

Habib Bank Zurich (Hong Kong) Limited

Regulatory Disclosures
for the period ended 30 June 2018

Table of Content

1. Template OV1 : Overview of RWA
2. Template CR1 : Credit quality of exposures
3. Template CR2 : Changes in defaulted loans and debt securities
4. Template CR3 : Overview of recognized credit risk mitigation
5. Template CR4 : Credit risk exposures and effects of recognized credit risk mitigation – for BSC approach
6. Template CR5 : Credit risk exposures by asset classes and by risk weights – for BSC approach
7. Template CCR1 : Analysis of counterparty default risk exposures (other than those to CCPs) by approaches
8. Template CCR2 : CVA capital charge
9. Template CCR3 : Counterparty default risk exposures (other than those to CCPs) by asset classes and by risk weights – for BSC approach
10. Template CCR5 : Composition of collateral for counterparty default risk exposures (including those for contracts or transactions cleared through CCPs)
11. Template CCR6 : Credit-related derivatives contracts
12. Template CCR8 : Exposures to CCPs
13. Template SEC1 : Securitization exposures in banking book
14. Template SEC2 : Securitization exposures in trading book
15. Template SEC3 : Securitization exposures in banking book and associated capital requirements – where AI acts as originator
16. Template SEC4 : Securitization exposures in banking book and associated capital requirements – where AI acts as investor
17. Template KM1 : Key prudential ratios
18. Template CC1 : Composition of regulatory capital
19. Template CC2 : Reconciliation of regulatory capital to balance sheet
20. Template CCA : Main features of regulatory capital instruments
21. Template CCyB1 : Geographical distribution of credit exposures used in countercyclical capital buffer (“CCyB”)
22. Template LR1 : Summary comparison of accounting assets against leverage ratio (“LR”) exposure measure
23. Template LR2 : Leverage ratio (“LR”)

Template OV1: Overview of RWA

(HK\$'000)

		(a)	(b)	(c)
		RWA		Minimum capital requirements
		30-Jun-2018	31-Mar-2018	30-Jun-2018
1	Credit risk for non-securitization exposures	1,537,272	1,469,258	122,982
2	Of which STC approach			
2a	Of which BSC approach	1,537,272	1,469,258	122,982
3	Of which foundation IRB approach			
4	Of which supervisory slotting criteria approach			
5	Of which advanced IRB approach			
6	Counterparty default risk and default fund contributions	179	178	14
7	Of which SA-CCR*			
7a	Of which CEM	179	178	14
8	Of which IMM(CCR) approach			
9	Of which others			
10	CVA risk	0	0	0
11	Equity positions in banking book under the simple risk-weight method and internal models method			
12	Collective investment scheme ("CIS") exposures – LTA*			
13	CIS exposures – MBA*			
14	CIS exposures – FBA*			
14a	CIS exposures – combination of approaches*			
15	Settlement risk			
16	Securitization exposures in banking book			
17	Of which SEC-IRBA			
18	Of which SEC-ERBA			
19	Of which SEC-SA			
19a	Of which SEC-FBA			
20	Market risk			
21	Of which STM approach			
22	Of which IMM approach			
23	Capital charge for switch between exposures in trading book and banking book (not applicable before the revised market risk framework takes effect)*			
24	Operational risk	183,400	181,400	14,672
25	Amounts below the thresholds for deduction (subject to 250% RW)			
26	Capital floor adjustment			
26a	Deduction to RWA	21,543	21,167	1,723
26b	Of which portion of regulatory reserve for general banking risks and collective provisions which is not included in Tier 2 Capital	15,359	14,983	1,229
26c	Of which portion of cumulative fair value gains arising from the revaluation of land and buildings which is not included in Tier 2 Capital	6,184	6,184	494
27	Total	1,699,308	1,629,669	135,945

Template CR1: Credit quality of exposures

(HK\$'000)

		(a)	(b)	(c)	(d)
		Gross carrying amounts of		Allowances / impairments	Net values
		Defaulted exposures	Non-defaulted exposures		
1	Loans	6,846	1,302,630	18,519	1,290,957
2	Debt securities	-	498,181	53	498,128
3	Off-balance sheet exposures	337	319,025	616	318,746
4	Total	7,183	2,119,836	19,188	2,107,831

