

BASEL II – Quantitative Disclosures

PILLAR 3 - TABLES (June 2012)

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TABLE 1: SCOPE OF APPLICATION - June 2012							
Capital Deficiencies (Table 1, (e))							
Particulars	Amount SAR '000'						
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 n							



TABLE 2: CAPITAL STRUCTURE - June 201	12						
Capital Structure (Table 2, (b) to (e))							
Components of capital	SAR '000'						
Core capital - Tier I:							
Eligible paid-up share capital	15,000,000						
Shares premium accounts							
Eligible reserves	12,475,088						
Minority interests in the equity of subsidiaries							
Retained earnings*	872,518						
IAS type adjustments	807,813						
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:	(193,069)						
Banking and securities entities not fully consolidated	(121,948)						
Insurance organizations	(71,121)						
Commercial organizations	-						
Total Tier I	28,962,350						
Supplementary capital - Tier II:							
Revaluation gains/reserves	-						
Subordinated loan capital	-						
Qualifying general provisions	1,072,349						
Interim profits	1,815,881						
Deductions from Tier II:							
Reciprocal holding of bank capital at 50% deduction	-						
Significant minority investments at 10% and above at 50% deduction:	(193,069)						
Banking and securities entities not fully consolidated	(121,948)						
Insurance organizations	(71,121)						
Commercial organizations							
Other country specific deductions from Tier 2 at 50%	-						
Regulatory calculation differences deduction from Tier 2 at 50%**							
Total Tier II	2,695,161						
Capital to cover market risks - Tier III	-						
Short Term Subordinated Debit	-						
Tier I and Tier II Capital Available for Market Risk	-						
Total eligible capital	31,657,511						



TABLE 3: CAPITAL ADEQUACY - June 2012

Amount of Exposures Subject To Standardized Approach of Credit Risk and Related Capital Requirements (TABLE 3, (b)) SAR '000'

Portfolios	Amount Of Exposures	Capital Requirements
Sovereigns and central banks:	30,095,177	6,840
- SAMA and Saudi Government	24,101,980	-
- Others	5,993,197	6,840
Multilateral Development Banks (MDBs)	-	-
Public Sector Entities (PSEs)	-	-
Banks and securities firms	19,511,752	710,062
Corporates	82,981,701	6,573,417
Retail non-mortgages	22,769,113	1,368,813
Small Business Facilities Enterprises (SBFEs)	198,685	11,183
Mortgages	5,440,228	435,218
- Residential	5,440,228	435,218
Equity	1,273,499	101,880
Others	19,264,147	1,268,920
Total	181,534,302	10,476,333

Note: 'Amount of exposures' are on-balance sheet and on gross basis.



TABLE 3: CAPITAL ADEQUACY - June 2012									
Capital Requirements For Market Risk (Table 3, (d)) SAR '000'									
	Interest Rate Risk	Equity Position Risk	Foreign Exchange Risk	Commodity Risk	Total				
Standardised approach	1,066	-	98,881	-	99,947				



TABLE 3: CAPITAL ADEQUACY - June 2012 Capital Requirements for Operational Risk (Table 3, (e))						
Capital Nequilentes for Operational Nisk (Table 3, (e))						
Particulars	Capital Requirement SAR '000'					
Standardised approach	871,885					
Total	871,885					

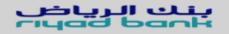


TABLE 4 (STA): CREDIT RISK: GENERAL DISCLOSURES - June 2012 Credit Risk Exposure (Table 4, (b)) SAR '000'									
Sovereigns and central banks:	30,154,75	2 29,142,696							
- SAMA and Saudi Government	24,102,07	23,129,629							
- Others	6,052,67	6,013,067							
Multilateral Development Banks (MDBs)		-							
Public Sector Entities (PSEs)		-							
Banks and securities firms	31,006,89	0 34,097,628							
Corporates	118,781,77	11 118,208,359							
Retail non-mortgages	22,830,16	8 21,712,317							
Small Business Facilities Enterprises (SBFEs)	730,17	709,591							
Mortgages	5,440,22	5,198,643							
- Residential	5,440,22	5,198,643							
Equity	1,273,49	9 1,288,485							
Others	18,454,57	18,454,638							
Total	228,672,05	2 228,812,357							

Notes:

- 1. 'Total gross credit risk exposure' equals on-balance sheet, off-balance sheet after application of credit conversion factor, and derivatives at their credit equivalent values.
- 2. 'Average gross credit risk exposure over the period' represents average of current and previous 2 Basel II Regulatory Reports



