

# Samba Financial Group Basel III - Pillar 3 Disclosure Report

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June 2018

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## Capital structure

Samba Financial Group			
TABLE 2: CAPITAL STRUCTURE			
Statement of Financial Position - Step 1 (Table 2(b))			

All figures are in SAR 000

June 30, 2018

	Statement of Financial Position in Published financial statements	Adjustment of banking associates / other entities	Under regulatory scope of consolidation
<b>Assets</b>			
Cash and balances with central banks	23,235,433	-	23,235,433
Due from banks and other financial institutions	20,253,011	-	20,253,011
Investments, net	63,768,232	-	63,768,232
Loans and advances, net	116,632,207	-	116,632,207
Debt securities			
Trading assets			
Investment in associates			
Derivatives	4,010,735	-	4,010,735
Goodwill	19,446	-	19,446
Other intangible assets / deferred tax	32,608	-	32,608
Property and equipment, net	2,682,499	-	2,682,499
Other assets (excluding goodwill and deferred tax)	1,066,703	-	1,066,703
<b>Total Assets</b>	<b>231,700,874</b>	<b>-</b>	<b>231,700,874</b>
<b>Liabilities and Equity</b>			
<b>Liabilities</b>			
Due to banks and other financial institutions	10,154,005	-	10,154,005
Items in the course of collection due to other banks			
Customer deposits	168,597,957	-	168,597,957
Trading liabilities			
Debt securities in issue			
Derivatives	2,703,778		2,703,778
Retirement benefit liabilities			
Taxation liabilities			
Accruals and deferred income			
Borrowings			
Other liabilities	6,778,441	-	6,778,441
<b>Total Liabilities</b>	<b>188,234,181</b>	<b>-</b>	<b>188,234,181</b>
Share capital	18,992,159	-	18,992,159
Statutory reserve	15,811,044	-	15,811,044
Other reserves	611,498	-	611,498
Retained earnings	7,950,372	-	7,950,372
Non-controlling interest	101,620	-	101,620
Proposed dividends	-	-	-
<b>Total Liabilities and Equity</b>	<b>231,700,874</b>	<b>-</b>	<b>231,700,874</b>

Samba Financial Group		
TABLE 2: CAPITAL STRUCTURE		
Statement of Financial Position - Step 2 (Table 2(c))		

June 30, 2018				Reference
Statement of Financial Position in Published financial statements	Adjustment of banking associates / other entities	Under regulatory scope of consolidation		
( C )	( D )	( E )		
<b>Assets</b>				
Cash and balances with central banks	23,235,433	-	23,235,433	
Due from banks and other financial institutions	20,253,011	-	20,253,011	
Investments, net	63,768,232	-	63,768,232	
Loans and advances, net	116,632,207	-	116,632,207	
<i>which is net of credit loss provision - portfolio</i>	1,270,678	-	1,270,678	A
Debt securities				
Trading assets				
Investment in associates				
Derivatives	4,010,735		4,010,735	
Goodwill	19,446	-	19,446	B
Other intangible assets / deferred tax	32,608	-	32,608	
<i>of which ineligible (to be deducted) deferred tax assets</i>	-	-	-	C
Property and equipment, net	2,682,499	-	2,682,499	
Other assets (excluding goodwill and deferred tax)	1,066,703	-	1,066,703	
<b>Total Assets</b>	<b>231,700,874</b>	<b>-</b>	<b>231,700,874</b>	
<b>Liabilities</b>				
Due to banks and other financial institutions	10,154,005	-	10,154,005	
Items in the course of collection due to other banks				
Customer deposits	168,597,957	-	168,597,957	
Trading liabilities				
Debt securities in issue				
Derivatives	2,703,778		2,703,778	
Retirement benefit liabilities				
Taxation liabilities				
Accruals and deferred income				
Borrowings				
Other liabilities	6,778,441	-	6,778,441	
<b>Total Liabilities</b>	<b>188,234,181</b>	<b>-</b>	<b>188,234,181</b>	
Share capital	18,992,159	-	18,992,159	
<i>of which paid in capital</i>	20,000,000	-	20,000,000	D
<i>of which Investments in own shares (excluding amounts already derecognised under the relevant accounting standards)</i>	(1,007,841)	-	(1,007,841)	E
Statutory reserve	15,811,044	-	15,811,044	F
Other reserves	611,498	-	611,498	
<i>of which unrealised gains on available for sale financial assets</i>	784,684	-	784,684	G
<i>of which exchange translation reserve from converting foreign currency subsidiaries and branches to the group currency</i>	(227,492)	-	(227,492)	H
<i>of which general reserve</i>	130,000	-	130,000	I
<i>of which cash flow hedge reserve</i>	(75,694)	-	(75,694)	J
Retained earnings	7,950,372	-	7,950,372	
Non-controlling interest	101,620	-	101,620	
Proposed dividends	-	-	-	K
<b>Total Liabilities and Equity</b>	<b>231,700,874</b>	<b>-</b>	<b>231,700,874</b>	

<b>Samba Financial Group</b>		
<b>TABLE 2: CAPITAL STRUCTURE</b>		
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		

	June 30, 2018	
	Components of regulatory capital reported by the bank	Amounts subject to Pre - Basel III treatment

