

Table 1 - SCOPE OF APPLICATION	
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	SAR'000
1. HSBC Saudi Arabia Limited	162,474
2. Saudi Travellers Cheque Company	5,676
3. SABB Takaful	17,945

Table 2 - CAPITAL STRUCTURE	
Capital Structure (Table 2, (b to (e))	
Components of capital	Amount SAR'000
Core capital - Tier1:	
Eligible paid-up share capital	6,000,000
Shares premium accounts	-
Eligible reserves	3,574,824
Minority interests in the equity of subsidiaries	-
Retained earnings	(199,472)
IAS type adjustments	
Deductions from Tier 1:	
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	81,237
Insurance organizations	8,973
Commercial organizations	2,837
Total Tier I	9,282,305
Supplementary capital - Tier 2:	
Revaluation gains/ reserves	-
Subordinated loan capital	
Qualifying general provisions	200,720
Interim profits	1,552,062
Deductions from Tier 2:	
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	81,237
Insurance organizations	8,973
Commercial Organizations	2,838
Other country specific deductions from Tier2 at 50%	
Regulatory calculation differences deduction from Tier 2 at 50%	
Total Tier II	1,659,734
Capital to cover market risks - Tier III	
Short Term Subordinated Debt	
Tier I and Tier II Capital Available for Market Risk	
Total eligible capital	10,942,039

Table 3 - CAPITAL ADEQUACY		
Amount of Exposures Subject To Standardized Approach of Credit Risk and related Capital Requirements (Table 3, (b))		
Portfolios	Amount of exposure SAR' 000	Capital requirements SAR' 000
Sovereigns and central banks:		-
SAMA and Saudi Government	32,014,976	-
Others	1,915,348	-
Multilateral Development Banks (MDBs)	-	-
Public Sector Entities (PSEs)	-	-
Banks and securities firms	5,594,978	89,520
Corporates	69,715,393	4,069,382
Retail non-mortgages	12,053,385	713,874
Small Business Facilities Enterprises (SBFE's)	-	-
Mortgages		
Residential	2,077,389	166,191
Commercial	-	-
Securitized assets	-	-
Equity	282,653	22,612
Others	1,614,287	70,458
Total	125,268,409	5,132,037

Table 3 - CAPITAL ADEQUACY					
Capital requirements for Market Risk* (822, Table 3, (d))					
	Interest rate risk	Equity position risk	Foreign exchange risk	Commodity risk	Total
Standardised approach	26,914		54,963	-	81,877

Table 3 - CAPITAL ADEQUACY	
Capital Requirements for Operational Risk* (Table 3, (e))	
Particulars	Capital requirement
Standardized approach	653,726

Table 3 - CAPITAL ADEQUACY		
Capital Adequacy Ratios (TABLE 3,(f))		
Particulars	Total capital ratio	Tier 1 capital ratio
	%	
Top consolidated level	12.38	10.5

Table 4 (STA) : CREDIT RISK : GENERAL DISCLOSURES		
Credit Risk Exposure (Table 4. (b))		
Portfolios	Total gross credit risk exposure	Average gross credit risk exposure over the period
Sovereigns and central banks:		
SAMA and Saudi Government	32,041,976	-
Others	1,915,348	-
Multilateral Development Banks (MDBs)	-	-
Public Sector Entities (PSEs)	-	-
Banks and securities firms	9,206,381	-
Corporates	82,992,583	-
Retail non-mortgages	11,834,512	-
Small Business Facilities Enterprises (SBFE's)	-	-
Mortgages		
Residential	2,077,389	-
Commercial	-	-
Securitized assets	-	-
Equity	282,653	-
Others	1,614,287	-
Total	141,965,129	-

Table 4 (STA) : CREDIT RISK : GENERAL DISCLOSURES

Geographic Breakdown (Table 4, c)							
Portfolios	Saudi Arabia	Other GCC & Middle East	Europe	North America	South East Asia	Other countries	Total
Sovereigns and central banks:							
SAMA and Saudi Government	32,041,976	-	-	-	-	-	32,041,976
Others	-	290,282	-	1,625,066	-	-	1,915,348
Multilateral Development Banks (MDBs)	-	-	-	-	-	-	-
Public Sector Entities (PSEs)	-	-	-	-	-	-	-
Banks and securities firms	1,843,556	1,076,637	6,015,600	163,314	103,643	3,631	9,206,381
Corporates	79,537,846	2,105,020	1,051,331	54,313	83,404	160,669	82,992,583
Retail non-mortgages	11,834,512	-	-	-	-	-	11,834,512
Small Business Facilities Enterprises (SBFE's)	-	-	-	-	-	-	-
Mortgages	-	-	-	-	-	-	-
Residential	2,077,389	-	-	-	-	-	2,077,389
Commercial	-	-	-	-	-	-	-
Securitized assets	-	-	-	-	-	-	-
Equity	191,313	36,847	553	53,940	-	-	282,653
Others	1,614,287	-	-	-	-	-	1,614,287
Total	129,140,878	3,508,786	7,067,484	1,896,633	187,047	164,300	141,965,129

