



Regulatory Capital Disclosures

31 March 2019

Regulatory Capital Disclosures

PD 1: Post 1 January 2019 disclosure template

US\$ million

Basel III Common Disclosure Template	PIR as on 31 March 2019	Reference
Common Equity Tier 1 capital: instruments and reserves		
1 Directly issued qualifying common share capital plus related stock surplus	3,105	a
2 Retained earnings	872	b
3 Accumulated other comprehensive income (and other reserves)	(91)	c1+c2+c3+c4+c5
4 <i>Not applicable</i>	-	
5 Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	237	d
6 Common Equity Tier 1 capital before regulatory adjustments	4,123	
Common Equity Tier 1 capital: regulatory adjustments		
7 Prudential valuation adjustments	-	
8 Goodwill (net of related tax liability)	-	
9 Other intangibles other than mortgage-servicing rights (net of related tax liability)	18	e
10 Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	3	f
11 Cash-flow hedge reserve	-	
12 Shortfall of provisions to expected losses	-	
13 Securitisation gain on sale (as set out in paragraph 562 of Basel II framework)	-	
14 Not applicable	-	
15 Defined-benefit pension fund net assets	30	c6
16 Investments in own shares	-	
17 Reciprocal cross-holdings in common equity	-	
18 Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-	
19 Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold)	-	
20 Mortgage servicing rights (amount above 10% threshold)	-	
21 Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	-	
22 Amount exceeding the 15% threshold	-	
23 of which: significant investments in the common stock of financials	-	
24 of which: mortgage servicing rights	-	
25 of which: deferred tax assets arising from temporary differences	-	
26 CBB specific regulatory adjustments	-	
27 Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	-	
28 Total regulatory adjustments to Common equity Tier 1	51	
29 Common Equity Tier 1 capital (CET1)	4,072	

Regulatory Capital Disclosures

PD 1: Post 1 January 2019 disclosure template (continued)

US\$ million

Basel III Common Disclosure Template	PIR as on 31 March 2019	Reference
Additional Tier 1 capital: instruments		
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus	-
31	of which: classified as equity under applicable accounting standards	-
32	of which: classified as liabilities under applicable accounting standards	-
33	<i>Directly issued capital instruments subject to phase out from Additional Tier 1</i>	-
34	Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in Group AT1)	50 g
35	<i>of which: instruments issued by subsidiaries subject to phase out</i>	-
36	Additional Tier 1 capital before regulatory adjustments	50
Additional Tier 1 capital: regulatory adjustments		
37	Investments in own Additional Tier 1 instruments	-
38	Reciprocal cross-holdings in Additional Tier 1 instruments	-
39	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)	-
40	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-
41	CBB specific regulatory adjustments	-
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-
43	Total regulatory adjustments to Additional Tier 1 capital	-
44	Additional Tier 1 capital (AT1)	50
45	Tier 1 capital (T1 = CET1 + AT1)	4,122
Tier 2 capital: instruments and provisions		
46	Directly issued qualifying Tier 2 instruments plus related stock surplus	-
47	<i>Directly issued capital instruments subject to phase out from Tier 2</i>	-
48	Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in Group Tier 2)	-
49	<i>of which: instruments issued by subsidiaries subject to phase out</i>	-
50	Provisions	174 h
51	Tier 2 capital before regulatory adjustments	174
Tier 2 capital: regulatory adjustments		
52	Investments in own Tier 2 instruments	-
53	Reciprocal cross-holdings in Tier 2 instruments	-
54	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)	-

Regulatory Capital Disclosures

PD 1: Post 1 January 2019 disclosure template (continued)

US\$ million

Basel III Common Disclosure Template	PIR as on 31 March 2019	Reference
<u>Tier 2 capital: regulatory adjustments (continued)</u>		
55 Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-	
56 National specific regulatory adjustments	-	
57 Total regulatory adjustments to Tier 2 capital	-	
58 Tier 2 capital (T2)	174	
59 Total capital (TC = T1 + T2)	4,296	
60 Total risk weighted assets	24,792	
<u>Capital ratios and buffers</u>		
61 Common Equity Tier 1 (as a percentage of risk weighted assets)	16.4%	
62 Tier 1 (as a percentage of risk weighted assets)	16.6%	
63 Total capital (as a percentage of risk weighted assets)	17.3%	
64 Institution specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus countercyclical buffer requirements plus G-SIB buffer requirement, expressed as a percentage of risk weighted assets)	2.5%	
65 of which: capital conservation buffer requirement	2.5%	
66 of which: bank specific countercyclical buffer requirement	N/A	
67 of which: G-SIB buffer requirement	N/A	
68 Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets)	7.4%	
<u>National minima including CBB (where different from Basel III)</u>		
69 CBB Common Equity Tier 1 minimum ratio	9%	
70 CBB Tier 1 minimum ratio	10.5%	
71 CBB total capital minimum ratio	12.5%	
<u>Amounts below the thresholds for deduction (before risk weighting)</u>		
72 Non-significant investments in the capital of other financials	5	
73 Significant investments in the common stock of financials	17	
74 Mortgage servicing rights (net of related tax liability)	-	
75 Deferred tax assets arising from temporary differences (net of related tax liability)	101	
<u>Applicable caps on the inclusion of provisions in Tier 2</u>		
76 Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	174	
77 Cap on inclusion of provisions in Tier 2 under standardised approach	268	
78 N/A		
79 N/A		

