

SAUDI BRITISH BANK

BASEL III - CAPITAL ADEQUACY RATIO DISCLOSURE

AS AT 31st March 2017

PUBLIC Page 1 of 9



Table of Contents

Statement of Financial Position - Step 1 (Table 2(b))	Page 3
Statement of Financial Position - Step 2 (Table 2(c))	4
Common template (transition) - Step 3 (Table 2(d)) I	5
Common template (transition) - Step 3 (Table 2(d)) ii	7
OV1 Overview of RWA	8
Main features template of regulatory capital instruments - (Table 2(e))	9
Main features template of regulatory capital instruments - (Table 2(e) (2))	10

PUBLIC Page 2 of 9



TABLE 2: CAPITAL STRUCTURE

Balance sheet - Step 1 (Table 2(b))

	Balance sheet in Published financial statements (C)	Adjustment of banking associates / other entities (*)	Under regulatory scope of consolidation (E)
Assets			
Cash and balances at central banks	25,200,572		25,200,572
Due from banks and other financial institutions	12,990,948		12,990,948
Investments, net	22,896,088		22,896,088
Loans and advances, net	119,489,954		119,489,954
Debt securities	0		0
Trading assets	0		0
Equity shares	936,427		936,427
Investment in associates	649,359		649,359
Derivatives	524,000		524,000
Goodwill	0		0
Other intangible assets	0		0
Property and equipment, net	1,058,551		1,058,551
Other assets	1,518,074		1,518,074
Total assets	185,263,973	0	185,263,973
Liabilities Due to Banks and other financial institutions	2,289,655		2,289,655
Items in the course of collection due to other banks	0		0
Customer deposits	141,570,768		141,570,768
Trading liabilities	0		0
Debt securities in issue	3,033,828		3,033,828
Derivatives	515,973		515,973
Retirement benefit liabilities	417,475		417,475
Taxation liabilities	0		0
Accruals and deferred income	520,086		520,086
Borrowings	1,710,330		1,710,330
Other liabilities	3,260,944		3,260,944
Subtotal	153,319,059	0	153,319,059
Paid up share capital	15,000,000		15,000,000
Statutory reserves	8,557,339		8,557,339
Other reserves	(85,066)		(85,066)
Retained earnings	8,060,709		8,060,709
Minority Interest	0,000,700		0
Proposed dividends	411,932		411,932
Total liabilities and equity	185,263,973	0	185,263,973

 $^{^{\}star}$ For further details on column D please refer to step 1 on page 16 of the guidance notes .

Additional information:

List of entities (including disclosure of such entities balance sheet, balance sheet activity and principal activities)

PUBLIC Page 3 of 9



TABLE 2: CAPITAL STRUCTURE

Balance sheet - Step 2 (Table 2(c))

