



BASEL II PILLAR 3 QUANTITATIVE DISCLOSURES

31 December 2009

Frequency : SA
Location : W

TABLE 1: SCOPE OF APPLICATION - DECEMBER 2009

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 2009

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	109,500
Retained earnings	2,265,638
IAS type adjustments*	46,871-
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	189,272-
Total Tier I	13,638,995
Supplementary capital - Tier 2:	
Revaluation gains/reserves	
Subordinated loan capital	1,687,500
Qualifying general provisions	347,790
Interim profits	
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	189,272-
Other country specific deductions from Tier 2 at 50%	
Regulatory calculation differences deduction from Tier 2 at 50%**	
Total Tier II	1,846,018
Capital to cover market risks - Tier III	
Short Term Subordinated Debit	
Tier I and Tier II Capital Available for Market Risk	
Total eligible capital	15,485,013

Frequency : SA

Location : W

TABLE 3: CAPITAL ADEQUACY - DECEMBER 2009

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:	26,756,640	-
SAMA and Saudi Government	16,578,009	-
Others	10,178,631	-
Multilateral Development Banks (MDBs)	-	-
Public Sector Entities (PSEs)	-	-
Banks and securities firms	9,046,301	350,612
Corporates	50,568,774	3,883,702
Retail non-mortgages	16,706,835	1,002,392
Small Business Facilities Enterprises (SBFE's)	-	-
Mortgages	962,833	76,756
Residential	962,833	76,756
Commercial	-	-
Securitized assets	-	-
Equity	691,035	55,267
Others	7,253,163	414,138
Total	111,985,582	5,782,868

Frequency : SA
 Location : W

TABLE 3: CAPITAL ADEQUACY - DECEMBER 2009

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	76,310		86,038		162,348
Internal models approach					

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

Frequency: SA Location: W

TABLE 3: CAPITAL ADEQUACY - DECEMBER 2009	
Capital Requirements for Operational Risk* (Table 3, (e)) (Figures in SR 000's)	
Particulars	Capital requirement
• Basic indicator approach;	
• Standardized approach;	
• Alternate standardized approach;	641,959
• 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 2009

Capital Adequacy Ratios (TABLE 3, (f))		
Particulars	Total capital ratio	Tier 1 capital ratio
	%	
Top consolidated level	16.26%	14.32%
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 2009**

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:	26,756,640	28,529,827
SAMA and Saudi Government	16,578,009	21,020,108
Others	10,178,631	7,509,719
Multilateral Development Banks (MDBs)		
Public Sector Entities (PSEs)		
Banks and securities firms	11,870,629	9,671,362
Corporates	61,709,880	63,826,159
Retail non-mortgages	16,706,530	16,922,545
Small Business Facilities Enterprises (SBFE's)		
Mortgages	959,456	989,462
Residential	959,456	989,462
Commercial		
Securitized assets		
Equity	691,035	429,690
Others	6,618,382	6,317,017
Total	125,312,552	126,686,063

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 2009

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:	16,578,009	292,960		9,885,671			26,756,640
SAMA and Saudi Government	16,578,009						16,578,009
Others		292,960		9,885,671			10,178,631
Multilateral Development Banks (MDBs)							-
Public Sector Entities (PSEs)							-
Banks and securities firms	5,069,292	2,652,038	2,066,669	1,146,532	353,548	582,551	11,870,629
Corporates	59,216,264	931,696	642,076	39,293	162	880,388	61,709,880
Retail non-mortgages	16,706,530						16,706,530
Small Business Facilities Enterprises (SBFE's)							-
Mortgages	959,456						959,456
Residential	959,456						959,456
Commercial							-
Securitized assets							-
Equity	691,035						691,035
Others	4,776,367		1,842,015				6,618,382
Total	103,996,953	3,876,694	4,550,760	11,071,496	353,710	1,462,939	125,312,552