Regulatory Capital Disclosures

PD 1: Post 1 January 2019 disclosure template (continued)

US\$ million

Basel III Common Disclosure Template	PIR as on 31 March 2019	Reference
<u>Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2019 and 1 Jan 2023)</u>		
80 <i>Current cap on CET1 instruments subject to phase out arrangements</i>	N/A	
81 <i>Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)</i>	N/A	
82 <i>Current cap on AT1 instruments subject to phase out arrangements</i>	N/A	
83 <i>Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)</i>	N/A	
84 <i>Current cap on T2 instruments subject to phase out arrangements</i>	N/A	
85 <i>Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)</i>	N/A	

Regulatory Capital Disclosures

PD 2 : Reconciliation of regulatory capital

i) Step 1: Disclosure of Balance Sheet under Regulatory scope of Consolidation

US\$ million

	Balance sheet as in published financial statements	Consolidated PIR data
Liquid funds	1,370	-
Cash and balances at central banks	-	1,117
Placements with banks and similar financial institutions	2,597	5,110
Reverse repurchase agreements and other similar secured lending	2,255	-
Financial assets at fair value through P&L	975	975
Non-trading investments	5,916	-
Investments at Amortized Cost	-	1,124
Investments at FVOCI	-	4,810
Loans and advances	14,909	15,036
Investment properties	-	-
Interest receivable	-	345
Other assets	1,749	1,369
Investments in associates and joint ventures	-	17
Goodwill and intangible assets	-	18
Property, plant and equipment	169	169
TOTAL ASSETS	29,940	30,090
Deposits from banks	3,517	7,381
Deposits from customers	17,258	13,394
Certificate of deposits issued	386	386
Repurchase agreements and other similar secured borrowing	902	902
Interest payable	-	359
Taxation	37	-
Other liabilities	1,567	1,221
Borrowings	1,947	1,818
Subordinated liabilities	-	129
TOTAL LIABILITIES	25,614	25,590
Paid-in share capital	3,110	3,110
Treasury shares	(5)	(5)
Reserves	751	751
Non - controlling interest	470	470
Expected Credit losses	-	174
TOTAL SHAREHOLDERS' EQUITY	4,326	4,500

Regulatory Capital Disclosures

PD 2 : Reconciliation of regulatory capital (continued)

ii) Step 2: Expansion of the Balance Sheet under Regulatory scope of Consolidation

US\$ million

ASSETS	Balance sheet as in published financial statements	Consolidated PIR data	Reference
Liquid funds	1,370	-	
Cash and balances at central banks	-	1,117	
Placements with banks and similar financial institutions	2,597	5,110	
Reverse repurchase agreements and other similar secured lending	2,255	-	
Financial assets at fair value through P&L	975	975	
Loans and advances	14,909	15,036	
Non-trading investments	5,916	5,934	
<i>Of which investment NOT exceeding regulatory threshold</i>	-	5,934	
Interest receivable	-	345	
Other assets	1,749	1,369	
<i>Of which deferred tax assets arising from carryforwards of unused tax losses, unused tax credits and all other</i>	-	3	<i>f</i>
<i>Of which deferred tax assets arising from temporary differences</i>	-	101	
Investments in associates and joint ventures	-	17	
<i>Of which Significant investment exceeding regulatory threshold</i>	-	-	
<i>Of which Significant investment NOT exceeding regulatory threshold</i>	-	17	
Goodwill and intangible assets	-	18	
<i>Of which goodwill</i>	-	-	
<i>Of which other intangibles (excluding MSRs) phased in at 100%</i>	-	18	<i>e</i>
<i>Of which MSRs</i>	-	-	
Property, plant and equipment	169	169	
TOTAL ASSETS	29,940	30,090	

