

OCBC Group  
Regulatory Capital Position  
As at September 2013

S\$'m

	Amount	Amount subject to Pre-Basel III Treatment	Source
<b>Common Equity Tier 1 capital: instruments and reserves</b>			
1 Paid-up ordinary shares and share premium (if applicable)	8,038		a
2 Retained earnings	13,872		c
3 Accumulated other comprehensive income and other disclosed reserves	1,141		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	135	(13)	f
<b>Common Equity Tier 1 capital before regulatory adjustments</b>	<b>23,186</b>		
<b>Common Equity Tier 1 capital: regulatory adjustments</b>			
7 Valuation adjustment pursuant to Part VIII of MAS Notice 637	9		h
8 Goodwill, net of associated deferred tax liability	-	3,159	t
9 Intangible assets, net of associated deferred tax liability	-	592	u-i
10 Deferred tax assets that rely on future profitability	-	172	r
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	171		n
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)	-	3,011	(o+s) - 2,301 <sup>1</sup>
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	1,970		
<b>Total regulatory adjustments to CET1 Capital</b>	<b>2,150</b>		
<b>Common Equity Tier 1 capital (CET1)</b>	<b>21,036</b>		
<b>Additional Tier 1 capital: instruments</b>			
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)	3,295		b+e
34 AT1 capital instruments issued by fully-consolidated subsidiaries that meet criteria for inclusion	164		g+j
35 of which: instruments issued by subsidiaries subject to phase out	144		j
<b>Additional Tier 1 capital before regulatory adjustments</b>	<b>3,458</b>		
<b>Additional Tier 1 capital: regulatory adjustments</b>			
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)	0	0	
41 National specific regulatory adjustments	5,428		
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	5,428		
of which: Goodwill, net of associated deferred tax liability	3,159		
of which: Intangible assets, net of associated deferred tax liability	592		
of which: Deferred tax assets that rely on future profitability	172		
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)	1,506		
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	-		
<b>Total regulatory adjustments to Additional Tier 1 capital</b>	<b>5,428</b>		
<b>Additional Tier 1 capital (AT1)</b>	<b>-</b>		
<b>Tier 1 capital (T1 = CET1 + AT1)</b>	<b>21,036</b>		

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	Amount	Amount subject to Pre-Basel III Treatment	Source
<b>Tier 2 capital: instruments and provisions</b>			
46 Tier 2 capital instruments and share premium (if applicable)	-		
47 Transitional: Ineligible capital instruments (pursuant to paragraphs 6.5.3 and 6.5.4)	3,260		k
48 Tier 2 capital instruments issued by fully-consolidated subsidiaries that meet criteria for inclusion	546		l
49 of which: instruments issued by subsidiaries subject to phase out	546		l
50 Provisions	366		m
51 <b>Tier 2 capital before regulatory adjustments</b>	4,171		
<b>Tier 2 capital: regulatory adjustments</b>			
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)	0	0	
56 National specific regulatory adjustments	1,506		
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	1,506		
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)	1,506		
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)	0		
57 <b>Total regulatory adjustments to Tier 2 capital</b>	1,506		
58 <b>Tier 2 capital (T2)</b>	2,665		
59 <b>Total capital (TC = T1 + T2)</b>	23,701		
60 <b>Total risk weighted assets</b>	146,957		
<b>Capital ratios (as a percentage of risk weighted assets)</b>			
61 <b>Common Equity Tier 1 CAR</b>	14.3%		
62 <b>Tier 1 CAR</b>	14.3%		
63 <b>Total CAR</b>	16.1%		
64 Bank-specific buffer requirement	4.5%		
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	6.1%		
<b>National minima</b>			
69 Minimum CET1 CAR	4.5%		
70 Minimum Tier 1 CAR	6.0%		
71 Minimum Total CAR	10.0%		
<b>Amounts below the thresholds for deduction (before risk weighting)</b>			
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	733		p+q
73 Investments in ordinary shares of unconsolidated major stake companies approved under s32 of Banking Act (including insurance subsidiaries)	2,301		Refer to note <sup>1</sup>
74 Mortgage servicing rights (net of related tax liability)			
75 Deferred tax assets arising from temporary differences (net of related tax liability)			
<b>Applicable caps on the inclusion of provisions in Tier 2</b>			
76 Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	253		
77 Cap on inclusion of provisions in Tier 2 under standardised approach	247		
78 Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	119		
79 Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	536		
<b>Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2013 and 1 Jan 2022)</b>			
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	4,459		
83 Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	10		
84 Current cap on T2 instruments subject to phase out arrangements	4,044		
85 Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	31		

<sup>1</sup> 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).