All figures are in SAR 000

		Source based on reference numbers / letters of the balance sheet under the regulatory scope of consolidation from step 2
<b>Common Equity Tier 1 Capital: Instruments and Reserves</b>		
1	Directly issued qualifying common share capital (and equivalent for non-joint stock companies) plus related stock surplus	D
2	Retained earnings	
3	Accumulated other comprehensive income (and other reserves)	F+G+H+I+J+K
4	Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)	
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	
6	<b>Common Equity Tier 1 capital before regulatory adjustments</b>	46,523,468
<b>Common Equity Tier 1 Capital: Regulatory Adjustments</b>		
7	Prudential valuation adjustments	
8	Goodwill (net of related tax liability)	19,446
9	Other intangibles other than mortgage-servicing rights (net of related tax liability)	
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	0
11	Cash-flow hedge reserve	(75,694)
12	Shortfall of provisions to expected losses	
13	Securitisation gain on sale (as set out in paragraph 562 of Basel II framework)	
14	Gains and losses due to changes in own credit risk on fair valued liabilities	
15	Defined-benefit pension fund net assets	
16	Investments in own shares (if not already netted off paid-in capital on reported balance sheet)	1,007,841
17	Reciprocal cross-holdings in common equity	
18	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 share capital (amount above 10% threshold)	
19	Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold)	
20	Mortgage servicing rights (amount above 10% threshold)	
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	
22	Amount exceeding the 15% threshold	
23	of which: significant investments in the common stock of financials	
24	of which: mortgage servicing rights	
25	of which: deferred tax assets arising from temporary differences	
26	National specific regulatory adjustments	
REGULATORY ADJUSTMENTS APPLIED TO COMMON EQUITY TIER 1 IN RESPECT OF AMOUNTS SUBJECT TO PRE-BASEL III TREATMENT OF WHICH: [INSERT NAME OF ADJUSTMENT] OF WHICH:...		
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	
28	<b>Total regulatory adjustments to Common equity Tier 1</b>	951,593
29	<b>Common Equity Tier 1 capital (CET1)</b>	45,571,875
Additional Tier 1 capital: instruments		
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus	
31	of which: classified as equity under applicable accounting standards	
32	of which: classified as liabilities under applicable accounting standards	
33	Directly issued capital instruments subject to phase out from Additional Tier 1	
34	Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1)	6,697
35	of which: instruments issued by subsidiaries subject to phase out	
36	<b>Additional Tier 1 capital before regulatory adjustments</b>	6,697
<b>Additional Tier 1 Capital: Regulatory Adjustments</b>		
37	Investments in own Additional Tier 1 instruments	
38	Reciprocal cross-holdings in Additional Tier 1 instruments	
39	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 10% threshold)	
40	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	
41	National specific regulatory adjustments	
REGULATORY ADJUSTMENTS APPLIED TO ADDITIONAL TIER 1 IN RESPECT OF AMOUNTS SUBJECT TO PRE-BASEL III TREATMENT OF WHICH: [INSERT NAME OF ADJUSTMENT] OF WHICH: ...		
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	
43	Total regulatory adjustments to Additional Tier 1 capital	-
44	<b>Additional Tier 1 capital (AT1)</b>	6,697
45	<b>Tier 1 capital (T1 = CET1 + AT1)</b>	45,578,572

<b>Samba Financial Group</b>	
<b>TABLE 2: CAPITAL STRUCTURE</b>	
<b>Common Template (transition) - Step 3 (Table 2(d)) ii</b>	
<b>(From January 2013 to 2018 identical to post 2018) With amount subject to Pre- Basel III Treatment</b>	

		June 30, 2018	
		Components of regulatory capital reported by the bank	Amounts subject to Pre - Basel III treatment
			Source based on reference numbers / letters of the balance sheet under the regulatory scope of consolidation from step 2
<i>All figures are in SAR 000</i>			
<b>Tier 2 capital: instruments and provisions</b>			
46	Directly issued qualifying Tier 2 instruments plus related stock surplus		
47	<i>Directly issued capital instruments subject to phase out from Tier 2</i>		
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)	6,887	
49	<i>of which: instruments issued by subsidiaries subject to phase out</i>		
50	Provisions	1,270,678	A
51	<b>Tier 2 capital before regulatory adjustments</b>	<b>1,277,565</b>	
<b>Tier 2 capital: regulatory adjustments</b>			
52	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		
REGULATORY ADJUSTMENTS APPLIED TO TIER 2 IN RESPECT OF AMOUNTS SUBJECT TO PRE-BASEL III TREATMENT			
OF WHICH: [INSERT NAME OF ADJUSTMENT]			
OF WHICH: ...			
57	Total regulatory adjustments to Tier 2 capital	0	
58	Tier 2 capital (T2)	1,277,565	
59	Total capital (TC = T1 + T2)	46,856,137	
RISK WEIGHTED ASSETS IN RESPECT OF AMOUNTS SUBJECT TO PRE-BASEL III TREATMENT			
OF WHICH: [INSERT NAME OF ADJUSTMENT]			
OF WHICH: ...			
60	Total risk weighted assets	200,832,052	
<b>Capital Ratios</b>			
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	22.7%	
62	Tier 1 (as a percentage of risk weighted assets)	22.7%	
63	<b>Total capital (as a percentage of risk weighted assets)</b>	<b>23.3%</b>	
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)	7.24%	
65	of which: capital conservation buffer requirement	1.875%	
66	of which: bank specific countercyclical buffer requirement	0.367%	
67	of which: D-SIB buffer requirement	0.50%	
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets)	15.45%	
<b>National minima (if different from Basel 3)</b>			
69	National Common Equity Tier 1 minimum ratio (if different from Basel 3 minimum)	n/a	
70	National Tier 1 minimum ratio (if different from Basel 3 minimum)	n/a	
71	National total capital minimum ratio (if different from Basel 3 minimum)	n/a	
<b>Amounts below the thresholds for deduction (before risk weighting)</b>			
72	Non-significant investments in the capital of other financials	2,069,687	
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)	-	
<b>Applicable caps on the inclusion of provisions in Tier 2</b>			
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	1,270,678	
77	Cap on inclusion of provisions in Tier 2 under standardised approach	2,226,290	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)		
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach		
<b>Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2018 and 1 Jan 2022)</b>			
80	Current cap on CET1 instruments subject to phase out arrangements		
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)		
82	Current cap on AT1 instruments subject to phase out arrangements		
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)		
84	Current cap on T2 instruments subject to phase out arrangements		
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)		

