

# Saudi Banking Sector H1 2015

The report reviews all listed Saudi Banks performance in H1 2015

## Sector Performance Summary

	Closing Price (SAR)	Market Cap. (SAR Million)	EPS (SAR)	PE (x)
RIBL	14.34	43,020	1.48	9.70
BJAZ	21.62	8,648	3.02	7.15
SAIB	20.09	13,059	2.30	8.73
SHB	36.04	20,598	3.50	10.29
BSFR	32.37	39,017	3.19	10.15
SABB	30.00	45,000	2.85	10.51
ARNB	29.60	29,600	2.98	9.92
SAMBA	23.25	46,500	2.56	9.08
Al Rajhi	55.19	89,684	4.09	13.50
AL Bilad	27.15	13,575	1.73	15.66
Alinma	18.76	28,140	0.92	20.50
NCB	54.71	109,420	4.33	12.63
Total		486,261	2.69	11.33

As of closing prices of September 7, 2015.  
Source: Tadawul, SAMA

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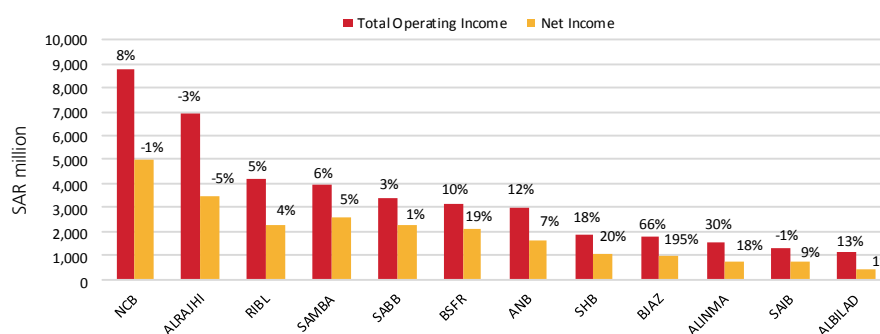
## Summary

- The aggregate net income of the banks listed at the Saudi stock exchange climbed 6.4% YoY in H1 2015 coming in at SAR 23.2 billion
- Total assets surged by 7.9% YoY in H1 2015 to reach SAR 2,175 billion.
- Net loans and financing posted growth of 8.7% in H1 2015 hitting SAR 1,328 billion.
- Deposits grew 8.2% reaching SAR 1,698 billion.

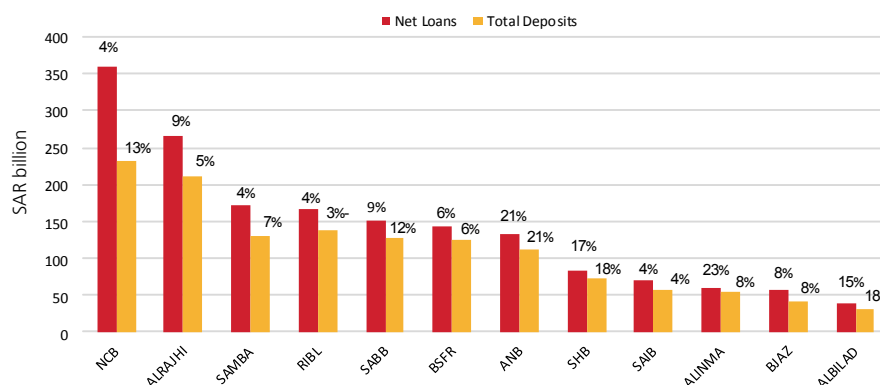
## Outlook

- Adequate capital and lower NPLs along with higher liquidity strengthens Saudi banks position to weather the impact of lower oil prices.
- The Federal Reserve Bank may tighten its monetary policy in the fourth quarter this year, which may bode well for the credit margins of Saudi banks given that demand deposits constitute 69% of total deposits.
- On the other hand, Saudi credit growth is predicted to slow down in 2015 compared to 2014 driven by the impacts of low oil prices.
- Government deposits accounted for 20.7% of total sector deposits at the end of June 2015; we don't expect lower government deposits in the second half of the year to have a material impact on the banking sector.
- The Saudi government has returned to the primary bonds market; a step aiming to lure SAR 100 billion by the end of the year constituting 5.9% of banking deposits. The step will also precede an expected upward shift in US interest rates; this will help control liquidity in the local market.

## Total Operating Income and Net Income with Annual Growth H1 2015



## Net Loans and Total Deposits with Annual Growth H1 2015



## Sector Performance Overview

Credit growth slowed down as net loans and financing grew 8.7% in H1 2015 from 12% YoY in 2014 reaching SAR 1,328 billion in H1 2015, while growth in deposits decelerated to 7.9% reaching SAR 1,698 billion in H1 2015 versus growth rate of 12.1% YoY in 2014. Net investments edged up 1.6% to SAR 503 billion. The lower pace of loans growth led to lower growth rate of total assets that rose by 7.9% YoY to reach SAR 2,175 billion versus a 10% increase in 2014. As the growth of loans was faster than the growth rate of deposits, loans to deposits ratio jumped by 26 basis points (bps) to 79.79% compared with 79.54% in H1 2014. The growth in consolidated statement of income for the Saudi banks outpaced the growth in income statement because of the continuous shrinkage of the interest margin, which lost 5 bps by the end of H1 2015 posting 3.00%.

The aggregate net income of the banks listed at the Saudi stock exchange climbed 6.4% YoY in H1 2015 coming in at SAR 23.2 billion. First half profits posted lower growth than its annual figure—10% YoY in 2014 for three main reasons: (i) lower special commission income growth rate of 6.6% compared to its annual figure of 8.2% in FY14. (ii) lower growth of 1.5% in banking charges and fees in H1 2015 compared to 10.7% YoY in 2014, (ii) the increase in salaries and employees expenses by 16.8% YoY in H1 2015.

In terms of asset quality, banks have continued to improve the credit quality of the loan portfolio, with non-performing loans decreasing 7.5% compared to H1 2014. With the high growth of total loans, the ratio of non-performing loans (NPLs) to total loans fell by 19 bps reaching 1.10% by the end of the half. Credit provisions/total loans ratio fell 15 bps to 1.98% at the quarter-end. Non-performing loan coverage came in at 180% compared to 166% at the end of H1 2015. Corporate loans led the loan growth constituting 68% of total loans, while the retail segment contributed 32% of the loans.

Regarding liquidity, total cash rose by 15.4% by the end of H1 2015 compared to H1 2014. Cash to total assets amounted to 12.77% at the end of the half, and the cash/ total deposits ratio hit 16.35%. On the other side, cash/ current deposits ratio fell 300 bps to 23.8% in H1 2015.

Demand deposits grew by 15% posting SAR 1,167 billion and representing 68.7% of total deposits, while savings and other deposits grew by 4% and 13.6%, respectively. In addition, time deposits slumped 6%, posting SAR 455 billion constituting 26.8% of total deposits.

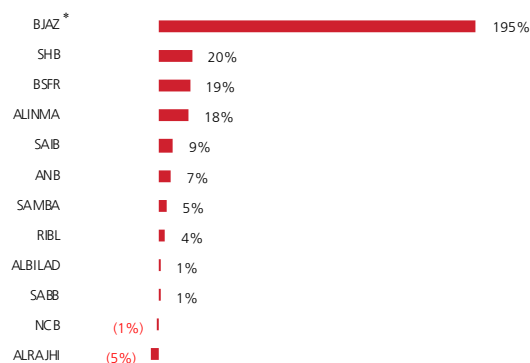
Demand deposits represented 68.7% to total deposits up 392 bps in June 2015. Time deposits contribution declined 403 bps reaching 26.8% of total deposits.