Assets 25,200,572 25,200,572 25,200,572 25,200,572 20,00,000 20,000,000,000 20,000,000,000 20,000,000,000 20,000,000,000,000,000 20,000,000,000,000,000,000 20,000,000,000,000,000,000,000,000,000,		Balance sheet in Published financial statements (C)	Adjustment of banking associates / other entities (D)	Under regulatory scope of consolidation (E)	Reference
Cash and balances at central banks 25,200,572 52,200,572	Assets	` '	,	` ,	
Due from banks and other financial institutions 12,990,948 12,990,948 12,990,948 12,990,948 12,990,948 12,990,948 119,489,954	<u></u>	25 200 572		25 200 572	1
Loans and advances, net					
Loans and advances, net					
Of Which Collective provisions	•	, ,			
Debt securities		, ,			Α
Trading assets	·			,,	
Equity shares 936.427 936.427 936.427 Investment in associates 649.359 6		_			
Derivatives	•	936.427		936.427	
Derivatives S24,000 S24,000 C C C ET1 S24,000 C C C C C C C C C C C C C C C C C C	, ,				
Other intangible assets 0 0 Property and equipment, net 1,058,551 1,058,551 Other assets 1,518,074 1,518,074 Total assets 185,263,973 0 185,263,973 Liabilities 0 185,263,973 Due to Banks and other financial institutions 2,289,655 2,289,655 Items in the course of collection due to other banks 0 0 Customer deposits 141,570,768 141,570,768 Trading liabilities 0 0 Trading liabilities in issue 3,033,828 3,033,828 Oelvisecurities in issue 3,033,828 3,033,828 Derivatives 515,973 515,973 Retirement benefit liabilities 417,475 417,475 Taxation liabilities 0 0 Accruals and deferred income 520,086 520,086 Borrowings 1,710,330 1,710,330 Other liabilities 3,260,944 3,260,944 Subtotal 15,3319,059 0 153,319,059 Paid up share capital </td <td>Derivatives</td> <td></td> <td></td> <td></td> <td></td>	Derivatives				
Property and equipment, net	Goodwill	0		0	
Other assets 1,518,074 1,518,074 Total assets 185,263,973 0 185,263,973 Liabilities Due to Banks and other financial institutions 2,289,655 2,289,655 Items in the course of collection due to other banks 0 0 Customer deposits 141,570,768 141,570,768 Trading liabilities 0 0 Obet securities in issue 3,033,828 3,033,828 Of which Tier 2 capital instruments 3,033,828 3,033,828 Derivatives 515,973 515,973 Retirement benefit liabilities 417,475 417,475 Taxation liabilities 0 0 0 Accruals and deferred income 520,086 520,086 Borrowings 1,710,330 1,710,330 Other liabilities 3,260,944 3,260,944 Subtotal 153,319,059 0 153,000,000 Of which amount eligible for CET1 15,000,000 15,000,000 C Of which amount eligible for AT1 15,000,000 8,557,339 <td< td=""><td>Other intangible assets</td><td>0</td><td></td><td>0</td><td></td></td<>	Other intangible assets	0		0	
Total assets	Property and equipment, net	1,058,551		1,058,551	
Liabilities Due to Banks and other financial institutions 2,289,655 2,289,655 Items in the course of collection due to other banks 0 0 Customer deposits 141,570,768 141,570,768 Trading liabilities 0 0 Debt securities in issue 3,033,828 3,033,828 of which Tier 2 capital instruments 3,033,828 3,033,828 Derivatives 515,973 515,973 Retirement benefit liabilities 417,475 417,475 Taxation liabilities 0 0 Accruals and deferred income 520,086 520,086 Borrowings 1,710,330 1,710,330 Other liabilities 3,260,944 3,260,944 Subtotal 153,319,059 0 153,319,059 Paid up share capital 15,000,000 15,000,000 C of which amount eligible for CET1 15,000,000 15,000,000 C of which amount eligible for AT1 5 68,066,00 8,060,709 E Statutory reserves (85,066) 8,060,709	Other assets	1,518,074		1,518,074	
Due to Banks and other financial institutions 2,289,655 2,289,655 Items in the course of collection due to other banks 0 0 Customer deposits 141,570,768 1441,570,768 Trading liabilities 0 0 Debt securities in issue 3,033,828 3,033,828 of which Tier 2 capital instruments 3,033,828 3,033,828 Derivatives 515,973 515,973 Retirement benefit liabilities 417,475 417,475 Taxation liabilities 0 0 Accruals and deferred income 520,086 520,086 Borrowings 1,710,330 1,710,330 Other liabilities 3,260,944 3,260,944 Subtotal 153,319,059 0 153,319,059 Paid up share capital 15,000,000 153,319,059 0 Of which amount eligible for CET1 15,000,000 153,000,000 0 of which amount eligible for AT1 8,557,339 8,557,339 0 Statutory reserves (85,066) (85,066) E Retained	Total assets	185,263,973	0	185,263,973	
Customer deposits 141,570,768 141,570,768 Trading liabilities 0 0 Debt securities in issue 3,033,828 3,033,828 of which Tier 2 capital instruments 3,033,828 3,033,828 Derivatives 515,973 515,973 Retirement benefit liabilities 417,475 417,475 Taxation liabilities 0 0 Accruals and deferred income 520,086 520,086 Borrowings 1,710,330 1,710,330 Other liabilities 3,260,944 3,260,944 Subtotal 153,319,059 0 Paid up share capital 15,000,000 153,319,059 Paid up share capital 15,000,000 15,000,000 of which amount eligible for CET1 15,000,000 15,000,000 of which amount eligible for AT1 Statutory reserves (85,066) (85,066) Other reserves (85,066) (85,066) 9 Retained earnings 8,060,709 8,060,709 Proposed dividends	Due to Banks and other financial institutions	,		2,289,655	