Note: Items which are not applicable have been left blank.

Samba Financial Group		
TABLE 2: CAPITAL STRUCTURE		
Main Features of Regulatory Capital Instruments - (Table 2(e))		
1	Issuer	Samba Financial Group
2	Unique identifier (e.g. CUSPIN, ISIN or Bloomberg identifier for private placement)	SAMBA:AB
3	Governing law(s) of the instrument	Saudi Arabia
Regulatory treatment		
4	Transitional Basel III rules	Not Applicable
5	Post-transitional Basel III rules	Not Applicable
6	Eligible at solo/igroup/group&solo	Group
7	Instrument type	Ordinary Shares
8	Amount recognized in regulatory capital (SAR in millions, as of June 30, 2017)	20000
9	Par value of instrument (SAR)	10
10	Accounting classification	Equity
11	Original date of issuance	July 12, 1980
12	Perpetual or dated	Perpetual
13	Original maturity date	No maturity
14	Issuer call subject to prior supervisory approval	Not Applicable
15	Option call date, contingent call dates and redemption amount	Not Applicable
16	Subsequent call dates if applicable	Not Applicable
Coupons / dividends		
17	Fixed or Floating dividend/coupon	Not Applicable
18	Coupon rate and any related index	Not Applicable
19	Existence of a dividend stopper	Not Applicable
20	Fully discretionary, partially discretionary or mandatory	Not Applicable
21	Existence of step up or other incentive to redeem	Not Applicable
22	Non cumulative or cumulative	Not Applicable
Convertible or non-convertible		
24	If convertible, conversion trigger (s)	Not Applicable
25	If convertible, fully or partially	Not Applicable
26	If convertible, conversion rate	Not Applicable
27	If convertible, mandatory or optional conversion	Not Applicable
28	If convertible, specify instrument type convertible into	Not Applicable
29	If convertible, specify issuer of instrument it converts into	Not Applicable
Write-down feature		
31	If write-down, write-down trigger (s)	Not Applicable
32	If write-down, full or partial	Not Applicable
33	If write-down, permanent or temporary	Not Applicable
34	If temporary write-down, description of the write-up mechanism	Not Applicable
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Not Applicable
36	Non-compliant transitioned features	Not Applicable
37	If yes, specify non-compliant features	Not Applicable

## Liquidity Coverage Ratio

<b>Samba Financial Group</b>			
<b>LIQ1: Liquidity Coverage Ratio (LCR)</b>			
<b>June 30, 2018</b>			
<i>All figures are in SAR 000s</i>		<b>TOTAL UNWEIGHTED<sup>a</sup> VALUE (average)</b>	<b>TOTAL WEIGHTED<sup>b</sup> VALUE (average)</b>
<b>HIGH-QUALITY LIQUID ASSETS</b>			
1	<b>Total High Quality Liquid Assets (HQLA)</b>		<b>60,163,621</b>
<b>CASH OUTFLOWS</b>			
2	Retail deposits and deposits from small business customers, of which:	94,541,067	9,200,562
3	<i>Stable deposits</i>	-	-
4	<i>Less stable deposits</i>	94,541,067	9,200,562
5	Unsecured wholesale funding, of which:	43,715,493	19,964,189
6	<i>Operational deposits (all counterparties) and deposits in networks of cooperative banks</i>	-	-
7	<i>Non-operational deposits (all counterparties)</i>	43,715,493	19,964,189
8	<i>Unsecured debt</i>	-	-
9	Secured wholesale funding		-
10	Additional requirements, of which:	2,003,751	338,052
11	<i>Outflows related to derivative exposures and other collateral requirements</i>	152,974	152,974
12	<i>Outflows related to loss of funding on debt products</i>	-	-
13	<i>Credit and liquidity facilities</i>	1,850,776	185,078
14	Other contractual funding obligations	-	-
15	Other contingent funding obligations	159,143,813	4,386,139
16	<b>TOTAL CASH OUTFLOWS</b>		<b>33,888,941</b>
<b>CASH INFLOWS</b>			
17	Secured lending (e.g. reverse repos)	-	-
18	Inflows from fully performing exposures	17,847,412	10,800,418
19	Other cash inflows	225,763	225,763
20	<b>TOTAL CASH INFLOWS</b>	<b>18,073,175</b>	<b>11,026,181</b>
<b>TOTAL ADJUSTED<sup>c</sup> VALUE</b>			
21	<b>TOTAL HQLA</b>		<b>60,163,621</b>
22	<b>TOTAL NET CASH OUTFLOWS</b>		<b>22,862,760</b>
23	<b>LIQUIDITY COVERAGE RATIO (%)</b>		<b>263.15%</b>