By the end of June 2015, return on assets (ROA) rose 2 bps YoY reaching 1.97%, while return on equity (RoE) increased 22 bps YoY reaching 14.85% in H1 2015.

Capital adequacy ratio of tier 1 declined 13 bps YoY reaching 15.9%. Tier 1+2 ratio slumped 7 bps YoY in June 2015 reaching 17.77%.

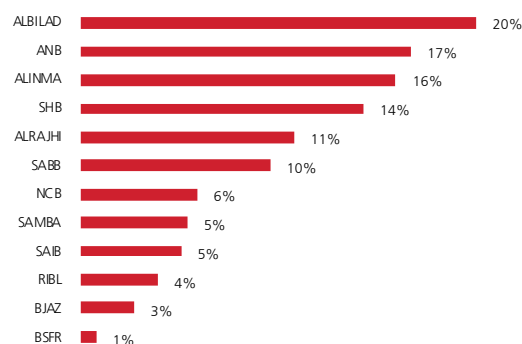
\*The net interest margin is the difference between yield on average earning assets and cost of average interest bearing liabilities

### Net income Growth

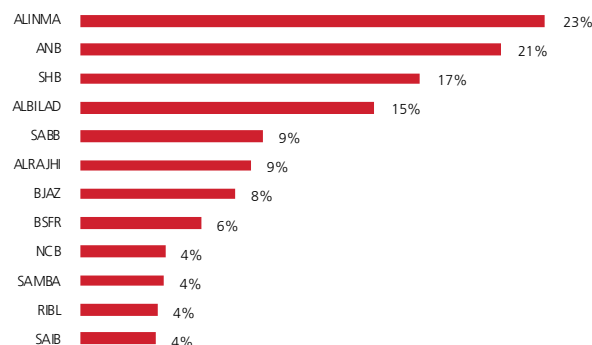


\* Includes a capital gain of SAR 573 million

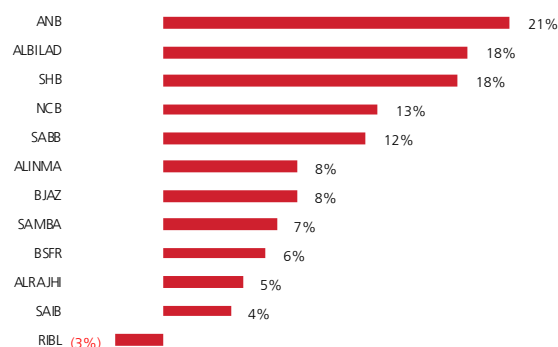
### Total Assets Growth



### Total Deposits Growth



### Net Loans Growth



# A look at the Performance of the Banking Segments

## Retail Segment

In H1 2015, profits of the retail segment in the banking sector shrank 1.4% versus H1 2014 coming in at SAR 4,906 million, thus trimming its share in total banking profits from 22.5% in H1 2014 to 21.2% in H1 2015.

NCB generated 21.58% of total retail profits, whereas each of Riyadh bank and Alrajhi bank contributed 6.34% and 38.14% of total segment profits, respectively.

## Corporate Segment

The corporate segment profit reached SAR 9,944 million in H1 2015, up 6.4% from H1 2014. The contribution of the sector rose to 43.1% of total banks' profits, compared with 42.2% in H1 2014. All banks recorded positive growth in the profits of corporate segment except for 3 banks topped by NCB which posted negative growth of 26.5%, thus shrinking its share from 25.5% in H1 2014 to 17.6% in H1 2015.

For the first time, Riyadh bank's share in corporate segment profits passed NCB's share seizing 17.9% of the segment profit versus 17.6% for NCB. Meanwhile, BSF, SAMBA and SABB contributed 33% of segments' profits with shares of 12%, 11% and 10%, respectively.

## Treasury Segment

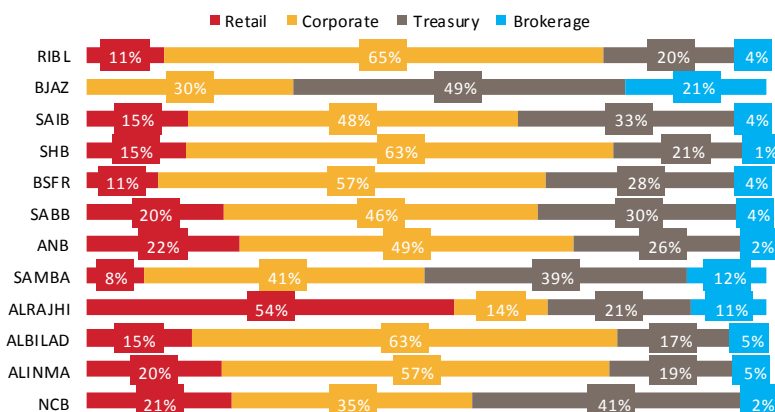
The treasury segment profit amounted to SAR 6,913 million, increasing 8.6% YoY. The share of the segment in total banking profits increased to 29.9% from 28.8%. Eight banks posted growth in treasury profit while four banks recorded a decline. As for major players, NCB acquired 29% of the total segment profit, followed by Samba which accounted for 15% of the sector profits.

## Brokerage and Investment Sector

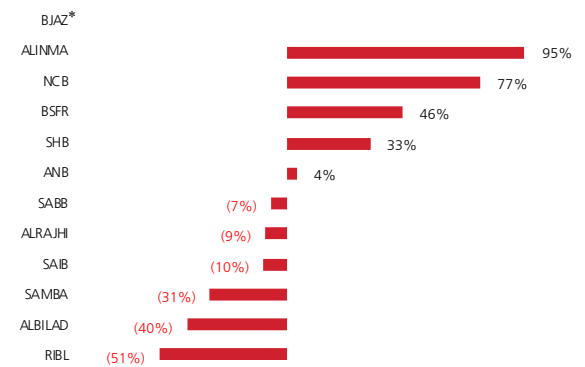
Profits of the segment dropped 8.3% pushed by traded value lower in Saudi Stock Market reaching SAR 1,332 million in H1 2015 capturing 5.8% of total banking profits. Five banks posted growth in their profits in the segment while 7 banks posted declined profits.

Alrajhi generated 29% of the segment profits, Samba acquired 23% and NCB constituted 9% of the aggregate figure .

