

Disclosure of Prudential Information

For the Quarter Ended 31 March 2021

Risk Exposures and Assessment

Based on Level 2 – Reporting Consolidated Group

Capital Adequacy		
Capital Requirements:	Risk-Weighted Assets	
	31/03/2021	31/12/2020
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	\$577,341,121	\$539,832,814
Class IV – Claims secured against eligible residential mortgages	\$3,191,925,399	\$3,192,343,644
Class V – Unsettled and failed transactions	-	-
Class VI – Past due claims	\$4,142,345	\$2,731,216
Class VII – Other assets & claims	\$156,150,433	\$163,349,277
Non-market-related off-balance sheet credit exposures	\$145,180,095	\$120,120,143
Market-related off-balance sheet credit exposures	\$2,434,644	\$3,842,792
Total Credit Risk (excluding securitisation)	\$4,077,174,037	\$4,022,219,886
B) Credit Risk (securitisation)	-	-
C) Market Risk	-	-
D) Operational Risk	\$613,601,713	\$613,601,713
Capital Ratio:		
Common Equity Tier 1 Ratio	20.50%	20.51%
Total Capital Adequacy Ratio	21.00%	21.01%
Tier 1 Capital Adequacy Ratio	20.50%	20.51%

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 31/03/2021	Average Exposure at 31/03/2021*	Exposure at 31/12/2020	Average Exposure at 31/12/2020*
Class I	Cash Items	\$156,394,621	\$244,240,793	\$255,887,168	\$182,958,815
Class II	Claims on Australian and foreign governments	\$318,592,905	\$253,722,697	\$441,146,201	\$512,337,207
Class III	Claims on central banks, international banking agencies, regional development banks, ADIs & overseas banks	\$1,850,886,118	\$1,782,601,578	\$1,662,182,146	\$1,643,253,603
Class IV	Claims secured against eligible residential mortgages	\$8,973,074,605	\$8,962,207,109	\$8,977,905,783	\$8,974,336,787
Class V	Unsettled and failed transactions	-	-	-	-
Class VI	Past due items	\$9,702,347	\$9,691,191	\$8,758,411	\$8,161,236
Class VII	Other assets and claims	\$156,150,433	\$159,109,396	\$163,349,277	\$166,627,347
Off-balance sheet exposures Non-market-related					
	Guarantees	\$2,313,447	\$2,254,285	\$2,236,208	\$2,266,321
	Commitments with certain drawdowns	\$409,224,418	\$378,509,325	\$342,043,596	\$339,788,910
	Commitments that can be unconditionally cancelled at any time without notice	\$244,743,166	\$247,483,552	\$250,650,272	\$250,093,411
Off-balance sheet exposures Market-related					
	Interest rate contracts	\$2,730,758	\$3,155,402	\$4,233,319	\$4,636,160
	Foreign exchange and gold contracts	-	-	-	-

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

B) By portfolio

Impaired Facilities	Balance Outstanding 31/03/2021	Balance Outstanding 31/12/2020
Residents		
Households	\$8,984,328	\$12,881,302
<i>of which: Owner-occupied housing</i>	\$6,762,897	\$9,596,854
<i>of which: Investor housing</i>	\$1,095,808	\$1,730,759
<i>of which: Credit Cards</i>	\$377,692	\$530,417
<i>of which: Other personal</i>	\$747,931	\$1,023,272
Non-financial corporations	\$2,840	\$2,491
<i>of which: Private trading corporations</i>	\$1,367	\$978
<i>of which: Private unincorporated businesses</i>	\$1,473	\$1,513
TOTAL	\$8,987,168	\$12,883,793

Past Due Items	Balance Outstanding 31/03/2021	Balance Outstanding 31/12/2020
Residents		
Households	\$5,988,805	\$4,724,535
<i>of which: Owner-occupied housing</i>	\$3,762,145	\$3,674,807
<i>of which: Investor housing</i>	\$1,349,397	\$626,355
<i>of which: Credit Cards</i>	-	-
<i>of which: Other personal</i>	\$877,263	\$423,373
Non-financial corporations	-	-
<i>of which: Private trading corporations</i>	-	-
<i>of which: Private unincorporated businesses</i>	-	-
TOTAL	\$5,988,805	\$4,724,535

Collective Provision	Outstanding balances 31/03/2021	Provision required 31/03/2021	Outstanding balances 31/12/2020	Provision required 31/12/2020
Category One facilities	\$47,877,673	-	\$55,960,382	-
Category Two facilities	\$1,486,056	\$18,795	\$648,741	\$27,671
Category Three facilities	\$709,274	\$87,531	\$512,170	\$87,015
Category Four facilities	\$900,110	\$251,986	\$804,647	\$292,093
TOTALS	\$50,973,113	\$358,312	\$57,925,940	\$406,779

Charges and Write-offs during the period	31/03/2021	31/12/2020
	Australia	Australia
Specific provisions	\$7,874,325	\$7,926,683
Charges for specific provisions	-\$49,661	\$32,304
Bad debts written off to profit and loss	\$136,100	\$16,896

C) The general reserve for credit losses

	31/03/2021	31/12/2020
Balance	\$23,481,780	\$23,176,983

D) Securitisation exposures*

Current period securitisation activity	Balance 31/03/2021		Balance 31/12/2020	
Mortgage securitisations (on-balance sheet)				
Opening balance of securitised loans at beginning of quarter		\$126,865,866		\$136,103,484
Add: New loans securitised during the quarter		-		-
Add: Interest charged for the quarter		\$1,001,748		\$1,112,179
Less: Repayments/amortisation/loan buy backs for the quarter		\$9,690,472		\$10,349,796
Closing balance of securitised loans at end of quarter		\$118,177,142		\$126,865,866
Investment securitisation exposures				
	Residential Mortgage Backed Securities	Asset Backed Commercial Paper		Total
Opening balance at beginning of quarter	\$2,090,566	-	\$2,090,566	\$2,196,346
Add: New purchases for the quarter	-	-	-	-
Add/(Less): Fair value adjustments	-	-	-	-\$9,430
Less: Redemptions/Amortisation	\$106,994	-	\$106,994	\$96,350
Closing Balance at end of quarter	\$1,983,572	-	\$1,983,572	\$2,090,566

*Newcastle Permanent has no off-balance sheet securitisation exposures as at 31 March 2021.

^There are no recognised gains or losses on sale of securitisation exposures.