Template CR2: Changes in defaulted loans and debt securities

(HK\$'000)

		(a)
		Amount
1	Defaulted loans and debt securities at end of the previous reporting period	28,968
2	Loans and debt securities that have defaulted since the last reporting period	8,509
3	Returned to non-defaulted status	(13,024)
4	Amounts written off	(17,607)
5	Other changes	-
6	Defaulted loans and debt securities at end of the current reporting period	6,846

Template CR3: Overview of recognized credit risk mitigation

(HK\$'000)

		(a)	(b1)	(b)	(d)	(f)
		Exposures unsecured: carrying amount	Exposures to be secured	Exposures secured by recognized collateral	Exposures secured by recognized guarantees	Exposures secured by recognized credit derivative contracts
1	Loans	151,838	1,138,451	881,923	-	-
2	Debt securities	498,181	-	-	-	-
3	Total	650,019	1,138,451	881,923	-	-
4	Of which defaulted	-	6,795	6,795	-	-

Template CR4: Credit risk exposures and effects of recognized credit risk mitigation – for BSC approach

(HK\$'000)

Version for AIs using BSC approach (“BSC version”)

	Exposure classes	(a)	(b)	(c)	(d)	(e)	(f)
		Exposures pre-CCF and pre-CRM		Exposures post-CCF and post-CRM		RWA and RWA density	
		On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
1	Sovereign exposures	7,912	-	7,912	-	7,912	100%
2	PSE exposures	-	-	-	-	-	N/A
3	Multilateral development bank exposures	-	-	-	-	-	N/A
4	Bank exposures	659,997	119,364	659,997	6,597	158,620	24%
5	Cash items	184,904	-	184,904	-	-	0%
6	Exposures in respect of failed delivery on transactions entered into on a basis other than a delivery-versus-payment basis	-	-	-	-	-	N/A
7	Residential mortgage loans	-	-	-	-	-	N/A
8	Other exposures	1,323,787	1,861,378	1,323,787	58,184	1,370,919	99%
9	Significant exposures to commercial entities	-	-	-	-	-	N/A
10	Total	2,176,600	1,980,742	2,176,600	64,781	1,537,451	69%

Template CR5: Credit risk exposures by asset classes and by risk weights – for BSC approach

(HK\$'000)

Version for AIs using BSC approach (“BSC version”)

	Exposure class	Risk Weight								(i) Total credit risk exposures amount (post CCF and post CRM)
		(a) 0%	(b) 10%	(c) 20%	(d) 35%	(e) 50%	(f) 100%	(g) 250%	(h) Others	
1	Sovereign exposures	-	-	-	-	-	7,912	-	-	7,912
2	PSE exposures	-	-	-	-	-	-	-	-	-
3	Multilateral development bank exposures	-	-	-	-	-	-	-	-	-
4	Bank exposures	-	-	634,964	-	-	31,630	-	-	666,594
5	Cash items	184,904	-	-	-	-	-	-	-	184,904
6	Exposures in respect of failed delivery on transactions entered into on a basis other than a delivery-versus-payment basis	-	-	-	-	-	-	-	-	-
7	Residential mortgage loans	-	-	-	-	-	-	-	-	-
8	Other exposures	11,052	-	-	-	-	1,370,919	-	-	1,381,971
9	Significant exposures to commercial entities	-	-	-	-	-	-	-	-	-
10	Total	195,956	-	634,964	-	-	1,410,461	-	-	2,241,381

Template CCR1: Analysis of counterparty default risk exposures (other than those to CCPs) by approaches

(HK\$'000)

		(a)	(b)	(c)	(d)	(e)	(f)
		Replacement cost (RC)	PFE	Effective EPE	Alpha (α) used for computing default risk exposure	Default risk exposure after CRM	RWA
1	SA-CCR (for derivative contracts)	0	0		0	0	0
1a	CEM	0	909		-	909	179
2	IMM (CCR) approach			0	0	0	0
3	Simple Approach (for SFTs)					0	0
4	Comprehensive Approach (for SFTs)					0	0
5	VaR (for SFTs)					0	0
6	Total						179

