

HKCB Finance Limited**Leverage Ratio
At 31 December 2015****Summary Comparison Table**

	Item	Leverage ratio framework HK\$'000
1	Total consolidated assets as per published financial statements	6,345,395
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	-
3	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	-
4	Adjustments for derivative financial instruments	-
5	Adjustment for securities financing transactions (i.e. repos and similar secured lending)	-
6	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	-
7	Other adjustments	(1,407)
8	Leverage ratio exposure	6,343,988

Leverage Ratio Common Disclosure Template

	Item	Leverage ratio framework HK\$'000
On-balance sheet exposures		
1	On-balance sheet items (excluding derivatives and securities financing transactions ("SFTs"), but including collateral)	6,345,396
2	Less: Asset amounts deducted in determining Basel III Tier 1 capital (reported as negative amounts)	(1,408)
3	Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 and 2)	6,343,988
Derivative exposures		
4	Replacement cost associated with all derivatives transactions (i.e. net of eligible cash variation margin)	-
5	Add-on amounts for potential future exposure ("PFE") associated with all derivatives transactions	-
6	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework	-
7	Less: Deductions of receivables assets for cash variation margin provided in derivatives transactions (reported as negative amounts)	-
8	Less: Exempted central counterparty ("CCP") leg of client-cleared trade exposures (reported as negative amounts)	-
9	Adjusted effective notional amount of written credit derivatives	-
10	Less: Adjusted effective notional offsets and add-on deductions for written credit derivatives (reported as negative amounts)	-
11	Total derivative exposures (sum of lines 4 to 10)	-
Securities financing transaction exposures		
12	Gross SFT assets (with no recognition of netting), after adjusting for sales accounting transactions	-
13	Less: Netted amounts of cash payables and cash receivables of gross SFT assets (reported as negative amounts)	-
14	Counterparty credit risk ("CCR") exposure for SFT assets	-
15	Agent transactions exposures	-
16	Total securities financing transaction exposures (sum of lines 12 to 15)	-
Other off-balance sheet exposures		
17	Off-balance sheet exposure at gross notional amount	-
18	Less: Adjustments for conversion to credit equivalent amounts (reported as negative amounts)	-
19	Off-balance sheet items (sum of lines 17 and 18)	-
Capital and total exposures		
20	Tier 1 capital	632,303
21	Total exposures (sum of lines 3, 11, 16 and 19)	6,343,988
Leverage ratio		
22	Basel III leverage ratio	9.97%