



BASEL II PILLAR 3 QUANTITATIVE DISCLOSURES

31 December 2011

Frequency : SA

Location : W

TABLE 1: SCOPE OF APPLICATION - DECEMBER 2011

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
1. Subsidiary 1	
2. Subsidiary 2	
3. Subsidiary 3	
4. Subsidiary n	

Frequency : SA

Location : W

TABLE 2: CAPITAL STRUCTURE - DECEMBER 2011

Capital Structure (Table 2, (b) to (e)) (Figures in SR 000's)

Components of capital	Amount
Core capital - Tier I:	
Eligible paid-up share capital	8,500,000
Shares premium accounts	
Eligible reserves	6,030,000
Minority interests in the equity of subsidiaries	105,465
Retained earnings	1,066,440
IAS type adjustments	177,620
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:	
Banking and securities entities not fully consolidated	
Insurance organizations	
Commercial organizations	206,658-
Total Tier I	15,672,867
Supplementary capital - Tier 2:	
Revaluation gains/reserves	
Subordinated loan capital	1,350,000
Qualifying general provisions	420,729
Interim profits	0
Deductions from Tier II:	
Reciprocal holding of bank capital at 50% deduction	
Significant minority investments at 10% and above at 50% deduction:	
Banking and securities entities not fully consolidated	
Insurance organizations	
Commercial organizations	206,658-
Other country specific deductions from Tier 2 at 50%	
Regulatory calculation differences deduction from Tier 2 at 50%	
Total Tier II	1,564,071
Capital to cover market risks - Tier III	
Short Term Subordinated Debit	
Tier I and Tier II Capital Available for Market Risk	
Total eligible capital	17,236,938

Frequency : SA

Location : W

TABLE 3: CAPITAL ADEQUACY - DECEMBER 2011

Amount of Exposures Subject To Standardized Approach of Credit Risk and related Capital Requirements (TABLE 3, (b)) (Figures in SR 000's)

Portfolios	Amount of exposures	Capital requirements
Sovereigns and central banks:	27,902,500	4,252
SAMA and Saudi Government	22,417,585	-
Others	5,484,915	4,252
Multilateral Development Banks (MDBs)	-	-
Public Sector Entities (PSEs)	-	-
Banks and securities firms	6,508,608	245,836
Corporates	57,259,368	4,147,010
Retail non-mortgages	19,497,072	1,169,824
Small Business Facilities Enterprises (SBFE's)	-	-
Mortgages	795,701	63,446
Residential	795,701	63,446
Commercial	-	-
Securitized assets	-	-
Equity	805,511	64,441
Others	8,047,100	364,167
Total	120,815,860	6,058,976

Frequency : SA
Location : W

TABLE 3: CAPITAL ADEQUACY - DECEMBER 2011

Capital Requirements For Market Risk* (822, Table 3, (d)) (Figures in SR 000's)					
	Interest rate risk	Equity position risk	Foreign exchange risk	Commodity risk	Total
Standardised approach	5,142		159,541		164,683
Internal models approach					

* Capital requirements are to be disclosed only for the approaches used.

Frequency: SA Location: W

TABLE 3: CAPITAL ADEQUACY - DECEMBER 2011	
Capital Requirements for Operational Risk* (Table 3, (e)) (Figures in SR 000's)	
Particulars	Capital requirement
• Basic indicator approach;	
• Standardized approach;	
• Alternate standardized approach;	670,055
• Advanced measurement approach (AMA).	
Total	

* Capital requirement is to be disclosed only for the approach used.

Frequency : Quarterly
Location : Quarterly Report

TABLE 3: CAPITAL ADEQUACY - DECEMBER 2011

Capital Adequacy Ratios (TABLE 3, (f))

Particulars	Total capital ratio	Tier 1 capital ratio
	%	
Top consolidated level	16.52%	15.02%
Bank significant stand alone subsidiary 1		
Bank significant stand alone subsidiary 2		
Bank significant stand alone subsidiary 3		
Bank significant stand alone subsidiary n		

Frequency : SA

Location : W

**TABLE 4 (STA): CREDIT RISK: GENERAL DISCLOSURES
DECEMBER 2011**

Credit Risk Exposure (Table 4, (b)) (Figures in SR 000's)