- a Unweighted values must be calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows).
- b Weighted values must be calculated after the application of respective haircuts (for HQLA) or inflow and outflow rates (for inflows and outflows).
- c Adjusted values must be calculated after the application of both (i) haircuts and inflow and outflow rates and (ii) any applicable caps (ie cap on Level 2B and Level 2 assets for HQLA and cap on inflows).
- d The quantitative data is presented as a simple average of daily observations, using 3 month daily data points, over the Second quarter of 2018.



## Net Stable Funding Ratio

Samba Financial Group						
LIQ2(a): Net Stable Funding Ratio(NSFR)						
June 30, 2018						
Amount in SAR'000		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1 year	≥ 1 year	
<b>Available stable funding (ASF) item</b>						
1	Capital:	46,856,137	-	-	-	46,856,137
2	Regulatory capital	46,856,137				46,856,137
3	Other capital instruments					
4	Retail deposits and deposits from small business customers:	88,918,120	3,346,018	852,028	654	83,805,203
5	Stable deposits		-	-	-	-
6	Less stable deposits	88,918,120	3,346,018	852,028	654	83,805,203
7	Wholesale funding:	23,072,374	55,874,863	504,664	731,688	33,492,464
8	Operational deposits					
9	Other wholesale funding	23,072,374	55,874,863	504,664	731,688	33,492,464
10	Liabilities with matching interdependent assets					
11	Other liabilities:	18,030,611	-	-	993,027	-
12	NSFR derivative liabilities				993,027	
13	All other liabilities and equity not included in the above categories	18,030,611				-
14	<b>Total ASF</b>					<b>164,153,804</b>
<b>Required stable funding (RSF) item</b>						
15	Total NSFR high-quality liquid assets (HQLA)					2,653,819
16	Deposits held at other financial institutions for operational purposes					
17	Performing loans and securities:	469,263	49,450,250	17,509,194	66,417,329	38,906,872
18	Performing loans to financial institutions secured by Level 1 HQLA					
19	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions		11,042,726	300,000	-	1,806,409
20	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:		38,407,524	16,971,075	55,954,704	27,689,299
21	With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk					
22	Performing residential mortgages, of which:					
23	With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk					
24	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	469,263	-	238,119	10,462,625	9,411,164
25	Assets with matching interdependent liabilities					
26	Other assets:	20,069,243	877,421	198,089	68,556,260	89,482,453
27	Physical traded commodities, including gold					
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs				911,138	774,467
29	NSFR derivative assets				97,292	15,402
30	NSFR derivative liabilities before deduction of variation margin posted					
31	All other assets not included in the above categories	20,069,243	877,421	198,089	67,547,831	88,692,584
32	Off - balance sheet items			164,542,294		69,714
33	<b>Total RSF</b>					<b>131,112,858</b>
34	<b>Net Stable Funding Ratio (%)</b>					<b>125%</b>

**Samba Financial Group**  
**LIQ2(b): Net Stable Funding Ratio(NSFR)**  
**March 31, 2018**

Amount in SAR'000		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1 year	≥ 1 year	
<b>Available stable funding (ASF) item</b>						
1	Capital:	46,873,817	-	-	-	46,873,817
2	Regulatory capital	46,873,817				46,873,817
3	Other capital instruments					
4	Retail deposits and deposits from small business customers:	91,128,865	3,652,096	85,790	763,505	86,143,581
5	Stable deposits		-	-	-	-
6	Less stable deposits	91,128,865	3,652,096	85,790	763,505	86,143,581
7	Wholesale funding:	20,885,832	50,979,999	6,664,680	-	36,016,611
8	Operational deposits					
9	Other wholesale funding	20,885,832	50,979,999	6,664,680	-	36,016,611
10	Liabilities with matching interdependent assets					
11	Other liabilities:	17,485,490	-	-	1,439,334	-
12	NSFR derivative liabilities				1,439,334	
13	All other liabilities and equity not included in the above categories	17,485,490				-
14	<b>Total ASF</b>					<b>169,034,009</b>
<b>Required stable funding (RSF) item</b>						
15	Total NSFR high-quality liquid assets (HQLA)					2,372,869
16	Deposits held at other financial institutions for operational purposes					
17	Performing loans and securities:	575,612	49,626,488	18,434,198	59,527,915	39,131,337
18	Performing loans to financial institutions secured by Level 1 HQLA					
19	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions		8,213,917	1,500,000	-	1,982,088
20	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:		41,260,189	16,908,713	50,720,156	29,084,451
21	With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk					
22	Performing residential mortgages, of which:					
23	With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk					
24	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	575,612	152,383	25,485	8,807,759	8,064,799
25	Assets with matching interdependent liabilities					
26	Other assets:	17,704,927	23,112	410	66,385,513	83,449,148
27	Physical traded commodities, including gold	-				-
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs				1,659,988	1,118,558
29	NSFR derivative assets				135,988	12,604
30	NSFR derivative liabilities before deduction of variation margin posted					
31	All other assets not included in the above categories	17,704,927	23,112	410	64,589,538	82,317,987
32	Off - balance sheet items			163,469,881		94,043
33	<b>Total RSF</b>					<b>125,047,398</b>
34	<b>Net Stable Funding Ratio (%)</b>					<b>135%</b>

