

**Scotiabank (Hong Kong) Limited**

**Leverage Ratio Disclosures for the period ended April 30, 2016**

**Leverage Ratio Common Disclosure Template**

	<b>Item</b>	<b>Leverage ratio framework HK\$ equivalent '000</b>
<b>On-balance sheet exposures</b>		
1	On-balance sheet items (excluding derivatives and SFTs, but including collateral)	27,615,088
2	Less: Asset amounts deducted in determining Basel III Tier 1 capital (reported as negative amounts)	(6,162)
3	Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 and 2)	27,608,926
<b>Derivative exposures</b>		
4	Replacement cost associated with all derivatives transactions (i.e. net of eligible cash variation margin)	-
5	Add-on amounts for PFE associated with all derivatives transactions	-
6	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework	-
7	Less: Deductions of receivables assets for cash variation margin provided in derivatives transactions (reported as negative amounts)	-
8	Less: Exempted CCP leg of client-cleared trade exposures (reported as negative amounts)	-
9	Adjusted effective notional amount of written credit derivatives	-
10	Less: Adjusted effective notional offsets and add-on deductions for written credit derivatives (reported as negative amounts)	-
11	Total derivative exposures (sum of lines 4 to 10)	-
<b>Securities financing transaction exposures</b>		
12	Gross SFT assets (with no recognition of netting), after adjusting for sales accounting transactions	-
13	Less: Netted amounts of cash payables and cash receivables of gross SFT assets (reported as negative amounts)	-

	Item	Leverage ratio framework HK\$ equivalent '000
14	CCR exposure for SFT assets	-
15	Agent transaction exposures	
16	Total securities financing transaction exposures (sum of lines 12 to 15)	-
<b>Other off-balance sheet exposures</b>		
17	Off-balance sheet exposure at gross notional amount	3,039,122
18	Less: Adjustments for conversion to credit equivalent amounts (reported as negative amounts)	(1,662,961)
19	Off-balance sheet items (sum of lines 17 and 18)	1,376,161
<b>Capital and total exposures</b>		
20	Tier 1 capital	5,082,094
21	Total exposures (sum of lines 3, 11, 16 and 19)	28,985,087
<b>Leverage ratio</b>		
22	<b>Basel III leverage ratio</b>	<b>17.53%</b>