大眾財務有限公司
PUBLIC FINANCE LIMITED

PUBLIC FINANCE LIMITED

Regulatory Disclosure

31 December 2016

The figures and financial information relating to the years ended 31 December 2015 and 2016 included in this attachment (either in hardcopy or softcopy) are not the Company's statutory annual consolidated financial statements for the years. Further information relating to those statutory financial statements required to be disclosed in accordance with section 436 of the Companies Ordinance is as follows:

As the Company is a private company, the Company is not required to deliver its financial statements to the Registrar of Companies, and has not done so.

The Company's auditor has reported on the statutory annual consolidated financial statements of the Company for the years ended 31 December 2015 and 2016. The auditor's reports were unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its reports; and did not contain a statement under sections 406(2), 407(2) or 407(3) of the Companies Ordinance.

大 眾 財 務 有 限 公 司
PUBLIC FINANCE LIMITED

REGULATORY DISCLOSURE

As at 31 December 2016

(a) Disclosure of regulatory capital instruments

Main Features:

1	Issuer	Public Finance Limited ("the Company")
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	Not applicable
3	Governing law(s) of the instrument	Hong Kong Law
	Regulatory treatment	
4	Transitional Basel III rules#	Common Equity Tier 1
5	Post-transitional Basel III rules+	Common Equity Tier 1
6	Eligible at solo*/group/group & solo	Solo
7	Instrument type (types to be specified by each jurisdiction)	Ordinary Shares
8	Amount recognised in regulatory capital (Hong Kong dollar currency in thousand, as of most recent reporting date)	671,038
9	Par value of instrument	Not applicable
10	Accounting classification	Shareholders' Equity
11	Original date of issuance	Various
12	Perpetual or dated	Perpetual
13	Original maturity date	No Maturity
14	Issuer call subject to prior supervisory approval	Not applicable
15	Optional call date, contingent call dates and redemption amount	Not applicable
16	Subsequent call dates, if applicable	Not applicable
	Coupons / dividends	
17	Fixed or floating dividend/coupon	Floating Dividend
18	Coupon rate and any related index	Not applicable
19	Existence of a dividend stopper	No
20	Fully discretionary, partially discretionary or mandatory	Fully Discretionary
21	Existence of step up or other incentive to redeem	No
22	Noncumulative or cumulative	Non-cumulative
23	Convertible or non-convertible	Non-convertible
24	If convertible, conversion trigger (s)	Not applicable
25	If convertible, fully or partially	Not applicable
26	If convertible, conversion rate	Not applicable
27	If convertible, mandatory or optional conversion	Not applicable
28	If convertible, specify instrument type convertible into	Not applicable
29	If convertible, specify issuer of instrument it converts into	Not applicable
30	Write-down feature	No
31	If write-down, write-down trigger(s)	Not applicable
32	If write-down, full or partial	Not applicable
33	If write-down, permanent or temporary	Not applicable
34	If temporary write-down, description of write-up mechanism	Not applicable
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Not applicable
36	Non-compliant transitioned features	No
37	If yes, specify non-compliant features	Not applicable

Footnote:

Regulatory treatment of capital instruments subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

+ *Regulatory treatment of capital instruments not subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules*

* *Include solo-consolidated*

大 眾 財 務 有 限 公 司
PUBLIC FINANCE LIMITED

REGULATORY DISCLOSURE

As at 31 December 2016

(b) The breakdown of the Company's CET1 capital, Additional Tier 1 capital, Tier 2 capital and regulatory deductions

Capital Disclosures Template based on Annex 1

		HK$'000
	CET1 capital: instruments and reserves	
1	Directly issued qualifying CET1 capital instruments plus any related share premium	671,038
2	Retained earnings	547,420
3	Disclosed reserves	104,884
4	*Directly issued capital subject to phase out from CET1 capital (only applicable to non-joint stock companies)*	Not applicable
5	Minority interests arising from CET1 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in CET1 capital of the consolidation group)	0
6	**CET1 capital before regulatory deductions**	1,323,342
	CET1 capital: regulatory deductions	
7	Valuation adjustments	0
8	Goodwill (net of associated deferred tax liability)	0
9	Other intangible assets (net of associated deferred tax liability)	0
10	Deferred tax assets net of deferred tax liabilities	10,506
11	Cash flow hedge reserve	0
12	Excess of total EL amount over total eligible provisions under the IRB approach	0
13	Gain-on-sale arising from securitization transactions	0
14	Gains and losses due to changes in own credit risk on fair valued liabilities	0
15	Defined benefit pension fund net assets (net of associated deferred tax liabilities)	0
16	Investments in own CET1 capital instruments (if not already netted off paid-in capital on reported balance sheet)	0
17	Reciprocal cross-holdings in CET1 capital instruments	0
18	Insignificant capital investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	0
19	Significant capital investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	0
20	Mortgage servicing rights (amount above 10% threshold)	Not applicable
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	Not applicable
22	Amount exceeding the 15% threshold	Not applicable
23	of which: significant investments in the common stock of financial sector entities	Not applicable
24	of which: mortgage servicing rights	Not applicable
25	of which: deferred tax assets arising from temporary differences	Not applicable
26	National specific regulatory adjustments applied to CET1 capital	112,362
26a	Cumulative fair value gains arising from the revaluation of land and buildings (own-use and investment properties)	7,478
26b	Regulatory reserve for general banking risks	104,884
26c	Securitization exposures specified in a notice given by the Monetary Authority	0
26d	Cumulative losses below depreciated cost arising from the institution's holdings of land and buildings	0
26e	Capital shortfall of regulated non-bank subsidiaries	0
26f	Capital investment in a connected company which is a commercial entity (amount above 15% of the reporting institution's capital base)	0
27	Regulatory deductions applied to CET1 capital due to insufficient AT1 capital and Tier 2 capital to cover deductions	0
28	**Total regulatory deductions to CET1 capital**	122,868
29	**CET1 capital**	1,200,474
	AT1 capital: instruments	
30	Qualifying AT1 capital instruments plus any related share premium	0
31	of which: classified as equity under applicable accounting standards	0
32	of which: classified as liabilities under applicable accounting standards	0
33	*Capital instruments subject to phase out arrangements from AT1 capital*	0

