

OCBC Group
Regulatory Capital Position
As at 31 March 2015

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) | 12,330 | a |
| 2 | Retained earnings | 17,003 | c |
| 3 | Accumulated other comprehensive income and other disclosed reserves | 1,668 | d |
| 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 | 201 | (56) f |
| 6 | Common Equity Tier 1 capital before regulatory adjustments | 31,201 | |
| Common Equity Tier 1 capital: regulatory adjustments | | | |
| 7 | Valuation adjustment pursuant to Part VIII of MAS Notice 637 | 2 | h |
| 8 | Goodwill, net of associated deferred tax liability | 1,720 | 2,581 u |
| 9 | Intangible assets, net of associated deferred tax liability | 337 | 506 v-i |
| 10 | Deferred tax assets that rely on future profitability | 88 | 132 s |
| 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 | o |
| 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) | 1,757 | 2,635 (p+t) - 2,905 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 | 635 | |
| 28 | Total regulatory adjustments to CET1 Capital | 4,545 | |
| 29 | Common Equity Tier 1 capital (CET1) | 26,656 | |
| Additional Tier 1 capital: instruments | | | |
| 30 | AT1 capital instruments and share premium (if applicable) | - | |
| 31 | of which: classified as equity under the Accounting Standards | - | |
| 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) | 2,895 | b+e |
| 34 | AT1 capital instruments issued by fully-consolidated subsidiaries that meet criteria for inclusion | 128 | g+j |
| 35 | of which: instruments issued by subsidiaries subject to phase out | 105 | j |
| 36 | Additional Tier 1 capital before regulatory adjustments | 3,023 | |
| 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 | 3,658 | |
| 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 | 3,658 | |
| | of which: Goodwill, net of associated deferred tax liability | 2,581 | |
| | of which: Intangible assets, net of associated deferred tax liability | 506 | |
| | of which: Deferred tax assets that rely on future profitability | 132 | |
| | of which: Cash flow hedge reserve | - | |
| | of which: Increase in equity capital 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) | 439 | |
| | 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) | 0 | |
| 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 | 3,658 | |
| 44 | Additional Tier 1 capital (AT1) | - | |
| 45 | Tier 1 capital (T1 = CET1 + AT1) | 26,656 | |

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|---|---------|---|----------------------------|
| Tier 2 capital: instruments and provisions | | | |
| 46 Tier 2 capital instruments and share premium (if applicable) | 2,835 | | k |
| 47 Transitional: Ineligible capital instruments (pursuant to paragraphs 6.5.3 and 6.5.4) | 2,076 | | l |
| 48 Tier 2 capital instruments issued by fully-consolidated subsidiaries that meet criteria for inclusion | 390 | | m |
| 49 of which: instruments issued by subsidiaries subject to phase out | 390 | | m |
| 50 Provisions | 816 | | n |
| 51 Tier 2 capital before regulatory adjustments | 6,117 | | |
| 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) | 1 | 0 | |
| 56 National specific regulatory adjustments | 2,196 | | |
| 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 | 2,197 | | |
| 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) | 2,197 | | |
| 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 | 2,197 | | |
| 58 Tier 2 capital (T2) | 3,921 | | |
| 59 Total capital (TC = T1 + T2) | 30,576 | | |
| 60 Total risk weighted assets | 196,769 | | |
| Capital ratios (as a percentage of risk weighted assets) | | | |
| 61 Common Equity Tier 1 CAR | 13.5% | | |
| 62 Tier 1 CAR | 13.5% | | |
| 63 Total CAR | 15.5% | | |
| 64 Bank-specific buffer requirement | 6.5% | | |
| 65 of which: capital conservation buffer requirement | 0.0% | | |
| 66 of which: bank specific countercyclical buffer requirement | 0.0% | | |
| 67 of which: G-SIB buffer requirement (if applicable) | 0.0% | | |
| 68 Common Equity Tier 1 available to meet buffers | 5.5% | | |
| 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 | 1,245 | | q+r |
| 73 Investments in ordinary shares of unconsolidated major stake companies approved under s32 of Banking Act (including insurance subsidiaries) | 2,905 | | 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) | 628 | | |
| 77 Cap on inclusion of provisions in Tier 2 under standardised approach | 617 | | |
| 78 Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap) | 199 | | |
| 79 Cap for inclusion of provisions in Tier 2 under internal ratings-based approach | 579 | | |
| 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 | 3,468 | | |
| 83 Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities) | 37 | | |
| 84 Current cap on T2 instruments subject to phase out arrangements | 3,145 | | |
| 85 Amount excluded from T2 due to cap (excess over cap after redemptions and maturities) | 116 | | |

¹ The total investment in the unconsolidated major stake companies that was within the prescribed threshold amount in accordance to MAS Notice 637 paragraph 6.1.3 (p).