## Leverage Ratio

<b>Samba Financial Group</b>
<b>Leverage Ratio Common Disclosure</b>
<b>June 30, 2018</b>

### LR1: Summary Comparison of Accounting Assets versus Leverage Ratio Exposure Measure (Table 1)

Row #	Item	In SR 000
1	Total Assets as per published financial statements	231,700,874
2	Adjustment for investments in banking, financial insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	-
3	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	-
4	Adjustment for derivative financial instruments	3,837,274
5	Adjustment for securities financing transactions (i.e. repos and similar secured lending)	-
6	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of Off-balance sheet exposures)	24,697,977
7	Other adjustments	(92,534)
<b>8</b>	<b>Leverage ratio exposure (A)</b>	<b>260,143,590</b>

### LR2: Leverage Ratio Common Disclosure (Table 2)

Row #	Item	In SR 000's
<b>On-Balance Sheet Exposures</b>		
1	On-balance sheet items (excluding derivatives and SFTs, but including collateral)	227,597,605
2	(Relevant Asset amounts deducted in determining Basel III Tier 1 capital)	-
<b>3</b>	<b>Total on-balance sheet exposures (sum of lines 1 and 2) (a)</b>	<b>227,597,605</b>
<b>Derivative Exposures</b>		
4	Replacement cost associated with all derivatives transactions (i.e. net of eligible cash variation margin)	4,010,735
5	Add-on amounts for Potential Financial Exposure (PFE) associated with all derivatives transactions	3,837,274
6	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework	-
7	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	-
8	(Exempted CCP leg of client-cleared trade exposures)	-
9	Adjusted effective notional amount of written credit derivatives	-
10	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-
<b>11</b>	<b>Total derivative exposures (sum of lines 4 to 10) (b)</b>	<b>7,848,009</b>
<b>Securities Financing Transaction Exposures</b>		
12	Gross SFT assets (with no recognition of netting), after adjusting for sales accounting transactions	-
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)	-
14	Credit Conversion Factor (CCR) exposure for Security Financing Transaction assets	-
15	Agent transaction exposures	-
<b>16</b>	<b>Total securities financing transaction exposures (sum of lines 12 to 15)</b>	<b>-</b>
<b>Other Off-Balance Sheet Exposures</b>		
17	Off-balance sheet exposure at gross notional amount **	166,149,120
18	(Adjustments for conversion to credit equivalent amounts)	(141,451,143)
<b>19</b>	<b>Off-balance sheet items (sum of lines 17 and 18) (c)</b>	<b>24,697,977</b>
<b>Capital and Total Exposures</b>		
<b>20</b>	<b>Tier 1 capital (B)</b>	<b>45,578,572</b>
<b>21</b>	<b>Total exposures (sum of lines 3, 11, 16 and 19) (A) = (a+b+c)</b>	<b>260,143,590</b>
<b>Leverage Ratio</b>		
<b>22</b>	<b>Basel III Leverage Ratio*** (C) = (B) / (A)</b>	<b>17.52%</b>

\*\*Includes commitments that are unconditionally cancellable at any time by the Bank or automatic cancellation due to deterioration in a borrower's creditworthiness

