

INDUSTRIAL AND COMMERCIAL BANK OF CHINA (ASIA) LIMITED 中國工商銀行(亞洲)有限公司

(Incorporated in Hong Kong with limited liability)

STANDARD TEMPLATES FOR DISCLOSURES IN RELATION TO REGULATORY CAPITAL

FOR THE YEAR ENDED 31 DECEMBER 2014

Transition Disclosures Template

Amounts subject to pre-Basel III treatment*

	CET1 capital: instruments and reserves		
		HK\$'000	
1	Directly issued qualifying CET1 capital instruments plus any related share premium	23,591,831	
2	Retained earnings	23,372,309	
3	Disclosed reserves	3,640,306	
4	Directly issued capital subject to phase out from CET1 capital (only applicable to non-joint stock companies)	Not applicable	
	Public sector capital injections grandfathered until 1 January 2018	Not applicable	
5	Minority interests arising from CET1 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in CET1 capital of the consolidation group)	0	
6	CET1 capital before regulatory deductions	50,604,446	
	CET1 capital: regulatory deductions		
7	Valuation adjustments	37,145	
8	Goodwill (net of associated deferred tax liability)	980,154	
9	Other intangible assets (net of associated deferred tax liability)	58,919	0
10	Deferred tax assets net of deferred tax liabilities	0	
11	Cash flow hedge reserve	165,329	
12	Excess of total EL amount over total eligible provisions under the IRB approach	0	0
13	Gain-on-sale arising from securitization transactions	0	
14	Gains and losses due to changes in own credit risk on fair valued liabilities	0	0
15	Defined benefit pension fund net assets (net of associated deferred tax liabilities)	0	0
16	Investments in own CET1 capital instruments (if not already netted off paid-in capital on reported balance sheet)	0	0
17	Reciprocal cross-holdings in CET1 capital instruments	0	0
18	Insignificant capital investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	0	0
19	Significant capital investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	0	0
20	Mortgage servicing rights (amount above 10% threshold)	Not applicable	
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	Not applicable	
22	Amount exceeding the 15% threshold	Not applicable	

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23	of which: significant investments in the common stock of financial sector entities	Not applicable	
24	of which: mortgage servicing rights	Not applicable	
25	of which: deferred tax assets arising from temporary differences	Not applicable	
26	National specific regulatory adjustments applied to CET1 capital	4,652,199	
26a	Cumulative fair value gains arising from the revaluation of land and buildings (own-use and investment properties)	583,102	
26b	Regulatory reserve for general banking risks	4,069,070	
26c	Securitization exposures specified in a notice given by the Monetary Authority	0	
26d	Cumulative losses below depreciated cost arising from the institution's holdings of land and buildings	27	
26e	Capital shortfall of regulated non-bank subsidiaries	0	0
26f	Capital investment in a connected company which is a commercial entity (amount above 15% of the reporting institution's capital base)	0	0
27	Regulatory deductions applied to CET1 capital due to insufficient AT1 capital and Tier 2 capital to cover deductions	0	
28	Total regulatory deductions to CET1 capital	5,893,746	
29	CET1 capital	44,710,700	
	AT1 capital: instruments		
30	Qualifying AT1 capital instruments plus any related share premium	0	
31	of which: classified as equity under applicable accounting standards	0	
32	of which: classified as liabilities under applicable accounting standards	0	
33	Capital instruments subject to phase out arrangements from AT1 capital	0	
34	AT1 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in AT1 capital of the consolidation group)	0	
35	of which: AT1 capital instruments issued by subsidiaries subject to phase out arrangements	0	
36	AT1 capital before regulatory deductions	0	
	AT1 capital: regulatory deductions		
	Investments in own AT1 capital instruments	0	0
38	Reciprocal cross-holdings in AT1 capital instruments	0	0
30	Insignificant capital investments in AT1 capital instruments issued by financial sector entities that are outside the scope of	0	0
39	regulatory consolidation (amount above 10% threshold)		
		0	0