34	AT1 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in AT1 capital of the consolidation group)	0
35	*of which: AT1 capital instruments issued by subsidiaries subject to phase out arrangements*	0
36	**AT1 capital before regulatory deductions**	0
	AT1 capital: regulatory deductions	
37	Investments in own AT1 capital instruments	0
38	Reciprocal cross-holdings in AT1 capital instruments	0
39	Insignificant capital investments in AT1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	0
40	Significant capital investments in AT1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	0
41	National specific regulatory adjustments applied to AT1 capital	0
42	Regulatory deductions applied to AT1 capital due to insufficient Tier 2 capital to cover deductions	0
43	**Total regulatory deductions to AT1 capital**	0
44	**AT1 capital**	0
45	**Tier 1 capital (Tier 1 = CET1 + AT1)**	1,200,474
	Tier 2 capital: instruments and provisions	
46	Qualifying Tier 2 capital instruments plus any related share premium	0
47	*Capital instruments subject to phase out arrangements from Tier 2 capital*	0
48	Tier 2 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in Tier 2 capital of the consolidation group)	0
49	*of which: capital instruments issued by subsidiaries subject to phase out arrangements*	0
50	Collective impairment allowances and regulatory reserve for general banking risks eligible for inclusion in Tier 2 capital	49,676
51	**Tier 2 capital before regulatory deductions**	49,676
	Tier 2 capital: regulatory deductions	
52	Investments in own Tier 2 capital instruments	0
53	Reciprocal cross-holdings in Tier 2 capital instruments	0
54	Insignificant capital investments in Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	0
55	Significant capital investments in Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	0
56	National specific regulatory adjustments applied to Tier 2 capital	(3,365)
56a	Add back of cumulative fair value gains arising from the revaluation of land and buildings (own-use and investment properties) eligible for inclusion in Tier 2 capital	(3,365)
57	**Total regulatory deductions to Tier 2 capital**	(3,365)
58	**Tier 2 capital**	53,041
59	**Total capital (Total capital = Tier 1 + Tier 2)**	1,253,515
60	**Total risk weighted assets**	5,249,680
	Capital ratios (as a percentage of risk weighted assets)	
61	CET1 capital ratio	22.87%
62	Tier 1 capital ratio	22.87%
63	Total capital ratio	23.88%
64	Institution specific buffer requirement (minimum CET1 capital requirement as specified in s.3B of the BCR plus capital conservation buffer plus countercyclical buffer requirements plus G-SIB or D-SIB requirements)	5.750%
65	*of which: capital conservation buffer requirement*	0.625%
66	*of which: bank specific countercyclical buffer requirement*	0.625%
67	*of which: G-SIB or D-SIB buffer requirement*	0.000%
68	CET1 capital surplus over the minimum CET1 requirement and any CET1 capital used to meet the Tier 1 and Total capital requirement under s.3B of the BCR	15.878%
	National minima (if different from Basel 3 minimum)	
69	National CET1 minimum ratio	Not applicable
70	National Tier 1 minimum ratio	Not applicable
71	National Total capital minimum ratio	Not applicable

	Amounts below the thresholds for deduction (before risk weighting)	
72	Insignificant capital investments in CET1 capital instruments, AT1 capital instruments and Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	0
73	Significant capital investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	10,110
74	Mortgage servicing rights (net of related tax liability)	Not applicable
75	Deferred tax assets arising from temporary differences (net of related tax liability)	Not applicable
	Applicable caps on the inclusion of provisions in Tier 2 capital	
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to the basic approach and the standardized (credit risk) approach (prior to application of cap)	112,794
77	Cap on inclusion of provisions in Tier 2 under the basic approach and the standardized (credit risk) approach	49,676
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to the IRB approach (prior to application of cap)	0
79	Cap for inclusion of provisions in Tier 2 under the IRB approach	0
	Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2018 and 1 Jan 2022)	
80	*Current cap on CET1 capital instruments subject to phase out arrangements*	Not applicable
81	*Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)*	Not applicable
82	*Current cap on AT1 capital instruments subject to phase out arrangements*	0
83	*Amount excluded from AT1 capital due to cap (excess over cap after redemptions and maturities)*	0
84	*Current cap on Tier 2 capital instruments subject to phase out arrangements*	0
85	*Amount excluded from Tier 2 capital due to cap (excess over cap after redemptions and maturities)*	0

Notes to the template:

Elements where a more conservative definition has been applied in the BCR relative to that set out in Basel III capital standards:

Row No.	Description	Hong Kong basis	Basel III basis
9	**Other intangible assets (net of associated deferred tax liability)**	0	0
	Explanation As set out in paragraph 87 of the Basel III text issued by the Basel Committee (December 2010), mortgage servicing rights (MSRs) may be given limited recognition in CET1 capital (and hence be excluded from deduction from CET1 capital up to the specified threshold). In Hong Kong, an AI is required to follow the accounting treatment of including MSRs as part of intangible assets reported in the AI's financial statements and to deduct MSRs in full from CET1 capital. Therefore, the amount to be deducted as reported in row 9 may be greater than that required under Basel III. The amount reported under the column "Basel III basis" in this box represents the amount reported in row 9 (i.e. the amount reported under the "Hong Kong basis") adjusted by reducing the amount of MSRs to be deducted to the extent not in excess of the 10% threshold set for MSRs and the aggregate 15% threshold set for MSRs, DTAs arising from temporary differences and significant investments in CET1 capital instruments issued by financial sector entities (excluding those that are loans, facilities or other credit exposures to connected companies) under Basel III.		
10	**Deferred tax assets net of deferred tax liabilities**	10,506	0
	Explanation As set out in paragraphs 69 and 87 of the Basel III text issued by the Basel Committee (December 2010), DTAs that rely on future profitability of the bank to be realized are to be deducted, whereas DTAs which relate to temporary differences may be given limited recognition in CET1 capital (and hence be excluded from deduction from CET1 capital up to the specified threshold). In Hong Kong, an AI is required to deduct all DTAs in full, irrespective of their origin, from CET1 capital. Therefore, the amount to be deducted as reported in row 10 may be greater than that required under Basel III. The amount reported under the column "Basel III basis" in this box represents the amount reported in row 10 (i.e. the amount reported under the "Hong Kong basis") adjusted by reducing the amount of DTAs to be deducted which relate to temporary differences to the extent not in excess of the 10% threshold set for DTAs arising from temporary differences and the aggregate 15% threshold set for MSRs, DTAs arising from temporary differences and significant investments in CET1 capital instruments issued by financial sector entities (excluding those that are loans, facilities and other credit exposures to connected companies) under Basel III.		
18	**Insignificant capital investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)**	0	0
	Explanation For the purpose of determining the total amount of insignificant capital investments in CET1 capital instruments issued by financial sector entities, an AI is required to aggregate any amount of loans, facilities or other credit exposures provided by it to any of its connected companies, where the connected company is a financial sector entity, as if such loans, facilities or other credit exposures were direct holdings, indirect holdings or synthetic holdings of the AI in the capital instruments of the financial sector entity, except where the AI demonstrates to the satisfaction of the Monetary Authority that any such loan was made, any such facility was granted, or any such other credit exposure was incurred, in the ordinary course of the AI's business. Therefore, the amount to be deducted as reported in row 18 may be greater than that required under Basel III. The amount reported under the column "Basel III basis" in this box represents the amount reported in row 18 (i.e. the amount reported under the "Hong Kong basis") adjusted by excluding the aggregate amount of loans, facilities or other credit exposures to the AI's connected companies which were subject to deduction under the Hong Kong approach.		

19	**Significant capital investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)**	0	0
	Explanation For the purpose of determining the total amount of significant capital investments in CET1 capital instruments issued by financial sector entities, an AI is required to aggregate any amount of loans, facilities or other credit exposures provided by it to any of its connected companies, where the connected company is a financial sector entity, as if such loans, facilities or other credit exposures were direct holdings, indirect holdings or synthetic holdings of the AI in the capital instruments of the financial sector entity, except where the AI demonstrates to the satisfaction of the Monetary Authority that any such loan was made, any such facility was granted, or any such other credit exposure was incurred, in the ordinary course of the AI's business. Therefore, the amount to be deducted as reported in row 19 may be greater than that required under Basel III. The amount reported under the column "Basel III basis" in this box represents the amount reported in row 19 (i.e. the amount reported under the "Hong Kong basis") adjusted by excluding the aggregate amount of loans, facilities or other credit exposures to the AI's connected companies which were subject to deduction under the Hong Kong approach.		
39	**Insignificant capital investments in AT1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)**	0	0
	Explanation The effect of treating loans, facilities or other credit exposures to connected companies which are financial sector entities as CET1 capital instruments for the purpose of considering deductions to be made in calculating the capital base (see note re row 18 to the template above) will mean the headroom within the threshold available for the exemption from capital deduction of other insignificant capital investments in AT1 capital instruments may be smaller. Therefore, the amount to be deducted as reported in row 39 may be greater than that required under Basel III. The amount reported under the column "Basel III basis" in this box represents the amount reported in row 39 (i.e. the amount reported under the "Hong Kong basis") adjusted by excluding the aggregate amount of loans, facilities or other credit exposures to the AI's connected companies which were subject to deduction under the Hong Kong approach.		
54	**Insignificant capital investments in Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)**	0	0
	Explanation The effect of treating loans, facilities or other credit exposures to connected companies which are financial sector entities as CET1 capital instruments for the purpose of considering deductions to be made in calculating the capital base (see note re row 18 to the template above) will mean the headroom within the threshold available for the exemption from capital deduction of other insignificant capital investments in Tier 2 capital instruments may be smaller. Therefore, the amount to be deducted as reported in row 54 may be greater than that required under Basel III. The amount reported under the column "Basel III basis" in this box represents the amount reported in row 54 (i.e. the amount reported under the "Hong Kong basis") adjusted by excluding the aggregate amount of loans, facilities or other credit exposures to the AI's connected companies which were subject to deduction under the Hong Kong approach.		

Remarks:

The amount of the 10% / 15% thresholds mentioned above is calculated based on the amount of CET1 capital determined under the Banking (Capital) Rules.

Abbreviations:

CET1: Common Equity Tier 1

AT1: Additional Tier 1

REGULATORY DISCLOSURE

As at 31 December 2015

(b) The breakdown of the Company's CET1 capital, Additional Tier 1 capital, Tier 2 capital and regulatory deductions *(Continued)*

