Question and Answer

Will Rayner
Former Head of Capital and Investor Relations

Thanks, Mike. We'll now open to questions first here in Melbourne and then any questions that may be online. So does anyone have a question here in the audience? Okay. If you could introduce yourself for us and the guys online.

Unknown Analyst

[indiscernible] Banking Day. What's happening with the Bank of Cyprus branding?

Michael John Hirst
Former MD, CEO & Director

We have the ability to run the Bank of Cyprus for at least 12 months, which we will do. During that period of time we'll talk to the customers and the staff about what an appropriate brand might be following that 12-month period.

Unknown Analyst

And so you've been fairly philosophical this morning, Mike, on pricing and profitability and whatnot. I prefer to get -- steer you into the issues around availability of credit and the level of demand of otherwise credit versus maybe it's actually credit rationing going on. You know you've been willing to pull in the price now in the last week. And then maybe there needs to be more risk-based pricing in consumer credit? Otherwise very [ph] -- hard to the market? There's massive gap between the prime loan and the availability of the nonconforming loans?

Michael John Hirst
Former MD, CEO & Director

You better stop there, that should be an outside [ph] questions. Look, I think the reality is that funding is probably as tight as it was during the difficult stages of the GFC. The difference now though is that there isn't the demand for credit that there was during that period. So we haven't seen the liquidity issues that emerged last time we merged. It's actually self-regulating, if you like. There's no doubt that demand for credit is lower than what it's been inside of the last 10 or 15 years, but we all know that, that was probably -- or we do know now that, that was an unsustainable demand and pricing for credit got way out of whack during that period. What we're seeing now is the reaction to that. And in lots of things in life, and in markets generally, it's a little bit like a pendulum on a bungee rope. It swings way too far one way and then gets pulled back way too far the other. And we're probably nowhere near the middle of where things should lie. So I would expect to see some decrease in funding costs over the next 12 months. And with that, perhaps an increase in the demand for credit. But now Australians are very keen at the moment to repay debt and increase their savings. We are going through quite a structural change in the economy, and that's got people a bit nervous.

Will Rayner
Former Head of Capital and Investor Relations

Okay, do we have any questions on the line?

Operator

We do have a question from the line of Andrew Triggs with Deutsche Bank.

Andrew Triggs
Deutsche Bank AG, Research Division

I just got a question around the rationale for the NoQ acquisition. Is this something you see as a core competency for the business? Just interested also in what sort of cost was involved in the acquisition. And if there's changes in any way, what sort of acquisitions you'll consider in the future?

Michael John Hirst
Former MD, CEO & Director

Yes. Well, the first thing I should say is that it's a minority shareholding. So I think we've taken about 15% in the company. It's not a significant investment, although we think that the opportunities for growth in the company are quite significant. The reason for the acquisition on our part is that when we scan the horizon, going forward, we can see that there is going to be quite an impact on the way people go about using banks, how they'll integrate smartphones and payment systems into what they do on a day-to-day basis just for convenience sake. And we have 4,000-odd merchants who would all benefit from the utility that this sort of application brings to them. Their ability to put menus up on the Internet, to be able to change those menus at -- on an owner-operated basis, et cetera. And from what we've seen of the business, it's quite exciting. We would like to think there's lots of other applications besides take-away food and coffee, et cetera. Somebody might know have an interesting horseracing. To me it seems an ideal application for book makers to put prices up. So from that point of view, it's -- we've hold investments in telco, in a payments company, we have a banking license, we've got all the parts that you need to expand the ability to operate in this area. And I think we're the only bank in Australia that does that or that has that. And so we see ourselves being able to add a lot of value to this company, and that company, in turn, adding a lot of value to our [ph] customers.

Andrew Triggs
Deutsche Bank AG, Research Division

Can we expect a similar acquisition on this front in the future?

Michael John Hirst
Former MD, CEO & Director

We're always prepared to have a look. And given that we operate in this space, we've got a reasonable view of what's out there. We have been, obviously, is to talk to the big players in this space. So it's something that we've certainly got an interest in.

Operator

Our next question comes from the line of David Shi with Morgan Stanley.

David F. Shi
Morgan Stanley, Research Division

I just got a question regarding repricing. I was wondering, can you give us an idea of how much repricing you've done on a nonhousing loan since the beginning of this year?

Michael John Hirst
Former MD, CEO & Director

Housing loans?