Portion of deductions applied 50:50 to core capital and supplementary capital based on pre-Basel III treatment which, during transitional period, remain subject to deduction from Tier 1 capital i of which: Excess of total EL amount over total eligible provisions under the IRB approach ii of which: Capital shortfall of regulated non-bank subsidiaries of which: Investments in own CET1 capital instruments of which: Reciprocal cross holdings in CET1 capital instruments of which: Capital investment in a connected company which is a commercial entity (amount above 15% of the reporting institution's capital base) of which: Insignificant capital investments in CET1 capital instruments, AT1 capital instruments and Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation of which: Significant capital investments in CET1 capital instruments, AT1 capital instruments and Tier 2 capital instruments, AT1 capital instruments and Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation at Regulatory deductions applied to AT1 capital due to insufficient Tier 2 capital to cover deductions at Total regulatory deductions to AT1 capital due to insufficient Tier 2 capital to cover deductions at Total regulatory deductions to AT1 capital due to insufficient Tier 2 capital to cover deductions at Total regulatory deductions to AT1 capital at Tier 1 capital (Tier 1 = CET1 + AT1) at Capital instruments subject to phase out arrangements from Tier 2 capital acqualifying Tier 2 capital instruments plus any related share premium at Capital instruments subject to phase out arrangements from Tier 2 capital of the consolidation group) of which: capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in Tier 2 capital of the consolidation group) of which: capital instruments issued by subsidiaries subject to phase out arrangements of which: capital instruments i				
ii of which: Capital shortfall of regulated non-bank subsidiaries of which: Investments in own CET1 capital instruments of which: Reciprocal cross holdings in CET1 capital instruments of which: Reciprocal cross holdings in CET1 capital instruments of which: Capital investment in a connected company which vis a commercial entity (amount above 15% of the reporting institution's capital base) of which: Insignificant capital investments in CET1 capital instruments, AT1 capital instruments and Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation of which: Significant capital investments in CET1 capital instruments, AT1 capital instruments in CET1 capital instruments, AT1 capital instruments and Tier 2 capital vii instruments issued by financial sector entities that are outside the scope of regulatory consolidation 42 Regulatory deductions applied to AT1 capital due to insufficient Tier 2 capital to cover deductions 43 Total regulatory deductions to AT1 capital of AT1 capital of AT1 capital of AT1 capital of AT1 capital (Tier 1 = CET1 + AT1) Tier 2 capital: instruments and provisions 44 AT1 capital of Capital instruments subject to phase out arrangements from Tier 2 capital Tier 2 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in Tier 2 capital of the consolidation group) of which: capital instruments issued by subsidiaries subject to phase out arrangements	41a	during transitional period, remain subject to deduction from Tier	0	
iii of which: Investments in own CET1 capital instruments of which: Reciprocal cross holdings in CET1 capital instruments issued by financial sector entities of which: Capital investment in a connected company which is a commercial entity (amount above 15% of the reporting institution's capital base) of which: Insignificant capital investments in CET1 capital instruments, AT1 capital instruments and Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation of which: Significant capital instruments in CET1 capital instruments, AT1 capital instruments and Tier 2 capital instruments, AT1 capital instruments and Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation 42 Regulatory deductions applied to AT1 capital due to insufficient Tier 2 capital to cover deductions 43 Total regulatory deductions to AT1 capital 44 AT1 capital 5 Tier 1 capital (Tier 1 = CET1 + AT1) Tier 2 capital (Tier 1 = CET1 + AT1) 44,710,700 Tier 2 capital instruments and provisions 46 Qualifying Tier 2 capital instruments plus any related share premium 18,391,063 47 Capital instruments subject to phase out arrangements from Tier 2 capital Tier 2 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in Tier 2 capital of the consolidation group) 49 of which: capital instruments issued by subsidiaries subject to phase out arrangements 50 Collective impairment allowances and regulatory reserve for	i		0	
iv of which: Reciprocal cross holdings in CET1 capital instruments issued by financial sector entities of which: Capital investment in a connected company which is a commercial entity (amount above 15% of the reporting institution's capital base) of which: Insignificant capital investments in CET1 capital instruments, AT1 capital instruments and Tier 2 capital instruments insued by financial sector entities that are outside the scope of regulatory consolidation of which: Significant capital investments in CET1 capital instruments, AT1 capital instruments and Tier 2 capital instruments susued by financial sector entities that are outside the scope of regulatory consolidation 42 Regulatory deductions applied to AT1 capital due to insufficient Tier 2 capital to cover deductions 43 Total regulatory deductions to AT1 capital 0 44 AT1 capital 0 45 Tier 1 capital (Tier 1 = CET1 + AT1) 44,710,700 Tier 2 capital: instruments and provisions 46 Qualifying Tier 2 capital instruments plus any related share premium 47 Capital instruments subject to phase out arrangements from Tier 2 capital 48 Tier 2 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in Tier 2 capital of the consolidation group) 49 of which: capital instruments issued by subsidiaries subject to phase out arrangements 50 Collective impairment allowances and regulatory reserve for	ii	of which: Capital shortfall of regulated non-bank subsidiaries	0	
of which: Capital investment in a connected company which is a commercial entity (amount above 15% of the reporting institution's capital base) of which: Insignificant capital investments in CET1 capital instruments, AT1 capital instruments and Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation of which: Significant capital investments in CET1 capital instruments, AT1 capital instruments and Tier 2 capital instruments, AT1 capital instruments and Tier 2 capital instruments, AT1 capital instruments and Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation 42 Regulatory deductions applied to AT1 capital due to insufficient Tier 2 capital to cover deductions 43 Total regulatory deductions to AT1 capital 0 44 AT1 capital 0 45 Tier 1 capital (Tier 1 = CET1 + AT1) 44,710,700 Tier 2 capital: instruments and provisions 46 Qualifying Tier 2 capital instruments plus any related share premium 18,391,063 47 Capital instruments subject to phase out arrangements from Tier 2 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in Tier 2 capital instruments issued by subsidiaries subject to phase out arrangements Of the reporting to the consolidation group) Of which: capital instruments issued by subsidiaries subject to phase out arrangements Collective impairment allowances and regulatory reserve for	iii	of which: Investments in own CET1 capital instruments	0	
vi is a commercial entity (amount above 15% of the reporting institution's capital base) of which: Insignificant capital investments in CET1 capital instruments, AT1 capital instruments and Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation of which: Significant capital investments in CET1 capital instruments, AT1 capital instruments and Tier 2 capital instruments, AT1 capital instruments and Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation 42 Regulatory deductions applied to AT1 capital due to insufficient Tier 2 capital to cover deductions 43 Total regulatory deductions to AT1 capital 44 AT1 capital 55 Tier 1 capital (Tier 1 = CET1 + AT1) Tier 2 capital: instruments and provisions 46 Qualifying Tier 2 capital instruments plus any related share premium Capital instruments subject to phase out arrangements from Tier 2 capital Tier 2 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in Tier 2 capital of the consolidation group) of which: capital instruments issued by subsidiaries subject to phase out arrangements Collective impairment allowances and regulatory reserve for 48 80 288	iv		0	
vi instruments, AT1 capital instruments and Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation of which: Significant capital investments in CET1 capital instruments, AT1 capital instruments and Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation 42 Regulatory deductions applied to AT1 capital due to insufficient Tier 2 capital to cover deductions 43 Total regulatory deductions to AT1 capital 0 44 AT1 capital 0 5 Tier 1 capital (Tier 1 = CET1 + AT1) Tier 2 capital: instruments and provisions 46 Qualifying Tier 2 capital instruments plus any related share premium 18,391,063 47 Capital instruments subject to phase out arrangements from Tier 2 capital Tier 2 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in Tier 2 capital of the consolidation group) of which: capital instruments issued by subsidiaries subject to phase out arrangements Collective impairment allowances and regulatory reserve for 4 896 288	v	is a commercial entity (amount above 15% of the reporting	0	
vii instruments, AT1 capital instruments and Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation 42 Regulatory deductions applied to AT1 capital due to insufficient Tier 2 capital to cover deductions 43 Total regulatory deductions to AT1 capital 44 AT1 capital 55 Tier 1 capital (Tier 1 = CET1 + AT1) 66 Qualifying Tier 2 capital instruments and provisions 47 Capital instruments subject to phase out arrangements from Tier 2 capital Tier 2 capital instruments issued by consolidated bank 48 subsidiaries and held by third parties (amount allowed in Tier 2 capital instruments issued by subsidiaries subject to phase out arrangements 49 of which: capital instruments issued by subsidiaries subject to phase out arrangements 50 Collective impairment allowances and regulatory reserve for 48 86 288	vi	instruments, AT1 capital instruments and Tier 2 capital instruments issued by financial sector entities that are outside	0	
Tier 2 capital to cover deductions 43 Total regulatory deductions to AT1 capital 44 AT1 capital 45 Tier 1 capital (Tier 1 = CET1 + AT1) Tier 2 capital: instruments and provisions 46 Qualifying Tier 2 capital instruments plus any related share premium 47 Capital instruments subject to phase out arrangements from Tier 2 capital Tier 2 capital Tier 2 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in Tier 2 capital of the consolidation group) 49 of which: capital instruments issued by subsidiaries subject to phase out arrangements Collective impairment allowances and regulatory reserve for 4 896 288	vii	instruments, AT1 capital instruments and Tier 2 capital instruments issued by financial sector entities that are outside	0	
44 AT1 capital 0 45 Tier 1 capital (Tier 1 = CET1 + AT1) 44,710,700 Tier 2 capital: instruments and provisions 46 Qualifying Tier 2 capital instruments plus any related share premium 47 Capital instruments subject to phase out arrangements from Tier 2 capital Tier 2 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in Tier 2 capital of the consolidation group) 49 of which: capital instruments issued by subsidiaries subject to phase out arrangements Collective impairment allowances and regulatory reserve for 4 896 288	42		0	
Tier 1 capital (Tier 1 = CET1 + AT1) Tier 2 capital: instruments and provisions 46 Qualifying Tier 2 capital instruments plus any related share premium 18,391,063 47 Capital instruments subject to phase out arrangements from Tier 2 capital Tier 2 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in Tier 2 capital of the consolidation group) 49 of which: capital instruments issued by subsidiaries subject to phase out arrangements Collective impairment allowances and regulatory reserve for 48 896 288	43	Total regulatory deductions to AT1 capital	0	
Tier 2 capital: instruments and provisions 46 Qualifying Tier 2 capital instruments plus any related share premium 18,391,063 47 Capital instruments subject to phase out arrangements from Tier 2 capital Tier 2 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in Tier 2 capital of the consolidation group) 49 of which: capital instruments issued by subsidiaries subject to phase out arrangements 50 Collective impairment allowances and regulatory reserve for 4896 288	44	AT1 capital	0	
46 Qualifying Tier 2 capital instruments plus any related share premium 47 Capital instruments subject to phase out arrangements from Tier 2 capital Tier 2 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in Tier 2 capital of the consolidation group) 49 of which: capital instruments issued by subsidiaries subject to phase out arrangements Collective impairment allowances and regulatory reserve for 4896 288	45	Tier 1 capital (Tier 1 = CET1 + AT1)	44,710,700	
premium Capital instruments subject to phase out arrangements from Tier 2 capital Tier 2 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in Tier 2 capital of the consolidation group) of which: capital instruments issued by subsidiaries subject to phase out arrangements Collective impairment allowances and regulatory reserve for 18,391,063 3,086,246		Tier 2 capital: instruments and provisions		
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48 subsidiaries and held by third parties (amount allowed in Tier 2 capital of the consolidation group) 49 of which: capital instruments issued by subsidiaries subject to phase out arrangements 50 Collective impairment allowances and regulatory reserve for 4896 288	47		3,086,246	
phase out arrangements Collective impairment allowances and regulatory reserve for 4896 288	48	subsidiaries and held by third parties (amount allowed in Tier 2	0	
1 301	49		0	
	50		4,896,288	
51 Tier 2 capital before regulatory deductions 26, 373,597	51	Tier 2 capital before regulatory deductions	26, 373,597	

