



**Basel III Pillar 3 Semi-annual Disclosures
30 June 2018**

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KM1: Key metrics (at consolidated group level) - June 2018		(Figures in SR 000's)				
		a	b	c	d	e
		30-Jun-18	31-Mar-18	31-Dec-17	30-Sep-17	30-Jun-17
	Available capital (amounts)					
1	Common Equity Tier 1 (CET1)	25,093,993	24,256,553	23,719,687	24,042,881	23,590,857
1a	Fully loaded ECL accounting model	24,652,963	23,815,523			
2	Tier 1	25,093,993	24,256,553	23,719,687	24,042,881	23,590,857
2a	Fully loaded ECL accounting model Tier 1	24,652,963	23,815,523			
3	Total Capital	27,623,811	26,744,315	26,746,411	27,109,332	26,562,308
3a	Fully loaded ECL accounting model total capital	27,182,781	26,303,285			
	Risk-weighted assets (amount)					
4	Total risk-weighted assets (RWA)	163,414,311	158,760,800	152,337,484	158,460,096	160,383,486
	Risk-based capital ratios as a percentage of RWA					
5	Common Equity Tier 1 ratio (%)	15.36%	15.28%	15.57%	15.17%	14.71%
5a	Fully loaded ECL accounting model Common Equity Tier 1 (%)	15.09%	15.00%			
6	Tier 1 ratio (%)	15.36%	15.28%	15.57%	15.17%	14.71%
6a	Fully loaded ECL accounting model Tier 1 ratio (%)	15.09%	15.00%			
7	Total capital ratio (%)	16.90%	16.85%	17.56%	17.11%	16.56%
7a	Fully loaded ECL accounting model total capital ratio (%)	16.63%	16.57%			
	Additional CET1 buffer requirements as a percentage of RWA					
8	Capital conservation buffer requirement (2.5% from 2019) (%)	1.88%	1.88%	1.25%	1.25%	1.25%
9	Countercyclical buffer requirement (%)					
10	Bank G-SIB and/or D-SIB additional requirements (%)					
11	Total of bank CET1 specific buffer requirements (%) (row 8 + row 9 + row 10)	1.88%	1.88%	1.25%	1.25%	1.25%
12	CET1 available after meeting the bank's minimum capital requirements (%)	8.98%	8.90%	9.82%	9.42%	8.96%
	Basel III Leverage ratio					
13	Total Basel III leverage ratio exposure measure	194,788,865	195,930,351	196,748,820	188,560,876	198,245,009
14	Basel III leverage ratio (%) (row 2 / row 13)	12.88%	12.38%	12.06%	12.75%	11.90%
14a	Fully loaded ECL accounting model Basel III leverage ratio (%) (row 2a / row13)	12.66%	12.16%			
	Liquidity Coverage Ratio					
15	Total HQLA	33,904,038	39,262,766	33,927,292	35,098,311	29,282,253
16	Total net cash outflow	18,239,261	17,110,957	16,063,774	15,715,617	14,922,324
17	LCR ratio (%)	186%	229%	215%	227%	196%
	Net Stable Funding Ratio					
18	Total available stable funding	107,921,629	107,132,637	110,691,733	108,759,467	106,982,208
19	Total required stable funding	94,309,393	89,207,785	88,817,953	89,820,630	90,266,810
20	NSFR ratio	114%	120%	125%	121%	119%

B.2 - OV1: Overview of RWA - June 2018

(Figures in SR 000's)