Capital Disclosures Template based on Annex 1

		HK$'000
	CET1 capital: instruments and reserves	
1	Directly issued qualifying CET1 capital instruments plus any related share premium	671,038
2	Retained earnings	551,256
3	Disclosed reserves	100,747
4	*Directly issued capital subject to phase out from CET1 capital (only applicable to non-joint stock companies)*	Not applicable
5	Minority interests arising from CET1 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in CET1 capital of the consolidation group)	0
6	**CET1 capital before regulatory deductions**	1,323,041
	CET1 capital: regulatory deductions	
7	Valuation adjustments	0
8	Goodwill (net of associated deferred tax liability)	0
9	Other intangible assets (net of associated deferred tax liability)	0
10	Deferred tax assets net of deferred tax liabilities	9,620
11	Cash flow hedge reserve	0
12	Excess of total EL amount over total eligible provisions under the IRB approach	0
13	Gain-on-sale arising from securitization transactions	0
14	Gains and losses due to changes in own credit risk on fair valued liabilities	0
15	Defined benefit pension fund net assets (net of associated deferred tax liabilities)	0
16	Investments in own CET1 capital instruments (if not already netted off paid-in capital on reported balance sheet)	0
17	Reciprocal cross-holdings in CET1 capital instruments	0
18	Insignificant capital investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	0
19	Significant capital investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	0
20	Mortgage servicing rights (amount above 10% threshold)	Not applicable
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	Not applicable
22	Amount exceeding the 15% threshold	Not applicable
23	of which: significant investments in the common stock of financial sector entities	Not applicable
24	of which: mortgage servicing rights	Not applicable
25	of which: deferred tax assets arising from temporary differences	Not applicable
26	National specific regulatory adjustments applied to CET1 capital	107,928
26a	Cumulative fair value gains arising from the revaluation of land and buildings (own-use and investment properties)	7,181
26b	Regulatory reserve for general banking risks	100,747
26c	Securitization exposures specified in a notice given by the Monetary Authority	0
26d	Cumulative losses below depreciated cost arising from the institution's holdings of land and buildings	0
26e	Capital shortfall of regulated non-bank subsidiaries	0
26f	Capital investment in a connected company which is a commercial entity (amount above 15% of the reporting institution's capital base)	0
27	Regulatory deductions applied to CET1 capital due to insufficient AT1 capital and Tier 2 capital to cover deductions	0
28	**Total regulatory deductions to CET1 capital**	117,548
29	**CET1 capital**	1,205,493
	AT1 capital: instruments	
30	Qualifying AT1 capital instruments plus any related share premium	0
31	of which: classified as equity under applicable accounting standards	0
32	of which: classified as liabilities under applicable accounting standards	0
33	*Capital instruments subject to phase out arrangements from AT1 capital*	0

34	AT1 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in AT1 capital of the consolidation group)	0
35	*of which: AT1 capital instruments issued by subsidiaries subject to phase out arrangements*	0
36	**AT1 capital before regulatory deductions**	0
	AT1 capital: regulatory deductions	
37	Investments in own AT1 capital instruments	0
38	Reciprocal cross-holdings in AT1 capital instruments	0
39	Insignificant capital investments in AT1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	0
40	Significant capital investments in AT1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	0
41	National specific regulatory adjustments applied to AT1 capital	0
42	Regulatory deductions applied to AT1 capital due to insufficient Tier 2 capital to cover deductions	0
43	**Total regulatory deductions to AT1 capital**	0
44	**AT1 capital**	0
45	**Tier 1 capital (Tier 1 = CET1 + AT1)**	1,205,493
	Tier 2 capital: instruments and provisions	
46	Qualifying Tier 2 capital instruments plus any related share premium	0
47	*Capital instruments subject to phase out arrangements from Tier 2 capital*	0
48	Tier 2 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in Tier 2 capital of the consolidation group)	0
49	*of which: capital instruments issued by subsidiaries subject to phase out arrangements*	0
50	Collective impairment allowances and regulatory reserve for general banking risks eligible for inclusion in Tier 2 capital	48,707
51	**Tier 2 capital before regulatory deductions**	48,707
	Tier 2 capital: regulatory deductions	
52	Investments in own Tier 2 capital instruments	0
53	Reciprocal cross-holdings in Tier 2 capital instruments	0
54	Insignificant capital investments in Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	0
55	Significant capital investments in Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	0
56	National specific regulatory adjustments applied to Tier 2 capital	(3,231)
56a	Add back of cumulative fair value gains arising from the revaluation of land and buildings (own-use and investment properties) eligible for inclusion in Tier 2 capital	(3,231)
57	**Total regulatory deductions to Tier 2 capital**	(3,231)
58	**Tier 2 capital**	51,938
59	**Total capital (Total capital = Tier 1 + Tier 2)**	1,257,431
60	**Total risk weighted assets**	5,208,911
	Capital ratios (as a percentage of risk weighted assets)	
61	CET1 capital ratio	23.1%
62	Tier 1 capital ratio	23.1%
63	Total capital ratio	24.1%
64	Institution specific buffer requirement (minimum CET1 capital requirement as specified in s.3B of the BCR plus capital conservation buffer plus countercyclical buffer requirements plus G-SIB or D-SIB requirements)	4.5%
65	*of which: capital conservation buffer requirement*	0.0%
66	*of which: bank specific countercyclical buffer requirement*	0.0%
67	*of which: G-SIB or D-SIB buffer requirement*	0.0%
68	CET1 capital surplus over the minimum CET1 requirement and any CET1 capital used to meet the Tier 1 and Total capital requirement under s.3B of the BCR	16.1%
	National minima (if different from Basel 3 minimum)	
69	National CET1 minimum ratio	Not applicable
70	National Tier 1 minimum ratio	Not applicable
71	National Total capital minimum ratio	Not applicable

	Amounts below the thresholds for deduction (before risk weighting)	
72	Insignificant capital investments in CET1 capital instruments, AT1 capital instruments and Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	0
73	Significant capital investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	10,110
74	Mortgage servicing rights (net of related tax liability)	Not applicable
75	Deferred tax assets arising from temporary differences (net of related tax liability)	Not applicable
	Applicable caps on the inclusion of provisions in Tier 2 capital	
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to the basic approach and the standardized (credit risk) approach (prior to application of cap)	109,922
77	Cap on inclusion of provisions in Tier 2 under the basic approach and the standardized (credit risk) approach	48,707
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to the IRB approach (prior to application of cap)	0
79	Cap for inclusion of provisions in Tier 2 under the IRB approach	0
	Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2018 and 1 Jan 2022)	
80	*Current cap on CET1 capital instruments subject to phase out arrangements*	Not applicable
81	*Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)*	Not applicable
82	*Current cap on AT1 capital instruments subject to phase out arrangements*	0
83	*Amount excluded from AT1 capital due to cap (excess over cap after redemptions and maturities)*	0
84	*Current cap on Tier 2 capital instruments subject to phase out arrangements*	0
85	*Amount excluded from Tier 2 capital due to cap (excess over cap after redemptions and maturities)*	0

