

**Tyro Payments Limited**  
**Regulatory Capital reconciliation**

**31/03/2015**

	<b>Amount (\$)</b>
<b>Equity per Balance Sheet</b>	
Paid-up ordinary share capital and other qualifying instruments	34,011,568
Retained and current year's earnings	(14,810,014)
Unrealised gains and losses on available-for-sale items	412,634
Reserves from equity-settled share-based payments	7,693,852
All other reserves specified by APRA	480,320
General Reserve for Credit Losses	396,844
Equity per Balance Sheet	28,185,205
<u>Adjustments</u>	
General Reserve for Credit Losses	(396,844)
<b>Common Equity Tier 1 capital before regulatory adjustments</b>	<b>27,788,361</b>
<b>Common Equity Tier 1 Capital : Regulatory Adjustments</b>	
Deferred tax assets in excess of deferred tax liabilities	5,175,267
Equity exposures in other financial institutions other than ADIs	584,354
<b>Total Regulatory Adjustments to Common Equity Tier 1 Capital</b>	<b>5,759,622</b>
<b>Total Common Equity Tier 1 Capital</b>	<b>22,028,739</b>
<b>Tier 2 Capital</b>	
General reserve for credit losses -Standardised approach (to a maximum of 1.25% of total credit RWA)	155,153
<b>Total Capital</b>	<b>22,183,891</b>

Tyro Payments Limited - Attachment A

Common disclosure template

Common Equity Tier 1 capital: instruments and reserves		A\$m
APS 310 Ref		
1	Directly issued qualifying ordinary shares (and equivalent for mutually-owned entities) capital	\$ 34.0
2	Retained earnings	(\$ 14.8)
3	Accumulated other comprehensive income (and other reserves)	\$ 8.6
6	<b>Common Equity Tier 1 capital before regulatory adjustments</b>	<b>\$ 27.8</b>
<b>Common Equity Tier 1 capital : regulatory adjustments</b>		
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	(\$ 5.2)
18	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the ADI does not own more than 10% of the issued share capital (amount above 10% threshold)	(\$ 0.6)
28	<b>Total regulatory adjustments to Common Equity Tier 1</b>	<b>(\$ 5.8)</b>
29	<b>Common Equity Tier 1 Capital (CET1)</b>	<b>\$22.00</b>
<b>Additional Tier 1 Capital: instruments</b>		<b>\$Nil</b>
<b>Additional Tier 1 Capital: regulatory adjustments</b>		<b>\$Nil</b>
45	<b>Tier 1 Capital (T1=CET1+AT1)</b>	<b>\$22.00</b>
<b>Tier 2 Capital: instruments and provisions</b>		<b>\$Nil</b>
50	Provisions - General Reserve for Credit Losses	\$ 0.2
51	<b>Tier 2 Capital before regulatory adjustments</b>	<b>\$ 0.2</b>
<b>Tier 2 Capital: regulatory adjustments</b>		<b>\$Nil</b>
58	<b>Tier 2 capital (T2)</b>	<b>\$ 0.2</b>
59	<b>Total capital (TC=T1+T2)</b>	<b>\$22.2</b>
60	<b>Total risk-weighted assets based on APRA standards</b>	<b>\$ 14.0</b>
<b>Capital ratios and buffers</b>		
61	Common Equity Tier 1 (as a percentage of risk-weighted assets)	157%
62	Tier 1 (as a percentage of risk-weighted assets)	157%
63	Total capital (as a percentage of risk-weighted assets)	158%
64	Buffer requirement (minimum CET1 requirement of 4.5% plus capital conservation buffer of 2.5% plus any countercyclical buffer requirements expressed as a percentage of risk-weighted assets)	7%
65	<i>of which: capital conservation buffer requirement</i>	2.5%
66	<i>of which: ADI-specific countercyclical buffer requirements</i>	0%
67	<i>of which: G-SIB buffer requirement (not applicable)</i>	
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk-weighted assets)	150%
<b>National minima (if different from Basel III)</b>		
69	National Common Equity Tier 1 minimum ratio (if different from Basel III minimum)	
70	National Tier 1 minimum ratio (if different from Basel III minimum)	
71	National total capital minimum ratio (if different from Basel III minimum)	
<b>Amount below thresholds for deductions (not risk-weighted)</b>		
75	Deferred tax assets arising from temporary differences (net of related tax liability)	
<b>Applicable caps on the inclusion of provisions in Tier 2</b>		<b>\$Nil</b>
<b>Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2018 and 1 Jan 2022)</b>		<b>\$Nil</b>