		a	b	c
		RWA		Minimum capital requirements
		30-Jun-18	31-Mar-18	30-Jun-18
1	Credit risk (excluding counterparty credit risk) (CCR)	141,364,420	137,243,149	11,309,154
2	Of which standardised approach (SA)	141,364,420	137,243,149	11,309,154
3	Of which internal rating-based (IRB) approach			-
4	Counterparty credit risk	5,795,272	5,112,064	463,622
5	Of which standardised approach for counterparty credit risk (SA-CCR)	5,795,272	5,112,064	463,622
6	Of which internal model method (IMM)			-
7	Equity positions in banking book under market-based approach			-
8	Equity investments in funds – look-through approach	1,552,609	1,373,021	124,209
9	Equity investments in funds – mandate-based approach			-
10	Equity investments in funds – fall-back approach	5,920	6,278	474
11	Settlement risk			-
12	Securitisation exposures in banking book		-	-
13	Of which IRB ratings-based approach (RBA)			-
14	Of which IRB Supervisory Formula Approach (SFA)			-
15	Of which SA/simplified supervisory formula approach (SSFA)			-
16	Market risk	1,246,082	1,749,713	99,687
17	Of which standardised approach (SA)	1,246,082	1,749,713	99,687
18	Of which internal model approaches (IMM)	-		-
19	Operational risk	13,450,008	13,276,575	1,076,001
20	Of which Basic Indicator Approach			-
21	Of which Alternate Standardised Approach	13,450,008	13,276,575	1,076,001
22	Of which Advanced Measurement Approach			-
23	Amounts below the thresholds for deduction (subject to 250% risk weight)			-
24	Floor adjustment			-
25	Total (1+4+7+8+9+10+11+12+16+19+23+24)	163,414,311	158,760,800	13,073,145

LR1: Summary comparison of accounting assets vs leverage ratio exposure measure - June 2018

(Figures in SR 000's)

		a
1	Total consolidated assets as per published financial statements	167,784,223
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	
3	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	
4	Adjustments for derivative financial instruments	2,352,385
5	Adjustment for securities financing transactions (ie repos and similar secured lending)	
6	Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	21,917,086
7	Other adjustments	
8	Leverage ratio exposure measure	192,053,694

LR2: Leverage ratio common disclosure- June 2018

(Figures in SR 000's)

		a	b
		30-Jun-18	31-Mar-18
On-balance sheet exposures			
1	On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral)	166,130,394	166,147,966
2	(Asset amounts deducted in determining Basel III Tier 1 capital)		
3	Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of rows 1 and 2)	166,130,394	166,147,966
Derivative exposures			
4	Replacement cost associated with all derivatives transactions (where applicable net of eligible cash variation margin and/or with bilateral netting)	728,402	537,956
5	Add-on amounts for PFE associated with all derivatives transactions	951,873	929,425
6	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework		
7	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)		
8	(Exempted CCP leg of client-cleared trade exposures)		
9	Adjusted effective notional amount of written credit derivatives		
10	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)		
11	Total derivative exposures (sum of rows 4 to 10) *	2,352,385	2,054,334
Securities financing transaction exposures			
12	Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	4,389,000	5,071,000
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)		
14	CCR exposure for SFT assets		
15	Agent transaction exposures		
16	Total securities financing transaction exposures (sum of rows 12 to 15)	4,389,000	5,071,000
Other off-balance sheet exposures			
17	Off-balance sheet exposure at gross notional amount	47,019,478	49,112,518
18	(Adjustments for conversion to credit equivalent amounts)	-25,102,392	-26,455,467
19	Off-balance sheet items (sum of rows 17 and 18)	21,917,086	22,657,051
Capital and total exposures			
20	Tier 1 Capital	25,093,993	24,256,553
21	Total exposures (sum of lines 3,11,16 and 19)	194,788,865	195,930,351
Leverage ratio			
22	Basel III leverage ratio	12.88%	12.38%

* As per SA-CCR Exposure at Default is 1.4 * (Replacement Cost + PFE)

