

As at 30 June 2012

SAR '000

TABLE 1: SCOPE OF APPLICATION	
Capital Deficiencies (Table 1, (e))	
Particulars	Amount
The aggregate amount of capital deficiencies in subsidiaries not included in the consolidation i.e. that are deducted:	
Nil	

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TABLE 2: CAPITAL STRUCTURE		
Capital Structure (Table 2, (b) to (e))		
Components of capital	Amount	Amount
Core capital - Tier I:		
Eligible paid-up share capital		15,000,000
Eligible reserves		12,105,333
Treasury Shares		(177,093)
Minority interests in the equity of subsidiaries		1,607,477
Retained earnings		7,592,603
IAS type adjustments (cumulative change in fair value)		1,906,768
Others (Foreign currency exchange reserve)		(1,213,513)
Deductions from Tier I:		(1,261,588)
Intangible assets and goodwill	(1,225,401)	
Significant minority investments at 10% and above at 50% deduction:	(36,187)	
Banking and securities entities not fully consolidated	(15,002)	
Insurance organizations	(21,185)	
Total Tier I		35,559,987
Supplementary capital - Tier 2:		
Qualifying general provisions		2,262,111
Deductions from Tier II:		(36,187)
Significant minority investments at 10% and above at 50% deduction:	(36,187)	
Banking and securities entities not fully consolidated	(15,002)	
Insurance organizations	(21,185)	
Total Tier II		2,225,924
Total eligible capital		37,785,911
Capital to cover market risks - Tier III		
Short Term Subordinated Debt		
Tier I and Tier II Capital Available for Market Risk		22,263,743

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TABLE 3: CAPITAL ADEQUACY

Amount of Exposures Subject To Standardized Approach of Credit Risk and related Capital Requirements (TABLE 3, (b))

Portfolios	Amount of exposures (On Balance Sheet)	Capital requirements	Amount of exposures (Off Balance + Derivatives)	Capital requirements	total Amount of Exposure	total Capital requirements
Sovereigns and central banks:	93,684,508	301,462	-	-	93,684,508	301,462
SAMA and Saudi Government	70,771,904	-	-	-	70,771,904	-
Others	22,912,604	301,462	-	-	22,912,604	301,462
Multilateral Development Banks (MDBs)	9,136,188	-	-	-	9,136,188	-
Public Sector Entities (PSEs)	-	-	-	-	-	-
Banks and securities firms	17,101,063	597,538	8,986,690	363,413	26,087,753	960,951
Corporates	124,644,708	7,048,835	34,546,088	2,530,956	159,190,796	9,579,791
Retail non-mortgages	48,938,027	2,936,103	5,130,676	287,650	54,068,703	3,223,753
Small Business Facilities Enterprises (SBFE's)	3,871,414	232,285	-	-	3,871,414	232,285
Mortgages	4,925,929	271,876	-	-	4,925,929	271,876
Residential	4,809,222	262,539	-	-	4,809,222	262,539
Commercial	116,707	9,337	-	-	116,707	9,337
Securitized assets	-	-	-	-	-	-
Equity	2,846,567	227,725	-	-	2,846,567	227,725
Others	15,785,687	931,421	126,522	25,190	15,912,209	956,611
Total	317,062,676	12,314,959	48,789,977	3,207,209	365,852,653	15,522,168

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TABLE 3: CAPITAL ADEQUACY					
Capital Requirements For Market Risk (822, Table 3, (d))					
	Interest rate risk	Equity position risk	Foreign exchange risk	Commodity risk	Total
Standardised approach	331,293		192,384		523,677

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TABLE 3: CAPITAL ADEQUACY	
Capital Requirements for Operational Risk (Table 3, (e))	
Particulars	Capital requirement
Standardized approach	1,700,420
Total	1,700,420

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TABLE 3: CAPITAL ADEQUACY		
Capital Adequacy Ratios (TABLE 3, (f))		
Particulars	Total capital ratio	Tier 1 capital ratio
	%	
Top consolidated level	17.0%	16.0%

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TABLE 4 (STA): CREDIT RISK: GENERAL DISCLOSURES		
Credit Risk Exposure (Table 4, (b))		
Portfolios	Total gross credit risk exposure	Average gross credit risk exposure over the period
Sovereigns and central banks:	93,684,508	105,473,290
SAMA and Saudi Government	70,771,904	70,516,057
Others	22,912,604	25,021,551
Multilateral Development Banks (MDBs)	9,136,188	12,435,274
Public Sector Entities (PSEs)	-	-
Banks and securities firms	26,087,753	22,467,265
Corporates	159,190,796	138,052,561
Retail non-mortgages	54,068,703	50,445,293
Small Business Facilities Enterprises (SBFE's)	3,871,414	3,504,194
Mortgages	4,925,929	3,962,392
Residential	4,809,222	3,683,351
Commercial	116,707	279,041
Securitized assets	-	-
Equity	2,846,567	2,176,230
Others	15,912,209	16,564,018
Total	365,852,653	351,576,322