Trading liabilities 0 0 Debt securities in issue 3,033,828 3,033,828 of which Tier 2 capital instruments 3,033,828 3,033,828 Derivatives 515,973 515,973 Retirement benefit liabilities 417,475 417,475 Taxation liabilities 0 0 Accruals and deferred income 520,086 520,086 Borrowings 1,710,330 1,710,330 Other liabilities 3,260,944 3,260,944 Subtotal 153,319,059 0 153,319,059 Paid up share capital 15,000,000 15,000,000 C of which amount eligible for CET1 15,000,000 15,000,000 C of which amount eligible for AT1 Statutory reserves 8,557,339 B 8,557,339 D Other reserves (85,066) (85,066) E E Retained earnings 8,060,709 8,060,709 F Proposed dividends 411,932 411,932 G		-		ŭ	
Debt securities in issue 3,033,828 3,033,828 of which Tier 2 capital instruments 3,033,828 3,033,828 Derivatives 515,973 515,973 Retirement benefit liabilities 417,475 417,475 Taxation liabilities 0 0 Accruals and deferred income 520,086 520,086 Borrowings 1,710,330 1,710,330 Other liabilities 3,260,944 3,260,944 Subtotal 153,319,059 0 153,319,059 Paid up share capital 15,000,000 15,000,000 C of which amount eligible for CET1 15,000,000 15,000,000 C Statutory reserves 8,557,339 B,557,339 D Other reserves (85,066) E E Retained earnings 8,060,709 8,060,709 F Proposed dividends 411,932 411,932 G				141,570,768	
of which Tier 2 capital instruments 3,033,828 3,033,828 Derivatives 515,973 515,973 Retirement benefit liabilities 417,475 417,475 Taxation liabilities 0 0 Accruals and deferred income 520,086 520,086 Borrowings 1,710,330 1,710,330 Other liabilities 3,260,944 3,260,944 Subtotal 153,319,059 0 153,319,059 Paid up share capital 15,000,000 15,000,000 C of which amount eligible for CET1 15,000,000 C C of which amount eligible for AT1 Statutory reserves 8,557,339 B,557,339 D Other reserves (85,066) (85,066) E Retained earnings 8,060,709 8,060,709 F Proposed dividends 411,932 411,932 G	-			0	
Schools Scho		, ,			_
Retirement benefit liabilities 417,475 417,475 Taxation liabilities 0 0 Accruals and deferred income 520,086 520,086 Borrowings 1,710,330 1,710,330 Other liabilities 3,260,944 3,260,944 Subtotal 153,319,059 0 153,319,059 Paid up share capital 15,000,000 15,000,000 C of which amount eligible for CET1 15,000,000 15,000,000 C of which amount eligible for AT1 Statutory reserves 8,557,339 B,557,339 D Other reserves (85,066) (85,066) E Retained earnings 8,060,709 8,060,709 F Proposed dividends 411,932 411,932 G		, ,		, ,	В
Taxation liabilities 0 0 Accruals and deferred income 520,086 520,086 Borrowings 1,710,330 1,710,330 Other liabilities 3,260,944 3,260,944 Subtotal 153,319,059 0 153,319,059 Paid up share capital 15,000,000 15,000,000 C of which amount eligible for CET1 15,000,000 15,000,000 C of which amount eligible for AT1 Statutory reserves 8,557,339 8,557,339 D Other reserves (85,066) (85,066) E Retained earnings 8,060,709 8,060,709 F Proposed dividends 411,932 411,932 G					
Accruals and deferred income 520,086 Borrowings 1,710,330 1,710,330 Other liabilities 3,260,944 Subtotal 153,319,059 0 153,319,059 Paid up share capital 15,000,000 15,000,000 of which amount eligible for CET1 15,000,000 15,000,000 of which amount eligible for AT1 Statutory reserves 8,557,339 8,557,339 Other reserves (85,066) (85,066) Retained earnings 8,060,709 Proposed dividends 411,932				417,475	
Description		•		520.096	
Other liabilities 3,260,944 3,260,944 Subtotal 153,319,059 0 153,319,059 Paid up share capital 15,000,000 15,000,000 of which amount eligible for CET1 15,000,000 15,000,000 of which amount eligible for AT1 3,260,944 3,260,944 Statutory reserves 8,500,7339 8,557,339 0 Other reserves (85,066) (85,066) E Retained earnings 8,060,709 8,060,709 F Proposed dividends 411,932 411,932 G					
Subtotal 153,319,059 0 153,319,059 Paid up share capital 15,000,000 15,000,000 of which amount eligible for CET1 15,000,000 15,000,000 of which amount eligible for AT1 8,557,339 8,557,339 Statutory reserves (85,066) (85,066) E Retained earnings 8,060,709 8,060,709 F Proposed dividends 411,932 411,932 G	•				
Paid up share capital 15,000,000 15,000,000 of which amount eligible for CET1 15,000,000 15,000,000 of which amount eligible for AT1 Statutory reserves 8,557,339 8,557,339 Other reserves (85,066) (85,066) E Retained earnings 8,060,709 8,060,709 F Proposed dividends 411,932 411,932 G		, ,	0	, ,	
of which amount eligible for CET1 15,000,000 C of which amount eligible for AT1 Statutory reserves 8,557,339 B,557,339 D Other reserves (85,066) (85,066) E Retained earnings 8,060,709 8,060,709 F Proposed dividends 411,932 411,932 G	Subloidi	155,519,059	U	155,519,059	
of which amount eligible for CET1 15,000,000 C of which amount eligible for AT1 Statutory reserves 8,557,339 B,557,339 D Other reserves (85,066) (85,066) E Retained earnings 8,060,709 8,060,709 F Proposed dividends 411,932 411,932 G	Paid un share canital	15 000 000		15,000,000	
of which amount eligible for AT1 Statutory reserves 8,557,339 B,557,339 D Other reserves (85,066) (85,066) E Retained earnings 8,060,709 8,060,709 F Proposed dividends 411,932 411,932 G					С
Statutory reserves 8,557,339 D Other reserves (85,066) (85,066) E Retained earnings 8,060,709 8,060,709 F Proposed dividends 411,932 411,932 G	<u>~</u>	10,000,000		10,000,000	
Other reserves (85,066) E Retained earnings 8,060,709 8,060,709 Proposed dividends 411,932 411,932	<u>~</u>	8 557 339		8 557 339	D
Retained earnings 8,060,709 8,060,709 F Proposed dividends 411,932 411,932 G	· ·				_
Proposed dividends 411,932 411,932 G		\ ' '		\ ' '	_
	9	, ,		· · · · · · · · · · · · · · · · · · ·	
I otal liabilities and equity 185,263,973 0 185,263,973	Total liabilities and equity	185,263,973	0	,	