Notes to the template:

Elements where a more conservative definition has been applied in the BCR relative to that set out in Basel III capital standards:

Row No.	Description	Hong Kong basis	Basel III basis
9	**Other intangible assets (net of associated deferred tax liability)**	0	0
	Explanation As set out in paragraph 87 of the Basel III text issued by the Basel Committee (December 2010), mortgage servicing rights (MSRs) may be given limited recognition in CET1 capital (and hence be excluded from deduction from CET1 capital up to the specified threshold). In Hong Kong, an AI is required to follow the accounting treatment of including MSRs as part of intangible assets reported in the AI's financial statements and to deduct MSRs in full from CET1 capital. Therefore, the amount to be deducted as reported in row 9 may be greater than that required under Basel III. The amount reported under the column "Basel III basis" in this box represents the amount reported in row 9 (i.e. the amount reported under the "Hong Kong basis") adjusted by reducing the amount of MSRs to be deducted to the extent not in excess of the 10% threshold set for MSRs and the aggregate 15% threshold set for MSRs, DTAs arising from temporary differences and significant investments in CET1 capital instruments issued by financial sector entities (excluding those that are loans, facilities or other credit exposures to connected companies) under Basel III.		
10	**Deferred tax assets net of deferred tax liabilities**	9,620	0
	Explanation As set out in paragraphs 69 and 87 of the Basel III text issued by the Basel Committee (December 2010), DTAs that rely on future profitability of the bank to be realized are to be deducted, whereas DTAs which relate to temporary differences may be given limited recognition in CET1 capital (and hence be excluded from deduction from CET1 capital up to the specified threshold). In Hong Kong, an AI is required to deduct all DTAs in full, irrespective of their origin, from CET1 capital. Therefore, the amount to be deducted as reported in row 10 may be greater than that required under Basel III. The amount reported under the column "Basel III basis" in this box represents the amount reported in row 10 (i.e. the amount reported under the "Hong Kong basis") adjusted by reducing the amount of DTAs to be deducted which relate to temporary differences to the extent not in excess of the 10% threshold set for DTAs arising from temporary differences and the aggregate 15% threshold set for MSRs, DTAs arising from temporary differences and significant investments in CET1 capital instruments issued by financial sector entities (excluding those that are loans, facilities and other credit exposures to connected companies) under Basel III.		
18	**Insignificant capital investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)**	0	0
	Explanation For the purpose of determining the total amount of insignificant capital investments in CET1 capital instruments issued by financial sector entities, an AI is required to aggregate any amount of loans, facilities or other credit exposures provided by it to any of its connected companies, where the connected company is a financial sector entity, as if such loans, facilities or other credit exposures were direct holdings, indirect holdings or synthetic holdings of the AI in the capital instruments of the financial sector entity, except where the AI demonstrates to the satisfaction of the Monetary Authority that any such loan was made, any such facility was granted, or any such other credit exposure was incurred, in the ordinary course of the AI's business. Therefore, the amount to be deducted as reported in row 18 may be greater than that required under Basel III. The amount reported under the column "Basel III basis" in this box represents the amount reported in row 18 (i.e. the amount reported under the "Hong Kong basis") adjusted by excluding the aggregate amount of loans, facilities or other credit exposures to the AI's connected companies which were subject to deduction under the Hong Kong approach.		

19	**Significant capital investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)**	0	0
	Explanation For the purpose of determining the total amount of significant capital investments in CET1 capital instruments issued by financial sector entities, an AI is required to aggregate any amount of loans, facilities or other credit exposures provided by it to any of its connected companies, where the connected company is a financial sector entity, as if such loans, facilities or other credit exposures were direct holdings, indirect holdings or synthetic holdings of the AI in the capital instruments of the financial sector entity, except where the AI demonstrates to the satisfaction of the Monetary Authority that any such loan was made, any such facility was granted, or any such other credit exposure was incurred, in the ordinary course of the AI's business. Therefore, the amount to be deducted as reported in row 19 may be greater than that required under Basel III. The amount reported under the column "Basel III basis" in this box represents the amount reported in row 19 (i.e. the amount reported under the "Hong Kong basis") adjusted by excluding the aggregate amount of loans, facilities or other credit exposures to the AI's connected companies which were subject to deduction under the Hong Kong approach.		
39	**Insignificant capital investments in AT1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)**	0	0
	Explanation The effect of treating loans, facilities or other credit exposures to connected companies which are financial sector entities as CET1 capital instruments for the purpose of considering deductions to be made in calculating the capital base (see note re row 18 to the template above) will mean the headroom within the threshold available for the exemption from capital deduction of other insignificant capital investments in AT1 capital instruments may be smaller. Therefore, the amount to be deducted as reported in row 39 may be greater than that required under Basel III. The amount reported under the column "Basel III basis" in this box represents the amount reported in row 39 (i.e. the amount reported under the "Hong Kong basis") adjusted by excluding the aggregate amount of loans, facilities or other credit exposures to the AI's connected companies which were subject to deduction under the Hong Kong approach.		
54	**Insignificant capital investments in Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)**	0	0
	Explanation The effect of treating loans, facilities or other credit exposures to connected companies which are financial sector entities as CET1 capital instruments for the purpose of considering deductions to be made in calculating the capital base (see note re row 18 to the template above) will mean the headroom within the threshold available for the exemption from capital deduction of other insignificant capital investments in Tier 2 capital instruments may be smaller. Therefore, the amount to be deducted as reported in row 54 may be greater than that required under Basel III. The amount reported under the column "Basel III basis" in this box represents the amount reported in row 54 (i.e. the amount reported under the "Hong Kong basis") adjusted by excluding the aggregate amount of loans, facilities or other credit exposures to the AI's connected companies which were subject to deduction under the Hong Kong approach.		

