

China CITIC Bank International Limited

Illustration for the Balance Sheet Reconciliation  
At 30 June 2016

	Balance sheet as in published financial statements HK\$'000	Under regulatory scope of consolidation HK\$'000	Cross reference to Definition of Capital Components
<b>Assets</b>			
Cash and balances with banks, central banks and other financial institutions	26,418,115	26,418,115	
Placements with and advances to banks, central banks and other financial institutions	26,452,166	26,452,166	
Trading assets	3,899,833	3,899,833	
Loans and advances to customers and other accounts	182,973,363	182,984,884	
<i>of which : collective impairment allowances reflected in regulatory capital</i>		(346,997)	(1)
Available-for-sale securities	55,089,741	55,089,741	
Property and equipment			
- Investment property	185,707	185,707	
- Other property and equipment	660,185	660,185	
Tax recoverable	-	-	
Deferred tax assets	8,378	8,378	(2)
<b>Total Assets</b>	<b>295,687,488</b>	<b>295,699,009</b>	
<b>Liabilities</b>			
Deposits and balances of banks and other financial institutions	6,798,283	6,798,283	
Deposits from customers	227,193,053	227,193,053	
Trading liabilities	3,223,155	3,223,155	
<i>of which: Debit valuation adjustments in respect of derivative contracts</i>		5,607	(3)
Certificates of deposit issued	12,931,923	12,931,923	
Current taxation	98,908	98,908	
Deferred tax liabilities	17,614	17,614	
Other liabilities	9,410,147	9,410,147	
Loan capital	8,922,044	8,933,819	
<i>of which: Loan capital not eligible for inclusion in regulatory capital</i>		3,720,383	(14)
<i>Loan capital eligible for inclusion in regulatory capital</i>		2,328,451	(15)
<b>Total Liabilities</b>	<b>268,595,127</b>	<b>268,606,902</b>	
<b>Equity</b>			
Total equity attributable to equity shareholders of the Bank	<b>24,782,193</b>	<b>24,781,939</b>	
of which: Paid-in share capital	9,366,271	9,366,271	(4)
Other Reserves	436,007	436,007	(5)
<i>of which : Regulatory reserve of properties</i>	67	67	(6)
Retained earnings	14,979,915	14,979,661	(7)
<i>of which : Regulatory reserve earmarked</i>		2,606,402	(8)
<i>of which : Cumulative retained earnings for investment properties</i>		111,024	(9)
<i>of which : Losses due to changes in own credit risk on fair valued liabilities</i>		(404,730)	(10)
<i>of which :Valuation Adjustments</i>		3,233	(11)
<b>Additional equity instruments</b>	<b>2,310,168</b>	<b>2,310,168</b>	(12)
<i>of which : Transaction costs for additional equity instruments</i>		3,299	(13)
<b>Total Equity and Liabilities</b>	<b>295,687,488</b>	<b>295,699,009</b>	

Extract of Transition Disclosures Template (with added column)  
At 30 June 2016

			Amounts subject to pre-Basel III 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	9,366,271		(4)
2	Retained earnings	14,979,661		(7)
3	Disclosed reserves	436,007		(5)
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	24,781,939		
CET1 capital: regulatory deductions				
7	Valuation adjustments	3,233		(11)
8	Goodwill (net of associated deferred tax liability)	0		
9	Other intangible assets (net of associated deferred tax liability)	0	0	
10	Deferred tax assets net of deferred tax liabilities	8,378		(2)
11	Cash flow hedge reserve	0		
12	Excess of total EL amount over total eligible provisions under the IRB approach	0	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	(399,123)	0	(3) + (10)
15	Defined benefit pension fund net assets (net of associated deferred tax liabilities)	0	0	
16	Investments in own CET1 capital instruments (if not already netted off paid-in capital on reported balance sheet)	0	0	
17	Reciprocal cross-holdings in CET1 capital instruments	0	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	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	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	2,717,493		
26a	Cumulative fair value gains arising from the revaluation of land and buildings (own-use and investment properties)	111,091		(6)+(9)
26b	Regulatory reserve for general banking risks	2,606,402		(8)
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	0	
26f	Capital investment in a connected company which is a commercial entity (amount above 15% of the reporting institution's capital base)	0	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	2,329,981		
29	CET1 capital	22,451,958		
AT1 capital: instruments				
30	Qualifying AT1 capital instruments plus any related share premium	2,313,467		(12) + (13)
31	of which: classified as equity under applicable accounting standards	2,313,467		
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	2,313,467		

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	<b>Total regulatory deductions to AT1 capital</b>	0		
44	<b>AT1 capital</b>	2,313,467		
45	<b>Tier 1 capital (Tier 1 = CET1 + AT1)</b>	24,765,425		
Tier 2 capital: instruments and provisions				
46	Qualifying Tier 2 capital instruments plus any related share premium	2,328,451		(15)
47	Capital instruments subject to phase out arrangements from Tier 2 capital	3,720,383		(14)
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	2,350,552		[(1) + (8)] x 79.588027%
51	<b>Tier 2 capital before regulatory deductions</b>	8,399,386		
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	(49,991)		
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	(49,991)		[(6) + (9)] 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	<b>Total regulatory deductions to Tier 2 capital</b>	(49,991)		
58	<b>Tier 2 capital</b>	8,449,377		
59	<b>Total capital (Total capital = Tier 1 + Tier 2)</b>	33,214,802		

Abbreviations:

CET1: Common Equity Tier 1

AT1: Additional Tier 1