



Basel III Pillar 3 Quantitative Disclosures

30 June 2019

Basel III Pillar 3

Quantitative Disclosures

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KM1

Key metrics (at consolidated group level) (SAR '000)

		a	b	c	d	e
		T	T-1	T-2	T-3	T-4
		Jun-19	Mar-19	Dec-18	Sep -18	Jun-18
Available capital (amounts)						
1	Common Equity Tier 1 (CET1)	8,873,823	8,313,454	7,890,012	7,997,612	7,770,757
1a	Fully loaded ECL accounting model	8,873,823	8,313,454	7,890,012	7,997,612	7,770,757
2	Tier 1	8,873,823	8,313,454	7,890,012	7,997,612	7,770,757
2a	Fully loaded ECL accounting model Tier 1	8,873,823	8,313,454	7,890,012	7,997,612	7,770,757
3	Total capital	11,576,630	10,989,391	10,580,867	10,663,633	10,415,637
3a	Fully loaded ECL accounting model total capital	11,576,630	10,989,391	10,580,867	10,663,633	10,415,637
Risk-weighted assets (amounts)						
4	Total risk-weighted assets (RWA)	62,717,246	60,110,174	61,072,465	58,868,117	57,620,495
Risk-based capital ratios as a percentage of RWA						
5	Common Equity Tier 1 ratio (%)	14.15%	13.83%	12.92%	13.59%	13.49%
5a	Fully loaded ECL accounting model Common Equity Tier 1 (%)	14.15%	13.83%	12.92%	13.59%	13.49%
6	Tier 1 ratio (%)	14.15%	13.83%	12.92%	13.59%	13.49%
6a	Fully loaded ECL accounting model Tier 1 ratio (%)	14.15%	13.83%	12.92%	13.59%	13.49%
7	Total capital ratio (%)	18.46%	18.28%	17.33%	18.11%	18.08%
7a	Fully loaded ECL accounting model total capital ratio (%)	18.46%	18.28%	17.33%	18.11%	18.08%
Additional CET1 buffer requirements as a percentage of RWA						
8	Capital conservation buffer requirement (2.5% from 2019) (%)	2.5%	2.5%	1.88%	1.88%	1.88%
9	Countercyclical buffer requirement (%)	0%	0%	0%	0%	0%
10	Bank G-SIB and/or D-SIB additional requirements (%)	0%	0%	0%	0%	0%
11	Total of bank CET1 specific buffer requirements (%) (row 8 + row 9 + row 10)	2.5%	2.5%	1.88%	1.875	1.88%
12	CET1 available after meeting the bank's minimum capital requirements (%)	11.65%	11.33%	11.04%	11.71%	11.61%
Basel III Leverage Ratio						
13	Total Basel III leverage ratio exposure measure	81,932,570	77,454,710	78,562,844	76,343,842	73,924,337
14	Basel III leverage ratio (%) (row 2 / row 13)	10.83%	10.73%	10.04%	10.48%	10.51%
14a	Fully loaded ECL accounting model Basel III leverage ratio (%) (row 2a / row13)	10.83%	10.73%	10.04%	10.48%	10.51%
Liquidity Coverage Ratio						
15	Total HQLA	12,210,857	10,763,864	10,019,090	9,374,607	9,064,385
16	Total net cash outflow	10,007,897	8,376,363	8,214,708	8,539,065	7,010,347
17	LCR ratio (%)	122%	129%	122%	110%	129%
Net Stable Funding Ratio						
18	Total available stable funding	56,041,768	54,045,408	52,401,695	50,537,389	49,803,922
19	Total required stable funding	46,255,125	44,266,694	47,836,297	47,152,340	45,019,294
20	NSFR ratio	121%	122%	110%	107%	111%

