

BASEL II – Quantitative Disclosures

PILLAR 3 - TABLES (JUNE 2011)

Table No.	Description
Table 1, (e)	SCOPE OF APPLICATION (Capital Deficiencies)
Table 2, (b) to (e)	CAPITAL STRUCTURE (Capital Structure)
TABLE 3, (b)	CAPITAL ADEQUACY (Amount of Exposures – Subject to Standardized Approach of Credit Risk and Related Capital Requirements)
Table 3 (d)	CAPITAL ADEQUACY (Capital Requirements for Market Risk)
Table 3, (e)	CAPITAL ADEQUACY (Capital Requirements for Operational Risk)
Table 4, (b)	CREDIT RISK: GENERAL DISCLOSURES (Credit Risk Exposure)
Table 4, (c)	CREDIT RISK: GENERAL DISCLOSURES (Geographic Breakdown)
Table 4, (d)	CREDIT RISK: GENERAL DISCLOSURES (Industry Sector Breakdown)
Table 4, (e)	CREDIT RISK: GENERAL DISCLOSURES (Residual Contractual Maturity Breakdown)
Table 4, (f)	CREDIT RISK: GENERAL DISCLOSURES (Impaired Loans, Past Due Loans & Allowances - Industry)
Table 4, (g)	CREDIT RISK: GENERAL DISCLOSURES (Impaired Loans, Past Due Loans & Allowances - Geography)
Table 4, (h)	CREDIT RISK: GENERAL DISCLOSURES (Reconciliation of Changes in Allowance for Loan Impairment)
Table 5,(b)	CREDIT RISK: DISCLOSURES FOR PORTFOLIOS (Allocation of Exposures to Risk Buckets)
Table 7, (b) and (c)	CREDIT RISK MITIGATION (CRM): DISCLOSURES FOR STANDARDISED APPROACH (Credit Risk Exposure Covered by CRM)
Table 10, (b)	MARKET RISK: DISCLOSURES FOR BANKS USING THE STANDARDISED APPROACH (Level of Market Risks in Terms of Capital Requirements)
Table 13, (b)	EQUITIES: DISCLOSURES FOR BANKING BOOK POSITIONS (Value of Investments)
Table 13, (c)	EQUITIES: DISCLOSURES FOR BANKING BOOK POSITIONS (Types and Nature of Investments)
Table 13, (d) and (e)	EQUITIES: DISCLOSURES FOR BANKING BOOK POSITIONS (Gains / Losses etc)
Table 13, (f)	EQUITIES: DISCLOSURES FOR BANKING BOOK POSITIONS (Capital Requirements)
Table 14, (b)	INTEREST RATE RISK IN THE BANKING BOOK

TABLE 1: SCOPE OF APPLICATION - JUNE 2011

Capital Deficiencies (Table 1, (e))

Particulars	Amount SAR '000'
The aggregate amount of capital deficiencies in subsidiaries not included in the consolidation i.e. that are deducted:	Nil
1. Subsidiary 1	
2. Subsidiary 2	
3. Subsidiary n	

TABLE 2: CAPITAL STRUCTURE - JUNE 2011

Capital Structure (Table 2, (b) to (e))	
Components of capital	SAR '000'
Core capital - Tier I:	
Eligible paid-up share capital	15,000,000
Shares premium accounts	-
Eligible reserves	11,687,749
Minority interests in the equity of subsidiaries	-
Retained earnings*	610,504
IAS type adjustments	867,751
Deductions from Tier I:	
Interim losses during the year	-
Intangible assets (including goodwill)	-
Other country specific deductions from Tier 1 at 50%	-
Regulatory calculation differences deduction from Tier 1 at 50%**	-
Reciprocal holding of bank capital at 50% deduction	-
Significant minority investments at 10% and above at 50% deduction:	(159,776)
Banking and securities entities not fully consolidated	(92,720)
Insurance organizations	(67,056)
Commercial organizations	-
Total Tier I	28,006,228
Supplementary capital - Tier II:	
Revaluation gains/reserves	-
Subordinated loan capital	-
Qualifying general provisions	1,072,349
Interim profits	1,577,228
Deductions from Tier II:	
Reciprocal holding of bank capital at 50% deduction	-
Significant minority investments at 10% and above at 50% deduction:	(159,776)
Banking and securities entities not fully consolidated	(92,720)
Insurance organizations	(67,056)
Commercial organizations	-
Other country specific deductions from Tier 2 at 50%	-
Regulatory calculation differences deduction from Tier 2 at 50%**	-
Total Tier II	2,489,801
Capital to cover market risks - Tier III	-
Short Term Subordinated Debit	-
Tier I and Tier II Capital Available for Market Risk	-
Total eligible capital	30,496,029