Table 4 (STA) : CREDIT RISK : GENERAL DISCLOSURES

Industry Sector Breakdown (Table 4, d))

	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
Portfolios													
Sovereigns and central banks:													
SAMA and Saudi Government	32,041,976	-	-	-	-	-	-	-	-	-	-	-	32,041,976
Others	1,915,348	-	-	-	-	-	-	-	-	-	-	-	1,915,348
Multilateral Development Banks (MDBs)	-	-	-	-	-	-	-	-	-	-	-	-	-
Public Sector Entities (PSEs)	-	-	-	-	-	-	-	-	-	-	-	-	-
Banks and securities firms	-	9,206,381	-	-	-	-	-	-	-	-	-	-	9,206,381
Corporates	2,513,545	6,746,477	1,386,379	13,235,502	225,418	1,317,874	5,542,831	24,678,020	2,750,933	2,253,427	-	22,342,177	82,992,583
Retail non-mortgages	-	-	-	-	-	-	-	-	-	-	11,834,512	-	11,834,512
Small Business Facilities Enterprises (SBFE's)	-	-	-	-	-	-	-	-	-	-	-	-	-
Mortgages	-	-	-	-	-	-	-	-	-	-	-	-	-
Residential	-	-	-	-	-	-	-	-	-	-	2,077,389	-	2,077,389
Commercial	-	-	-	-	-	-	-	-	-	-	-	-	-
Securitized assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity	-	162,474	-	-	-	-	-	-	-	83,332	-	36,847	282,653
Others	-	-	-	-	-	-	-	-	-	-	-	1,614,287	1,614,287
Total	36,470,869	16,115,332	1,386,379	13,235,502	225,418	1,317,874	5,542,831	24,678,020	2,750,933	2,336,759	13,911,901	23,993,311	141,965,129

Table 4 (STA) : CREDIT RISK : GENERAL DISCLOSURES

Residual Contractual Maturity Breakdown (Table 4, (e))										
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 Maturity	Total
Sovereigns and central banks:										
SAMA and Saudi Government	2,495,487	2,460,262	3,745,068	2,603,386	7,947,865	3,886,140	1,579,304	7,324,464	-	32,041,976
Others	-	-	-	87,440	60,273	206,801	944,150	616,684	-	1,915,348
Multilateral Development Banks	-	-	-	-	-	-	-	-	-	-
Public Sector Entities	-	-	-	-	-	-	-	-	-	-
Banks and Securities Firms	5,097,487	1,654,989	668,632	270,519	323,393	508,118	348,676	334,566	-	9,206,380
Corporates	12,870,636	6,030,205	13,591,482	12,768,267	9,923,653	7,502,213	8,364,276	4,730,870	7,210,982	82,992,583
Retail non-mortgages	22,171	1,693,154	42,485	72,003	191,377	1,903,520	4,449,924	3,459,879	-	11,834,512
Small Business Facilities Enterprises (SBFE's)	-	-	-	-	-	-	-	-	-	-
Mortgages	-	-	5	-	149	25,035	88,827	1,963,373	-	2,077,389
Residential	-	-	-	-	-	-	-	-	-	-
Commercial	-	-	-	-	-	-	-	-	-	-
Securitized assets	-	-	-	-	-	-	-	-	-	-
Equity	-	-	-	-	-	-	-	-	282,653	282,653
Others	-	-	-	-	-	-	-	-	1,614,287	1,614,287
Total	20,485,781	11,838,610	18,047,672	15,801,615	18,446,710	14,031,826	15,775,156	18,429,836	9,107,922	141,965,128

Table 4 (STA) : CREDIT RISK : GENERAL DISCLOSURES

Impaired loans, Past Due Loans and Allowances (Table 4, (f))

