

# **Disclosure of Capital Maintenance Information**

## **Pillar III**

For the half-year ended 31 March 2017

## I. Scope of Information Disclosure

ANZ Bank (Thai) Public Company Limited ("ANZ Thai" or "the Bank") incorporated as a commercial bank in Thailand, was given the banking license by The Ministry of Finance on 15 June 2015, whilst the Bank through its notification requirement under the banking license, has commenced its legal day-1 on Monday 29 June 2015.

The Bank hereby discloses the capital maintenance information for the six-month period ended 31 March 2017 as specified in Bank of Thailand Notification No. SorNorSor 4/2556 dated 2 May 2013 Re: Disclosure of Capital Maintenance Information for Commercial Banks.

## II. Capital

### 1. Capital Structure

The table below presents the Bank capital structure as at 31 March 2017 and 30 September 2016

Table 1: Capital

Unit : THB

Item	31-Mar-17	30-Sep-16
<b>1. Tier 1 capital</b>	<b>19,484,016,061</b>	<b>19,479,222,056</b>
<b>Common equity tier 1 (CET1)</b>	19,484,016,061	19,479,222,056
Paid-up capital (common stock) deducted by buyback of common stock	20,000,000,000	20,000,000,000
Net profits (losses)	- 424,323,964	- 314,690,317
Other comprehensive income	2,719,536	3,932,433
Less deductible items on Common equity tier 1*	- 94,379,511	- 210,020,060
<b>2. Tier 2 capital</b>	<b>190,697,101</b>	<b>137,914,992</b>
General provision for performing loans	190,697,101	137,914,992
Less deductible items on Tier 2 capital	-	-
<b>3. Total regulatory capital (1+2)</b>	<b>19,674,713,162</b>	<b>19,617,137,047</b>

\* Intangible assets, and deferred tax asset (DTA)

### 2. Capital Adequacy

According to the Bank of Thailand's guideline in supervision of capital, commercial banks are required to meet the minimum capital adequacy ratio. For year 2017 and 2016 the minimum capital adequacy ratio is defined at 9.75% and 9.125%, respectively.

The approach applies to assess each risk for the capital adequacy as follows:

- Credit Risk                      Standardised Approach
- Market Risk                      Standardised Approach
- Operational Risk                Basic Indicator Approach

The following tables represent minimum capital requirement for credit risk, market risk and operational risk as well as capital adequacy ratio of the Bank as at 31 March 2017 and 30 September 2016

**Table 2 Minimum capital requirement for credit risk classified by type of assets under the SA**

Unit : THB

Minimum capital requirement for credit risk classified by type of assets under the SA	31-Mar-17	30-Sep-16
<b>Performing claims</b>		
1 Claims on sovereigns and central banks, multilateral development banks (MDBs), and non-central government public sector entities (PSEs) treated as claims on sovereigns	-	-
2 Claims on financial institutions , non-central government public sector entities (PSEs) treated as claims on financial institutions, and securities firms	785,780,118	199,203,392
3 Claims on corporates , non-central government public sector entities (PSEs) treated as claims on corporate	1,103,406,002	794,418,732
4 Other assets	23,355,619	13,157,317
<b>Non-performing claims</b>	-	-
<b>Total minimum capital requirement for credit risk under the SA</b>	<b>1,912,541,739</b>	<b>1,006,779,440</b>

**Table 3: Minimum capital requirement for market risk for positions in the trading book (Standardized Approach)**

Unit : THB

Minimum capital requirement for market risk (positions in the trading book)	31-Mar-17	30-Sep-16
1. Standardized Approach	53,114,890	46,084,343
2. Internal Model Approach	N/A	N/A
<b>Total minimum capital requirement for market risk</b>	<b>53,114,890</b>	<b>46,084,343</b>

**Table 4: Minimum capital requirement for operational risk (Basic Indicator Approach)**

Unit : THB

Minimum capital requirement for operational risk	31-Mar-17	30-Sep-16
1. Basic Indicator Approach	72,904,311	60,423,870
2. Standardized Approach	N/A	N/A
<b>Total minimum capital requirement for operational risk</b>	<b>72,904,311</b>	<b>60,423,870</b>

**Table 5: Ratio of total capital to risk-weighted assets, ratio of Tier 1 capital to risk-weighted assets and ratio of Common equity tier 1 to risk-weighted assets**

Unit : %

Ratio	31-Mar-17		30-Sep-16	
	Capital ratio of the bank	Minimum capital ratio according to the BOT regulations	Capital ratio of the bank	Minimum capital ratio according to the BOT regulations
1. Total capital to risk-weighted assets	94.10	9.750	160.79	9.125
2. Tier 1 capital to risk-weighted assets	93.19	7.250	159.66	6.625
3. Common equity tier 1 to risk-weighted assets	93.19	5.750	159.66	5.125

**Table 6: Minimum capital requirements for each type of market risk under the Standardized Approach**

Unit : THB

Minimum capital requirements for market risk under SA	31-Mar-17	30-Sep-16
Interest rate risk	39,458,676	41,462,471
Foreign exchange rate risk	13,656,214	4,621,872
<b>Total minimum capital requirements</b>	<b>53,114,890</b>	<b>46,084,343</b>

### III. Composition of capital disclosure requirements

Below table is an additional disclosure of capital information in transition period under the basel III framework.

**Table 7 : Disclosure of capital information in transitional period under the Basel III**

Unit : THB

Value of capital, inclusions, adjustments and deductions for the period of 31 March 2017		Net amount of item to be included in or deducted from capital under the Basel III
Common equity tier 1 (CET1)		
Items eligible for inclusion in CET1	19,578,395,572	679,884
<u>adjusted by</u> regulatory adjustment to CET1	-	-
<u>less</u> deduction from CET1	94,379,511	775
Net CET1	19,484,016,061	
<b>Total Tier 1 capital</b>	<b>19,484,016,061</b>	
<b>Tier 2 capital :</b>		
Items eligible for inclusion in Tier 2 capital	190,697,101	
<u>less</u> deduction from Tier 2 capital	-	
<b>Total Tier 2 capital</b>	<b>190,697,101</b>	
<b>Total capital (Tier 1 and Tier 2 capital)</b>	<b>19,674,713,162</b>	

Value of capital, inclusions, adjustments and deductions for the period of 30 September 2016		Net amount of item to be included in or deducted from capital under the Basel III
Common equity tier 1 (CET1)		
Items eligible for inclusion in CET1	19,689,242,116	2,621,622
<u>adjusted by</u> regulatory adjustment to CET1	-	-
<u>less</u> deduction from CET1	210,020,060	1,986
Net CET1	19,479,222,056	
<b>Total Tier 1 capital</b>	<b>19,479,222,056</b>	
<b>Tier 2 capital :</b>		
Items eligible for inclusion in Tier 2 capital	137,914,992	
<u>less</u> deduction from Tier 2 capital	-	
<b>Total Tier 2 capital</b>	<b>137,914,992</b>	
<b>Total capital (Tier 1 and Tier 2 capital)</b>	<b>19,617,137,047</b>	