**Tyro Payments Limited - Attachment B**

**Main features of capital instruments**

Disclosure template for main features of Regulatory Capital instruments		31/03/2015
1	Issuer	Tyro Payments Limited
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	N/A
3	Governing law(s) of the instrument	Corporations Act
	<i>Regulatory treatment</i>	
4	Transitional Basel III rules	Common Equity Tier 1 Capital
5	Post-transitional Basel III rules	Common Equity Tier 1 Capital
6	Eligible at solo/group/group & solo	Solo
7	Instrument type (ordinary shares/preference shares/subordinated notes/other)	Ordinary Shares
8	Amount recognised in Regulatory Capital (Currency in mil, as of most recent reporting date)	\$ 34.0
9	Par value of instrument	N/A
10	Accounting classification	Contributed equity
11	Original date of issuance	3/02/2003
12	Perpetual or dated	Perpetual
13	Original maturity date	N/A
14	Issuer call subject to prior supervisory approval	N/A
15	Optional call date, contingent call dates and redemption amount	N/A
16	Subsequent call dates, if applicable	N/A
	<i>Coupons/dividends</i>	N/A
17	Fixed or floating dividend/coupon	N/A
18	Coupon rate and any related index	N/A
19	Existence of a dividend stopper	N/A
20	Fully discretionary, partially discretionary or mandatory	N/A
21	Existence of step up or other incentive to redeem	N/A
22	Noncumulative or cumulative	N/A
23	Convertible or non-convertible	N/A
24	If convertible, conversion trigger (s)	N/A
25	If convertible, fully or partially	N/A
26	If convertible, conversion rate	N/A
27	If convertible, mandatory or optional conversion	N/A
28	If convertible, specify instrument type convertible into	N/A
29	If convertible, specify issuer of instrument it converts into	N/A
30	Write-down feature	N/A
31	If write-down, write-down trigger(s)	N/A
32	If write-down, full or partial	N/A
33	If write-down, permanent or temporary	N/A
34	If temporary write-down, description of write-up mechanism	N/A
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	N/A
36	Non-compliant transitioned features	N/A
37	If yes, specify non-compliant features	N/A

**Tyro Payments Limited - Attachment C**

**Risk exposures and assessment (all ADIs)**

<b>Table 3 Capital Adequacy</b>		<b>As at 31/03/2014</b>
(a)	Capital requirements (in terms of risk-weighted assets) for:	
	• credit risk (excluding securitisation) by portfolio;9 and	
	Government	\$ 0.0
	Bank	\$ 1.3
	Other	\$ 11.2
	• securitisation.	\$ 0.0
(b)	Capital requirements (in terms of risk-weighted assets) for equity exposures in the IRB approach (simple risk-weighted method).	\$ 0.0
(c)	Capital requirements (in terms of risk-weighted assets) for market risk.	\$ 0.0
(d)	Capital requirements (in terms of risk-weighted assets) for operational risk.	\$ 1.6
(e)	Capital requirements (in terms of risk-weighted assets) for interest rate risk in the banking book (IRRBB) (IRB/AMA approved Australian- owned ADIs only).	\$ 0.0
(f)	Common Equity Tier 1, Tier 1 and Total Capital ratio for the consolidated banking group.	
	<b>Capital Ratios %</b>	
	<b>Common Equity Tier 1 Capital</b>	<b>157%</b>
	<b>Tier 1 Capital</b>	<b>157%</b>
	<b>Total Capital</b>	<b>158%</b>
<b>Table 4 : Credit Risk</b>		
(a)	Total gross credit risk exposures, plus average gross exposure over the period, broken down by:	
	• major types of credit exposure and	
	Cash and liquid assets	\$ 16.7
	Investment securities	\$ 0.0
	Due from other financial institutions	\$ 0.0
	Other assets	\$ 12.1
		\$ 28.8
	• separately, by portfolio.	
	Government	\$ 11.4
	Bank	\$ 6.3
	Corporate	\$ 0.0
	Other	\$ 11.1
		\$ 28.8
(b)	By portfolio:13 • amount of impaired facilities and past due facilities, provided separately; • specific provisions; and • charges for specific provisions and write-offs during the period.	
(c)	The general reserve for credit losses.	\$ 0.4
(a)	Summary of current period's securitisation activity, including the total amount of exposures securitised (by exposure type) and recognised gain or loss on sale by exposure type.	
(b)	Aggregate amount of: <input type="checkbox"/> on-balance sheet securitisation exposures retained or purchased broken down by exposure type; and <input type="checkbox"/> off-balance sheet securitisation exposures broken down by exposure type.	