Template CCR2: CVA capital charge

		(a)	(b)
		EAD post CRM	RWA
	Netting sets for which CVA capital charge is calculated by the advanced CVA method	0	0
1	(i) VaR (after application of multiplication factor if applicable)		0
2	(ii) Stressed VaR (after application of multiplication factor if applicable)		0
3	Netting sets for which CVA capital charge is calculated by the standardized CVA method	0	0
4	Total	0	0

Template CCR3: Counterparty default risk exposures (other than those to CCPs) by asset classes and by risk weights – for BSC approach

(HK\$'000)

Version for AIs using the BSC approach (“BSC version”)

	Exposure class	Risk Weight								Total default risk exposure after CRM
		(a) 0%	(b) 10%	(c) 20%	(ca) 35%	(d) 50%	(f) 100%	(ga) 250%	(h) Others	
1	Sovereign exposures	-	-	-	-	-	-	-	-	-
2	PSE exposures	-	-	-	-	-	-	-	-	-
3	Multilateral development bank exposures	-	-	-	-	-	-	-	-	-
4	Bank exposures	-	-	909	-	-	-	-	-	909
5	CIS exposures	-	-	-	-	-	-	-	-	-
6	Other exposures	-	-	-	-	-	-	-	-	-
7	Significant exposures to commercial entities	-	-	-	-	-	-	-	-	-
8	Total	-	-	909	-	-	-	-	-	909

Template CCR5: Composition of collateral for counterparty default risk exposures (including those for contracts or transactions cleared through CCPs)

	(a)	(b)	(c)	(d)	(e)	(f)
	Derivative contracts				SFTs	
	Fair value of recognized collateral received		Fair value of posted collateral		Fair value of recognized collateral received	Fair value of posted collateral
	Segregated	Unsegregated	Segregated	Unsegregated		
Cash - domestic currency	-	-	-	-	-	-
Cash - other currencies	-	-	-	-	-	-
Domestic sovereign debt	-	-	-	-	-	-
Other sovereign debt	-	-	-	-	-	-
Government agency debt	-	-	-	-	-	-
Corporate bonds	-	-	-	-	-	-
Equity securities	-	-	-	-	-	-
Other collateral	-	-	-	-	-	-
Total	-	-	-	-	-	-

Template CCR6: Credit-related derivatives contracts

	(a)	(b)
	Protection bought	Protection sold
Notional amounts		
Single-name credit default swaps	-	-
Index credit default swaps	-	-
Total return swaps	-	-
Credit-related options	-	-
Other credit-related derivative contracts	-	-
Total notional amounts	-	-
Fair values		
Positive fair value (asset)	-	-
Negative fair value (liability)	-	-

Template CCR8: Exposures to CCPs

		(a)	(b)
		Exposure after CRM	RWA
1	Exposures of the AI as clearing member or client to qualifying CCPs (total)		-
2	Default risk exposures to qualifying CCPs (excluding items disclosed in rows 7 to 10), of which:	-	-
3	(i) OTC derivative transactions	-	-
4	(ii) Exchange-traded derivative contracts	-	-
5	(iii) Securities financing transactions	-	-
6	(iv) Netting sets subject to valid cross-product netting agreements	-	-
7	Segregated initial margin	-	
8	Unsegregated initial margin	-	-
9	Funded default fund contributions	-	-
10	Unfunded default fund contributions	-	-
11	Exposures of the AI as clearing member or client to non-qualifying CCPs (total)		-
12	Default risk exposures to non-qualifying CCPs (excluding items disclosed in rows 17 to 20), of which:	-	-
13	(i) OTC derivative transactions	-	-
14	(ii) Exchange-traded derivative contracts	-	-
15	(iii) Securities financing transactions	-	-
16	(iv) Netting sets subject to valid cross-product netting agreements	-	-
17	Segregated initial margin	-	
18	Unsegregated initial margin	-	-
19	Funded default fund contributions	-	-
20	Unfunded default fund contributions	-	-