 $\underline{\text{Note:}}$ Items A & B have been mapped as an example to Table 2d, for further details please refer to step 2 on page 17 of the guidance notes .

PUBLIC Page 4 of 9

As at 31 March 2017 SAR'000

TABLE 2: CAPITAL STRUCTURE

Common template (transition) - Step 3 (Table 2(d)) i

(From January 2013 to 2018 identical to post 2018) With amount subject to Pre- Basel III Treatment

Components¹ of Preregulatory capital Basel

Amounts¹ Source based on reference subject to numbers / letters of the balance sheet under the balance sheet under the regulatory scope of consolidation from step 2

С	
F + G	
D + E	

2)		reported by the bank	uea	atn
	Common Equity Tier 1 capital: Instruments and reserves			
Directly is:	sued qualifying common share capital (and equivalent for non-joint stock companies) plus related stock surplus	15.000.000		
Retained		8,472,641		
	conings ted other comprehensive income (and other reserves)	8,472,273		
	sued capital subject to phase out from CET1 (only applicable to non-joint stock companies)	0,112,210		
	sace deplies such by history of the transfer o		r	
Common	Strate Capital Issue by Sustainates and read by time parties (amount anowed in group CE LTT) Equity Tier 1 capital before regulatory adjustments Equity Tier 1 capital before regulatory adjustments	31,944,914		
Common	Common Equity Tier 1 capital: Regulatory adjustments	31,344,314		
Drudontio	Valuation adjustments		r	
	i valuation adjustine insi		i	
			ļ	
	ngibles other than mortgage-servicing rights (net of related tax liability)		l	
	tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)		;-·	
	hedge reserve		¦	
	of provisions to expected losses		1-	
3 Securitisa	tion gain on sale (as set out in paragraph 562 of Basel II framework)		:	
	d losses due to changes in own credit risk on fair valued liabilities		<u>!</u>	
Defined-b	enefit pension fund net assets		Ī	
Investmen	nts in own shares (if not already netted off paid-in capital on reported balance sheet)		:=:	
	al cross-holdings in common equity		!	-
	nts in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions,		i	
	bank does not own more than 10% of the issued share capital (amount above 10% threshold)			
	t investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible		!	
	tions (amount above 10% threshold)		i	
	uoris (amount adove 10% untesnoto) servicina richtos (amount above 10% threshold)		-	
	tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)		 - -	
2 Amount e	tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability) xoceding the 15% threshold		i	
			;	
	n: significant investments in the common stock of financials		l	
	n: mortgage servicing rights		<u>; —</u> ,	
	n: deferred tax assets arising from temporary differences		<u>ا ــــا</u>	
6 National s	specific regulatory adjustments		L	
REGULA ⁻	TORY ADJUSTMENTS APPLIED TO COMMON EQUITY TIER 1 IN RESPECT OF AMOUNTS SUBJECT TO PRE-BASEL III TREATMENT			
OF WH	ICH: [INSERT NAME OF ADJUSTMENT]			
OF WH	ICH:			
7 Regulator	y adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions			
	ulatory adjustments to Common equity Tier 1			
	Equity Tier 1 capital (CET1)			
	Tier 1 capital; instruments	31.944.914		
		31,944,914		
		31,944,914		
Directly is:	sued qualifying Additional Tier 1 instruments plus related stock surplus	31,944,914		
Directly is: of which	sued qualifying Additional Tier 1 instruments plus related stock surplus n: classified as equity under applicable accounting standards	31,944,914		
Directly is: of which of which	sued qualifying Additional Tier 1 instruments plus related stock surplus :: classified as equity under applicable accounting standards :: classified as liabilities under applicable accounting standards	31,944,914		
0 Directly is: 1 of which 2 of which 3 Directly is:	sued qualifying Additional Tier 1 instruments plus related stock surplus n: classified as equity under applicable accounting standards	31,944,914		
Directly is: 1 of which 2 of which 3 Directly is:	sued qualifying Additional Tier 1 instruments plus related stock surplus : classified as equity under applicable accounting standards : classified as liabilities under applicable accounting standards sued capital instruments subject to phase out from Additional Tier 1	31,944,914		
Directly is: of which of which of which Directly is: Additional	sued qualifying Additional Tier 1 instruments plus related stock surplus : classified as equity under applicable accounting standards : classified as liabilities under applicable accounting standards sued capital instruments subject to phase out from Additional Tier 1 Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1)	31,944,914		
Directly is: of which of which Directly is: Additional of which:	sued qualifying Additional Tier 1 instruments plus related stock surplus :: classified as equity under applicable accounting standards :: classified as liabilities under applicable accounting standards sued capital instruments subject to phase out from Additional Tier 1 ITier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1) instruments issued by subsidiaries subject to phase out	31,944,914		
Directly is: of which of which Directly is: Additional of which: Additional	sued qualifying Additional Tier 1 instruments plus related stock surplus : classified as equity under applicable accounting standards : classified as liabilities under applicable accounting standards sued capital instruments subject to phase out from Additional Tier 1 Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1) instruments issued by subsidiaries subject to phase out Tier 1 instruments instruments Tier 1	31,944,914		
Directly is: of which of which Directly is: Additional of which: Additional	sued qualifying Additional Tier 1 instruments plus related stock surplus :: classified as equity under applicable accounting standards :: classified as liabilities under applicable accounting standards sued capital instruments subject to phase out from Additional Tier 1 ITier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1) instruments issued by subsidiaries subject to phase out	31,944,914		