Tier 2 capital: regulatory deductions			
52	Investments in own Tier 2 capital instruments	0	0
53	Reciprocal cross-holdings in Tier 2 capital instruments	0	0
54	Insignificant capital investments in Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	0	0
55	Significant capital investments in Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	0	0
56	National specific regulatory adjustments applied to Tier 2 capital	(262,396)	
56a	Add back of cumulative fair value gains arising from the revaluation of land and buildings (own-use and investment properties) eligible for inclusion in Tier 2 capital	(262,396)	
56b	Portion of deductions applied 50:50 to core capital and supplementary capital based on pre-Basel III treatment which, during transitional period, remain subject to deduction from Tier 2 capital	0	
i	of which: Excess of total EL amount over total eligible provisions under the IRB approach	0	
ii	of which: Capital shortfall of regulated non-bank subsidiaries	0	
iii	of which: Investments in own CET1 capital instruments	0	
iv	of which: Reciprocal cross holdings in CET1 capital instruments issued by financial sector entities	0	
v	of which: Capital investment in a connected company which is a commercial entity (amount above 15% of the reporting institution's capital base)	0	
vi	of which: Insignificant capital investments in CET1 capital instruments, AT1 capital instruments and Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	0	
vii	of which: Significant capital investments in CET1 capital instruments, AT1 capital instruments and Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	0	
57	Total regulatory deductions to Tier 2 capital	(262,396)	
58	Tier 2 capital	26,635,993	
59	Total capital (Total capital = Tier 1 + Tier 2)	71,346,693	
59a	Deduction items under Basel III which during transitional period remain subject to risk-weighting, based on pre-Basel III treatment		