Template KM1: Key prudential ratios

(HK\$'000)

	(a)	(b)	(c)	(d)	(e)	
	30-Jun-2018	31-Mar-2018	31-Dec-2017	30-Sep-2017	30-Jun-2017	
Regulatory capital (amount)						
1	Common Equity Tier 1 (CET1)	512,591	506,999	523,396	516,915	510,329
2	Tier 1	512,591	506,999	523,396	516,915	510,329
3	Total capital	536,869	530,427	546,675	540,339	534,176
RWA (amount)						
4	Total RWA	1,699,308	1,629,669	1,621,940	1,636,591	1,674,541
Risk-based regulatory capital ratios (as a percentage of RWA)						
5	CET1 ratio (%)	30.16%	31.11%	32.27%	31.58%	30.48%
6	Tier 1 ratio (%)	30.16%	31.11%	32.27%	31.58%	30.48%
7	Total capital ratio (%)	31.59%	32.55%	33.71%	33.02%	31.90%
Additional CET1 buffer requirements (as a percentage of RWA)						
8	Capital conservation buffer requirement (%)	1.875%	1.875%	1.250%	1.250%	1.250%
9	Countercyclical capital buffer requirement (%)	1.589%	1.603%	1.063%	1.053%	1.076%
10	Higher loss absorbency requirements (%) (applicable only to G-SIBs or D-SIBs)	N/A	N/A	N/A	N/A	N/A
11	Total AI-specific CET1 buffer requirements (%)	3.464%	3.478%	2.313%	2.303%	2.326%
12	CET1 available after meeting the AI's minimum capital requirements (%)	18.343%	19.298%	20.455%	19.766%	18.650%
Basel III leverage ratio						
13	Total leverage ratio (LR) exposure measure	2,398,161	2,376,684	2,401,991	2,420,498	2,382,061
14	LR (%)	21.37%	21.33%	21.79%	21.36%	21.42%
Liquidity Coverage Ratio (LCR) / Liquidity Maintenance Ratio (LMR)						
	Applicable to category 1 institution only:					
15	Total high quality liquid assets (HQLA)	N/A	N/A	N/A	N/A	N/A
16	Total net cash outflows	N/A	N/A	N/A	N/A	N/A
17	LCR (%)	N/A	N/A	N/A	N/A	N/A
	Applicable to category 2 institution only:					
17a	LMR (%)	87.76%	79.89%	88.75%	96.01%	81.11%
Net Stable Funding Ratio (NSFR) / Core Funding Ratio (CFR)						
	Applicable to category 1 institution only:					
18	Total available stable funding	N/A	N/A	N/A	N/A	N/A
19	Total required stable funding	N/A	N/A	N/A	N/A	N/A
20	NSFR (%)	N/A	N/A	N/A	N/A	N/A
	Applicable to category 2A institution only:					
20a	CFR (%)	N/A	N/A	N/A	N/A	N/A

Template CC1: Composition of regulatory capital

(HK\$'000)		(a)	(b)
		Amount	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
CET1 capital: instruments and reserves			
1	Directly issued qualifying CET1 capital instruments plus any related share premium	300,000	(4)
2	Retained earnings	217,386	(9)
3	Disclosed reserves	26,463	(5)+(6)+(8)
4	<i>Directly issued capital subject to phase-out arrangements from CET1 (only applicable to non-joint stock companies)</i>	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 adjustments	543,849	
CET1 capital: regulatory deductions			
7	Valuation adjustments	0	
8	Goodwill (net of associated deferred tax liabilities)	0	
9	Other intangible assets (net of associated deferred tax liabilities)	0	
10	Deferred tax assets (net of associated deferred tax liabilities)	4,014	(3)
11	Cash flow hedge reserve	0	
12	Excess of total EL amount over total eligible provisions under the IRB approach	0	
13	Credit-enhancing interest-only strip, and any gain-on-sale and other increase in the CET1 capital arising from securitization transactions	0	
14	Gains and losses due to changes in own credit risk on fair valued liabilities	0	
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 (net of associated deferred tax liabilities)	Not applicable	
21	Deferred tax assets arising from temporary differences (net of associated deferred tax liabilities)	Not applicable	
22	Amount exceeding the 15% threshold	Not applicable	