Remarks:

The amount of the 10% / 15% thresholds mentioned above is calculated based on the amount of CET1 capital determined under the Banking (Capital) Rules.

Abbreviations:

CET1: Common Equity Tier 1

AT1: Additional Tier 1

REGULATORY DISCLOSURE

(c) Reconciliation between the Company and its subsidiaries ("the Group") accounting and regulatory balance sheets

	As at 31 December 2016		As at 31 December 2015	
Balance sheet	**Consolidated balance sheet as in published financial statements HK$'000**	**Under regulatory scope of Company balance sheet HK$'000**	**Consolidated balance sheet as in published financial statements HK$'000**	**Under regulatory scope of Company balance sheet HK$'000**
ASSETS				
Cash and short term placements	1,234,029	988,391	1,171,984	953,917
Loans and advances and receivables	5,317,412	5,317,412	5,210,533	5,210,533
Held-to-maturity investments	19,968	19,968	19,998	19,998
Investment properties	23,411	23,411	30,657	30,657
Property and equipment	16,985	16,105	16,118	15,016
Land held under finance leases	45,235	45,235	39,659	39,659
Investments in subsidiaries	0	10,110	0	10,110
Deferred tax assets	14,515	14,515	13,043	13,043
Tax recoverable	0	0	0	0
Intangible assets	486	0	486	0
Other assets	28,186	19,418	35,693	17,811
TOTAL ASSETS	**6,700,227**	**6,454,565**	**6,538,171**	**6,310,744**
EQUITY AND LIABILITIES				
LIABILITIES				
Customer deposits at amortised cost	4,975,010	4,975,010	4,797,270	4,797,270
Current tax payable	6,689	6,646	17,196	16,164
Deferred tax liabilities	4,014	4,009	3,473	3,423
Other liabilities	151,074	47,873	135,798	49,333
TOTAL LIABILITIES	**5,136,787**	**5,033,538**	**4,953,737**	**4,866,190**
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY				
Issued capital	671,038	671,038	671,038	671,038
Reserves	892,402	749,989	913,396	773,516
TOTAL EQUITY	**1,563,440**	**1,421,027**	**1,584,434**	**1,444,554**
TOTAL EQUITY AND LIABILITIES	**6,700,227**	**6,454,565**	**6,538,171**	**6,310,744**

REGULATORY DISCLOSURE

(c) Reconciliation between the Group's accounting and regulatory balance sheets *(Continued)*

Balance sheet as at 31 December 2016	**Consolidated balance sheet as in published financial statements HK$'000**	**Under regulatory scope of Company balance sheet HK$'000**	**Cross reference to definition of capital components**
ASSETS			
Cash and short term placements	1,234,029	988,391	
Loans and advances and receivables	5,317,412	5,317,412	
of which: collective impairment allowances reflected in regulatory capital		(7,910)	(1)
Held-to-maturity investments	19,968	19,968	
Investment properties	23,411	23,411	
Property and equipment	16,985	16,105	
Land held under finance leases	45,235	45,235	
Investments in subsidiaries	0	10,110	
Deferred tax assets	14,515	14,515	(2)
Intangible assets	486	0	
Other assets	28,186	19,418	
TOTAL ASSETS	**6,700,227**	**6,454,565**	
EQUITY AND LIABILITIES			
LIABILITIES			
Customer deposits at amortised cost	4,975,010	4,975,010	
Current tax payable	6,689	6,646	
Deferred tax liabilities	4,014	4,009	(3)
Other liabilities	151,074	47,873	
TOTAL LIABILITIES	**5,136,787**	**5,033,538**	
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY			
Issued capital	671,038	671,038	(4)
Reserves	892,402	749,989	
of which: Retained earnings		539,942	(5)
Cumulative fair value gains arising from the revaluation of holdings of land and buildings eligible for inclusive in Tier 2 Capital		3,365	(6)
Cumulative fair value gains arising from the revaluation of holdings of land and buildings not eligible for inclusive in regulatory capital		4,113	(7)
Regulatory reserve not eligible for inclusive in regulatory capital		63,118	(8)
Regulatory reserve in Tier 2 Capital		41,766	(9)
TOTAL EQUITY	**1,563,440**	**1,421,027**	
TOTAL EQUITY AND LIABILITIES	**6,700,227**	**6,454,565**	

REGULATORY DISCLOSURE

(c) Reconciliation between the Group's accounting and regulatory balance sheets *(Continued)*

Balance sheet as at 31 December 2015	**Consolidated balance sheet as in published financial statements HK$'000**	**Under regulatory scope of Company balance sheet HK$'000**	**Cross reference to definition of capital components**
ASSETS			
Cash and short term placements	1,171,984	953,917	
Loans and advances and receivables	5,210,533	5,210,533	
of which: collective impairment allowances reflected in regulatory capital		(9,175)	(1)
Held-to-maturity investments	19,998	19,998	
Investment properties	30,657	30,657	
Property and equipment	16,118	15,016	
Land held under finance leases	39,659	39,659	
Investments in subsidiaries	0	10,110	
Deferred tax assets	13,043	13,043	(2)
Intangible assets	486	0	
Other assets	35,693	17,811	
TOTAL ASSETS	**6,538,171**	**6,310,744**	
EQUITY AND LIABILITIES			
LIABILITIES			
Customer deposits at amortised cost	4,797,270	4,797,270	
Current tax payable	17,196	16,164	
Deferred tax liabilities	3,473	3,423	(3)
Other liabilities	135,798	49,333	
TOTAL LIABILITIES	**4,953,737**	**4,866,190**	
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY			
Issued capital	671,038	671,038	(4)
Reserves	913,396	773,516	
of which: Retained earnings		544,076	(5)
Cumulative fair value gains arising from the revaluation of holdings of land and buildings eligible for inclusive in Tier 2 Capital		3,231	(6)
Cumulative fair value gains arising from the revaluation of holdings of land and buildings not eligible for inclusive in regulatory capital		3,950	(7)
Regulatory reserve not eligible for inclusive in regulatory capital		61,215	(8)
Regulatory reserve in Tier 2 Capital		39,532	(9)
TOTAL EQUITY	**1,584,434**	**1,444,554**	
TOTAL EQUITY AND LIABILITIES	**6,538,171**	**6,310,744**	