Directly is: of which of which of which Directly is: Additional of which: Additional Additional Additional	sued qualifying Additional Tier 1 instruments plus related stock surplus : classified as equity under applicable accounting standards : classified as liabilities under applicable accounting standards sued capital instruments subject to phase out from Additional Tier 1 Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1) instruments issued by subsidiaries subject to phase out a Tier 1 instruments issued by subsidiaries subject to phase out	31,944,914	<u>i</u> —	
Directly is: of which of which of which Directly is: Additional Additional Additional Additional	sued qualifying Additional Tier 1 instruments plus related stock surplus :: classified as equity under applicable accounting standards :: classified as liabilities under applicable accounting standards sued capital instruments subject to phase out from Additional Tier 1 ITier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1) instruments issued by subsidiaries subject to phase out at Tier 1 capital before regulatory adjustments at Tier 1 capital before regulatory adjustments	31,944,914	ŗ:	
Directly is: of which of which Directly is: Additional Additional Additional Additional Additional Additional Reciproca	sued qualifying Additional Tier 1 instruments plus related stock surplus : classified as equity under applicable accounting standards : classified as liabilities under applicable accounting standards sued capital instruments subject to phase out from Additional Tier 1 ITier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1) instruments issued by subsidiaries subject to phase out all Tier 1 capital before requiatory adjustments all Tier 1 capital before requiatory adjustments all Tier 1 capital: regulatory adjustments at in own Additional Tier 1 instruments	31,944,914		
Directly is: of which of which Directly is: Additional of which: Additional Additional Investmer Reciproca Investmer where the	sued qualifying Additional Tier 1 instruments plus related stock surplus : classified as equity under applicable accounting standards : classified as liabilities under applicable accounting standards sued capital instruments subject to phase out from Additional Tier 1 Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1) instruments issued by subsidiaries subject to phase out ITier 1 apital before regulatory adjustments ITier 1 capital: regulatory adjustments It in own Additional Tier 1 instruments It cross-holdings in Additional Tier 1 instruments Its in when Additional Tier 1 instruments Its in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)	31,944,914		
Directly is: of which of which Directly is: Additional of which: Additional Additional Investmer Reciproca Investmer where the Significan	sued qualifying Additional Tier 1 instruments plus related stock surplus : classified as equity under applicable accounting standards : classified as liabilities under applicable accounting standards sued capital instruments subject to phase out from Additional Tier 1 Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1) instruments issued by subsidiaries subject to phase out all Tier 1 capital before requiatory adjustments all Tier 1 capital before requiatory adjustments all Tier 1 capital: regulatory adjustments all cross-holdings in Additional Tier 1 instruments its in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold) It investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short of the entity (amount above 10% threshold)	31,944,914		
Directly is: of which	sued qualifying Additional Tier 1 instruments plus related stock surplus : classified as equity under applicable accounting standards : classified as iabilities under applicable accounting standards sued capital instruments subject to phase out from Additional Tier 1 Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1) instruments issued by subsidiaries subject to phase out at Tier 1 capital before regulatory adjustments at Tier 1 capital before regulatory adjustments ts in own Additional Tier 1 instruments al cross-holdings in Additional Tier 1 instruments its in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold) t investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short of eligible short over threshold).	31,944,914		321
Directly is: of which of which Directly is: Additional Additional Additional Additional Additional Additional Additional Additiona	sued qualifying Additional Tier 1 instruments plus related stock surplus : classified as equity under applicable accounting standards : classified as liabilities under applicable accounting standards sued capital instruments subject to phase out from Additional Tier 1 Lifer 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1) instruments issued by subsidiaries subject to phase out all Tier 1 capital before requilatory adjustments al Tier 1 capital before requilatory adjustments al Tier 1 capital: regulatory adjustments al rores-holdings in Additional Tier 1 instruments tis in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold) It investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short opecific regulatory adjustments)	31,944,914		321
Directly is: Of which Of which Of which Of which Additional Additional Additional Additional Additional Investmer	sued qualifying Additional Tier 1 instruments plus related stock surplus : classified as equity under applicable accounting standards : classified as liabilities under applicable accounting standards sued capital instruments subject to phase out from Additional Tier 1 Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1) instruments issued by subsidiaries subject to phase out If Tier 1 capital before regulatory adjustments If Tier 1 capital: regulatory adjustments Is in own Additional Tier 1 instruments I reserve to additional Tier 1 instruments It is in the capital of branking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold) I trivestments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short opecific regulatory adjustments	31,944,914		321
