

OCBC Group
Regulatory Capital Position
As at 31 March 2016

S\$'m

	Amount	Amount subject to Pre-Basel III Treatment	Source
Common Equity Tier 1 capital: instruments and reserves			
1 Paid-up ordinary shares and share premium (if applicable)	13,518		a
2 Retained earnings	19,200		d
3 Accumulated other comprehensive income and other disclosed reserves	945		e
4 Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)			
5 Minority interest that meets criteria for inclusion	195	(40)	g
Common Equity Tier 1 capital before regulatory adjustments	33,857		
Common Equity Tier 1 capital: regulatory adjustments			
7 Valuation adjustment pursuant to Part VIII of MAS Notice 637	2		i
8 Goodwill, net of associated deferred tax liability	2,556	1,704	v
9 Intangible assets, net of associated deferred tax liability	448	299	w-l
10 Deferred tax assets that rely on future profitability	140	94	t
11 Cash flow hedge reserve	-	-	
12 Shortfall of TEP relative to EL under IRBA	-	-	
13 Increase in equity capital resulting from securitisation transactions	-	-	
14 Unrealised fair value gains/losses on financial liabilities and derivative liabilities arising from changes in own credit risk	-	-	
15 Defined benefit pension fund assets, net of associated deferred tax liability	-	-	
16 Investments in own shares	6		p
17 Reciprocal cross-holdings in ordinary shares of financial institutions	-		
18 Capital investments in ordinary shares of unconsolidated financial institutions in which Reporting Bank does not hold a major stake	-		
19 Investments in ordinary shares of unconsolidated major stake companies approved under s32 of Banking Act (including insurance subsidiaries) (amount above 10% threshold)	2,859	1,906	(q+u) - 3,070 ¹
20 Mortgage servicing rights (amount above 10% threshold)	-		
21 Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	-		
22 Amount exceeding the 15% threshold	-		
23 of which: investments in ordinary shares of unconsolidated major stake companies approved under s32 of Banking Act (including insurance subsidiaries)	-		
24 of which: mortgage servicing rights	-		
25 of which: deferred tax assets arising from temporary differences	-		
26 National specific regulatory adjustments	-		
26A PE/VC investments in the form of ordinary shares, in excess of 20% of such capital investments	-	-	
26B PE/VC investments held beyond the relevant holding periods set out in MAS Notice 630	-	-	
26C Capital deficits in subsidiaries and associates that are regulated financial institutions	-	-	
26D Any other items which the Authority may specify	-		
27 Regulatory adjustments applied in calculation of CET1 Capital due to insufficient AT1 Capital to satisfy required deductions	-		
28 Total regulatory adjustments to CET1 Capital	6,012		
29 Common Equity Tier 1 capital (CET1)	27,846		
Additional Tier 1 capital: instruments			
30 AT1 capital instruments and share premium (if applicable)	499		c
31 of which: classified as equity under the Accounting Standards	499		
32 of which: classified as liabilities under the Accounting Standards	-		
33 Transitional: Ineligible capital instruments (pursuant to paragraphs 6.5.3 and 6.5.4)	2,499		b+f
34 AT1 capital instruments issued by fully-consolidated subsidiaries that meet criteria for inclusion	108		h+k
35 of which: instruments issued by subsidiaries subject to phase out	83		k
36 Additional Tier 1 capital before regulatory adjustments	3,107		
Additional Tier 1 capital: regulatory adjustments			
37 Investments in own AT1 capital instruments	-		
38 Reciprocal cross-holdings in AT1 capital instruments of financial institutions	-		
39 Capital investments in AT1 capital instruments of unconsolidated financial institutions in which Reporting Bank does not hold a major stake	-		
40 Investments in AT1 capital instruments of unconsolidated major stake companies approved under s32 of Banking Act (including insurance subsidiaries)	-	-	
41 National specific regulatory adjustments	2,096		
41A PE/VC investments in the form of AT1 capital instruments, in excess of 20% of such capital investments	-	-	
41B Any other items which the Authority may specify	-		
41C Regulatory adjustments applied to AT1 Capital in respect of amounts subject to pre-Basel III treatment	2,096		
of which: Goodwill, net of associated deferred tax liability	1,704		
of which: Intangible assets, net of associated deferred tax liability	299		
of which: Deferred tax assets that rely on future profitability	94		
of which: Cash flow hedge reserve	-		
of which: Increase in equity resulting from securitisation transactions	-		
of which: Unrealised fair value gains/losses on financial liabilities and derivative liabilities arising from changes in own credit risk	-		
of which: Shortfall of TEP relative to EL under IRBA	-		
of which: PE/VC investments in the form of ordinary shares, in excess of 20% of such capital investments	-		
of which: PE/VC investments held beyond the relevant holding periods set out in MAS Notice 630	-		
of which: Capital deficits in subsidiaries and associates that are regulated financial institutions	-		
of which: Investments in ordinary shares of unconsolidated major stake companies approved under s32 of Banking Act (incl insurance subsidiaries)	-		
of which: PE/VC investments in the form of Tier 2 capital instruments, in excess of 20% of such capital investments	-		
of which: Investments in Tier 2 capital instruments of unconsolidated major stake companies approved under s32 of Banking Act (incl insurance subsidiaries)	-		
42 Regulatory adjustments applied in calculation of AT1 Capital due to insufficient Tier 2 Capital to satisfy required deductions	-		
43 Total regulatory adjustments to Additional Tier 1 capital	2,096		
44 Additional Tier 1 capital (AT1)	1,011		
Tier 1 capital (T1 = CET1 + AT1)	28,856		