REGULATORY DISCLOSURE

As at 31 December 2016

(c) Reconciliation between the Group's accounting and regulatory balance sheets *(Continued)*

Extract of Capital Disclosures Template based on Annex 1

		Component of regulatory capital reported by the Company HK$'000	Cross-referenced to balance sheet
	CET1 capital: instruments and reserves		
1	Directly issued qualifying CET1 capital instruments plus any related share premium	671,038	(4)
2	Retained earnings	547,420	(5) + (6) + (7)
3	Disclosed reserves	104,884	(8) + (9)
4	*Directly issued capital subject to phase out from CET1 capital (only applicable to non-joint stock companies)*	Not applicable	
5	Minority interests arising from CET1 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in CET1 capital of the consolidation group)	0	
6	**CET1 capital before regulatory deductions**	1,323,342	
	CET1 capital: regulatory deductions		
7	Valuation adjustments	0	
8	Goodwill (net of associated deferred tax liability)	0	
9	Other intangible assets (net of associated deferred tax liability)	0	
10	Deferred tax assets net of deferred tax liabilities	10,506	(2) - (3)
11	Cash flow hedge reserve	0	
12	Excess of total EL amount over total eligible provisions under the IRB approach	0	
13	Gain-on-sale arising from securitization transactions	0	
14	Gains and losses due to changes in own credit risk on fair valued liabilities	0	
15	Defined benefit pension fund net assets (net of associated deferred tax liabilities)	0	
16	Investments in own CET1 capital instruments (if not already netted off paid-in capital on reported balance sheet)	0	
17	Reciprocal cross-holdings in CET1 capital instruments	0	
18	Insignificant capital investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	0	
19	Significant capital investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	0	
20	Mortgage servicing rights (amount above 10% threshold)	Not applicable	
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	Not applicable	
22	Amount exceeding the 15% threshold	Not applicable	
23	of which: significant investments in the common stock of financial sector entities	Not applicable	
24	of which: mortgage servicing rights	Not applicable	
25	of which: deferred tax assets arising from temporary differences	Not applicable	
26	National specific regulatory adjustments applied to CET1 capital	112,362	
26a	Cumulative fair value gains arising from the revaluation of land and buildings (own-use and investment properties)	7,478	(6) + (7)
26b	Regulatory reserve for general banking risks	104,884	(8) + (9)
26c	Securitization exposures specified in a notice given by the Monetary Authority	0	
26d	Cumulative losses below depreciated cost arising from the institution's holdings of land and buildings	0	
26e	Capital shortfall of regulated non-bank subsidiaries	0	
26f	Capital investment in a connected company which is a commercial entity (amount above 15% of the reporting institution's capital base)	0	
27	Regulatory deductions applied to CET1 capital due to insufficient AT1 capital and Tier 2 capital to cover deductions	0	
28	**Total regulatory deductions to CET1 capital**	122,868	
29	**CET1 capital**	1,200,474	
	AT1 capital: instruments		
30	Qualifying AT1 capital instruments plus any related share premium	0	
31	of which: classified as equity under applicable accounting standards	0	
32	of which: classified as liabilities under applicable accounting standards	0	
33	*Capital instruments subject to phase out arrangements from AT1 capital*	0	
34	AT1 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in AT1 capital of the consolidation group)	0	
35	*of which: AT1 capital instruments issued by subsidiaries subject to phase out arrangements*	0	
36	**AT1 capital before regulatory deductions**	0	

	AT1 capital: regulatory deductions		
37	Investments in own AT1 capital instruments	0	
38	Reciprocal cross-holdings in AT1 capital instruments	0	
39	Insignificant capital investments in AT1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	0	
40	Significant capital investments in AT1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	0	
41	National specific regulatory adjustments applied to AT1 capital	0	
42	Regulatory deductions applied to AT1 capital due to insufficient Tier 2 capital to cover deductions	0	
43	**Total regulatory deductions to AT1 capital**	0	
44	**AT1 capital**	0	
45	**Tier 1 capital (Tier 1 = CET1 + AT1)**	1,200,474	
	Tier 2 capital: instruments and provisions		
46	Qualifying Tier 2 capital instruments plus any related share premium	0	
47	*Capital instruments subject to phase out arrangements from Tier 2 capital*	0	
48	Tier 2 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in Tier 2 capital of the consolidation group)	0	
49	*of which: capital instruments issued by subsidiaries subject to phase out arrangements*	0	
50	Collective impairment allowances and regulatory reserve for general banking risks eligible for inclusion in Tier 2 capital	49,676	(1) + (9)
51	**Tier 2 capital before regulatory deductions**	49,676	
	Tier 2 capital: regulatory deductions		
52	Investments in own Tier 2 capital instruments	0	
53	Reciprocal cross-holdings in Tier 2 capital instruments	0	
54	Insignificant capital investments in Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	0	
55	Significant capital investments in Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	0	
56	National specific regulatory adjustments applied to Tier 2 capital	(3,365)	
56a	Add back of cumulative fair value gains arising from the revaluation of land and buildings (own-use and investment properties) eligible for inclusion in Tier 2 capital	(3,365)	((6) + (7)) x 45%
57	**Total regulatory deductions to Tier 2 capital**	(3,365)	
58	**Tier 2 capital**	53,041	
59	**Total capital (Total capital = Tier 1 + Tier 2)**	1,253,515	