ii of which: Defined benefit pension fund net assets of which: Investments in own CET1 capital instruments, AT1 capital instruments and Tier 2 capital instruments of which: Capital investment in a connected company which is a commercial entity of which: Insignificant capital investments in CET1 capital instruments, AT1 capital instruments and Tier 2 capital instruments, AT1 capital instruments and Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation of which: Significant capital investments in CET1 capital instruments, AT1 capital instruments and Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation 60 Total risk weighted assets Capital ratios (as a percentage of risk weighted assets) 61 CET1 capital ratio 62 Tier 1 capital ratio 10.19% 63 Total capital ratio Institution specific buffer requirement (minimum CET1 capital requirement as specified in s.3A, or s.3B, as the case requires, of the BCR plus capital conservation buffer plus countercyclical buffer requirements plus G-SIB or D-SIB requirements 65 of which: capital conservation buffer requirement 0.00% 66 of which: G-SIB or D-SIB buffer requirement 0.00% CET1 capital surplus over the minimum CET1 requirement and any CET1 capital used to meet the Tier 1 and Total capital requirement under s.3A, or s.3B, as the case requires, of the BCR National minima (if different from Basel 3 minimum) Not applicable			
iii of which: Investments in own CET1 capital instruments, AT1 capital instruments and Tier 2 capital instruments of which: Capital investment in a connected company which is a commercial entity of which: Insignificant capital investments in CET1 capital instruments, AT1 capital instruments and Tier 2 capital instruments, AT1 capital instruments instruments instruments instruments instruments instruments instruments, AT1 capital instruments in CET1 capital instruments, AT1 capital instruments and Tier 2 capital instruments, AT1 capital instruments and Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation 60 Total risk weighted assets Capital ratios (as a percentage of risk weighted assets) 61 CET1 capital ratio 62 Tier 1 capital ratio 63 Total capital ratio 64 Institution specific buffer requirement (minimum CET1 capital requirement as specified in s.3A, or s.3B, as the case requires, of the BCR plus capital conservation buffer plus countercyclical buffer requirements plus G-SIB or D-SIB requirements 65 of which: capital conservation buffer requirement 66 of which: bank specific countercyclical buffer requirement 67 of which: G-SIB or D-SIB buffer requirement 68 any CET1 capital surplus over the minimum CET1 requirement and any CET1 capital used to meet the Tier 1 and Total capital requirement under s.3A, or s.3B, as the case requires, of the BCR National minima (if different from Basel 3 minimum) 69 National CET1 minimum ratio Not applicable	i	of which: Mortgage servicing rights	0
iv of which: Capital investment in a connected company which is a commercial entity of which: Insignificant capital investments in CET1 capital instruments, AT1 capital instruments and Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation of which: Significant capital investments in CET1 capital instruments, AT1 capital instruments and Tier 2 capital instruments, AT1 capital instruments and Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation 60 Total risk weighted assets Capital ratios (as a percentage of risk weighted assets) 61 CET1 capital ratio 62 Tier 1 capital ratio 63 Total capital ratio 10.19% 64 Total capital ratio 10.19% 65 Total capital ratio 10.19% 66 Total capital ratio 10.09% 67 of which: capital conservation buffer plus countercyclical buffer requirements plus G-SIB or D-SIB requirements 68 of which: G-SIB or D-SIB buffer requirement 69 of which: G-SIB or D-SIB buffer requirement 60 Total capital surplus over the minimum CET1 requirement and any CET1 capital used to meet the Tier 1 and Total capital requirement under s.3A, or s.3B, as the case requires, of the BCR National minima (if different from Basel 3 minimum) 69 National CET1 minimum ratio Not applicable Not applicable	ii	of which: Defined benefit pension fund net assets	0
of which: Insignificant capital investments in CET1 capital instruments, AT1 capital instruments and Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation of which: Significant capital investments in CET1 capital instruments, AT1 capital instruments and Tier 2 capital instruments, AT1 capital instruments and Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation 60 Total risk weighted assets Capital ratios (as a percentage of risk weighted assets) 61 CET1 capital ratio 62 Tier 1 capital ratio 63 Total capital ratio 64 Institution specific buffer requirement (minimum CET1 capital requirement as specified in s.3A, or s.3B, as the case requires, of the BCR plus capital conservation buffer plus countercyclical buffer requirements plus G-SIB or D-SIB requirements 65 of which: capital conservation buffer requirement 66 of which: bank specific countercyclical buffer requirement 70 CET1 capital surplus over the minimum CET1 requirement and any CET1 capital used to meet the Tier 1 and Total capital requirement under s.3A, or s.3B, as the case requires, of the BCR National minima (if different from Basel 3 minimum) Not applicable 70 National Tier 1 minimum ratio Not applicable	iii	•	0
v instruments, ATI capital instruments and Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation of which: Significant capital investments in CET1 capital instruments, ATI capital instruments and Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation 60 Total risk weighted assets Capital ratios (as a percentage of risk weighted assets) 61 CET1 capital ratio 62 Tier 1 capital ratio 10.19% 63 Total capital ratio 10.19% 64 Total capital ratio 10.19% 65 Of the BCR plus capital conservation buffer plus countercyclical buffer requirements plus G-SIB or D-SIB requirements 66 of which: capital conservation buffer requirement 67 of which: G-SIB or D-SIB buffer requirement 68 of which: G-SIB or D-SIB buffer requirement 69 Which: Capital used to meet the Tier 1 and Total capital requirement under s.3A, or s.3B, as the case requires, of the BCR National minima (if different from Basel 3 minimum) Not applicable Not applicable	iv	1 ,	0
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Capital ratios (as a percentage of risk weighted assets) 61 CET1 capital ratio 62 Tier 1 capital ratio 63 Total capital ratio 64 Institution specific buffer requirement (minimum CET1 capital requirement as specified in s.3A, or s.3B, as the case requires, of the BCR plus capital conservation buffer plus countercyclical buffer requirements plus G-SIB or D-SIB requirements) 65 of which: capital conservation buffer requirement 66 of which: bank specific countercyclical buffer requirement 67 of which: G-SIB or D-SIB buffer requirement 68 CET1 capital surplus over the minimum CET1 requirement and any CET1 capital used to meet the Tier 1 and Total capital requirement under s.3A, or s.3B, as the case requires, of the BCR National minima (if different from Basel 3 minimum) Not applicable 70 National Tier 1 minimum ratio Not applicable	vi	instruments, AT1 capital instruments and Tier 2 capital instruments issued by financial sector entities that are outside	0
61 CET1 capital ratio 62 Tier 1 capital ratio 63 Total capital ratio 64 Institution specific buffer requirement (minimum CET1 capital requirement as specified in s.3A, or s.3B, as the case requires, of the BCR plus capital conservation buffer plus countercyclical buffer requirements plus G-SIB or D-SIB requirements) 65 of which: capital conservation buffer requirement 66 of which: bank specific countercyclical buffer requirement 67 of which: G-SIB or D-SIB buffer requirement 68 CET1 capital surplus over the minimum CET1 requirement and any CET1 capital used to meet the Tier 1 and Total capital requirement under s.3A, or s.3B, as the case requires, of the BCR National minima (if different from Basel 3 minimum) Not applicable 70 National Tier 1 minimum ratio Not applicable	60	Total risk weighted assets	442,908,238
Tier 1 capital ratio Total capital ratio Institution specific buffer requirement (minimum CET1 capital requirement as specified in s.3A, or s.3B, as the case requires, of the BCR plus capital conservation buffer plus countercyclical buffer requirements plus G-SIB or D-SIB requirements) 65 of which: capital conservation buffer requirement 66 of which: bank specific countercyclical buffer requirement 67 of which: G-SIB or D-SIB buffer requirement 68 CET1 capital surplus over the minimum CET1 requirement and any CET1 capital used to meet the Tier 1 and Total capital requirement under s.3A, or s.3B, as the case requires, of the BCR National minima (if different from Basel 3 minimum) 69 National CET1 minimum ratio Not applicable Not applicable		Capital ratios (as a percentage of risk weighted assets	s)
Institution specific buffer requirement (minimum CET1 capital requirement as specified in s.3A, or s.3B, as the case requires, of the BCR plus capital conservation buffer plus countercyclical buffer requirements plus G-SIB or D-SIB requirements) 65 of which: capital conservation buffer requirement 66 of which: bank specific countercyclical buffer requirement 67 of which: G-SIB or D-SIB buffer requirement 68 CET1 capital surplus over the minimum CET1 requirement and any CET1 capital used to meet the Tier 1 and Total capital requirement under s.3A, or s.3B, as the case requires, of the BCR National minima (if different from Basel 3 minimum) 69 National CET1 minimum ratio Not applicable Not applicable	61	CET1 capital ratio	10.19%
Institution specific buffer requirement (minimum CET1 capital requirement as specified in s.3A, or s.3B, as the case requires, of the BCR plus capital conservation buffer plus countercyclical buffer requirements plus G-SIB or D-SIB requirements) 65 of which: capital conservation buffer requirement 66 of which: bank specific countercyclical buffer requirement 67 of which: G-SIB or D-SIB buffer requirement 68 CET1 capital surplus over the minimum CET1 requirement and any CET1 capital used to meet the Tier 1 and Total capital requirement under s.3A, or s.3B, as the case requires, of the BCR National minima (if different from Basel 3 minimum) 69 National CET1 minimum ratio Not applicable 70 National Tier 1 minimum ratio Not applicable	62	Tier 1 capital ratio	10.19%
requirement as specified in s.3A, or s.3B, as the case requires, of the BCR plus capital conservation buffer plus countercyclical buffer requirements plus G-SIB or D-SIB requirements) 65 of which: capital conservation buffer requirement 66 of which: bank specific countercyclical buffer requirement 67 of which: G-SIB or D-SIB buffer requirement 68 CET1 capital surplus over the minimum CET1 requirement and any CET1 capital used to meet the Tier 1 and Total capital requirement under s.3A, or s.3B, as the case requires, of the BCR National minima (if different from Basel 3 minimum) 69 National CET1 minimum ratio Not applicable 70 National Tier 1 minimum ratio Not applicable	63	Total capital ratio	16.11%
66 of which: bank specific countercyclical buffer requirement 67 of which: G-SIB or D-SIB buffer requirement 68 CET1 capital surplus over the minimum CET1 requirement and any CET1 capital used to meet the Tier 1 and Total capital requirement under s.3A, or s.3B, as the case requires, of the BCR 69 National minima (if different from Basel 3 minimum) 69 National CET1 minimum ratio Not applicable 70 National Tier 1 minimum ratio Not applicable	64	requirement as specified in s.3A, or s.3B, as the case requires, of the BCR plus capital conservation buffer plus countercyclical	4.00%
67 of which: G-SIB or D-SIB buffer requirement CET1 capital surplus over the minimum CET1 requirement and any CET1 capital used to meet the Tier 1 and Total capital requirement under s.3A, or s.3B, as the case requires, of the BCR National minima (if different from Basel 3 minimum) 69 National CET1 minimum ratio Not applicable 70 National Tier 1 minimum ratio Not applicable	65	of which: capital conservation buffer requirement	0.00%
CET1 capital surplus over the minimum CET1 requirement and any CET1 capital used to meet the Tier 1 and Total capital requirement under s.3A, or s.3B, as the case requires, of the BCR National minima (if different from Basel 3 minimum) 69 National CET1 minimum ratio Not applicable 70 National Tier 1 minimum ratio Not applicable	66	of which: bank specific countercyclical buffer requirement	0.00%
any CET1 capital used to meet the Tier 1 and Total capital requirement under s.3A, or s.3B, as the case requires, of the BCR National minima (if different from Basel 3 minimum) Not applicable National Tier 1 minimum ratio Not applicable	67	of which: G-SIB or D-SIB buffer requirement	0.00%
69National CET1 minimum ratioNot applicable70National Tier 1 minimum ratioNot applicable	68	any CET1 capital used to meet the Tier 1 and Total capital requirement under s.3A, or s.3B, as the case requires, of the	6.09%
70 National Tier 1 minimum ratio Not applicable		National minima (if different from Basel 3 minimum))
11	69	National CET1 minimum ratio	Not applicable
71 National Total capital minimum ratio Not applicable	70		
		National Tier 1 minimum ratio	Not applicable