## Net Income Breakdown per Segment for Each Bank

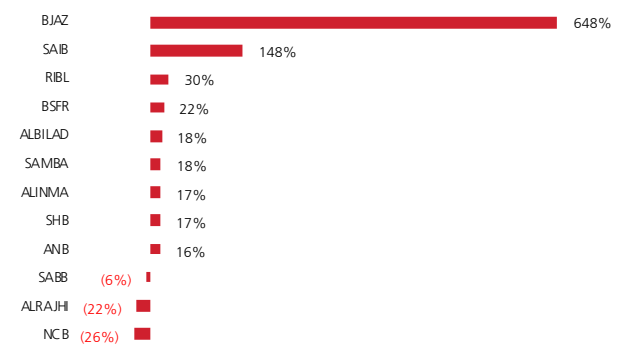


## Retail Segment Growth

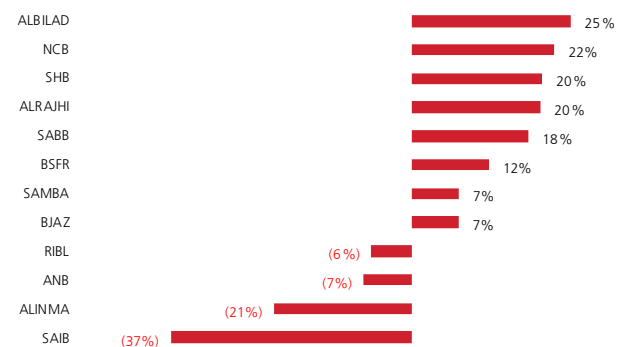


\* BJAZ losses increased by 487%

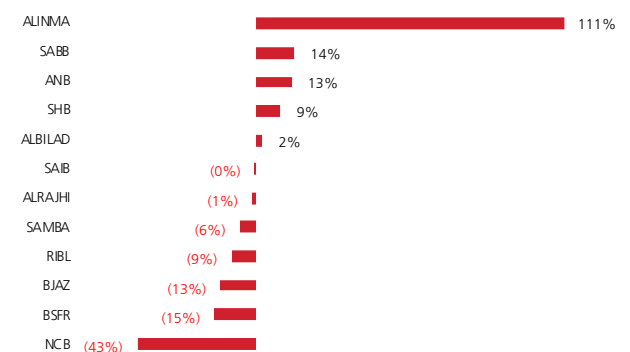
## Corporate Segment Growth



## Treasury Segment Growth



## Brokerage and Investment Segment Growth



## Income Statement Overview

### Net income

First half profits amounted to SAR 23.16 billion at the end of H1 2015 surging 6.4% over H1 2014; most of the banks recorded growth in profits with the exception of Al-Rajhi and NCB whose profits tumbled by 5.3% and 1%, respectively.

The slower pace of net income growth in H1 2015 compared to its annual growth by 10.2% in 2014 is attributed to three main factors: decelerating special commission income growth by 6.6% YoY in H1 2015 compared to 8.2% growth in FY14, decelerating growth of bank charges and fees posting 1.5% YoY in H1 2015 versus 10.7% in 2014 as well as a 16.8%-increase in salaries and employees expenses YoY in H1 2015 compared to H1 2014.

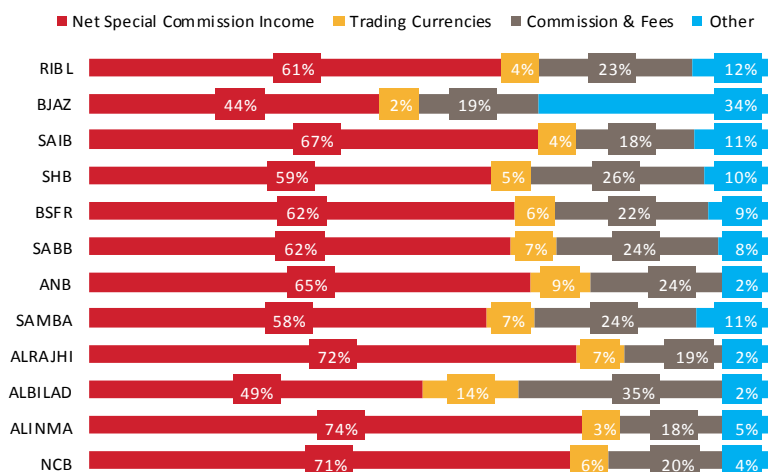
The consumer loans regulations applied in Q3 2014 limited charges and fees imposed by banks to their retail customers, thus net bank charges and fees slumped by 18%, 11%, 9%, 5% YoY in H1 2015 for Al Rajhi, Riyadh, SABB and NCB, respectively reducing these banks' profits from retail operations except for NCB whose profits rose 77% YoY due to its increased contribution in retail segment's profits by 957 basis points in H1 2015.

Five banks acquired 67% of the sector profitability, while the other seven banks accounted for 33% of the profits. No significant change occurred in profit shares except for BJAZ, Alrajhi and NCB; 2.7% increase for BJAZ, 1.9% and 1.6% decrease for Alrajhi and NCB, respectively.

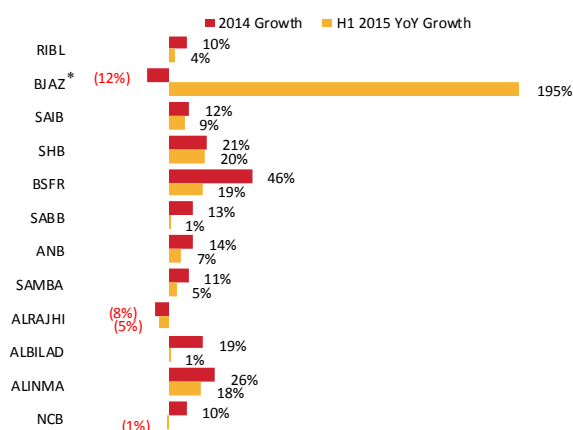
### Income and Expenses of Operations

By the end of H1 2015, total revenues for Saudi banks stood at SAR 41.07 billion increasing 8% versus H1 2014 pushed by net special commission income growth of 7.6% in the same period. Net special commission income stabilized at 65% of total revenues. All banks posted positive growth in total revenues except Al Rajhi and SAIB as their top line declined by 2.6% and 1.2% respectively. Three banks contributed 48% of total sector's revenues; NCB, Alrajhi and Riyadh with shares of 21%, 17% and 10%, respectively.

### Revenues Breakdown per Bank

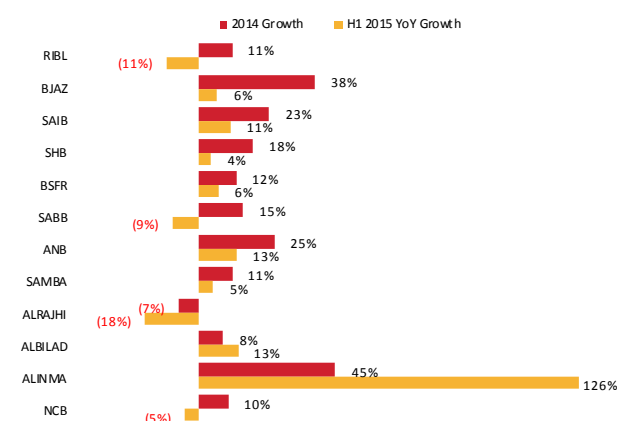


### Net income H1 2015 YoY Growth vs. FY14 Growth

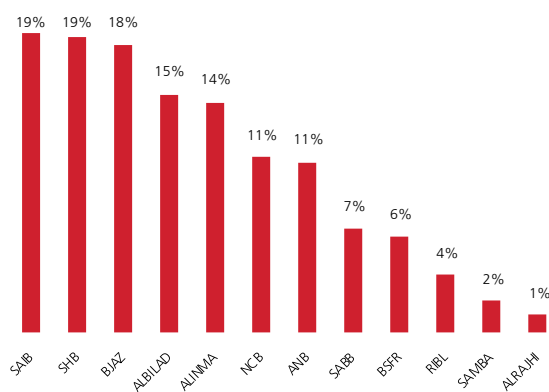


\* Includes a capital gain of SAR 573 million

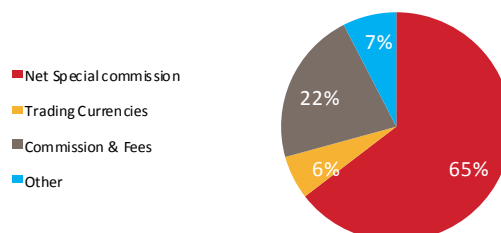
### Fees and Commissions H1 2015 YoY Growth vs. FY14 Growth



