



**BASEL III - CAPITAL STRUCTURE**  
**30 SEPTEMBER 2013**

## TABLE 2: CAPITAL STRUCTURE

Balance sheet - Step 1 (Table 2(b))

All figures are in SAR'000

	Balance sheet in Published financial statements ( C )	Adjustment of banking associates / other entities (*) ( D )	Under regulatory scope of consolidation ( E )
<b>Assets</b>			
Cash and balances at central banks	33,070,059		33,070,059
Due from banks and other financial institutions	12,278,944		12,278,944
Investments, net	127,182,521		127,182,521
Loans and advances, net	184,412,738		184,412,738
Investment in associates	829,738		829,738
Other real estate, net	212,909		212,909
Goodwill	566,073		566,073
Other intangible assets	378,003		378,003
Property and equipment, net	2,553,355		2,553,355
Other assets	5,596,280		5,596,280
<b>Total assets</b>	<b>367,080,620</b>	<b>0</b>	<b>367,080,620</b>
<b>Liabilities</b>			
Due to Banks and other financial institutions	21,795,464		21,795,464
Customer deposits	294,775,091		294,775,091
Debt securities in issue	1,511,250		1,511,250
Other liabilities	7,080,786		7,080,786
Subtotal	<b>325,162,591</b>	<b>0</b>	<b>325,162,591</b>
Paid up share capital	15,000,000		15,000,000
Treasury Shares	(177,093)		(177,093)
Statutory reserves	13,623,678		13,623,678
Other reserves	1,497,369		1,497,369
Retained earnings	11,864,787		11,864,787
Minority Interest	1,661,393		1,661,393
Proposed dividends	0		0
Foreign currency translation reserve	(1,552,105)		(1,552,105)
<b>Total liabilities and equity</b>	<b>367,080,620</b>	<b>0</b>	<b>367,080,620</b>

## TABLE 2: CAPITAL STRUCTURE

Balance sheet - Step 2 (Table 2(c))

All figures are in SAR'000

	Balance sheet in Published financial statements ( C )	Adjustment of banking associates / other entities ( D )	Under regulatory scope of consolidation ( E )	Reference
<b>Assets</b>				
Cash and balances at central banks	33,070,059		33,070,059	
Due from banks and other financial institutions	12,278,944		12,278,944	
Investments, net	127,182,521		127,182,521	
of which Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold) - 50% deducted from Tier 1	11,485		11,485	A
of which Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold) - 50% deducted from Tier 2	11,485		11,485	B
<b>Loans and advances, net</b>	<b>184,412,738</b>		<b>184,412,738</b>	
of which Collective provisions	(2,576,323)		(2,576,323)	C
Investment in associates	829,738		829,738	
of which Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold) - 50% deducted from Tier 1	20,973		20,973	D
of which Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold) - 50% deducted from Tier 2	20,973		20,973	E
Other real estate, net	212,909		212,909	
Goodwill	566,073		566,073	F
Other intangible assets	378,003		378,003	G
Property and equipment, net	2,553,355		2,553,355	
Other assets	5,596,280		5,596,280	
<b>Total assets</b>	<b>367,080,620</b>	<b>0</b>	<b>367,080,620</b>	
<b>Liabilities</b>				
Due to Banks and other financial institutions	21,795,464		21,795,464	
Customer deposits	294,775,091		294,775,091	
Debt securities in issue	1,511,250		1,511,250	
Other liabilities	7,080,786		7,080,786	
Subtotal	325,162,591	0	325,162,591	
Paid up share capital	15,000,000		15,000,000	
Treasury Shares	(177,093)		(177,093)	H
Statutory reserves	13,623,678		13,623,678	
Other reserves	1,497,369		1,497,369	
Retained earnings	11,864,787		11,864,787	
Minority Interest	1,661,393		1,661,393	
Proposed dividends	0		0	
Foreign currency translation reserve	(1,552,105)		(1,552,105)	
<b>Total liabilities and equity</b>	<b>367,080,620</b>	<b>0</b>	<b>367,080,620</b>	

**TABLE 2: CAPITAL STRUCTURE**

Common template (transition) - Step 3 (Table 2(d)) i

(From January 2013 to 2018 identical to post 2018) With amount subject to Pre- Basel III Treatment