\*\*\*Current minimum requirement is 3%

**Risk Weighted Assets**

SAR 000s

Samba Financial Group					
KM1: Key metrics (at consolidated group level)					
	Jun 2018	Mar 2018	Dec 2017	Sep 2017	Jun 2017
<b>Available capital (amounts)</b>					
1 Common Equity Tier 1 (CET1)	45,571,875	45,595,181	44,616,565	43,546,425	43,857,185
1a Fully loaded ECL accounting model	43,444,657	43,489,652	-	-	-
2 Tier 1	45,578,572	45,600,736	44,622,638	43,551,793	43,863,987
2a Fully loaded ECL accounting model Tier 1	43,451,354	43,495,207	-	-	-
3 Total capital	46,856,137	46,873,816	45,749,323	44,678,864	45,002,788
3a Fully loaded ECL accounting model total capital	45,036,463	45,033,424	-	-	-
<b>Risk-weighted assets (amounts)</b>					
4 Total risk-weighted assets (RWA)	200,832,052	208,983,101	216,413,971	226,713,191	228,981,479
<b>Risk-based capital ratios as a percentage of RWA</b>					
5 Common Equity Tier 1 ratio (%)	22.69%	21.82%	20.62%	19.21%	19.15%
5a Fully loaded ECL accounting model Common Equity Tier 1 (%)	21.63%	20.81%	-	-	-
6 Tier 1 ratio (%)	22.69%	21.82%	20.62%	19.21%	19.16%
6a Fully loaded ECL accounting model Tier 1 ratio (%)	21.64%	20.81%	-	-	-
7 Total capital ratio (%)	23.33%	22.43%	21.14%	19.71%	19.65%
7a Fully loaded ECL accounting model total capital ratio (%)	22.42%	21.55%	-	-	-
<b>Additional CET1 buffer requirements as a percentage of RWA</b>					
8 Capital conservation buffer requirement (2.5% from 2019) (%)	1.88%	1.88%	1.25%	1.25%	1.25%
9 Countercyclical buffer requirement (%)	0.367%	0.358%	0.307%	0.337%	0.383%
10 Bank G-SIB and/or D-SIB additional requirements (%)	0.50%	1.00%	1.00%	1.00%	1.00%
11 Total of bank CET1 specific buffer requirements (%) (row 8 + row 9 + row 10)	2.74%	3.23%	2.56%	2.59%	2.63%
12 CET1 available after meeting the bank's minimum capital requirements (%)	15.45%	14.08%	13.56%	12.12%	12.02%
<b>Basel III leverage ratio</b>					
13 Total Basel III leverage ratio exposure measure	260,143,590	264,060,970	261,325,591	262,927,456	258,517,331
14 Basel III leverage ratio (%) (row 2 / row 13)	17.52%	17.27%	17.08%	16.56%	16.97%
14a Fully loaded ECL accounting model Basel III leverage ratio (%) (row 2a / row13)	16.70%	16.47%	-	-	-
<b>Liquidity Coverage Ratio</b>					
15 Total HQLA	60,163,621	70,265,169	65,552,918	62,313,691	63,802,857
16 Total net cash outflow	22,862,760	25,127,415	28,161,560	31,069,732	34,259,864
17 LCR ratio (%)	263.15%	279.64%	232.77%	200.56%	186.23%
<b>Net Stable Funding Ratio</b>					
18 Total available stable funding	164,153,804	169,034,009	161,377,880	161,955,375	165,931,721
19 Total required stable funding	131,112,858	125,047,398	123,092,972	123,280,412	125,360,105
20 NSFR ratio	125.20%	135.18%	131.10%	131.37%	132.36%

Overview of Risk Weighted Assets

SAR 000s

Samba Financial Group				
OV1: Overview of RWA				
	Risk Weighted Assets (RWA)		Minimum capital requirements	
	Jun 2018	Mar 2018	Jun 2018	
1	Credit risk (excluding counterparty credit risk) (CCR)	156,152,393	156,813,724	12,492,191
2	Of which standardised approach (SA)	156,152,393	156,813,724	12,492,191
3	Of which internal rating-based (IRB) approach	-	-	-
4	Counterparty credit risk	8,682,889	14,991,341	694,631
5	Of which standardised approach for counterparty credit risk (SA-CCR)	8,682,889	14,991,341	694,631
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	5,612,289	4,040,542	448,983
9	Equity investments in funds – mandate-based approach	-	-	-
10	Equity investments in funds – fall-back approach	7,655,631	10,628,150	612,450
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	9,009,803	8,790,297	720,784
17	Of which standardised approach (SA)	9,009,803	8,790,297	720,784
18	Of which internal model approaches (IMM)	-	-	-
19	Operational risk	13,719,047	13,719,047	1,097,524
20	Of which Basic Indicator Approach	-	-	-
21	Of which Standardised Approach	13,719,047	13,719,047	1,097,524
22	Of which Advanced Measurement Approach	-	-	-
23	Amounts below the thresholds for deduction (subject to 250% risk weight)	-	-	-
24	Floor adjustment	-	-	-
25	<b>Total (1+4+7+8+9+10+11+12+16+19+23+24)</b>	<b>200,832,052</b>	<b>208,983,101</b>	<b>16,066,564</b>

Macroprudential Supervisory Measures

<b>Samba Financial Group</b>		
<b>CCyB1: Geographical distribution of credit exposures used in countercyclical buffer</b>		
Geographical breakdown	Countercyclical capital buffer rate	Bank-specific countercyclical capital buffer rate
KSA	0.0%	0.000%
GCC	2.5%	0.138%
North America	0.0% to 2.5%	0.024%
Europe	0.0% to 2.5%	0.175%
South East Asia	0.0% to 2.5%	0.000%
Others	0.0% to 2.5%	0.030%
<b>Total</b>		<b>0.367%</b>

**Credit Risk**

SAR 000s

<b>B.7 - Template CR1: Credit quality of assets</b>					
		Gross carrying values of		Allowances/ impairments (c)	Net values (a+b+c)
		Defaulted exposures (a)	Non-defaulted exposures (b)		
1	Loans	1,891,393	117,611,963	2,871,149	116,632,207
2	Debt Securities	-	60,816,423	2,904	60,813,519
3	Off-balance sheet exposures	2,401,446	37,942,598	1,581,811	38,762,233
4	<b>Total</b>	<b>4,292,839</b>	<b>216,370,984</b>	<b>4,455,864</b>	<b>216,207,959</b>

“Default” is broadly defined as either non-payment of a material financial obligation persisting for 90 days or occurrence of events that would lead the bank to consider that the Obligor is unlikely to service its credit obligations to the bank.