### Net Special Commission Income Growth



### Banking Sector Revenues Breakdown



# Balance Sheet Items Overview

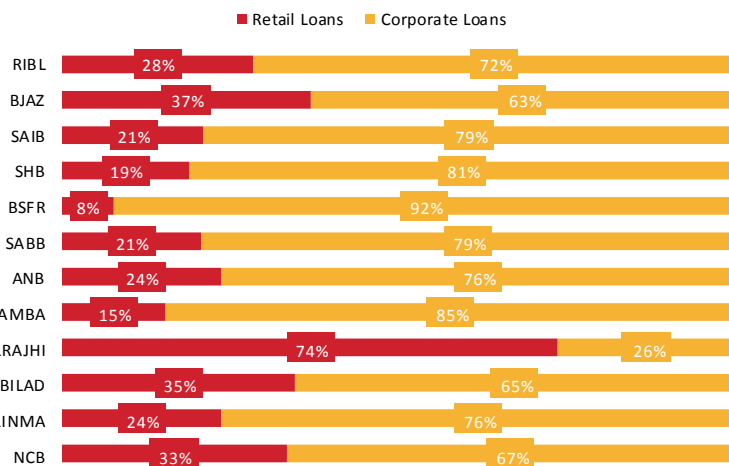
## Loans

Loans portfolio of Saudi banks hit SAR 1,328 billion in March 2015 surging 8.7% over H1 2014 decelerating from 12.1% growth in 2014 as reflected in decelerating loans growth in 9 banks while accelerating for the remaining 3 banks.

As for the breakdown of the portfolio, corporate loans totaled SAR 917 billion, rising 9.3% over H1 2014 and representing 68% of total banking loans. Simultaneously, retail loans concluded the quarter at the level of SAR 423 billion, recording growth of 7.5% as well as seizing 32% of total loans.

Real estate loans amounted to SAR 328 billion by the end of H1 2015 increasing 27% above the level reported in H1 2014 constituting 25% of total loans. It is noteworthy that retail operations constituted 59% of these real estate loans, while the rest went to the corporate sector.

### Lending Structure for Each Bank



## Provisions

Total credit provisions charges fell by 0.3% YoY in H1 2015 reaching SAR 3,149 million as the corporate segment allocations surged by 61% while retail provisions decreased by 26% YoY in H1 2015.

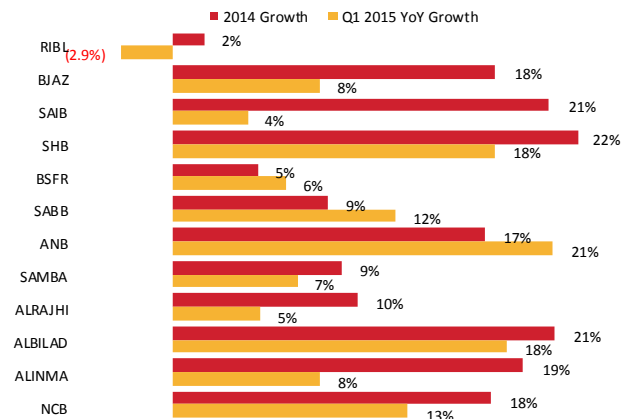
## Non-performing loans (NPLs)

NPLs dropped by 7.5% YoY, leading to a decline in the rate of NPLs to total loans by 19 basis points to 1.1% by the end of the first half. The coverage rate went up to 180% in H1 2015 compared to 166% in H1 2014.

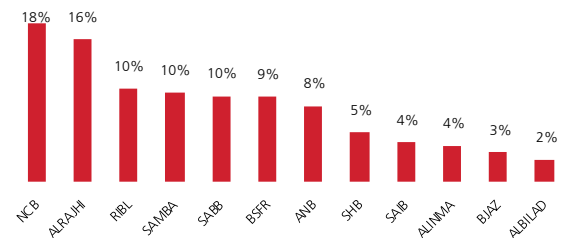
## Investments

Aggregate investments amounted to SAR 504 billion in June 2015 revealing a growth rate of 1.6% YoY. Seven banks recorded growth in their investment portfolios while the remaining five banks posted negative growth

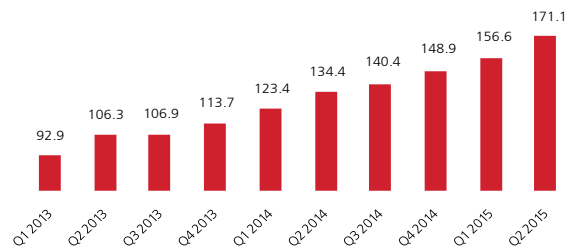
### Net Loans H1 2015 YoY Growth vs. FY14 Growth



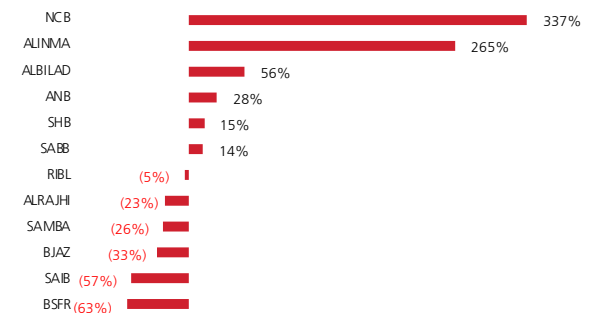
### Net Loans Contribution to Total Sector



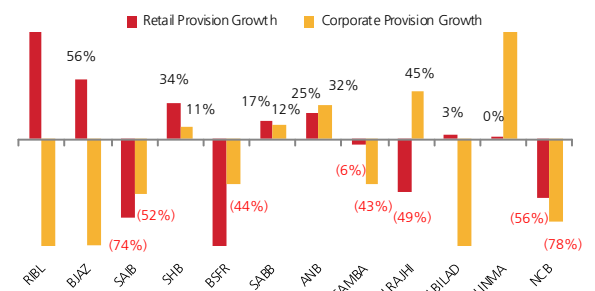
### Real Estate Loans by Banks (SAR Billion)



### Provision Charge Growth



### Provision Charge Growth per Segment



## Customer Deposits

By the end of H1 2015, total customer deposits increased 8.2% reaching SAR 1,698 billion decelerating from 12.1% growth in 2014 by 391 bps. Ten banks showed decelerating growth from 2014 to H1 2015 while only two remaining banks showed accelerating growth rate in the same period.