Tyro Payments Limited - Attachment E

Remuneration

Qualitative disclosures	For the period 1 July 2014 to 30 June 2015
(a) Information relating to the bodies that oversee remuneration. Disclosures must include: <input type="checkbox"/> the name, composition and mandate of the main body overseeing remuneration; <input type="checkbox"/> the name of external consultants whose advice has been sought, the body by which they were commissioned, and in what areas of the remuneration process; <input type="checkbox"/> a description of the scope of the ADI's Remuneration Policy (e.g. by regions, business lines), including the extent to which it is applicable to foreign subsidiaries and branches; and <input type="checkbox"/> a description of the types of persons considered as material risk takers and as senior managers as defined in paragraph 17 of this Prudential Standard, including the number of persons in each group.	Board Remuneration Committee  No external consultants  The primary objective of the Remuneration Committee is to assist the Board in fulfilling its responsibilities in the management of pay and reward policies and practices. Responsibility on a level 1 basis. In addition to any other objectives, it is the objective of the Remuneration Policy for performance based components of remuneration are designed to encourage behaviour that supports Tyro's long term financial soundness and the risk management framework of Tyro. The objective of Tyro's risk management framework is to support the achievement of Tyro's financial and business goals, minimising losses and maximising opportunities for Tyro. The performance-based components of remuneration at Tyro are designed to align remuneration with prudent risk-taking and incorporate adjustments to reflect: - The outcomes of business activities; - The risk related to the business activities taking account, where relevant, of the cost of associated capital; and - The time necessary for the outcomes of those business activities to be reliably measured.  The Remuneration Policy covers: Each responsible person, as defined in Prudential Standard CPS520 Fit and Proper excluding non-executive directors; 1. CEO, CIO, CRO, CFO, Internal Auditor, VP Sales and Engineering Leaders. 2. Persons whose primary role is risk management, compliance, internal audit, financial control or actuarial control (collectively 'risk and financial control personnel'); 3. Financial Controller, Internal Auditor, no performance based remuneration. 4. There are no other persons for whom a significant portion of total remuneration is based on performance and whose activities, individually or collectively, may affect the financial soundness of Tyro.
(b) Information relating to the design and structure of remuneration processes. Disclosures must include: <input type="checkbox"/> an overview of the key features and objectives of remuneration policy; <input type="checkbox"/> whether the Remuneration Committee reviewed the ADI's Remuneration Policy during the past year, and if so, an overview of any changes that were made; and <input type="checkbox"/> a discussion of how the ADI ensures that risk and financial control personnel (as defined in paragraph 48(b) of CPS 510) are remunerated independently of the businesses they oversee.	
(c) Description of the ways in which current and future risks are taken into account in the remuneration processes. Disclosures must include: <input type="checkbox"/> an overview of the key risks that the ADI takes into account when implementing remuneration measures; <input type="checkbox"/> an overview of the nature and type of the key measures used to take account of these risks, including risks difficult to measure (values need not be disclosed); <input type="checkbox"/> a discussion of the ways in which these measures affect remuneration; and <input type="checkbox"/> a discussion of how the nature and type of these measures has changed over the past year and reasons for the change, as well as the impact of changes on remuneration.	Core system uptime Yearly BCP review, testing, approval, training Achieving 25% transaction growth Achieving actual merchant loss of less than 0.03% of credit card volume Profit before tax, SBP and FX of \$1 million
(d) Description of the ways in which the ADI seeks to link performance during a performance measurement period with levels of remuneration. Disclosures must include: <input type="checkbox"/> an overview of the main performance metrics for the ADI, top-level business lines and individuals; <input type="checkbox"/> a discussion of how amounts of individual remuneration are linked to institution-wide and individual performance; and <input type="checkbox"/> a discussion of the measures the ADI will in general implement to adjust remuneration in the event that performance metrics are weak.	The Board may adjust performance-based components of remuneration downwards, to zero if appropriate, in relation to, if such adjustments are necessary: - To protect the financial soundness of Tyro; or - Respond to significant unexpected or unintended consequences that were not foreseen by the Board Remuneration Committee.
(e) Description of the ways in which the ADI seeks to adjust remuneration to take account of longer-term performance. Disclosures must include: <input type="checkbox"/> a discussion of the ADI's policy on deferral and vesting of variable remuneration and, if the fraction of variable remuneration that is deferred differs across persons or groups of persons, a description of the factors that determine the fraction and their relative importance; and <input type="checkbox"/> a discussion of the ADI's policy and criteria for adjusting deferred remuneration before vesting and after vesting through clawback arrangements.	No clawback arrangements in place
(f) Description of the different forms of variable remuneration that the ADI utilises and the rationale for using these different forms. Disclosures must include: <input type="checkbox"/> an overview of the forms of variable remuneration offered (i.e., cash, shares and share-linked instruments and other forms); and <input type="checkbox"/> a discussion of the use of the different forms of variable remuneration and, if the mix of different forms of variable remuneration differs across persons or groups of persons, a description the factors that determine the mix and their relative importance.	Variable remuneration is an eligible bonus amount