SAR 000s

<b>B.8 - Template CR2: Changes in stock of defaulted loans and debt securities</b>		
1	Defaulted loans and debt securities at end of the previous reporting period - Dec 2017	1,371,132
2	Add: Loans and debt securities that have defaulted since the last reporting period	298,348
3	Less: Returned to non-defaulted status	0
4	Less: Amounts written off	(2,275)
5	Add/Less: Other changes	224,188
6	<b>Defaulted loans and debt securities at end of the reporting period - Jun 2018</b>	<b>1,891,393</b>

SAR 000s

<b>B.11 - Template CR3: Credit risk mitigation techniques – overview</b>								
		Exposures unsecured: carrying amount	Exposures secured by collateral	Exposures secured by collateral, of which: secured amount	Exposures secured by financial guarantees	Exposures secured by financial guarantees, of which: secured amount	Exposures secured by credit derivatives	Exposures secured by credit derivatives, of which: secured amount
1	Loans	109,517,536	7,114,687	696,093	-	-	-	-
2	Debt securities	60,816,423	-	-	-	-	-	-
3	<b>Total</b>	<b>170,333,959</b>	<b>7,114,687</b>	<b>696,093</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
4	Of which defaulted	1,891,393	-	-	-	-	-	-

SAR 000s

<b>B.13 - Template CR4: Standardised approach – credit risk exposure and Credit Risk Mitigation (CRM) effects</b>							
Asset classes	Exposures before CCF and CRM		Exposures post-CCF and CRM		RWA and RWA density		
	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density	
1 Sovereigns and their central banks	60,083,846	75,483,431	46,669,651	-	176,977	0.4%	
2 Non-central government public sector	5,722,917	883,377	5,722,917	861,100	3,292,009	50.0%	
3 Multilateral development banks	2,470,867	137,500	2,470,867	-	-	0.0%	
4 Banks	32,473,884	33,811,802	32,473,884	1,816,793	14,288,152	41.7%	
5 Securities firms	-	-	-	-	-	0.0%	
6 Corporates	90,975,805	84,703,390	90,315,377	20,407,654	108,070,255	97.6%	
7 Regulatory retail portfolios	13,817,054	2,200	13,831,074	-	10,377,909	75.0%	
8 Secured by residential property	4,561,271	-	4,547,251	-	2,270,557	49.9%	
9 Secured by commercial real estate	-	-	-	-	-	0.0%	
10 Equity	2,486,184	753,900	2,486,184	753,900	17,324,986	534.7%	
11 Past-due loans	1,891,393	-	474,780	-	507,600	106.9%	
12 Higher-risk categories	-	-	-	-	-	0.0%	
13 Other assets	23,850,110	1,375,983	23,783,485	74,537	13,111,869	55.0%	
<b>14 Total</b>	<b>238,333,331</b>	<b>197,151,583</b>	<b>222,775,470</b>	<b>23,913,984</b>	<b>169,420,314</b>	<b>68.7%</b>	

SAR 000s

<b>B.14 - Template CR5: Standardised approach – exposures by asset class and risk weights</b>								
Asset classes/ Risk weight*	0%	20%	50%	75%	100%	150%	Others	Total credit exposures amount (post CCF and post-CRM)
1 Sovereigns and their central banks	46,491,412	1,577	-	-	176,662	-	-	46,669,651
2 Non-central government public sector entities (PSEs)	-	-	6,584,017	-	-	-	-	6,584,017
3 Multilateral development banks (MDBs)	2,470,867	-	-	-	-	-	-	2,470,867
4 Banks	-	9,608,236	24,631,872	-	50,569	-	-	34,290,677
5 Securities firms	-	-	-	-	-	-	-	-
6 Corporates	-	-	5,315,482	-	105,407,548	-	-	110,723,031
7 Regulatory retail portfolios	-	-	-	13,831,074	-	-	-	13,831,074
8 Secured by residential property	-	-	4,547,251	-	-	-	-	4,547,251
9 Secured by commercial real estate	-	-	-	-	-	-	-	-
10 Equity	131,250	-	-	-	108,110	-	3,000,724	3,240,084
11 Past-due loans	-	-	-	-	409,141	65,639	-	474,780
12 Higher-risk categories	-	-	-	-	-	-	-	-
13 Other assets	10,741,189	-	-	-	13,116,833	-	-	23,858,022
<b>14 Total</b>	<b>59,834,718</b>	<b>9,609,813</b>	<b>41,078,622</b>	<b>13,831,074</b>	<b>119,268,864</b>	<b>65,639</b>	<b>3,000,724</b>	<b>246,689,454</b>



**Counterparty Credit Risk**

SAR 000s

<b>B.22 - Template CCR1: Analysis of counterparty credit risk (CCR)[1] exposure by approach</b>						
	Replacement cost	Potential future exposure	EEPE	Alpha used for computing regulatory EAD	EAD post-CRM	RWA
1 SA-CCR (for derivatives)	4,010,735	1,594,986		1.4	7,848,009	5,034,414
2 Internal Model Method (for derivatives and SFTs)			-	-	-	-
3 Simple Approach for credit risk mitigation (for SFTs)					-	-
4 Comprehensive Approach for credit risk mitigation (for SFTs)					-	-
5 VaR for SFTs					-	-
6 <b>Total</b>						<b>5,034,414</b>

