



## BASEL II PILLAR 3 QUANTITATIVE DISCLOSURES

30 June 2011

Frequency : SA  
Location : W

### TABLE 1: SCOPE OF APPLICATION - JUNE 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 - JUNE 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	5,480,000
Minority interests in the equity of subsidiaries	106,613
Retained earnings	705,638
IAS type adjustments*	173,685
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	(199,770)
<b>Total Tier I</b>	<b>14,766,166</b>
Supplementary capital - Tier 2:	
Revaluation gains/reserves	
Subordinated loan capital	1,687,500
Qualifying general provisions	308,930
Interim profits	1,284,080
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	(199,770)
Other country specific deductions from Tier 2 at 50%	
Regulatory calculation differences deduction from Tier 2 at 50%**	
<b>Total Tier II</b>	<b>3,080,740</b>
Capital to cover market risks - Tier III	
Short Term Subordinated Debit	
Tier I and Tier II Capital Available for Market Risk	
<b>Total eligible capital</b>	<b>17,846,906</b>

Frequency : SA

Location : W

**TABLE 3: CAPITAL ADEQUACY - JUNE 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:	25,009,702	4,317
SAMA and Saudi Government	23,486,896	-
Others	1,522,806	4,317
Multilateral Development Banks (MDBs)	-	-
Public Sector Entities (PSEs)	-	-
Banks and securities firms	5,138,395	199,746
Corporates	53,617,351	4,023,703
Retail non-mortgages	18,395,738	1,103,725
Small Business Facilities Enterprises (SBFE's)	-	-
Mortgages	831,740	66,342
Residential	831,740	66,342
Commercial	-	-
Securitized assets	-	-
Equity	801,822	64,146
Others	8,054,992	404,565
<b>Total</b>	<b>111,849,740</b>	<b>5,866,544</b>

Frequency : SA

Location : W

**TABLE 3: CAPITAL ADEQUACY - JUNE 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	12,272		173,825		186,097
Internal models approach					

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

Frequency: SA Location: W
------------------------------

TABLE 3: CAPITAL ADEQUACY - JUNE 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;	664,206
• Advanced measurement approach (AMA).	
<b>Total</b>	

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

Frequency : Quarterly  
 Location : Quarterly Report

**TABLE 3: CAPITAL ADEQUACY - JUNE 2011**

Capital Adequacy Ratios (TABLE 3, (f))

Particulars	Total capital ratio	Tier 1 capital ratio
	%	
Top consolidated level	17.54%	14.51%
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 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:	25,009,703	29,524,474
SAMA and Saudi Government	23,486,897	21,983,035
Others	1,522,806	7,541,439
Multilateral Development Banks (MDBs)		
Public Sector Entities (PSEs)		
Banks and securities firms	7,593,479	8,334,401
Corporates	69,256,769	66,146,572
Retail non-mortgages	18,395,414	17,700,403
Small Business Facilities Enterprises (SBFE's)		
Mortgages	829,273	866,706
Residential	829,273	866,706
Commercial		
Securitized assets		
Equity	801,822	854,103
Others	6,838,266	6,923,666
<b>Total</b>	<b>128,724,726</b>	<b>130,350,325</b>

\* 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 - JUNE 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:	23,486,897	493,009	57,105	972,692			25,009,703
SAMA and Saudi Government	23,486,897						23,486,897
Others		493,009	57,105	972,692			1,522,806
Multilateral Development Banks (MDBs)							-
Public Sector Entities (PSEs)							-
Banks and securities firms	2,340,187	2,535,578	1,762,633	755,506	85,084	114,491	7,593,479
Corporates	68,044,411	814,945	314,861			82,552	69,256,769
Retail non-mortgages	18,395,414						18,395,414
Small Business Facilities Enterprises (SBFE's)							-
Mortgages	829,273						829,273
Residential	829,273						829,273
Commercial							-
Securitized assets							-
Equity	801,822						801,822
Others	6,460,511		377,755				6,838,266
<b>Total</b>	<b>120,358,515</b>	<b>3,843,532</b>	<b>2,512,354</b>	<b>1,728,198</b>	<b>85,084</b>	<b>197,043</b>	<b>128,724,726</b>

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

Industry Sector Breakdown (Table 4, (d)) (Figures in SR 000's)

