

**TABLE 2: CAPITAL STRUCTURE**

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

	Balance sheet in Published financial statements (C)	Adjustment of banking associates / other entities (* (D)	Under regulatory scope of consolidation (E)
<b>Assets</b>			
Cash and balances at central banks	4,704,267		4,704,267
Due from banks and other financial institutions	2,611,815		2,611,815
Investments, net	24,068,173		24,068,173
Loans and advances, net	57,018,317		57,018,317
Investment in associates	892,970		892,970
Derivatives	954,350		954,350
Other assets	2,306,434		2,306,434
<b>Total assets</b>	<b>92,556,326</b>	<b>0</b>	<b>92,556,326</b>
<b>Liabilities</b>			
Due to Banks and other financial institutions	4,063,924		4,063,924
Customer deposits	70,314,128		70,314,128
Debt securities in issue	2,000,000		2,000,000
Borrowings	2,000,000		2,000,000
Other liabilities	2,235,715		2,235,715
<b>Total liabilities</b>	<b>80,613,767</b>	<b>0</b>	<b>80,613,767</b>
Paid up share capital	6,500,000		6,500,000
Statutory reserves	3,613,000		3,613,000
Other reserves	515,911		515,911
Retained earnings	1,389,064	-	1,389,064
Proposed dividends	-		-
Employee stock option shares	(49,889)		(49,889)
<b>Total liabilities and equity</b>	<b>92,581,853</b>	<b>0</b>	<b>92,581,853</b>

\* For further details on column D please refer to step 1 on page 16 of the guidance notes .

Additional information:

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

**TABLE 2: CAPITAL STRUCTURE**

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

	Balance sheet in Published financial statements	Adjustment of banking associates / other entities	Under regulatory scope of consolidation	Reference
	(C)	(D)	(E)	
<b>Assets</b>				
Cash and balances at central banks	4,704,267		4,704,267	
Due from banks and other financial institutions	2,611,815		2,611,815	
Investments, net	24,068,173		24,068,173	
Loans and advances, net	57,018,317		57,018,317	
<b>of which Collective provisions</b>	<b>475,245</b>	<b>0</b>	<b>475,245</b>	<b>A</b>
Investment in associates	892,970		892,970	
Property and equipment, net	-		-	
Other assets	2,306,434		2,306,434	
<b>of which goodwill</b>	<b>18,295</b>	<b>0</b>	<b>18,295</b>	<b>B</b>
<b>Total assets</b>	<b>91,601,976</b>	<b>0</b>	<b>91,601,976</b>	
<b>Liabilities</b>				
Due to Banks and other financial institutions	4,063,924		4,063,924	
Customer deposits	70,314,128		70,314,128	
Debt securities in issue	2,000,000		2,000,000	
<b>of which Tier 2 capital instruments</b>	<b>2,000,000</b>	<b>0</b>	<b>2,000,000</b>	
Borrowings	2,000,000		2,000,000	
Other liabilities	2,235,715		2,235,715	
<b>Subtotal</b>	<b>80,613,767</b>	<b>0</b>	<b>80,613,767</b>	
<b>Paid up share capital</b>	<b>6,500,000</b>		<b>6,500,000</b>	
<b>of which amount eligible for CET1</b>	<b>6,500,000</b>		<b>6,500,000</b>	<b>C</b>
<b>of which amount eligible for AT1</b>	<b>-</b>	<b>-</b>	<b>-</b>	
Statutory reserves	3,613,000		3,613,000	<b>D</b>
Other reserves	466,022		466,022	<b>E</b>
<b>of which: Employee stock option shares</b>	<b>(49,889)</b>	<b>-</b>	<b>(49,889)</b>	<b>F</b>
Retained earnings	1,389,064		1,389,064	<b>G</b>
<b>of which: Goodwill</b>	<b>18,295</b>	<b>-</b>	<b>18,295</b>	<b>F</b>
Minority Interest	-		-	
Proposed dividends	-		-	
<b>Total liabilities and equity</b>	<b>92,581,853</b>	<b>-</b>	<b>92,581,853</b>	

**Note:** Items A, B, H, I have been mapped as an example to Table 2d, for further details please refer to step 2 on page 17 of the guidance notes .

The Saudi Investment Bank  
Capital Structure under Basel III for June 30, 2015

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

		Components <sup>1</sup> of regulatory capital reported by the bank	Amounts <sup>1</sup> 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
(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	6,500,000		<b>C</b>
2	Retained earnings	1,389,064		<b>D + G</b>
3	Accumulated other comprehensive income (and other reserves)	4,128,911		<b>E</b>
<b>6</b>	<b>Common Equity Tier 1 capital before regulatory adjustments</b>	<b>12,017,975</b>		
	<b>Common Equity Tier 1 capital: Regulatory adjustments</b>			
8	Goodwill (net of related tax liability)	(18,295)		<b>B</b>
16	Investments in own shares (if not already netted off paid-in capital on reported balance sheet)	(49,889)		
<b>27</b>	<b>Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions</b>	-		
<b>28</b>	<b>Total regulatory adjustments to Common equity Tier 1</b>	<b>(68,184)</b>		
<b>29</b>	<b>Common Equity Tier 1 capital (CE1)</b>	<b>11,949,791</b>		
	<b>Additional Tier 1 capital: instruments</b>			
36	Additional Tier 1 capital before regulatory adjustments	-		
	<b>Additional Tier 1 capital: regulatory adjustments</b>			
44	Additional Tier 1 capital (ATI)	-		
<b>45</b>	<b>Tier 1 capital (T1 = CE1 + ATI)</b>	<b>11,949,791</b>		