		(a)	(b)
		Amount	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
23	of which: significant investments in the ordinary share 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	27,244	
26a	Cumulative fair value gains arising from the revaluation of land and buildings (own-use and investment properties)	11,244	(5)
26b	Regulatory reserve for general banking risks	16,000	(6)
26c	Securitization exposures specified in a notice given by the MA	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	31,258	
29	CET1 capital	512,591	
	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	<i>Capital instruments subject to phase-out arrangements from AT1 capital</i>	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	<i>of which: AT1 capital instruments issued by subsidiaries subject to phase-out arrangements</i>	0	
36	AT1 capital before regulatory deductions	0	
	AT1 capital: regulatory deductions		
37	Investments in own AT1 capital instruments	0	
38	Reciprocal cross-holdings in AT1 capital instruments	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	
40	Significant capital investments in AT1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	0	
41	National specific regulatory adjustments applied to AT1 capital	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	

		(a)	(b)
		Amount	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
44	AT1 capital	0	
45	Tier 1 capital (T1 = CET1 + AT1)	512,591	
	Tier 2 capital: instruments and provisions		
46	Qualifying Tier 2 capital instruments plus any related share premium	0	
47	<i>Capital instruments subject to phase-out arrangements from Tier 2 capital</i>	0	
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 provisions and regulatory reserve for general banking risks eligible for inclusion in Tier 2 capital	19,218	(1)+(2)+(7)
51	Tier 2 capital before regulatory deductions	19,218	
	Tier 2 capital: regulatory deductions		
52	Investments in own Tier 2 capital instruments	0	
53	Reciprocal cross-holdings in Tier 2 capital instruments	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	
55	Significant capital investments in Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (net of eligible short positions)	0	
56	National specific regulatory adjustments applied to Tier 2 capital	(5,060)	
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	(5,060)	(5) x 45%
57	Total regulatory adjustments to Tier 2 capital	(5,060)	
58	Tier 2 capital (T2)	24,278	
59	Total regulatory capital (TC = T1 + T2)	536,869	
60	Total RWA	1,699,308	
	Capital ratios (as a percentage of RWA)		
61	CET1 capital ratio	30.16%	
62	Tier 1 capital ratio	30.16%	
63	Total capital ratio	31.59%	
64	Institution-specific buffer requirement (capital conservation buffer plus countercyclical capital buffer plus higher loss absorbency requirements)	3.464%	
65	of which: capital conservation buffer requirement	1.875%	
66	of which: bank specific countercyclical capital buffer requirement	1.589%	
67	of which: higher loss absorbency requirement	0.00%	

		(a)	(b)
		Amount	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
68	CET1 (as a percentage of RWA) available after meeting minimum capital requirements	18.343%	
	National minima (if different from Basel 3 minimum)		
69	National CET1 minimum ratio	Not applicable	
70	National Tier 1 minimum ratio	Not applicable	
71	National Total capital minimum ratio	Not applicable	
	Amounts below the thresholds for deduction (before risk weighting)		
72	Insignificant capital investments in CET1, AT1 and Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	0	
73	Significant capital investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	0	
74	Mortgage servicing rights (net of associated deferred tax liabilities)	Not applicable	
75	Deferred tax assets arising from temporary differences (net of associated deferred tax liabilities)	Not applicable	
	Applicable caps on the inclusion of provisions in Tier 2 capital		
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to the BSC approach, or the STC approach and SEC-ERBA, SEC-SA and SEC-FBA (prior to application of cap)	34,577	
77	Cap on inclusion of provisions in Tier 2 under the BSC approach, or the STC approach, and SEC-ERBA, SEC-SA and SEC-FBA	19,218	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to the IRB approach and SEC-IRBA (prior to application of cap)	Not applicable	
79	Cap for inclusion of provisions in Tier 2 under the IRB approach and SEC-IRBA	Not applicable	
	Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2018 and 1 Jan 2022)		
80	<i>Current cap on CET1 capital instruments subject to phase-out arrangements</i>	Not applicable	
81	<i>Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)</i>	Not applicable	
82	<i>Current cap on AT1 capital instruments subject to phase-out arrangements</i>	0	
83	<i>Amount excluded from AT1 capital due to cap (excess over cap after redemptions and maturities)</i>	0	
84	<i>Current cap on Tier 2 capital instruments subject to phase-out arrangements</i>	0	
85	<i>Amount excluded from Tier 2 capital due to cap (excess over cap after redemptions and maturities)</i>	0	

