

China CITIC Bank International Limited

Illustration for the Balance Sheet Reconciliation
At 31 December 2013

	Balance sheet as in published financial statements	Under regulatory scope of consolidation	Cross reference to Definition of Capital Components
	HK\$'000	HK\$'000	
Assets			
Cash and balances with banks, central banks and other financial institutions	12,621,484	12,621,484	
Placements with and advances to banks, central banks and other financial institutions	46,089,324	46,089,324	
Trading assets	2,398,265	2,398,265	
Securities designated at fair value through profit or loss	63,204	63,204	
Loans and advances to customers and other accounts	132,531,544	132,551,790	
<i>of which : collective impairment allowances reflected in regulatory capital</i>		315,055	(1)
Available-for-sale securities	21,661,781	21,661,781	
Property and equipment			
- Investment property	180,056	180,056	
- Other property and equipment	719,624	719,624	
Tax recoverable	6	6	
Deferred tax assets	42,618	42,618	(2)
Total Assets	216,307,906	216,328,152	
Liabilities			
Deposits and balances of banks and other financial institutions	7,522,382	7,522,382	
Deposits from customers	154,658,966	154,658,966	
Trading liabilities	1,568,640	1,568,640	
Certificates of deposit issued	16,175,173	16,175,173	
Debt securities issued	1,151,253	1,151,253	
Current taxation	179,394	188,247	
Deferred tax liabilities	12,124	3,271	(3)
Other liabilities	9,206,405	9,206,402	
<i>of which: Debit valuation adjustments in respect of derivative contracts</i>		1,141	(19)
Loan capital	8,657,552	8,512,276	
<i>of which: Loan capital not eligible for inclusion in regulatory capital</i>		5,567,539	(4)
<i>Loan capital eligible for inclusion in regulatory capital</i>		2,326,122	(20)
Total Liabilities	199,131,889	198,986,610	
Equity			
Total equity attributable to equity shareholders of the Bank	17,176,017	17,341,542	
of which: Paid-in share capital	7,283,341	7,283,341	(5)
Share premium	282,930	282,930	(6)
Capital reserve	6,589	6,589	(7)
General reserve	100,000	100,000	(8)
Exchange differences reserve	140,901	140,901	(9)
Property revaluation reserve	67	67	(10)
Deferred taxation on property revaluation reserve	(12)	(12)	(11)
Investment revaluation reserve	(4,846)	(4,846)	(12)
Statutory reserve	38,349	38,349	(13)
Regulatory general reserve	149,500	149,500	(14)
Current year profit and loss	2,135,481	1,767,448	(15)
Retained earnings	7,043,717	7,577,275	(16)
<i>of which : Regulatory reserve earmarked</i>		1,816,253	(17)
<i>of which : Cumulative retained earnings for investment properties</i>		105,373	(18)
Total Equity and Liabilities	216,307,906	216,328,152	

Extract of Transition Disclosures Template (with added column)

At 31 December 2013

		Amounts subject to pre-BaseI treatment*	Cross reference to Regulatory Scope of Consolidation
	HK\$'000	HK\$'000	
CET1 capital: instruments and reserves			
1	Directly issued qualifying CET1 capital instruments plus any related share premium	7,566,271	(5) + (6)
2	Retained earnings	1,767,448	(15)
3	Disclosed reserves	8,007,823	(7) + (8) + (9) + [10] + (11) + (12) + (13) + (14) + (16)
4	Directly issued capital subject to phase out from CET1 capital (only applicable to non-joint stock companies)	Not applicable	
	Public sector capital injections grandfathered until 1 January 2018	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	17,341,542	
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	39,347	(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	1,141	(19)
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	1,921,693	
26a	Cumulative fair value gains arising from the revaluation of land and buildings (own-use and investment properties)	105,440	(10) + (18)
26b	Regulatory reserve for general banking risks	1,816,253	(17)
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	1,962,181	
29	CET1 capital	15,379,361	
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	0	
38	Reciprocal cross-holdings in AT1 capital instruments	0	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	0	
40	Significant capital investments in AT1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	0	0	
41	National specific regulatory adjustments applied to AT1 capital	0		
41a	Portion of deductions applied 50:50 to core capital and supplementary capital based on pre-Basel III treatment which, during transitional period, remain subject to deduction from Tier 1 capital	0		
i	of which: Excess of total EL amount over total eligible provisions under the IRB approach	0		
ii	of which: Capital shortfall of regulated non-bank subsidiaries	0		
iii	of which: Investments in own CET1 capital instruments	0		
iv	of which: Reciprocal cross holdings in CET1 capital instruments issued by financial sector entities	0		
v	of which: Capital investment in a connected company which is a commercial entity (amount above 15% of the reporting institution's capital base)	0		
vi	of which: 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		
vii	of which: Significant 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		
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)	15,379,361		
Tier 2 capital: instruments and provisions				
46	Qualifying Tier 2 capital instruments plus any related share premium	2,326,122		(20)
47	Capital instruments subject to phase out arrangements from Tier 2 capital	5,567,539		(4)
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	<i>of which: capital instruments issued by subsidiaries subject to phase out arrangements</i>	0		
50	Collective impairment allowances and regulatory reserve for general banking risks eligible for inclusion in Tier 2 capital	1,752,118		(1) + (17) x 82.208578%
51	Tier 2 capital before regulatory deductions	9,645,779		
Tier 2 capital: regulatory deductions				
52	Investments in own Tier 2 capital instruments	0	0	
53	Reciprocal cross-holdings in Tier 2 capital instruments	0	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	0	
55	Significant capital investments in Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	0	0	
56	National specific regulatory adjustments applied to Tier 2 capital	(47,448)		
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	(47,448)		[(10) + (18)] x 45%
56b	Portion of deductions applied 50:50 to core capital and supplementary capital based on pre-Basel III treatment which, during transitional period, remain subject to deduction from Tier 2 capital	0		
i	of which: Excess of total EL amount over total eligible provisions under the IRB approach	0		
ii	of which: Capital shortfall of regulated non-bank subsidiaries	0		
iii	of which: Investments in own CET1 capital instruments	0		
iv	of which: Reciprocal cross holdings in CET1 capital instruments issued by financial sector entities	0		
v	of which: Capital investment in a connected company which is a commercial entity (amount above 15% of the reporting institution's capital base)	0		
vi	of which: 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		
vii	of which: Significant 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		
57	Total regulatory deductions to Tier 2 capital	(47,448)		
58	Tier 2 capital	9,693,227		
59	Total capital (Total capital = Tier 1 + Tier 2)	25,072,588		

Abbreviations:

CET1: Common Equity Tier 1

AT1: Additional Tier 1