



上海商業銀行

SHANGHAI COMMERCIAL BANK

LEVERAGE RATIO

As at 31st December 2015

65TH
Anniversary



SHANGHAI COMMERCIAL BANK LIMITED

(All amounts in HK dollar thousands unless otherwise stated)

Leverage Ratio

The leverage ratios represent the consolidated ratios computed in the same regulatory consolidation basis as the capital adequacy ratio. The table below presents the Summary Comparison Table as at 31st December 2015 and 2014.

		Leverage ratio framework	
	Item	2015	2014
1	Total consolidated assets as per published financial statements	159,613,282	152,468,513
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	(185,990)	(148,632)
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	534,655	154,172
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)	9,136,510	15,345,784
7	Other adjustments	(1,602,788)	(1,353,732)
8	Leverage ratio exposure	167,495,669	166,466,105

The Leverage Ratio Common Disclosure Template as at 31st December 2015 and 2014 is shown below:

		Leverage ratio framework	
	Item	2015	2014
On-balance sheet exposures			
1	On-balance sheet items (excluding derivatives and SFTs, but including collateral)	159,458,376	152,479,550
2	Less: Asset amounts deducted in determining Basel III Tier 1 capital (reported as negative amounts)	(1,858,584)	(1,615,644)
3	Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 and 2)	157,599,792	150,863,906
Derivative exposures			
4	Replacement cost associated with all derivatives transactions (i.e. net of eligible cash variation margin)	224,712	102,243
5	Add-on amounts for PFE associated with all derivatives transactions	534,655	154,172
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 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)	759,367	256,415
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	CCR exposure for SFT assets	–	–
15	Agent transaction exposures	–	–
16	Total securities financing transaction exposures (sum of lines 12 to 15)	–	–

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Leverage Ratio (Continued)

		Leverage ratio framework	
Item		2015	2014
Other off-balance sheet exposures			
17	Off-balance sheet exposure at gross notional amount	44,431,986	45,057,231
18	Less: Adjustments for conversion to credit equivalent amounts (reported as negative amounts)	(35,295,476)	(29,711,447)
19	Off-balance sheet items (sum of lines 17 and 18)	9,136,510	15,345,784
Capital and total exposures			
20	Tier 1 capital	20,432,487	19,832,199
21	Total exposures (sum of lines 3, 11, 16 and 19)	167,495,669	166,466,105
Leverage ratio			
22	Basel III leverage ratio	12.20%	11.91%

Abbreviations:

CCP = Central counterparty

CCR = Counterparty credit risk

PFE = Potential future exposure

SFT = Securities financing transactions