



Citibank (Hong Kong) Limited

Pillar 3 Regulatory Disclosures

- Capital Adequacy Ratios
- Leverage Ratio
- Overview of Risk-Weighted Assets

**For the Period ended
March 31, 2018**

This document contains Pillar 3 disclosure of the Citibank (Hong Kong) Limited (the "Company") relating to capital adequacy ratios, leverage ratio, risk-weighted assets ("RWA") by risk types. The following disclosures are prepared in accordance with the Banking (Disclosure) Rules and disclosure templates issued by the Hong Kong Monetary Authority ("HKMA").

1 Capital adequacy ratios

The capital adequacy ratios were calculated in accordance with the Banking (Capital) Rules issued by the HKMA.

In thousands of Hong Kong dollar	At March 31, 2018	At December 31, 2017
Capital		
Common Equity Tier 1 (CET1)	21,193,805	20,280,533
Tier 1	21,193,805	20,280,533
Total	21,944,414	21,027,701
Total RWA	70,107,353	69,378,136
Capital Adequacy Ratios		
Common Equity Tier 1 (CET1) capital ratio	30.23%	29.23%
Tier 1 capital ratio	30.23%	29.23%
Total capital ratio	31.30%	30.31%

2 Leverage ratio

In thousands of Hong Kong dollar	At March 31, 2018	At December 31, 2017
Capital and Total exposures		
Tier 1 capital	21,193,805	20,280,533
Total exposures	199,859,344	188,925,966
Leverage Ratio	10.60%	10.73%

The leverage ratio was complied in accordance with the Leverage Ratio Framework issued by the HKMA.

3 Overview of Risk-Weighted Assets

The following table sets out the RWA by risk types and the corresponding minimum capital requirements (i.e. 8% of RWA), as required by the HKMA.

In thousands of Hong Kong dollar		(a)	(b)	(c)
		RWA		Minimum capital requirements
		As at March 31, 2018	As at December 31, 2017	As at March 31, 2018
1	Credit risk for non-securitization exposures	59,551,724	59,223,541	4,764,138
2	Of which STC approach	59,551,724	59,223,541	4,764,138
4	Counterparty credit risk	120,354	107,081	9,628
5	Of which SA-CCR ^{Note}	75,966	63,056	6,077
12	Securitization exposures in banking book	421,050	486,840	33,684
15	Of which STC(S) approach	421,050	486,840	33,684
16	Market risk	275,425	222,550	22,034
17	Of which STM approach	275,425	222,550	22,034
19	Operational risk	9,963,850	9,817,925	797,108
21	Of which STO approach	9,963,850	9,817,925	797,108
24a	Deduction to RWA	225,050	479,801	18,004
24b	Of which portion of regulatory reserve for general banking risks and collective provisions which is not included in Tier 2 Capital	225,050	479,801	18,004
25	Total	70,107,353	69,378,136	5,608,588

Note: Prior to the implementation of SA-CCR, Current exposure method is used for calculating default risk exposures of derivative contracts.

The Company has adopted the “standardized approach” for the calculation of the risk-weighted assets for credit risk, market risk, and operational risk.