Leverage Ratio Common Disclosure Template

	Item	At 30 Jun 2016 Leverage ratio framework HK$ equivalent (HK$ Million)
	On-balance sheet exposures	
1	On-balance sheet items (excluding derivatives and SFTs, but including collateral)	729,361
2	Less: Asset amounts deducted in determining Basel III Tier 1 capital (reported as negative amounts)	(11,207)
3	Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 and 2)	718,154
	Derivative exposures	
4	Replacement cost associated with all derivatives transactions (i.e. net of eligible cash variation margin)	5,776
5	Add-on amounts for PFE associated with all derivatives transactions	7,267
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)	(1,258)
8	Less: Exempted CCP leg of client-cleared trade exposures (reported as negative amounts)	-
9	Adjusted effective notional amount of written credit derivatives	39
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)	11,824
	Securities financing transaction exposures	
12	Gross SFT assets (with no recognition of netting), after adjusting for sales accounting transactions	1,709
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)	1,709
	Other off-balance sheet exposures	
17	Off-balance sheet exposure at gross notional amount	235,723
18	Less: Adjustments for conversion to credit equivalent amounts (reported as negative amounts)	(171,706)
19	Off-balance sheet items (sum of lines 17 and 18)	64,017
	Capital and total exposures	
20	Tier 1 capital	69,690
21	Total exposures (sum of lines 3, 11, 16 and 19)	795,704
	Leverage ratio	
22	**Basel III leverage ratio**	**8.8%**