

**NAMIBIAN BANKING INDUSTRY
COMPUTATION OF CAPITAL BASE (RWC 1)
QUARTERLY FIGURES FOR THE YEAR 2018 (N\$ '000)**

Constituents of Capital	Line no	31-Mar	30-Jun	30-Sep	31-Dec
TIER 1 CAPITAL					
Paid-up ordinary shares	1	592,961	592,961	592,961	592,961
Paid-up non-cumulative perpetual preference shares	2	215,085	215,085	215,085	215,085
Share premium	3	2,322,078	2,322,078	2,322,077	2,322,077
Retained profits/(accumulated losses)	4	4,469,777	5,425,051	5,142,941	5,017,541
General Reserves	5	5,312,691	5,205,092	5,716,540	5,869,213
Minority interests (consistent with the above capital constituents)	7	-	-	-	-
Sub-Total (Sum of Line items 1 to 7)	8	12,912,591	13,760,266	13,989,604	14,016,876
Deduct: Goodwill related to consolidated subsidiaries, subsidiaries deconsolidated for regulatory capital purposes, and proportional consolidation	9	106,733	104,244	101,383	98,521
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	12,805,858	13,656,022	13,888,221	13,918,355
TIER 2 CAPITAL					
Hybrid (debt/equity) capital instruments	18	-	-	-	-
Eligible subordinated term debt (limited to 50% of total Tier 1 capital)	19	1,098,075	1,098,458	1,090,870	1,103,375
Asset revaluation reserves	20	45,985	45,985	45,985	45,985
General provisions (general loan loss reserves (limited to 1.25% of total risk-weighted assets)	21	1,087,481	843,534	741,564	799,180
Current unaudited profits (if applicable)- [see Note 1]	22	969,068	959,340	959,340	979,972
Sub-total (sum of line items 18 to 22)	23	3,200,609	2,947,316	2,837,759	2,928,511
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	25	-	-	-	-
Deduct: 50% of investments in unconsolidated subsidiaries and in subsidiaries deconsolidated for regulatory capital purposes	26	-	-	-	-
Deduct: 50% of investments in securitisation exposures for third party investors with long-term credit-rating of B+ and below	27	-	-	-	-
Deduct: 50% of investments in securitisation exposures for third party investors with short-term credit-rating below investment grade	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	3,200,609	2,947,316	2,837,759	2,928,511
TIER 3 CAPITAL					
Eligible short-term subordinated debt (see Note 2)	31	-	-	-	-
TOTAL TIER 3 CAPITAL	32	-	-	-	-
Tier 1 available for Market risk	33	6,338,121	7,074,009	7,130,946	6,987,516
ELIGIBLE TIER 3 CAPITAL (See Note 3)	34	-	-	-	-
ELIBLE TIER 2 and TIER 3 CAPITAL (See Note 4)	35	3,200,609	2,947,316	2,837,759	2,928,511
TOTAL QUALIFYING CAPITAL (sum of line items 17 and 35)	36	16,006,467	16,603,339	16,725,980	16,846,866
COMPUTATION OF RISK-WEIGHTED ASSETS					
1. Credit Risk: Standardised Approach		0	-	-	-
Total Risk-Weighted Amount for Credit Risk	37	81,089,101	82,512,852	84,885,632	87,150,482
2. Operational Risk: (see Note 5):		0	-	-	-
2 (a). Basic Indicator Approach: Calibrated risk-weighted amount	38	28,669	33,498	44,103	58,327
2 (b). The Standardised Approach: Calibrated risk-weighted amount	39	11,278,472	11,482,413	11,602,766	11,803,180
Calibrated Risk-Weighted Amount for Operational Risk	40	11,307,141	11,515,911	11,646,869	11,861,507
3. Market Risk: Standardised Approach		0	-	-	-
Calibrated Risk-Weighted Amount for Market Risk	41	903,305	970,209	1,428,116	1,779,281
AGGREGATE RISK-WEIGHTED ASSETS (sum of line items 37; 40; and 41)	42	93,299,547	94,998,972	97,960,617	100,791,271
N\$'000					
TOTAL RISK-WEIGHTED CAPITAL RATIO (line item 54 divided by line item 66) (minimum of 10%)	43	17.2%	17.5%	17.1%	16.7%
OF WHICH:					
TIER 1 RISK-BASED CAPITAL RATIO (line item 17 divided by line item 42) (minimum of 7%)	44	13.7%	14.4%	14.2%	13.8%
TIER 2 RISK-BASED CAPITAL RATIO (line item 30 divided by line item 42)	45	3.4%	3.1%	2.9%	2.9%
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	17.2%	17.5%	17.1%	16.7%
OTHER CAPITAL MEASURES					
Gross Assets (total assets plus general and specific provisions)	49	126,615,293	127,254,878	133,773,968	133,720,754
TIER 1 LEVERAGE RATIO (line item 17 divided by line item 47) (minimum of 6%)	50	10.1%	10.7%	10.4%	10.4%

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 JUNket risk

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