



BASEL II PILLAR 3 QUANTITATIVE DISCLOSURES

30 June 2010

Frequency : SA
Location : W

TABLE 1: SCOPE OF APPLICATION - JUNE 2010	
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 - JUNE 2010

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	6,500,000
Shares premium accounts	
Eligible reserves	5,000,000
Minority interests in the equity of subsidiaries	108,291
Retained earnings	2,265,638
IAS type adjustments*	128,199
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	191,854-
Total Tier I	13,810,274
Supplementary capital - Tier 2:	
Revaluation gains/reserves	
Subordinated loan capital	1,687,500
Qualifying general provisions	349,408
Interim profits	1,263,123
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	191,854-
Other country specific deductions from Tier 2 at 50%	
Regulatory calculation differences deduction from Tier 2 at 50%**	
Total Tier II	3,108,177
Capital to cover market risks - Tier III	
Short Term Subordinated Debit	
Tier I and Tier II Capital Available for Market Risk	
Total eligible capital	16,918,451

Frequency : SA

Location : W

TABLE 3: CAPITAL ADEQUACY - JUNE 2010

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:	25,256,423	-
SAMA and Saudi Government	20,216,444	-
Others	5,039,979	-
Multilateral Development Banks (MDBs)	-	-
Public Sector Entities (PSEs)	-	-
Banks and securities firms	5,275,458	198,007
Corporates	49,361,596	3,763,150
Retail non-mortgages	17,210,425	1,032,607
Small Business Facilities Enterprises (SBFE's)	-	-
Mortgages	914,174	73,104
Residential	914,174	73,104
Commercial	-	-
Securitized assets	-	-
Equity	836,740	66,939
Others	9,269,847	565,330
Total	108,124,663	5,699,138

Frequency : SA

Location : W

TABLE 3: CAPITAL ADEQUACY - JUNE 2010

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	86,894		47,919		134,813
Internal models approach					

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

Frequency: SA Location: W

TABLE 3: CAPITAL ADEQUACY - JUNE 2010	
Capital Requirements for Operational Risk* (Table 3, (e)) (Figures in SR 000's)	
Particulars	Capital requirement
• Basic indicator approach;	
• Standardized approach;	
• Alternate standardized approach;	653,549
• Advanced measurement approach (AMA).	
Total	

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

Frequency : Quarterly Location : Quarterly Report
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TABLE 3: CAPITAL ADEQUACY - JUNE 2010		
Capital Adequacy Ratios (TABLE 3, (f))		
Particulars	Total capital ratio	Tier 1 capital ratio
	%	
Top consolidated level	17.68%	14.43%
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
JUNE 2010**

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:	25,256,423	27,659,275
SAMA and Saudi Government	20,216,444	18,990,287
Others	5,039,979	8,668,988
Multilateral Development Banks (MDBs)		
Public Sector Entities (PSEs)		
Banks and securities firms	7,946,649	9,569,815
Corporates	62,517,400	62,293,218
Retail non-mortgages	17,210,121	16,895,618
Small Business Facilities Enterprises (SBFE's)		
Mortgages	913,802	948,254
Residential	913,802	948,254
Commercial		
Securitized assets		
Equity	836,740	705,434
Others	8,558,157	7,359,129
Total	123,239,292	125,430,742

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 - JUNE 2010

Geographic Breakdown (Table 4, (c)) (Figures in SR 000's)

Portfolios	Geographic area						Total
	Saudi Arabia	Other GCC & Middle East	Europe	North America	South East Asia	Others countries	
Sovereigns and central banks:	20,216,444	464,361		4,575,618			25,256,423
SAMA and Saudi Government	20,216,444						20,216,444
Others		464,361		4,575,618			5,039,979
Multilateral Development Banks (MDBs)							-
Public Sector Entities (PSEs)							-
Banks and securities firms	2,618,049	1,872,779	1,535,383	1,401,932	65,968	452,537	7,946,649
Corporates	60,963,198	799,564	544,016	38,345	162	172,115	62,517,400
Retail non-mortgages	17,210,121						17,210,121
Small Business Facilities Enterprises (SBFE's)							-
Mortgages	913,802						913,802
Residential	913,802						913,802
Commercial							-
Securitized assets							-
Equity	836,740						836,740
Others	8,264,796		293,361				8,558,157
Total	111,023,151	3,136,704	2,372,760	6,015,894	66,130	624,652	123,239,292

