The table below discloses HBSC Bank (Singapore) Limited's ("the Bank") regulatory capital, Capital Adequacy Ratios ("CAR") and Leverage Ratio. The CAR ratios are above the stipulated regulatory requirements set out in the MAS Notice 637.

HSBC Bank (Singapore) Limited's Capital Adequacy Ratio Disclosure

		(a)	(b)	(c)	(d)	(e)
	(in S$ million)	**30 Sep 18^**	**30 Jun 18^**	**31 Mar 18^**	**31 Dec 17***	**30 Sep 17^**
	Available Capital (Amounts)					
1	CET1 Capital	1,595	1,595	1,605	1,659	1,572
2	Tier 1 Capital	1,595	1,595	1,605	1,659	1,572
3	Total Capital	1,651	1,651	1,648	1,681	1,593
	Risk Weighted Assets (Amounts)					
4	Total RWA	8,429	8,603	6,070	6,106	6,285
	Risk-based Capital Ratios as a Percentage of RWA					
5	CET 1 Ratio (%)	18.92%	18.54%	26.44%	27.16%	25.01%
6	Tier 1 Ratio (%)	18.92%	18.54%	26.44%	27.16%	25.01%
7	Total Capital Ratio (%)	19.59%	19.19%	27.15%	27.53%	25.35%
	Additional CET 1 Buffer Requirements as a percentage of RWA					
8	Capital Conservation Buffer Requirement (2.5% from 2019) (%)	1.875%	1.875%	1.875%	1.250%	1.250%
9	Countercyclical Buffer Requirement (%)	0.0006%	0.0217%	0.0010%	0.0009%	0.0009%
10	Bank G-SIB and/or D-SIB additional requirement (%)	-	-	-	-	-
11	Total of Bank CET1 Specific Buffer Requirement (%) (row 8 + row 9 + row 10)	1.876%	1.897%	1.876%	1.251%	1.251%
12	CET 1 Available after Meeting the Reporting Bank's Minimum Capital Requirements (%)	9.58%	9.19%	17.15%	17.53%	15.35%
	Leverage Ratio					
13	Total Leverage Ratio Exposure Measure	22,788	23,541	24,336	24,294	23,396
14	Leverage Ratio (%) (row 2/row 13)	7.00%	6.78%	6.60%	6.83%	6.72%
	Liquidity Coverage Ratio #					
15	Total High Quality Liquid Assets	19,301	18,975	21,280	20,745	21,635
16	Total Net Cash Outflow	8,555	10,015	9,291	9,246	9,613
17	Liquidity Coverage Ratio (%)	230%	189%	229%	224%	225%
	Net Stable Funding Ratio #+					
18	Total Available Stable Funding	40,407	40,795	41,128		
19	Total Required Stable Funding	28,804	29,226	26,906		
20	Net Stable Funding Ratio (%)	140%	140%	153%		

^ Unaudited
* Audited
\# This refers to country level ratio for all currency
\+ Net Stable Funding Ratio disclosure is required from 1st Jan 2018

A capital conservation buffer ("CCB") of 2.5% and a countercyclical buffer ("CCyB") of up to 2.5% will be phased in from 2016 to 2019. The CCB was 0.625% on 1 January 2016 and increases by 0.625% each year to reach 2.5% on 1 January 2019. The CCyB is the weighted average of the country-specific CCyB requirements that are being applied by national authorities in jurisdictions to which the bank has private sector credit exposures. The effective country-specific CCyB requirement for Hong Kong was 1.875% and the applicable weighting was 0.03%.

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Company Registration No. 201420624K

1. Overview of RWA

The table provides an overview of HSBC Bank (Singapore) Limited's RWA, with breakdown as required under MAS Notice 637.

The decrease in RWA between September and June 2018 was due to a reduction in corporate exposures due to repayments.