LIQ1 - Liquidity Coverage Ratio - June 2018		(Figures in SR 000's)	
Amount in SAR '000		TOTAL UNWEIGHTED^a VALUE (average)	TOTAL WEIGHTED^b VALUE (average)
High Quality Liquid Assets			
1	Total high-quality liquid assets (HQLA)		33,904,038
CASH OUTFLOWS			
2	Retail deposits and deposits from small business customers, of which:		
3	Stable deposits		
4	Less stable deposits	45,615,846	4,561,585
5	Unsecured wholesale funding, of which:		
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks		
7	Non-operational deposits (all counterparties)	50,296,742	25,410,733
8	Unsecured debt		
9	Secured wholesale funding		
10	Additional requirements, of which:		
11	Outflows related to derivative exposures and other collateral requirements	68,354	68,354
12	Outflows related to loss of funding on debt products		
13	Credit and liquidity facilities	3,017,258	301,726
14	Other contractual funding obligations		
15	Other contingent funding obligations	41,915,594	976,224
16	TOTAL CASH OUTFLOWS		31,318,622
CASH INFLOWS			
17	Secured lending (eg. reverse repos)		
18	Inflows from fully performing exposures	20,751,274	12,503,235
19	Other cash inflows	576,125	576,125
20	TOTAL CASH INFLOWS	20,404,901	13,079,360
			TOTAL ADJUSTED^c VALUE
21	TOTAL HQLA		33,904,038
22	TOTAL NET CASH OUTFLOWS		18,239,261
23	LIQUIDITY COVERAGE RATIO (%)		186%

a Unweighted values must be calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows).

b Weighted values must be calculated after the application of respective haircuts (for HQLA) or inflow and outflow rates (for inflows and outflows).

c Adjusted values must be calculated after the application of both

(i) haircuts and inflow and outflow rates

(ii) any applicable caps (ie cap on Level 2B and Level 2 assets for HQLA and cap on inflows).

Data presented in the disclosure is based on simple average of daily observation over the previous quarter.

LIQ2 - Net Stable Funding Ratio (NSFR) - June 2018		(Figures in SR 000's)				
(in currency amount)		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
ASF Item						
1	Capital:	25,623,811	-	-	2,000,000	27,623,811
2	Regulatory Capital	25,623,811			2,000,000	27,623,811
3	Other capital instruments					-
4	Retail deposits and deposits from small business customers:	46,401,784	5,959,213	621,373	10,790	47,694,923
5	Stable deposits					
6	Less stable deposits	46,401,784	5,959,213	621,373	10,790	47,694,923
7	Wholesale funding:	24,644,555	50,840,815	4,205,090	275,578	32,602,895
8	Operational deposits					
9	Other wholesale funding	24,644,555	50,840,815	4,205,090	275,578	32,602,895
10	Liabilities with matching interdependent assets					
11	Other liabilities					
12	NSFR derivative liabilities		-	-	-	
13	All other liabilities and equity not included in the above categories	7,201,213				-
14	Total ASF					107,921,629
RSF Item						
15	Total NSFR high-quality liquid assets (HQLA)					1,003,346
16	Deposits held at other financial institutions for operational purpose					
17	Performing loans and securities:	6,353,508	49,433,831	11,556,921	59,172,282	85,014,103
18	Performing loans to financial institution secured by level 1 HQLA					
19	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	620,693	5,246,029	115,342	1,145,351	2,300,272
20	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSE, of which:	4,689,031	44,187,802	11,441,580	53,460,607	77,945,238
21	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk					
22	Performing residential mortgages, of which:					
23	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk					
24	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	1,043,784			4,566,324	4,768,592
25	Assets with matching interdependent liabilities					
26	Other assets:	-	7,447,389	-	-	7,447,389
27	Physical traded commodities, including gold					
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs					
29	NSFR derivative assets		189,292			189,292
30	NSFR derivative liabilities before deduction of variation margin posted		259,415			259,415
31	All other assets not included in the above categories		6,998,682			6,998,682
32	Off-balance sheet items				16,891,101	844,555
33	Total RSF					94,309,393
34	Net Stable Funding Ratio (%)					114%

B.7 - CR1: Credit quality of assets - June 2018

(Figures in SR 000's)

		(Figures in SR 000's)			
		a	b	c	d
		Gross carrying values of		Allowances/ impairments	Net values (a+b-c)
		Defaulted exposures	Non-defaulted exposures		
1	Loans	2,130,503	118,077,790	1,171,531	119,036,762
2	Debt Securities		25,390,592		25,390,592
3	Off-balance sheet exposures	758,915	32,044,082	553,524	32,249,473
4	Total	2,889,418	175,512,464	1,725,055	176,676,827

The following criteria are used to determine obligor default. The obligor:

- Has an obligation which is 90 (or more) days past due.
- Has an obligation for which the bank has stopped accruing interest.
- Has an obligation that is classified as non-performing by the bank.