David F. Shi
Morgan Stanley, Research Division

Nonhousing loan.

Richard Fennell
Executive of Customer Banking

Repricing?

Michael John Hirst
Former MD, CEO & Director

Yes, how much repricing we've done on nonhousing loans?

Richard Fennell
Executive of Customer Banking

Okay, on the business lending, a lot of our business lending actually is secured by residential property. We are repricing along similar lines to the mortgage repricing for most of those business -- for those variable business lending portfolios. But a lot of business lending actually is invariable. A lot of it is fixed rate, although relatively short term, say 12-month fixed rate, et cetera. So it's not likely to have a massive impact on our earnings short term. But obviously, as those fixed-term business loans as well rollover, that will be priced appropriately for us to -- we'll take into account the high cost of funding that we're experiencing.

Operator

Our next question comes from the line of Ben Zucker with CBA Equity.

Ben Zucker
Commonwealth Bank of Australia, Research Division

Where you're sitting at the moment, in terms of the deposit level, thinking about 77%, and Mike, you mentioned the range of 75% to 85%. With the environment you're in at the moment, are you looking to see that deposit level edge up towards the 85% until you get that improvement in spread?

Michael John Hirst
Former MD, CEO & Director

I'll answer that one, Ben. And obviously, I'm still mumbling a bit. So I actually say 80%. It is edging up towards that 80%. Obviously, the target range is not hard and fast limit, but we don't have -- or at the end of March, we won't have any unsecured debt outstanding in the term markets. And to the -- depending on where spreads might be at that point in time, I think it's something that we would look at.

Ben Zucker
Commonwealth Bank of Australia, Research Division

And just one last one around cost as well. I mean in light of the frustration that you clearly have as well at the earnings or lack of revenue momentum and the like, you mentioned a desire to hold on to the investment space when the environment turns, but what are your thoughts about flexibility around the cost line in this sort of environment if it continues to be such a drag on revenue?

Michael John Hirst
Former MD, CEO & Director

Well, I think probably slightly more than 50% of our costs are in staff. So if we're going to hold onto that capacity, then a lot of that is in place. You can do things, certainly with -- natural attrition can assist with that. We have no plans for wholesale redundancies. Although there are always 1 or 2 happening here and there as we adjust the business to suit the current time that we're in. Costs around systems, I think are pretty much locked in for the next little period. So it really comes down to how much we're prepared to invest in the business going forward and the timing of that investment to match what's happening in the revenue front.

Operator

Our next question comes the line of Prue Rydstrand with Nomura.

Prue Rydstrand
Nomura Securities Co. Ltd., Research Division

I've actually got a two-part question on capital. Firstly, I was wondering if you were able to quantify that for the form of Basel Core Tier 1 number and you mentioned it was over 7 but I just wanted to mend the actual figure? And secondly, do you have any update on the status of the potential Adelaide tax capital benefit that you alluded to in the last report?

Richard Fennell
Executive of Customer Banking

All right, as far as the Core Tier 1 number at the finalization of the acquisition of Bank of Cyprus, I wish I've got the details exactly in front of me, but it's just -- it's somewhere between 7.5% and 7.6% from a Core Tier 1 perspective. In relation to tax benefits, in relation to the acquisition of Adelaide Bank, most of those are no longer on the agenda following the retrospective change to the tax act that was announced by the government going back a few months in relation to -- or the tax impact of the consolidation. And so we're not expecting that will be anything material when it comes to significant tax benefits still to come through the acquisition. And actually, I've now got that number. It's on Slide 27, the pro-forma Core Tier 1 would be 7.59% following the acquisition of BOCAL completing in -- at the end of February.

Prue Rydstrand
Nomura Securities Co. Ltd., Research Division

Sorry, is that on a Basel III basis or just the normal Basel II Core Tier 1?

Richard Fennell
Executive of Customer Banking

That's assuming the Basel III regulations as much as we know about them today.

Operator

Our next question comes from the line of Victor German with Nomura.

Victor German
Nomura Securities Co. Ltd., Research Division

Just wanted to follow-up on -- you mentioned that you're now planning to invest in advanced accreditation. And from memory, it costs major banks quite a lot of money. Are you able to give us an idea of how much you think it will cost you guys on the next -- and over what period? And I just have a follow-up question as well.