<sup>1</sup>For detailed explanation of rows (1-85), please refer to SAMA circular # BCS 23295 dated 23 July 2012 entitled "Composition of Capital Disclosure Requirements issued by the BCBS in June 2012.

<sup>(2)</sup> All rows related to IRB Approach are only valid, if SAMA has provided its Regulatory Approval to use IRB Approaches

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

The Saudi Investment Bank  
Capital Structure under Basel III for June 30, 2015

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	

Components<sup>1</sup> of regulatory capital reported by the bank

Amounts<sup>1</sup> 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	2,000,000
49	of which: instruments issued by subsidiaries subject to phase out	-
50	Provisions	475,245
51	<b>Tier 2 capital before regulatory adjustments</b>	<b>2,475,245</b>
Tier 2 capital: regulatory adjustments		
57	<b>Total regulatory adjustments to Tier 2 capital</b>	-
58	<b>Tier 2 capital (T2)</b>	<b>2,475,245</b>
59	<b>Total capital (TC = T1 + T2)</b>	<b>14,425,036</b>
60	<b>Total risk weighted assets</b>	<b>81,698,782</b>
Capital ratios		
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	14.63%
62	Tier 1 (as a percentage of risk weighted assets)	14.63%
63	<b>Total capital (as a percentage of risk weighted assets)</b>	<b>17.66%</b>
68	<b>Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets)</b>	<b>14.63%</b>
National minima (if different from Basel 3)		
Amounts below the thresholds for deduction (before risk weighting)		
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)	975,713
77	Cap on inclusion of provisions in Tier 2 under standardised approach	475,245
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2018 and 1 Jan 2022)		
85	<b>Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)</b>	-

<sup>1</sup>For detailed explanation of rows (1-85), please refer to SAMA circular # BCS 23295 dated 23 July 2012 entitled "Composition of Capital Disclosure Requirements issued by the BCBS in June 2012.

<sup>2</sup>All rows related to IRB Approach are only valid, if SAMA has provided its Regulatory Approval to use IRB Approaches

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

TABLE 2: CAPITAL STRUCTURE		
Main features template of regulatory capital instruments - (Table 2(e))		
1	Issuer	Saudi Investment Bank
2	Unique identifier (eg CUSPIN, ISIN or Bloomberg identifier for private placement)	SA 13JFK0G534
3	Governing law(s) of the instrument	Private Placement under CMA regulations
	Regulatory treatment	
4	Transitional Basel III rules	N/A
5	Post-transitional Basel III rules	Yes
6	Eligible at solo/igroup/group&solo	GROUP and Solo
7	Instrument type	Sukuk
8	Amount recognized in regulatory capital (SAR "000", as of most recent reporting date)	2,000,000
9	Par value of instrument	Saudi Riyals 1 million
10	Accounting classification	Subordinated debt
11	Original date of issuance	June 5 2014
12	Perpetual or dated	Dated
13	Original maturity date	June 5 2024
14	Issuer call subject to prior supervisory approval	Yes
15	Option call date, contingent call dates and redemption amount	June 5 2019
16	Subsequent call dates if applicable	NIL
	Coupons / dividends	
17	Fixed or Floating dividend/coupon	Floating
18	Coupon rate and any related index	6 months SIBOR Plus 145 basis points
19	Existence of a dividend stopper	NO
20	Fully discretionary, partially discretionary or mandatory	Mandatory
21	Existence of step up or other incentive to redeem	NO
22	Non cumulative or cumulative	Non cumulative
23	Convertible or non-convertible	Non-convertible
24	If convertible, conversion trigger (s)	NA
25	If convertible, fully or partially	NA
26	If convertible, conversion rate	NA
27	If convertible, mandatory or optional conversion	NA
28	If convertible, specify instrument type convertible into	NA
29	If convertible, specify issuer of instrument it converts into	NA
30	Write-down feature	Yes
31	If write-down, write-down trigger (s)	To be determined by SAMA
32	If write-down, full or partial	To be determined by SAMA
33	If write-down, permanent or temporary	To be determined by SAMA
34	If temporary writedown, description of the write-up mechansim	To be determined by SAMA
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Junior in right of payments to "claims of depositor's or any other unsubordinated payment obligatons"
36	Non-compliant transitioned features	NO
37	If yes, specify non-compliant features	NA

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