

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

	31 st March, 2018	31 st December, 2017 (restated)
Common Equity Tier 1 capital ratio	14.0%	14.2%
Tier 1 capital ratio	14.0%	14.2%
Total capital ratio	15.9%	16.1%
Common Equity Tier 1 capital	30,149,974	29,120,295
Tier 1 capital	30,149,974	29,120,295
Total capital	34,125,816	32,973,126
Risk weighted assets	214,942,279	205,072,878

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

	31 st March, 2018	31 st December, 2017
Leverage ratio	9.2%	8.9%
Exposure measure for the calculation of the leverage ratio	328,122,466	328,517,084
Tier 1 capital after deductions	30,149,974	29,120,295

(2) Overview of RWA

Items		(a)	(b)	(c)
		RWA		Minimum capital requirements
		31st March, 2018	31st December, 2017 (restated)	31st March, 2018
1	Credit risk for non-securitization exposures	186,218,120	179,396,734	14,897,450
2	Of which STC approach	186,218,120	179,396,734	14,897,450
2a	Of which BSC approach	0	0	0
3	Of which IRB approach	0	0	0
4	Counterparty credit risk	5,506,790	4,284,963	440,543
5	Of which SA-CCR	0	0	0
5a	Of which CEM	5,506,790	4,284,963	440,543
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	14,150,150	12,352,775	1,132,012
17	Of which STM approach	14,150,150	12,352,775	1,132,012
18	Of which IMM approach	0	0	0
19	Operational risk	10,276,138	10,247,325	822,091
20	Of which BIA approach	10,276,138	10,247,325	822,091
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)	734,460	734,460	58,757
24	Capital floor adjustment	0	0	0
24a	Deduction to RWA	1,943,379	1,943,379	155,470
24b	Of which portion of regulatory reserve for general banking risks and collective provisions which is not included in Tier 2 Capital	0	0	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	1,943,379	1,943,379	155,470
25	Total	214,942,279	205,072,878	17,195,382

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.