Portfolios	Total gross credit risk exposure*	Average gross credit risk exposure over the period**
Sovereigns and central banks:	27,902,500	30,091,900
SAMA and Saudi Government	22,417,585	23,111,418
Others	5,484,915	6,980,482
Multilateral Development Banks (MDBs)		
Public Sector Entities (PSEs)		
Banks and securities firms	9,353,036	8,433,678
Corporates	72,569,323	70,274,510
Retail non-mortgages	19,497,067	18,645,332
Small Business Facilities Enterprises (SBFE's)		
Mortgages	793,074	822,700
Residential	793,074	822,700
Commercial		
Securitized assets		
Equity	805,511	795,841
Others	6,780,848	6,705,946
Total	137,701,359	135,769,907

* This also covers off-balance sheet items at credit equivalent values

**Average is calculated at the end-of-quarter balances, for the last 4 quarters.

Frequency : SA

Location : W

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

Geographic Breakdown (Table 4, (c)) (Figures in SR 000's)							
Portfolios	Geographic area						
	Saudi Arabia	Other GCC & Middle East	Europe	North America	South East Asia	Others countries	Total
Sovereigns and central banks:	22,417,585	425,369	2,760,577	2,298,969			27,902,500
SAMA and Saudi Government	22,417,585						22,417,585
Others		425,369	2,760,577	2,298,969			5,484,915
Multilateral Development Banks (MDBs)							-
Public Sector Entities (PSEs)							-
Banks and securities firms	3,082,190	1,906,748	1,952,261	1,301,329	218,967	891,541	9,353,036
Corporates	70,689,256	961,289	449,247	375,027	101	94,403	72,569,323
Retail non-mortgages	19,497,067						19,497,067
Small Business Facilities Enterprises (SBFE's)							-
Mortgages	793,074						793,074
Residential	793,074						793,074
Commercial							-
Securitized assets							-
Equity	805,511						805,511
Others	6,705,661		75,187				6,780,848
Total	123,990,344	3,293,406	5,237,272	3,975,325	219,068	985,944	137,701,359

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

Portfolios	Industry Sector Breakdown (Table 4, (d)) (Figures in SR 000's)												
	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 communication	Services	Consumer loans and credit cards	Others	Total
Sovereigns and central banks:	27,902,500												27,902,500
SAMA and Saudi Government	22,417,585												22,417,585
Others	5,484,915												5,484,915
Multilateral Development Banks (MDBs)													-
Public Sector Entities (PSEs)													-
Banks and securities firms		9,353,036											9,353,036
Corporates	18,786	2,675,222	240,234	11,883,541	1,033,802	6,139,378	11,096,055	15,260,156	6,221,416	2,075,863	15,924,870		72,569,323
Retail non-mortgages											19,497,067		19,497,067
Small Business Facilities Enterprises (SBFE's)													-
Mortgages												793,074	793,074
Residential												793,074	793,074
Commercial													-
Securitized assets													-
Equity		511,588	6,381	84,870		7,309	108,386		62,363	24,614			805,511
Others				71,391			1,306	208,648		4,982	5,946	6,488,575	6,780,848
Total	27,921,286	12,539,846	246,615	12,039,802	1,033,802	6,146,687	11,205,747	15,468,804	6,283,779	2,105,459	19,503,013	23,206,519	137,701,359

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

Residual Contractual Maturity Breakdown (Table 4, (e)) (Figures in SR 000's)										
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	No Fixed Maturity	Total
Sovereigns and central banks:	6,510,955	1,176,844	2,898,399	5,207,934	670,815	5,224,155	792,780	771,677	4,648,941	27,902,500
SAMA and Saudi Government	6,510,955	1,176,844	2,802,087	5,207,934	612,948	1,025,699	52,756	379,421	4,648,941	22,417,585
Others			96,312		57,867	4,198,456	740,024	392,256		5,484,915
Multilateral Development Banks (MDBs)										-
Public Sector Entities (PSEs)										-
Banks and securities firms	856,946	261,515	182,012	681,673	251,225	3,185,826	1,714,096	999,952	1,219,791	9,353,036
Corporates	221,215	9,614,675	9,840,667	12,284,772	11,657,032	15,089,511	9,050,905	3,540,812	1,269,734	72,569,323
Retail non-mortgages	13,202	375,270	811,332	1,305,520	2,479,758	8,945,090	4,697,811	869,084		19,497,067
Small Business Facilities Enterprises (SBFE's)										-
Mortgages			84	230	811	10,665	38,782	742,502		793,074
Residential			84	230	811	10,665	38,782	742,502		793,074
Commercial										-
Securitized assets										-
Equity									805,511	805,511
Others		4,577	9,040	15,756	26,425	56,574	22,915	40,439	6,605,122	6,780,848
Total	7,602,318	11,432,881	13,741,534	19,495,885	15,086,066	32,511,821	16,317,289	6,964,466	14,549,099	137,701,359