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TABLE 4 (STA): CREDIT RISK: GENERAL DISCLOSURES								
Geographic Breakdown (Table 4, (c))								
Portfolios	Geographic area							
	Saudi Arabia	Other GCC & Middle East	Europe	Turkey	North America	South East Asia	Other countries	Total
Sovereigns and central banks:	70,771,904	8,151,262	714,375	4,523,054	8,052,991	371,625	1,099,297	93,684,508
SAMA and Saudi Government	70,771,904							70,771,904
Others		8,151,262	714,375	4,523,054	8,052,991	371,625	1,099,297	22,912,604
Multilateral Development Banks (MDBs)	3,054,938		937,500		3,643,750		1,500,000	9,136,188
Public Sector Entities (PSEs)								
Banks and securities firms	10,854,757	4,538,969	1,052,918	2,681,769	2,971,347	3,180,249	807,743	26,087,753
Corporates	117,694,351	6,201,932	2,765,129	16,085,223	7,183,346	8,303,949	956,866	159,190,796
Retail non-mortgages	47,267,355			6,801,348				54,068,703
Small Business Facilities Enterprises (SBFE's)				3,871,414				3,871,414
Mortgages	2,575,954			2,349,974				4,925,929
Residential	2,459,247			2,349,974				4,809,222
Commercial	116,707							116,707
Securitized assets								
Equity	2,846,567							2,846,567
Others	9,153,262	553,058	2,272,076	1,157,043	2,676,187	26,018	74,565	15,912,209
Total	264,219,089	19,445,221	7,741,998	33,598,412	24,527,621	11,881,841	4,438,471	365,852,653

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TABLE 4 (STA): CREDIT RISK: GENERAL DISCLOSURES												
Industry Sector Breakdown (Table 4, (d))												
Portfolios	Industry sector											
	Government and quasi government	Banks and other financial institutions	Agriculture and fishing	Manufacturing	Electricity, water, gas and health services	Building and construction	Commerce	Transportation and communication	Services	Consumer loans and credit cards	Others	Total
Sovereigns and central banks:	93,684,508											93,684,508
SAMA and Saudi Government	70,771,904											70,771,904
Others	22,912,604											22,912,604
Multilateral Development Banks (MDBs)		9,136,188										9,136,188
Public Sector Entities (PSEs)												
Banks and securities firms		26,087,753										26,087,753
Corporates		14,354,161	744,471	33,308,040	13,585,257	26,608,916	36,275,573	11,138,429	16,658,838		6,517,111	159,190,796
Retail non-mortgages			38,714	882,682	61,943	387,141	1,045,282	100,657	270,999	50,197,289	1,083,996	54,068,703
Small Business Facilities Enterprises (SBFE's)			38,714	882,682	61,943	387,141	1,045,282	100,657	270,999		1,083,996	3,871,414
Mortgages										4,925,929		4,925,929
Residential										4,809,222		4,809,222
Commercial										116,707		116,707
Securitized assets												
Equity		1,789,743		218,540			816,234		11,000		11,050	2,846,567
Others		12,023,566									3,888,643	15,912,209
Total	93,684,508	63,391,411	783,185	34,409,262	13,647,199	26,996,057	38,137,089	11,239,086	16,940,837	55,123,218	11,500,799	365,852,653

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TABLE 4 (STA): CREDIT RISK: GENERAL DISCLOSURES

Residual Contractual Maturity Breakdown (Table 4, (e))

Portfolios	Maturity breakdown								
	Less than 8 days	8-30 days	30-90 days	90-180 days	180-360 days	1-3 years	3-5 years	Over 5 years	Total
Sovereigns and central banks:	8,940,563	7,804,682	8,387,618	6,524,767	19,374,172	9,284,667	5,025,525	28,342,514	93,684,508
SAMA and Saudi Government	3,354,402	5,895,876	6,336,242	4,928,992	14,635,793	7,013,897	3,796,423	24,810,280	70,771,904
Others	5,586,161	1,908,806	2,051,376	1,595,775	4,738,379	2,270,769	1,229,103	3,532,234	22,912,604
Multilateral Development Banks (MDBs)						3,679,938	2,362,500	3,093,750	9,136,188
Public Sector Entities (PSEs)									
Banks and securities firms	4,192,696	1,955,771	4,776,257	2,091,623	6,428,887	2,876,003	3,409,952	356,563	26,087,753
Corporates	11,440,199	12,508,760	21,986,582	21,877,182	23,314,702	25,984,784	19,890,410	22,188,176	159,190,796
Retail non-mortgages	4,132,110	4,533,742	6,926,507	7,189,641	7,943,266	11,198,064	11,924,232	221,141	54,068,703
Small Business Facilities E	300,863	383,374	664,261	694,811	739,945	859,798	179,858	48,504	3,871,414
Mortgages				1,389	22,117	200,650	759,397	3,942,376	4,925,929
Residential				1,389	22,117	200,650	759,397	3,825,669	4,809,222
Commercial								116,707	116,707
Securitized assets									
Equity								2,846,567	2,846,567
Others	6,878,082	150,694	601,380	264,602	238,231	281,611	61,834	7,435,774	15,912,209
Total	35,583,651	26,953,649	42,678,344	37,949,205	57,321,375	53,505,717	43,433,850	68,426,862	365,852,653