Regulatory Capital Disclosures

PD 2 : Reconciliation of regulatory capital (continued)

ii) Step 2: Expansion of the Balance Sheet under Regulatory scope of Consolidation (continued)

US\$ million

LIABILITIES & SHAREHOLDERS' EQUITY	Balance sheet as in published financial statements	Consolidated PIR data	Reference
Deposits from banks	3,517	7,381	
Deposits from customers	17,258	13,394	
Certificate of deposits issued	386	386	
Repurchase agreements and other similar secured borrowing	902	902	
Interest payable	-	359	
Taxation	37	-	
Other liabilities	1,567	1,221	
Borrowings	1,947	1,818	
Subordinated liabilities	-	129	
<i>Of which amount eligible for TII</i>	-	-	
<i>Of which amount Ineligible</i>	-	129	
TOTAL LIABILITIES	25,614	25,590	
Paid-in share capital	3,110	3,110	
Treasury shares	(5)	(5)	
<i>Of which form part of CET1</i>			
Ordinary Share Capital	3,110	3,110	a
Treasury shares	(5)	(5)	a
Reserves	751	751	
<i>Of which form part of CET1</i>			
Retained earnings/(losses) brought forward	872	872	b
Net profit for the current period	55	55	c1
Legal reserve	501	501	c2
General (disclosed) reserves	100	100	c3
Fx translation adjustment	(739)	(739)	c4
Cumulative changes in fair value	(8)	(8)	c5
Pension fund reserve	(30)	(30)	c6
Non - controlling interest	470	470	
<i>Of which amount eligible for CET1</i>	-	237	d
<i>Of which amount eligible for ATI</i>	-	50	g
<i>Of which amount eligible for TII</i>	-	-	
<i>Of which amount ineligible</i>	-	183	
Expected credit losses	-	174	
<i>Of which amount eligible for TII (Maximum 1.25% of RWA)</i>	-	174	h
<i>Of which amount Ineligible</i>	-	-	
TOTAL SHAREHOLDERS' EQUITY	4,326	4,500	

Regulatory Capital Disclosures

PD 3 : Main features of regulatory capital instruments

Disclosure template for main features of regulatory capital instruments			
1	Issuer	Arab Banking Corporation	Banco ABC Brasil
2	Unique identifier	ABC	EI2084396 - USP0763MBW03; Brazilian Central Bank CMN Resolution 3444
3	Governing law(s) of the instrument	Laws of Bahrain	Laws of the Federative republic of Brazil
Regulatory treatment			
4	Transitional CBB rules	Common Equity Tier 1	N/A
5	Post-transitional CBB rules	Common Equity Tier 1	Tier 2
6	Eligible at solo/group/group & solo	Group & Solo	Group
7	Instrument type (types to be specified by each jurisdiction)	Common equity shares	Subordinated debt
8	Amount recognised in regulatory capital (Currency in mil, as of most recent reporting date)	US\$ 3,110	US\$ nil
9	Par value of instrument	1	1000
10	Accounting classification	Shareholders equity	Liability- Amortised cost
11	Original date of issuance	Various	4-Aug-10
12	Perpetual or dated	Perpetual	Dated
13	Original maturity date	No maturity	4-Aug-20
14	Issuer call subject to prior supervisory approval	Yes	No
15	Optional call date, contingent call dates and redemption amount	N/A	No
16	Subsequent call dates, if applicable	N/A	N/A
Coupons / dividends			
17	Fixed or floating dividend/coupon	Floating (Dividend as decided by the shareholders)	Fixed
18	Coupon rate and any related index	N/A	7.875
19	Existence of a dividend stopper	N/A	No

Regulatory Capital Disclosures

PD 3 : Main features of regulatory capital instruments (continued)

Disclosure template for main features of regulatory capital instruments			
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary	Mandatory
21	Existence of step up or other incentive to redeem	No	No
22	Non-cumulative or cumulative	N/A	Non-cumulative
23	Convertible or non-convertible	N/A	Non-convertible
24	If convertible, conversion trigger (s)	N/A	N/A
25	If convertible, fully or partially	N/A	N/A
26	If convertible, conversion rate	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A
30	Write-down feature	No	No
31	If write-down, write-down trigger(s)	N/A	N/A
32	If write-down, full or partial	N/A	N/A
33	If write-down, permanent or temporary	N/A	N/A
34	If temporary write-down, description of write-up mechanism	N/A	N/A
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Subordinated to all depositors and creditors (including subordinated debt) of the Bank	Subordinated to all depositors and creditors of the bank
36	Non-compliant transitioned features	No	Yes
37	If yes, specify non-compliant features	N/A	Non Viability Loss Absorption