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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 interim financial year 31 March 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)

	<u>31-Mar-16</u> HK\$'000	<u>31-Mar-15</u> HK\$'000
I. Profit and Loss Information		
Interest income	1,063,239	1,373,602
Interest expense	(570,224)	(771,959)
Other operating income		
- Gains less losses arising from trading in foreign currencies	250,574	31,264
- Gains less losses on securities held for trading purposes	20,695	25,216
- Gains less losses from other trading activities	77,560	446,007
- Net fees and commission income	231,527	408,670
Less: direct income related expense	<u>0</u>	<u>0</u>
- Others	140,034	165,614
Gains less losses from disposal of property, plant and investment properties	<u>12</u>	<u>57</u>
Total Income	1,213,417	1,678,471
Operating expenses		
- Staff and rental	(811,046)	(871,062)
- Others	<u>(289,345)</u>	<u>(328,051)</u>
	113,026	479,358
Impairment loss and specific provision and collective provision for impaired assets	<u>(49,012)</u>	<u>(13,676)</u>
Profit before taxation	64,014	465,682
Taxation (charge)	<u>(10,562)</u>	<u>(70,480)</u>
Profit after taxation	<u>53,452</u>	<u>395,202</u>

	31-Mar-16 HK\$'000	30-Sep-15 HK\$'000
II. Balance Sheet Information		
<i>Assets</i>		
Cash and balances with banks (except those included in amount due from overseas offices)	13,078,044	3,816,988
Placements with banks maturing between 1 and 12 months (except those included in amount due from overseas offices)	4,012,312	2,959,362
Amount due from overseas offices	46,342,501	58,609,795
Trade bills	3,250,620	6,259,560
Certificate of deposit held	592,545	545,958
Securities held for trading purposes	669,047	24,936
Loans and receivables		
Loans and advances to customers	48,250,550	64,089,718
Loans and advances to banks	1,783,489	1,898,726
Accrued interest and other accounts	40,546,699	24,540,812
Provisions for impaired loans and receivables		
- Collective	(213,225)	(207,060)
- Specific - Loans and advances	(76,974)	(36,491)
- Investment securities	0	(96,052)
Investment securities	10,510,907	9,309,031
Property, plant and equipment and investment properties	392,332	385,086
Total assets	<u>169,138,847</u>	<u>172,100,369</u>
<i>Liabilities</i>		
Deposits and balances from banks (except those included in amount due to overseas offices)	8,242,031	6,947,750
Deposits from customers		
Demand deposits and current accounts	36,659,159	36,859,576
Saving deposits	216,200	231,623
Time, call and notice deposits	36,498,224	38,755,577
Amount due to overseas offices	40,666,472	55,882,701
Issued debt securities	5,337,622	7,684,696
Other liabilities	41,519,139	25,738,446
Total liabilities	<u>169,138,847</u>	<u>172,100,369</u>

III. Additional Balance Sheet Information

	31-Mar-16 HK\$'000	30-Sep-15 HK\$'000
(i) (a) Gross impaired loans and advances to customers	166,754	55,774
Of which: Those which are individually determined to be impaired	153,178	40,893
Impaired loans and advances breakdown by geographical areas		
<i>Hong Kong</i>	151,613	39,329
<i>Bahamas</i>	1,565	1,564
Amount of specific provisions made for such loans and advances	76,974	36,491
Value of collateral which has been taken into account in respect of such loans and advances to which the specific provisions relate	34,200	5,500
Percentage of such loans and advances to total advances to customers	0.32%	0.06%
(b) Amount of other assets (including trade bills and debt securities) which are individually determined to be impaired	0	115,484
Impaired other assets breakdown by geographical areas		
<i>South Korea</i>	0	115,484
Amount of specific provisions made for such other assets	0	96,052
Value of collateral which has been taken into account in respect of such other assets to which the specific provisions relate	0	32,681
Percentage of such other assets to total other assets	0.00%	0.72%
(ii) (a) Gross amount of loans and advances to customers which have been Overdue for		
- 6 months or less but more than 3 months	88,284	4,058
- 1 year or less but more than 6 months	26,573	0
- More than 1 year	8,962	9,300
Overdue loans and advances breakdown by geographical areas		
<i>Hong Kong</i>	123,819	13,358
Amount of specific provisions made for such overdue loans	53,292	10,693
Market value of collateral held against the covered portion of overdue loans	53,000	5,500
Covered portion of overdue loans	24,229	2,997
Uncovered portion of overdue loans	99,590	10,361
Percentage of such loans and advances to total loans and advances to customers		
- 6 months or less but more than 3 months	0.18%	0.01%
- 1 year or less but more than 6 months	0.06%	0.00%
- More than 1 year	0.02%	0.01%
(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	0	0
Percentage of such loans and advances to total loans and advances to customers	0.00%	0.00%
(d) There is no impaired, overdue nor rescheduled loans and advances to banks as of 31 Mar 2016 and 30 Sep 2015.		
(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:

	31-Mar-16 HK\$'000	30-Sep-15 HK\$'000
<i>Contingent Liabilities and Commitments</i>		
Direct credit substitutes	5,985,521	9,494,021
Transaction-related contingencies	6,393,084	4,390,220
Trade-related contingencies	2,796,943	4,213,810
Note issuance and revolving underwriting facilities	0	0
Other commitments	19,476,845	13,444,655
Others (including forward asset purchases, amounts owing on partly paid shares and securities, forward deposits placed, asset sales or other transactions with recourse)	1,387,727	31,720,525
<i>Derivatives</i>		
<i>Contract Amounts</i>		
- Exchange rate contracts (excluding forward foreign exchange contracts arising from swap deposit arrangements)	3,398,796,956	2,470,229,386
- Interest rate contracts	800,854,782	826,016,172
- Others	0	0
<i>Fair value</i>		
- Exchange rate contracts (excluding forward foreign exchange contracts arising from swap deposit arrangements)	224,327	(137,532)
- Interest rate contracts	(39,129)	37,672
- Others	0	0

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

V. Segmental Information

	31-Mar-16 HK\$'000	% covered by collateral	30-Sep-15 HK\$'000	% covered by collateral
(i) Breakdown of the gross amount of loans and advances to customers by industry sectors:				
Loans and advances for use in Hong Kong				
<i>Industrial, commercial and financial</i>				
- Property development	4,059,110	38.75%	4,685,529	42.77%
- Property investment	2,625,398	37.51%	3,680,805	52.37%
- Financial concerns	2,176,456	21.74%	4,905,075	4.32%
- Stockbrokers	0		0	
- Wholesale and retail trade	3,383,410	2.31%	2,661,354	4.50%
- Manufacturing	959,273	21.76%	1,444,628	15.45%
- Transport and transport equipment	2,418,393	91.73%	2,010,306	90.05%
- Electricity and gas	460,000	0.00%	1,919,227	0.00%
- Information technology	785,000	0.00%	878,618	0.00%
- Hotels, boarding houses & catering	1,911,500	50.35%	1,911,500	50.35%
- Others	3,751,451	23.14%	6,551,810	36.61%
<i>Individuals</i>				
- 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	622,493	100.00%	519,537	100.00%
- Credit card advances	0		0	
- Others	4,203,840	84.33%	3,786,708	79.53%
Trade finance	8,652,246	11.17%	15,537,826	0.00%
Loans and advances for use outside Hong Kong	12,241,980	52.96%	13,596,795	42.29%
	<u>48,250,550</u>		<u>64,089,718</u>	
<i>Aggregate Intra-group items included in the above</i>	<i>1,527,648</i>		<i>1,955,314</i>	

(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

<i>Hong Kong</i>	35,295,660	49,358,762
<i>Others</i>	12,954,890	14,730,956
	<u>48,250,550</u>	<u>64,089,718</u>

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 31/03/2016

<u>Offshore Centres</u>	<u>Banks</u>	<u>Official Sector</u>	<u>Non-Bank private sector</u>		<u>Others</u>	<u>Total</u>
			<u>Non-Bank Financial</u>	<u>Non-Financial Private sector</u>		
Hong Kong	440	0	233	19,428	0	20,101

Developing Asia and Pacific

China	6,987	1	23	3,499	0	10,510
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As at 30/09/2015

<u>Offshore Centres</u>	<u>Banks</u>	<u>Official Sector</u>	<u>Non-Bank private sector</u>		<u>Others</u>	<u>Total</u>
			<u>Non-Bank Financial Institutions</u>	<u>Non-Financial Private sector</u>		
Hong Kong	226	0	2,819	28,778	0	31,823

Developing Asia and Pacific

China	5,290	1	0	5,021	0	10,312
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(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.