Template CC2: Reconciliation of regulatory capital to balance sheet

(HK\$'000)

	(a)	(b)	(c)
	Balance sheet as in published financial statements (as at 30-Jun-2018)	Under regulatory scope of consolidation (as at 30-Jun-2018)	Reference
Assets			
Cash and short-term funds with banks	219,425	219,425	
Placements with banks maturing between one and twelve months	35,234	35,234	
Investments	498,128	498,128	
Of which: measured at amortised cost	351,689	351,689	
Of which: measured at fair value through other comprehensives income	146,439	146,439	
Trade bills	546,630	546,630	
Of which: stages 1 and 2 expected credit loss	(1,225)	(1,225)	
<i>Of which: collective impairment allowances reflected in regulatory capital</i>		(707)	(1)
Advances to customers	744,327	744,327	
Of which: stage 3 expected credit loss	(632)	(632)	
Of which: stages 1 and 2 expected credit loss	(16,662)	(16,662)	
<i>Of which: collective impairment allowances reflected in regulatory capital</i>		(9,618)	(2)
Deferred tax assets	4,014	4,014	(3)
Fixed assets	104,748	104,748	
Other assets	32,803	32,803	
Total assets	2,185,309	2,184,309	
Liabilities			
Deposits and balance from banks	59,749	59,749	
Deposits from customers	1,280,989	1,280,989	
Other liabilities	300,722	300,722	
Total liabilities	1,641,460	1,641,460	
Shareholders' equity			
Share capital	300,000	300,000	(4)
Reserves	243,849	243,849	
Of which: Property revaluation reserve	11,244	11,244	(5)
Of which: Regulatory reserve not eligible for inclusion in regulatory capital	16,000	16,000	(6)
<i>Of which: Regulatory reserve reflected in regulatory capital</i>		8,893	(7)
Of which: Available-for-sale financial assets revaluation reserve	(781)	(781)	(8)
Of which: Retained profits	217,386	217,386	(9)
Total shareholders' equity	543,849	543,849	
Total equity and liabilities	2,185,309	2,185,309	

Table CCA: Main features of regulatory capital instruments

		(a)
		Quantitative / qualitative information
1	Issuer	Habib Bank Zurich (Hong Kong) Limited
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	NA
3	Governing law(s) of the instrument	Hong Kong
	<i>Regulatory treatment</i>	
4	Transitional Basel III rules	NA
5	Post-transitional Basel III rules	Common Equity Tier 1
6	Eligible at solo / group / solo and group	Solo
7	Instrument type (types to be specified by each jurisdiction)	Ordinary shares
8	Amount recognised in regulatory capital (currency in millions, as of most recent reporting date)	HK\$300
9	Par value of instrument	NA
10	Accounting classification	Shareholders' equity
11	Original date of issuance	22 May 1979
12	Perpetual or dated	Perpetual
13	Original maturity date	No maturity
14	Issuer call subject to prior supervisory approval	No
15	Optional call date, contingent call dates and redemption amount	NA
16	Subsequent call dates, if applicable	NA
	<i>Coupons / dividends</i>	
17	Fixed or floating dividend / coupon	Floating
18	Coupon rate and any related index	NA
19	Existence of a dividend stopper	No
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary
21	Existence of step-up or other incentive to redeem	No
22	Non-cumulative or cumulative	Non-cumulative
23	Convertible or non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	NA
25	If convertible, fully or partially	NA
26	If convertible, conversion rate	NA
27	If convertible, mandatory or optional conversion	NA
28	If convertible, specify instrument type convertible into	NA
29	If convertible, specify issuer of instrument it converts into	NA
30	Write-down feature	No
31	If write-down, write-down trigger(s)	NA
32	If write-down, full or partial	NA
33	If write-down, permanent or temporary	NA
34	If temporary write-down, description of write-up mechanism	NA
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument in the insolvency creditor hierarchy of the legal entity concerned).	NA
36	Non-compliant transitioned features	No
37	If yes, specify non-compliant features	NA