Abbreviations:

CET1: Common Equity Tier 1

AT1: Additional Tier 1

REGULATORY DISCLOSURE

As at 31 December 2015

(c) Reconciliation between the Group's accounting and regulatory balance sheets *(Continued)*

Extract of Capital Disclosures Template based on Annex 1

		Component of regulatory capital reported by the Company HK$'000	Cross-referenced to balance sheet
	CET1 capital: instruments and reserves		
1	Directly issued qualifying CET1 capital instruments plus any related share premium	671,038	(4)
2	Retained earnings	551,256	(5) + (6) + (7)
3	Disclosed reserves	100,747	(8) + (9)
4	*Directly issued capital subject to phase out from CET1 capital (only applicable to non-joint stock companies)*	Not applicable	
5	Minority interests arising from CET1 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in CET1 capital of the consolidation group)	0	
6	**CET1 capital before regulatory deductions**	1,323,041	
	CET1 capital: regulatory deductions		
7	Valuation adjustments	0	
8	Goodwill (net of associated deferred tax liability)	0	
9	Other intangible assets (net of associated deferred tax liability)	0	
10	Deferred tax assets net of deferred tax liabilities	9,620	(2) - (3)
11	Cash flow hedge reserve	0	
12	Excess of total EL amount over total eligible provisions under the IRB approach	0	
13	Gain-on-sale arising from securitization transactions	0	
14	Gains and losses due to changes in own credit risk on fair valued liabilities	0	
15	Defined benefit pension fund net assets (net of associated deferred tax liabilities)	0	
16	Investments in own CET1 capital instruments (if not already netted off paid-in capital on reported balance sheet)	0	
17	Reciprocal cross-holdings in CET1 capital instruments	0	
18	Insignificant capital investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	0	
19	Significant capital investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	0	
20	Mortgage servicing rights (amount above 10% threshold)	Not applicable	
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	Not applicable	
22	Amount exceeding the 15% threshold	Not applicable	
23	of which: significant investments in the common stock of financial sector entities	Not applicable	
24	of which: mortgage servicing rights	Not applicable	
25	of which: deferred tax assets arising from temporary differences	Not applicable	
26	National specific regulatory adjustments applied to CET1 capital	107,928	
26a	Cumulative fair value gains arising from the revaluation of land and buildings (own-use and investment properties)	7,181	(6) + (7)
26b	Regulatory reserve for general banking risks	100,747	(8) + (9)
26c	Securitization exposures specified in a notice given by the Monetary Authority	0	
26d	Cumulative losses below depreciated cost arising from the institution's holdings of land and buildings	0	
26e	Capital shortfall of regulated non-bank subsidiaries	0	
26f	Capital investment in a connected company which is a commercial entity (amount above 15% of the reporting institution's capital base)	0	
27	Regulatory deductions applied to CET1 capital due to insufficient AT1 capital and Tier 2 capital to cover deductions	0	
28	**Total regulatory deductions to CET1 capital**	117,548	
29	**CET1 capital**	1,205,493	
	AT1 capital: instruments		
30	Qualifying AT1 capital instruments plus any related share premium	0	
31	of which: classified as equity under applicable accounting standards	0	
32	of which: classified as liabilities under applicable accounting standards	0	
33	*Capital instruments subject to phase out arrangements from AT1 capital*	0	
34	AT1 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in AT1 capital of the consolidation group)	0	
35	*of which: AT1 capital instruments issued by subsidiaries subject to phase out arrangements*	0	
36	**AT1 capital before regulatory deductions**	0	

	AT1 capital: regulatory deductions		
37	Investments in own AT1 capital instruments	0	
38	Reciprocal cross-holdings in AT1 capital instruments	0	
39	Insignificant capital investments in AT1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	0	
40	Significant capital investments in AT1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	0	
41	National specific regulatory adjustments applied to AT1 capital	0	
42	Regulatory deductions applied to AT1 capital due to insufficient Tier 2 capital to cover deductions	0	
43	**Total regulatory deductions to AT1 capital**	0	
44	**AT1 capital**	0	
45	**Tier 1 capital (Tier 1 = CET1 + AT1)**	1,205,493	
	Tier 2 capital: instruments and provisions		
46	Qualifying Tier 2 capital instruments plus any related share premium	0	
47	*Capital instruments subject to phase out arrangements from Tier 2 capital*	0	
48	Tier 2 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in Tier 2 capital of the consolidation group)	0	
49	*of which: capital instruments issued by subsidiaries subject to phase out arrangements*	0	
50	Collective impairment allowances and regulatory reserve for general banking risks eligible for inclusion in Tier 2 capital	48,707	(1) + (9)
51	**Tier 2 capital before regulatory deductions**	48,707	
	Tier 2 capital: regulatory deductions		
52	Investments in own Tier 2 capital instruments	0	
53	Reciprocal cross-holdings in Tier 2 capital instruments	0	
54	Insignificant capital investments in Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	0	
55	Significant capital investments in Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	0	
56	National specific regulatory adjustments applied to Tier 2 capital	(3,231)	
56a	Add back of cumulative fair value gains arising from the revaluation of land and buildings (own-use and investment properties) eligible for inclusion in Tier 2 capital	(3,231)	((6) + (7)) x 45%
57	**Total regulatory deductions to Tier 2 capital**	(3,231)	
58	**Tier 2 capital**	51,938	
59	**Total capital (Total capital = Tier 1 + Tier 2)**	1,257,431	

Abbreviations:

CET1: Common Equity Tier 1

AT1: Additional Tier 1