TABLE 4 (STA): CREDIT RISK: GENERAL DISCLOSURES - DECEMBER 2009

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:	26,756,640												26,756,640
SAMA and Saudi Government	16,578,009												16,578,009
Others	10,178,631												10,178,631
Multilateral Development Banks (MDBs)													-
Public Sector Entities (PSEs)													-
Banks and securities firms		11,870,629											11,870,629
Corporates	5,805	1,308,086	475,390	13,453,714	950,773	2,795,512	7,393,940	10,566,935	6,445,106	1,591,482		16,723,136	61,709,880
Retail non-mortgages												16,706,530	16,706,530
Small Business Facilities Enterprises (SBFE's)													-
Mortgages												959,456	959,456
Residential												959,456	959,456
Commercial													-
Securitized assets													-
Equity		446,157		167,170		5,930			18,000	50,650		3,128	691,035
Others	1,224	295,754		524,654			12,182	56,266	61,646	190,128	6,478	5,470,050	6,618,382
Total	26,763,669	13,920,627	475,390	14,145,539	950,773	2,801,442	7,406,122	10,623,201	6,524,751	1,832,259	16,713,008	23,155,769	125,312,552

TABLE 4 (STA): CREDIT RISK: GENERAL DISCLOSURES - DECEMBER 2009

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:					2,016,895	3,931,054	4,165,065	7,510,954	9,132,672	26,756,640
SAMA and Saudi Government					2,016,895	3,904,269	1,026,836	497,337	9,132,672	16,578,009
Others						26,786	3,138,228	7,013,617		10,178,631
Multilateral Development Banks (MDBs)										-
Public Sector Entities (PSEs)										-
Banks and securities firms	3,844,857	1,531	604,590	1,092,335	608,307	1,839,954	2,242,663	573,422	1,062,971	11,870,630
Corporates		243	17,241	592,691	18,043,473	20,761,238	12,394,193	5,689,467	4,211,334	61,709,880
Retail non-mortgages	184,322	456,760	1,061,869	1,007,516	1,915,269	6,351,457	3,594,003	2,135,333		16,706,530
Small Business Facilities Enterprises (SBFE's)										-
Mortgages				26		3,309	18,518	937,603		959,456
Residential				26		3,309	18,518	937,603		959,456
Commercial										-
Securitized assets										-
Equity									691,035	691,035
Others		4,834	9,548	16,641	27,910	59,753	24,203	42,712	6,432,780	6,618,382
Total	4,029,179	463,368	1,693,249	2,709,209	22,611,854	32,946,765	22,438,645	16,889,490	21,530,792	125,312,552

TABLE 4 (STA): CREDIT RISK: GENERAL DISCLOSURES - DECEMBER 2009

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	498,984	498,984	-	-	498,984	-	241,332	-	241,332	-
Agriculture and fishing	4,748	4,748	-	-	-	4,748	(45,011)	-	4,737	-
Manufacturing	1,800,807	721,390	541,728	318,046	312,394	90,950	244,784	-	466,076	-
Mining and quarrying	-	-	-	-	-	-	-	-	-	-
Electricity, water, gas and health services	-	-	-	-	-	-	-	-	-	-
Building and construction	16,744	12,049	372,572	-	1,046	11,004	(70,038)	(16)	64,978	-
Commerce	87,487	45,964	243,638	20,656	2,933	22,375	(64,047)	(356)	53,970	-
Transportation and communication	81,151	343	1,312	343	-	-	24,566	-	27,822	-
Services	318,788	312,209	177,108	312,027	-	182	187,298	(1,311)	188,216	-
Consumer loans and credit cards	111,073	39,780	431,404	39,780	-	-	89,269	(87,164)	34,188	-
Others	577,009	285,847	2,250,843	3,321	222,877	59,648	16,000	(3,981)	28,311	347,790
Total	3,496,791	1,921,314	4,018,605	694,173	1,038,234	188,907	624,153	(92,828)	1,109,630	347,790

TABLE 4 (STA): CREDIT RISK: GENERAL DISCLOSURES - DECEMBER 2009

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	3,496,791	4,018,605	694,173	1,038,234	188,907	1,109,630	347,790
Other GCC & Middle East							
Europe							
North America							
South East Asia							
Others countries							
Total	3,496,791	4,018,605	694,173	1,038,234	188,907	1,109,630	347,790

Frequency : SA

Location : W

TABLE 4 (STA): CREDIT RISK: GENERAL DISCLOSURES DECEMBER 2009		
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	578,305	454,362
Charge-offs taken against the allowances during the period	92,828	
Amounts set aside (or reversed) during the period	624,153	(106,572)
Other adjustments:		
- exchange rate differences		
- business combinations		
- acquisitions and disposals of subsidiaries		
- etc.		
Transfers between allowances		
Balance, end of the year	1,109,630	347,790

▪ Charge-offs and recoveries that have been recorded directly to the income statement are SAR 9,002 and SAR 77,036 respectively.

