

ASX Announcement



BENDIGO AND ADELAIDE BANK

8 February 2019

Restated prior period segment results

On 10 August 2018, Bendigo and Adelaide Bank (BEN) announced changes to the Group's Executive structure and team to align capabilities and operations to sharpen focus with a strategy to be "Australia's bank of choice". The new structure is organised around three key customer groups, being Consumer, Business and Agribusiness.

As a result of the restructure, the Group's reportable segments have changed to Consumer, Business and Agribusiness. The following definitions summarises the new segments.

Consumer

Consumer focuses on engaging with and servicing consumer customers and includes the branch network (including Community Banks and Alliance Banks), mobile relationship managers, third party banking channels, wealth services, Homesafe, call centres, and consumer support functions such as the processing centres.

Business

Business focuses on servicing business customers and includes Business Banking, Portfolio Funding, Delphi Bank and Community Sector Banking.

Agribusiness

Agribusiness includes all banking services provided to agribusiness, rural and regional Australian communities through Rural Bank.

BEN will report its results for the period ended 31 December 2018 on 11 February 2019. As this will be the first time the segment results will be presented reflecting the new structure, the accompanying information has been provided to show the impact of the restructure on comparative financial information for the relevant reporting periods, being the periods ended 30 June 2018 and 31 December 2017.

For the half year ended 30 June 2018

	Operating segments			Total operating segments	Central functions	Total
	Consumer \$m	Business \$m	Agribusiness \$m			
Net interest income	397.3	170.1	80.1	647.5	-	647.5
Other income	128.1	18.3	4.6	151.0	2.1	153.1
Total segment income	525.4	188.4	84.7	798.5	2.1	800.6
Operating expenses	(318.8)	(118.8)	(36.8)	(474.4)	(6.5)	(480.9)
Credit expenses	(4.6)	(17.6)	(2.1)	(24.3)	-	(24.3)
Segment result (before tax)	202.0	52.0	45.8	299.8	(4.4)	295.4
Tax expense	(63.3)	(16.3)	(14.4)	(94.0)	1.4	(92.6)
Segment result (statutory basis)	138.7	35.7	31.4	205.8	(3.0)	202.8
Cash basis adjustments:						
Specific income & expense items	9.4	-	0.6	10.0	0.7	10.7
Other specific income and expense items	5.0	-	-	5.0	-	5.0
Amortisation of intangibles	0.4	0.9	-	1.3	-	1.3
Segment result (cash basis)	153.5	36.6	32.0	222.1	(2.3)	219.8

For the half year ended 31 December 2017

	\$m	\$m	\$m	\$m	\$m	\$m
Net interest income	404.2	170.1	83.4	657.7	-	657.7
Other income	156.7	17.8	4.2	178.7	6.5	185.2
Total segment income	560.9	187.9	87.6	836.4	6.5	842.9
Operating expenses	(285.7)	(122.1)	(38.9)	(446.7)	(10.8)	(457.5)
Credit expenses	(13.1)	(32.5)	(0.7)	(46.3)	-	(46.3)
Segment result (before tax)	262.1	33.3	48.0	343.4	(4.3)	339.1
Tax expense	(83.0)	(10.5)	(15.2)	(108.7)	1.3	(107.4)
Segment result (statutory basis)	179.1	22.8	32.8	234.7	(3.0)	231.7
Cash basis adjustments:						
Specific income & expense items	(19.7)	0.4	2.9	(16.4)	(0.8)	(17.2)
Other specific income and expense items	6.3	-	-	6.3	-	6.3
Amortisation of intangibles	2.4	0.9	1.2	4.5	-	4.5
Segment result (cash basis)	168.1	24.1	36.9	229.1	(3.8)	225.3

	Operating segments			Total operating segments	Central functions	Total
	Consumer \$m	Business \$m	Agribusiness \$m	\$m	\$m	\$m
As at 30 June 2018						
Reportable segment assets	43,114.3	12,695.7	6,542.3	62,352.3	9,087.5	71,439.8
Reportable segment liabilities	34,380.4	13,684.9	4,235.5	52,300.8	9,973.9	62,274.7
As at 31 December 2017						
Reportable segment assets	42,424.1	12,597.9	6,090.7	61,112.7	10,149.2	71,261.9
Reportable segment liabilities	34,642.8	13,702.1	3,810.2	52,155.1	9,380.8	61,535.9
Reportable segment assets and liabilities					As at 30 June 2018	As at 31 December 2017
Total assets for operating segments					71,439.8	71,261.9
Total assets					71,439.8	71,261.9
Total liabilities for operating segments					62,274.7	61,535.9
Securitisation funding					3,544.8	4,169.6
Total liabilities					65,819.5	65,705.5

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