Industry sector	Impaired loans	Defaulted	Aging of Past Due Loans (days)				Specific allowances				General allowances
			Less than 90	90-180	180-360	Over 360	Balance at the beginning of the period	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											
Agriculture and fishing											4,150
Manufacturing	83,792		10,939				41,131	(5,253)		35,878	57,290
Mining and quarrying											
Electricity, water, Gas and health services	12,212						7,128			7,128	3,340
Building and construction	58,739						38,715	(784)	29	37,902	39,200
Commerce	83,655	87	6,674		87		8,014	31,772		39,786	77,320
Transportation and communication	2,188		856				2,729			2,729	3,350
Services	25,350						493	21,128		21,621	270
Consumer loans and credit cards	70,304	204,601	956,651	147,673	56,928		265,920	37,744	68,213	235,451	-
Others	73,924	894	133,323	102	792		37,296	522	5,701	32,117	15,800
Total	410,165	205,582	1,108,443	147,775	57,807		401,426	85,129	73,943	412,612	200,720

SAR ' 000

Table 4 (STA) : CREDIT RISK : GENERAL DISCLOSURES		
Reconciliation of Changes In The Allowances For Loan Impairment (Table 4, (h))		
Particulars	Specific allowances	General allowances
Balance, beginning of the year	401,426	150,502
Charge-offs taken against the allowances during the period	(73,943)	
Amounts set aside (or reversed) during the period	85,129	50,218
Other adjustments:		
- exchange rate differences		
- business combinations		
- acquisitions and disposals of subsidiaries		
- etc.		
Transfers between allowances		
Balance, end of the year	412,612	200,720

- Charge-offs and recoveries that have been recorded directly to the income statement are SAR 86.8 million and SAR 45.48 million respectively.

Table 5 (STA) : CREDIT RISK : DISCLOSURES FOR PORTFOLIOS SUBJECT TO THE STANDARDIZED APPROACH

Allocation of Exposures to Risk Buckets (Table 5, (b))

Particulars	Risk buckets									Deducted
	0%	20%	35%	50%	75%	100%	150%	Other risk weights	Unrated	
Sovereigns and central banks	-	-	-	-	-	-	-	-	-	-
SAMA and Saudi Government	32,041,976	-	-	-	-	-	-	-	-	-
Others	1,915,348	-	-	-	-	-	-	-	-	-
Multilateral Development Banks (MDBs)	-	-	-	-	-	-	-	-	-	-
Public Sector Entities (PSEs)	-	-	-	-	-	-	-	-	-	-
Banks and securities firms	-	8,080,074	-	1,126,307	-	-	-	-	-	-
Corporates	-	1,145,542	-	4,796,033	-	61,277,993	-	-	-	-
Retail non-mortgages	-	-	-	-	-	-	-	-	-	-
Small Business Facilities Enterprises (SBFE's)	-	-	-	-	-	-	-	-	-	-
Mortgages	-	-	-	-	11,834,512	-	-	-	-	-
Residential	-	-	-	-	-	-	-	-	-	-
Commercial	-	-	-	-	-	2,077,389	-	-	-	-
Securitized assets	-	-	-	-	-	-	-	-	-	-
Equity	-	-	-	-	-	282,653	-	-	-	-
Others	-	-	-	-	-	1,614,287	-	-	-	-
TOTAL	33,957,324	9,225,616	-	5,922,340	11,834,512	65,252,322	-	-	-	-

**Table 7 (STA) : CREDIT RISK MITIGATION (CRM) ; DISCLOSURES
FOR STANDARDIZED APPROACH**

Credit Risk Exposure covered by CRM (Table 7, (b) and c))

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	14,781,522	991,494
Retail non-mortgages		
Small Business Facilities Enterprises (SBFE's)		
Mortgages		
Residential		
Commercial		
Securitized assets		
Equity		
Others		
Total	14,781,522	991,494

Credit Derivative Transactions (Table 8, (c))				
Credir derivative transactions	Proprietary activities		Intermediation Activities	
	Protection bought	Protection sold	Protection bought	Protection sold
Total return swaps				
Credit default swaps		56,250		
Credit options				
Credit linked notes				
Collateralized debt obligations				
Collateralized bond obligations				
Collateralized loan obligations				
Others		50,625		
Total	-	106,875	-	-

SAR'000

TABLE 9 (STA) : SECURITIZATION: DISCLOSURES FOR STANDARDIZED APPROACH

Outstanding Exposures Securitized By The Bank (Table 9,(d) to (f))					
Exposures Type	Outstanding exposures		Impaired / Past due assets securitized	Losses recognized by the bank during the current period	Securitization exposures retained or purchased
	Traditional	Synthetic			
Credit cards					
Home equity loans					
Commercial loans					
Automobile loans					
Small business loans					
Equipment leases					
Others					

