ALLIED BANKING CORPORATION (HK) LIMITED

REGULATORY DISCLOSURES

The capital adequacy ratios and the leverage ratio for the Bank are calculated on a solo basis.

Template OV1: Overview of Risk-Weighted Assets (RWA)

The table below provides an overview of capital requirements in terms of a detailed breakdown of RWAs for various risks as at 31 March 2017 and 31 December 2016 respectively:

		(HK$ '000)		
		(a)	(b)	(c)
		RWA		Minimum capital requirements
		March 2017	December 2016	March 2017
1	**Credit risk for non-securitization exposures**	**1,166,051**	**1,165,644**	**145,757**
2	Of which STC approach	0	0	0
2a	Of which BSC approach	1,166,051	1,165,644	145,757
3	Of which IRB approach	0	0	0
4	**Counterparty credit risk**	**1,224**	**845**	**153**
5	Of which SA-CCR	0	0	0
5a	Of which CEM	1,224	845	153
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**	**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**	**15,150**	**13,963**	**1,894**
17	Of which STM approach	15,150	13,963	1,894
18	Of which IMM approach	0	0	0
19	**Operational risk**	**111,000**	**107,750**	**13,875**
20	Of which BIA approach	111,000	107,750	13,875
23	Amounts below the thresholds for deduction (subject to 250% RW)	0	0	0
24	Capital floor adjustment	0	0	0
24a	**Deduction to RWA**	**17,355**	**17,355**	**2,170**
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	17,355	17,355	2,170
25	**Total**	**1,276,070**	**1,270,847**	**159,509**

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Key capital ratios disclosures

1. Capital Adequacy Ratio

	At 31 March 2017 HK$ '000	At 31 December 2016 HK$ '000
Common Equity Tier 1 capital	368,084	361,181
Total Tier 1 capital	378,434	373,601
Total capital	403,631	398,798
Total risk weighted assets	1,276,070	1,270,847

	%	%
Common Equity Tier 1 capital ratio	28.85	28.42
Tier 1 capital ratio	29.66	29.40
Total capital ratio	31.63	31.38

2. Leverage ratio

	At 31 March 2017 HK$ '000	At 31 December 2016 HK$ '000
Total Tier 1 capital	378,434	373,601
Exposure measure	1,761,793	1,743,062

	%	%
Leverage ratio	21.48	21.43