

**ECU AUSTRALIA LTD.**  
**CAPITAL DISCLOSURE REQUIREMENTS AS REQUIRED UNDER THE PRUDENTIAL STANDARDS**  
**AS AT 30 SEPTEMBER 2011**

<b>Capital Structure</b>	
Tier 1 Capital:	
Current year and Retained earnings:	16,905,206
Innovative Tier 1 capital instruments	2,500,000
Deductions	<u>(644,732)</u>
Net Tier 1 Capital	18,760,474
Net Tier 2 Capital	4,637,803
Total Capital Base	<u><u>23,398,277</u></u>

<b>Capital Adequacy</b>		
<u>Credit Risk</u>	RWA*	Charge
Claims against banks and other ADIs	17,068,946	1.57%
Claims secured against eligible residential mortgages	92,880,893	8.57%
Past Due Claims	988,230	0.09%
Corporate loans	2,202,778	0.20%
Other retail loans	20,823,547	1.92%
Other Assets	3,747,365	0.35%
Off Balance Sheet Commitments	5,232,038	0.48%
Total Credit Risk Weighted Assets	<u>142,943,798</u>	13.19%
<u>Market Risk</u>	0.00%	0.00%
<u>Operational Risk</u>	16,324,215	1.51%
Total RWA/Capital Adequacy ratio	<u><u>159,268,013</u></u>	<u>14.69%</u>
Tier 1 capital ratio		11.78%
<small>*Risk weighted Assets</small>		

<b>Credit Risk Exposure</b>								
<u>Gross Exposures by portfolio</u>	Total			Average				
	Gross			Gross				
Cash	1,363,936			1,345,940				
Liquid Investments with ADIs	53,844,731			50,126,286				
Loans	251,739,241			250,758,875				
Other assets	3,747,365			3,654,650				
Off balance sheet commitments with certainty of drawdown	6,037,568			5,371,649				
Other non-market off balance sheet exposures	28,698,164			27,895,202				
Total/Average gross credit risk exposures	<u>345,431,004</u>			<u>337,806,661</u>				
General Reserve for Credit Losses	467,469							
<u>Credit Risk</u>	Balances	Impaired	Past Due	Collective Provision	Collective Provision Charges	Specific Provision	Specific Provision Charges	Write Offs
Cash	1,363,936	-	-	-	-	-	-	-
Liquid Investments with ADIs	53,844,731	-	-	-	-	-	-	-
Eligible residential mortgages	228,187,383	735,947	-	28,179	28,179	10,000	-	-
Other Loans	23,376,535	487,351	-	137,141	94,817	-	(11,748)	302
Other assets	3,747,365	-	-	-	-	-	-	-
Off balance sheet commitments with certainty of drawdown	6,037,568	-	-	-	-	-	-	-
Other non-market off balance sheet exposures	28,698,164	-	-	-	-	-	-	-
Total Exposures	<u>345,255,681</u>	<u>1,223,298</u>	<u>-</u>	<u>165,320</u>	<u>122,996</u>	<u>10,000</u>	<u>(11,748)</u>	<u>302</u>