Regulatory Disclosures
30 September 2017

NCB 南洋商業銀行

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Capital disclosures

Regulatory capital

	At 30 September 2017
	HK$'000
Total risk weighted assets	257,207,840
CET1 capital	33,227,202
CET1 capital ratio (as a percentage of risk weighted assets)	12.92%
Tier 1 capital	42,542,092
Tier 1 capital ratio (as a percentage of risk weighted assets)	16.54%
Total capital	47,085,171
Total capital ratio (as a percentage of risk weighted assets)	18.31%

Leverage ratio disclosures

Leverage ratio

	At 30 September 2017
	HK$'000
Capital and total exposures	
Tier 1 capital	42,542,092
Total exposures	436,074,082
Leverage ratio	
Basel III leverage ratio	**9.76%**

OV1: Overview of risk-weighted asset (“RWA”)

		RWA		Minimum capital requirements
		At 30 September 2017	At 30 June 2017	At 30 September 2017
		HK$'0000	HK$'000	HK$'000
1	Credit risk for non-securitization exposures	230,567,827	230,640,600	19,389,627
2	Of which STC approach	33,859,341	30,703,384	2,708,747
2a	Of which BSC approach	0	0	0
3	Of which IRB approach	196,708,486	199,937,216	16,680,880
4	Counterparty credit risk	685,118	242,049	57,129
5	Of which SA-CCR	0	0	0
5a	Of which CEM	386,019	144,914	32,705
6	Of which IMM(CCR) approach	0	0	0
7	Equity exposures in banking book under the market-based approach	0	0	0
8	CIS exposures – LTA	0	0	0
9	CIS exposures – MBA	0	0	0
10	CIS exposures – FBA	0	0	0
11	Settlement risk	0	0	0
12	Securitization exposures in banking book	3,720,271	3,556,848	297,622
13	Of which IRB(S) approach – ratings-based method	0	0	0
14	Of which IRB(S) approach – supervisory formula method	0	0	0
15	Of which STC(S) approach	3,720,271	3,556,848	297,622
16	Market risk	862,325	548,175	68,986
17	Of which STM approach	220,587	7,725	17,647
18	Of which IMM approach	641,738	540,450	51,339
19	Operational risk	13,041,750	12,896,788	1,043,340
20	Of which BIA approach	0	0	0
21	Of which STO approach	13,041,750	12,896,788	1,043,340
21a	Of which ASA approach	0	0	0
22	Of which AMA approach	N/A	N/A	N/A
23	Amounts below the thresholds for deduction (subject to 250% RW)	15,250	15,250	1,220
24	Capital floor adjustment	0	0	0
24a	Deduction to RWA	3,516,199	3,483,491	281,296
24b	Of which portion of regulatory reserve for general banking risks and collective provisions which is not included in Tier 2 Capital	70,844	41,163	5,668
24c	Of which portion of cumulative fair value gains arising from the revaluation of land and buildings which is not included in Tier 2 Capital	3,445,355	3,442,328	275,628
25	Total	245,376,342	244,416,219	20,576,628

N/A: Not applicable in the case of Hong Kong

CR8: RWA flow statements of credit risk exposures under IRB approach

		HK$'000
1	**RWA as at 30 June 2017**	199,937,216
2	Asset size	(3,361,698)
3	Asset quality	(770,207)
4	Model updates	0
5	Methodology and policy	0
6	Acquisitions and disposals	0
7	Foreign exchange movements	903,175
8	Other	0
9	**RWA as at 30 September 2017**	196,708,486

MR2: RWA flow statements of market risk exposures under IMM approach

Movement in RWA was mainly driven by interest rate exposures during the period.

		VaR	Stressed VaR	IRC	CRC	Other	Total RWA
		HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
1	**RWA as at 30 June 2017**	129,413	411,037	0	0	0	540,450
1a	Regulatory adjustment	(77,363)	(277,999)	0	0	0	(355,362)
1b	RWA as at 30 June 2017	52,050	133,038	0	0	0	185,088
2	Movement in risk levels	538	(6,225)	0	0	0	(5,687)
3	Model updates/changes	0	0	0	0	0	0
4	Methodology and policy	0	0	0	0	0	0
5	Acquisitions and disposals	0	0	0	0	0	0
6	Foreign exchange movements	0	0	0	0	0	0
7	Other	0	0	0	0	0	0
7a	RWA as at 30 September 2017	52,588	126,813	0	0	0	179,401
7b	Regulatory adjustment	81,737	380,600	0	0	0	462,337
8	**RWA as at 30 September 2017**	134,325	507,413	0	0	0	641,738