Template CCyB1: Geographical distribution of credit exposures used in countercyclical capital buffer ("CCyB")

(HK\$'000)

		(a)	(c)	(d)	(e)
	Geographical breakdown by Jurisdiction (J)	Applicable JCCyB ratio in effect (%)	RWA used in computation of CCyB ratio	AI-specific CCyB ratio (%)	CCyB amount
1	Hong Kong SAR	1.875%	879,131		
2	Mainland China	0.000%	53,238		
3	India	0.000%	8,242		
4	Japan	0.000%	6,001		
5	Malaysia	0.000%	8,102		
6	Seychelles	0.000%	27,725		
7	Singapore	0.000%	6,110		
8	South Korea	0.000%	23,564		
9	Turkey	0.000%	7,922		
10	United Arab Emirates	0.000%	11,244		
11	United States	0.000%	5,929		
12	West Indies UK	0.000%	385		
13	Total		1,037,593	1.589%	16,487

Template LR1: Summary comparison of accounting assets against leverage ratio (“LR”) exposure measure

		(a)
	Item	Value under the LR framework (HK\$'000 equivalent)
1	Total consolidated assets as per published financial statements	2,185,309
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 applicable accounting standard but excluded from the LR exposure measure	-
4	Adjustments for derivative contracts	909
5	Adjustment for SFTs (i.e. repos and similar secured lending)	-
6	Adjustment for off-balance sheet (“OBS”) items (i.e. conversion to credit equivalent amounts of OBS exposures)	220,918
6a	Adjustment for specific and collective provisions that are allowed to be excluded from exposure measure	-
7	Other adjustments	(8,975)
8	Leverage ratio exposure measure	2,398,161

Template LR2: Leverage ratio ("LR")

		(a)	(b)
		HK\$'000 equivalent	
		30-Jun-2018	31-Mar-2018
On-balance sheet exposures			
1	On-balance sheet exposures (excluding those arising from derivative contracts and SFTs, but including collateral)	2,180,348	2,157,932
2	Less: Asset amounts deducted in determining Tier 1 capital	(4,014)	(3,995)
3	Total on-balance sheet exposures (excluding derivative contracts and SFTs)	2,176,334	2,153,937
Exposures arising from derivative contracts			
4	Replacement cost associated with all derivative contracts (where applicable net of eligible cash variation margin and/or with bilateral netting)	-	-
5	Add-on amounts for PFE associated with all derivative contracts	909	892
6	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the applicable accounting framework	-	-
7	Less: Deductions of receivables assets for cash variation margin provided under derivative contracts	-	-
8	Less: Exempted CCP leg of client-cleared trade exposures	-	-
9	Adjusted effective notional amount of written credit derivative contracts	-	-
10	Less: Adjusted effective notional offsets and add-on deductions for written credit derivative contracts	-	-
11	Total exposures arising from derivative contracts	909	892
Exposures arising from SFTs			
12	Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	-	-
13	Less: Netted amounts of cash payables and cash receivables of gross SFT assets	-	-
14	CCR exposure for SFT assets	-	-
15	Agent transaction exposures	-	-
16	Total exposures arising from SFTs	-	-
Other off-balance sheet exposures			
17	Off-balance sheet exposure at gross notional amount	1,889,820	1,834,879
18	Less: Adjustments for conversion to credit equivalent amounts	(1,668,902)	(1,613,024)
19	Off-balance sheet items	220,918	221,855
Capital and total exposures			
20	Tier 1 capital	512,591	506,999
20a	Total exposures before adjustments for specific and collective provisions	2,398,161	2,376,684
20b	Adjustments for specific and collective provisions	-	-
21	Total exposures after adjustments for specific and collective provisions	2,398,161	2,376,684
Leverage ratio			
22	Leverage ratio	21.37%	21.33%