Michael John Hirst
Former MD, CEO & Director

Well we're just going through the scoping through that now, because our -- we imagine it will be around the $20 million sort of plus mark. It won't be as much as the majors because we don't have the complexity of businesses that they have, 75% of their business is in mortgages. So you would think that would be reasonably straightforward from a modeling and data point of view. However, the processes in embedding that culture in the organization, probably more expensive on our per unit cost basis than what it is for the majors. So going through that scope at the moment, we know it will be I think at least $20 million, but over a period of time and using, I think, significantly resources that already exist within the organization.

Victor German
Nomura Securities Co. Ltd., Research Division

All right. And also just -- I haven't seen the details of SPP program. But looking at, I think from memory, you raised equity of $8.45 per share, obviously, the stock is currently trading lower. If -- is there -- do you see there is a risk that you might not get the full 26 basis point benefit from SPP? And if you don't, does that -- do you see that capital as integral part of your capital base and you will need to raise it by other means?

Michael John Hirst
Former MD, CEO & Director

The SPP is based at $8.45, or the lesser of $8.45 they will [ph] -- weighing into it. So it will be done at the current market prices. Historically, we've had good support from our retail base in being able to raise those funds. It's about $7,000 per shareholder and it comes with a 2.5% discount to the lower of those 2 prices. So we would -- historically, we haven't had too much trouble doing that including an SPP right in the midst of the global financial crisis. So we'll see what happens, but we'd be reasonably confident that we'll be able to get that.

Operator

Our next question comes from the line of Jon Mott with UBS.

Jonathan Mott
UBS Investment Bank, Research Division

It's Jon Mott here. I just have a question on Slide 26, which is on the retail deposits. And just a couple of things stood out. Firstly, very strong growth in term deposits, about sort of 6.7% during the half. And also on the slide next to it, which shows that you're in and out of the market competing at where the major banks are there not [ph]. I just wanted to get a sensitivity on just the timing toward the period when you take a price up to where the majors are, do you see a big variability in the amount of flow that you are getting? And given the margin pressure you're seeing and the sort of less growth in the asset side, is there an opportunity to further pull the term deposit pricing down to help protect the margin?

Michael John Hirst
Former MD, CEO & Director

Yes. So the issue is around the timing, depending on what demands there are on the business for funding side. The move that you see there, where we're matching the majors around November and December was us pre-funding the March maturity and also the funding for the Bank of Cyprus acquisition. The majority of the flex in that portfolio comes through middle market, semiprofessional and wealth channels. We try to keep a consistent price offering in front of our retail customers because they are the ones who are particularly loyal and we're rolling above -- well we're rolling above 80% across the book. But it's probably much higher than that in retail. So the flex is through those more price-sensitive areas, both up and down.

Will Rayner
Former Head of Capital and Investor Relations

We'll just go to a question here in Melbourne, before we go to see if any more online.

Unknown Analyst

Stephen Clut [ph] from Lotch Partners [ph]. Just quickly, a little bit relating to Jon's question there. You appear to be -- to get your requirements in the deposit side of your book -- having to be aggressive in that area to achieve your requirements. Similarly, on the lending side of the book, you mentioned that you were a bit aggressive in the first quarter and you got better than system growth there. And does that mean on an ongoing basis to beat the system in terms of flows, whether it's assets or liabilities, you're finding that you're having to change every historical processing order [ph] the marketplace has changed on you? And is that a reflection of your demographic, of your customer base, that you're having to do that? And the second question is in relation to expansion going forward in terms of your number of branches, how's that historical rapid expansion that you've gone through going to slow over the next couple of years or so?

Michael John Hirst
Former MD, CEO & Director

Okay. On the first one, no, I don't think it's a change in our approach. We provide a full service, premium service offering and we think that we should be able to charge a slight premium to the rest of the market for that. And predominantly, across all our businesses, we are able to do that. The reason we ended up in front in the mortgage loans per period was because during the previous set of rate increases, we went first. And one of them went 25% and everyone else went 20%, and we were sort of left in that position.

What we do find is in slower times, we actually do much better because we've just got that consistent offering. When markets are pretty high, we don't do as well. In the -- for instance, in the last quarter, some of the majors were offering 100, 110 basis point discounts to their standard variables. We're just stuck at 70 and still managed to grow okay. So from that point of view, I don't see a change in their proposition. I don't see it working at all and I think we continue along without too much trouble. So I'm not sure it's got a lot to do with the demographics, but haven't really looked into that question. With respect to the branch openings, we seem to be maintaining about the same level that we have for the last 5 or 6 years of about 20 a year. We've still got a reasonable pipeline there. Having said that, our networks' starting to approach [indiscernible] in terms of its size. And you'd have to think that demand will pour their outpour [ph]value sides will sort of get saturated before too long. But we're not seeing that at the moment.

