Bank of Namibia

NAMIBIAN BANKING INDUSTRY
COMPUTATION OF CAPITAL BASE (RWCR 1)
QUARTERLY FIGURES FOR THE YEAR 2015

Constituents of Capital	Line no	31-Mar	30-Jun	30-Sep	31-Dec
TIER 1 CAPITAL					
Paid-up ordinary shares	1	23,861	23,861	23,860	23,860
Paid-up non-cumulative perpetual preference shares	2	-	-	-	-
Share premium	3	2,112,553	2,262,553	2,262,553	2,262,554
Retained profits/(accumulated losses)	4	2,671,605	2,678,456	3,276,741	3,733,820
General Reserves	5	3,156,923	2,999,159	3,389,818	3,382,818
Minority interests (consistent with the above capital constituents)	7	-	-	-	-
Sub-Total (Sum of Line items 1 to 7)	8	**7,964,942**	**7,964,029**	**8,952,972**	**9,403,052**
Deduct: Goodwill related to consolidated subsidiaries, subsidiries deconsolidated for regulatory capital purposes, and proportional consolidation	9	144,914	141,011	137,108	133,205
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	**7,820,028**	**7,823,018**	**8,815,864**	**9,269,847**
TIER 2 CAPITAL					
Hybrid (debt/equity) capital instruments	18	-	-	-	-
Eligible subordinated term debt (limited to 50% of total Tier 1 capital)	19	697,389	802,226	777,827	782,419
Asset revaluation reserves	20	45,985	45,985	19,582	19,582
General provisions (general loan loss reserves (limited to 1.25% of total risk-weighted assets)	21	735,164	753,026	776,205	809,943
Current unaudited profits (if applicable)- [see Note 1]	22	758,784	924,990	421,143	281,548
Sub-total (sum of line items 18 to 22)	23	**2,237,321**	**2,526,226**	**1,994,756**	**1,893,492**
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	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	**2,237,321**	**2,526,226**	**1,994,756**	**1,893,492**
TIER 3 CAPITAL					
Eligible short-term subordinated debt (see Note 2)	31	-	-	-	-
TOTAL TIER 3 CAPITAL	32	-	-	-	-
Tier 1 available for Market risk	33	3,088,291	2,945,053	3,681,834	3,840,137
ELIGIBLE TIER 3 CAPITAL (See Note 3)	34	-	-	-	-
ELIBLE TIER 2 and TIER 3 CAPITAL (See Note 4)	35	2,237,321	2,526,226	1,994,756	1,893,492
TOTAL QUALIFYING CAPITAL (sum of line items 17 and 35)	36	**10,057,349**	**10,349,244**	**10,810,620**	**11,163,339**
COMPUTATION OF RISK -WEIGHTED ASSETS					
1. Credit Risk: Standardised Approach					
Total Risk-Weighted Amount for Credit Risk	37	**60,124,961**	**61,837,256**	**64,921,285**	**68,421,031**
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	7,471,284	7,847,955	8,422,002	9,146,259
Calibrated Risk-Weighted Amount for Operational Risk	40	**7,471,284**	**7,847,955**	**8,422,002**	**9,146,259**
3. JUNket Risk: Standardised Approach					

Calibrated Risk-Weighted Amount for Market Risk	41	**1,520,225**	**1,943,136**	**1,098,794**	**754,464**
AGGREGATE RISK-WEIGHTED ASSETS (sum of line items 37; 40; and 41)	**42**	**69,116,470**	**71,628,347**	**74,442,080**	**78,321,755**
N$'000					
TOTAL RISK-WEIGHTED CAPITAL RATIO (line item 54 divided by line item 66) (minimum of 10%)	43	**14.6%**	**14.4%**	**14.5%**	**14.3%**
OF WHICH:					
TIER 1 RISK-BASED CAPITAL RATIO (line item 17 divided by line item 42) (minimum of 7%)	44	**11.3%**	**10.9%**	**11.8%**	**11.8%**
TIER 2 RISK-BASED CAPITAL RATIO (line item 30 divided by line item 42)	45	**3.2%**	**3.5%**	**2.7%**	**2.4%**
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	**14.6%**	**14.4%**	**14.5%**	**14.3%**
OTHER CAPITAL MEASURES					
Gross Assets (total assets plus general and specific provisions)	49	**93,519,395**	**94,719,081**	**98,620,998**	**98,799,324**
TIER 1 LEVERAGE RATIO (line item 17 divided by line item 47) (minimum of 6%)	50	**8.4%**	**8.3%**	**8.9%**	**9.4%**

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