TABLE 5 (STA): CREDIT RISK: DISCLOSURES FOR PORTFOLIOS SUBJECT TO THE STANDARDIZED APPROACH - DECEMBER 2009

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:	26,756,640									
SAMA and Saudi Government	16,578,009									
Others	10,178,631									
Multilateral Development Banks (MDBs)										
Public Sector Entities (PSEs)										
Banks and securities firms		1,572,327		9,623,119		675,183				378,544
Corporates		39,286		2,503,561		59,150,829	16,204			
Retail non-mortgages					16,706,530					
Small Business Facilities Enterprises (SBFE's)										
Mortgages						959,456				
Residential						959,456				
Commercial										
Securitized assets										
Equity						691,035				
Others	1,607,366					4,677,452	333,564			
TOTAL	28,364,006	1,611,613	-	12,126,680	16,706,530	66,153,955	349,768			
GRAND TOTAL				125,312,552						378,544

Frequency : SA

Location : W

TABLE 7 (STA): CREDIT RISK MITIGATION (CRM): DISCLOSURES FOR STANDARDIZED APPROACH - DECEMBER 2009

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	475,032	92,282
Retail non-mortgages		
Small Business Facilities Enterprises (SBFE's)		
Mortgages		
Residential		
Commercial		
Securitized assets		
Equity		
Others	965	
Total	475,997	92,282

Frequency : SA

Location : W

TABLE 8: GENERAL DISCLOSURES FOR EXPOSURES RELATED TO COUNTERPARTY CREDIT RISK (CCR) - DECEMBER 2009

General Disclosures (Table 8, (b) and (d)) (Figures in SR 000's)	
Particulars	Amount
Gross positive fair value of contracts	393,835
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)	1,269,467
Notional value of credit derivative hedges	
Current credit exposure (by type of credit exposure):	
-Interest rate contracts	541,917
-FX contracts	727,550
-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 2009

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	76,310		86,038		162,348

Frequency : SA

Location : W

TABLE 13: EQUITIES: DISCLOSURES FOR BANKING BOOK POSITIONS - DECEMBER 2009

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	379,741	379,741	689,838	689,838	

Frequency : SA

Location : W

**TABLE 13: EQUITIES: DISCLOSURES FOR BANKING BOOK POSITIONS
DECEMBER 2009**

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	444,960	379,741
Agriculture and fishing		
Manufacturing	167,170	
Mining and quarrying		
Electricity, water, gas and health services	5,930	
Building and construction		
Commerce		
Transportation and communication	18,000	
Services	50,650	
Others	3,128	
Total	689,838	379,741

Frequency : SA

Location : W

**TABLE 13: EQUITIES: DISCLOSURES FOR BANKING BOOK POSITIONS -
DECEMBER 2009**

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)	40,572
Total latent revaluation gains (losses)*	
Unrealized gains (losses) included in Capital	40,572
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 2009**

Capital Requirements (Table 13, (f)) (Figures in SR 000's)	
Equity grouping	Capital requirements
Government and quasi government	
Banks and other financial institutions	414,236
Agriculture and fishing	
Manufacturing	13,374
Mining and quarrying	
Electricity, water, gas and health services	474
Building and construction	
Commerce	
Transportation and communication	1,440
Services	4,052
Others	250
Total	433,826

Frequency : SA

Location : W

**TABLE 14: INTEREST RATE RISK IN THE BANKING BOOK (IRRBB) -
DECEMBER 2009**

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	998,000
USD	-653,000
OTHERS	-14,000
Downward rate shocks:	
SAR	-998,000
USD	653,000
OTHERS	14,000