B.8 - CR2: Changes in stock of defaulted loans and debt securities - June 2018

(Figures in SR 000's)

		(Figures in SR 000's)
		a
1	Defaulted loans and debt securities at end of the previous reporting period	1,589,121
2	Loans and debt securities that have defaulted since the last reporting period	720,309
3	Returned to non-defaulted status	0
4	Amounts written off	468,540
5	Other changes	289,613
6	Defaulted loans and debt securities at end of the reporting period (1+2-3-4±5)	2,130,503

B.11 - CR3: Credit risk mitigation techniques – Overview - June 2018

(Figures in SR 000's)

	a	b	c	d	e	f	g
	Exposures unsecured: carrying amount	Exposures secured by collateral	Exposures secured by collateral, of which: secured amount	Exposures secured by financial guarantees	Exposures secured by financial guarantees, of which: secured amount	Exposures secured by credit derivatives	Exposures secured by credit derivatives, of which: secured amount
1 Loans	104,189,146	14,847,616	1,095,862	123,114	115,083		
2 Debt securities	25,390,592						
3 Total	129,579,738	14,847,616	1,095,862	123,114	115,083	-	-
4 Of which defaulted	2,130,503	78,655	1,680				

B.13 - CR4: Standardised approach – Credit risk exposure and Credit Risk Mitigation (CRM) effects - June 2018

(Figures in SR 000's)

Asset classes	a	b	c	d	e	f
	Exposures before CCF and CRM On-balance sheet amount	Off-balance sheet amount	Exposures post-CCF and CRM On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
1 Sovereigns and their central banks	31,808,363	188,914	31,808,363	37,783	-	0.00%
2 Non-central government public sector entities						
3 Multilateral development banks						
4 Banks	3,923,994	3,725,118	3,923,994	2,019,487	3,778,366	63.57%
5 Securities firms	313,753		313,753		156,877	
6 Corporates	98,461,182	42,293,948	97,367,000	16,995,314	112,593,901	98.45%
7 Regulatory retail portfolios	21,539,355		21,539,355		16,154,516	75.00%
8 Secured by residential property	2,744,653		2,744,653		1,373,060	50.03%
9 Secured by commercial real estate						
10 Equity	1,559,809		1,559,809		1,552,609	99.54%
11 Past-due loans	724,101		722,543		722,543	100.00%
12 Higher-risk categories	789,857	104,079	791,688	73,697	1,925,862	222.54%
13 Other assets	7,391,408	707,420	7,391,408	334,159	4,665,216	60.39%
14 Total	169,256,475	47,019,479	168,162,566	19,460,440	142,922,950	76.18%

B.14 - CR5: Standardised approach – Exposures by asset classes and risk weights - June 2018

(Figures in SR 000's)

Asset classes/ Risk weight	a	b	c	d	e	f	g	h	i	j
	0%	10%	20%	35%	50%	75%	100%	150%	Others	Total credit exposures amount (post CCF and post-CRM)
1 Sovereigns and their central banks	31,846,146									31,846,146
2 Non-central government public sector entities (PSEs)										-
3 Multilateral development banks (MDBs)										-
4 Banks			1,309,819		2,234,520		2,399,142			5,943,481
5 Securities firms					313,753					313,753
6 Corporates					3,536,829		110,825,485			114,362,314
7 Regulatory retail portfolios						21,539,355				21,539,355
8 Secured by residential property					2,743,186		1,467			2,744,653
9 Secured by commercial real estate										-
10 Equity			1,192		12,491		1,546,126			1,559,809
11 Past-due loans							722,543			722,543
12 Higher-risk categories								242,606	622,779	865,385
13 Other assets	3,060,351						4,665,216			7,725,567
14 Total	34,906,497	-	1,311,011	-	8,840,779	21,539,355	120,159,979	242,606	622,779	187,623,006

