

OCBC Group
Regulatory Capital Position
As at 31 December 2015

\$\$'m

	Amount	Amount subject to Pre-BaseI III Treatment	Source
Common Equity Tier 1 capital: instruments and reserves			
1	Paid-up ordinary shares and share premium (if applicable)	13,560	a
2	Retained earnings	18,357	d
3	Accumulated other comprehensive income and other disclosed reserves	1,082	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	216	g
6	Common Equity Tier 1 capital before regulatory adjustments	33,215	
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	1,737	v
9	Intangible assets, net of associated deferred tax liability	314	w-j
10	Deferred tax assets that rely on future profitability	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)	1,867	(q+u) - 3,106 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	557	
28	Total regulatory adjustments to CET1 Capital	4,578	
29	Common Equity Tier 1 capital (CET1)	28,638	
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	-	
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	130	h+k
35	of which: instruments issued by subsidiaries subject to phase out	103	k
36	Additional Tier 1 capital before regulatory adjustments	3,128	
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	3,685	
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-BaseI III treatment	3,685	
	of which: Goodwill, net of associated deferred tax liability	2,605	
	of which: Intangible assets, net of associated deferred tax liability	472	
	of which: Deferred tax assets that rely on future profitability	142	
	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)	467	
	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	3,685	
44	Additional Tier 1 capital (AT1)	-	
45	Tier 1 capital (T1 = CET1 + AT1)	28,638	

OCBC Group
Regulatory Capital Position
As at 31 December 2015

S\$'m

	Amount	Amount subject to Pre-BaseI III Treatment	Source
Tier 2 capital: instruments and provisions			
46	Tier 2 capital instruments and share premium (if applicable)	2,887	l
47	Transitional: Ineligible capital instruments (pursuant to paragraphs 6.5.3 and 6.5.4)	2,127	m
48	Tier 2 capital instruments issued by fully-consolidated subsidiaries that meet criteria for inclusion	275	n
49	of which: instruments issued by subsidiaries subject to phase out	271	
50	Provisions	862	o
51	Tier 2 capital before regulatory adjustments	6,151	
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	2,334	
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-BaseI III treatment	2,334	
	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)	2,334	
	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	2,334	
58	Tier 2 capital (T2)	3,818	
59	Total capital (TC = T1 + T2)	32,455	
60	Total risk weighted assets	193,119	
Capital ratios (as a percentage of risk weighted assets)			
61	Common Equity Tier 1 CAR	14.8%	
62	Tier 1 CAR	14.8%	
63	Total CAR	16.8%	
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	6.8%	
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	1,076	r+s
73	Investments in ordinary shares of unconsolidated major stake companies approved under s32 of Banking Act (including insurance subsidiaries)	3,106	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)	688	
77	Cap on inclusion of provisions in Tier 2 under standardised approach	629	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	233	
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	568	
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)	20	
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)	-	

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).