



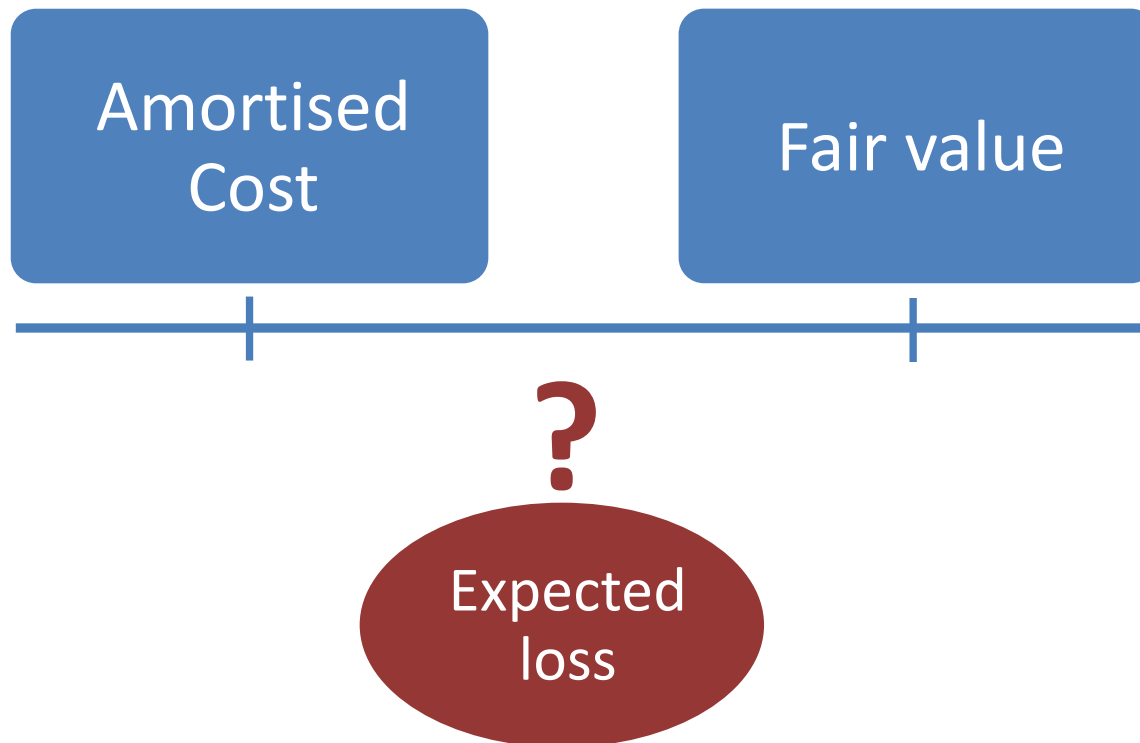
Financial Instruments Impairment

23 November 2011

**Australia | China | Hong Kong | India |
Japan | Korea | Malaysia | New Zealand |
Singapore | Thailand | Uzbekistan**

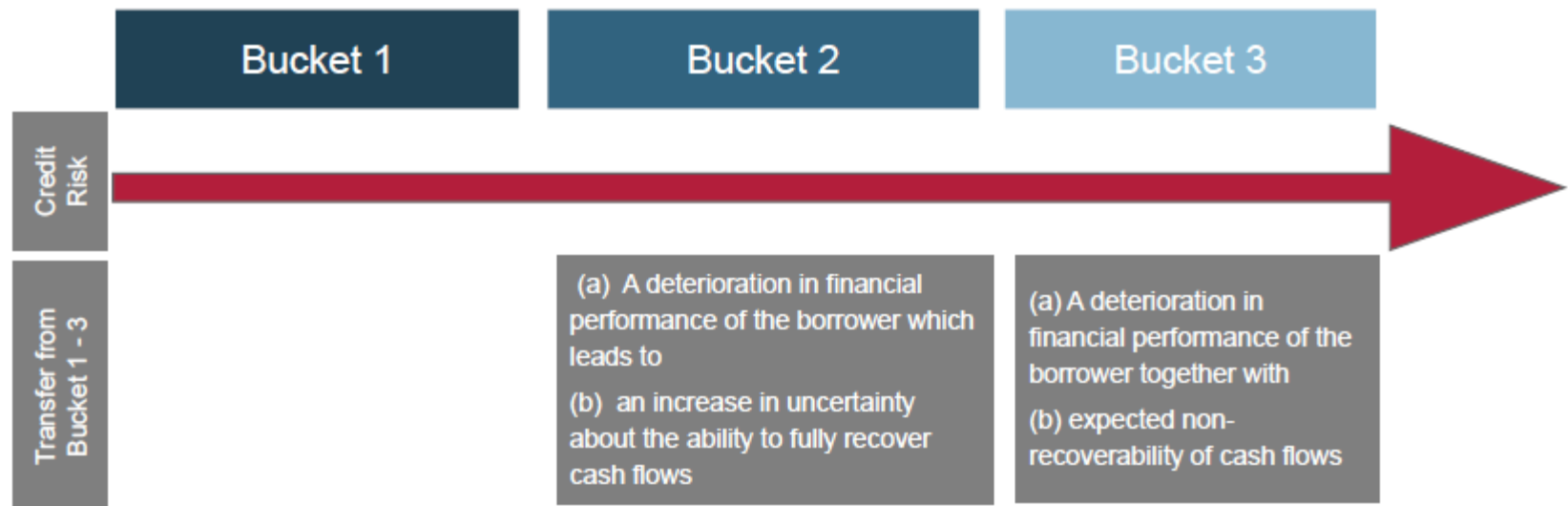