SAR 000s

<b>B.23 - Template CCR2: Credit valuation adjustment (CVA) capital charge</b>			
		EAD post-CRM	RWA
	Total portfolios subject to the Advanced CVA capital charge	-	-
1	(i) VaR component (including the 3xmultiplier)		-
2	(ii) Stressed VaR component (including the 3xmultiplier)		-
3	All portfolios subject to the Standardised CVA capital charge	7,848,009	3,648,476
4	<b>Total subject to the CVA capital charge</b>	<b>7,848,009</b>	<b>3,648,476</b>

SAR 000s

<b>B.24 - Template CCR3: Standardised approach – CCR exposures by regulatory portfolio and risk weights</b>					
Regulatory portfolio/ Risk weight	0%	20%	50%	100%	Total credit exposures
Sovereigns and their central banks	175,312	-	-	-	175,312
Non-central government public sector entities	-	-	-	-	-
Multilateral development banks (MDBs)	-	-	-	-	-
Banks	-	957,590	3,744,423	-	4,702,013
Securities firms	-	-	-	-	-
Corporates	-	-	-	2,970,684	2,970,684
Regulatory retail portfolios	-	-	-	-	-
Other assets	-	-	-	-	-
<b>Total</b>	<b>175,312</b>	<b>957,590</b>	<b>3,744,423</b>	<b>2,970,684</b>	<b>7,848,009</b>

SAR 000s

<b>B.26 - Template CCR5: Composition of collateral for CCR exposure</b>						
	Collateral used in derivative transactions				Collateral used in SFTs	
	Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received	Fair value of posted collateral
	Segregated	Unsegregated	Segregated	Unsegregated		
Cash – domestic currency	-	-	-	-	-	-
Cash – other currencies	185,213	-	911,134	-	-	-
Domestic sovereign debt	-	-	-	-	-	-
Other sovereign debt	-	-	-	-	-	-
Government agency debt	-	-	-	-	-	-
Corporate bonds	-	-	-	-	-	-
Equity securities	-	-	-	-	-	-
Other collateral	-	-	-	-	-	-
<b>Total</b>	<b>185,213</b>	<b>-</b>	<b>911,134</b>	<b>-</b>	<b>-</b>	<b>-</b>

SAR 000s

<b>B.27 - Template CCR6: Credit derivatives exposures</b>		
	Protection bought	Protection sold
<b>Notionals</b>		
Single-name credit default swaps	-	-
Index credit default swaps	-	-
Total return swaps	-	-
Credit options	-	-
Other credit derivatives	-	-
<b>Total notionals</b>	<b>-</b>	<b>-</b>
<b>Fair values</b>	<b>-</b>	<b>-</b>
Positive fair value (asset)	-	-
Negative fair value (liability)	-	-

## Securitisation

SAR 000s

<b>B.32 - Template SEC2: Securitisation exposures in the trading book</b>									
	Bank acts as originator			Bank acts as sponsor			Banks acts as investor		
	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total
<b>1 Retail (total) – of which</b>	-	-	-	-	-	-	-	-	-
2 residential mortgage									
3 credit card									
4 other retail exposures									
5 re-securitisation									
<b>6 Wholesale (total) – of which</b>	-	-	-	-	-	-	36,935	-	36,935
7 loans to corporates							36,935		36,935
8 commercial mortgage									
9 lease and receivables									
10 other wholesale									
11 re-securitisation									

Market Risk

SAR 000s

<b>B.37 - Template MR1: Market risk under standardised</b>		<b>RWA</b>
	<b>Outright products</b>	<b>8,094,963</b>
1	Interest rate risk (general and specific)	2,402,644
2	Equity risk (general and specific)	1,427,750
3	Foreign exchange risk	4,251,256
4	Commodity risk	13,313
	<b>Options</b>	<b>877,905</b>
5	Simplified approach	-
6	Delta-plus method	877,905
7	Scenario approach	-
<b>8</b>	<b>Securitisation</b>	<b>36,935</b>
<b>9</b>	<b>Total</b>	<b>9,009,803</b>

List of semi-annual disclosures not applicable to Samba Financial Group is as follows:

	Templates	Ref #
Credit risk	CR6 - IRB - Credit risk exposures by portfolio and PD range	B.16
	CR7 - IRB - Effect on RWA of credit derivatives used as CRM techniques	B.17
	CR8 - RWA flow statements of credit risk exposures under IRB	B.18
	CR10 - IRB (specialised lending and equities under the simple risk weight method)	B.20
Counterparty credit risk	CCR4 - IRB - CCR exposures by portfolio and PD scale	B.25
	CCR7 - RWA flow statements of CCR exposures under the Internal Model Method (IMM)	B.28
	CCR8 - Exposures to central counterparties	B.29
Securitisation	SEC1 - Securitisation exposures in the banking book	B.31
	SEC3 - Securitisation exposures in the banking book and associated regulatory capital requirements - bank acting as originator or as sponsor	B.33
	SEC4 - Securitisation exposures in the banking book and associated capital requirements - bank acting as investor	B.34
Market risk	MR2 - RWA flow statements of market risk exposures under an IMA	B.38
	MR3 - IMA values for trading portfolios	B.39
	MR4 - Comparison of VaR estimates with gains/losses	B.40