

Leverage ratio disclosures

Leverage ratio

		At 30 June 2016
		HK\$'000
On-balance sheet exposures		
1	On-balance sheet items (excluding derivatives and SFTs, but including collateral)	312,027,096
2	Less: Asset amounts deducted in determining Basel III Tier 1 capital	(8,281,441)
3	Total on-balance sheet exposures (excluding derivatives and SFTs)	303,745,655
Derivative exposures		
4	Replacement cost associated with all derivatives transactions (i.e. net of eligible cash variation margin)	550,487
5	Add-on amounts for PFE associated with all derivatives transactions	458,855
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	0
8	Less: Exempted CCP leg of client-cleared trade exposures	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	0
11	Total derivative exposures	1,009,342
Securities financing transaction exposures		
12	Gross SFT assets (with no recognition of netting), after adjusting for sales accounting transactions	0
13	Less: Netted amounts of cash payables and cash receivables of gross SFT assets	0
14	CCR exposure for SFT assets	0
15	Agent transaction exposures	0
16	Total securities financing transaction exposures	0
Other off-balance sheet exposures		
17	Off-balance sheet exposure at gross notional amount	124,492,041
18	Less: Adjustments for conversion to credit equivalent amounts	(88,660,320)
19	Off-balance sheet items	35,831,721
Capital and total exposures		
20	Tier 1 capital	29,896,658
21	Total exposures	340,586,718
Leverage ratio		
22	Basel III leverage ratio	8.78%

Summary comparison table

		At 30 June 2016
		HK\$'000
1	Total consolidated assets as per published financial statements	311,724,377
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	5,560
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	339,247
5	Adjustment for securities financing transactions (i.e. repos and similar secured lending)	0
6	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	35,831,721
7	Other adjustments	(7,314,187)
8	Leverage ratio exposure	340,586,718