Directly is: Of which Of which Of which Of which Additional Additional Additional Additional Additional Investmer	sued qualifying Additional Tier 1 instruments plus related stock surplus : classified as equity under applicable accounting standards : classified as liabilities under applicable accounting standards sued capital instruments subject to phase out from Additional Tier 1 Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1) instruments issued by subsidiaries subject to phase out If Tier 1 capital before regulatory adjustments If Tier 1 capital: regulatory adjustments Is in own Additional Tier 1 instruments I reserve to additional Tier 1 instruments It is in the capital of branking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold) I trivestments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short opecific regulatory adjustments	31,944,914		32
Directly is: Of which Of	sued qualifying Additional Tier 1 instruments plus related stock surplus classified as equity under applicable accounting standards sued capital instruments subject to phase out from Additional Tier 1 Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1) instruments issued by subsidiaries subject to phase out 1 Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1) instruments issued by subsidiaries subject to phase out 1 Tier 1 capital before regulatory adjustments 11 Tier 1 capital: regulatory adjustments 11 Tier 1 capital: regulatory adjustments 12 icross-holdings in Additional Tier 1 instruments 13 icross-holdings in Additional Tier 1 instruments 14 icross-holdings in Additional Tier 1 instruments 15 icross-holdings in Additional Tier 1 instruments 16 icross-holdings in Additional Tier 1 instruments 17 icross-holdings in Additional Tier 1 instruments 18 icross-holdings in Additional Tier 1 instruments 19 icross-holdings in Additional Tier 1 instruments 10 icross-holdings in Additional Tier 1 instruments 11 icross-holdings in Additional Tier 1 instruments 12 icross-holdings in Additional Tier 1 instruments 13 icross-holdings in Additional Tier 1 instruments 14 icross-holdings in Additional Tier 1 instruments 15 icross-holdings in Additional Tier 1 instruments 16 icross-holdings in Additional Tier 1 instruments 17 icross-holdings in Additional Tier 1 instruments 18 icross-holdings in Additional Tier 1 instruments 19 icross-holdings in Additional Tier 1 instruments 10 icross-holdings in Additional Tier 1 instruments 10 icross-holdings in Additional Tier 1 instruments 11 icross-holdings in Additional Tier 1 instruments 12 icross-holdings in Additional T	31,944,914		32
Directly is: Joine of the individual of the ind	sued qualifying Additional Tier 1 instruments plus related stock surplus : classified as equity under applicable accounting standards : classified as liabilities under applicable accounting standards sued capital instruments subject to phase out from Additional Tier 1 ITier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1) instruments issued by subsidiaries subject to phase out ITier 1 capital before regulatory adjustments II Tier 1 capital: regulatory adjustments II Tier 1 capital: regulatory adjustments II respective to the subject of the subject	31,944,914		32
0 Directly is: 1 of which: 2 of which: 3 Directly is: 4 Additional 5 of which: 6 Additional 7 Investmers 8 Reciproca 9 Investmer where the 0 Significan 0 Significan 1 National s REGULA. 6 FEWHIC 0 FWHIC 1 Regulator	sued qualifying Additional Tier 1 instruments plus related stock surplus : classified as equity under applicable accounting standards : classified as iabilities under applicable accounting standards sued capital instruments subject to phase out from Additional Tier 1 Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1) instruments issued by subsidiaries subject to phase out ITier 1 capital before regulatory adjustments ITier 1 capital before regulatory adjustments It in capital regulatory adjustments It in capital regulatory adjustments It in capital of banking. If inancial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold) It investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short opedific requilatory adjustments TORY ADJUSTMENTS APPLIED TO ADDITIONAL TIER 1 IN RESPECT OF AMOUNTS SUBJECT TO PRE-BASEL III TREATMENT H: INSERT NAME OF ADJUSTMENTI. H: INSERT NAME OF ADJUSTMENTI.	31,944,914	[321
Directly is: Directly is: Of which: Additional Additional Reciproca Investmer Reciproca Investmer Reciproca Investmer Reciproca Rec	sued qualifying Additional Tier 1 instruments plus related stock surplus : classified as equity under applicable accounting standards : classified as liabilities under applicable accounting standards sued capital instruments subject to phase out from Additional Tier 1 ITier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1) instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1) instruments issued by subsidiaries subject to phase out all Tier 1 capital before regulatory adjustments all Tier 1 capital before regulatory adjustments all Tier 1 capital regulatory adjustments all Tier 1 instruments its in own Additional Tier 1 instruments its in the capital of branking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold) tinvestments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short opecific regulatory adjustments TORY ADJUSTMENTS APPLIED TO ADDITIONAL TIER 1 IN RESPECT OF AMOUNTS SUBJECT TO PRE-BASEL III TREATMENT Htt. JINSERT NAME OF ADJUSTMENTI. Htt. INSERT NAME OF ADJUSTMENTI. Htt. Insurances to Additional Tier 1 due to insufficient Tier 2 to cover deductions	31,944,914	[327
Directly is: of which of which of which in of	sued qualifying Additional Tier 1 instruments plus related stock surplus : classified as equity under applicable accounting standards : classified as iabilities under applicable accounting standards sued capital instruments subject to phase out from Additional Tier 1 Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1) instruments issued by subsidiaries subject to phase out ITier 1 capital before regulatory adjustments ITier 1 capital before regulatory adjustments It in capital regulatory adjustments It in capital regulatory adjustments It in capital of banking. If inancial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold) It investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short opedific requilatory adjustments TORY ADJUSTMENTS APPLIED TO ADDITIONAL TIER 1 IN RESPECT OF AMOUNTS SUBJECT TO PRE-BASEL III TREATMENT H: INSERT NAME OF ADJUSTMENTI. H: INSERT NAME OF ADJUSTMENTI.	31,944,914		327

