



Australia and New Zealand Banking Group Limited
Hong Kong Branch

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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 ended 31 March 2015.

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)

	31-Mar-15		31-Mar-14
	HK\$'000		HK\$'000
I. Profit and Loss Information			
Interest income	1,373,602		1,421,638
Interest expense	(771,959)		(730,762)
Other operating income			
- Gains less losses arising from trading in foreign currencies	31,264		221,945
- Gains less losses on securities held for trading purposes	25,216		(10,424)
- Gains less losses from other trading activities	446,007		208,546
- Net fees and commission income	408,670		294,160
Less: direct income related expense	<u>0</u>	408,670	<u>0</u>
- Others	165,614		171,277
Operating expenses			
- Staff and rental	(871,062)		(846,318)
- Others	<u>(328,051)</u>	(1,199,113)	<u>(276,904)</u>
Impairment loss and specific provision and collective provision for impaired assets		(13,676)	(8,533)
Gains less losses from disposal of property, plant and investment properties		<u>57</u>	<u>214</u>
Profit before taxation		465,682	444,839
Taxation (charge)		<u>(70,480)</u>	<u>(73,015)</u>
Profit after taxation		<u>395,202</u>	<u>371,824</u>

	31-Mar-15 HK\$'000	30-Sep-14 HK\$'000
II. Balance Sheet Information		
<i>Assets</i>		
Cash and balances with banks (except those included in amount due from overseas offices)	15,325,183	13,316,190
Placements with banks maturing between 1 and 12 months (except those included in amount due from overseas offices)	6,386,560	7,623,012
Amount due from overseas offices	50,653,880	51,308,289
Trade bills	9,554,679	12,958,675
Certificate of deposit held	590,900	848,663
Securities held for trading purposes	7,607	142,986
Loans and receivables		
Loans and advances to customers	75,590,210	85,583,798
Loans and advances to banks	3,539,461	3,104,767
Accrued interest and other accounts	19,094,913	16,101,783
Provisions for impaired loans and receivables		
- Collective	(239,456)	(259,437)
- Specific - Loans and advances	(168,594)	(231,045)
- Investment securities	(192,037)	(192,249)
Investment securities	9,931,353	10,125,302
Property, plant and equipment and investment properties	416,370	425,520
Total assets	<u>190,491,029</u>	<u>200,856,254</u>
<i>Liabilities</i>		
Deposits and balances from banks (except those included in amount due to overseas offices)	4,512,873	516,843
Deposits from customers		
Demand deposits and current accounts	32,773,794	36,705,672
Saving deposits	352,624	341,568
Time, call and notice deposits	50,224,502	49,091,485
Amount due to overseas offices	69,247,326	82,868,351
Issued debt securities	12,332,299	13,237,906
Other liabilities	21,047,611	18,094,429
Total liabilities	<u>190,491,029</u>	<u>200,856,254</u>