Impairment of amortised cost assets

IFRS 9 measurement models



Impairment of amortised cost assets

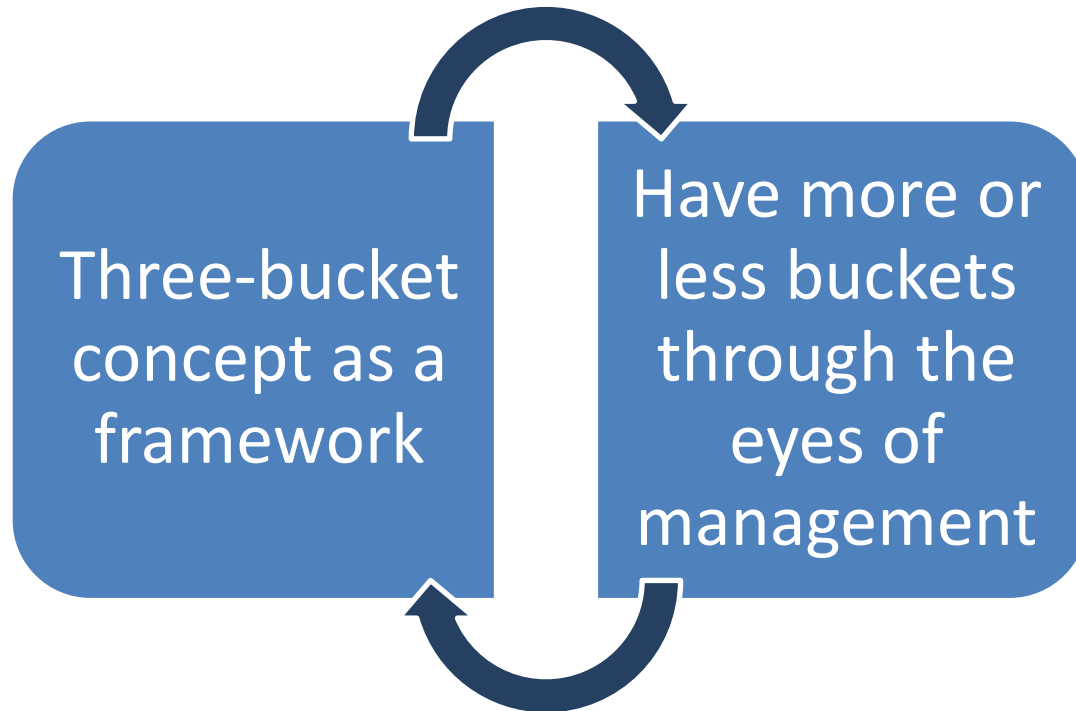
IASB's three-bucket model



Source: IASB 18 July 2011 meeting (Agenda paper 7A slides, Relative credit risk model)