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

Impaired Loans, Past Due Loans and Allowances (Table 4, (f)) (Figures in SR 000's)										
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	585,750	621,494	6	-	-	621,494	(1,371)	-	764,907	-
Agriculture and fishing	-	-	-	-	-	-	-	-	-	-
Manufacturing	1,012,438	208,654	7,752	-	-	208,654	16,857	12,224	380,959	-
Mining and quarrying	-	-	-	-	-	-	-	-	-	-
Electricity, water, gas and health services	-	-	-	-	-	-	-	-	-	-
Building and construction	39,993	39,568	59,792	-	39,568	-	55,416	-	90,477	-
Commerce	285,206	260,978	14,656	8,009	233,746	19,223	33,400	-	148,786	-
Transportation and communication	40,700	-	14,130	-	-	-	(16,806)	-	46,112	-
Services	425,535	399,114	743	-	-	399,114	5,353	-	399,076	-
Consumer loans and credit cards	78,535	30,397	492,531	30,397	-	-	157,228	186,943	47,548	-
Others	1,066,045	224,271	19,054	32,174	3,319	188,778	237,701	2	306,303	-
Total	3,534,202	1,784,476	608,664	70,580	276,633	1,437,263	487,778	199,169	2,184,168	420,729

* Impaired loans defined as any loan with specific provision

** Defaulted loans defined as non-performing loans

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

Impaired Loans, Past Due Loans And Allowances (Table 4, (g)) (Figures in SR 000's)							
Geographic area	Impaired loans	Aging of Past Due Loans (days)				Specific allowances	General allowances
		Less than 90	90-180	180-360	Over 360		
Saudi Arabia	2,877,952	608,664	70,580	276,633	1,437,263	1,924,168	420,729
Other GCC & Middle East	656,250					260,000	
Europe							
North America							
South East Asia							
Others countries							
Total	3,534,202	608,664	70,580	276,633	1,437,263	2,184,168	420,729

Frequency : SA

Location : W

**TABLE 4 (STA): CREDIT RISK: GENERAL DISCLOSURES
DECEMBER 2011**

Reconciliation Of Changes In The Allowances For Loan Impairment (Table 4, (h))
(Figures in SR 000's)

Particulars	Specific allowances	General allowances
Balance, beginning of the year	1,895,559	298,930
Charge-offs taken against the allowances during the period	199,169	
Amounts set aside (or reversed) during the period	487,778	121,799
Other adjustments:		
- exchange rate differences		
- business combinations		
- acquisitions and disposals of subsidiaries		
- etc.		
Transfers between allowances		
Balance, end of the year	2,184,168	420,729

▪ Charge-offs and recoveries that have been recorded directly to the income statement are SAR 8,320 and SAR62,902 respectively.

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

Allocation Of Exposures To Risk Buckets (Table 5, (b)) (Figures in SR 000's)

Particulars	Risk buckets									Deducted
	0%	20%	35%	50%	75%	100%	150%	Other risk weights	Unrated	
Sovereigns and central banks:	27,849,345					53,155				
SAMA and Saudi Government	22,417,585									
Others	5,431,760					53,155				
Multilateral Development Banks (MDBs)										
Public Sector Entities (PSEs)										
Banks and securities firms		2,241,735		4,802,856		2,308,445				413,316
Corporates		4,521,170		386,332		67,656,120	5,701			
Retail non-mortgages					19,497,067					
Small Business Facilities Enterprises (SBFE's)										
Mortgages						793,074				
Residential						793,074				
Commercial										
Securitized assets										
Equity						805,511				
Others	2,468,042					3,834,255	478,551			
TOTAL	30,317,387	6,762,905	0	5,189,188	19,497,067	75,450,560	484,252			
GRAND TOTAL					137,701,359					413,316