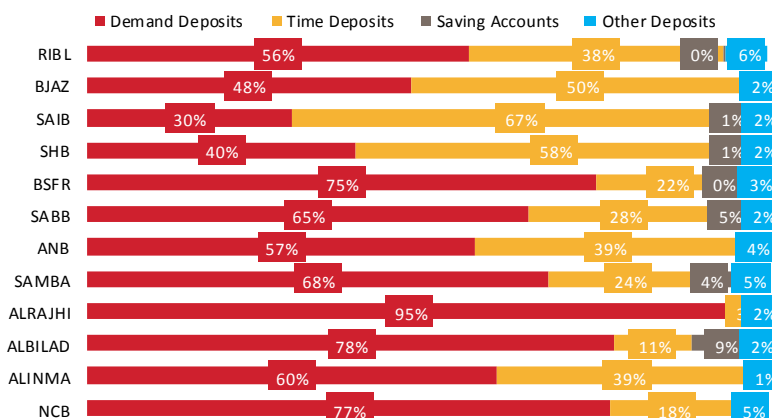
Loans to deposits ratio posted 79.79% in H1 2015 compared to 79.54% in H1 2014. The variation in growth rate of loans and deposits for some banks lead to significant changes in their loans/deposit ratio. NCB loans/deposit ratio increased 488 bps recording 66.03%, SABB rose 220 bps posting 85.38% whereas Riyadh slumped 599 bps hitting 83.35% in H1 2015.

Four banks held 57% of total deposits; NCB accounted for 21.2% of total deposits versus 15.7% for Al Rajhi Bank, while Samba and Riyadh held 10% each of the deposits market.

The structure of deposits in the Saudi market was as follows: demand deposits grew by 15% posting SAR 1,167 billion representing 68.7% of total deposits whereas savings and other deposits grew by 4% and 13.6%, respectively while time deposits slumped 6%, posting SAR 455 billion constituting 26.8% of total deposits.

NCB and Al Rajhi Bank controlled 46% of demand deposits in the market, while the other ten banks captured the remaining 54% share.

### Deposits Breakdown for Each Bank



## Assets

The total assets of the 12 banks soared 7.9% in H1 2015 coming in at SAR 2,175 billion; of which NCB contributed 21.2%. In the second place, Al Rajhi bank captured 15% of total assets of the sector, followed by 10.4% for Samba and 10.2% for Riyadh bank.

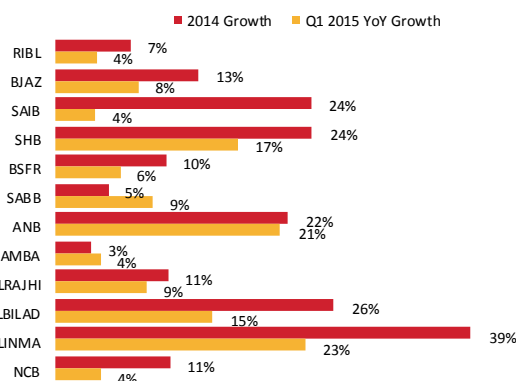
## Profitability

Average return on shareholders' equity rose by the end of H1 2015 to 14.85%, yielding a P/BV\* of 1.62x, and a P/E\* of 11.33x.

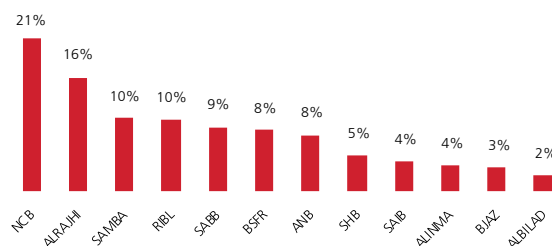
Interest margin in the sector continued to drop reaching 3% at the end of the year recording a decline by 5 bps. In some banks such Al Jazira, BSF and SHB the margin widened 14, 5 and 3 bps, respectively.

\*As of closing prices of September 7, 2015.

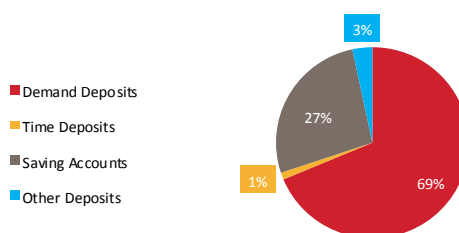
### Total Deposits Q1 2015 YoY Growth vs. FY14 Growth



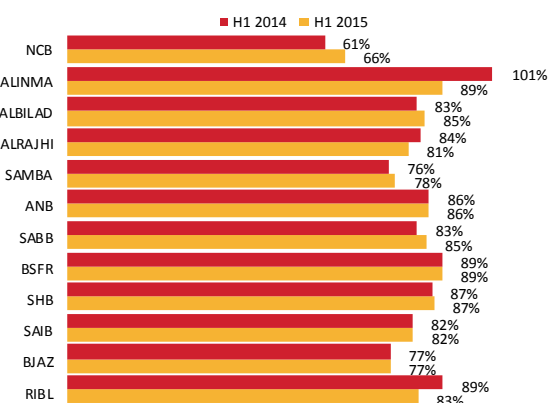
### Total Deposits Contribution to Total Sector



