

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

Constituents of Capital	Line no	31-Mar	30-Jun	30-Sep	31-Dec
<b>TIER 1 CAPITAL</b>					
Paid-up ordinary shares	1	768,400	768,400	768,400	768,400
Paid-up non-cumulative perpetual preference shares	2	215,085	215,085	215,085	215,085
Share premium	3	59,524	59,524	59,524	59,524
Retained profits/(accumulated losses)	4	252,799	226,875	199,731	137,481
General Reserves	5	21,973	22,218	22,534	22,847
Minority interests (consistent with the above capital constituents)	7	-	-	-	-
<b>Sub-Total (Sum of Line items 1 to 7)</b>	<b>8</b>	<b>1,317,781</b>	<b>1,292,102</b>	<b>1,265,273</b>	<b>1,203,338</b>
Deduct: Goodwill related to consolidated subsidiaries, subsidiaries deconsolidated for regulatory capital purposes, and proportional consolidation	9	-	-	-	-
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	-	-	-	-
<b>NET-TOTAL TIER 1 CAPITAL (line item 8 less line items 9 to 16)</b>	<b>17</b>	<b>1,317,781</b>	<b>1,292,102</b>	<b>1,265,273</b>	<b>1,203,338</b>
<b>TIER 2 CAPITAL</b>					
Hybrid (debt/equity) capital instruments	18	-	-	-	-
Eligible subordinated term debt (limited to 50% of total Tier 1 capital)	19	-	-	-	-
Asset revaluation reserves	20	-	-	-	-
General provisions (general loan loss reserves (limited to 1.25% of total risk-weighted assets)	21	19,407	31,766	26,729	25,068
Current unaudited profits (if applicable): [see Note 1]	22	18,077	18,635	19,876	18,289
<b>Sub-total (sum of line items 18 to 22)</b>	<b>23</b>	<b>37,484</b>	<b>50,401</b>	<b>46,604</b>	<b>43,357</b>
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	-	-	-	-
Deduct: 50% of investments in unconsolidated subsidiaries and in subsidiaries 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	-	-	-	-
<b>NET-TOTAL TIER 2 CAPITAL (line item 23 less items 24 to 29)</b>	<b>30</b>	<b>37,484</b>	<b>50,401</b>	<b>46,604</b>	<b>43,357</b>
<b>TIER 3 CAPITAL</b>					
Eligible short-term subordinated debt (see Note 2)	31	-	-	-	-
<b>TOTAL TIER 3 CAPITAL</b>	<b>32</b>				
<b>Tier 1 available for Market risk</b>	<b>33</b>	<b>1,192,456</b>	<b>1,158,850</b>	<b>1,124,859</b>	<b>1,049,294</b>
<b>ELIGIBLE TIER 3 CAPITAL (See Note 3)</b>	<b>34</b>				
<b>ELIBLE TIER 2 and TIER 3 CAPITAL (See Note 4)</b>	<b>35</b>	<b>37,484</b>	<b>50,401</b>	<b>46,604</b>	<b>43,357</b>
<b>TOTAL QUALIFYING CAPITAL (sum of line items 17 and 35)</b>	<b>36</b>	<b>1,355,265</b>	<b>1,342,502</b>	<b>1,311,877</b>	<b>1,246,695</b>
<b>COMPUTATION OF RISK-WEIGHTED ASSETS</b>					
1. Credit Risk: Standardised Approach					
<b>Total Risk-Weighted Amount for Credit Risk</b>	<b>37</b>	<b>1,552,724</b>	<b>1,653,042</b>	<b>1,737,077.78</b>	<b>1,916,298.848</b>
2. Operational Risk: (see Note 5):					
2 (a). Basic Indicator Approach : Calibrated risk-weighted amount	38	66,860	57,513	53,371	46,666
2 (b). The Standardised Approach: Calibrated risk-weighted amount	39	170,779	193,037	215,468	237,656
<b>Calibrated Risk-Weighted Amount for Operational Risk</b>	<b>40</b>	<b>237,639</b>	<b>250,551</b>	<b>268,839</b>	<b>284,321</b>
3. Market Risk: Standardised Approach					
<b>Calibrated Risk-Weighted Amount for Market Risk</b>	<b>41</b>	<b>3,268</b>	<b>3,157</b>	<b>937</b>	<b>1,406</b>
<b>AGGREGATE RISK-WEIGHTED ASSETS (sum of line items 37; 40; and 41)</b>	<b>42</b>	<b>1,793,630</b>	<b>1,906,750</b>	<b>2,006,854</b>	<b>2,202,027</b>
<b>TOTAL RISK-WEIGHTED CAPITAL RATIO (line item 54 divided by line item 66) (minimum of 10%)</b>	<b>43</b>	<b>75.6%</b>	<b>70.4%</b>	<b>65.4%</b>	<b>56.6%</b>
OF WHICH:					
<b>TIER 1 RISK-BASED CAPITAL RATIO (line item 17 divided by line item 42) (minimum of 7%)</b>	<b>44</b>	<b>73.5%</b>	<b>67.8%</b>	<b>63.0%</b>	<b>54.6%</b>
<b>TIER 2 RISK-BASED CAPITAL RATIO (line item 30 divided by line item 42)</b>	<b>45</b>	<b>2.1%</b>	<b>2.6%</b>	<b>2.3%</b>	<b>2.0%</b>
<b>TIER 3 RISK-BASED CAPITAL RATIO (line item 32 divided by line item 42)</b>	<b>46</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
<b>ADDITIONAL CAPITAL SPECIFIED BY THE REGULATOR</b>	<b>47</b>				
Total risk-weighted capital ratio (including additional capital specified)	48	75.6%	70.4%	65.4%	56.6%
<b>OTHER CAPITAL MEASURES</b>					
Gross Assets (total assets plus general and specific provisions)	49	2,371,483	2,437,194	2,637,472	3,393,513
<b>TIER 1 LEVERAGE RATIO (line item 17 divided by line item 47) (minimum of 6%)</b>	<b>50</b>	<b>55.6%</b>	<b>53.0%</b>	<b>48.0%</b>	<b>35.5%</b>

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