¹For detailed explanation of rows (1-85). please refer to SAMA circular # BCS 23295 dated 23 July 2012 entitled "Composition of Capital Disclosure Requirements issued by the BCBS in June 2012. (2) All rows related to IRB Approach are only valid. if SAMA has provided its Regulatory Approval to use IRB Approaches

Note: Items which are not applicable are to be left blank.

PUBLIC Page 5 of 9

As at 31 March 2017 SAR'000

TABLE 2: CAPITAL STRUCTURE

Common template (transition) - Step 3 (Table 2(d)) ii

(From January 2013 to 2018 identical to post 2018) With amount subject to Pre- Basel III Treatment

Components¹ of regulatory capital reported by the bank

Amounts¹ Source based on reference subject to numbers / letters of the balance sheet under the basel III regulatory scope of consolidation from step 2

,205	
205	
200	[=:=:]
	í=:=:j
	i i
	r1
	(327,518)
,205	
,119	

		reported by the bank
	Tier 2 capital: instruments and provisions	
46		2,400,000
47		0
48	Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group	
	Tier 2)	
49	of which: instruments issued by subsidiaries subject to phase out	
50	Provisions	1,313,205
51	Tier 2 capital before regulatory adjustments	
	Tier 2 capital: regulatory adjustments	3,713,205
	Investments in own Tier 2 instruments	
53	Reciprocal cross-holdings in Tier 2 instruments	
54	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)	
55	Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	
56	National specific regulatory adjustments	1
	REGULATORY ADJUSTMENTS APPLIED TO TIER 2 IN RESPECT OF AMOUNTS SUBJECT TO PRE-BASEL III TREATMENT	
i	OF WHICH: [INSERT NAME OF ADJUSTMENT]	
Ĺ	OF WHICH:	
57		
	Tier 2 capital (T2)	3,713,205
	Total capital (TC = T1 + T2)	35,658,119
<u> </u>	RISK WEIGHTED ASSETS IN REPECT OF AMOUNTS SUBJECT TO PRE-BASEL III TREATMENT	<u> </u>
<u> </u>	OF WHICH: INSERT NAME OF ADJUSTMENTI	
ļ	OF WHICH:	
60	Total risk weighted assets	180,936,296
	Capital ratios Capital ratios	
	Common Equity Tier 1 (as a percentage of risk weighted assets)	17.66%
	Tier 1 (as a percentage of risk weighted assets)	17.66%
63	Total capital (as a percentage of risk weighted assets)	19.71%
64	Institution specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus countercyclical buffer requirements plus G-SIB buffer requirement expressed as a percentage of risk weighted assets)	
C.F.	ouner requirement expressed as a percentage of risk weignied assets) of which; capital conservation buffer requirement	
65 66	or wrich: capital conservation burler requirement of which bank specific countercyclical buffer requirement	
67	of which: G-SIB buffer requirement	
	Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets)	+
-00	National minima (if different from Basel 3)	
69	National Common Equity Tier 1 minimum ratio (if different from Basel 3 minimum)	n/a
	National Tier 1 minimum ratio (if different from Basel 3 minimum)	n/a
	National total capital minimum ratio (if different from Basel 3 minimum)	n/a
	Amounts below the thresholds for deduction (before risk weighting)	
72	Non-significant investments in the capital of other financials	<u> </u>
73	Significant investments in the common stock of financials	
74	Mortgage servicing rights (net of related tax liability)	
75	Deferred tax assets arising from temporary differences (net of related tax liability)	
	Applicable caps on the inclusion of provisions in Tier 2	
	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	1,313,205
77	Cap on inclusion of provisions in Tier 2 under standardised approach	2,062,578
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	ļ — — — — — — — — — — — — — — — — — — —
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	ļ
0.5	Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2018 and 1 Jan 2022)	
	Current cap on CET1 instruments subject to phase out arrangements	ļ
	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	ļ — — — — — — — — — — — — — — — — — — —
82		ļ — — — — — — — — — — — — — — — — — — —
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	ļ
84		ļ
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	
\vdash		
		1

¹For detailed explanation of rows (1-85), please refer to SAMA circular # BCS 23295 dated 23 July 2012 entitled "Composition of Capital Disclosure Requirements issued by the BCBS in June 2012. (2) All rows related to IRB Approach are only valid, if SAMA has provided its Regulatory Approval to use IRB Approaches

Note: Items which are not applicable are to be left blank.

PUBLIC Page 6 of 9



TABLE 2: CAPITAL STRUCTURE

B.2: OV1 Overview of RWA

		RWA		Minimum capital requirements
		Mar-17	Dec-16	Mar-17
1	Credit risk (excluding counterparty credit risk) (CCR)*	162,689,550	158,378,343	13,015,164
2	Of which standardised approach (SA)	162,689,550	158,378,343	13,015,164
3	Of which internal rating-based (IRB) approach			
4	Counterparty Credit Risk	363,471	1,914,981	29,078
5	Of which standardised approach for counterparty credit risk (SA-CCR)**	363,471	1,914,981	29,078
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			
9	Equity investments in funds ? mandate-based approach			
10	Equity investments in funds ? fall-back approach	329,838	-	26,387
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	2,471,463	2,514,488	197,717
17	Of which standardised approach (SA)	2,471,463	2,514,488	197,717
18	Of which internal model approaches (IMM)			
19	Operational risk	13,458,577	13,333,290	1,076,686
20	Of which Basic Indicator Approach			
21	Of which Standardised Approach	13,458,577	13,333,290	1,076,686
22	Of which Advanced Measurement Approach			
23	Amounts below the thresholds for deduction (subject to 250% risk weight)	1,623,398	1,605,743	129,872
24	Floor adjustment			
25	Total (1+4+7+8+9+10+11+12+16+19+23+24)	180,936,296	177,746,845	14,474,904

^{*} SA-CCR became effective from January 2017. The first reporting will take place based on Q1 2017 Prudential's. CCR RWA's as at 31 December 2016 are based on CEM approach.

Pillar I RWA's increase in March 17 was mainly driven by higher Credit Risk RWA's as a result of the increase in interbank placements and growth in equity RWA's due to the new approach of Investment in equity funds. This was partially offset by a reduction in loan book and lower derivatives RWA's due to the new approach of SA-CCR.