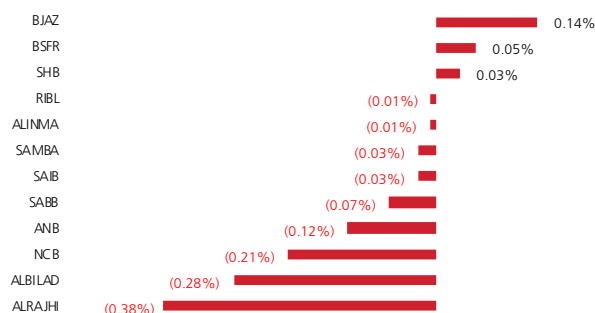
### Sector Deposits Breakdown



### Loans to Deposits Ratio



### Net Interest Margin Change



H1 2015

## Pro Forma Income Statement and Balance Sheet of Banking Sector

Income Statement (SAR million)	FY 2013	FY 2014	Growth	H1 2014	H1 2015	Growth
Special Commission Income	53,647.3	58,035.6	%8.2	28,346.7	30,210.8	%6.6
Special Commission Expense	7,226.1	7,669.3	%6.1	3,716.2	3,699.0	(%0.5)
<b>Net Special Commission Income</b>	<b>46,421.1</b>	<b>50,366.3</b>	<b>%8.5</b>	<b>24,630.5</b>	<b>26,511.8</b>	<b>%7.6</b>
Exchange Income, Net	3,797.8	4,382.9	%15.4	2,034.2	2,531.4	%24.4
Fees and Commission Income, Net	15,540.6	17,206.2	%10.7	9,058.6	8,925.9	(%1.5)
Other Operating Income	3,661.4	3,788.2	%3.5	2,286.0	3,096.4	%35.5
<b>Total Operating Income</b>	<b>69,420.9</b>	<b>75,743.6</b>	<b>%9.1</b>	<b>38,009.3</b>	<b>41,065.5</b>	<b>%8.0</b>
Salaries and Employees Expense	13,731.0	15,164.0	%10.4	7,339.9	8,575.5	%16.8
Rent Expense	2,327.9	2,600.5	%11.7	1,249.4	1,349.9	%8.0
Depreciation and Amortization	2,377.1	2,397.0	%0.8	1,194.5	1,292.2	%8.2
Provision for Credit Losses	6,993.7	6,775.8	(%3.1)	3,158.5	3,149.1	(%0.3)
Provision for Investment Losses	50.9	205.2	%302.9	143.6	24.4	(%83.0)
Other General and Administration Expenses	6,314.6	7,290.2	%15.5	3,390.1	3,680.8	%8.6
<b>Total Operating Expense</b>	<b>31,795.4</b>	<b>34,432.7</b>	<b>%8.3</b>	<b>16,475.9</b>	<b>18,072.0</b>	<b>%9.7</b>
<b>Net Income</b>	<b>37,757.1</b>	<b>41,604.6</b>	<b>%10.2</b>	<b>21,771.9</b>	<b>23,164.1</b>	<b>%6.4</b>
<b>Balance Sheet (SAR million)</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>Growth</b>	<b>H1 2014</b>	<b>H1 2015</b>	<b>Growth</b>
Cash and Balances with SAMA	199,042.3	198,715.9	(%0.2)	166,230.2	174,713.5	%5.1
Due from Banks and Other Financial Institutions	68,718.6	79,542.2	%15.8	74,526.9	103,000.9	%38.2
Loans and Advances, Net	1,129,136.1	1,265,574.7	%12.1	1,221,842.6	1,328,170.3	%8.7
Investments, Net	416,226.5	488,230.6	%17.3	495,877.9	503,970.6	%1.6
Long Term Investments, Net	8,755.9	7,820.9	(%10.7)	3,039.2	3,292.2	%8.3
Property and Equipment, Net	17,561.5	19,406.0	%10.5	18,658.1	20,996.9	%12.5
Other Assets	33,118.0	39,233.4	%18.5	36,139.8	40,931.0	%13.3
<b>Total Assets</b>	<b>1,872,558.9</b>	<b>2,098,523.6</b>	<b>%12.1</b>	<b>2,016,314.8</b>	<b>2,175,075.4</b>	<b>%7.9</b>
Due to Banks and Other Financial Institutions	76,359.3	80,741.5	%5.7	79,355.7	78,678.3	%0.9-
Demand Deposits	928,029.7	1,053,104.5	%13.5	1,016,969.1	1,166,689.2	%14.7
Savings	17,554.5	18,463.1	%5.2	19,388.7	20,209.3	%4.2
Time Deposits	463,521.4	510,090.9	%10.0	483,401.4	454,522.8	(%6.0-
Other Deposits	50,429.1	54,433.4	%7.9	49,937.0	56,735.1	%13.6
<b>Total Customer Deposits</b>	<b>1,459,534.7</b>	<b>1,636,091.8</b>	<b>%12.1</b>	<b>1,569,696.3</b>	<b>1,698,156.4</b>	<b>%8.2</b>
Long Term Liabilities	22,721.1	32,711.9	%44.0	39,311.5	42,194.4	%7.3
Other Liabilities	13,198.7	16,426.8	%24.5	51,781.5	54,108.9	%4.5
<b>Total Liabilities</b>	<b>1,610,611.7</b>	<b>1,809,492.5</b>	<b>%12.3</b>	<b>1,740,145.0</b>	<b>1,873,138.0</b>	<b>%7.6</b>
Shareholders' Equity	262,388.2	289,031.1	%10.2	276,169.7	301,937.3	%9.3
<b>Total Liabilities and Shareholders' Equity</b>	<b>1,873,000.0</b>	<b>2,098,523.6</b>	<b>%12.0</b>	<b>2,016,314.8</b>	<b>2,175,075.4</b>	<b>%7.9</b>



## Financial Indicators

Bank	Closing Price	Issued Shares (mm Shares)	Floating Shares (mm Shares)	Net Income (SAR mm)	Equity (SAR mm)	Market Cap. (SAR mm)	EPS (SAR)	PE	BV (SAR)	P/BV	RoE	Capital Adequacy (Tier 1)	Capital Adequacy (Tier 1+2)
RIBL	14.34	3,000	1,570	4,437	36,558	43,020	1.48	9.70	12.18	1.17	%12.6	%16.7	%19.0
BJAZ	21.62	400	357	1,209	7,144	8,648	3.02	7.15	17.86	1.21	%18.4	%13.6	%15.8
SAIB	20.09	650	376	1,495	11,968	13,059	2.30	8.73	18.41	1.09	%13.1	%14.6	%17.7
SHB	36.04	572	157	2,002	11,127	20,598	3.50	10.29	19.46	1.85	%19.1	%11.6	%15.9
BSFR	32.37	1,205	648	3,843	27,950	39,017	3.19	10.15	23.18	1.39	%14.5	%14.6	%16.9
SABB	30.00	1,500	488	4,281	27,252	45,000	2.85	10.51	18.16	1.65	%16.7	%15.1	%17.6
ARNB	29.60	1,000	486	2,983	21,380	29,600	2.98	9.92	21.38	1.38	%14.3	%14.1	%14.8
SAMBA	23.25	2,000	1,005	5,118	39,798	46,500	2.56	9.08	19.89	1.16	%13.5	%19.3	%19.8
Al Rajhi	55.19	1,625	1,185	6,641	44,097	89,684	4.09	13.50	27.13	2.03	%15.7	%18.0	%19.1
AL Bilad	27.15	500	319	867	6,090	13,575	1.73	15.66	12.18	2.22	%15.0	%14.3	%15.4
Alinma	18.76	1,500	1,110	1,373	17,906	28,140	0.92	20.50	11.93	1.57	%7.8	%24.3	%25.0
NCB	54.71	2,000	713	8,663	49,017	109,420	4.33	12.63	24.50	2.23	%17.9	%14.2	%16.4
<b>Sector Total</b>		<b>15,952</b>	<b>8,415</b>	<b>42,911</b>	<b>300,289</b>	<b>486,261</b>	<b>2.69</b>	<b>11.33</b>	<b>18.82</b>	<b>1.62</b>	<b>%14.9</b>	<b>%15.9</b>	<b>%17.8</b>

As of closing prices of September 7, 2015.

## Latest Corporate Actions

In July, Riyadh Bank announced the payment of a cash dividend of SAR 0.35 per share with a total distribution of SAR 1.05 billion for H1 2015.

Saudi British Bank (SABB) revealed in August a cash dividend of SAR 0.40 per share for H1 2015 with total distribution of SAR 600 million.

In June, ANB announced a cash dividend of SAR 0.45 for H1 2015 with total distribution of SAR 450 million.

ANB obtained SAMA approval to issue a maximum of SAR 200 million subordinated Sukuk with 10 years maturity callable after 5 years.

SAMBA Group announced in July a cash dividend of SAR 0.45 with total distribution of SAR 1.2 billion for H1 2015.

In July, Alrajhi Bank disclosed a cash dividend of SAR 0.50 per share with total distribution of SAR 812.5 million for the first half of 2015.

In June, NCB disclosed it had issued a SAR 1 billion Sukuk in a private placement.

NCB unveiled the distribution of SAR 0.8—cash dividend for H1 2015 with total distribution of SAR 1,596 million.