Amounts below the thresholds for deduction (before risk weighting)			
72	Insignificant capital investments in CET1 capital instruments, AT1 capital instruments and Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	0	
73	Significant capital investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	431,393	
74	Mortgage servicing rights (net of related tax liability)	Not applicable	
75	Deferred tax assets arising from temporary differences (net of related tax liability)	Not applicable	
	Applicable caps on the inclusion of provisions in Tier 2 ca	apital	
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to the basic approach and the standardized (credit risk) approach (prior to application of cap)	5,663,770	
77	Cap on inclusion of provisions in Tier 2 under the basic approach and the standardized (credit risk) approach	4,896,288	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to the IRB approach (prior to application of cap)	Not applicable	
79	Cap for inclusion of provisions in Tier 2 under the IRB approach	Not applicable	
	Capital instruments subject to phase-out arrangement	s	
80	Current cap on CET1 capital instruments subject to phase out arrangements	Not applicable	
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	Not applicable	
82	Current cap on AT1 capital instruments subject to phase out arrangements	0	
83	Amount excluded from AT1 capital due to cap (excess over cap after redemptions and maturities)	0	
84	Current cap on Tier 2 capital instruments subject to phase out arrangements	3,086,246	
85	Amount excluded from Tier 2 capital due to cap (excess over cap after redemptions and maturities)	773,439	

^{*} This refers to the position under the Banking (Capital) Rules in force on 31 December 2012.