Unknown Analyst

Are you noticing that any of the most recent branches you've opened in the last 1 or 2 years aren't quite coming up to your historical expectations? And you think that maybe is just reflective of the market in general?

Michael John Hirst
Former MD, CEO & Director

I think it's actually -- one of the things we've done over the last couple of years is for sites to move to a full branch capability, they actually have get $10 million worth of business on the books to start with. So all of the recent branches are actually starting with a much stronger base than what they might have, says 4 or 5 years ago. And maybe that reflects their concern around some of things that you're raising so they really have to prove that they can deliver to be able to go to full branch status.

Will Rayner
Former Head of Capital and Investor Relations

If there are no more questions here in Melbourne, we'll go back to questions that may be online?

Operator

You have a question from the line of Mike Wiblin with Macquarie.

Michael Wiblin
Macquarie Research

My question is just around hindsight and I suppose in terms trying to forecast that going forward, I mean what are we best to look at the sort of the bridge mark or some of the house price index and the skew there in terms of the state-based skews? And then also maybe you can just update us on the size of that portfolio and what it actually means to have a negative amount coming through the P&L? I mean, is that -- are you selling houses at a loss there? Is that what that is?

Michael John Hirst
Former MD, CEO & Director

Mike, the bridge mark top index isn't probably the best indexes for you to look at. The size of the portfolios around $300 million. I think we've currently capped our efforts at $350 million on that product. It is a product that does provide a terrific income account for people who are cash poor and asset rich and I think it has great social benefit for the economy. And it's just a matter of convincing somebody else that, that is the case. Because there's clear market value in this area of financing, both through pensions or whatever it might be. And that's an issue that, as Australia's population gets older, must be addressed. And the productivity commission reporting to aging identified this product as a solution to a lot of those issues. Very hard to get other people on board. The loss purely reflects the index of where housing prices have gone over the period. If we have a look at all of the contracts that are completed and we've got a reasonable amount of those now for it to be statistically important. It may not be statistically valid. But so far, we pretty much been returning 9%, roughly, on each of those contracts that have completed. And

I don't think -- there might have been one that we did suffer a small loss on. But by and large, they're returning what our expectations are in portfolio, which is slightly north of 9%.

Richard Fennell
Executive of Customer Banking

And Mike, what a loss in this period reflects is the positive contribution from the upfront discounts we brought to account has been more than offset in the reduction in the values of those properties. So it's hopefully an aberration with property prices going backwards to such an extent that it offsets that discount [indiscernible]. But we're not property forecasters.

Operator

Our next question comes from the line of Elizabeth Rogers with Goldman Sachs.

Elizabeth Burn Rogers
Goldman Sachs Group Inc., Research Division

I just got a question with regards to your margins, particularly around the share with the Community Bank. The last few weeks, we saw about 4 basis points of the margin expansion given to community banks and we've seen another 1 basis point this half. Should we expect that to continue to expand or is there a change in the way that you pay the Community Banks from a margin share perspective sort of now run through your margin position?

Richard Fennell
Executive of Customer Banking

Yes. We'd expect there to be, over time, an increase in that as more and more of our distribution goes through the community banks as that Community Bank model increases as a proportion of our business and also the community banks mature. We are -- that would increase faster if it wasn't for the program we're working through, which we initiated just under 12 months ago in relation to adjusting some of that margin share. We -- the second phase of that happens in about another 12-months time, which will be another step -- well the final step in that process, we expect. And again, so what that will do is slow down that increase share of margin going to the community banks. But over time, we would expect and hope that share to increase.

Operator

Our next question comes from the line of Matthew Davison with Merrill Lynch.

Matthew Davison
BofA Merrill Lynch, Research Division

I noticed you've -- it's the monthly margin charge, which is probably fair enough. But I did want to just ask a couple of questions on recent trends. The first was just with TD margins into the new year, how you've seen that trend track? And with margin lending, whether you've seen any slowdown in the runoff with that portfolio? And just with that, I'm just wondering whether there is anything deeper with the franchise that drove your run-off in margin lending in the last 6 months or you just view that as symptomatic of the system?

