BANK OF CHINA INTERNATIONAL LIMITED
(A RESTRICTED LICENCE BANK WHOLLY-OWNED BY BANK OF CHINA LIMITED)

中銀國際有限公司

(中國銀行股份有限公司全資附屬之有限制牌照銀行)

REPORT FOR THE QUARTER ENDED 31 MARCH 2017

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1 Overview of risk-weighted amount (“RWA”) (unaudited)

		(a)	(b)	(c)
		RWA		Minimum capital requirements
		As at 31 March 2017	As at 31 December 2016	As at 31 March 2017
		HK$	HK$	HK$
1	Credit risk for non-securitization exposures	3,996,660,600	4,154,778,900	319,732,848
2	Of which STC approach	3,996,660,600	4,154,778,900	319,732,848
2a	Of which BSC approach	-	-	-
3	Of which IRB approach	-	-	-
4	Counterparty credit risk	11,855,923	23,148,910	948,474
5	Of which SA-CCR	-	-	-
5a	Of which CEM	11,855,923	23,148,910	948,474
6	Of which IMM(CCR) approach	-	-	-
7	Equity exposures in banking book under the market-based approach	-	-	-
8	CIS exposures – LTA	-	-	-
9	CIS exposures – MBA	-	-	-
10	CIS exposures – FBA	-	-	-
11	Settlement risk	-	-	-
12	Securitization exposures in banking book	-	-	-
13	Of which IRB(S) approach – ratings-based method	-	-	-
14	Of which IRB(S) approach – supervisory formula method	-	-	-
15	Of which STC(S) approach	-	-	-
16	Market risk	21,400,000	12,200,000	1,712,000
17	Of which STM approach	21,400,000	12,200,000	1,712,000
18	Of which IMM approach	-	-	-
19	Operational risk	688,988,000	680,650,000	55,119,040
20	Of which BIA approach	688,988,000	680,650,000	55,119,040
21	Of which STO approach	-	-	-
21a	Of which ASA approach	-	-	-
22	Of which AMA approach	N/A	N/A	N/A
23	Amounts below the thresholds for deduction (subject to 250% RW)	-	-	-
24	Capital floor adjustment	-	-	-
24a	Deduction to RWA	-	-	-
24b	Of which portion of regulatory reserve for general banking risks and collective provisions which is not included in Tier 2 Capital	-	-	-
24c	Of which portion of cumulative fair value gains arising from the revaluation of land and buildings which is not included in Tier 2 Capital	-	-	-
25	Total	4,718,904,523	4,870,777,810	377,512,362

N/A: Not applicable in the case of Hong Kong

Counterparty credit risk

The counterparty credit risk RWA as at 31 March 2017 reduced by HK$11.3 million compared with 31 December 2016, which was primarily due to lower demand in trading exchange rate contracts.

Market risk

The market risk RWA as at 31 March 2017 increased by HK$9.2 million compared with 31 December 2016, which was due to a HK$13.3 million increase related to the general market risk for interest rate exposures arising from the foreign exchange contracts, partly offset by a HK$4.1 million decrease related to foreign exchange exposures.

2 Capital adequacy ratios (unaudited)

	As at 31 March 2017 HK$	As at 31 December 2016 HK$
Capital base		
Common Equity Tier 1 capital ("CET1 capital")	1,508,202,413	1,490,633,778
Tier 1 capital (Tier 1 capital = CET1 capital + Additional Tier 1 capital)	1,508,202,413	1,490,633,778
Total capital (Total capital = Tier 1 capital + Tier 2 capital)	1,551,550,654	1,535,198,919
Total RWA	4,718,904,523	4,870,777,810
Capital adequacy ratios		
CET1 capital ratio	31.96%	30.60%
Tier 1 capital ratio	31.96%	30.60%
Total capital ratio	32.88%	31.52%

3 Leverage ratio (unaudited)

	As at 31 March 2017 HK$	As at 31 December 2016 HK$
Tier 1 capital	1,508,202,413	1,490,633,778
Leverage ratio exposures	11,065,997,304	11,438,371,295
Leverage ratio	13.63%	13.03%