TABLE 4 (STA): CREDIT RISK: GENERAL DISCLOSURES - June 2012 Geographic Breakdown (Table 4, (c)) **SAR '000'** Geographic Area Other GCC & South East Other **Portfolios** North America Saudi Arabia Europe Total Middle East Asia Countries 1,749,314 Sovereigns and central banks: 24,102,078 1,219,358 2,836,320 30,204 217,478 30,154,752 - SAMA and Saudi Government 24,102,078 24,102,078 - Others 1,219,358 1,749,314 2,836,320 30,204 217,478 6,052,674 Multilateral Development Banks (MDBs) Public Sector Entities (PSEs) 12,701,544 2,592,176 Banks and securities firms 1,702,520 11,322,240 760,026 1,928,384 31,006,890 109,417,342 3,774,626 900,540 4,232,420 456,843 118,781,771 Corporates Retail non-mortgages 22,813,944 16,224 22,830,168 Small Business Facilities Enterprises (SBFEs) 729,520 650 730,170 Mortgages 5,440,228 5,440,228 Residential 5,440,228 5,440,228 1,169,355 6,900 60,158 2,382 10,864 1,273,499 Equity 23,840 16,568,668 30 106,528 1,596,378 105,017 77,953 18,454,574 Others 192,942,679 6,703,434 14,118,686 11,317,452 897,629 2,692,172 228,672,052 Total

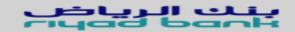


TABLE 4 (STA): CREDIT RISK: GENERAL DISCLOSURES - June 2012 Industry Sector Breakdown (Table 4, (d)) SAR '000' **Industry Sector** Banks and Electricity, Government Transportation Consumer **Portfolios** Other Agriculture Mining and Water, Gas **Building and** and Quasi Manufacturing Commerce and Services Loans and Others Total and Fishing and Health Construction Financial Quarrying **Credit Cards** Government Communications Institutions Services Sovereigns and central banks: 30,154,752 30,154,752 - SAMA and Saudi Government 24,102,078 24,102,078 - Others 6,052,674 6,052,674 Multilateral Development Banks Public Sector Entities (PSEs) 31,006,890 31,006,890 Banks and securities firms 1,345,582 22,943,902 3,985,013 7,176,408 Corporates 5,191,953 3,282,791 24,858,195 34,654,153 9,483,307 5,860,467 118,781,771 Retail non mortgages 22.830.168 22,830,168 Small Business Facilities 114 47,856 5,412 229,722 150,718 4,706 287,102 4,506 730,170 Enternrises (SREEs) Mortgages 5,440,228 5,440,228 Residential 5,440,228 5,440,228 Equity 268,357 600 599,359 9,228 74,246 62,963 147,662 37,934 73,150 1,273,499 21,298 180,808 441,078 425,238 7,555,138 3,234 9,827,780 18,454,574 Others 30,154,752 36,467,200 1,367,594 24,032,195 3,994,275 3,362,449 25,513,155 42,422,972 9,638,909 6,366,311 28,270,396 17,081,844 228,672,052 Total



TABLE 4 (STA): CREDIT RISK: GENERAL DISCLOSURES - June 2012

Residual Contractual Maturity Breakdown (Table 4, (e)) SAR '000'

Residual Contractual Maturity Breakdown (Table 4, (c))											
					Maturity Breakd	own					
Portfolios	Less than 8 days	8-29 days	30-89 days	90-179 days	180-359 days	1-3 years	3-5 years	Over 5 years	Total		
Sovereigns and central banks:	8,905,771	517,236	3,810,679	2,170,141	4,376,595	730,030	627,336	9,016,964	30,154,752		
 SAMA and Saudi Government 	8,905,771	517,236	921,451	2,156,864	4,362,915	95,552	56,581	7,085,708	24,102,078		
- Others	-	-	2,889,228	13,277	13,680	634,478	570,755	1,931,256	6,052,674		
Multilateral Development Banks (MDBs)	-	-	-	-	-	-	-	-	-		
Public Sector Entities (PSEs)	-	-	-	-	-	-	-	-	-		
Banks and securities firms	4,272,816	2,993,559	5,938,465	825,678	5,269,850	7,804,677	1,902,335	1,999,510	31,006,890		
Corporates	13,953,595	10,619,913	20,068,034	16,496,285	14,208,305	15,762,408	13,254,901	14,418,330	118,781,771		
Retail non-mortgages	150,671	8,864	12,854	34,581	218,638	3,735,852	12,877,340	5,791,368	22,830,168		
Small Business Facilities Enterprises (SBFEs)	51,367	26,122	87,749	90,490	113,608	263,703	89,399	7,732	730,170		
Mortgages	-	34	107	408	1,375	24,371	111,799	5,302,134	5,440,228		
- Residential	-	34	107	408	1,375	24,371	111,799	5,302,134	5,440,228		
Equity	-	-	-	-	-	-	-	1,273,499	1,273,499		
Others	6,245,072	575,453	1,158,017	998,442	1,100,836	1,064,019	1,598,390	5,714,345	18,454,574		
Total	33,579,292	14,741,181	31,075,905	20,616,025	25,289,207	29,385,060	30,461,500	43,523,882	228,672,052		



