Leverage Ratio Common Disclosure Template

At 30 June 2015

	Item	Leverage ratio framework HK$ equivalent (HK$ Million)
	On-balance sheet exposures	
1	On-balance sheet items (excluding derivatives and SFTs, but including collateral)	791,398
2	Less: Asset amounts deducted in determining Basel III Tier 1 capital (reported as negative amounts)	(11,755)
3	Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 and 2)	779,643
	Derivative exposures	
4	Replacement cost associated with all derivatives transactions (i.e. net of eligible cash variation margin)	4,061
5	Add-on amounts for PFE associated with all derivatives transactions	12,442
6	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework	-
7	Less: Deductions of receivables assets for cash variation margin provided in derivatives transactions (reported as negative amounts)	(1,153)
8	Less: Exempted CCP leg of client-cleared trade exposures (reported as negative amounts)	-
9	Adjusted effective notional amount of written credit derivatives	62
10	Less: Adjusted effective notional offsets and add-on deductions for written credit derivatives (reported as negative amounts)	-
11	Total derivative exposures (sum of lines 4 to 10)	15,412
	Securities financing transaction exposures	
12	Gross SFT assets (with no recognition of netting), after adjusting for sales accounting transactions	1,279
13	Less: Netted amounts of cash payables and cash receivables of gross SFT assets (reported as negative amounts)	-
14	CCR exposure for SFT assets	-
15	Agent transaction exposures	-
16	Total securities financing transaction exposures (sum of lines 12 to 15)	1,279
	Other off-balance sheet exposures	
17	Off-balance sheet exposure at gross notional amount	272,443
18	Less: Adjustments for conversion to credit equivalent amounts (reported as negative amounts)	(202,639)
19	Off-balance sheet items (sum of lines 17 and 18)	69,804
	Capital and total exposures	
20	Tier 1 capital	64,417
21	Total exposures (sum of lines 3, 11, 16 and 19)	866,138
	Leverage ratio	
22	**Basel III leverage ratio**	**7.4%**