Notes to the template:

Elements where a more conservative definition has been applied in the BCR relative to that set out in Basel III capital standards:

Row No.	Description	Hong Kong basis	Basel III basis		
	Other intangible assets (net of associated deferred tax liability)	58,919	58,919		
9	Explanation As set out in paragraph 87 of the Basel III text issued by the Basel Committee (December 2010), mortgage servicing rights (MSRs) may be given limited recognition in CET1 capital (and hence be excluded from deduction from CET1 capital up to the specified threshold). In Hong Kong, an AI is required to follow the accounting treatment of including MSRs as paragraphs as a specific property of the specified statements and to deduct MSRs in full from				
	Deferred tax assets net of deferred tax liabilities	0	0		
10	Explanation As set out in paragraphs 69 and 87 of the Basel III text issued by the Basel Committee (December 2010), DTAs that rely on future profitability of the bank to be realized are to be deducted, whereas DTAs which relate to temporary differences may be given limited recognition in CET1 capital (and hence be excluded from deduction from CET1 capital up to the specified threshold). In Hong Kong, an AI is required to deduct all DTAs in full, irrespective of their origin, from CET1 capital. Therefore, the amount to be deducted as reported in row 10 may be greater than that required under Basel III.				
	The amount reported under the column "Basel III basis" in this box represents the amount reported in row 10 (i.e. the amount reported under the "Hong Kong basis") adjusted by reducing the amount of DTAs to be deducted which relate to temporary differences to the extent not in excess of the 10% threshold set for DTAs arising from temporary differences and the aggregate 15% threshold set for MSRs, DTAs arising from temporary differences and significant investments in CET1 capital instruments issued by financial sector entities (excluding those that are loans, facilities and other credit exposures to connected companies) under Basel III.				

Insignificant capital investments in CET1 capital instruments		
issued by financial sector entities that are outside the scope	0	0
of regulatory consolidation (amount above 10% threshold)		

Explanation

For the purpose of determining the total amount of insignificant capital investments in CET1 capital instruments issued by financial sector entities, an AI is required to aggregate any amount of loans, facilities or other credit exposures provided by it to any of its connected companies, where the connected company is a financial sector entity, as if such loans, facilities or other credit exposures were direct holdings, indirect holdings or synthetic holdings of the AI in the capital instruments of the financial sector entity, except where the AI demonstrates to the satisfaction of the Monetary Authority that any such loan was made, any such facility was granted, or any such other credit exposure was incurred, in the ordinary course of the AI's business.

Therefore, the amount to be deducted as reported in row 18 may be greater than that required under Basel III. The amount reported under the column "Basel III basis" in this box represents the amount reported in row 18 (i.e. the amount reported under the "Hong Kong basis") adjusted by excluding the aggregate amount of loans, facilities or other credit exposures to the AI's connected companies which were subject to deduction under the Hong Kong approach.

Significant capital investments in CET1 capital instruments		
issued by financial sector entities that are outside the scope	0	0
of regulatory consolidation (amount above 10% threshold)		

Explanation

For the purpose of determining the total amount of significant capital investments in CET1 capital instruments issued by financial sector entities, an AI is required to aggregate any amount of loans, facilities or other credit exposures provided by it to any of its connected companies, where the connected company is a financial sector entity, as if such loans, facilities or other credit exposures were direct holdings, indirect holdings or synthetic holdings of the AI in the capital instruments of the financial sector entity, except where the AI demonstrates to the satisfaction of the Monetary Authority that any such loan was made, any such facility was granted, or any such other credit exposure was incurred, in the ordinary course of the AI's business.

Therefore, the amount to be deducted as reported in row 19 may be greater than that required under Basel III. The amount reported under the column "Basel III basis" in this box represents the amount reported in row 19 (i.e. the amount reported under the "Hong Kong basis") adjusted by excluding the aggregate amount of loans, facilities or other credit exposures to the AI's connected companies which were subject to deduction under the Hong Kong approach.

Insignificant capital investments in AT1 capital instruments		
issued by financial sector entities that are outside the scope	0	0
of regulatory consolidation (amount above 10% threshold)		

Explanation

The effect of treating loans, facilities or other credit exposures to connected companies which are financial sector entities as CET1 capital instruments for the purpose of considering deductions to be made in calculating the capital base (see note re row 18 to the template above) will mean the headroom within the threshold available for the exemption from capital deduction of other insignificant capital investments in AT1 capital instruments may be smaller. Therefore, the amount to be deducted as reported in row 39 may be greater than that required under Basel III. The amount reported under the column "Basel III basis" in this box represents the amount reported in row 39 (i.e. the amount reported under the "Hong Kong basis") adjusted by excluding the aggregate amount of loans, facilities or other credit exposures to the AI's connected companies which were subject to deduction under the Hong Kong approach.

Insignificant capital investments in Tier 2 capital instruments		
issued by financial sector entities that are outside the scope	0	0
of regulatory consolidation		

Explanation

The effect of treating loans, facilities or other credit exposures to connected companies which are financial sector entities as CET1 capital instruments for the purpose of considering deductions to be made in calculating the capital base (see note re row 18 to the template above) will mean the headroom within the threshold available for the exemption from capital deduction of other insignificant capital investments in Tier 2 capital instruments may be smaller. Therefore, the amount to be deducted as reported in row 54 may be greater than that required under Basel III. The amount reported under the column "Basel III basis" in this box represents the amount reported in row 54 (i.e. the amount reported under the "Hong Kong basis") adjusted by excluding the aggregate amount of loans, facilities or other credit exposures to the AI's connected companies which were subject to deduction under the Hong Kong approach.

Remarks:

The amount of the 10%/15% thresholds mentioned above is calculated based on the amount of CET1 capital determined under the Banking (Capital) Rules.

Abbreviations:

CET1: Common Equity Tier 1
AT1: Additional Tier 1

Balance Sheet Reconciliation (Step 1)

	Balance sheet as in published financial statements 31-Dec-14 HK\$'000	Under regulatory scope of consolidation 31-Dec-14 HK\$'000
Assets		
Cash and balances with banks and other financial institutions	154,000,336	153,969,910
Placements with banks and other financial institutions	53,105,030	53,105,030
Financial assets held for trading	323,257	-
Financial assets designated at fair value through profit or loss	211,429	211,429
Derivative financial instruments	6,120,758	6,097,266
Advances and other accounts	364,297,815	364,297,815
Financial investments:	88,214,346	88,214,045
Available-for-sale	58,681,195	58,680,894
Held-to-maturity	29,533,151	29,533,151
Investment in an associate	265,617	126,938
Investment in subsidiaries		431,393
Goodwill and other intangible assets	1,060,528	1,039,072
Investment properties Property, plant and equipment	69,977	69,977
Current income tax assets	912,860	905,733
Deferred income tax assets	24,913	24,719
Other assets	12,011,761	12,420,493
Total assets	680,618,627	680,913,820
	000,010,027	000,713,020
Liabilities		
Deposits from banks and other financial institutions	114,896,270	114,883,086
Derivative financial instruments	5,766,196	5,766,196
Deposits from customers	420,892,240	421,729,654
Certificates of deposit issued	42,661,120	42,661,120
Debt securities in issue	11,880,937	11,880,937
Designated at fair value through profit or loss	-	-
- At amortised cost	11,880,937	11,880,937
Current income tax liabilities	113,090	23,601
Deferred income tax liabilities Subordinated debts measured at amortised cost	81,011	81,011
Other liabilities	22,250,748	22,250,748
Total liabilities	10,552,439	11,033,020
Total Habilities	629,094,051	630,309,373
Equity		
Share capital	23,591,832	4,129,497
Retained earnings	24,277,846	23,372,309
Other reserves	3,654,898	23,102,641
Total equity	51,524,576	50,604,447
Total equity and liabilities	680,618,627	680,913,820

