

samba financial group  مجموعة سامبا المالية

**Disclosure of Capital Structure
as per
Basel framework on Capital Reforms**

as at
June 30, 2014

samba  سامبا

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TABLE 2: CAPITAL STRUCTURE

Statement of Financial Position - Step 1 (Table 2(b))

All figures are in SAR'000

June 30, 2014

	Statement of Financial Position in Published financial statements	Adjustment of banking associates / other entities	Under regulatory scope of consolidation
Assets			
Cash and balances with central banks	15,848,462	-	15,848,462
Due from banks and other financial institutions	5,407,605	-	5,407,605
Investments, net	64,110,568	-	64,110,568
Loans and advances, net	122,163,221	-	122,163,221
Debt securities	-	-	-
Trading assets	-	-	-
Investment in associates	-	-	-
Derivatives	-	-	-
Goodwill	23,989	-	23,989
Other intangible assets / deferred tax	76,469	-	76,469
Property and equipment, net	1,918,211	-	1,918,211
Other assets (excluding goodwill and deferred tax)	4,705,843	-	4,705,843
Total assets	214,254,368	-	214,254,368
Liabilities and Equity			
Liabilities			
Due to banks and other financial institutions	7,966,724	-	7,966,724
Items in the course of collection due to other banks	-	-	-
Customer deposits	163,643,571	-	163,643,571
Trading liabilities	-	-	-
Debt securities in issue	-	-	-
Derivatives	-	-	-
Retirement benefit liabilities	-	-	-
Taxation liabilities	-	-	-
Accruals and deferred income	-	-	-
Borrowings	-	-	-
Other liabilities	6,660,611	-	6,660,611
Subtotal	178,270,906	-	178,270,906
Share capital	10,924,236	-	10,924,236
Statutory reserve	12,000,000	-	12,000,000
Other reserves	1,324,223	-	1,324,223
Retained earnings	11,603,129	-	11,603,129
Non-controlling interest	131,874	-	131,874
Proposed dividends	-	-	-
Total liabilities and equity	214,254,368	-	214,254,368

TABLE 2: CAPITAL STRUCTURE

Statement of Financial Position - Step 2 (Table 2(c))

All figures are in SAR'000

June 30, 2014

	Statement of Financial Position in Published financial statements (C)	Adjustment of banking associates / other entities (D)	Under regulatory scope of consolidation (E)	Reference
Assets				
Cash and balances with central banks	15,848,462	-	15,848,462	
Due from banks and other financial institutions	5,407,605	-	5,407,605	
Investments, net	64,110,568	-	64,110,568	
Loans and advances, net	122,163,221	-	122,163,221	
<i>which is net of credit loss provision - portfolio</i>	1,488,953	-	1,488,953	A
Debt securities				
Trading assets				
Investment in associates				
Derivatives				
Goodwill	23,989	-	23,989	B
Other intangible assets / deferred tax	76,469	-	76,469	
<i>of which ineligible (to be deducted) deferred tax assets</i>	26,963	-	26,963	C
Property and equipment, net	1,918,211	-	1,918,211	
Other assets (excluding goodwill and deferred tax)	4,705,843	-	4,705,843	
Total assets	214,254,368	-	214,254,368	
Liabilities				
Due to banks and other financial institutions	7,966,724	-	7,966,724	
Items in the course of collection due to other banks				
Customer deposits	163,643,571	-	163,643,571	
Trading liabilities				
Debt securities in issue				
Derivatives				
Retirement benefit liabilities				
Taxation liabilities				
Accruals and deferred income				
Borrowings				
Other liabilities	6,660,611	-	6,660,611	
Total liabilities	178,270,906	-	178,270,906	
Share capital				
Share capital	10,924,236	-	10,924,236	
<i>of which paid in capital</i>	12,000,000	-	12,000,000	D
<i>of which Investments in own shares (excluding amounts already derecognised under the relevant accounting standards)</i>	(1,075,764)	-	(1,075,764)	E
Statutory reserve	12,000,000	-	12,000,000	F
Other reserves	1,324,223	-	1,324,223	
<i>of which unrealised gains on available for sale financial assets</i>	1,428,863	-	1,428,863	G
<i>of which exchange translation reserve from converting foreign currency subsidiaries and branches to the group currency</i>	(146,324)	-	(146,324)	H
<i>of which general reserve</i>	130,000	-	130,000	I
<i>of which cash flow hedge reserve</i>	(88,316)	-	(88,316)	J
Retained earnings	11,603,129	-	11,603,129	
Non-controlling interest	131,874	-	131,874	
Proposed dividends	-	-	-	K
Total liabilities and equity	214,254,368	-	214,254,368	

