



**CHINA CONSTRUCTION BANK (ASIA)
CORPORATION LIMITED**

Regulatory Disclosures

**For the quarter ended
30 September 2018**

(Unaudited)

CHINA CONSTRUCTION BANK (ASIA) CORPORATION LIMITED
Regulatory Disclosures
As at 30 September 2018
(Expressed in thousands of Hong Kong Dollars)

KM1: Key prudential ratios

		(a)	(b)	(c)	(d)	(e)
		30-Sep-18	30-Jun-18	31-Mar-18	31-Dec-17	30-Sep-17
	Regulatory capital (amount)					
1	Common Equity Tier 1 (CET1)	52,227,241	51,147,720	49,400,837	48,625,898	48,238,102
2	Tier 1	60,038,973	58,959,452	57,212,569	56,438,098	48,238,102
3	Total capital	68,946,141	67,652,577	66,806,574	65,516,482	57,294,984
	RWA (amount)					
4	Total RWA	348,069,340	364,363,519	367,725,996	367,439,731	344,469,341
	Risk-based regulatory capital ratios (as a percentage of RWA)					
5	CET1 ratio (%)	15.00	14.04	13.43	13.23	14.00
6	Tier 1 ratio (%)	17.25	16.18	15.56	15.36	14.00
7	Total capital ratio (%)	19.81	18.57	18.17	17.83	16.63
	Additional CET1 buffer requirements (as a percentage of RWA)					
8	Capital conservation buffer requirement (%)	1.88	1.88	1.88	1.25	1.25
9	Countercyclical capital buffer requirement (%)	1.45	1.44	1.42	0.94	0.98
10	Higher loss absorbency requirements (%) (applicable only to G-SIBs or D-SIBs)	0	0	0	0	0
11	Total AI-specific CET1 buffer requirements (%)	3.33	3.32	3.29	2.19	2.23
12	CET1 available after meeting the AI's minimum capital requirements (%)	10.50	9.54	8.93	8.73	8.00
	Basel III leverage ratio					
13	Total leverage ratio (LR) exposure measure	482,973,669	538,023,838	512,617,934	547,117,610	494,796,163
14	LR (%)	12.43	10.96	11.16	10.32	9.75
	Liquidity Coverage Ratio (LCR) / Liquidity Maintenance Ratio					
	Applicable to category 1 institution only:					
15	Total high quality liquid assets (HQLA)	58,108,720	59,510,325	64,052,180	67,299,584	47,348,960
16	Total net cash outflows	25,649,355	35,487,008	44,823,242	37,032,023	33,652,992
17	LCR (%)	231.83	168.95	144.74	187.47	138.28
	Applicable to category 2 institution only:					
17a	LMR (%)	N/A	N/A	N/A	N/A	N/A
	Net Stable Funding Ratio (NSFR) / Core Funding Ratio (CFR)					
	Applicable to category 1 institution only:					
18	Total available stable funding	327,223,092	324,187,296	332,353,538	N/A	N/A
19	Total required stable funding	239,241,739	253,184,082	262,620,321	N/A	N/A
20	NSFR (%)	136.78	128.04	126.55	N/A	N/A
	Applicable to category 2A institution only:					
20a	CFR (%)	N/A	N/A	N/A	N/A	N/A

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OV1: Overview of RWA

The following table provides an overview of the capital requirements in terms of detailed breakdown of RWAs for credit risk, market risk and operational risk. Minimum capital requirement means the amount of capital required to be held for that risk based on its risk-weighted amount multiplied by 8%.

		(a)	(b)	(c)
		RWA		Minimum capital requirements
		As at 30 September 2018	As at 30 June 2018	As at 30 September 2018
1	Credit risk for non-securitization exposures	303,357,565	319,888,040	24,268,605
2	Of which STC approach	303,357,565	319,888,040	24,268,605
2a	Of which BSC approach	-	-	-
3	Of which foundation IRB approach	-	-	-
4	Of which supervisory slotting criteria approach	-	-	-
5	Of which advanced IRB approach	-	-	-
6	Counterparty default risk and default fund contributions	2,775,159	2,757,425	222,013
7	Of which SA-CCR	-	-	-
7a	Of which CEM	2,775,159	2,743,072	222,013
8	Of which IMM(CCR) approach	-	-	-
9	Of which others	-	14,353	-
10	CVA risk	1,039,475	1,139,163	83,158
11	Equity positions in banking book under the simple risk-weight method and internal models method	-	-	-
12	Collective investment scheme ("CIS") exposures – LTA	-	-	-
13	CIS exposures – MBA	-	-	-
14	CIS exposures – FBA	-	-	-
14a	CIS exposures – combination of approaches	-	-	-
15	Settlement risk	-	-	-
16	Securitization exposures in banking book	-	-	-
17	Of which SEC-IRBA	-	-	-
18	Of which SEC-ERBA	-	-	-
19	Of which SEC-SA	-	-	-
19a	Of which SEC-FBA	-	-	-
20	Market risk	26,170,138	26,062,713	2,093,611
21	Of which STM approach	26,170,138	26,062,713	2,093,611
22	Of which IMM approach	-	-	-
23	Capital charge for switch between exposures in trading book and banking book (not applicable before the revised market risk framework takes effect)	-	-	-
24	Operational risk	13,425,975	13,215,150	1,074,078
25	Amounts below the thresholds for deduction (subject to 250% RW)	1,301,028	1,301,028	104,082
26	Capital floor adjustment	-	-	-
26a	Deduction to RWA	-	-	-
26b	Of which portion of regulatory reserve for general banking risks and collective provisions which is not included in Tier 2 Capital	-	-	-
26c	Of which portion of cumulative fair value gains arising from the revaluation of land and buildings which is not included in Tier 2 Capital	-	-	-
27	Total	348,069,340	364,363,519	27,845,547

During the quarter ended 30 Sep 2018, total RWAs decreased by HK\$16,294 million mainly due to decrease in RWA for non-securitization credit exposures.