Balance Sheet Reconciliation (Step 2)

	Balance sheet as in published financial statements 31-Dec-14 HK\$'000	Under regulatory scope of consolidation 31-Dec-14 HK\$'000	Cross referenc to Definition of Capital Components
Assets			
Cash and balances with banks and other financial institutions Placements with banks and other financial institutions	154,000,336 53,105,030	153,969,910 53,105,030	
Financial assets held for trading	323,257	-	
Financial assets designated at fair value through profit or loss Derivative financial instruments	211,429	211,429	
Advances and other accounts	6,120,758 364,297,815	6,097,266 364,297,815	
Of which: collective impairment allowances reflected in	304,297,013	304,297,013	(5)
regulated capital		(1,594,701)	()
Financial investments:	88,214,346	88,214,045	
- Available-for-sale	58,681,195	58,680,894	
- Held-to-maturity	29,533,151	29,533,151	
Investment in an associate	265,617	126,938	
Investment in subsidiaries Goodwill and other intangible assets	1 0/0 529	431,393	
Of which: goodwill	1,060,528	1,039,072 980,154	(1)
other intangible asset		58,919	(2)
Investment properties	69,977	69,977	
Of which: cumulative revaluation gain on investment properties		16,400	(16)
Property, plant and equipment	912,860	905,733	
Current income tax assets Deferred income tax assets	24,913	24,719	(2)
Other assets	12 011 771	12420 402	(3)
Total assets	12,011,761 680,618,627	12420,493 680,913,820	
T : 1997	000,010,027	000,713,020	
Liabilities Deposits from banks and other financial institutions	114.00< 200	114 002 007	
Derivative financial instruments	114,896,270 5,766,196	114,883,086 5,766,196	
Of which: debit valuation adjustments in respect of dertvative contracts	3,700,170	(37,145)	(15)
Deposits from customers	420,892,240	421,729,654	(==)
Certificates of deposit issued	42,661,120	42,661,120	
Debt securities in issue	11,880,937	11,880,937	
Designated at fair value through profit or loss	-	-	
- At amortised cost	11,880,937	11,880,937	
Of which: gains due to changes in own credit risk on fair valued liabilitie	S	-	(18)
Current income tax liabilities	113,090	113,090	
Deferred income tax liabilities	81,011	81,011	
Subordinated debts measured at amortised cost	22,250,748	22,250,748	(6)
Of which: subordinate debts not eligible for inclusion in regulatory capital subordinate debt eligible for inclusion in regulatory capital		3,086,246 18,391,063	(6) (7)
Other liabilities	10,552,439	11,033,020	
Total liabilities	629,094,051	630,309,373	
Equity			
Share capital	23,591,832	4,129,497	(8)
Retained earnings	24,277,846	23,372,309	(9)
Of which: regulatory reserve for general banking risks	21,277,818	4,069,070	(17)
Other Reserves	3,654,898	23,102,641	,
Of which: share premium	3,034,070	19,462,335	(4)
bank premises revaluation reserve		566,702	(10)
investment revaluation reserve		649,111	(11)
cash flow hedge reserve		165,329	(12)
exchange reserve		418,136	(13)
general reserve	E1 F04 FE4	1,841,028	(14)
Total equity Total equityand liabilities	51,524,576 680,618,627	50,604,447 680,913,820	
Total equityana naomines	000,010,027	000,713,020	

Balance Sheet Reconciliation (Step 3)

