

Reconciliation between accounting and regulatory balance sheets**A. Balance sheet as in published financial statements and under regulatory scope of consolidation**

	Balance sheet as in published financial statements	Under regulatory scope of consolidation
	As at 31 Dec 2016	As at 31 Dec 2016
	HKD'm	HKD'm
Assets		
Cash and balances with banks, central banks and other financial institutions	15,332	15,290
Placements with banks and other financial institutions	156,750	156,743
Hong Kong SAR Government certificates of indebtedness	42,211	42,211
Trading assets	15,634	15,634
Financial assets designated at fair value	370	370
Investment securities	207,471	207,472
Advances to customers	440,022	440,022
Amounts due from immediate holding company	46,521	46,388
Amounts due from fellow subsidiaries	16,328	16,226
Amounts due from subsidiaries of the Bank	-	25
Investment in subsidiaries of the Bank	-	394
Interests in associates	9,166	4,316
Property, plant and equipment	39,471	39,320
Goodwill and intangible assets	1,302	1,302
Current tax assets	112	110
Deferred tax assets	349	332
Other assets	14,983	13,949
	1,006,022	1,000,104
Liabilities		
Hong Kong SAR currency notes in circulation	42,211	42,211
Deposits and balances of banks and other financial institutions	19,674	19,674
Deposits from customers	778,242	778,242
Trading liabilities	8,289	8,289
Financial liabilities designated at fair value	9,568	9,568
Debt securities in issue	2,173	2,173
Amounts due to immediate holding company	42,282	42,282
Amounts due to fellow subsidiaries	11,932	11,932
Amounts due to subsidiaries of the Bank	-	361
Current tax liabilities	3	3
Deferred tax liabilities	404	404
Other liabilities	19,444	19,151
Subordinated liabilities	6,088	6,088
	940,310	940,378
Equity		
Share capital	20,256	20,256
Reserves	45,456	39,470
	65,712	59,726
	1,006,022	1,000,104

STANDARD CHARTERED BANK (HONG KONG) LIMITED

Reconciliation between accounting and regulatory balance sheets (continued)

B. Balance sheet under the regulatory scope of consolidation including components in the "Transition Disclosures Template" with cross references

	Balance sheet as in published financial statements		Under regulatory scope of consolidation		Cross reference to Definition of Capital Components
	As at 31 Dec 2016 HKD'm	As at 31 Dec 2016 HKD'm	As at 31 Dec 2016 HKD'm	As at 31 Dec 2016 HKD'm	
Assets					
Cash and balances with banks, central banks and other financial institutions	15,332	15,290			
Placements with banks and other financial institutions	156,750	156,743			
Hong Kong SAR Government certificates of indebtedness	42,211	42,211			
Trading assets	15,634	15,634			
Financial assets designated at fair value	370	370			
Investment securities	207,471	207,472			
Advances to customers	440,022	440,022			
Amounts due from immediate holding company	46,521	46,388			
Amounts due from fellow subsidiaries	16,328	16,226			
Amounts due from subsidiaries of the Bank	-	25			
of which: significant capital investments in financial sector entities that are outside the scope of regulatory consolidation			-		(1)
Investment in subsidiaries of the Bank	-	394			
of which: significant capital investments in financial sector entities that are outside the scope of regulatory consolidation			281		(2)
Interests in associates	9,166	4,316			
of which: significant capital investments in financial sector entities that are outside the scope of regulatory consolidation			4,316		(3)
Property, plant and equipment	39,471	39,320			
Goodwill and intangible assets	1,302	1,302			
of which: goodwill			729		(4)
of which: intangible assets			573		(5)
Current tax assets	112	110			
Deferred tax assets	349	332			
of which: deferred tax liabilities relating to intangible assets			(64)		(6)
of which: other deferred tax assets			396		(7)
Other assets	14,983	13,949			
	1,006,022	1,000,104			
Liabilities					
Hong Kong SAR currency notes in circulation	42,211	42,211			
Deposits and balances of banks and other financial institutions	19,674	19,674			
Deposit from customers	778,242	778,242			
Trading liabilities	8,289	8,289			
of which: gains or losses due to changes in own credit risk			(1)		(8)
Financial liabilities designated at fair value	9,568	9,568			
of which: gains or losses due to changes in own credit risk			(435)		(9)
Debt securities in issue	2,173	2,173			
Amounts due to immediate holding company	42,282	42,282			
of which: subordinated liabilities eligible for inclusion in regulatory capital			6,204		(10)
Amounts due to fellow subsidiaries	11,932	11,932			
Amounts due to subsidiaries of the Bank	-	361			
Current tax liabilities	3	3			
Deferred tax liabilities	404	404			
Other liabilities	19,444	19,151			
Subordinated liabilities	6,088	6,088			
of which: subordinated liabilities eligible for inclusion in regulatory capital (subject to phase out arrangements)			5,252		(11)
	940,310	940,378			
Equity					
Share capital	20,256	20,256			
of which: directly issued qualifying CET1 capital instruments			16,378		(12)
of which: qualifying AT1 capital instruments			3,878		(13)
Reserves	45,456	39,470			
of which: Cumulative cash flow hedge reserves that relate to the hedging of financial instruments that are not fair valued on the balance sheet			(192)		(14)
of which: Cumulative cash flow hedge reserves that relate to the hedging of financial instruments that are fair valued on the balance sheet			0		(15)
of which: Available-for-sale investment reserve			(277)		(16)
of which: Property revaluation reserve			-		(17)
of which: Exchange reserve			(25)		(18)
of which: Share option equity reserve			181		(19)
of which: Retained earnings			39,783		(20)
of which: cumulative fair value gains arising from the revaluation of land and buildings (audited)				439	(21)
of which: Regulatory reserve for general banking risks				5,208	(22)
	65,712	59,726			
	1,006,022	1,000,104			