ALLIED BANKING CORPORATION (HONG KONG) LIMITED

Quarterly Pillar 3 Regulatory Disclosures

30 September 2018

(Unaudited)

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ALLIED BANKING CORPORATION (HONG KONG) LIMITED

REGULATORY DISCLOSURES

Template KM1 : Key Prudential Ratios

30 September 2018

(HK$ '000)		30 Sep 2018	30 Jun 2018	31 Mar 2018	31 Dec 2017	30 Sep 2017
	Regulatory capital (amount)					
1	Common equity Tier 1 (CET1)	399,236	394,346	389,175	383,494	377,903
2	Tier 1	407,516	402,626	397,455	393,844	388,253
3	Total capital	438,200	433,347	428,090	424,441	413,450
	RWA (amount)					
4	Total RWA	1,369,881	1,364,582	1,370,721	1,360,518	1,331,367
	Risk-based regulatory capital ratios (as a percentage of RWA)					
5	CET1 ratio (%)	29.14%	28.90%	28.39%	28.19%	28.38%
6	Tier 1 ratio (%)	29.75%	29.51%	28.99%	28.95%	29.16%
7	Total capital ratio (%)	31.99%	31.76%	31.23%	31.20%	31.05%
	Additional CET1 buffer requirements (as a percentage of RWA)					
8	Capital conservation buffer requirement (%)	1.875%	1.875%	1.875%	1.250%	1.250%
9	Countercyclical capital buffer requirement (%)	1.875%	1.875%	1.875%	1.250%	1.250%
10	Higher loss absorbency requirements (%) (applicable only to G-SIBS or D-SIBs)	0.00%	0.00%	0.00%	0.00%	0.00%
11	Total AI-specific CET1 buffer requirements (%)	3.75%	3.75%	3.75%	2.50%	2.50%
12	CET1 available after meeting the AI's minimum capital requirements (%)	19.49%	19.26%	18.73%	18.70%	18.55%
	Basel III leverage ratio					
13	Total leverage ratio (LR) exposure measure	1,801,825	1,700,426	1,711,352	1,705,331	1,731,358
14	LR (%)	22.62%	23.68%	23.22%	23.09%	22.42%
	Liquidity Coverage Ratio (LCR) / Liquidity Maintenance Ratio (LMR)					
	Applicable to category 1 institution only:					
15	Total high quality liquid assets (HQLA)	NA	NA	NA	NA	NA
16	total net cash outflows	NA	NA	NA	NA	NA
17	LCR (%)	NA	NA	NA	NA	NA
	Applicable to category 2 institution only:					
17a	LMR (%)	45.02%	46.76%	45.21%	44.66%	47.12%
	Net Stable Funding Ratio (NSFR) / Core Funding Ratio (CFR)					
	Applicable to category 1 institution only:					
18	Total available stable funding	NA	NA	NA	NA	NA
19	Total required stable funding	NA	NA	NA	NA	NA
20	NSFR (%)	NA	NA	NA	NA	NA
	Applicable to category 2A institution only:					
20a	CFR (%)	NA	NA	NA	NA	NA

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 30 September 2018 and 30 June 2018 respectively:

		(HK$ '000)		
		(a)	(b)	(c)
		RWA		Minimum capital requirements
		September 2018	June 2018	September 2018
1	**Credit risk for non-securitization exposures**	**1,243,016**	**1,235,448**	**155,377**
2a	Of which BSC approach	1,243,016	1,235,448	155,377
6	**Counterparty default risk and default fund contributions**	**895**	**1,114**	**112**
7a	Of which CEM	895	1,114	112
10	CVA risk	0	0	0
11	Equity positions in banking book under the simple risk-weight method and internal models method	0	0	0
15	Settlement risk	0	0	0
16	**Securitization exposures in banking book**	**0**	**0**	**0**
17	Of which SEC-IRBA	0	0	0
18	Of which SEC-ERBA	0	0	0
19	Of which SEC-SA	0	0	0
20	**Market risk**	**27,075**	**29,550**	**3,384**
21	Of which STM approach	27,075	29,550	3,384
24	Operational risk	122,850	122,425	15,356
25	Amounts below the thresholds for deduction (subject to 250% RW)	0	0	0
26	Capital floor adjustment	0	0	0
26a	**Deduction to RWA**	**23,955**	**23,955**	**2,994**
26b	Of which portion of regulatory reserve for general banking risks and collective provisions which is not included in Tier 2 Capital	0	0	0
26c	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
27	**Total**	**1,369,881**	**1,364,582**	**171,235**

ALLIED BANKING CORPORATION (HONG KONG) LIMITED

Template LR2 : Leverage ratio ("LR")

30 September 2018

		Leverage Ratio framework (HK$ '000)	
		As at 30 Sep 2018	As at 30 Jun 2018
On-balance sheet exposures			
1	On-balance sheet exposures (excluding those arising from derivatives contracts and SFTs, but including collateral)	1,788,601	1,686,740
2	Less: Asset amounts deducted in determining Tier 1 capital	0	0
3	**Total on-balance sheet exposures (excluding derivatives contracts and SFTs)**	1,788,601	1,686,740
Exposures arising from derivative contracts			
4	Replacement cost associated with all derivatives contracts (where applicable net of eligible cash variation margin and/or with bilateral netting)	0	0
5	Add-on amounts for PFE associated with all derivatives contracts	4,477	5,570
6	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the applicable accounting framework	0	0
7	Less: Deductions of receivables assets for cash variation margin provided under derivatives contracts	0	0
8	Less: Exempted CCP leg of client-cleared trade exposures	0	0
9	Adjusted effective notional amount of written credit derivatives contracts	0	0
10	Less: Adjusted effective notional offsets and add-on deductions for written credit derivatives contracts	0	0
11	**Total exposures arising from derivative contracts**	4,477	5,570
Exposures arising from securities financing transactions (SFTs)			
12	Gross SFT assets (with no recognition of netting), after adjusting for sales accounting transactions	0	0
13	Less: Netted amounts of cash payables and cash receivables of gross SFT assets	0	0
14	CCR exposure for SFT assets	0	0
15	Agent transaction exposures	0	0
16	**Total exposures arising from SFTs**	0	0
Other off-balance sheet exposures			
17	Off-balance sheet exposure at gross notional amount	8,747	8,116
18	Less: Adjustments for conversion to credit equivalent amounts	0	0
19	**Off-balance sheet items**	8,747	8,116
Capital and total exposures			
20	**Tier 1 capital**	407,516	402,626
20a	**Total exposures before adjustments for specific and collective provisions**	1,801,825	1,700,426
20b	**Adjustments for specific and collective povisions**	0	0
21	**Total exposures after adjustments for specific and collective provision**	1,801,825	1,700,426
Leverage ratio			
22	**Leverage ratio**	**22.62%**	**23.68%**