capital and Capital Adequacy

	Basel III 30-Sep-16 A$M	Basel III 31-Mar-16 A$M
Qualifying Capital		
Tier 1		
Adjusted shareholders' equity and outside equity interests	66,464	62,840
Deductions	(18,179)	(17,778)
Tier 1 capital	48,285	45,062
Tier 2 capital	10,328	8,076
Total qualifying capital	58,613	53,138
Capital adequacy ratios (%)		
Tier 1	11.8%	11.6%
Tier 2	2.5%	2.1%
Total	14.3%	13.7%
Risk weighted assets	408,582	388,335

II. Other Financial Information	30-Sep-16 A$M	31-Mar-16 A$M
Total assets	914,869	895,278
Total liabilities	856,942	838,814
Total gross loans and advances	578,944	564,691
Total deposits and other borrowings	588,195	578,071

	30-Sep-16 A$M	30-Sep-15 A$M
Profit before income tax	8,178	10,533

Details of Group financial information can be obtained from the website www.anz.com

Statement of Compliance

The information in this statement is not false or misleading in any material respect.

Richard Tsui
Alternate Chief Executive of the Hong Kong Branch

30 December 2016