PUBLIC Page 7 of 9



Main features template of regulatory capital instruments - (Table 2(e))	
1 Issuer	Saudi British Bank (SABB)
2 Unique identifier (eg CUSPIN, ISIN or Bloomberg identifier for private placement)	ISIN No.SA13EFK0GJJ0
	The instrument is governed by the I
3 Governing law(s) of the instrument	of the Kingdom of Saudi Arabia
Regulatory treatment	
4 Transitional Basel III rules	Tier 2
5 Post-transitional Basel III rules	Eligible
6 Eligible at solo/lgroup/group&solo	Solo
7 Instrument type	Subordinated Sukuk
8 Amount recognied in regulatory capital (Currency in mil, as of most recent reporting date)	SAR 900mil
9 Par value of instrument	SAR 1,500mil
10 Accounting classification	Liability - amortised cost
11 Original date of issuance	17th December 2013
12 Perpetual or dated	Dated
13 Original maturity date	17th December 2020
14 Issuer call subject to prior supervisory approval	Yes
	Call option only available after 5 years
	or for a regulatory or tax event, 17tl
	December 2018 as the date for
	redemption, SABB shall be entitled
	redeem in whole, but not in part, by
	giving not less than thirty (30) days
	more than sixty (60) days' notice to
15 Option call date, contingent call dates and redemption amount	Sukukholders
16 Subsequent call dates if applicable	As above
Coupons / dividends	
17 Fixed or Floating dividend/coupon	Floating
18 Coupon rate and any related index	6 months SIBOR + 140bps
19 Existence of a dividend stopper	No
20 Fully discretionary, partially discretionary or mandatory	Mandatory
21 Existence of step up or other incentive to redeem	No
22 Non cumulative or cumulative	Non cumulative
23 Convertible or non-convertible	Non - convertible
24 If convertible, conversion trigger (s)	N/A
25 If convertible, fully or partially	N/A
26 If convertible, conversion rate	N/A
27 If convertible, mandatory or optional conversion	N/A
28 If convertible, specify instrument type convertible into	N/A
29 If convertible, specify issuer of instrument it converts into	N/A
30 Write-down feature	Yes
	Terms of contract of the instrument
	provide the legal basis for SAMA to
	trigger write-down (a contractual
31 If write-down, write-down trigger (s)	approach)
32 If write-down, full or partial	Written down fully or partial
33 If write-down, permanent or temporary	Permanent
34 If temporary writedown, description of the write-up mechansim	
	Subordinated. Senior bondholders
35 Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	immediately senior to this instrume
36 Non-compliant transitioned features	N/A
37 If yes, specify non-compliant features	N/A

Note: Further explanation of rows (1-37) as given above are provided in SAMA circular # BCS 23295 dated 23 July 2012 entitled "Composition of Capital Disclosure Requirements issued by the BCBS in June 2012.

PUBLIC Page 8 of 9



Main features template of regulatory capital instruments - (Table 2(e))	
1 Issuer	Saudi British Bank (SABB)
2 Unique identifier (eg CUSPIN, ISIN or Bloomberg identifier for private placement)	ISIN No.SA13QVK0GK33
	The instrument is governed by the
3 Governing law(s) of the instrument	laws of the Kingdom of Saudi Ar
Regulatory treatment	
4 Transitional Basel III rules	Tier 2
5 Post-transitional Basel III rules	Eligible
6 Eligible at solo/lgroup/group&solo	Solo
7 Instrument type	Subordinated Sukuk
8 Amount recognied in regulatory capital (Currency in mil, as of most recent reporting date)	SAR 1,500mil
9 Par value of instrument	SAR 1,500mil
10 Accounting classification	Liability - amortised cost
11 Original date of issuance	28th May 2015
12 Perpetual or dated	Dated
13 Original maturity date	28th May 2025
14 Issuer call subject to prior supervisory approval	Yes
	Call option only available after 5
	or for a regulatory or tax event, 2
	May 2020 as the date for redem
	SABB shall be entitled to redeen
	whole, but not in part, by giving i
	less than thirty (30) days' not mo
	than sixty (60) days' notice to the
Option call date, contingent call dates and redemption amount	Sukukholders
16 Subsequent call dates if applicable	As above
Coupons / dividends 17 Fixed or Floating dividend/coupon	Floating
18 Coupon rate and any related index	6 months SIBOR + 130bps
19 Existence of a dividend stopper	No
20 Fully discretionary, partially discretionary or mandatory	Mandatory
21 Existence of step up or other incentive to redeem	No
22 Non cumulative or cumulative	Non cumulative
23 Convertible or non-convertible	Non - convertible
24 If convertible, conversion trigger (s)	N/A
25 If convertible, conversion trigger (3)	N/A
26 If convertible, conversion rate	N/A
27 If convertible, mandatory or optional conversion	N/A
28 If convertible, specify instrument type convertible into	N/A
29 If convertible, specify issuer of instrument it converts into	N/A
30 Write-down feature	Yes
56 White down leadard	Terms of contract of the instrume
	provide the legal basis for SAMA
	trigger write-down (a contractual
31 If write-down, write-down trigger (s)	approach)
32 If write-down, full or partial	Written down fully or partial
33 If write-down, permanent or temporary	Permanent
34 If temporary writedown, description of the write-up mechansim	Cimanon
	Subordinated. Senior bondhold
	are immediately senior to this
35 Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	instrument.
36 Non-compliant transitioned features	N/A
37 If yes, specify non-compliant features	N/A

Note: Further explanation of rows (1-37) as given above are provided in SAMA circular # BCS 23295 dated 23 July 2012 entitled "Composition of Capital Disclosure Requirements issued by the BCBS in June 2012.

PUBLIC Page 9 of 9