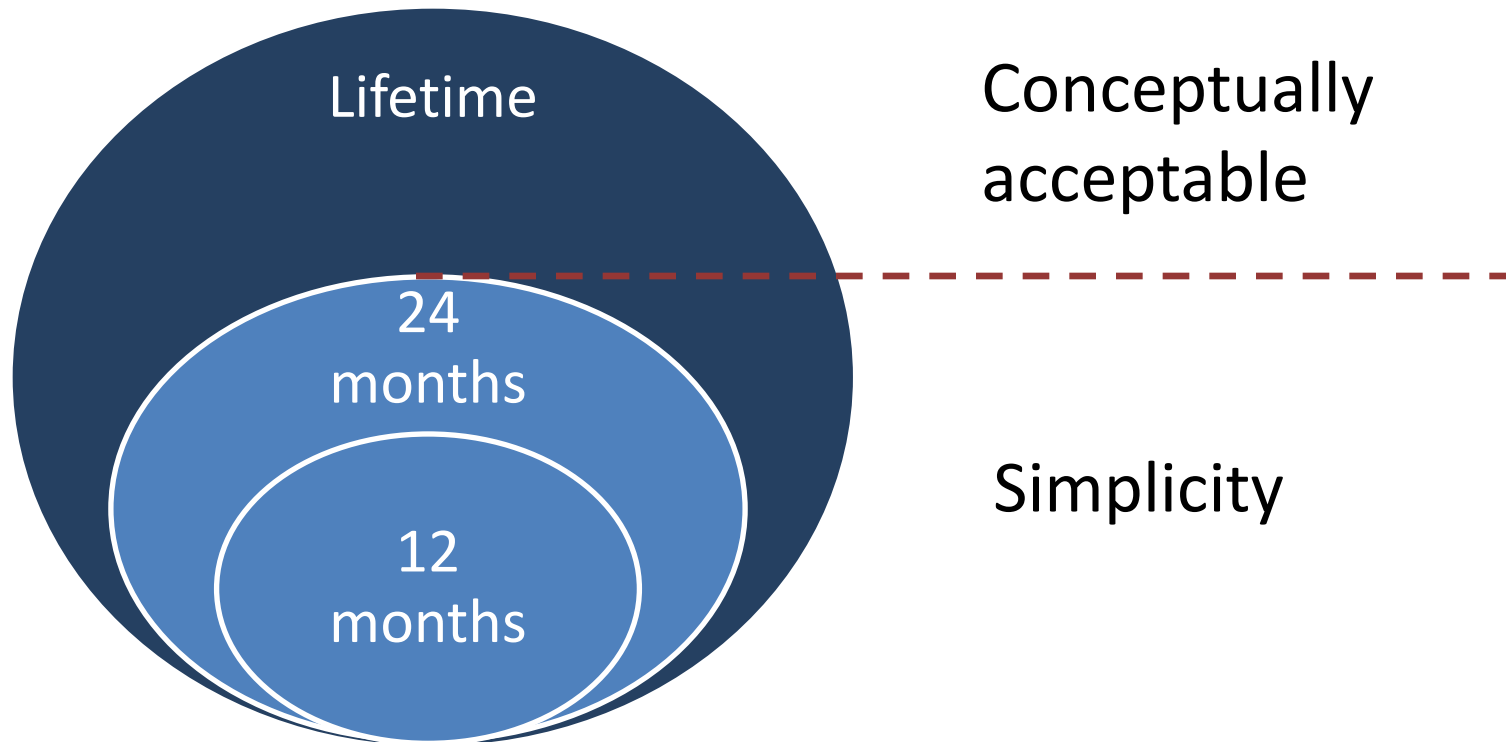
Impairment of amortised cost assets

Deterioration in credit quality



Impairment of amortised cost assets

Credit loss expectations



Impairment of amortised cost assets

Loans at initial recognition