TABLE 4 (STA): CREDIT RISK: GENERAL DISCLOSURES - JUNE 2010

Industry Sector Breakdown (Table 4, (d)) (Figures in SR 000's)													
Portfolios	Industry sector												Total
	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	
Sovereigns and central banks:	25,256,423												25,256,423
SAMA and Saudi Government	20,216,444												20,216,444
Others	5,039,979												5,039,979
Multilateral Development Banks (MDBs)													-
Public Sector Entities (PSEs)													-
Banks and securities firms		7,946,649											7,946,649
Corporates	2,846	1,378,060	495,839	12,103,781	922,118	4,282,440	7,444,714	11,772,937	5,022,711	1,820,823	17,271,133		62,517,400
Retail non-mortgages											17,210,121		17,210,121
Small Business Facilities Enterprises (SBFE's)													-
Mortgages												913,802	913,802
Residential												913,802	913,802
Commercial													-
Securitized assets													-
Equity	28,494	606,325		24,556		6,678	106,917		26,664	21,736		15,370	836,740
Others		183,323	1,672	499,205			11,336	13,420		194,453	5,685	7,649,063	8,558,157
Total	25,287,763	10,114,357	497,511	12,627,542	922,118	4,289,118	7,562,967	11,786,357	5,049,375	2,037,011	17,215,806	25,849,368	123,239,292

Frequency : SA

Location : W

TABLE 4 (STA): CREDIT RISK: GENERAL DISCLOSURES - JUNE 2010										
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:	220,000	701,915	1,026,703	1,179,279	4,768,032	1,570,849	4,948,810	1,183,405	9,657,430	25,256,423
SAMA and Saudi Government	220,000	701,915	1,026,703	1,157,851	4,768,032	1,451,994	832,948	399,572	9,657,430	20,216,444
Others				21,429		118,855	4,115,862	783,833		5,039,979
Multilateral Development Banks (MDBs)										-
Public Sector Entities (PSEs)										-
Banks and securities firms	948,842	291,357	421,828	490,329	1,348,159	1,275,803	2,107,459	66,254	996,617	7,946,649
Corporates	337,241	5,217,131	8,422,628	7,039,896	7,410,510	10,520,324	5,439,048	15,974,668	2,155,953	62,517,400
Retail non-mortgages	185,691	321,667	1,022,230	1,082,391	2,099,383	6,670,074	4,090,503	1,738,182		17,210,121
Small Business Facilities Enterprises (SBFE's)										-
Mortgages				25		3,152	17,637	892,989		913,802
Residential				25		3,152	17,637	892,989		913,802
Commercial										-
Securitized assets										-
Equity									836,740	836,740
Others		4,748	9,378	16,345	27,414	58,690	23,773	41,952	8,375,857	8,558,157
Total	1,691,775	6,536,819	10,902,767	9,808,266	15,653,498	20,098,891	16,627,230	19,897,450	22,022,596	123,239,292

TABLE 4 (STA): CREDIT RISK: GENERAL DISCLOSURES - JUNE 2010

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	588,914	588,914	84,804	89,925	498,989	-	154,819	-	396,151	-
Agriculture and fishing	4,748	4,748	-	-	-	4,748	9	-	4,746	-
Manufacturing	1,748,796	662,638	458,188	10,542	320,760	331,336	(22,095)	1,299	397,732	-
Mining and quarrying	-	-	5,538	-	-	-	-	-	-	-
Electricity, water, gas and health services	-	-	5,112	-	-	-	-	-	-	-
Building and construction	21,667	13,565	746,849	70	1,814	11,681	(14,884)	-	50,095	-
Commerce	41,235	48,362	245,368	18,592	6,729	23,041	(2,225)	350	40,678	-
Transportation and communication	76,119	-	134,628	-	-	-	(398)	-	27,424	-
Services	406,245	395,162	46,656	9,639	385,258	266	17,316	-	205,532	-
Consumer loans and credit cards	81,407	33,603	337,146	33,603	-	-	36,597	(45,574)	25,211	-
Others	200,939	182,032	2,759,282	4,197	84,665	93,170	(157)	44,949	38,871	349,408
Total	3,170,071	1,929,024	4,823,571	166,568	1,298,214	464,242	168,982	1,024	1,186,440	349,408

Frequency : SA

Location : W

TABLE 4 (STA): CREDIT RISK: GENERAL DISCLOSURES - JUNE 2010

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	3,170,071	4,823,571	166,568	1,298,214	464,242	1,186,440	349,408
Other GCC & Middle East							
Europe							
North America							
South East Asia							
Others countries							
Total	3,170,071	4,823,571	166,568	1,298,214	464,242	1,186,440	349,408

Frequency : SA
Location : W

TABLE 4 (STA): CREDIT RISK: GENERAL DISCLOSURES		
JUNE 2010		
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	1,109,630	347,790
Charge-offs taken against the allowances during the period	92,172	
Amounts set aside (or reversed) during the period	168,982	1,618
Other adjustments:		
- exchange rate differences		
- business combinations		
- acquisitions and disposals of subsidiaries		
- etc.		
Transfers between allowances		
Balance, end of the year	1,186,440	349,408

▪ Charge-offs and recoveries that have been recorded directly to the income statement are SAR 5,684 and SAR 32,459 respectively.