			31-Mar-16
	<u>On-balance sheet exposures</u>	<u>Off-balance sheet exposures</u>	HK\$ M
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%		

V. Segmental Information (cont'd)

	<u>On-balance</u> <u>sheet exposures</u>	<u>Off-balance</u> <u>sheet exposures</u>	30-Sep-15 HK\$ M <u>Total</u>
Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	14,485	3,196	17,681
Local governments, local government-owned entities and their subsidiaries and JVs	891	64	955
PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	4,817	1,929	6,746
Other entities of central government not reported in the 1st item above	77	50	127
PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	4,913	0	4,913
Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	0	222	222
Total	25,183	5,461	30,644
Total assets after provision	172,100		
On-balance sheet exposures as percentage of total assets	14.63%		

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.

	<u>AUD</u>	<u>CNY</u>	<u>NZD</u>	<u>USD</u>	<u>OTH</u>	31-Mar-16 <u>Total</u>
<i>Equivalent to millions of Hong Kong Dollars</i>						
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

	<u>CNY</u>	<u>AUD</u>	<u>NZD</u>	<u>OTH</u>	30-Sep-15 <u>Total</u>
<i>Equivalent to millions of Hong Kong Dollars</i>					
Spot assets	3,818	7,347	342	115,244	126,751
Spot liabilities	(7,398)	(7,480)	(2,371)	(107,460)	(124,709)
Forward purchases	926,786	38,235	18,411	1,342,446	2,325,878
Forward sales	(924,920)	(36,910)	(15,747)	(1,350,198)	(2,327,775)
Net options position	0	0	0	0	0
Net long (short) position	(1,714)	1,192	635	32	145
Net structural position	0	0	0	0	0

VII. Liquidity

31-Mar-16 31-Mar-15

The average liquidity maintenance ratio (%)

35.45% 50.31%

35.45% for 31-Mar-16 is the average of the ratios from Oct 2015 to Mar 2016 which are prepared according to the liquidity maintenance ratio methodologies as stipulated in the completion instructions 1/2015.

50.31% for 31-Mar-15 is the average of the ratios from Oct 2014 to Dec 2014 and from Jan 2015 to Mar 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 Manual 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 31 – 57 of the 2015 Annual Report.

SECTION B - Bank Information (consolidated basis)

I. Capital and Capital Adequacy

	Basel III 31-Mar-16 HK\$M	Basel III 30-Sep-15 HK\$M
Qualifying Capital		
Tier 1		
Adjusted shareholders' equity and outside equity interests	372,355	347,080
Deductions	(105,343)	(100,121)
Tier 1 capital	267,012	246,959
Tier 2 capital	47,854	43,171
Total qualifying capital	314,866	290,130
Capital adequacy ratios (%)		
Tier 1	11.6%	11.3%
Tier 2	2.1%	2.0%
Total	13.7%	13.3%
Risk weighted assets	2,301,059	2,182,349

II. Other Financial Information	31-Mar-16 HK\$M	30-Sep-15 HK\$M
Total assets	5,304,923	4,831,783
Total liabilities	4,970,349	4,520,380
Total gross loans and advances	3,346,047	3,107,729
Total deposits and other borrowings	3,425,330	3,099,172

	31-Mar-16 HK\$M	31-Mar-15 HK\$M
Profit before income tax	23,003	30,339

Remarks:-

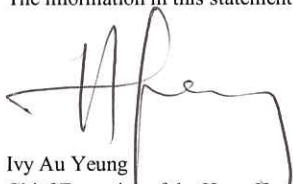
Conversation rate for HKD/AUD

31-Mar-16	5.92544800
30-Sep-15	5.42957995
31-Mar-15	5.89900027

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.



Ivy Au Yeung
Chief Executive of the Hong Kong Branch

30 June 2016