



Bank of Namibia

NAMIBIAN BANKING INDUSTRY
COMPUTATION OF CAPITAL BASE BASEL III
QUARTERLY FIGURES FOR THE YEAR 2021 (N\$ '000)

CONSTITUENTS OF CAPITAL		Line no.	31-Mar	30-Jun	30-Sep	31-Dec
COMMON EQUITY TIER 1 CAPITAL (CET1)						
Ordinary shares (Paid-Up Equity Capital issued by banks)	1	23,881	23,881			
Share premium resulting from the issue of Ordinary shares included included in CET 1	2	2,283,424	2,283,423			
Reserves resulting from any capital increase or final dividend which have been declared by the board of the bank or any class of share	3	8,790,511	9,980,312			
Accumulated other comprehensive income and other disclosed reserves, excluding revaluation of surplus on land and building assets	4	4,329,956	5,221,031			
Current year's interim profits that satisfy all conditions set out in paragraph 10.1 (a) of BID:SA	5	292,544	0			
Ordinary shares issued by consolidated subsidiaries of the bank and held by the third parties that meet the criteria for inclusion in CET 1 Capital	6	0	0			
Regulatory adjustments applied in the calculation of CET 1 Capital due to capital shortfalls on AT1 and Tier 2 capital	7	0	0			
REGULATORY ADJUSTMENTS Capital (sum of line item 1 to item 7)		15,690,336	17,488,667			
Regulatory adjustments/Deduction						
Deduct: Goodwill and other intangibles (except mortgage servicing rights)	8	640,907	748,274			
Deduct: Deferred tax assets	10	228,421	32,483			
Deduct: Other regulatory adjustments	11	0	0			
Deduct: Gain on sale related to securitization Transactions (lessors any increase in equity capital resulting from securitization transaction, such as that associated with expected future margin loss resulting in a gain or loss on the transaction)	12	0	0			
Deduct: Cumulative effect of losses due to change in own credit risk on fair valued financial liabilities	13	0	0			
Deduct: Defined benefit pension fund assets and liabilities	14	87,298	88,317			
Deduct: Other regulatory adjustments (not shown/other)	15	0	0			
Deduct: Reciprocal cross holdings at the end of banking, financial and insurance entities	16	0	0			
Deduct: Cross holdings in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation and where the bank does not own 20% or more of the issued common share capital of the entity	17	0	0			
Deduct: Cross holdings in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation	18	0	0			
Deduct: Threshold deductions		19	0	0	0	0
Sub-total of Regulatory adjustments/Deduction Line item 9 to 19		956,686	889,674			
TOTAL ELIGIBLE TIER 1 CAPITAL (sum of line items 20 to 22)		14,733,650	16,618,994			
ADDITIONAL TIER 1 CAPITAL INSTRUMENTS						
Instrument issued by the bank that meets the criteria for inclusion in Additional Tier 1 Capital (and are not included in Common Equity Tier 1 Capital)	23	0	0			
Share premium resulting from the issue of instruments included in Additional Tier 1 Capital	24	0	0			
Instrument issued by consolidated subsidiaries of the bank and held by the third parties that meets the criteria for inclusion in Additional Tier 1 Capital and are not included in Common Equity Tier 1 Capital	25	0	0			
Regulatory adjustments applied in the calculation of Additional Tier 1 Capital	26	0	0			
Sub-total of Regulatory adjustments/Deduction Line item 26 to 29		0	0	0	0	0
NET T1 Total Additional Tier 1 Capital (Line item 28 less line item 30)		31	0	0	0	0
TOTAL ELIGIBLE TIER 1 CAPITAL (the sum of item 21 and item 31)		32	14,733,650	16,618,994		
TIER 2 CAPITAL INSTRUMENTS						
Instruments issued by the bank that meet the criteria for inclusion in Tier 2 Capital and (are not included in Tier 1 capital)	33	270,241	225,656			
