

PUBLIC BANK (HONG KONG) LIMITED

As at 31 December 2015

### Leverage Ratio Summary Comparison Table

	Item	Leverage ratio framework HK\$'000
1	Total consolidated assets as per published financial statements	40,234,763
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	84,942
3	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	0
4	Adjustments for derivative financial instruments	24,471
5	Adjustment for securities financing transactions (i.e. repos and similar secured lending)	0
6	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	585,904
7	Other adjustments	(725,350)
8	<b>Leverage ratio exposure</b>	<b>40,204,730</b>

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### Leverage Ratio Common Disclosure Template

	Item	Leverage ratio framework HK\$'000
<b>On-balance sheet exposures</b>		
1	On-balance sheet items (excluding derivatives and SFTs, but including collateral)	40,335,430
2	Less: Asset amounts deducted in determining Basel III Tier 1 capital (reported as negative amounts)	(741,075)
3	Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 and 2)	39,594,355
<b>Derivative exposures</b>		
4	Replacement cost associated with all derivatives transactions (i.e. net of eligible cash variation margin)	3,599
5	Add-on amounts for PFE associated with all derivatives transactions	20,872
6	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework	0
7	Less: Deductions of receivables assets for cash variation margin provided in derivatives transactions (reported as negative amounts)	0
8	Less: Exempted CCP leg of client-cleared trade exposures (reported as negative amounts)	0
9	Adjusted effective notional amount of written credit derivatives	0
10	Less: Adjusted effective notional offsets and add-on deductions for written credit derivatives (reported as negative amounts)	0
11	Total derivative exposures (sum of lines 4 to 10)	24,471

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<b>Securities financing transaction exposures</b>		
12	Gross SFT assets (with no recognition of netting), after adjusting for sales accounting transactions	0
13	Less: Netted amounts of cash payables and cash receivables of gross SFT assets (reported as negative amounts)	0
14	CCR exposure for SFT assets	0
15	Agent transaction exposures	0
16	Total securities financing transaction exposures (sum of lines 12 to 15)	0
<b>Other off-balance sheet exposures</b>		
17	Off-balance sheet exposure at gross notional amount	4,126,726
18	Less: Adjustments for conversion to credit equivalent amounts (reported as negative amounts)	(3,540,822)
19	Off-balance sheet items (sum of lines 17 and 18)	585,904
<b>Capital and total exposures</b>		
20	Tier 1 capital	4,354,326
21	Total exposures (sum of lines 3, 11, 16 and 19)	40,204,730
<b>Leverage ratio</b>		
22	<b>Basel III leverage ratio</b>	10.83%