TABLE 3: CAPITAL ADEQUACY - JUNE 2011

Amount of Exposures Subject To Standardized Approach of Credit Risk and related Capital Requirements (TABLE 3, (b))		SAR '000'
Portfolios	Amount of exposures	Capital requirements
Sovereigns and central banks:	37,621,602	6,792
- SAMA and Saudi Government	32,525,750	-
- Others	5,095,852	6,792
Multilateral Development Banks (MDBs)	-	-
Public Sector Entities (PSEs)	-	-
Banks and securities firms	16,215,432	568,081
Corporates	85,866,698	6,781,873
Retail non-mortgages	18,679,966	1,123,065
Small Business Facilities Enterprises (SBFEs)	172,456	9,318
Mortgages	4,523,352	361,868
- Residential	4,523,352	361,868
Equity	768,424	61,474
Others	13,985,503	881,456
Total	177,833,433	9,793,927

Note : 'Amount of exposures' are on-balance sheet and on gross basis.

TABLE 3: CAPITAL ADEQUACY - JUNE 2011

Capital Requirements For Market Risk (Table 3 (d))					SAR '000'
	Interest rate risk	Equity position risk	Foreign exchange risk	Commodity risk	Total
Standardised approach	928	-	44,773	-	45,701

TABLE 3: CAPITAL ADEQUACY - JUNE 2011

Capital Requirements for Operational Risk (Table 3, (e))

Particulars	Capital requirement SAR '000'
Standardised approach	843,102
Total	843,102

TABLE 4 (STA): CREDIT RISK: GENERAL DISCLOSURES - JUNE 2011

Credit Risk Exposure (Table 4, (b))		SAR '000'
Portfolios	Total gross credit risk exposure	Average gross credit risk exposure over the period
Sovereigns and central banks:	37,655,246	39,485,356
- SAMA and Saudi Government	32,555,208	34,370,255
- Others	5,100,038	5,115,101
Multilateral Development Banks (MDBs)	-	-
Public Sector Entities (PSEs)	-	-
Banks and securities firms	27,945,088	26,708,121
Corporates	122,389,279	121,960,310
Retail non-mortgages	18,719,823	17,915,997
Small Business Facilities Enterprises (SBFEs)	672,719	631,755
Mortgages	4,523,352	4,152,874
- Residential	4,523,352	4,152,874
Equity	768,424	766,050
Others	13,031,798	11,320,767
Total	225,705,729	222,941,230

Notes:

1. 'Total gross credit risk exposure' equals on-balance sheet, off-balance sheet after application of credit conversion factor, and derivatives at their credit equivalent values.

2. 'Average gross credit risk exposure over the period' represents average of current and previous 2 Basel II Regulatory Reports

TABLE 4 (STA): CREDIT RISK: GENERAL DISCLOSURES - JUNE 2011

Geographic Breakdown (Table 4, (c)) SAR '000'

Geographic Area							
Portfolios	Saudi Arabia	Other GCC & Middle East	Europe	North America	South East Asia	Other Countries	Total
Sovereigns and central banks:	32,555,208	816,828	1,521,676	2,490,814	30,608	240,112	37,655,246
- SAMA and Saudi Government	32,555,208	-	-	-	-	-	32,555,208
- Others	-	816,828	1,521,676	2,490,814	30,608	240,112	5,100,038
Multilateral Development Banks (MDBs)	-	-	-	-	-	-	-
Public Sector Entities (PSEs)	-	-	-	-	-	-	-
Banks and securities firms	6,743,190	2,628,232	10,717,208	5,902,198	193,914	1,760,346	27,945,088
Corporates	113,438,649	3,616,460	994,700	4,082,998	-	256,472	122,389,279
Retail non-mortgages	18,719,823	-	-	-	-	-	18,719,823
Small Business Facilities Enterprises (SBFEs)	672,069	-	-	-	-	650	672,719
Mortgages	4,523,352	-	-	-	-	-	4,523,352
- Residential	4,523,352	-	-	-	-	-	4,523,352
Equity	679,830	6,804	24,324	42,672	2,382	12,412	768,424
Others	11,034,980	206	138,017	1,745,513	113,082	-	13,031,798
Total	188,367,101	7,068,530	13,395,925	14,264,195	339,986	2,269,992	225,705,729

