Bank of Namibia

NAMIBIAN BANKING INDUSTRY
COMPUTATION OF CAPITAL BASE (RWCR 1)
QUARTERLY FIGURES FOR THE YEAR 2013

Constituents of Capital	Line no	31-Mar	30-Jun	30-Sep	31-Dec
TIER 1 CAPITAL					
Paid-up ordinary shares	1	23,841	23,861	23,861	23,861
Paid-up non-cumulative perpetual preference shares	2	-	-	-	-
Share premium	3	1,912,574	2,112,553	2,112,553	2,112,553
Retained profits/(accumulated losses)	4	1,478,142	1,465,408	2,812,225	3,013,465
General Reserves	5	2,261,875	2,262,018	1,613,725	1,612,070
Minority interests (consistent with the above capital constituents)	7	-	-	-	-
Sub-Total (Sum of Line items 1 to 7)	8	**5,676,432**	**5,863,840**	**6,562,364**	**6,761,948**
Deduct: Goodwill related to consolidated subsidiaries, subsidiries deconsolidated for regulatory capital purposes, and proportional consolidation	9	180,745	175,635	171,121	165,943
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 JUNging income, gains on sale)	12	-	-	-	-
Deduct: 50% investments in securitisation exposure for third party investors with long-term credit ratings of B+ abd 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	**5,495,687**	**5,688,205**	**6,391,243**	**6,596,005**
TIER 2 CAPITAL					
Hybrid (debt/equity) capital instruments	18	-	-	-	-
Eligible subordinated term debt (limited to 50% of total Tier 1 capital)	19	697,843	705,058	697,970	705,320
Asset revaluation reserves	20	18,676	18,676	18,676	19,582
General provisions (general loan loss reserves (limited to 1.25% of total risk-weighted assets)	21	439,996	663,611	259,736	339,330
Current unaudited profits (if applicable)- [see Note 1]	22	537,337	572,749	579,289	613,367
Sub-total (sum of line items 18 to 22)	23	**1,693,852**	**1,960,094**	**1,555,671**	**1,677,599**
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	-	-	-	-
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	-	-	-	-
NET-TOTAL TIER 2 CAPITAL (line item 23 less items 24 to 29)	30	**1,693,852**	**1,960,094**	**1,555,671**	**1,677,599**
TIER 3 CAPITAL					
Eligible short-term subordinated debt (see Note 2)	31	-	-	-	-
TOTAL TIER 3 CAPITAL	32	-	-	-	-
Tier 1 available for JUNket risk	33	1,976,130	**1,998,629**	**2,580,644**	**2,614,715**
ELIGIBLE TIER 3 CAPITAL (See Note 3)	34	-	-	-	-
ELIBLE TIER 2 and TIER 3 CAPITAL (See Note 4)	35	1,693,852	**1,960,094**	**1,555,671**	**1,677,599**
TOTAL QUALIFYING CAPITAL (sum of line items 17 and 35)	36	**7,189,539**	**7,648,299**	**7,946,914**	**8,273,604**
COMPUTATION OF RISK -WEIGHTED ASSETS					
1. Credit Risk: Standardised Approach					
Total Risk-Weighted Amount for Credit Risk	37	44,539,387	**46,807,436**	**48,358,603**	**50,606,374**
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	5,739,996	**5,900,797**	**6,078,520**	**6,269,197**
Calibrated Risk-Weighted Amount for Operational Risk	40	5,739,996	**5,900,797**	**6,078,520**	**6,269,197**
3. JUNket Risk: Standardised Approach					
Calibrated Risk-Weighted Amount for Market Risk	41	336,574	**345,922**	**380,367**	**435,644**
AGGREGATE RISK-WEIGHTED ASSETS (sum of line items 37; 40; and 41)	**42**	**50,615,958**	**53,054,155**	**54,817,490**	**57,311,215**
N$'000					
TOTAL RISK-WEIGHTED CAPITAL RATIO (line item 54 divided by line item 66) (minimum of 10%)	43	**14.2%**	**14.4%**	**14.5%**	**14.4%**
OF WHICH:					
TIER 1 RISK-BASED CAPITAL RATIO (line item 17 divided by line item 42) (minimum of 7%)	44	**10.9%**	**10.7%**	**11.7%**	**11.5%**
TIER 2 RISK-BASED CAPITAL RATIO (line item 30 divided by line item 42)	45	**3.3%**	**3.7%**	**2.8%**	**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	**14.2%**	**14.4%**	**14.5%**	**14.4%**
OTHER CAPITAL MEASURES					
Gross Assets (total assets plus general and specific provisions)	49	**69,750,238**	**71,435,432**	**75,230,357**	**77,517,409**
TIER 1 LEVERAGE RATIO (line item 17 divided by line item 47) (minimum of 6%)	50	**7.9%**	**8.0%**	**8.5%**	**8.5%**

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