



**NAMIBIAN BANKING INDUSTRY
COMPUTATION OF CAPITAL BASE (RWCR 1)
QUARTERLY FIGURES FOR THE YEAR 2012**

Constituents of Capital	Line no				
		31-Mar	30-Jun	30-Sep	31-Dec
TIER 1 CAPITAL					
Paid-up ordinary shares	1	23,822	23,822	23,822	23,841
Paid-up non-cumulative perpetual preference shares	2	-	-	-	-
Share premium	3	1,791,099	1,791,099	1,791,099	1,912,574
Retained profits/(accumulated losses)	4	1,290,662	1,605,099	1,595,704	1,346,202
General Reserves	5	2,164,427	2,283,631	2,283,754	2,285,721
Minority interests (consistent with the above capital constituents)	7	-	-	-	-
Sub-Total (Sum of Line items 1 to 7)	8	5,270,010	5,703,651	5,694,379	5,568,338
Deduct: Goodwill related to consolidated subsidiaries, subsidiaries deconsolidated for regulatory capital purposes, and proportional consolidation	9	334,469	327,891	177,654	173,274
Deduct: Investments in unconsolidated banking & financial subsidiary companies	10	-	-	-	-
Deduct: Investment in the capital of other banks & financial institutions and significant and minority investments in other financial entities	11	-	-	-	-
Deduct: Increase in equity capital resulting from a securitisation transactions (e.g. Capitalised future margining income, gains on sale)	12	-	-	-	-
Deduct: 50% investments in securitisation exposure for third party investors with long-term credit ratings of B+ and below, and in unrated exposures.	13	-	-	-	-
Deduct: 50% of credit -enhancing interest only strips, net of any increases in equity capital resulting from securitisation transaction.	14	-	-	-	-
Deduct: 50% of investments in securitisation exposures for third party investors with short-term credit ratings of below A-3/P-3/R-3 and in unrated exposures.	15	-	-	-	-
Deduct: 50% of retained securitisation exposures for originating banks that are rated below investment grade (below BBB-), or that are unrated.	16	-	-	-	-
NET-Total TIER 1 CAPITAL (line item 8 less line items 9 to 16)	17	4,935,541	5,375,760	5,516,725	5,395,064
TIER 2 CAPITAL					
Hybrid (debt/equity) capital instruments	18	-	-	3,036	-
Eligible subordinated term debt (limited to 50% of total Tier 1 capital)	19	697,696	704,936	715,581	705,126
Asset revaluation reserves	20	20,823	20,823	35,899	18,676
General provisions (general loan loss reserves (limited to 1.25% of total risk-weighted assets)	21	428,845	179,341	60,440	411,237
Current unaudited profits (if applicable)- [see Note 1]	22	470,376	489,847	451,800	523,589
Sub-total (sum of line items 18 to 22)	23	1,617,740	1,394,947	1,266,756	1,658,628
Deduct: back-to-back placements of new tier 2 capital, arranged either directly or indirectly, between banking and financial institutions.	24	-	-	-	-
Deduct: 50% of credit-enhancing interest -only strips, net of any increases in equity capital resulting from securitisation transaction.	25	-	-	-	-
subsidaries deconsolidated for regulatory capital purposes, net of goodwill that is deducted from tier 1 capital.	26	-	-	-	-
Deduct: 50% of investments in securitisation exposures for third party investors with long-term credit -rating of B+ and below, and in unrated exposures.	27	-	-	-	-
Deduct: 50% of investments in securitisation exposures for third party investors with short-term credit-rating below investment grade (below BBB-), or unrated exposures	28	-	-	-	-
Deduct: 50% of retained securitisation exposures for originating banks that are rated below investment grade (below BBB-), or that are unrated.	29	-	-	-	-
NET-TOTAL TIER 2 CAPITAL (line item 23 less items 24 to 29)	30	1,617,740	1,394,947	1,266,756	1,658,628
TIER 3 CAPITAL					
Eligible short-term subordinated debt (see Note 2)	31	-	-	-	-
TOTAL TIER 3 CAPITAL	32	-	-	-	-
Tier 1 available for market risk	33	1,777,665	2,118,131	2,106,820	2,034,245
ELIGIBLE TIER 3 CAPITAL (See Note 3)	34	-	-	-	-
ELIBLE TIER 2 and TIER 3 CAPITAL (See Note 4)	35	1,617,740	1,394,947	1,266,756	1,658,628
TOTAL QUALIFYING CAPITAL (sum of line items 17 and 35)	36	6,553,281	6,770,707	6,783,481	7,053,692
COMPUTATION OF RISK -WEIGHTED ASSETS					
1. Credit Risk: Standardised Approach					
Total Risk-Weighted Amount for Credit Risk	37	40,019,394	41,254,334	43,286,554	43,804,645
2. Operational Risk: (see Note 5):					
2 (a). Basic Indicator Approach : Calibrated risk-weighted amount	38	-	-	-	-

2 (b). The Standardised Approach: Calibrated risk-weighted amount	39	5,093,128	5,283,224	5,426,374	4,207,053
Calibrated Risk-Weighted Amount for Operational Risk	40	5,093,128	5,283,224	5,426,374	4,207,053
3. Market Risk: Standardised Approach					
Calibrated Risk-Weighted Amount for Market Risk	41	274,602	267,271	523,515	256,368
AGGREGATE RISK-WEIGHTED ASSETS (sum of line items 37; 40; and 41)	42	45,387,125	46,804,828	49,236,443	48,268,067
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TOTAL RISK-WEIGHTED CAPITAL RATIO (line item 54 divided by line item 66) (minimum of 10%)	43	14.4%	14.5%	13.8%	14.6%
OF WHICH:					
TIER 1 RISK-BASED CAPITAL RATIO (line item 17 divided by line item 42) (minimum of 7%)	44	10.9%	11.5%	11.2%	11.2%
TIER 2 RISK-BASED CAPITAL RATIO (line item 30 divided by line item 42)	45	3.6%	3.0%	2.6%	3.4%
TIER 3 RISK-BASED CAPITAL RATIO (line item 32 divided by line item 42)	46	0.0%	0.0%	0.0%	0.0%
ADDITIONAL CAPITAL SPECIFIED BY THE REGULATOR	47				
Total risk-weighted capital ratio (including additional capital specified)	48	14.4%	14.5%	13.8%	14.6%
OTHER CAPITAL MEASURES					
Gross Assets (total assets plus general and specific provisions)	49	61,757,559	63,323,169	65,375,569	67,511,723
TIER 1 LEVERAGE RATIO (line item 17 divided by line item 47) (minimum of 6%)	50	8.0%	8.5%	8.4%	8.0%

Note 1: All banking institutions shall treat and report unaudited profits in accordance with the provisions of BID-5

Note 2: Only available to cover a portion of the banking institution's capital charge for market risk

Note 3: Limited to 250% of Tier 1 capital available to support market risk

Note 4: The sum of eligible Tier 2 and Tier 3 capital shall not exceed 100% of eligible Tier 1 capital

Note 5: Only complete the Operational Risk approach which is applicable to your institution