	TABLE 4	4 (STA): CF	REDIT RISI	K: GENER	RAL DISC	CLOSURE	<u>S - June 20</u>	<u> 12 </u>		
	lmpai	red Loans, P	ast Due Loa	ins and Allo	owances (Table 4, (f))	SAR '000'			
			Agir	ng of Past Du	ie Loans (d	ays)				
Industry Sector	Impaired Loans	Defaulted	31-90	91–180	181-360	Over 360	Charges during the period	Charge-offs during the period	Balance at the end of the period	General Allowances
Government and quasi government	-	-	-	_	-	-	-	-	-	
Banks and other financial institutions	-	-	-	_	-	-	-	-	-	
Agriculture and fishing	-	-	-	_	<u>-</u>	-	-	-	-	
Manufacturing	180,828	875	48,670	875	-	-	11,257	7,044	86,174	
Mining and quarrying	-	-	-	_		-	-	-	-	
Electricity, water, gas and health services	-	-	-			-	-	-	-	
Building and construction	74,778	106,410	6,918	106,410		-	35,447	(15,084)	69,638	
Commerce	1,557,021	-	32,473			-	439,684	(3,500)	949,413	
Transportation and communication	966	-	-			-	(465)	-	499	
Services	20,775	-	-			-	2,118	-	13,433	
Consumer loans and credit cards	-	454,073	820,731	454,073	_	-	185,047	(185,047)	-	
Others	61,807	-	-			-	1,634	-	29,906	
Portfolio provision	-	-	-			-	-	-	-	1,072,34
Total	1,896,175	561,358	908,792	561,358	-	-	674,722	(196,587)	1,149,063	1,072,349

Definitions: * 'Defaulted' are Loans that are Past Due over 90 days, but not yet Impaired

^{* &#}x27;Impaired Loans' are loans with Specific Provisions

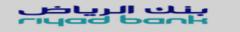


TABLE 4 (STA): CREDIT RISK: GENERAL DISCLOSURES - June 2012 Impaired Loans, Past Due Loans And Allowances (Table 4, (g)) SAR '000'									
Geographic Area	Impaired Loans	Agi	ng of Past Due	Loans (days)		Specific	General		
Geographic Area	illipali ed Loalis	31-90	91-180	181-360	Over 360	Allowances	Allowances		
Saudi Arabia	1,896,175	908,792	561,358	-	-	1,149,063	1,072,349		
Other GCC & Middle East	-	-	-	-	-	-	-		
Europe	-	-	-	-	-	-	-		
North America	-	-	-	-	-	-	-		
South East Asia	-	-	-	-	-	-	-		
Others countries	-	-	-	-	-	-	-		
Total	1,896,175	908,792	561,358	-	-	1,149,063	1,072,349		

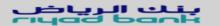


TABLE 4 (STA): CREDIT RISK: GENERAL DISCLOSURES - June 2012									
Reconciliation Of Changes In The Allowances For Loan Impairment (Table 4, (h)) SAR '000'									
Particulars	Specific Allowances	General Allowances							
Balance, beginning of the year	926,195	1,072,349							
Charge-offs taken against the allowances during the period	(196,587)	-							
Amounts set aside (or reversed) during the period	674,722	-							
Other adjustments:	-	-							
- exchange rate differences	-	-							
- business combinations	-	-							
- acquisitions and disposals of subsidiaries	-	-							
- etc.	(255,267)	-							
Transfers between allowances	-	-							
Balance, end of the year	1,149,063	1,072,349							

Note: Charge-offs and recoveries have been recorded directly to the income statement.

^{&#}x27; other movements' represents write-offs that have been charged to P&L in previous years

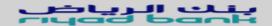


TABLE 5 (STA): CREDIT RISK: DISCLOSURES FOR PORTFOLIOS SUBJECT TO THE STANDARDIZED APPROACH - June 2012

Allocation Of Exposures To Risk Buckets (Table 5, (b)) SAR '000'

	Risk Buckets									
Particulars	0%	20%	35%	50%	75%	100%	150%	Other risk weights	Unrated	Deducted
Sovereigns and central banks:	29,727,123	427,531	-	-	-	-		-	-	-
- SAMA and Saudi Government	24,101,980	-	-	-	-	-	-	-	-	-
- Others	5,625,143	427,531	-	-	-	-	-	-	-	-
Multilateral Development Banks (MDBs)	-	-	-	-	-	-	-	-	-	-
Public Sector Entities (PSEs)	-	-	-	-	-	-	-	-	-	-
Banks and securities firms	409,166	3,637,356	-	26,930,282	-	27,654	2,432	-	-	-
Corporates	-	478,408	-	1,267,373	-	114,668,776	2,361	-	111,756,849	-
Retail non-mortgages	-	-	-	-	22,829,835	-	-	-	22,829,835	-
Small Business Facilities Enterprises (SBFEs)	-	-	-	-	473,146	-	-	-	471,655	-
Mortgages	-	-	-	-	-	5,440,228	-	-	5,440,228	-
- Residential	-	-	-	-	-	5,440,228	-	-	5,440,228	-
Equity	-	-	-	-	-	1,273,499	-	-	1,273,499	-
Others	3,124,661	951	-	-	-	14,106,951	1,186,787	-	15,418,146	-
Total	33,260,950	4,544,246	-	28,197,655	23,302,981	135,517,108	1,191,580	-	157,190,212	-