		RWA		Minimum Capital Requirement[1]
	S$ million	**30-Sep 2018**	**30-Jun 2018**	**30-Sep 2018**
1	**Credit Risk (excluding Counterparty Credit Risk)**	7,702	7,905	770
2	of which: SA(CR) and SA(EQ)	7,702	7,905	770
3	of which: IRBA and IRBA(EQ) for Equity exposures under the PD/LGD Method	-	-	
4	**Counterparty Credit Risk**	2	3	*
5	of which: Current Exposure Method	2	3	*
6	of which: CCR Internal Models Method	-	-	-
7	**IRBA(EQ) for Equity exposures under the Simple Risk Weight Method or the IMM**	-	-	-
8	Equity investments in funds – Look Through Approach	-	-	-
9	Equity investments in funds – Mandate-Based Approach	-	-	-
10	Equity investments in funds – Fall Back Approach	-	-	-
10a	Equity investment in funds –Partial Use of an Approach	-	-	-
11	**Unsettled Transactions**	*	-	*
12	**Securitisation exposures in the Banking Book**	-	-	-
13	of which: IRBA(SE) - RBM and IAM	-	-	-
14	of which: IRBA(SE) – SF	-	-	-
15	of which: SA(SE)	-	-	-
16	**Market Risk**	7	3	*
17	of which: SA(MR)	7	3	*
18	of which: IMA	-	-	-
19	**Operational Risk**	718	692	72
20	of which: BIA	-	-	-
21	of which: SA(OR)	718	692	72
22	of which: AMA	-	-	-
23	**Amounts below the thresholds for deduction (subject to 250% Risk Weight)**	-	-	-
24	**Floor Adjustment**	-	-	-
25	**Total**	**8,429**	**8,603**	**843**

[1] Minimum capital requirements are calculated at 10% of RWA.

* Represents amounts less than S$0.5 million.

HSBC

2. Leverage Ratio

Leverage Ratio Summary Comparison Table

	Item	30-Sep-18 S$ million
1	Total consolidated assets as per financial statements	22,242
2	Adjustment for investments in entities that are consolidated for accounting purposes but are outside the regulatory scope of consolidation	-
3	Adjustment for fiduciary assets recognized on the balance sheet in accordance with the Accounting Standards but excluded from the calculation of the exposure measure	-
4	Adjustment for derivative transactions	12
5	Adjustment for SFTs	-
6	Adjustment for off-balance sheet items	624
7	Other adjustments	(90)
8	**Exposure Measure**	**22,788**

Leverage Ratio Common Disclosure Template

	Item	30-Sep-18 S$ million	30-Jun-18 S$ million
Exposure Measure of On-Balance Sheet Items			
1	On-balance sheet items (excluding derivative transactions and SFTs, but including on-balance sheet collateral for derivative transactions or SFTs)	19,888	19,861
2	Asset amounts deducted in determining Tier 1 Capital	-	-
3	**Total exposure measures of on-balance sheet items** (excluding derivative transactions and SFTs)	19,888	19,861
Derivative Exposure Measures			
4	Replacement cost associated with all derivative transactions (net of the eligible cash portion of variation margins)	*	2
5	Potential future exposure associated with all derivative transactions	12	11
6	Gross-up for derivative collaterals provided where deducted from the balance sheet assets in accordance with Accounting Standards	-	-
7	Deductions of receivables for the cash portion of variation margins provided in derivative transactions	-	-
8	CCP leg of trade exposures excluded	-	-
9	Adjusted effective notional amount of written credit derivatives	-	-
10	Further adjustments in effective notional amounts and deductions from potential future exposures of written credit derivatives	-	-
11	**Total derivative exposure measures**	12	13
SFT Exposure Measures			
12	Gross SFT assets (with no recognition of accounting netting), after adjusting for sales accounting	2,264	2,776
13	Eligible netting of cash payables and cash receivables	-	-
14	SFT counterparty exposures	-	-
15	SFT exposure measures where a Reporting Bank acts as an agent in the SFTs	-	-
16	**Total SFT exposure measures**	2,264	2,776
Exposure Measures of Off-Balance Sheet Items			
17	Off-balance sheet items at notional amount	5,506	8,275
18	Adjustments for calculation of exposure measures of off-balance sheet items	(4,882)	(7,384)
19	**Total exposure measures of off-balance sheet items**	624	891
Capital and Total Exposures			
20	**Tier 1 capital**	1,595	1,595
21	**Total exposures**	22,788	23,541
Leverage Ratio			
22	**Leverage ratio**	7.00%	6.78%

* Represents amounts less than S$0.5 million.