B.22 - CCR1: Analysis of counterparty credit risk (CCR)[1] exposure by approach - June 2018 (Figures in SR 000's)

	a	b	c	d	e	f
	Replacement cost	Potential future exposure	EEPE	Alpha used for computing regulatory EAD	EAD post-CRM	RWA
1 SA-CCR (for derivatives)	728,287	947,655		1.4	2,346,319	1,348,937
2 Internal Model Method (for derivatives and SFTs)						
3 Simple Approach for credit risk mitigation (for SFTs)						
4 Comprehensive Approach for credit risk mitigation (for SFTs)						
5 VaR for SFTs						
6 Total						1,348,937

B.23 - CCR2: Credit valuation adjustment (CVA) capital charge - June 2018

(Figures in SR 000's)

		a	b
		EAD post-CRM	RWA
	Total portfolios subject to the Advanced CVA capital charge		
1	(i) VaR component (including the 3×multiplier)		
2	(ii) Stressed VaR component (including the 3×multiplier)		
3	All portfolios subject to the Standardised CVA capital charge	2,346,319	4,446,214
4	Total subject to the CVA capital charge	2,346,319	4,446,214

B.24 - CCR3: Standardised approach – CCR exposures by regulatory portfolio and risk weights -June 2018

(Figures in SR 000's)

	a	b	c	d	e	f	g	h	i
Regulatory portfolio/ Risk weight	0%	10%	20%	50%	75%	100%	150%	Others	Total credit exposures
Sovereigns and their central banks									-
Non-central government public sector entities (PSEs)									-
Multilateral development banks (MDBs)									-
Banks			46,811	1,919,630		-			1,966,441
Securities firms									-
Corporates				237		379,641			379,878
Regulatory retail portfolios									-
Other assets									-
Total	-	-	46,811	1,919,867	-	379,641	-	-	2,346,319

B.26 - Template CCR5: Composition of collateral for CCR exposure - June 2018

(Figures in SR 000's)

	a	b	c	d	e	f
	Collateral used in derivative transactions				Collateral used in SFTs	
	Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received	Fair value of posted collateral
	Segregated	Unsegregated	Segregated	Unsegregated		
Cash – domestic currency				450		
Cash – other currencies		371,269		72,139		
Domestic sovereign debt						
Other sovereign debt						
Government agency debt						
Corporate bonds						
Equity securities						
Other collateral						
Total	-	371,269	-	72,589	-	-

B.29 - CCR8: Exposures to central counterparties - June 2018

(Figures in SR 000's)

		a	b
		EAD (post-CRM)	RWA
1	Exposures to QCCPs (total)	6,066	121
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	6,066	121
3	(i) OTC derivatives		
4	(ii) Exchange-traded derivatives	6,066	121
5	(iii) Securities financing transactions		
6	(iv) Netting sets where cross-product netting has been approved		
7	Segregated initial margin		
8	Non-segregated initial margin		
9	Pre-funded default fund contributions		
10	Unfunded default fund contributions		
11	Exposures to non-QCCPs (total)	-	-
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	-	-
13	(i) OTC derivatives		
14	(ii) Exchange-traded derivatives		
15	(iii) Securities financing transactions		
16	(iv) Netting sets where cross-product netting has been approved		
17	Segregated initial margin		
18	Non-segregated initial margin		
19	Pre-funded default fund contributions		
20	Unfunded default fund contributions		

B.37 - MR1: Market risk under standardised approach (Figures in SR 000's)
- June 2018

		a
		RWA
	Outright products	1,243,607
1	Interest rate risk (general and specific)	730,141
2	Equity risk (general and specific)	
3	Foreign exchange risk	495,360
4	Commodity risk	18,106
	Options	2,475
5	Simplified approach	2,475
6	Delta-plus method	
7	Scenario approach	
8	Securitisation	
9	Total	1,246,082