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TABLE 4 (STA): CREDIT RISK: GENERAL DISCLOSURES

Impaired Loans, Past Due Loans and Allowances (Table 4, (f))

Industry sector	Impaired loans	Defaulted	Aging of Past Due Loans (days)				Specific allowances			General allowances
			Less than 90	90-180	180-360	Over 360	Charges during the period	Charge-offs during the period	Balance at the end of the period	
Government and quasi government	-	-	-	-	-	-	-	-	-	
Banks and other financial institutions	37,604	37,604	199	16	23	37,566	33	-	37,576	
Agriculture and fishing	13,672	13,672	26,396	1,313	1,927	10,431	4,357	-	11,313	
Manufacturing	277,258	277,258	416,934	31,791	43,945	201,522	11,044	-	224,838	
Mining and quarrying	1,381	1,381	21,970	207	303	871	1,009	-	1,009	
Electricity, water, gas and health services	35,616	35,616	10,766	1,695	2,487	31,434	1,544	-	32,571	
Building and construction	1,373,033	1,373,033	477,987	309,250	28,228	1,035,555	301,007	-	1,343,828	
Commerce	2,258,400	2,258,400	651,254	114,173	153,828	1,990,399	29,670	(14,780)	2,151,060	
Transportation and communication	106,261	106,261	156,782	43,654	4,115	58,492	24,989		80,551	
Services	199,496	199,496	155,129	38,594	141,991	18,911	19,505		94,493	
Consumer loans and credit cards	324,930	324,930	1,718,317	236,093	35,546	53,290	241,177	(161,120)	277,886	
Others	150,358	150,358	40,445	5,475	19,885	124,999	(15,583)	(32,954)	126,510	
Total	4,778,008	4,778,008	3,676,178	782,260	432,279	3,563,469	618,752	(208,854)	4,381,635	2,262,111

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TABLE 4 (STA): CREDIT RISK: GENERAL DISCLOSURES

Impaired Loans, Past Due Loans And Allowances (Table 4, (g))

Geographic area	Impaired loans	Aging of Past Due Loans (days)				Specific allowances	General allowances
		Less than 90	90-100	180-360	Over 360		
Saudi Arabia	4,083,555	2,465,806	671,400	291,145	3,121,010	3,857,757	2,109,333
Other GCC & Middle East	37,500				37,500	37,500	
Turkey	656,953	1,210,372	110,860	141,134	404,959	486,378	152,778
Others countries							
Total	4,778,008	3,676,178	782,260	432,279	3,563,469	4,381,635	2,262,111

TABLE 4 (STA): CREDIT RISK: GENERAL DISCLOSURES		
Reconciliation Of Changes In The Allowances For Loan Impairment (Table 4, (h))		
Particulars	Specific allowances	General allowances
Balance, beginning of the year	3,971,737	2,044,894
Charge-offs taken against the allowances during the period	(208,854)	0
Amounts set aside (or reversed) during the period	618,752	217,217
Other adjustments:		
- exchange rate differences		
- business combinations		
- acquisitions and disposals of subsidiaries		
- etc.		
Transfers between allowances		
Balance, end of the period	4,381,635	2,262,111

- Charge-offs and recoveries that have been recorded directly to the income statement are SAR 30,496 k and SAR (185,940 k) respectively.

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TABLE 5 (STA): CREDIT RISK: DISCLOSURES FOR PORTFOLIOS SUBJECT TO THE STANDARDIZED APPROACH

Allocation Of Exposures To Risk Buckets (Table 5, (b))

Particulars	Risk buckets									Deducted
	0%	20%	35%	50%	75%	100%	150%	Other risk weights	Unrated	
Sovereigns and central banks:	105,276,556					3,768,272				
SAMA and Saudi Government	82,021,903									
Others	23,254,653					3,768,272				
Multilateral Development Banks (MDBs)	9,136,188									
Public Sector Entities (PSEs)										
Banks and securities firms		3,939,559		22,388,019		379				
Corporates		19,866,685		10,289,054		110,629,518				
Retail non-mortgages					53,729,214					
Small Business Facilities Enterprises (SBFE's)					3,871,413					
Mortgages			2,349,974			2,575,954				
Residential			2,349,974			2,459,247				
Commercial						116,707				
Securitized assets										
Equity						2,846,567				72,374
Others	4,268,945	3,661,357				10,869,333	257,079			