TABLE 4 (STA): CREDIT RISK: GENERAL DISCLOSURES - JUNE 2011

Portfolios	Industry Sector Breakdown (Table 4, (d)) SAR '000'												
	Government and quasi Government	Banks and other Financial institutions	Agriculture and Fishing	Manufacturing	Mining and Quarrying	Electricity, Water, Gas and Health Services	Building and Construction	Commerce	Transportation and Communications	Services	Consumer loans and Credit cards	Others	Total
Sovereigns and central banks:	37,655,246	-	-	-	-	-	-	-	-	-	-	-	37,655,246
- SAMA and Saudi Government	32,555,208	-	-	-	-	-	-	-	-	-	-	-	32,555,208
- Others	5,100,038	-	-	-	-	-	-	-	-	-	-	-	5,100,038
Multilateral Development Banks (MDBs)	-	-	-	-	-	-	-	-	-	-	-	-	-
Public Sector Entities (PSEs)	-	-	-	-	-	-	-	-	-	-	-	-	-
Banks and securities firms	-	27,945,088	-	-	-	-	-	-	-	-	-	-	27,945,088
Corporates	-	4,203,740	1,409,681	22,083,137	2,772,916	3,390,558	23,050,346	43,870,142	9,465,185	4,420,451	-	7,723,123	122,389,279
Retail non mortgages	-	-	-	-	-	-	-	-	-	-	18,719,823	-	18,719,823
Small Business Facilities Enterprises (SBFEs)	-	-	4	41,202	-	3,654	221,860	120,305	3,255	274,460	-	7,979	672,719
Mortgages	-	-	-	-	-	-	-	-	-	-	4,523,352	-	4,523,352
- Residential	-	-	-	-	-	-	-	-	-	-	4,523,352	-	4,523,352
Equity	-	182,353	37,322	298,436	8,257	75,994	-	52,246	66,954	34,305	-	12,557	768,424
Others	-	-	20,111	227,981	-	1,017	284,451	4,257,637	2,115	36,284	-	8,202,202	13,031,798
Total	37,655,246	32,331,181	1,467,118	22,650,756	2,781,173	3,471,223	23,556,657	48,300,330	9,537,509	4,765,500	23,243,175	15,945,861	225,705,729

TABLE 4 (STA): CREDIT RISK: GENERAL DISCLOSURES - JUNE 2011

Residual Contractual Maturity Breakdown (Table 4, (e)) SAR '000'									
Portfolios	Maturity breakdown								Total
	Less than 8 days	8-29 days	30-89 days	90-179 days	180-359 days	1-3 years	3-5 years	Over 5 years	
Sovereigns and central banks:	9,690,229	3,999,335	4,223,012	4,916,179	4,276,541	1,038,802	542,444	8,968,704	37,655,246
- SAMA and Saudi Government	9,690,229	2,383,764	3,369,228	4,903,071	4,263,133	640,778	87,009	7,217,996	32,555,208
- Others	-	1,615,571	853,784	13,108	13,408	398,024	455,435	1,750,708	5,100,038
Multilateral Development Banks (MDBs)	-	-	-	-	-	-	-	-	-
Public Sector Entities (PSEs)	-	-	-	-	-	-	-	-	-
Banks and securities firms	2,639,361	999,949	4,253,689	702,054	8,257,923	5,979,264	2,218,155	2,894,693	27,945,088
Corporates	13,273,449	9,388,036	17,191,013	18,207,372	15,678,350	27,054,101	10,749,143	10,847,815	122,389,279
Retail non-mortgages	3,287	4,607	9,430	24,453	183,830	3,165,031	12,723,529	2,605,656	18,719,823
Small Business Facilities Enterprises (SBFEs)	64,406	14,628	66,950	81,101	104,975	235,355	97,416	7,888	672,719
Mortgages	-	28	232	123	1,420	21,136	86,464	4,413,949	4,523,352
- Residential	-	28	232	123	1,420	21,136	86,464	4,413,949	4,523,352
Equity	-	-	-	-	-	-	-	768,424	768,424
Others	4,557,565	401,784	395,073	771,645	771,303	373,271	984,950	4,776,207	13,031,798
Total	30,228,297	14,808,367	26,139,399	24,702,927	29,274,342	37,866,960	27,402,101	35,283,336	225,705,729