III. Additional Balance Sheet Information

	31-Mar-15 HK\$'000	30-Sep-14 HK\$'000
(i) (a) Gross impaired loans and advances to customers	213,816	303,496
Of which: those which are individually determined to be impaired	194,411	277,979
Impaired loans and advances breakdown by geographical areas		
<i>Hong Kong</i>	12,376	96,844
<i>Bahamas</i>	182,035	181,135
Amount of specific provisions made for such loans and advances	168,594	231,045
Value of collateral which has been taken into account in respect of such loans and advances to which the specific provisions relate	28,305	75,496
Percentage of such loans and advances to total advances to customers	0.26%	0.32%
(b) Amount of other assets (including trade bills and debt securities) which are individually determined to be impaired	215,516	222,892
Impaired other assets breakdown by geographical areas		
<i>South Korea</i>	215,516	222,892
Amount of specific provisions made for such other assets	192,037	192,247
Value of collateral which has been taken into account in respect of such other assets to which the specific provisions relate	32,702	32,738
Percentage of such other assets to total other assets	1.08%	0.93%
(ii) (a) Gross amount of loans and advances to customers which have been Overdue for		
- 6 months or less but more than 3 months	1,558	6,384
- 1 year or less but more than 6 months	2,995	45,960
- More than 1 year	12,726	16,647
Overdue loans and advances breakdown by geographical areas		
<i>Hong Kong</i>	17,279	65,571
<i>Singapore</i>	0	3,420
Amount of specific provisions made for such overdue loans	14,285	60,629
Market value of collateral held against the secured overdue loans	6,745	15,850
Secured overdue loans	3,420	7,868
Unsecured overdue loans	13,859	61,123
Percentage of such loans and advances to total loans and advances to customers		
- 6 months or less but more than 3 months	0.00%	0.01%
- 1 year or less but more than 6 months	0.00%	0.05%
- More than 1 year	0.02%	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	114	0
Percentage of such loans and advances to total loans and advances to customers	0.00%	0.00%
There is no impaired, overdue nor rescheduled loans and advances to banks as of 31 Mar 2015 and 30 Sep 2014.		
(d) Repossessed assets	28,305	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-15 HK\$'000	30-Sep-14 HK\$'000
<i>Contingent Liabilities and Commitments</i>		
Direct credit substitutes	13,749,737	17,149,524
Transaction-related contingencies	2,200,833	1,225,613
Trade-related contingencies	4,999,454	6,540,003
Note issuance and revolving underwriting facilities	0	0
Other commitments	12,293,654	11,620,523
Others (including forward asset purchases, amounts owing on partly paid shares and securities, forward deposits placed, asset sales or other transactions with recourse)	5,040,555	16,343,581
<i>Derivatives</i>		
<i>Contract Amounts</i>		
- Exchange rate contracts (excluding forward foreign exchange contracts arising from swap deposit arrangements)	1,860,098,768	1,661,153,661
- Interest rate contracts	599,057,645	475,297,413
- Others	33,410	167,797
<i>Fair value (no bilateral netting agreement in place)</i>		
- Exchange rate contracts (excluding forward foreign exchange contracts arising from swap deposit arrangements)	(206,514)	(313,020)
- Interest rate contracts	100,548	46,773
- Others	(2,326)	(2,326)

V. Segmental Information

	31-Mar-15 HK\$'000	% covered by collateral	30-Sep-14 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	4,058,849	45.58%	4,510,110	56.01%
- Property investment	3,456,328	52.52%	3,423,678	54.90%
- Financial concerns	5,912,162	4.25%	6,194,955	4.41%
- Stockbrokers	0		0	
- Wholesale and retail trade	1,862,518	12.56%	3,427,834	11.48%
- Manufacturing	2,595,844	48.17%	3,813,024	41.22%
- Transport and transport equipment	2,570,766	46.54%	2,349,499	24.16%
- Electricity and gas	1,934,289	0.00%	1,921,499	0.00%
- Information technology	963,018	0.00%	4,481,426	1.14%
- Hotels, boarding houses & catering	1,651,500	58.28%	1,661,500	58.53%
- Others	4,021,249	37.66%	3,621,770	40.05%
<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	417,734	100.00%	315,245	100.00%
- Credit card advances	0		0	
- Others	3,497,559	75.98%	2,624,460	67.96%
Trade finance	26,232,086	0.00%	27,672,240	0.00%
Loans and advances for use outside Hong Kong	16,416,308	41.34%	19,566,558	37.12%
	<u>75,590,210</u>		<u>85,583,798</u>	
<i>Aggregate Intra-group items included in the above</i>	2,925,048		3,124,253	

(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>	57,827,005	65,162,102
<i>Others</i>	17,763,205	20,421,696
	<u>75,590,210</u>	<u>85,583,798</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 31/03/2015			Non-Bank private sector		Others	Total
	Banks	Official Sector	Non-Bank Financial Institutions	Non-Financial Private sector		
<i>Offshore Centres</i>						
Hong Kong	1,947	7,160	3,813	55,081	0	68,001
<i>Developing Asia and Pacific</i>						
China	14,368	0	0	6,424	0	20,792

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

As at 30/09/2014		Banks and other financial institutions	Public sector entities	Others	Total
<i>Asia Pacific Region excluding HK</i>					
China		17,344	0	9,196	26,540
<i>North America Region</i>					
United States		2,751	2,526	155	5,432

(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-15		
	On-balance sheet exposures	Off-balance sheet exposures	HK\$ M
			Total
Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	24,944	2,861	27,805
Local governments, local government-owned entities and their subsidiaries and JVs	2,202	385	2,587
PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	4,564	2,614	7,178
PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	4,713	0	4,713
Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	1,290	268	1,558
Total	37,713	6,128	43,841
Total assets after provision	190,491		
On-balance sheet exposures as percentage of total assets	19.80%		