OV1

Overview of RWA (SAR '000)

		a	b	c
		RWA		Minimum Capital Requirements
		T Jun 19	T-1 Mar 19	T
1	Credit risk (excluding counterparty credit risk) (CCR)	56,224,555	54,074,945	4,497,964
2	Of which standardised approach (SA)	56,224,555	54,074,945	4,497,964
3	Of which: foundation internal ratings-based (F-IRB) approach	-	-	-
4	Of which: supervisory slotting approach	-	-	-
5	Of which: advanced internal ratings-based (A-IRB) approach			
6	Counterparty credit risk			
7	Of which standardised approach for counterparty credit risk (SA-CCR)	-	-	-
8	Of which internal model method (IMM)	-	-	-
9	Of which: other CCR	-	-	-
10	Credit valuation adjustment (CVA)	-	-	-
11	Equity positions in banking book under market-based approach	-	-	-
12	Equity investments in funds – look-through approach	-	-	-
13	Equity investments in funds – mandate-based approach	999,812	768,419	79,985
14	Equity investments in funds – fall-back approach	-	-	-
15	Settlement risk	-	-	-
16	Securitisation exposures in banking book	-	-	-
17	Of which: securitisation internal ratings-based approach (SEC-IRBA)	-	-	-
18	Of which: securitisation external ratings-based approach (SEC-ERBA), including internal assessment approach (IAA)	-	-	-
19	Of which: securitisation standardised approach (SEC-SA)	-	-	-
20	Market risk	548,463	290,213	43,877
21	Of which standardised approach (SA)	548,463	290,213	43,877
22	Of which internal model approaches (IMM)	-	-	-
23	Capital charge for switch between trading book and banking book	-	-	-
24	Operational risk	5,944,229	5,745,017	475,538
25	Amounts below the thresholds for deduction (subject to 250% risk weight)	-	-	-
26	Floor adjustment	-	-	-
27	Total (1+4+7+8+9+10+11+12+16+19+23+24)	62,717,246	60,110,174	5,017,380

CC1			
Composition of regulatory capital (SAR '000)			
		a	b
		Amounts	Source based on reference
			numbers/letters of the balance
			sheet under the regulatory scope of consolidation
	Common Equity Tier 1 capital: instruments and reserves		
1	Directly issued qualifying common share (and equivalent for non-joint stock companies) capital plus related stock surplus		7,500,000
2	Retained earnings		460,685
3	Accumulated other comprehensive income (and other reserves)		913,138
4	<i>Directly issued capital subject to phase-out from CET1 (only applicable to non-joint stock companies)</i>		
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)		
6	Common Equity Tier 1 capital before regulatory adjustments		8,873,823
	Common Equity Tier 1 capital: regulatory adjustments		
7	Prudent valuation adjustments		
8	Goodwill (net of related tax liability)		(a) minus (d)
9	Other intangibles other than mortgage servicing rights (net of related tax liability)		(b) minus (e)
10	Deferred tax assets that rely on future profitability, excluding those arising from temporary differences (net of related tax liability)		
11	Cash flow hedge reserve		
12	Shortfall of provisions to expected losses		
13	Securitisation gain on sale (as set out in paragraph 36 of Basel III securitisation framework[1])		
14	Gains and losses due to changes in own credit risk on fair valued liabilities		
15	Defined benefit pension fund net assets		

		a	b
		Amounts	Source based on reference
			numbers/letters of the balance
			sheet under the regulatory scope of consolidation
16	Investments in own shares (if not already subtracted from paid-in capital on reported balance sheet)		
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, 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 (amount above 10% threshold)		
20	Mortgage servicing rights (amount above 10% threshold)		(c) minus (f) minus 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		
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		
29	Common Equity Tier 1 capital (CET1)		8,873,823
	Additional Tier 1 capital: instruments		
30	Directly issued qualifying additional Tier 1 instruments plus related stock surplus		(i)
31	Of which: classified as equity under applicable accounting standards		
32	Of which: classified as liabilities under applicable accounting standards		

		a	b
		Amounts	Source based on reference
			numbers/letters of the balance
			sheet under the regulatory scope of consolidation
33	<i>Directly issued capital instruments subject to phase-out from additional Tier 1</i>		
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)		
35	<i>Of which: instruments issued by subsidiaries subject to phase-out</i>		
36	Additional Tier 1 capital before regulatory adjustments		
	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, 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		
41	National specific regulatory adjustments		
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)		
45	Tier 1 capital (T1 = CET1 + AT1)		8,873,823
	Tier 2 capital: instruments and provisions		
46	Directly issued qualifying Tier 2 instruments plus related stock surplus		2,000,000
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)		