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Regulatory Capital Position
As at 31 March 2016

S\$'m

	Amount	Amount subject to Pre-Basel III Treatment	Source
Tier 2 capital: instruments and provisions			
46 Tier 2 capital instruments and share premium (if applicable)	2,843		I
47 Transitional: Ineligible capital instruments (pursuant to paragraphs 6.5.3 and 6.5.4)	2,033		m
48 Tier 2 capital instruments issued by fully-consolidated subsidiaries that meet criteria for inclusion	269		n
49 of which: instruments issued by subsidiaries subject to phase out	267		
50 Provisions	865		o
51 Tier 2 capital before regulatory adjustments	6,009		
Tier 2 capital: regulatory adjustments			
52 Investments in own Tier 2 Instruments	-		
53 Reciprocal cross-holdings in Tier 2 capital instruments of financial institutions	-		
54 Capital investments in Tier 2 capital instruments of unconsolidated financial institutions in which Reporting Bank does not hold a major stake	-		
55 Investments in Tier 2 capital instruments of unconsolidated major stake companies approved under s32 of Banking Act (including insurance subsidiaries)	-	-	
56 National specific regulatory adjustments	1,906		
56A PE/VC investments in the form of Tier 2 capital instruments, in excess of 20% of such capital investments	-	-	
56B Any other items which the Authority may specify	-		
56C Regulatory adjustments applied to Tier 2 Capital in respect of amounts subject to pre-Basel III treatment	1,906		
of which: Shortfall of TEP relative to FL under IRBA	-		
of which: PE/VC investments in the form of ordinary shares, in excess of 20% of such capital investments	-		
of which: PE/VC investments held beyond the relevant holding periods set out in MAS Notice 630	-		
of which: Capital deficits in subsidiaries and associates that are regulated financial institutions	-		
of which: Investments in ordinary shares of unconsolidated major stake companies approved under s32 of Banking Act (incl insurance subsidiaries)	1,906		
of which: PE/VC investments in the form of AT1 capital instruments, in excess of 20% of such capital investments	-		
of which: Investments in AT1 capital instruments of unconsolidated major stake companies approved under s32 of Banking Act (incl insurance subsidiaries)	-		
57 Total regulatory adjustments to Tier 2 capital	1,906		
58 Tier 2 capital (T2)	4,103		
59 Total capital (TC = T1 + T2)	32,960		
60 Total risk weighted assets	189,940		
Capital ratios (as a percentage of risk weighted assets)			
61 Common Equity Tier 1 CAR	14.6%		
62 Tier 1 CAR	15.1%		
63 Total CAR	17.3%		
64 Bank-specific buffer requirement	7.2%		
65 of which: capital conservation buffer requirement	0.6%		
66 of which: bank specific countercyclical buffer requirement	0.1%		Refer to note ²
67 of which: G-SIB buffer requirement (if applicable)	0.0%		
68 Common Equity Tier 1 available to meet buffers	7.3%		
National minima			
69 Minimum CET1 CAR	6.5%		
70 Minimum Tier 1 CAR	8.0%		
71 Minimum Total CAR	10.0%		
Amounts below the thresholds for deduction (before risk weighting)			
72 Investments in ordinary shares, AT1 capital and Tier 2 capital of unconsolidated financial institutions in which the bank does not hold a major stake	958		r+s
73 Investments in ordinary shares of unconsolidated major stake companies approved under s32 of Banking Act (including insurance subsidiaries)	3,070		Refer to note ¹
74 Mortgage servicing rights (net of related tax liability)			
75 Deferred tax assets arising from temporary differences (net of related tax liability)			
Applicable caps on the inclusion of provisions in Tier 2			
76 Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	686		
77 Cap on inclusion of provisions in Tier 2 under standardised approach	601		
78 Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	264		
79 Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	562		
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2013 and 1 Jan 2022)			
80 Current cap on CET1 instruments subject to phase out arrangements			
81 Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)			
82 Current cap on AT1 instruments subject to phase out arrangements	2,973		
83 Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	42		
84 Current cap on T2 instruments subject to phase out arrangements	2,696		
85 Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	-		

¹ The investments in the ordinary shares of unconsolidated major stake companies within the prescribed threshold amount in accordance with MAS Notice 637 paragraph 6.1.3 (p)(iii).

² The effective country-specific countercyclical buffer requirement for Hong Kong and Sweden was 0.625%. The weighting applicable for Hong Kong and Sweden were 12.1% and less than 0.1% respectively.