TABLE 9 (STA) : SECURITIZATION: DISCLOSURES FOR STANDARDIZED APPROACH		
Exposures By Risk Weight Bands (Table 9, (g))		
Risk weight bands	Securitization exposures retained or purchased	Associated capital charges
0% to 20%		
Above 20% to 40%		
Above 40% to 60%		
Above 60% to 80%		
Above 80% to 100%		
Above 100%		

TABLE 9 (STA) : SECURITIZATION: DISCLOSURES FOR STANDARDIZED APPROACH			
Deductions from capital (Table9, (g))			
Type of underlying assets	Exposures deducted from Tier 1 capital	Credit enhancing I/Os deducted from total capital	Other exposures deducted from total capital
Loans			
Commitments			
Asset-backed securities			
Mortgage-backed securities			
Corporate bonds			
Equity securities			
Private equity investments			
Others			

TABLE 9 (STA) : SECURITIZATION: DISCLOSURES FOR STANDARDIZED APPROACH			
Securitizations Subject To Early Amortization Treatment (Table 9, (h))			
Type of underlying assets	Aggregate drawn exposures attributed to the seller's and investor's interest	Aggregate capital charges incurred by the bank against	
		its retained shares of the drawn balances and undrawn lines	the investor's shares of drawn balances and undrawn lines
Loans			
Commitments			
Asset-backed securities			
Mortgage-backed securities			
Corporate bonds			
Equity securities			
Private equity investments			
Others			

TABLE 9 (STA) : SECURITIZATION: DISCLOSURES FOR STANDARDIZED APPROACH		
Summary Of Current Year's Securitization Activity (Table 9, (j))		
Exposure types	Amount of exposures securitized	Recognized gain or loss on sale
Credit cards		
Home equity loans		
Commercial loans		
Automobile loans		
Small business loans		
Equipment leases		
Others		

Table 10: MARKET RISK: DISCLOSURES FOR BANKS USING THE STANDARDIZED APPROACH					
Level of Market Risks in Terms Of Capital Requirements (Table 10, (b))					
SAR' 000	Interest rate risk	Equity position risk	Foreign exchange risk	Commodity risk	Total
Capital requirements	26,914	-	54,963	-	81,877

Value of Investments (Table 13, (b))

Unquoted 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	264,708	264,708	17,945	228,313	-

Type and Nature of Investments (Table 13, (c))

	All Amount' SAR 000	All Amount' SAR 000
Investments	Publicly traded	Privately held
Government and Quasi-Government		
Banks and Other Financial Institutions	17,945	201,351
Agriculture and Fishing		
Manufacturing		
Mining and Quarrying		
Electricity, water, gas and health services		
Building and Construction		
Commerce		
Transportation and communication		
Services		53,940
Others		9,417
Total	17,945	264,708

Gains and Losses etc. (Table 13, (d) and (e))

Particulars	All Amount' SAR 000
Cummulative realised gains / (losses) arising from sales and liquidations in the reporting period	63,225
Total unrealised gains (losses)	80,262
Total latent revaluation gains (losses)*	N/A
Unrealised gains (losses) included in capital	80,262
Latent revaluation gains (losses) included in Capital *	N/A

*Not applicable to KSA to Date

Capital Requirements (Table 13, (f))

	Capital Requirements
Equity Grouping	SAR'000
Government and Quasi-Government	-
Banks and Other Financial Institutions	21,859
Agriculture and Fishing	-
Manufacturing	-
Mining and Quarrying	-
Electricity, water, gas and health services	-
Building and Construction	-
Commerce	-
Transportation and communication	-
Services	-
Others	753
Total	22,612

**Equity Investments Subject To Supervisory Transition Or Grandfathering Provisions
(Table 13, (f))**

	SAR'000
Equity Grouping	Aggregate Amount
Government and Quasi-Government	-
Banks and Other Financial Institutions	273,236
Agriculture and Fishing	-
Manufacturing	-
Mining and Quarrying	-
Electricity, water, gas and health services	-
Building and Construction	-
Commerce	-
Transportation and communication	-
Services	-
Others	9,417
Total	282,653

Table 14: Interest Rate Risk in the Banking Book (IRRBB)
200bp Interest Rate Shocks for currencies with more than 5% of Assets or Liabilities
(Table 14, (b))

000

Rate Shocks	Change in Earnings
Upward Rate Shocks	SAR '000
SAR	-141,633
USD	-64,999
Downward rate shocks	
SAR	141,633
USD	64,999