



**June 24, 2003**

**ADELAIDE BANK STATEMENT**

Adelaide Bank is led to believe that the industry regulator, the Australian Prudential Regulation Authority (APRA), is planning to release a policy discussion paper to the industry dealing with proposed changes to the capital treatment of capitalised costs.

While Adelaide Bank is not aware of the detail in relation to the proposed changes, it is Adelaide Bank's belief that any changes could potentially impact on Tier one capital, especially for smaller financial institutions.

It is expected that the policy discussion paper will allow for consultation with the industry over the three months to September. It is expected that the consultation process will also consider transitional provisions that will apply.

As a consequence, Adelaide Bank has an obligation to inform the market and its shareholders of the potential for proposed changes to current APRA rules that could have an impact on the capital position of Adelaide Bank.

Adelaide Bank will fully assess the changes when announced to determine the impact on the Bank and will further update the market at that time.

**Barry Fitzpatrick**  
**Group Managing Director**

**Further information can be obtained from Adelaide Bank Chief Financial Officer,  
Mr John Patton. Telephone (08) 8300 6891.**

**Issued on behalf of Adelaide Bank by Greg Reid Marketing Communications Pty.  
Ltd. Telephone (08) 8300 6449.**