CET1 capital: instruments and reserves Directly issued qualifying CET1 capital instruments plus any related share premium	= (4) + (8) (9) (10) + (11) + (12)
Directly issued qualifying CET1 capital instruments plus any related share premium 23,591,831 2 Retained earnings 3 Disclosed reserves 3,640,306 Directly issued capital subject to phase out from CET1 capital (only applicable to non-joint stock companies) Public sector capital injections grandfathered until 1 January Not applicable	(9)
related share premium 23,591,831 2 Retained earnings 3 Disclosed reserves 3,640,306 Directly issued capital subject to phase out from CETI capital (only applicable to non-joint stock companies) Public sector capital injections grandfathered until 1 January Not applicable	(9)
2 Retained earnings 23,372,309 3 Disclosed reserves 3,640,306 Directly issued capital subject to phase out from CETI capital (only applicable to non-joint stock companies) Public sector capital injections grandfathered until 1 January Not applicable	(9)
2 Retained earnings 23,372,309 3 Disclosed reserves 3,640,306 4 Directly issued capital subject to phase out from CEII capital (only applicable to non-joint stock companies) Public sector capital injections grandfathered until 1 January	
3 Disclosed reserves 3,640,306 4 Directly issued capital subject to phase out from CETI capital (only applicable to non-joint stock companies) Public sector capital injections grandfathered until 1 January Not applicable	(10) + (11) + (12)
Directly issued capital subject to phase out from CETI capital (only applicable to non-joint stock companies) Public sector capital injections grandfathered until 1 January Not applicable	
4 applicable to non-joint stock companies) Public sector capital injections grandfathered until 1 January Not applicable	+ (13) + (14)
Public sector capital injections grandfathered until 1 January	
Not applicable	
2018 Not applicable	
Minority interests arising from CET1 capital instruments issued	
5 by consolidated bank subsidiaries and held by third parties (amount 0	
allowed in CET1 capital of the consolidation group)	
6 CET1 capital before regulatory deductions 50,604,446	
CET1 capital: regulatory deductions	
7 Valuation adjustments 37,145	(15)
8 Goodwill (net of associated deferred tax liability) 980,154	(1)
9 Other intangible assets (net of associated deferred tax liability) 58,919 0	(2)
10 Deferred tax assets net of deferred tax liabilities 0	(3)
15 Section and assess new or detection and machines	(5)
11 Cash flow hedge reserve 165,329	(12)
Excess of total EL amount over total eligible provisions under	
12 the IRB approach 0	
13 Gain-on-sale arising from securitization transactions 0	
Gains and losses due to changes in own credit risk on fair valued	(10)
14 liabilities 0	(18)
Defined benefit pension fund net assets (net of associated 0 0 0	
deferred tax flabilities)	
Investments in own CET1 capital instruments (if not already	
netted off paid-in capital on reported balance sneet)	
17 Reciprocal cross-holdings in CET1 capital instruments 0 0	
Insignificant capital investments in CET1 capital instruments	
18 issued by financial sector entities that are outside the scope of 0 0	
regulatory consolidation (amount above 10% threshold)	
Significant capital investments in CET1 capital instruments 19 issued by financial sector entities that are outside the scope of 0 0	
regulatory consolidation (amount above 10% threshold)	
20 Mortgage servicing rights (amount above 10% threshold) Not applicable	
Deferred tay assets arising from temporary differences (amount	
21 above 10% threshold, net of related tax liability) Not applicable	
22 Amount exceeding the 15% threshold Not applicable	
of which significant investments in the common stock of	
financial sector entities Not applicable	
24 of which: mortgage servicing rights Not applicable	
25 of which: deferred tax assets arising from temporary differences Not applicable	
26 National specific regulatory adjustments applied to CET1 capital 4,652,199	
Cumulative fair value gains arising from the revaluation of land	(40)
and buildings (own-use and investment properties) 588,102	(19) = (10) + (16)
26b Regulatory reserve for general banking risks 4,069,070	(17)
Securitization exposures specified in a notice given by the	. ,
26c Monetary Authority 0	
26d Cumulative losses below depreciated cost arising from the	
26d cumulative losses below depreciated cost arising from the institution's holdings of land and buildings	
26e Capital shortfall of regulated non-bank subsidiaries 0	
Capital investment in a connected company which is a commercial	
26f entity (amount above 15% of the reporting institution's capital 0	
base)	
27 Regulatory deductions applied to CET1 capital due to insufficient	
AT1 capital and Tier 2 capital to cover deductions	
28 Total regulatory deductions to CET1 capital 5,893,746	
29 CET1 capital 44,710,700	

	AT1 capital: instruments			
30	Qualifying AT1 capital instruments plus any related share premium	0		
31	of which: classified as equity under applicable accounting standards	0		
32	of which: classified as liabilities under applicable accounting standards	0		
33	Capital instruments subject to phase out arrangements from AT1 capital	0		
34	ATI capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in ATI capital of the consolidation group)	0		
35	of which: AT1 capital instruments issued by subsidiaries subject to phase out arrangements	0		
36		0		
	AT1 capital: regulatory deductions			
	Investments in own AT1 capital instruments	0	0	
38	Reciprocal cross-holdings in AT1 capital instruments	0	0	
39	Insignificant capital investments in AT1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	0	0	
40	Significant capital investments in AT1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	0	0	
41	National specific regulatory adjustments applied to AT1 capital	0		
41a	Portion of deductions applied 50:50 to core capital and supplementary capital based on pre-Basel III treatment which, during transitional period, remain subject to deduction from Tier 1 capital	0		
i	of which: Excess of total EL amount over total eligible provisions under the IRB approach	0		
ii	of which: Capital shortfall of regulated non-bank subsidiaries	0		
iii	1	0		
iv	of which: Reciprocal cross holdings in CET1 capital instruments issued by financial sector entities	0		
v	of which: Capital investment in a connected company which is a commercial entity (amount above 15% of the reporting institution's capital base)	0		
vi	of which: Insignificant capital investments in CET1 capital instruments, AT1 capital instruments and Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	0		
vii	of which: Significant capital investments in CET1 capital instruments, AT1 capital instruments and Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	0		
42	Regulatory deductions applied to AT1 capital due to insufficient Tier 2 capital to cover deductions	0		
43	Total regulatory deductions to AT1 capital	0		
44	AT1 capital	0		
45	* ` '	44,710,700		
	Tier 2 capital: instruments and provisions			
46	Qualifying Tier 2 capital instruments plus any related share premium	18,391,063		(7)
47	Capital instruments subject to phase out arrangements from Tier 2 capital	3,086,246		(6)
48	capital of the consolidation group)	0		
49	of which: capital instruments issued by subsidiaries subject to phase out arrangements	0		
50	Collective impairment allowances and regulatory reserve for general banking risks eligible for inclusion in Tier 2 capital	4,896,288		= (5) + (17) and limited to 1.25% of risk-weighted amount for credit risks# related to STC approach
51	Tier 2 capital before regulatory deductions	26,373,597		

	Tier 2 capital: regulatory deductions			
52	Investments in own Tier 2 capital instruments	0	0	
53	Reciprocal cross-holdings in Tier 2 capital instruments	0	0	
54	Insignificant capital investments in Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	0	0	
55	Significant capital investments in Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	0	0	
56	National specific regulatory adjustments applied to Tier 2 capital	(262,396)		
56a	Add back of cumulative fair value gains arising from the revaluation of land and buildings (own-use and investment properties) eligible for inclusion in Tier 2 capital	(262,396)		= (19) x 45%
56b	Portion of deductions applied 50:50 to core capital and supplementary capital based on pre-Basel III treatment which, during transitional period, remain subject to deduction from Tier 2 capital	0		
i	of which: Excess of total EL amount over total eligible provisions under the IRB approach	0		
ii	of which: Capital shortfall of regulated non-bank subsidiaries	0		
iii	of which: Investments in own CET1 capital instruments	0		
iv	of which: Reciprocal cross holdings in CET1 capital instruments issued by financial sector entities	0		
v	of which: Capital investment in a connected company which is a commercial entity (amount above 15% of the reporting institution's capital base)			
vi	of which: Insignificant capital investments in CET1 capital instruments, AT1 capital instruments and Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	0		
vii	of which: Significant capital investments in CET1 capital instruments, AT1 capital instruments and Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation			
57	Total regulatory deductions to Tier 2 capital	(262,396)		
	Tier 2 capital	26,635,993		
59	Total capital (Total capital = Tier 1 + Tier 2)	71,346,693		

Abbreviations:

CET1: Common Equity Tier 1
AT1: Additional Tier 1

^{*} Risk-weighted amount for credit risks amounted to HK\$391,703,073,000