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TABLE 7 (STA): CREDIT RISK MITIGATION (CRM): DISCLOSURES		
Credit Risk Exposure Covered By CRM (Table 7, (b) and (c))		
Portfolios	Covered by	
	Eligible financial collateral	Guarantees / credit derivatives
Sovereigns and central banks:		
SAMA and Saudi Government		
Others		
Multilateral Development Banks (MDBs)		
Public Sector Entities (PSEs)		
Banks and securities firms		4,617,323
Corporates	2,997,550	15,407,988
Retail non-mortgages	338,032	1,458
Small Business Facilities Enterprises (SBFE's)		
Mortgages		
Residential		
Commercial		
Securitized assets		
Equity		
Others	-	2,520
Total	3,335,582	20,029,289

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TABLE 8: GENERAL DISCLOSURES FOR EXPOSURES	
General Disclosures (Table 8, (b) and (d))	
Particulars	Amount
Gross positive fair value of contracts	462,888
Netting Benefits	
Netted Current Credit Exposure	
Collateral held:	
-Cash	
-Government securities	
-Others	
Exposure amount (under the applicable method)	977,051
-Internal Models Method (IMM)	
-Current Exposure Method (CEM)	977,051
Notional value of credit derivative hedges	
Current credit exposure (by type of credit exposure):	977,051
-Interest rate contracts	100,526
-FX contracts	876,525
-Equity contracts	
-Credit derivatives	
-Commodity/other contracts	

TABLE 8: GENERAL DISCLOSURES FOR EXPOSURES RELATED TO				
Credit Derivative Transactions (Table 8, (c))				
Credit derivative transactions	Proprietary activities		Intermediation activities	
	Protection bought	Protection sold	Protection bought	Protection sold
Total return swaps				
Credit default swaps				
Credit options				
Credit linked notes				
Collateralized debt obligations				
Collateralized bond obligations				
Collateralized loan obligations				
Others				
Total				

Nil

Note: The total amount of CDOs and CLOs held by the Bank as of 30 June 2012 was SR 224,930 K

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TABLE 13: EQUITIES: DISCLOSURES FOR BANKING BOOK POSITIONS					
Value Of Investments (Table 13, (b))					
	Un-quoted investments		Quoted investments		
	Value disclosed in Financial Statements	Fair value	Value disclosed in Financial Statements	Fair value	Publicly quoted share values (if materially different from fair value)
Investments	839,606	N/A	2,006,962	2,006,962	N/A

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TABLE 13: EQUITIES: DISCLOSURES FOR BANKING BOOK POSITIONS		
Types And Nature of Investments (Table 13, (c))		
Investments	Publicly traded	Privately held
Government and quasi government		
Banks and other financial institutions	1,788,422	1,321
Agriculture and fishing		
Manufacturing	218,540	
Mining and quarrying		
Electricity, water, gas and health services		
Building and construction		
Commerce		816,234
Transportation and communication		
Services		11,000
Others		11,050
Total	2,006,962	839,606

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TABLE 13: EQUITIES: DISCLOSURES FOR BANKING BOOK POSITIONS	
Gains / Losses Etc. (Table 13, (d) and (e))	
Particulars	Amount
Cumulative realized gains (losses) arising from sales and liquidations in the reporting period	34,361
Total unrealized gains (losses)	379,326
Total latent revaluation gains (losses)*	
Unrealized gains (losses) included in Capital	379,326
Latent revaluation gains (losses) included in Capital	

*Not applicable to KSA to date

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TABLE 13: EQUITIES: DISCLOSURES FOR BANKING BOOK POSITIONS	
Capital Requirements (Table 13, (f))	
Equity grouping	Capital requirements
Government and quasi government	-
Banks and other financial institutions	143,179
Agriculture and fishing	-
Manufacturing	17,483
Mining and quarrying	-
Electricity, water, gas and health services	-
Building and construction	-
Commerce	65,299
Transportation and communication	-
Services	880
Others	884
Total	227,725

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TABLE 14: INTEREST RATE RISK IN THE BANKING BOOK (IRRBB)	
200bp Interest Rate Shocks for currencies with more than 5% of Assets or Liabilities (Table 14, (b))	
Rate Shocks	Change in earnings
Upward rate shocks:	
SAR	1,328,491
USD	(971,182)
GBP	4,651
EUR	(9,040)
JPY	3,853
TRY	19,092
Downward rate shocks:	
SAR	(1,328,491)
USD	971,182
GBP	(4,651)
EUR	9,040
JPY	(3,853)
TRY	(19,092)