V. Segmental Information (cont'd)

			30-Sep-14 HK\$ M
	<u>On-balance sheet exposures</u>	<u>Off-balance sheet exposures</u>	<u>Total</u>
Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	27,382	3,214	30,596
Local governments, local government-owned entities and their subsidiaries and JVs	2,482	938	3,420
PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	8,052	1,569	9,621
PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	3,830	345	4,175
Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	2,009	262	2,271
Total	43,755	6,328	50,083
Total assets after provision	200,856		
On-balance sheet exposures as percentage of total assets	21.78%		

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>NZD</u>	<u>USD</u>	<u>OTH</u>	31-Mar-15 <u>Total</u>
<i>Equivalent to millions of Hong Kong Dollars</i>					
Spot assets	8,726	453	116,719	20,117	146,015
Spot liabilities	(8,683)	(1,300)	(114,946)	(19,734)	(144,663)
Forward purchases	59,758	32,023	886,399	725,582	1,703,762
Forward sales	(58,536)	(30,445)	(889,790)	(725,868)	(1,704,639)
Net options position	0	0	0	0	0
Net long (short) position	1,265	731	(1,618)	97	475
Net structural position	0	0	0	0	0

	<u>AUD</u>	<u>CNY</u>	<u>NZD</u>	<u>USD</u>	<u>OTH</u>	30-Sep-14 <u>Total</u>
<i>Equivalent to millions of Hong Kong Dollars</i>						
Spot assets	11,124	12,403	977	120,125	14,869	159,498
Spot liabilities	(8,493)	(4,180)	(1,720)	(130,464)	(17,970)	(162,827)
Forward purchases	70,753	532,224	29,968	804,476	87,167	1,524,588
Forward sales	(71,950)	(539,230)	(28,267)	(795,452)	(84,554)	(1,519,453)
Net options position	0	0	0	0	0	0
Net long (short) position	1,434	1,217	958	(1,315)	(488)	1,806
Net structural position	0	0	0	0	0	0

VII. Liquidity

31-Mar-15 31-Mar-14

The average liquidity ratio (%)

50.31% 45.67%

50.31% for 31-Mar-15 is the average of the ratios from Oct to Dec 2014 and from Jan to Mar 2015 which are prepared according to the liquidity ratio and liquidity maintenance ratio methodologies as stipulated in the completion instructions 6/2005 and 1/2015

45.67% for 31-Mar-14 is the average of the ratios from Oct 2013 to Mar 2014 which are prepared according to the liquidity ratio methodology as stipulated in the completion instruction 6/2005.

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 28 – 56 of the 2014 Annual Report.

SECTION B - Bank Information (consolidated basis)

I. Capital and Capital Adequacy

	Basel III 31-Mar-15 HK\$M	Basel III 30-Sep-14 HK\$M
Qualifying Capital		
Tier 1		
Adjusted shareholders' equity and outside equity interests	347,357	372,573
Deductions	(104,979)	(110,602)
Tier 1 capital	242,378	261,971
Tier 2 capital	45,517	48,443
Total qualifying capital	287,895	310,414
Capital adequacy ratios (%)		
Tier 1	10.6%	10.7%
Tier 2	2.0%	2.0%
Total	12.6%	12.7%
Risk weighted assets	2,282,105	2,453,565

II. Other Financial Information	31-Mar-15 HK\$M	30-Sep-14 HK\$M
Total assets	5,073,653	5,239,905
Total liabilities	4,766,605	4,905,433
Total gross loans and advances	3,316,601	3,558,795
Total deposits and other borrowings	3,346,001	3,461,719
	31-Mar-15 HK\$M	31-Mar-14 HK\$M
Profit before income tax	30,339	33,698

Remarks:-

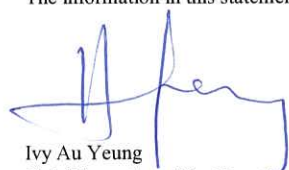
Conversation rate for HKD/AUD

31-Mar-15	5.89900027
30-Sep-14	6.78663310
31-Mar-14	7.16211197

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 2015