H1 2015

## Banks Financial Statements Summary by the End of H1 2015 \*

Special Commission Income			Market Share		
Bank	H1 2014	H1 2015	YoY	H1 2014	H1 2015
RIBL	2,942	2,871	(2.4%)	10.4%	9.5%
BJAZ	857	939	9.6%	3.0%	3.1%
SAIB	1,023	1,185	15.8%	3.6%	3.9%
SHB	1,178	1,357	15.2%	4.2%	4.5%
BSFR	2,239	2,353	5.1%	7.9%	7.8%
SABB	2,266	2,366	4.4%	8.0%	7.8%
ARNB	2,012	2,186	8.6%	7.1%	7.2%
SAMBA	2,474	2,508	1.3%	8.7%	8.3%
Al Rajhi	5,116	5,138	0.4%	18.0%	17.0%
AL Bilad	508	584	14.8%	1.8%	1.9%
Alinma	1,112	1,281	15.2%	3.9%	4.2%
NCB	6,618	7,442	12.4%	23.3%	24.6%
<b>Total</b>	<b>28,347</b>	<b>30,211</b>	<b>6.6%</b>	<b>100.0%</b>	<b>100.0%</b>

Special Commissions Expense			Market Share		
Bank	H1 2014	H1 2015	YoY	H1 2014	H1 2015
RIBL	456	295	(35.3%)	12.3%	8.0%
BJAZ	179	139	(22.1%)	4.8%	3.8%
SAIB	298	324	8.8%	8.0%	8.8%
SHB	251	258	2.7%	6.8%	7.0%
BSFR	373	374	0.4%	10.0%	10.1%
SABB	297	268	(9.7%)	8.0%	7.2%
ARNB	251	236	(5.8%)	6.7%	6.4%
SAMBA	230	217	(5.5%)	6.2%	5.9%
Al Rajhi	196	161	(18.1%)	5.3%	4.3%
AL Bilad	22	25	13.2%	0.6%	0.7%
Alinma	98	121	23.5%	2.6%	3.3%
NCB	1,067	1,282	20.1%	28.7%	34.6%
<b>Total</b>	<b>3,716</b>	<b>3,699</b>	<b>(0.5%)</b>	<b>100.0%</b>	<b>100.0%</b>

Net Special Commissions Income			Market Share		
Bank	H1 2014	H1 2015	YoY	H1 2014	H1 2015
RIBL	2,486	2,577	3.7%	10.1%	9.7%
BJAZ	678	800	18.0%	2.8%	3.0%
SAIB	726	862	18.7%	2.9%	3.2%
SHB	927	1,100	18.6%	3.8%	4.1%
BSFR	1,866	1,979	6.0%	7.6%	7.5%
SABB	1,969	2,099	6.6%	8.0%	7.9%
ARNB	1,761	1,950	10.7%	7.2%	7.4%
SAMBA	2,245	2,291	2.1%	9.1%	8.6%
Al Rajhi	4,920	4,978	1.2%	20.0%	18.8%
AL Bilad	486	558	14.9%	2.0%	2.1%
Alinma	1,014	1,160	14.4%	4.1%	4.4%
NCB	5,551	6,160	11.0%	22.5%	23.2%
<b>Total</b>	<b>24,630</b>	<b>26,512</b>	<b>7.6%</b>	<b>100.0%</b>	<b>100.0%</b>

Net Commission and Fees			Market Share		
Bank	H1 2014	H1 2015	YoY	H1 2014	H1 2015
RIBL	1,098	978	(11.0%)	12.1%	11.0%
BJAZ	328	349	6.2%	3.6%	3.9%
SAIB	211	233	10.5%	2.3%	2.6%
SHB	464	483	4.1%	5.1%	5.4%
BSFR	669	712	6.4%	7.4%	8.0%
SABB	888	811	(8.8%)	9.8%	9.1%
ARNB	648	730	12.6%	7.2%	8.2%
SAMBA	889	933	4.9%	9.8%	10.4%
Al Rajhi	1,600	1,312	(18.0%)	17.7%	14.7%
AL Bilad	348	393	12.9%	3.8%	4.4%
Alinma	128	290	126.4%	1.4%	3.2%
NCB	1,786	1,704	(4.6%)	19.7%	19.1%
<b>Total</b>	<b>9,059</b>	<b>8,926</b>	<b>(1.5%)</b>	<b>100.0%</b>	<b>100.0%</b>

Revenues			Market Share		
Bank	H1 2014	H1 2015	YoY	H1 2014	H1 2015
RIBL	4,027	4,219	4.8%	10.6%	10.3%
BJAZ	1,087	1,809	66.5%	2.9%	4.4%
SAIB	1,308	1,293	(1.2%)	3.4%	3.1%
SHB	1,568	1,855	18.3%	4.1%	4.5%
BSFR	2,879	3,169	10.0%	7.6%	7.7%
SABB	3,285	3,392	3.3%	8.6%	8.3%
ARNB	2,694	3,006	11.6%	7.1%	7.3%
SAMBA	3,717	3,922	5.5%	9.8%	9.6%
Al Rajhi	7,142	6,957	(2.6%)	18.8%	16.9%
AL Bilad	1,011	1,140	12.7%	2.7%	2.8%
Alinma	1,211	1,575	30.0%	3.2%	3.8%
NCB	8,079	8,730	8.0%	21.3%	21.3%
<b>Total</b>	<b>38,009</b>	<b>41,066</b>	<b>8.0%</b>	<b>100.0%</b>	<b>100.0%</b>

Operating Expenses			Market Share		
Bank	H1 2014	H1 2015	YoY	H1 2014	H1 2015
RIBL	1,827	1,935	5.9%	11.1%	10.7%
BJAZ	762	846	11.0%	4.6%	4.7%
SAIB	619	616	(0.6%)	3.8%	3.4%
SHB	664	777	17.0%	4.0%	4.3%
BSFR	1,138	1,107	(2.7%)	6.9%	6.1%
SABB	1,118	1,221	9.2%	6.8%	6.8%
ARNB	1,216	1,420	16.8%	7.4%	7.9%
SAMBA	1,219	1,311	7.5%	7.4%	7.3%
Al Rajhi	3,487	3,497	0.3%	21.2%	19.4%
AL Bilad	633	759	19.9%	3.8%	4.2%
Alinma	607	863	42.1%	3.7%	4.8%
NCB	3,184	3,720	16.8%	19.3%	20.6%
<b>Total</b>	<b>16,476</b>	<b>18,072</b>	<b>9.7%</b>	<b>100.0%</b>	<b>100.0%</b>

All numbers are in SAR million unless specified

Sources: Financial statements, Tadawul and Albilad Capital estimates

H1 2015

## Banks Financial Statements Summary by the End of H1 2015 (Cont.)

Bank	Net Income			Market Share	
	H1 2014	H1 2015	YoY	H1 2014	H1 2015
RIBL	2,216	2,300	3.80%	10.2%	9.9%
BJAZ	326	963	195.29%	1.5%	4.2%
SAIB	690	749	8.52%	3.2%	3.2%
SHB	897	1,078	20.16%	4.1%	4.7%
BSFR	1,740	2,066	18.75%	8.0%	8.9%
SABB	2,238	2,252	0.66%	10.3%	9.7%
ARNB	1,499	1,606	7.16%	6.9%	6.9%
SAMBA	2,498	2,611	4.54%	11.5%	11.3%
Al Rajhi	3,655	3,460	(5.33%)	16.8%	14.9%
AL Bilad	378	381	0.68%	1.7%	1.6%
Alinma	600	709	18.05%	2.8%	3.1%
NCB	5,034	4,988	(0.92%)	23.1%	21.5%
<b>Total</b>	<b>21,772</b>	<b>23,164</b>	<b>6.39%</b>	<b>100.0%</b>	<b>100.0%</b>

Bank	Retail Banking Net Income			Market Share	
	H1 2014	H1 2015	YoY	Bank Net Income	Sector Net Income
RIBL	636	311	(51.1%)	11.3%	6.3%
BJAZ	(10)	(57)	487.2%		(1.2%)
SAIB	124	112	(9.7%)	15.0%	2.3%
SHB	140	187	33.2%	14.6%	3.8%
BSFR	149	218	46.3%	10.5%	4.4%
SABB	487	455	(6.5%)	20.2%	9.3%
ARNB	324	337	4.1%	22.4%	6.9%
SAMBA	318	220	(30.8%)	8.4%	4.5%
Al Rajhi	2,049	1,871	(8.7%)	54.1%	38.1%
AL Bilad	86	51	(40.1%)	15.4%	1.0%
Alinma	72	141	95.0%	19.9%	2.9%
NCB	598	1,059	77.2%	21.4%	21.6%
<b>Total</b>	<b>4,973</b>	<b>4,906</b>	<b>(1.4%)</b>	<b>21.2%</b>	<b>100.0%</b>

