

Leverage ratio disclosures

Leverage ratio

		At 30 June 2015
		HK\$'000
On-balance sheet exposures		
1	On-balance sheet items (excluding derivatives and SFTs, but including collateral)	318,011,377
2	Less: Asset amounts deducted in determining Basel III Tier 1 capital	(8,414,797)
3	Total on-balance sheet exposures (excluding derivatives and SFTs)	309,596,580
Derivative exposures		
4	Replacement cost associated with all derivatives transactions (i.e. net of eligible cash variation margin)	534,911
5	Add-on amounts for PFE associated with all derivatives transactions	395,587
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	930,498
Securities financing transaction exposures		
12	Gross SFT assets (with no recognition of netting), after adjusting for sales accounting transactions	478,742
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	478,742
Other off-balance sheet exposures		
17	Off-balance sheet exposure at gross notional amount	123,816,999
18	Less: Adjustments for conversion to credit equivalent amounts	(75,249,445)
19	Off-balance sheet items	48,567,554
Capital and total exposures		
20	Tier 1 capital	27,775,060
21	Total exposures	359,573,374
Leverage ratio		
22	Basel III leverage ratio	7.72%

Summary comparison table

		At 30 June 2015
		HK\$'000
1	Total consolidated assets as per published financial statements	318,020,814
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	5,666
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	388,015
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)	48,567,554
7	Other adjustments	(7,408,675)
8	Leverage ratio exposure	359,573,374