TABLE 4 (STA): CREDIT RISK: GENERAL DISCLOSURES - JUNE 2011

Impaired Loans, Past Due Loans and Allowances (Table 4, (f)) SAR '000'										
Industry sector	Impaired loans	Defaulted	Aging of Past Due Loans (days)				Charges during the period	Charge-offs during the period	Balance at the end of the period	General allowances
			31-90	91-180	181-360	Over 360				
Government and quasi government	-	-	-	-	-	-	-	-	-	-
Banks and other financial institutions	-	-	-	-	-	-	-	-	-	-
Agriculture and fishing	-	-	-	-	-	-	(8,559)	-	-	-
Manufacturing	333,199	-	73,376	-	-	-	25,917	-	159,885	-
Mining and quarrying	-	-	-	-	-	-	-	-	-	-
Electricity, water, gas and health services	-	-	-	-	-	-	-	-	-	-
Building and construction	159,265	101,488	28,236	101,488	-	-	16,355	(765)	131,708	-
Commerce	1,292,350	355,951	1,146,443	344,550	11,401	-	61,579	(1,369)	970,538	-
Transportation and communication	-	-	-	-	-	-	-	-	-	-
Services	16,066	-	14,820	-	-	-	21,603	(6,588)	5,149	-
Consumer loans and credit cards	-	421,923	727,837	421,923	-	-	216,686	(216,686)	-	-
Others	44,404	-	-	-	-	-	6,591	-	19,020	-
Portfolio provision	-	-	-	-	-	-	-	-	-	1,072,349
Total	1,845,284	879,362	1,990,712	867,961	11,401	-	340,172	(225,408)	1,286,300	1,072,349

Definitions: * 'Defaulted' are Loans that are Past Due over 90 days, but not yet Impaired

* 'Impaired Loans' are loans with Specific Provisions

TABLE 4 (STA): CREDIT RISK: GENERAL DISCLOSURES - JUNE 2011

Impaired Loans, Past Due Loans And Allowances (Table 4, (g))								SAR '000'	
Geographic area	Impaired loans	Aging of Past Due Loans (days)				Specific allowances	General allowances		
		31-90	91-180	181-360	Over 360				
Saudi Arabia	1,845,284	1,990,712	867,961	11,401	-	1,286,300	1,072,349		
Other GCC & Middle East	-	-	-	-	-	-	-		
Europe	-	-	-	-	-	-	-		
North America	-	-	-	-	-	-	-		
South East Asia	-	-	-	-	-	-	-		
Others countries	-	-	-	-	-	-	-		
Total	1,845,284	1,990,712	867,961	11,401	-	1,286,300	1,072,349		

TABLE 4 (STA): CREDIT RISK: GENERAL DISCLOSURES - JUNE 2011

Reconciliation Of Changes In The Allowances For Loan Impairment (Table 4, (h))		SAR '000'
Particulars	Specific allowances	General allowances
Balance, beginning of the year	1,216,004	1,072,349
Charge-offs taken against the allowances during the period	(225,408)	-
Amounts set aside (or reversed) during the period	340,172	-
Other adjustments:	-	-
- exchange rate differences	-	-
- business combinations	-	-
- acquisitions and disposals of subsidiaries	-	-
- etc.	(44,468)	-
Transfers between allowances	-	-
Balance, end of the year	1,286,300	1,072,349

Note: Charge-offs and recoveries have been recorded directly to the income statement.