		a	b
		Amounts	Source based on reference
			numbers/letters of the balance
			sheet under the regulatory scope of consolidation
49	<i>Of which: instruments issued by subsidiaries subject to phase-out</i>		
50	Provisions		702,807
51	Tier 2 capital before regulatory adjustments		2,702,807
	Tier 2 capital: regulatory adjustments		
52	Investments in own Tier 2 instruments		
53	Reciprocal cross-holdings in Tier 2 instruments and other TLAC liabilities		
54	Investments in the capital and other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)		
54a	Investments in the other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation and where the bank does not own more than 10% of the issued common share capital of the entity: amount previously designated for the 5% threshold but that no longer meets the conditions (for G-SIBs only)		
55	Significant investments in the capital and other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)		
56	National specific regulatory adjustments		
57	Total regulatory adjustments to Tier 2 capital		0
58	Tier 2 capital (T2)		2,702,807
59	Total regulatory capital (TC = T1 + T2)		11,576,630
60	Total risk-weighted assets		62,717,246
	Capital ratios and buffers		
61	Common Equity Tier 1 (as a percentage of risk-weighted assets)		14.15%
62	Tier 1 (as a percentage of risk-weighted assets)		14.15%

		a	b
		Amounts	Source based on reference
			numbers/letters of the balance
			sheet under the regulatory scope of consolidation
63	Total capital (as a percentage of risk-weighted assets)		18.46%
64	Institution-specific buffer requirement (capital conservation buffer plus countercyclical buffer requirements plus higher loss absorbency 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: higher loss absorbency requirement		
68	Common Equity Tier 1 (as a percentage of risk-weighted assets) available after meeting the bank's minimum capital requirements		14.15%
	National minima (if different from Basel III)		
69	National Common Equity Tier 1 minimum ratio (if different from Basel III minimum)		
70	National Tier 1 minimum ratio (if different from Basel III minimum)		
71	National total capital minimum ratio (if different from Basel III minimum)		
	Amounts below the thresholds for deduction (before risk weighting)		
72	Non-significant investments in the capital and other TLAC liabilities of other financial entities		
73	Significant investments in the common stock of financial entities		
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)		

		a	b
		Amounts	Source based on reference
			numbers/letters of the balance
			sheet under the regulatory scope of consolidation
77	Cap on inclusion of provisions in Tier 2 under standardised approach		
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)		

CC2
Reconciliation of regulatory capital to balance sheet (SAR '000)

	a	b	c
	Balance sheet as in published financial statements	Under regulatory scope of consolidation	Reference
	As at period-end	As at period-end	
Assets			
Cash and Balances with SAMA	6,110,292	6,110,292	
Due from banks and other financial institutions, net	5,194,816	5,194,816	
Investments, net	9,210,853	9,210,853	
Financing, Net	53,652,521	53,652,521	
Property and equipment, net	1,786,391	1,786,391	
Other assets	1,033,971	1,033,971	
			(a)
			(b)
			(c)
Total assets	76,988,844	76,988,844	
Liabilities			
Due to banks and other financial institutions	1,391,222	1,391,222	
Customer deposits	59,315,376	59,315,376	
Subordinated Sukuk	2,008,355	2,008,355	
Other liabilities	5,442,865	5,442,865	
			(d)
			(e)
			(f)
Total liabilities	68,157,818	68,157,818	

	a	b	c
	Balance sheet as in published financial statements	Under regulatory scope of consolidation	Reference
	As at period-end	As at period-end	
Shareholders' equity			
Paid-in share capital	7,500,000	7,500,000	
Of which: amount eligible for CET1	7,500,000	7,500,000	(h)
Of which: amount eligible for AT1			(i)
Retained earnings	417,896	417,896	
	a	b	c
	Balance sheet as in published financial statements	Under regulatory scope of consolidation	Reference
	As at period-end	As at period-end	
Accumulated other comprehensive income	913,130	913,130	
Total shareholders' equity	8,831,026	8,831,026	