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

All figures are in SAR'000

June 30, 2014

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

Components of regulatory capital reported by the bank

Amounts subject to Pre - Basel III treatment

Common Equity Tier 1 capital: Instruments and reserves			
1	Directly issued qualifying common share capital (and equivalent for non-joint stock companies) plus related stock surplus	12,000,000	D
2	Retained earnings	11,603,129	
3	Accumulated other comprehensive income (and other reserves)	13,324,223	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)	12,154	
6	Common Equity Tier 1 capital before regulatory adjustments	36,939,506	
Common Equity Tier 1 capital: Regulatory adjustments			
7	Prudential valuation adjustments		
8	Goodwill (net of related tax liability)	23,989	B
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)	26,963	C
11	Cash-flow hedge reserve	-88,316	J
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)	1,075,764	E
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	Total regulatory adjustments to Common equity Tier 1	1,038,400	
29	Common Equity Tier 1 capital (CET1)	35,901,106	
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)	4,109	
35	of which: instruments issued by subsidiaries subject to phase out		
36	Additional Tier 1 capital before regulatory adjustments	4,109	
Additional Tier 1 capital: regulatory adjustments			
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	Additional Tier 1 capital (AT1)	4,109	
45	Tier 1 capital (T1 = CET1 + AT1)	35,905,215	

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

All figures are in SAR'000

June 30, 2014

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

Tier 2 capital: instruments and provisions		
46	Directly issued qualifying Tier 2 instruments plus related stock surplus	
47	Directly issued capital instruments subject to phase out from Tier 2	
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)	3,827
49	of which: instruments issued by subsidiaries subject to phase out	
50	Provisions	1,488,953
51	Tier 2 capital before regulatory adjustments	1,492,780
Tier 2 capital: regulatory adjustments		
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)	1,492,780
59	Total capital (TC = T1 + T2)	37,397,995
RISK WEIGHTED ASSETS IN REPECT OF AMOUNTS SUBJECT TO PRE-BASEL III TREATMENT		
OF WHICH: [INSERT NAME OF ADJUSTMENT]		
OF WHICH: ...		
60	Total risk weighted assets	200,199,595
Capital ratios		
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	17.9%
62	Tier 1 (as a percentage of risk weighted assets)	17.9%
63	Total capital (as a percentage of risk weighted assets)	18.7%
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)	
65	of which: capital conservation buffer requirement	
66	of which: bank specific countercyclical buffer requirement	
67	of which: G-SIB buffer requirement	
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets)	
National minima (if different from Basel 3)		
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
Amounts below the thresholds for deduction (before risk weighting)		
72	Non-significant investments in the capital of other financials	
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		
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	1,488,953
77	Cap on inclusion of provisions in Tier 2 under standardised approach	2,158,467
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	
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2018 and 1 Jan 2022)		
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.

TABLE 2: CAPITAL STRUCTURE

Main features template of regulatory capital instruments - (Table 2(e))

1	Issuer	Samba Financial Group
2	Unique identifier (eg 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, 2014)	12000
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
23	Convertible or non-convertible	Not Applicable
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
30	Write-down feature	Not Applicable
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 writedown, description of the write-up mechansim	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