Richard Fennell
Executive of Customer Banking

Yes. First, on the TD trends, we haven't seen much movement since the start of this year in the pricing out there in the market. From time to time, you see different banks for whatever their reasons might be, go out there and reasonably aggressively with a price-leading proposition. The only change we've made, and very recently, is to drop out our key TD rates -- our leading TD rates in the 6 month. And I think it was in the 4-month rate from 555 to 550. They're sort of adjustments. We're seeing sort of 5 basis points here and there. So no real risk point [ph] when it comes to TD margins. On the margin lending side of things, we actually have seen the rate of runoff slow in the last month or so. Now whether that's getting to a natural base of hardcore customers, we'd like to hope so. Whether it's maybe people starting to think we're getting some hope that equity markets might stabilize and might start to hit hard, we're not sure. But we're hoping it does stabilize. How that it compares to the industry? Industry data isn't great in the area of margin lending, but from what we've seen from the releases of other banks and little industry data that is around, the runoff we've experienced has been consistent with what the other major providers of margin lending have experienced. And that's really Commonwealth, Westpac, St. George, and ourselves as the 3 largest providers out there.

Operator

Our next question comes from the line of Craig Williams with Citigroup.

Craig Anthony Williams
Citigroup Inc, Research Division

Given your improved credit rating, what's the viability and opportunities that are available for issuing unsecured wholesale funding for the business at this time?

Michael John Hirst
Former MD, CEO & Director

Craig, I think the opportunity is reasonable. No one out there is our [ph] limit, given that we don't have a lot of paper [ph] out there. There obviously is an opportunity for yield to pick up on an overrated entity. So I think there's plenty of appetite. The question is at what price? And given where the majors have been raising covered bonds and over and unsecured, I'm not sure it's at a price that would make a lot of sense for us. But if we see some spread contraction over the next 12 to 18 months, then there will be an opportunity.

Craig Anthony Williams
Citigroup Inc, Research Division

All right. Given the major banks have been raising secured funding like covered bonds at prices above where the single-A rate of industrial companies have been raising money at recently, how much of that is reflective of -- as you said, is basically domestic investors have plenty of major banks in their portfolio?

Michael John Hirst
Former MD, CEO & Director

Look, I think there have to be some saturation there. I think, to some degree, my view is that a couple of those deals were probably mispriced in favor of the investors. Spreads are pretty fluid at the moment. You just need to wait to see where they might end up. But you had a look at that first covered bond issue that came at 185 and suddenly it's trading at 135 today, so there seems to be more appetite around.

Operator

Our next question comes from the line of TS Lim with Bell Potter Securities.

T.S. Lim
Bell Potter Securities Limited, Research Division

I just wanted to get Michael's views on further sector consolidation seeing that is going to be tough for the banks, is it going to be tough for the credit unions and billing societies? And do you see opportunities there as well?

Michael John Hirst
Former MD, CEO & Director

TS, I'm amazed you've asked me that question. You've been pushing this line for a long time. But I really -- I don't see a great appetite for consolidation amongst I think the deal that you're continually writing about is the 3 regionals [indiscernible] come together. To us it's more about small bolt-ons and the opportunity that arises there. We've, from time to time, considered other options, I'm not sure this environment is necessarily all that conducive to a more significant deal.

Operator

Our next question comes from the line of Scott Manning with JPMorgan.

Scott Robert Manning
JP Morgan Chase & Co, Research Division

Just a couple of questions, firstly just on the provisioning. If you could quantify the [indiscernible] volume and where you see that provision charge going forward? And the second question after that.

Richard Fennell
Executive of Customer Banking

$5 million [ph], Scott, and that's the total of that. Otherwise, I have nothing more to write back on that. I should add, we do still hold a modest overlay in our collective provision, which is there to reflect some of the portfolio as we have limited history. So it's a -- we call it a model overlay in there, which over time, we hope to remove once we get the growth [ph] of period of history there built into those models.

Scott Robert Manning
JP Morgan Chase & Co, Research Division

And just secondly on the income side, there was quite a sizable restatement of fee lines down into other operating income? Just the significance of that and the reasoning there. I would have thought a lower number in other operating income would provide more transparency?

Michael John Hirst
Former MD, CEO & Director

We might have to get back to you on that, Scott, we though it went the other way, actually.

Richard Fennell
Executive of Customer Banking

I'm just getting a look at the 4D now and I'm not seeing a significant change on the other operating line.