LR1

Summary comparison of accounting assets vs leverage ratio exposure measure (SAR '000)

Items		a
1	Total consolidated assets as per published financial statements	76,988,844
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 recognized on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	-
4	Adjustments for derivative financial instruments	-
5	Adjustment for securities financing transactions (ie repos and similar secured lending)	-
6	Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	3,087,577
7	Other adjustments	1,856,149
8	Leverage ratio exposure measure	81,932,570

LR2

Leverage ratio common disclosure template (SAR '000)

		a	b
		T	T-1
		Jun-19	Mar-19
On-balance sheet exposures			
1	On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral)	78,844,993	74,619,878
2	(Asset amounts deducted in determining Basel III Tier 1 capital)		
3	Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of rows 1 and 2)	78,844,993	74,619,878
Derivative exposures^p			
4	Replacement cost associated with <i>all</i> derivatives transactions (where applicable net of eligible cash variation margin and/or with bilateral netting)	-	-
5	Add-on amounts for PFE associated with <i>all</i> derivatives transactions	-	-
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)	-	-
11	Total derivative exposures (sum of rows 4 to 10)	-	-
Securities financing transaction exposures			
12	Gross SFT <i>assets</i> (with no recognition of netting), after adjusting for sale accounting transactions	-	-
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)	-	-
14	CCR exposure for SFT assets	-	-
15	Agent transaction exposures	-	-
16	Total securities financing transaction exposures (sum of rows 12 to 15)	-	-
Other off-balance sheet exposures			
17	Off-balance sheet exposure at gross notional amount	6,303,572	6,036,642
18	(Adjustments for conversion to credit equivalent amounts)	-3,215,996	-3,201,810
19	Off-balance sheet items (sum of rows 17 and 18)	3,087,577	2,834,832
Capital and total exposures			
20	Tier 1 capital	8,873,823	8,313,454
21	Total exposures (sum of rows 3, 11, 16 and 19)	81,932,570	77,454,710
Leverage ratio			
21	Basel III leverage ratio	10.83%	10.73%

LIQ1
Liquidity Coverage Ratio (LCR) (SAR '000)

		a	b
		Total unweighted value (average)	Total weighted value (average)
High-quality liquid assets			
1	Total HQLA		12,210,857
Cash outflows			
2	Retail deposits and deposits from small business customers, of which:	36,647,588	3,664,759
3	Stable deposits		
4	Less stable deposits	36,647,588	3,664,759
5	Unsecured wholesale funding, of which:	22,378,501	9,283,596
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks		
7	Non-operational deposits (all counterparties)	22,378,501	9,283,596
8	Unsecured debt		
9	Secured wholesale funding		
10	Additional requirements, of which:	911,862	91,186
11	Outflows related to derivative exposures and other collateral requirements		
12	Outflows related to loss of funding on debt products		
13	Credit and liquidity facilities	911,862	91,186
14	Other contractual funding obligations	4,925,608	109,995
15	Other contingent funding obligations	2,521,318	74,220
16	TOTAL CASH OUTFLOWS		13,223,755
Cash inflows			
17	Secured lending (eg reverse repos)	-	-
18	Inflows from fully performing exposures	4,530,775	3,215,859
19	Other cash inflows	-	-
20	TOTAL CASH INFLOWS	4,530,775	3,215,859
			Total adjusted value
21	Total HQLA		12,210,857
22	Total net cash outflows		10,007,897
23	Liquidity Coverage Ratio (%)		122%

LIQ2

Net Stable Funding Ratio (NSFR) (SAR '000)