TABLE 5 (STA): CREDIT RISK: DISCLOSURES FOR PORTFOLIOS SUBJECT TO THE STANDARDIZED APPROACH - JUNE 2010

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:	25,256,423										
SAMA and Saudi Government	20,216,444										
Others	5,039,979										
Multilateral Development Banks (MDBs)											
Public Sector Entities (PSEs)											
Banks and securities firms		1,694,313		5,693,207		502,879	56,250				383,707
Corporates		38,338		2,940,261		59,531,710	7,091				
Retail non-mortgages					17,210,121						
Small Business Facilities Enterprises (SBFE's)											
Mortgages						913,802					
Residential						913,802					
Commercial											
Securitized assets											
Equity						836,740					
Others	1,705,980					6,421,778	430,398				
TOTAL	26,962,403	1,732,651	0	8,633,469	17,210,121	68,206,909	493,739				
GRAND TOTAL					123,239,292						383,707

TABLE 7 (STA): CREDIT RISK MITIGATION (CRM): DISCLOSURES FOR STANDARDIZED APPROACH - JUNE 2010		
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	745,507	93,434
Retail non-mortgages		
Small Business Facilities Enterprises (SBFE's)		
Mortgages		
Residential		
Commercial		
Securitized assets		
Equity		
Others	747	
Total	746,254	93,434

Frequency : SA
Location : W

TABLE 8: GENERAL DISCLOSURES FOR EXPOSURES RELATED TO COUNTERPARTY CREDIT RISK (CCR) - JUNE 2010

General Disclosures (Table 8, (b) and (d)) (Figures in SR 000's)	
Particulars	Amount
Gross positive fair value of contracts	2,059,514
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)	1,531,302
Notional value of credit derivative hedges	
Current credit exposure (by type of credit exposure):	
-Interest rate contracts	520,679
-FX contracts	1,010,623
-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 - JUNE 2010

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	86,894		47,919		134,813

Frequency : SA

Location : W

TABLE 13: EQUITIES: DISCLOSURES FOR BANKING BOOK POSITIONS - JUNE 2010

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	65,058	65,058	835,580	835,580	

Frequency : SA
Location : W

**TABLE 13: EQUITIES: DISCLOSURES FOR BANKING BOOK POSITIONS
JUNE 2010**

Types And Nature of Investments (Table 13, (c)) (Figures in SR 000's)		
Investments	Publicly traded	Privately held
Government and quasi government	28,494	
Banks and other financial institutions	603,693	87
Agriculture and fishing		
Manufacturing	24,556	
Mining and quarrying		
Electricity, water, gas and health services	6,678	
Building and construction	105,917	64,899
Commerce		
Transportation and communication	26,664	
Services	21,736	
Others	17,843	72
Total	835,580	65,058

Frequency : SA
Location : W

**TABLE 13: EQUITIES: DISCLOSURES FOR BANKING BOOK POSITIONS
JUNE 2010**

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	15,648
Total unrealized gains (losses)	89,432
Total latent revaluation gains (losses)*	
Unrealized gains (losses) included in Capital	89,432
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
JUNE 2010**

Capital Requirements (Table 13, (f)) (Figures in SR 000's)

Equity grouping	Capital requirements
Government and quasi government	2,280
Banks and other financial institutions	50,927
Agriculture and fishing	0
Manufacturing	1,964
Mining and quarrying	0
Electricity, water, gas and health services	534
Building and construction	73,372
Commerce	0
Transportation and communication	2,133
Services	1,739
Others	1,602
Total	134,552

Frequency : SA
Location : W

**TABLE 14: INTEREST RATE RISK IN THE BANKING BOOK (IRRBB)
JUNE 2010**

200bp Interest Rate Shocks for currencies with more than 5% of Assets or Liabilities
(Table 14, (b)) (Figures in SR 000's)

Rate Shocks	Change in earnings
Upward rate shocks:	
SAR	114,000
USD	310,000
OTHERS	-6,000
Downward rate shocks:	
SAR	-114,000
USD	-310,000
OTHERS	6,000