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LR2: Leverage ratio ("LR")

		(a)	(b)
		As at 30 September 2018	As at 30 June 2018
On-balance sheet exposures			
1	On-balance sheet exposures (excluding those arising from derivative contracts and SFTs, but including collateral)	457,491,004	509,468,779
2	Less: Asset amounts deducted in determining Tier 1 capital	(342,694)	(302,809)
3	Total on-balance sheet exposures (excluding derivative contracts and SFTs)	457,148,310	509,165,970
Exposures arising from derivative contracts			
4	Replacement cost associated with all derivative contracts (where applicable net of eligible cash variation margin and/or with bilateral netting)	4,361,423	3,697,738
5	Add-on amounts for PFE associated with all derivative contracts	4,169,883	4,491,299
6	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the applicable accounting framework	-	-
7	Less: Deductions of receivables assets for cash variation margin provided under derivative contracts	(325,905)	(33,898)
8	Less: Exempted CCP leg of client-cleared trade exposures	-	-
9	Adjusted effective notional amount of written credit derivative contracts	-	-
10	Less: Adjusted effective notional offsets and add-on deductions for written credit derivative contracts	-	-
11	Total exposures arising from derivative contracts	8,205,401	8,155,139
Exposures arising from SFTs			
12	Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	1,769,139	3,782,118
13	Less: Netted amounts of cash payables and cash receivables of gross SFT assets	-	-
14	CCR exposure for SFT assets	127	28,850
15	Agent transaction exposures	-	-
16	Total exposures arising from SFTs	1,769,266	3,810,968
Other off-balance sheet exposures			
17	Off-balance sheet exposure at gross notional amount	84,269,468	83,571,783
18	Less: Adjustments for conversion to credit equivalent amounts	(66,639,693)	(65,097,335)
19	Off-balance sheet items	17,629,775	18,474,448
Capital and total exposures			
20	Tier 1 capital	60,038,973	58,959,452
20a	Total exposures before adjustments for specific and collective provisions	484,752,752	539,606,525
20b	Adjustments for specific and collective provisions	(1,779,083)	(1,582,687)
21	Total exposures after adjustments for specific and collective provisions	482,973,669	538,023,838
Leverage ratio			
22	Leverage ratio	12.43%	10.96%

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LIQ1: Liquidity coverage ratio- for category 1 institution

The below template presents the details of LCR, high quality liquid assets ("HQLA"), and a breakdown of cash outflows and inflows.

	quarter ended 30 September 2018 (76 data points)		quarter ended 30 June 2018 (73 data points)	
	HK\$ equivalent		HK\$ equivalent	
	(a)	(b)	(a)	(b)
Basis of disclosure: Hong Kong office	Unweighted value (average)	Weighted value (average)	Unweighted value (average)	Weighted value (average)
A. HQLA				
1	Total HQLA	58,108,720		59,510,325
B. CASH OUTFLOWS				
2	Retail deposits and small business funding, of which:	213,184,918	14,678,760	206,604,890
3	Stable retail deposits and stable small business funding	3,689,674	110,690	3,759,328
4	Less stable retail deposits and less stable small business funding	81,866,145	8,186,615	78,005,004
4a	Retail term deposits and small business term funding	127,629,099	6,381,455	124,840,558
5	Unsecured wholesale funding (other than small business funding), and debt securities and prescribed instruments issued by the AI, of which:	96,307,354	63,726,948	101,552,010
6	Operational deposits	-	-	-
7	Unsecured wholesale funding (other than small business funding) not covered in row 6	96,184,479	63,604,073	101,122,057
8	Debt securities and prescribed instruments issued by the AI and redeemable within the	122,875	122,875	429,953
9	Secured funding transactions (including securities swap transactions)	-	-	-
10	Additional requirements, of which:	26,802,500	7,349,706	26,788,469
11	Cash outflows arising from derivative contracts and other transactions, and additional liquidity needs arising from related collateral requirements	2,747,119	2,747,119	2,099,191
12	Cash outflows arising from obligations under structured financing transactions and repayment of funding obtained from such transactions	-	-	-
13	Potential drawdown of undrawn committed facilities (including committed credit facilities and committed liquidity facilities)	24,055,381	4,602,587	24,689,278
14	Contractual lending obligations (not otherwise covered in Section B) and other contractual cash outflows	3,129,409	3,129,409	2,483,852
15	Other contingent funding obligations (whether contractual or non-contractual)	80,523,800	416,656	76,293,420
16	Total Cash Outflows		89,301,479	90,003,269
C. CASH INFLOWS				
17	Secured lending transactions (including securities swap transactions)	1,169,734	-	527,151
18	Secured and unsecured loans (other than secured lending transactions covered in row 17) and operational deposits placed at other financial institutions	101,608,366	60,298,133	87,697,685
19	Other cash inflows	71,832,786	3,966,587	72,976,688
20	Total Cash Inflows	174,610,886	64,264,720	161,201,524
D. LIQUIDITY COVERAGE RATIO (ADJUSTED VALUE)				
21	Total HQLA		58,108,720	59,510,325
22	Total Net Cash Outflows		25,649,355	35,487,008
23	LCR (%)		231.83	168.95