

As at 31 December 2015

Leverage Ratio Common Disclosures Template specified by the Hong Kong Monetary Authority

Item		Leverage ratio framework HK\$'000
On-balance sheet exposures		
1	On-balance sheet items (excluding derivatives and SFTs, but including collateral)	123,487,154
2	Less : Asset amounts deducted in determining Basel III Tier 1 capital (reported as negative amounts)	(896,115)
3	Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 and 2)	122,591,039
Derivative exposures		
4	Replacement cost associated with all derivatives transactions (i.e. net of eligible cash variation margin)	577,651
5	Add-on amounts for PFE associated with all derivatives transactions	575,852
6	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework	0
7	Less : Deductions of receivables assets for cash variation margin provided in derivatives transactions (reported as negative amounts)	0
8	Less : Exempted CCP leg of client-cleared trade exposures (reported as negative amounts)	0
9	Adjusted effective notional amount of written credit derivatives	0
10	Less: Adjusted effective notional offsets and add-on deductions for written credit derivatives (reported as negative amounts)	0
11	Total derivatives exposures (sum of lines 4 to 10)	1,153,503
Securities financing transaction exposures		
12	Gross SFT assets (with no recognition of netting), after adjusting for sales accounting transactions	3,507,626
13	Less : Netted amount of cash payables and cash receivables of gross SFT assets (reported as negative amounts)	0
14	CCR exposure for SFT assets	172,182
15	Agent transaction exposures	0
16	Total securities financing transaction exposures (sum of lines 12 to 15)	3,679,808
Other off-balance sheet exposures		
17	Off-balance sheet exposures at gross national amount	18,329,095
18	Less: Adjustments for conversion to credit equivalent amounts (reported as negative amounts)	(13,896,778)
19	Off-balance sheet items (sum of lines 17 and 18)	4,432,317
Capital and total exposures		
20	Tier 1 capital	13,438,216
21	Total exposures (sum of lines 3, 11, 16 and 19)	131,856,667
Leverage ratio		
22	Basel III leverage ratio	10.19%

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Summary Comparison Table Template specified by the Hong Kong Monetary Authority

	Item	Leverage ratio framework HK\$'000
1	Total consolidated assets as per published financial statements	127,837,646
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	(515,707)
3	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	0
4	Adjustments for derivative financial instruments	575,852
5	Adjustment for securities financing transactions (i.e. repos and similar secured lending)	172,182
6	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	4,432,317
7	Other adjustments	(645,623)
8	Leverage ratio exposure	131,856,667