Share premium resulting from the issue of instruments included in Tier 2 Capital	34	0	0			
Instrument issued by consolidated subsidiaries of the bank and held by the third parties that meets the criteria for inclusion in Tier 2 Capital and are not included in Tier 1 capital	35	0	0			
Consenicton loss provisions as specified in Section 10 of BID:SA	36	1,026,222	1,093,732			
Unaudited interim profits (will be phased out over a period of five years from the implementation date of section 10 of BID:SA)	37	855,294	198,213			
Surplus arising from revaluation of land holding that meet conditions explained in Section 10 (f) of BID:SA	38	20,858	20,858			
Regulatory adjustments applied in the calculation of Tier 2 capital (further clarity is given in Section 11 & 12 of BID:SA)	39	0	0			
Sub-total Tier 2 Capital (sum of line items 33 to 39)		40	2,172,815	1,538,638		
Regulatory adjustments/Deduction						
Deduct: 50% of securitization exposure where the applicable risk weight has not been applied	41	0	0			
Deduct any other deduction items that do not meet criteria for CET1 and for AT1	42	0	0			
Sub-total of Regulatory adjustments/Deduction Line item 41 to 42		43	0	0	0	0
NET total Tier 2 Capital (Line item 40 less item 43)		44	2,172,815	1,538,638		
TOTAL ELIGIBLE CAPITAL (the sum of items 32 and 44)		45	16,906,465	18,157,632		
COMPUTATION OF RISK-WEIGHTED ASSETS						
1. Credit Risk - Standardized Approach (including RW equivalent for OPR balance sheet exposures)						
Total Risk-weighted Amount for Credit Risk	47	93,902,779	95,011,696			
2. Operational Risk (see Note 5):						
(a) Basic Indicator Approach: Calibrated risk-weighted amount	48	0	0			
(b) The Standardized Approach: Calibrated risk-weighted amount	49	13,036,648	13,121,797			
Total Risk-weighted Amount for Operational Risk	50	13,036,648	13,121,797			
3. Market risk - Standardized Approach						
Calibrated Risk-weighted Amount for Market Risk	51	1,476,811	1,604,219			
AGGREGATED RISK-WEIGHTED ASSETS (the sum of line items 47, 50 and 51)		53	108,416,530	109,737,912		
TOTAL ELIGIBLE CAPITAL RATIO (the sum of item 45 divided by line item 53 (Minimum of 10.0%)		55	15.6%	18.5%		
OF WHICH:						
(i) CET 1 Capital Ratio (line item 21 divided by line item 53) (Minimum of 6%)	54	13.8%	15.1%			
Additional Tier 1 Capital Ratio (line item 31 divided by line item 53) (Maximum of 1.5%)	55					
Tier 2 Capital Ratio (Line item 32 divided by line item 53) (Minimum of 7.5%)	56	13.6%	15.1%			
Tier 2 Capital Ratio (Line item 44 divided by line item 53) (Minimum of 2.5%)	57	2.6%	1.4%			
ADDITIONAL CAPITAL BUFFERS AS MAY BE SPECIFIED BY THE REGULATOR FROM TIME TO TIME						
Total risk-weighted capital ratio (including additional capital buffer specified)	58	0.0%	0.0%			
Capital conservation buffer Ratio (Line item 52 divided by line item 53) (Minimum of 0.625% to maximum of 2.5%)	59	15.6%	16.5%			
Counter Cyclical Buffer (2.5% of aggregated risk-weighted assets)	60	1.6%	1.6%			
OTHER CAPITAL MEASURES						
Gross Assets (total assets plus general and specific provisions and off-balance sheet exposure)	62	160,971,648	164,676,507			
TIER 1 LEVERAGE RATIO (Line item 55 divided by line item 62) (Minimum of 4%)		63	8.2%	10.1%		

Note 1: Banking institutions shall meet and report individual policies in accordance with section 11(1).

Note 2: The sum of the eligible Tier 1 capital must exceed 25% of Tier 1 capital.

Note 3: Deduct 50% from Tier 1 capital and 50% from Tier 2 capital if the applicable risk-weight for securitization is not applied.

Note 4: The counter-cyclical buffer will be determined and pre-announced by the national authority from time to time.