Note: Exposure amounts are after applying 'risk mitigants' where applicable.



TABLE 7 (STA): CREDIT RISK MITIGATION (CRM): DISCLOSURES FOR STANDARDIZED APPROACH - June 2012

Credit Risk Exposure Covered By CRM (Table 7, (b) and (c)) SAR '000'

orealt work Exposure covered by orall (ruble 1, (b) an			
	Cove	Covered by	
Portfolios	Eligible Financial Collateral	Guarantees \ Credit Derivatives	
Sovereigns and central banks:	98	=	
- SAMA and Saudi Government	98		
- Others	-		
Multilateral Development Banks (MDBs)	-		
Public Sector Entities (PSEs)	-		
Banks and securities firms	-		
Corporates	2,331,457	33,329	
Retail non-mortgages	331		
Small Business Facilities Enterprises (SBFEs)	257,025		
Mortgages	-	-	
− Residential	-		
Equity	-		
Others	35,292		
Total	2,624,203	33,329	



TABLE 10: MARKET RISK: DISCLOSURES FOR BANKS USING THE STANDARDIZED APPROACH - June 2012					
Level Of Market Risks In Terms Of Capital Requirements (Table 10, (b)) SAR '000'					
	Interest	Equity Position	Foreign	Commodity Risk	Total
	Rate Risk	Risk	Exchange Risk		
Standardised approach	1,066	-	98,881	-	99,947



TABLE 13: EQUITIES: DISCLOSURES FOR BANKING BOOK POSITIONS - June 2012					
Value Of Investments (Table 13, (b)) SAR '000'					
	Un-quoted Investments		Quoted Investments		
	Value Disclosed in Financial	Fair Value	Value Disclosed in Financial	Fair Value	Publicly Quoted Share Values (if materially different from fair
	Statements		Statements		value)
Investments	149,535	149,535	1,123,964	1,123,964	n/a

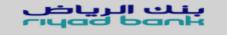


TABLE 13: EQUITIES: DISCLOSURES FOR BANKING BOOK POSITIONS - June 2012 Types And Nature of Investments (Table 13, (c)) SAR '000'				
Government and quasi government	-	-		
Banks and other financial institutions	241,188	27,169		
Agriculture and fishing	-	600		
Manufacturing	599,359	-		
Mining and quarrying	9,228	-		
Electricity, water, gas and health services	1,278	72,968		
Building and construction	-	-		
Commerce	62,963	-		
Transportation and communication	147,662	-		
Services	-	37,934		
Others	62,286	10,864		
Total	1,123,964	149,535		



TABLE 13: EQUITIES: DISCLOSURES FOR BANKING BOOK POSITIONS - June 2012			
Gains / Losses Etc. (Table 13, (d) and (e)) SAR '000'			
Particulars Partic	Amount		
Cumulative realized gains (losses) arising from sales and liquidations in the reporting period	6,452		
Total unrealized gains (losses)	133,953		
Total latent revaluation gains (losses)*	N/A		
Unrealized gains (losses) included in Capital	110,837		
Latent revaluation gains (losses) included in Capital*	N/A		

^{*}Not applicable to KSA to date



3,035

5,852

101,881

TABLE 13: EQUITIES: DISCLOSURES FOR BANKING BOOK POSITIONS - June 2012

Capital Requirements (Table 13, (f)) SAR '000' Capital **Equity grouping** Requirements Government and quasi government Banks and other financial institutions 21,469 Agriculture and fishing 48 Manufacturing 47,949 Mining and quarrying 738 Electricity, water, gas and health services 5,940 Building and construction Commerce 5,037 Transportation and communication 11,813

Services

Others

Total

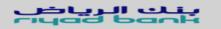


TABLE 14: INTEREST RATE RISK IN THE BANKING BOOK (IRRBB) - June 2012 200bp Interest Rate Shocks for currencies with more than 5% of Assets or Liabilities (Table 14, (b)) **SAR 000's** Rate Shocks **Change in Earnings** Upward rate shocks: SAR +200bp 119,811 USD +200bp (50,368)Downward rate shocks: SAR-200bp (122,654) USD-200bp (14,472)