Scott Robert Manning
JP Morgan Chase & Co, Research Division

Other income, so your [indiscernible] fees has gone from 59 down to 53, for example, restated. And there's been a few other ones as well, so have others gone from cost of living up to 20?

Richard Fennell
Executive of Customer Banking

All right. Yes. Now, the major driver of that movement is a reallocation of fees that we share with the community banks, which traditionally is to offset in other, as a, if you like, a negative there, has now been reallocated to the individual fee lines. And so, the share of fees on those individual lines is now lower. With the -- so that the amount is lower than we receive because it now has a negative impact of what we share with the community banks for the fees that they have brought into the group. That used to all sit in other -- provide some more data on that, if you need it.

Operator

Our next question comes from the line of Ed Henning with CLSA.

Brian D. Johnson
CLSA Limited, Research Division

It's Brian Johnson. But just something I don't understand is that we got an environment where deposits which are very strong for your business, but the deposit margin is not what it once was. Today you said the cost of capital assumption is 12, but the return on equity, you're doing is well south of that. Is there a prospect of actually writing off some of that accumulated goodwill at some point soon?

Michael John Hirst
Former MD, CEO & Director

Well, 2 things I think, Brian. One is that we tend to look at return on tangible equity in '09. You perhaps had a different view, but that's how we judge that. Secondly, on the write-off, it's not actually something that you can do willy-nilly. You have to set up those cash generating units, which look at not the simply the acquisition that you made but the combined business going forward once those things have been brought together. And we test them all the time to make sure that they are meeting their requirements. Except for the wealth business, for obvious reasons, this time around, they continue to do so.

Brian D. Johnson
CLSA Limited, Research Division

The fact that the deposit margin has collapsed post the acquisition that doesn't change it around at all?

Michael John Hirst
Former MD, CEO & Director

It wasn't a hell of a lot of deposits coming into the Adelaide side of the business for a start. So I think the forward-looking that we do goes out for some time. But if this were to persist for a long period of time, then I think what you'd see is further adjustment to asset pricing.

Brian D. Johnson
CLSA Limited, Research Division

Mike, if I could just push my luck with one further one, the Homesafe business, what happens to the regulatory capital intensity of that under Basel III if you did it forward?

Michael John Hirst
Former MD, CEO & Director

I don't know the answer to that, Brian.

Operator

Our next question comes from the line of James Ellis with Credit Suisse.

James Ellis
Crédit Suisse AG, Research Division

Just 2 questions, talking about Homesafe, just with the negative reevaluation was in line with your expectations and what you can give us some idea as to what sort of stress testing have you've done around the potential that comes on the downside for the limit which is set for the portfolio? And second, on the margin lending portfolio, acknowledging your early comments about generally wanting to keep capacity within the system or within your network and not downsizing your cost base too much, but since it's 2/3 off the peak, is there too much capacity there for any feasible rebound in margin lending?

Michael John Hirst
Former MD, CEO & Director

Well, I'll answer the second one first, James. We have utilized the level of that capacity in the Margin Lending business to support other parts of the business. So we are looking to reallocate and continue reallocating resources away from those businesses that don't have the current demand to other opportunities as they come up. So we're very conscious of making sure that we're fully utilizing the capacity that we have.

Richard Fennell
Executive of Customer Banking

And in relation to Homesafe, we track the indices on a monthly basis. And from a management accounting perspective, therefore, we're not getting a surprise at the end of that 6 months when we do the math on this. It wasn't a surprise, the outcome for this 6 months. Going forward, it's a reasonably straightforward process of stress testing this portfolio because it really is proportional to the value of the indices in Melbourne and Sydney. Now once a year, we do a more detailed post level analysis and some testing on individual properties which backs that up. And interestingly, the valuation of that portfolio is in the indices versus the more detailed bottom-up analysis came in almost exactly the same at 31 December. But we're aware of the potential implications if there was a very major drop in the value of property prices in Sydney and Melbourne. Are we expecting that? No. But could it happen? Well, yes. But it doesn't change our view that we think this, from a long-term perspective, is a good product for the customers who choose to avail themselves of it. And from a long-term perspective, we think it will step up for us as well.

Will Rayner
Former Head of Capital and Investor Relations
Okay, ladies and gentlemen, that does bring the question-and-answer to a close. Thank you for your attention this morning, and we look forward to catching up with many of you during the week. Have a good day.