Portfolios	Industry sector												
	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:	25,009,703												25,009,703
SAMA and Saudi Government	23,486,897												23,486,897
Others	1,522,806												1,522,806
Multilateral Development Banks (MDBs)													-
Public Sector Entities (PSEs)													-
Banks and securities firms		7,593,479											7,593,479
Corporates	13,572	3,867,464	347,733	11,722,313	948,709	4,820,395	7,729,593	14,442,028	7,450,621	2,136,360		15,777,981	69,256,769
Retail non-mortgages											18,395,414		18,395,414
Small Business Facilities Enterprises (SBFE's)													-
Mortgages												829,273	829,273
Residential												829,273	829,273
Commercial													-
Securitized assets													-
Equity		548,517	6,062	49,139		7,230	102,403		64,631	23,840			801,822
Others				224,101			25,967	269,366		8,205	7,256	6,303,371	6,838,266
<b>Total</b>	<b>25,023,275</b>	<b>12,009,460</b>	<b>353,795</b>	<b>11,995,553</b>	<b>948,709</b>	<b>4,827,625</b>	<b>7,857,963</b>	<b>14,711,394</b>	<b>7,515,252</b>	<b>2,168,405</b>	<b>18,402,670</b>	<b>22,910,625</b>	<b>128,724,726</b>

**TABLE 4 (STA): CREDIT RISK: GENERAL DISCLOSURES - JUNE 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:		99,029	491,523	1,873,280	9,177,790	1,274,530	404,732	1,296,041	10,392,778	25,009,703
SAMA and Saudi Government		71,884	394,521	1,873,280	9,177,790	1,033,608	163,438	379,598	10,392,778	23,486,897
Others		27,145	97,002			240,922	241,294	916,443		1,522,806
Multilateral Development Banks (MDBs)										-
Public Sector Entities (PSEs)										-
Banks and securities firms	267,737	285,168	525,366	53,955	856,710	2,207,279	1,841,653	592,633	962,978	7,593,479
Corporates	1,776,212	7,409,265	7,519,836	11,375,114	13,474,446	12,729,293	8,448,608	4,066,890	2,457,105	69,256,769
Retail non-mortgages	19,233	340,513	733,713	1,175,799	2,351,086	8,227,051	4,418,399	1,129,620		18,395,414
Small Business Facilities Enterprises (SBFE's)										-
Mortgages					328	8,637	34,782	785,526		829,273
Residential					328	8,637	34,782	785,526		829,273
Commercial										-
Securitized assets										-
Equity									801,822	801,822
Others		4,613	9,110	15,879	26,631	57,014	23,094	40,754	6,661,171	6,838,266
<b>Total</b>	<b>2,063,182</b>	<b>8,138,588</b>	<b>9,279,548</b>	<b>14,494,027</b>	<b>25,886,991</b>	<b>24,503,804</b>	<b>15,171,268</b>	<b>7,911,464</b>	<b>21,275,854</b>	<b>128,724,726</b>

**TABLE 4 (STA): CREDIT RISK: GENERAL DISCLOSURES - JUNE 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	587,222	812,852	668,510	-	-	812,852	(1,371)	-	764,907	-
Agriculture and fishing	-	-	-	-	-	-	-	-	-	-
Manufacturing	1,250,155	382,822	22,959	-	-	382,822	15,549	-	391,874	-
Mining and quarrying	-	-	-	-	-	-	-	-	-	-
Electricity, water, gas and health services	-	-	-	-	-	-	-	-	-	-
Building and construction	46,665	46,479	5,817	8,122	-	38,357	15,735	-	50,751	-
Commerce	355,781	326,632	214,221	35	305,391	21,206	11,425	-	147,763	-
Transportation and communication	51,097	-	87,965	-	-	-	(5,371)	-	57,546	-
Services	393,595	393,595	4,578	-	-	393,595	(30)	-	393,692	-
Consumer loans and credit cards	78,297	26,481	433,983	26,481	-	-	72,530	72,680	77,113	-
Others	161,451	78,679	26,496	68,464	3,531	6,684	(111)	2	47,587	-
<b>Total</b>	<b>2,924,263</b>	<b>2,067,540</b>	<b>1,464,529</b>	<b>103,102</b>	<b>308,922</b>	<b>1,655,516</b>	<b>108,356</b>	<b>72,682</b>	<b>1,931,233</b>	<b>308,930</b>

\* Impaired loans defined as any loan with specific provision

\*\* Defaulted loans defined as non-performing loans

Frequency : SA

Location : W

**TABLE 4 (STA): CREDIT RISK: GENERAL DISCLOSURES - JUNE 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	2,924,263	1,464,529	103,102	308,922	1,655,516	1,931,233	308,930
Other GCC & Middle East							
Europe							
North America							
South East Asia							
Others countries							
<b>Total</b>	<b>2,924,263</b>	<b>1,464,529</b>	<b>103,102</b>	<b>308,922</b>	<b>1,655,516</b>	<b>1,931,233</b>	<b>308,930</b>