(In currency amount)	a	b	c	d	e
	Unweighted value by residual maturity				Weighted value
	No	< 6 months	6 months to	≥ 1 year	
	maturity*		< 1 year		
Available stable funding (ASF) item					
1 Capital:					11,576,630
2 <i>Regulatory capital</i>	11,576,630				11,576,630
3 <i>Other capital instruments</i>					
4 Retail deposits and deposits from small business customers:					40,973,692
5 <i>Stable deposits</i>	40,888,129				36,799,316
6 <i>Less stable deposits</i>	8,348,750				4,174,375
7 Wholesale funding:					3,491,446
8 <i>Operational deposits</i>					
9 <i>Other wholesale funding</i>		5,972,733	1,010,160		3,491,446
10 Liabilities with matching interdependent assets					
11 Other liabilities:					
12 <i>NSFR derivative liabilities</i>					
13 <i>All other liabilities and equity not included in the above categories</i>	9,192,342				
14 Total ASF					56,041,768
Required stable funding (RSF) item					
15 Total NSFR high-quality liquid assets (HQLA)					360,806
16 Deposits held at other financial institutions for operational purposes					
17 Performing loans and securities:					40,827,471
18 <i>Performing loans to financial institutions secured by Level 1 HQLA</i>					-
19 <i>Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions</i>		2,732,505	1,200,011		1,009,881
20 <i>Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:</i>		12,599,704	6,456,163		9,527,933
21 <i>With a risk weight of less than or equal to 35% under the Basel III standardised approach for credit risk</i>				34,544,612	29,362,920
22 <i>Performing residential mortgages, of which:</i>					
23 <i>With a risk weight of less than or equal to 35% under the Basel III standardised approach for credit risk</i>					

	<i>(In currency amount)</i>	a	b	c	d	e
		Unweighted value by residual maturity				Weighted value
		No	< 6 months	6 months to	≥ 1 year	
		maturity*		< 1 year		
24	<i>Securities that are not in default and do not qualify as HQLA, including exchange-traded equities</i>				1,090,278	926,737
25	Assets with matching interdependent liabilities					
26	Other assets:					5,039,149
27	<i>Physical traded commodities, including gold</i>					
28	<i>Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs</i>					
29	<i>NSFR derivative assets</i>					
30	<i>NSFR derivative liabilities before deduction of variation margin posted</i>					
31	<i>All other assets not included in the above categories</i>	5,039,149				5,039,149
32	Off-balance sheet items					27,698
33	Total RSF					46,255,125
34	Net Stable Funding Ratio (%)					121%

CR1
Credit quality of assets (SAR '000)

		a	b	c	d
		Gross carrying values of		Allowances/ impairments	Net values (a+b-c)
		Defaulted exposures	Non-defaulted exposures		
1	Loans	783,632	54,697,891	1,770,788	53,710,735
2	Debt Securities	-	7,123,792	-	7,123,792
3	Off-balance sheet exposures	-	6,303,572	85,300	6,218,272
4	Total	783,632	68,125,256	1,856,089	67,052,799

An event of default is considered to have occurred if any one or both of the following events happen:

- The obligor fails to honor any material credit obligation towards the bank for a period in excess of 90 days. On day 91, the obligor should be classified as a non-performing obligor and its rating should be adjusted accordingly .
- The Bank considers that the obligor is unlikely to pay its credit obligations to the banking group in full, without recourse by the bank to actions such as realizing security (if held).

CR2
Changes in stock of defaulted loans and debt securities (SAR '000)

		a
1	Defaulted loans and debt securities at end of the previous reporting period	728,626
2	Loans and debt securities that have defaulted since the last reporting period	250,770
3	Returned to non-defaulted status	24,592
4	Amounts written off	134,903
5	Other changes	(36,268)
6	Defaulted loans and debt securities at end of the reporting period (1+2-3-4±5)	783,632

Defaulted finances at the end of reporting period increased as compared to previous reporting date due to additional defaults in Corporate and Consumer financing. However, during the period there were also recoveries from non-performing clients as well as some old defaulted finances were written off.

CR3

Credit risk mitigation techniques – overview (SAR '000)

	a	b	c	d	e	f	g
	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	53,710,735	-	-	-	-	-
2	Debt securities	7,123,792	-	-	-	-	-
3	Total	60,834,527	-	-	-	-	-
4	Of which defaulted	783,632	-	-	-	-	-

Financing portfolio of the Bank increased significantly over the period. Major contributor of the aforementioned increase is in the Consumer financing. Moreover, exposure in the debt securities has approximately increased 60% over the period due to more participation in Sukuks.

