

OCBC WING HANG BANK LIMITED

(Expressed in thousands of Hong Kong dollars unless otherwise stated in the text)

(1) Capital ratio and Leverage ratio

(a) Capital ratio

	30 th September, 2017	30 th June, 2017
Common Equity Tier 1 capital ratio	14.5%	15.5%
Tier 1 capital ratio	14.5%	15.5%
Total capital ratio	16.3%	17.4%
Common Equity Tier 1 capital	28,784,380	28,144,907
Tier 1 capital	28,784,380	28,144,907
Total capital	32,443,033	31,652,663
Risk weighted assets	198,523,075	181,533,763

The capital ratios are computed on a consolidated basis including the Bank and certain of its subsidiaries as specified by the HKMA for its regulatory purposes, and are in accordance with the Banking (Capital) Rules.

In view of the Capital Rules, the Group has adopted the “basic indicator approach” for the calculation of the operational risk and the “standardised (market risk) approach” for the calculation of market risk. For the calculation of the risk-weighted assets for credit risk, the Group has adopted the “standardised (credit risk) approach”.

(b) Leverage ratio

	30 th September, 2017	30 th June, 2017
Leverage ratio	9.2%	10.0%
Exposure measure for the calculation of the leverage ratio	311,921,757	282,557,862
Tier 1 capital after deductions	28,784,380	28,144,907

(2) Overview of RWA

Items		(a)	(b)	(c)
		RWA		Minimum capital requirements
		30 th September, 2017	30 th June, 2017	30 th September, 2017
1	Credit risk for non-securitization exposures	173,563,935	158,116,124	13,885,115
2	Of which STC approach	173,563,935	158,116,124	13,885,115
2a	Of which BSC approach	0	0	0
3	Of which IRB approach	0	0	0
4	Counterparty credit risk	3,455,879	2,437,454	276,470
5	Of which SA-CCR	0	0	0
5a	Of which CEM	3,455,879	2,437,454	276,470
6	Of which IMM(CCR) approach	0	0	0
7	Equity positions 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	0	0	0
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	0	0	0
16	Market risk	12,321,963	11,819,788	985,757
17	Of which STM approach	12,321,963	11,819,788	985,757
18	Of which IMM approach	0	0	0
19	Operational risk	10,268,600	10,334,538	821,488
20	Of which BIA approach	10,268,600	10,334,538	821,488
21	Of which STO approach	0	0	0
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)	744,465	744,465	59,557
24	Capital floor adjustment	0	0	0
24a	Deduction to RWA	1,831,767	1,918,606	146,541
24b	Of which portion of regulatory reserve for general banking risks and collective provisions which is not included in Tier 2 Capital	0	86,839	0
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	1,831,767	1,831,767	146,541
25	Total	198,523,075	181,533,763	15,881,846

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

Note: There were no material changes to the risk-weighted amounts during the quarterly reporting period. The changes were due to normal business activities.