



Citicorp International Limited

Pillar 3 Regulatory Disclosures

**For the Period ended
June 30, 2017**

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This document contains Pillar 3 disclosure of the Citicorp International Limited (the "Company") relating to capital adequacy ratios, leverage ratio and 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 June 30, 2017	At March 31, 2017
Capital		
Common Equity Tier 1 (CET1)	7,855,062	7,433,566
Tier 1	7,855,062	7,433,566
Total	7,855,062	7,433,566
Total RWA	7,332,297	6,940,350
Capital Adequacy Ratios		
Common Equity Tier 1 (CET1) capital ratio	107.13%	107.11%
Tier 1 capital ratio	107.13%	107.11%
Total capital ratio	107.13%	107.11%

2 Leverage ratio

In thousands of Hong Kong dollar	At June 30, 2017	At March 31, 2017
Capital and Total exposures		
Tier 1 capital	7,855,062	7,433,566
Total exposures	9,258,355	8,133,534
Leverage Ratio	84.84%	91.39%

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

Template OV1: 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		RWA		Minimum capital requirements
		As at June 30, 2017	As at March 31, 2017	As at June 30, 2017
1	Credit risk for non-securitization exposures	1,700,734	1,562,175	136,059
2	Of which STC approach	1,700,734	1,562,175	136,059
19	Operational risk	5,631,563	5,378,175	450,525
20	Of which BIA approach	5,631,563	5,378,175	450,525
25	Total	7,332,297	6,940,350	586,584

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

Template CR1: Credit quality of exposures

The following table provides an overview of credit quality of on- and off-balance exposures as at Jun 30, 2017.

In thousands of Hong Kong dollar		(a)	(b)	(c)	(d)
		Gross carrying amounts of		Allowances / impairments	Net values
		Defaulted exposures	Non-defaulted exposures		
1	Loans	-	-	-	-
2	Debt securities	-	-	-	-
3	Off-balance sheet exposures	-	-	-	-
4	Total	-	-	-	-

As at reporting date, the Company has no outstanding reportable item in this template.

Template CR2: Changes in defaulted loans and debt securities

The following table provides information on the changes in defaulted loans and debt securities, including any changes in the amount of defaulted exposures, movements between non-defaulted and defaulted exposures, and reductions in the defaulted exposures due to write-offs as at Jun 30, 2017 and December 31, 2016 respectively.

In thousands of Hong Kong dollar		(a)
		Amount
1	Defaulted loans and debt securities at end of the previous reporting period	-
2	Loans and debt securities that have defaulted since the last reporting period	-
3	Returned to non-defaulted status	-
4	Amounts written off	-
5	Other changes	-
6	Defaulted loans and debt securities at end of the current reporting period	-

As at reporting date, the Company has no outstanding reportable item in this template.

Template CR3: Overview of recognized credit risk mitigation

The following table presents the extent of credit risk exposures covered by different types of recognized CRM as at Jun 30, 2017.

In thousands of Hong Kong dollar		(a)	(b1)	(b)	(d)	(f)
		Exposures unsecured: carrying amount	Exposures to be secured	Exposures secured by recognized collateral	Exposures secured by recognized guarantees	Exposures secured by recognized credit derivative contracts
1	Loans	-	-	-	-	-
2	Debt securities	-	-	-	-	-
3	Total	-	-	-	-	-
4	Of which defaulted	-	-	-	-	-

As at reporting date, the Company has no outstanding reportable item in this template.

Template CR4: Credit risk exposures and effects of recognized credit risk mitigation – for STC approach

The following table illustrates the effect of any recognized CRM (including recognized collateral under both comprehensive and simple approaches) on the calculation of capital requirements as at Jun 30, 2017.

In thousands of Hong Kong dollar		(a)	(b)	(c)	(d)	(e)	(f)
		Exposures pre-CCF and pre-CRM		Exposures post-CCF and post-CRM		RWA and RWA density	
	Exposure classes	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
1	Sovereign exposures	-	-	-	-	-	0%
2	PSE exposures	-	-	-	-	-	0%
2a	Of which: domestic PSEs	-	-	-	-	-	0%
2b	Of which: foreign PSEs	-	-	-	-	-	0%
3	Multilateral development bank exposures	-	-	-	-	-	0%
4	Bank exposures	8,365,241	-	8,365,241	-	1,673,257	20%
5	Securities firm exposures	-	-	-	-	-	0%
6	Corporate exposures	8,936	-	8,936	-	8,833	99%
7	CIS exposures	486	-	486	-	447	92%
8	Cash items	-	-	-	-	-	0%
9	Exposures in respect of failed delivery on transactions entered into on a basis other than a delivery-versus-payment basis	-	-	-	-	-	0%
10	Regulatory retail exposures	-	-	-	-	-	0%
11	Residential mortgage loans	-	-	-	-	-	0%
12	Other exposures which are not past due exposures	18,197	-	18,197	-	18,197	100%
13	Past due exposures	-	-	-	-	-	0%
14	Significant exposures to commercial entities	-	-	-	-	-	0%
15	Total	8,392,860	-	8,392,860	-	1,700,734	20%

Template CR5: Credit risk exposures by asset classes and by risk weights – for STC approach

The following table presents a breakdown of credit risk exposures by asset classes and by risk weights as at Jun 30, 2017.

In thousands of Hong Kong dollar		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(ha)	(i)	(j)
Exposure Class	Risk Weight	0%	10%	20%	35%	50%	75%	100%	150%	250%	Others	Total credit risk exposures amount (post CCF and post CRM)
	1	Sovereign exposures										
2	PSE exposures											-
2a	Of which: domestic PSEs											-
2b	Of which: foreign PSEs											-
3	Multilateral development bank exposures											-
4	Bank exposures			1,672,991		22		244				1,673,257
5	Securities firm exposures											-
6	Corporate exposures			23		250		7,846	714			8,833
7	CIS exposures					39		408				447
8	Cash items											-
9	Exposures in respect of failed delivery on transactions entered into on a basis other than a delivery-versus-payment basis											-
10	Regulatory retail exposures											-
11	Residential mortgage loans											-
12	Other exposures which are not past due exposures							18,197				18,197
13	Past due exposures											-
14	Significant exposures to commercial entities											-
15	Total	-	-	1,673,014	-	311	-	26,695	714	-	-	1,700,734