CR4

Standardized approach – credit risk exposure and Credit Risk Mitigation (CRM) effects (SAR '000)

	Asset classes	a	b	c	d	e	f
		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	10,287,235	-	10,287,235		-	0%
2	Non-central government public sector entities	-	-	-		-	
3	Multilateral development banks	-	-	-		-	
4	Banks	5,196,393	1,183,118	5,196,393	736,048	1,915,954	32%
5	Securities firms	-	-	-			
6	Corporates	22,154,334	4,184,087	22,154,334	2,113,187	23,924,490	99%
7	Regulatory retail portfolios	18,003,126	771,866	18,003,126	112,703	13,586,872	75%
8	Secured by residential property	6,292,307	-	6,292,307	-	3,146,154	50%
9	Secured by commercial real estate	9,313,498	145,397	9,313,498	112,952	9,426,449	100%
10	Equity	2,186,919		2,186,919	-	1,388,379	63%
11	Past-due loans	60,706	19,105	60,706	12,687	90,182	123%
12	Higher-risk categories	-	-	-	-		
13	Other assets	4,563,201	-	4,563,201	-	2,746,074	60%
14	Total	78,057,719	6,303,572	78,057,719	3,087,577	56,224,555	69%

Increase in Consumer financing portfolio (non Real Estate as well as Real Estate) financing along with exposure with SAMAS/SUKUKS was major contributor in overall increase in on balance sheet exposure.

CR5
Standardized approach – exposures by asset classes and risk weights (SAR '000)

	a	b	c	d	e	f	g	h	i	j
Asset classes/ Risk weight*	0%	10%	20%	35%	50%	75%	100%	150%	Others	Total credit exposures amount (post CCF and post-CRM)
1 Sovereigns and their central banks	10,287,235	-	-	-	-	-	-	-	-	10,287,235
2 Non-central government public sector entities (PSEs)	-	-	-	-	-	-	-	-	-	-
3 Multilateral development banks (MDBs)	-	-	-	-	-	-	-	-	-	-
4 Banks		-	3,715,024	-	2,103,183	-	99,985	14,248		5,932,442
5 Securities firms		-	-	-	-	-	-	-	-	-
6 Corporates		-	253,081	-	281,132	-	23,733,307	-	-	24,267,521
7 Regulatory retail portfolios		-	-	-	-	18,115,829	-	-	-	18,115,829
8 Secured by residential property		-	-	-	6,292,307	-	-	-	-	6,292,307
9 Secured by commercial real estate		-	-	-	-	-	9,426,449	-	-	9,426,449
10 Equity	1,294,488	-	-	-	-	-	388,567	-	503,864	2,186,919
11 Past-due loans		-	-	-	-	-	39,813	33,579		73,393
12 Higher-risk categories		-	-	-	-	-	-	-	-	-
13 Other assets	1,817,127	-	-	-	-	-	2,746,074	-	-	4,563,201
14 Total	13,398,849	-	3,968,106	-	8,676,623	18,115,829	36,434,197	47,828	503,864	81,145,296

Bank increased its exposure in 0% risk weighted assets by investing in Govt. Sukuk. On the other hand Bank increased its exposure in 20% risk weighted exposure in shape of placements by reducing the same in the 50% risk weighted assets. Increase in 75% risk weighted assets is due to increase in consumer unsecured portfolio against salary assignments. Increase in exposure in other assets caused increase in 100% risk weighted assets.

MR1
Market risk under standardized approach (SAR '000)

		a
		Capital charge in SA
1	General interest rate risk	-
2	Equity risk	-
3	Commodity risk	-
4	Foreign exchange risk	43,877
5	Credit spread risk – non-securitisations	-
6	Credit spread risk – securitisations (non-correlation trading portfolio)	-
7	Credit spread risk – securitisation (correlation trading portfolio)	-
8	Default risk – non-securitisations	-
9	Default risk – securitisations (non-correlation trading portfolio)	-
10	Default risk – securitisations (correlation trading portfolio)	-
11	Residual risk add-on	-
12	Total	43,877

The Bank's FX Capital Charge increased to SAR 43.9 million as of June 2019 as compared to SAR 23.2 million as at March 2019. This is mainly to increased USD exposure as of June 2019 compared to March 2019.