TABLE 5 (STA): CREDIT RISK: DISCLOSURES FOR PORTFOLIOS SUBJECT TO THE STANDARDIZED APPROACH - JUNE 2011

Allocation Of Exposures To Risk Buckets (Table 5, (b))										SAR '000'	
Particulars	Risk buckets								Unrated **	Deducted	
	0%	20%	35%	50%	75%	100%	150%	Other risk weights			
Sovereigns and central banks:	37,263,573	369,792	-	21,880	-	-	-	-	-	-	-
- SAMA and Saudi Government	32,555,208	-	-	-	-	-	-	-	-	-	-
- Others	4,708,365	369,792	-	21,880	-	-	-	-	-	-	-
Multilateral Development Banks (MDBs)	-	-	-	-	-	-	-	-	-	-	-
Public Sector Entities (PSEs)	-	-	-	-	-	-	-	-	-	-	-
Banks and securities firms	491,387	5,478,550	-	21,888,322	-	85,548	1,281	-	-	-	-
Corporates	-	687,710	-	1,504,815	-	117,708,756	207,870	-	115,457,948	-	-
Retail non-mortgages	-	-	-	-	18,719,462	-	-	-	-	18,719,462	-
Small Business Facilities Enterprises (SBFEs)	-	-	-	-	414,742	-	-	-	-	413,369	-
Mortgages	-	-	-	-	-	4,523,352	-	-	-	4,523,352	-
- Residential	-	-	-	-	-	4,523,352	-	-	-	4,523,352	-
Equity	-	-	-	-	-	768,424	-	-	-	768,424	-
Others	2,422,716	22,910	-	-	-	9,220,512	1,226,681	-	10,124,458	-	-
Total	40,177,676	6,558,962	-	23,415,017	19,134,204	132,306,592	1,435,832	-	150,007,013	-	-

Note: Exposure amounts are after applying 'risk mitigants' where applicable.

TABLE 7 (STA): CREDIT RISK MITIGATION (CRM): DISCLOSURES FOR STANDARDIZED APPROACH - JUNE 2011

Credit Risk Exposure Covered By CRM (Table 7, (b) and (c))		SAR '000'
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	-	-
Corporates	2,226,936	53,192
Retail non-mortgages	362	-
Small Business Facilities Enterprises (SBFEs)	257,976	-
Mortgages	-	-
- Residential	-	-
Equity	-	-
Others	138,980	-
Total	2,624,254	53,192

TABLE 10: MARKET RISK: DISCLOSURES FOR BANKS USING THE STANDARDIZED APPROACH

Level Of Market Risks In Terms Of Capital Requirements (Table 10, (b))					
					SAR '000'
	Interest rate risk	Equity position risk	Foreign exchange risk	Commodity risk	Total
Standardised approach	928	-	44,773	-	45,701

TABLE 13: EQUITIES: DISCLOSURES FOR BANKING BOOK POSITIONS - JUNE 2011

Value Of Investments (Table 13, (b))		SAR '000'			
	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	149,817	149,817	618,608	618,608	n/a

TABLE 13: EQUITIES: DISCLOSURES FOR BANKING BOOK POSITIONS - JUNE 2011

Investments	Types And Nature of Investments (Table 13, (c))		SAR '000'	
		Publicly traded		Privately held
Government and quasi government		-		-
Banks and other financial institutions		154,700		27,652
Agriculture and fishing		36,722		600
Manufacturing		298,436		-
Mining and quarrying		8,257		-
Electricity, water, gas and health services		1,148		74,846
Building and construction		-		-
Commerce		52,246		-
Transportation and communication		66,954		-
Services		-		34,305
Others		145		12,414
Total		618,608		149,817

TABLE 13: EQUITIES: DISCLOSURES FOR BANKING BOOK POSITIONS - JUNE 2011

Gains / Losses Etc. (Table 13, (d) and (e)) SAR '000'

Particulars	Amount
Cumulative realized gains (losses) arising from sales and liquidations in the reporting period	(152)
Total unrealized gains (losses)	150,263
Total latent revaluation gains (losses)*	N/A
Unrealized gains (losses) included in Capital	127,277
Latent revaluation gains (losses) included in Capital*	N/A

*Not applicable to KSA to date

TABLE 13: EQUITIES: DISCLOSURES FOR BANKING BOOK POSITIONS - JUNE 2011

Capital Requirements (Table 13, (f))		SAR '000'
Equity grouping	Capital requirements	
Government and quasi government	-	
Banks and other financial institutions	14,588	
Agriculture and fishing	2,986	
Manufacturing	23,875	
Mining and quarrying	661	
Electricity, water, gas and health services	6,080	
Building and construction	-	
Commerce	4,180	
Transportation and communication	5,356	
Services	2,744	
Others	1,005	
Total	61,475	

TABLE 14: INTEREST RATE RISK IN THE BANKING BOOK (IRRBB) - JUNE 2011

200bp Interest Rate Shocks for currencies with more than 5% of Assets or Liabilities (Table 14, (b))	
	SAR 000's
Rate Shocks	Change in earnings
Upward rate shocks:	
SAR +200bp	196,119
USD +200bp	-132,002
Downward rate shocks:	
SAR-200bp	-92,738
USD-200bp	25,127