All figures are in SAR'000

(2)	Components <sup>1</sup> of regulatory capital reported by the bank	Amounts <sup>1</sup> subject to Pre - Basel III treatment	Source based on reference numbers / letters of the balance sheet under the regulatory scope of consolidation from step 2
<b>Common Equity Tier 1 capital: Instruments and reserves</b>			
1	Directly issued qualifying common share capital (and equivalent for non-joint stock companies) plus related stock surplus	15,000,000	
2	Retained earnings	11,864,787	
3	Accumulated other comprehensive income (and other reserves)	13,568,942	
4	Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)		
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	1,661,393	
6	<b>Common Equity Tier 1 capital before regulatory adjustments</b>	<b>42,095,122</b>	
<b>Common Equity Tier 1 capital: Regulatory adjustments</b>			
7	Prudential valuation adjustments		
8	Goodwill (net of related tax liability)	566,073	
9	Other intangibles other than mortgage-servicing rights (net of related tax liability)	378,003	F G
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	0	
11	Cash-flow hedge reserve	0	
12	Shortfall of provisions to expected losses		
13	Securitisation gain on sale (as set out in paragraph 562 of Basel II framework)		
14	Gains and losses due to changes in own credit risk on fair valued liabilities		
15	Defined-benefit pension fund net assets		
16	Investments in own shares (if not already netted off paid-in capital on reported balance sheet)	177,093	H
17	Reciprocal cross-holdings in common equity		
18	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)		
19	Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold)	32,458	A + D
20	Mortgage servicing rights (amount above 10% threshold)		
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	0	
22	Amount exceeding the 15% threshold		
23	of which: significant investments in the common stock of financials		
24	of which: mortgage servicing rights		
25	of which: deferred tax assets arising from temporary differences		
26	National specific regulatory adjustments		
REGULATORY ADJUSTMENTS APPLIED TO COMMON EQUITY TIER 1 IN RESPECT OF AMOUNTS SUBJECT TO PRE-BASEL III TREATMENT			
OF WHICH: [INSERT NAME OF ADJUSTMENT]			
OF WHICH: ...			
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions		
28	<b>Total regulatory adjustments to Common equity Tier 1</b>	<b>1,153,627</b>	
29	<b>Common Equity Tier 1 capital (CET1)</b>	<b>40,941,495</b>	
<b>Additional Tier 1 capital: instruments</b>			
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus		
31	of which: classified as equity under applicable accounting standards		
32	of which: classified as liabilities under applicable accounting standards		
33	Directly issued capital instruments subject to phase out from Additional Tier 1		
34	Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1)		
35	of which: instruments issued by subsidiaries subject to phase out		
36	<b>Additional Tier 1 capital before regulatory adjustments</b>		
<b>Additional Tier 1 capital: regulatory adjustments</b>			
37	Investments in own Additional Tier 1 instruments		
38	Reciprocal cross-holdings in Additional Tier 1 instruments		
39	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)		
40	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)		
41	National specific regulatory adjustments		
REGULATORY ADJUSTMENTS APPLIED TO ADDITIONAL TIER 1 IN RESPECT OF AMOUNTS SUBJECT TO PRE-BASEL III TREATMENT			
OF WHICH: [INSERT NAME OF ADJUSTMENT]			
OF WHICH: ...			
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions		
43	Total regulatory adjustments to Additional Tier 1 capital		
44	Additional Tier 1 capital (AT1)		
45	Tier 1 capital (T1 = CET1 + AT1)	40,941,495	

**TABLE 2: CAPITAL STRUCTURE**

Common template (transition) - Step 3 (Table 2(d)) ii

(From January 2013 to 2018 identical to post 2018) With amount subject to Pre- Basel III Treatment

All figures are in SAR'000

		Components <sup>1</sup> of regulatory capital reported by the bank	Amounts <sup>1</sup> subject to Pre - Basel III treatment	
	<b>Tier 2 capital: instruments and provisions</b>			
46	Directly issued qualifying Tier 2 instruments plus related stock surplus			
47	Directly issued capital instruments subject to phase out from Tier 2			
48	Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group Tier 2)			
49	of which: instruments issued by subsidiaries subject to phase out			
50	Provisions	2,576,323		
51	<b>Tier 2 capital before regulatory adjustments</b>	<b>2,576,323</b>		C
	<b>Tier 2 capital: regulatory adjustments</b>			
52	Investments in own Tier 2 instruments			
53	Reciprocal cross-holdings in Tier 2 instruments			
54	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)	32,458		B + E
55	Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)			
56	National specific regulatory adjustments			
	REGULATORY ADJUSTMENTS APPLIED TO TIER 2 IN RESPECT OF AMOUNTS SUBJECT TO PRE-BASEL III TREATMENT			
	OF WHICH: [INSERT NAME OF ADJUSTMENT]			
	OF WHICH: ...			
57	Total regulatory adjustments to Tier 2 capital	32,458		
58	Tier 2 capital (T2)	2,543,865		
59	Total capital (TC = T1 + T2)	43,485,360		
	RISK WEIGHTED ASSETS IN REPECT OF AMOUNTS SUBJECT TO PRE-BASEL III TREATMENT			
	OF WHICH: [INSERT NAME OF ADJUSTMENT]			
	OF WHICH: ...			
60	Total risk weighted assets	250,980,123		
	<b>Capital ratios</b>			
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	16.3%		
62	Tier 1 (as a percentage of risk weighted assets)	16.3%		
63	Total capital (as a percentage of risk weighted assets)	<b>17.3%</b>		
64	Institution specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus countercyclical buffer requirements plus G-SIB buffer requirement expressed as a percentage of risk weighted assets)			
65	of which: capital conservation buffer requirement			
66	of which: bank specific countercyclical buffer requirement			
67	of which: G-SIB buffer requirement			
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets)			
	<b>National minima (if different from Basel 3)</b>			
69	National Common Equity Tier 1 minimum ratio (if different from Basel 3 minimum)	n/a		
70	National Tier 1 minimum ratio (if different from Basel 3 minimum)	n/a		
71	National total capital minimum ratio (if different from Basel 3 minimum)	n/a		
	<b>Amounts below the thresholds for deduction (before risk weighting)</b>			
72	Non-significant investments in the capital of other financials			
73	Significant investments in the common stock of financials			
74	Mortgage servicing rights (net of related tax liability)			
75	Deferred tax assets arising from temporary differences (net of related tax liability)			
	<b>Applicable caps on the inclusion of provisions in Tier 2</b>			
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	2,576,323		
77	Cap on inclusion of provisions in Tier 2 under standardised approach	2,759,786		
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)			
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach			
	<b>Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2018 and 1 Jan 2022)</b>			
80	Current cap on CET1 instruments subject to phase out arrangements			
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)			
82	Current cap on AT1 instruments subject to phase out arrangements			
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)			
84	Current cap on T2 instruments subject to phase out arrangements			
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)			