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 2018 and 31 December 2017 respectively:

		(HK$ '000)		
		(a)	(b)	(c)
		RWA		Minimum capital requirements
		March 2018	December 2017	March 2018
1	**Credit risk for non-securitization exposures**	**1,246,998**	**1,232,322**	**155,875**
2	Of which STC approach	0	0	0
2a	Of which BSC approach	1,246,998	1,232,322	155,875
3	Of which IRB approach	0	0	0
4	**Counterparty credit risk**	**1,465**	**1,188**	**183**
5	Of which SA-CCR	0	0	0
5a	Of which CEM	1,465	1,188	183
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**	**24,438**	**29,788**	**3,055**
17	Of which STM approach	24,438	29,788	3,055
18	Of which IMM approach	0	0	0
19	**Operational risk**	**121,775**	**121,175**	**15,222**
20	Of which BIA approach	121,775	121,175	15,222
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**	**23,955**	**23,955**	**2,994**
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	23,955	23,955	2,994
25	**Total**	**1,370,721**	**1,360,518**	**171,341**

ALLIED BANKING CORPORATION (HK) LIMITED

Key capital ratios disclosures

1. Capital Adequacy Ratio

	At 31 March 2018 HK$ '000	At 31 December 2017 HK$ '000
Common Equity Tier 1 capital	389,175	383,494
Total Tier 1 capital	397,455	393,844
Total capital	428,090	424,441
Total risk weighted assets	1,370,721	1,360,518

	%	%
Common Equity Tier 1 capital ratio	28.39	28.19
Tier 1 capital ratio	29.00	29.95
Total capital ratio	31.23	31.20

2. Leverage ratio

	At 31 March 2018 HK$ '000	At 31 December 2017 HK$ '000
Total Tier 1 capital	397,455	393,844
Exposure measure	1,711,352	1,705,331

	%	%
Leverage ratio	23.22	23.09