Frequency : SA

Location : W

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

Credit Risk Exposure Covered By CRM (Table 7, (b) and (c)) (Figures in SR 000's)

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	839,783	110,090
Retail non-mortgages		
Small Business Facilities Enterprises (SBFE's)		
Mortgages		
Residential		
Commercial		
Securitized assets		
Equity		
Others		
Total	839,783	110,090

Frequency : SA

Location : W

TABLE 8: GENERAL DISCLOSURES FOR EXPOSURES RELATED TO COUNTERPARTY CREDIT RISK (CCR) - DECEMBER 2011

General Disclosures (Table 8, (b) and (d)) (Figures in SR 000's)	
Particulars	Amount
Gross positive fair value of contracts	235,864
Netting Benefits*	
Netted Current Credit Exposure*	
Collateral held:	
-Cash	
-Government securities	
-Others	
Exposure amount (under the applicable method)	
-Internal Models Method (IMM)	
-Current Exposure Method (CEM)	980,827
Notional value of credit derivative hedges	
Current credit exposure (by type of credit exposure):	
-Interest rate contracts	379,138
-FX contracts	601,689
-Equity contracts	
-Credit derivatives	
-Commodity/other contracts	

▪ Bank's estimate of Alpha (if the bank has received supervisory approval) is: N/A

* Currently, netting for credit exposure measurement purposes not permitted in KSA.

Frequency : SA

Location : W

TABLE 10: MARKET RISK: DISCLOSURES FOR BANKS USING THE STANDARDIZED APPROACH - DECEMBER 2011

Level Of Market Risks In Terms Of Capital Requirements (Table 10, (b)) (Figures in SR 000's)

	Interest rate risk	Equity position risk	Foreign exchange risk	Commodity risk	Total
Capital requirements	5,142		159,541		164,683

Frequency : SA

Location : W

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

Value Of Investments (Table 13, (b)) (Figures in SR 000's)

	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*	414,485	414,485	804,342	804,342	

* includes equity investments, which are deducted from capital.

Frequency : SA

Location : W

**TABLE 13: EQUITIES: DISCLOSURES FOR BANKING BOOK POSITIONS
DECEMBER 2011**

Types And Nature of Investments (Table 13, (c)) (Figures in SR 000's)		
Investments	Publicly traded	Privately held
Government and quasi government		
Banks and other financial institutions	510,419	414,485
Agriculture and fishing	6,381	
Manufacturing	84,870	
Mining and quarrying		
Electricity, water, gas and health services	7,309	
Building and construction	108,386	
Commerce		
Transportation and communication	62,363	
Services	24,614	
Others		
Total	804,342	414,485

Frequency : SA

Location : W

**TABLE 13: EQUITIES: DISCLOSURES FOR BANKING BOOK POSITIONS
DECEMBER 2011**

Gains / Losses Etc. (Table 13, (d) and (e)) (Figures in SR 000's)

Particulars	Amount
Cumulative realized gains (losses) arising from sales and liquidations in the reporting period	
Total unrealized gains (losses)	24,247
Total latent revaluation gains (losses)*	
Unrealized gains (losses) included in Capital	24,247
Latent revaluation gains (losses) included in Capital*	

*Not applicable to KSA to date

Frequency : SA

Location : W

**TABLE 13: EQUITIES: DISCLOSURES FOR BANKING BOOK POSITIONS
DECEMBER 2011**

Capital Requirements (Table 13, (f)) (Figures in SR 000's)	
Equity grouping	Capital requirements
Government and quasi government	
Banks and other financial institutions	454,243
Agriculture and fishing	510
Manufacturing	6,790
Mining and quarrying	
Electricity, water, gas and health services	585
Building and construction	8,671
Commerce	
Transportation and communication	4,989
Services	1,969
Others	
Total	477,757

Frequency : SA

Location : W

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

200 bps 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	272,932
USD	(107,950)
OTHERS	8,008
Downward rate shocks*:	
SAR	(68,233)
USD	25,987
OTHERS	(2,002)

* Only 50bp downward shock is applied.