

**BASEL II Pillar 3 - Capital Adequacy and Risk Disclosures**

**Quarterly Update As At 31 December 2009**

<b>Capital Structure (Table 15)</b>	<b>31 Dec 2009</b>
	<b>\$M</b>
<b>Tier 1 Capital</b>	
Paid-up ordinary share capital	409.0
Retained earnings	(151.7)
Deductions	(8.9)
<b>Net Tier 1 Capital</b>	<b>248.4</b>
<b>Net Tier 2 Capital</b>	<b>110.1</b>
<b>Total Capital Base</b>	<b>358.5</b>

<b>Capital Adequacy (Table 16)</b>	<b>31 Dec 2009</b>
	<b>\$M</b>
<b>Risk Weighted Assets</b>	
<b>Subject to Standardised approach</b>	
Residential mortgages	2,156.5
Other retail loans	365.0
Bank	202.6
Corporate	1.7
Other	3.4
Securitisation	99.2
<b>Total risk weighted assets for credit risk exposures</b>	<b>2,828.4</b>
<b>Operational risk</b>	<b>336.3</b>
<b>Total risk weighted assets</b>	<b>3,164.7</b>

<b>Capital Ratio (%)</b>	<b>31 Dec 2009</b>
<b>Tier 1 capital ratio</b>	<b>7.85%</b>

**Credit Risk (Table 17)**

<b>Table 17 (a)</b>	<b>31 Dec 2009</b>	
	<b>As At</b>	<b>Average</b>
<b>Credit exposures by Types</b>	<b>\$M</b>	<b>\$M</b>
Cash and balances with central banks	32.7	20.5
Loans and advances to banks	63.2	38.0
Debt Securities	838.4	813.4
Loans and advances to customers	6,459.5	6,348.3
Other Assets	150.7	132.4
Non Market-related off-balance sheet credit exposures	16.1	18.3
Market-related off-balance sheet credit exposures	13.0	7.9
<b>Total Exposures</b>	<b>7,573.8</b>	<b>7,379.0</b>
<b>Credit exposures by Portfolio</b>	<b>\$M</b>	<b>\$M</b>
Residential Mortgage	6,107.1	5,992.9
Other Retail claims	368.5	373.7
Bank	809.0	755.9
Government	285.7	252.1
Corporate	1.7	2.2
Other Assets	1.8	2.2
<b>Total Exposures</b>	<b>7,573.8</b>	<b>7,379.0</b>

<b>Table 17 (b)</b>	<b>31 Dec 2009</b>
<b>By Portfolios</b>	<b>As At</b>
	<b>\$M</b>
<b>Amount of impaired facilities:</b>	
Residential Mortgage	1.3
Other Retail claims	1.4
<b>Past due facilities:</b>	
Residential Mortgage	13.0
Other Retail claims	0.0
<b>Specific Provisions</b>	<b>0.7</b>
<b>Charges for specific provisions during the period</b>	<b>(1.0)</b>
<b>Write-offs during the period</b>	<b>0.7</b>

<b>Table 17 (c)</b>	<b>31 Dec 2009</b>
<b>General Reserve for Credit Losses</b>	<b>10.8</b>