

Disclosure of Prudential Information

For the Quarter Ended 31 December 2022

Risk Exposures and Assessment

Based on Level 2 – Reporting Consolidated Group

Capital Adequacy		
Capital Requirements:	Risk-Weighted Assets	
	31/12/2022	30/09/2022
A) Credit Risk (excluding securitisation)		
Class I – Cash Items	-	-
Class II – Claims on Australian & foreign governments	-	-
Class III – Claims on central banks, international banking agencies, regional development banks, ADIs & overseas banks	\$517,829,234	\$523,575,393
Class IV – Claims secured against eligible residential mortgages	\$3,560,234,776	\$3,481,462,916
Class V – Unsettled and failed transactions	-	-
Class VI – Past due claims	\$17,801,245	\$17,309,882
Class VII – Other assets & claims	\$161,024,873	\$161,497,147
Non-market-related off-balance sheet credit exposures	\$146,830,121	\$164,873,540
Market-related off-balance sheet credit exposures	\$17,909,350	\$17,029,347
Total Credit Risk (excluding securitisation)	\$4,421,629,599	\$4,365,748,225
B) Credit Risk (securitisation)	-	-
C) Market Risk	-	-
D) Operational Risk	\$658,139,144	\$644,581,008
Capital Ratio:		
Common Equity Tier 1 Ratio	20.69%	20.72%
Total Capital Adequacy Ratio	20.81%	20.84%
Tier 1 Capital Adequacy Ratio	20.69%	20.72%

Credit Risk

Total gross credit risk exposures, plus average gross exposure over the period.

A) By major types of credit exposure

On-Balance Sheet credit risk-weighted assets:		Exposure at 31/12/2022	Exposure at 31/12/2022*	Exposure at 30/09/2022	Average Exposure at 30/09/2022*
Class I	Cash Items	\$348,390,247	\$345,639,912	\$407,512,759	\$298,046,263
Class II	Claims on Australian and foreign governments	\$58,295,470	\$58,229,312	\$58,242,380	\$58,176,284
Class III	Claims on central banks, international banking agencies, regional development banks, ADIs & overseas banks	\$1,777,270,528	\$1,796,493,395	\$1,798,197,514	\$1,888,169,655
Class IV	Claims secured against eligible residential mortgages	\$10,052,333,017	\$9,970,669,647	\$9,821,521,286	\$9,766,203,002
Class V	Unsettled and failed transactions	-	-	-	-
Class VI	Past due items	\$23,547,915	\$23,205,169	\$23,033,796	\$19,591,396
Class VII	Other assets and claims	\$161,024,873	\$162,009,641	\$161,497,147	\$162,106,073
Off-balance sheet exposures Non-market-related					
	Guarantees	\$2,543,154	\$2,455,810	\$2,310,691	\$2,315,867
	Commitments with certain drawdowns	\$417,092,398	\$451,844,597	\$465,838,803	\$454,208,511
	Commitments that can be unconditionally cancelled at any time without notice	\$213,866,785	\$213,282,822	\$214,010,116	\$213,908,540
Off-balance sheet exposures Market-related					
	Interest rate contracts	\$26,271,642	\$26,902,831	\$30,918,167	\$28,107,177
	Foreign exchange and gold contracts	-	-	-	-

*Average exposure is calculated by using closing monthly balances during the period.

B) By portfolio

Impaired Facilities	Balance Outstanding 31/12/2022	Balance Outstanding 30/09/2022
Residents		
Households	\$7,557,296	\$5,964,352
<i>of which: Owner-occupied housing</i>	\$6,349,147	\$4,912,003
<i>of which: Investor housing</i>	\$372,297	\$427,783
<i>of which: Credit Cards</i>	\$523,371	\$395,963
<i>of which: Other personal</i>	\$312,481	\$228,603
Non-financial corporations	\$5,427	\$4,936
<i>of which: Private trading corporations</i>	-	-
<i>of which: Private unincorporated businesses</i>	\$5,427	\$4,936
TOTAL	\$7,562,723	\$5,969,288

Past Due Items	Balance Outstanding 31/12/2022	Balance Outstanding 30/09/2022
Residents		
Households	\$6,912,559	\$7,756,041
<i>of which: Owner-occupied housing</i>	\$5,026,858	\$6,591,058
<i>of which: Investor housing</i>	\$1,781,832	\$499,629
<i>of which: Credit Cards</i>	-	-
<i>of which: Other personal</i>	\$103,869	\$665,354
Non-financial corporations	\$38,576	-
<i>of which: Private trading corporations</i>	\$38,576	-
<i>of which: Private unincorporated businesses</i>	-	-
TOTAL	\$6,951,135	\$7,756,041

Collective Provision	Outstanding balances 31/12/2022	Provision required 31/12/2022	Outstanding balances 30/09/2022	Provision required 30/09/2022
Category One facilities	\$52,409,551	-	\$57,288,833	-
Category Two facilities	\$2,791,723	\$54,598	\$5,599,310	\$15,650
Category Three facilities	\$813,127	\$64,757	\$561,725	\$49,225
Category Four facilities	\$1,236,468	\$396,354	\$897,192	\$307,374
TOTALS	\$57,250,869	\$515,709	\$64,347,060	\$372,249

Charges and Write-offs during the period	31/12/2022	30/09/2022
	Australia	Australia
Specific provisions	\$6,487,509	\$6,397,171
Charges for specific provisions	\$105,129	-\$22,044
Bad debts written off to profit and loss	\$14,791	\$28,605

C) The general reserve for credit losses

	31/12/2022	30/09/2022
Balance	-	-

D) Securitisation exposures[~]

Current period securitisation activity	Balance 31/12/2022		Balance 30/09/2022	
Mortgage securitisations (on-balance sheet)				
Opening balance of securitised loans at beginning of quarter		\$70,101,644		\$76,945,674
Add: New loans securitised during the quarter		-		-
Add: Interest charged for the quarter		\$930,780		\$868,134
Less: Repayments/amortisation/loan buy backs for the quarter		\$6,157,781		\$7,712,164
Closing balance of securitised loans at end of quarter		\$64,874,643		\$70,101,644
Investment securitisation exposures				
	Residential Mortgage Backed Securities	Asset Backed Commercial Paper		Total
Opening balance at beginning of quarter	\$1,461,342	-	\$1,461,342	\$1,519,720
Add: New purchases for the quarter	-	-	-	-
Add/(Less): Fair value adjustments	-	-	-	\$102,599
Less: Redemptions/Amortisation	\$70,566	-	\$70,566	\$160,977
Closing Balance at end of quarter	\$1,390,776	-	\$1,390,776	\$1,461,342

^{*}Newcastle Permanent has no off-balance sheet securitisation exposures as at 31 December 2022.

[~]There are no recognised gains or losses on sale of securitisation exposures.