Frequency : SA

Location : W

**TABLE 4 (STA): CREDIT RISK: GENERAL DISCLOSURES  
JUNE 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	72,682	
Amounts set aside (or reversed) during the period	108,356	10,000
Other adjustments:		
- exchange rate differences		
- business combinations		
- acquisitions and disposals of subsidiaries		
- etc.		
Transfers between allowances		
Balance, end of the year	<b>1,931,233</b>	<b>308,930</b>

▪ Charge-offs and recoveries that have been recorded directly to the income statement are SAR 4,674 and SAR 32,078 respectively.

**TABLE 5 (STA): CREDIT RISK: DISCLOSURES FOR PORTFOLIOS SUBJECT TO THE STANDARDIZED APPROACH - JUNE 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:	24,955,741					53,962				
SAMA and Saudi Government	23,486,897									
Others	1,468,844					53,962				
Multilateral Development Banks (MDBs)										
Public Sector Entities (PSEs)										
Banks and securities firms		1,953,641		3,598,957		2,040,881				399,540
Corporates		2,457,693		401,300		66,392,036	5,740			
Retail non-mortgages					18,395,414					
Small Business Facilities Enterprises (SBFE's)										
Mortgages						829,273				
Residential						829,273				
Commercial										
Securitized assets										
Equity						801,822				
Others	2,012,659					4,362,678	462,929			
<b>TOTAL</b>	<b>26,968,400</b>	<b>4,411,334</b>	<b>-</b>	<b>4,000,257</b>	<b>18,395,414</b>	<b>74,480,652</b>	<b>468,669</b>			
<b>GRAND TOTAL</b>				<b>128,724,726</b>						<b>399,540</b>

Frequency : SA

Location : W

**TABLE 7 (STA): CREDIT RISK MITIGATION (CRM): DISCLOSURES FOR STANDARDIZED APPROACH - JUNE 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	814,182	55,130
Retail non-mortgages		
Small Business Facilities Enterprises (SBFE's)		
Mortgages		
Residential		
Commercial		
Securitized assets		
Equity		
Others		
<b>Total</b>	<b>814,182</b>	<b>55,130</b>



Frequency : SA  
Location : W

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

General Disclosures (Table 8, (b) and (d)) (Figures in SR 000's)	
Particulars	Amount
Gross positive fair value of contracts	314,596
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)	871,088
Notional value of credit derivative hedges	
Current credit exposure (by type of credit exposure):	
-Interest rate contracts	396,516
-FX contracts	474,572
-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 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	12,272		173,825		186,097

**TABLE 13: EQUITIES: DISCLOSURES FOR BANKING BOOK POSITIONS - JUNE 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*	400,736	400,736	800,625	800,625	

\* includes equity investments, which are deducted from capital.

Frequency : SA

Location : W

**TABLE 13: EQUITIES: DISCLOSURES FOR BANKING BOOK POSITIONS  
JUNE 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	547,320	400,736
Agriculture and fishing	6,062	
Manufacturing	49,139	
Mining and quarrying		
Electricity, water, gas and health services	7,230	
Building and construction	102,403	
Commerce		
Transportation and communication	64,631	
Services	23,840	
Others		
<b>Total</b>	<b>800,625</b>	<b>400,736</b>

Frequency : SA

Location : W

**TABLE 13: EQUITIES: DISCLOSURES FOR BANKING BOOK POSITIONS  
JUNE 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)	54,645
Total latent revaluation gains (losses)*	
Unrealized gains (losses) included in Capital	54,645
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 2011**

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

Equity grouping	Capital requirements
Government and quasi government	
Banks and other financial institutions	443,420
Agriculture and fishing	485
Manufacturing	3,931
Mining and quarrying	
Electricity, water, gas and health services	578
Building and construction	8,192
Commerce	
Transportation and communication	5,170
Services	1,907
Others	
<b>Total</b>	<b>463,683</b>

Frequency : SA  
 Location : W

**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)) (Figures in SR 000's)

Rate Shocks	Change in earnings
Upward rate shocks:	
SAR	204,868
USD	163,743
OTHERS	(570)
Downward rate shocks:	
SAR	(204,868)
USD	(163,743)
OTHERS	570