



The table below discloses HSBC Bank (Singapore) Limited's regulatory capital, Capital Adequacy Ratios ("CAR") and Leverage Ratio.

The CAR ratios are above the stipulated regulatory requirements set by Monetary Authority of Singapore in the MAS Notice 637 ("Notice").

HSBC Bank (Singapore) Limited Capital Adequacy Ratio Disclosure

(in S\$ million)	30 June 2016 ^	30 Sept 2016 ^	31 Dec 2016*	31 Mar 2017 ^
Common Equity Tier 1 Capital	1,552	1,551	1,552	1,570
Eligible Tier 1 Capital	1,552	1,551	1,552	1,570
Total Eligible Capital	1,563	1,563	1,576	1,592
Total Risk Weighted Asset	7,353	6,862	6,711	6,386
CAR				
Common Equity Tier 1 CAR	21.10%	22.61%	23.12%	24.58%
Tier 1 CAR	21.10%	22.61%	23.12%	24.58%
Total CAR	21.25%	22.78%	23.48%	24.92%
Minimum CAR #				
Common Equity Tier 1 CAR	6.50%	6.50%	6.50%	6.50%
Tier 1 CAR	8.00%	8.00%	8.00%	8.00%
Total CAR	10.00%	10.00%	10.00%	10.00%
Leverage Ratio				
Tier 1 Capital	1,552	1,551	1,552	1,570
Total Exposures	30,562	26,625	26,944	24,772
Leverage Ratio	5.08%	5.83%	5.76%	6.34%

^ Unaudited figures.

* Year-end figures are audited.

In addition to these minimum capital requirements, capital conservation buffer ("CCB") of 2.5% and countercyclical buffer of up to 2.5% will be phased in from 2016 to 2019. The CCB was 0.625% on 1 January 2016 and increase by 0.625% each year to reach 2.5% on 1 January 2019. The countercyclical buffer is not an on-going requirement and the applicable magnitude will be the weighted average of the country-specific countercyclical buffer requirements that are being applied by national authorities in jurisdictions to which the bank has private sector credit exposures.

Overview of RWA

The table provides an overview of the HSBC Bank (Singapore) Limited's RWA, with the stipulated breakdown for disclosure under MAS Notice 637.

The lower total RWA between March 2017 and December 2016 was mainly attributed to:

- a) Lower Interbank Placements
- b) Lower Residential Mortgage Exposures

		RWA		Minimum Capital Requirement ¹
		31 Mar 2017 (S\$'m)	31 Dec 2016 (S\$'m)	31 Mar 2017 (S\$'m)
1	Credit Risk (excluding Counterparty Credit Risk)	5,773	6,084	577
2	of which: SA(CR) and SA(EQ)	5,773	6,084	577
3	of which: IRBA and IRBA(EQ) for Equity exposures under the PD/LGD Method	-	-	
4	Counterparty Credit Risk	*	*	*
5	of which: Current Exposure Method	*	*	*
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	6	7	1
17	of which: SA(MR)	6	7	1
18	of which: IMA	-	-	-
19	Operational Risk	607	620	61
20	of which: BIA	-	-	-
21	of which: SA(OR)	607	620	61
22	of which: AMA	-	-	-
23	Amounts below the thresholds for deduction (subject to 250% Risk Weight)	-	-	-
24	Floor Adjustment	-	-	-
25	Total	6,386	6,711	639

¹ Minimum capital requirements are calculated at 10% of RWA

* Represents amounts less than S\$0.5 million.