Quantitative disclosures	
(g) <input type="checkbox"/> Number of meetings held by the main body overseeing remuneration during the financial year and the remuneration paid to its members.	2
(h) <input type="checkbox"/> The number of persons having received a variable remuneration award during the financial year.	8
<input type="checkbox"/> Number and total amount of guaranteed bonuses awarded during the financial year. <input type="checkbox"/> Number and total amount of sign-on awards made during the financial year. <input type="checkbox"/> Number and total amount of termination payments made during the financial year.	N/A
(i) <input type="checkbox"/> Total amount of outstanding deferred remuneration, split into cash, shares and share-linked instruments and other forms. (j) <input type="checkbox"/> Breakdown of the amount of remuneration awards for the financial year in accordance with Table 18A below to show: - fixed and variable; - deferred and non-deferred; and - the different forms used (cash, shares and share-linked instruments and other forms).	
(k) Quantitative information about persons' exposure to implicit (e.g. fluctuations in the value of shares or performance units) and explicit adjustments (e.g. malus, clawbacks or similar reversals or downward revaluations of awards) of deferred remuneration and retained remuneration: <input type="checkbox"/> Total amount of outstanding deferred remuneration and retained remuneration exposed to ex post explicit and/or implicit adjustments. <input type="checkbox"/> Total amount of reductions during the financial year due to ex post explicit adjustments. <input type="checkbox"/> Total amount of reductions during the financial year due to ex post implicit adjustments.	

Total value of remuneration	Unrestricted	Deferred
Fixed remuneration		
<input type="checkbox"/> Cash-based	\$2,244,750	No
<input type="checkbox"/> Shares and share-linked instruments	\$703,128	Yes
<input type="checkbox"/> Other	\$47,457	No
Variable remuneration		
<input type="checkbox"/> Cash-based	\$903,375	Yes
<input type="checkbox"/> Shares and share-linked instruments	N/A	N/A
<input type="checkbox"/> Other	N/A	N/A

Note 1  
Note 2  
Note 3  
Note 4

Includes base salary and superannuation contributions  
 Represents the face value of share options issued in the financial year  
 Includes long service leave accruals and salary sacrificed benefits for the financial year  
 Includes bonus award for the financial year including superannuation, which is paid in the following financial year

N/A

Note 1

Note 2

Note 3

Note 4