Bank	Corporate Banking Net Income			Market Share	
	H1 2014	H1 2015	YoY	Bank Net Income	Sector Net Income
RIBL	1,368	1,779	30.1%	64.6%	17.9%
BJAZ	20	147	647.6%	30.3%	1.5%
SAIB	146	362	148.0%	48.3%	3.6%
SHB	688	804	16.8%	62.9%	8.1%
BSFR	964	1,174	21.7%	56.8%	11.8%
SABB	1,103	1,035	(6.2%)	45.9%	10.4%
ARNB	639	739	15.8%	49.1%	7.4%
SAMBA	911	1,073	17.7%	41.1%	10.8%
Al Rajhi	602	469	(22.0%)	13.6%	4.7%
AL Bilad	176	208	18.1%	62.6%	2.1%
Alinma	345	403	16.8%	56.9%	4.1%
NCB	2,382	1,751	(26.5%)	35.4%	17.6%
<b>Total</b>	<b>9,343</b>	<b>9,944</b>	<b>6.4%</b>	<b>43.1%</b>	<b>100.0%</b>

Bank	Treasury Net Income			Market Share	
	H1 2014	H1 2015	YoY	Bank Net Income	Sector Net Income
RIBL	584	547	(6.3%)	19.9%	7.9%
BJAZ	221	237	7.3%	48.7%	3.4%
SAIB	390	244	(37.3%)	32.6%	3.5%
SHB	224	269	20.3%	21.1%	3.9%
BSFR	525	589	12.0%	28.5%	8.5%
SABB	577	681	18.1%	30.2%	9.9%
ARNB	423	392	(7.5%)	26.0%	5.7%
SAMBA	943	1,012	7.3%	38.8%	14.6%
Al Rajhi	609	731	20.0%	21.1%	10.6%
AL Bilad	44	55	24.7%	16.7%	0.8%
Alinma	167	132	(21.2%)	18.6%	1.9%
NCB	1,655	2,023	22.2%	40.9%	29.3%
<b>Total</b>	<b>6,363</b>	<b>6,913</b>	<b>8.6%</b>	<b>29.9%</b>	<b>100.0%</b>

Bank	Brokerage & Investment Net Income			Market Share	
	H1 2014	H1 2015	YoY	Bank Net Income	Sector Net Income
RIBL	127	116	(8.8%)	4.2%	8.7%
BJAZ	117	102	(12.9%)	20.9%	7.6%
SAIB	31	30	(0.5%)	4.1%	2.3%
SHB	17	18	8.6%	1.4%	1.4%
BSFR	102	86	(15.0%)	4.2%	6.5%
SABB	71	81	13.7%	3.6%	6.1%
ARNB	32	36	12.7%	2.4%	2.7%
SAMBA	326	307	(5.9%)	11.7%	23.0%
Al Rajhi	394	389	(1.4%)	11.2%	29.2%
AL Bilad	18	18	2.2%	5.4%	1.4%
Alinma	15	32	110.7%	4.6%	2.4%
NCB	204	117	(42.7%)	2.4%	8.8%
<b>Total</b>	<b>1,453</b>	<b>1,332</b>	<b>(8.3%)</b>	<b>5.8%</b>	<b>100.0%</b>

All numbers are in SAR million unless specified

Sources: Financial statements, Tadawul and Albilad Capital estimates

H1 2015

## Banks Financial Statements Summary by the End of H1 2015 (Cont.)

Net Loans			Market Share		
Bank	H1 2014	H1 2015	YoY	H1 2014	H1 2015
RIBL	140,774	136,723	(2.9%)	11.5%	10.3%
BJAZ	38,970	42,132	8.1%	3.2%	3.2%
SAIB	54,766	57,018	4.1%	4.5%	4.3%
SHB	60,448	71,202	17.8%	4.9%	5.4%
BSFR	117,390	124,708	6.2%	9.6%	9.4%
SABB	112,710	126,551	12.3%	9.2%	9.5%
ARNB	91,737	110,971	21.0%	7.5%	8.4%
SAMBA	122,163	130,549	6.9%	10.0%	9.8%
Al Rajhi	200,926	210,621	4.8%	16.4%	15.9%
AL Bilad	26,755	31,683	18.4%	2.2%	2.4%
Alinma	49,009	52,999	8.1%	4.0%	4.0%
NCB	206,195	233,014	13.0%	16.9%	17.5%
<b>Total</b>	<b>1,221,843</b>	<b>1,328,170</b>	<b>8.7%</b>	<b>100.0%</b>	<b>100.0%</b>

Non-Performing Loans			Market Share		
Bank	H1 2014	H1 2015	YoY	H1 2014	H1 2015
RIBL	1,328	1,165	(12.3%)	8.3%	7.8%
BJAZ	790	429	(45.6%)	4.9%	2.9%
SAIB	427	428	0.1%	2.7%	2.9%
SHB	756	863	14.1%	4.7%	5.8%
BSFR	1,351	1,072	(20.7%)	8.4%	7.2%
SABB	1,547	1,508	(2.5%)	9.6%	10.1%
ARNB	1,026	1,174	14.4%	6.4%	7.9%
SAMBA	2,012	1,646	(18.2%)	12.5%	11.1%
Al Rajhi	3,218	2,682	(16.6%)	20.0%	18.0%
AL Bilad	435	499	14.7%	2.7%	3.4%
Alinma	307	386	25.6%	1.9%	2.6%
NCB	2,876	3,024	5.1%	17.9%	20.3%
<b>Total</b>	<b>16,073.7</b>	<b>14,874.9</b>	<b>(7.5%)</b>	<b>100.0%</b>	<b>100.0%</b>

Retail Loans			Market Share		
Bank	H1 2014	H1 2015	YoY	H1 2014	H1 2015
RIBL	38,071	38,957	2.3%	9.7%	9.2%
BJAZ	13,477	15,707	16.5%	3.4%	3.7%
SAIB	11,734	12,121	3.3%	3.0%	2.9%
SHB	9,726	13,491	38.7%	2.5%	3.2%
BSFR	9,324	9,782	4.9%	2.4%	2.3%
SABB	26,022	26,300	1.1%	6.6%	6.2%
ARNB	24,398	26,433	8.3%	6.2%	6.3%
SAMBA	19,711	20,325	3.1%	5.0%	4.8%
Al Rajhi	149,063	157,445	5.6%	37.9%	37.2%
AL Bilad	10,205	11,116	8.9%	2.6%	2.6%
Alinma	11,112	12,671	14.0%	2.8%	3.0%
NCB	70,559	78,393	11.1%	17.9%	18.5%
<b>Total</b>	<b>393,403</b>	<b>422,741</b>	<b>7.5%</b>	<b>100.0%</b>	<b>100.0%</b>

Corporate Loans			Market Share		
Bank	H1 2014	H1 2015	YoY	H1 2014	H1 2015
RIBL	103,630	98,544	(4.9%)	12.4%	10.7%
BJAZ	25,524	26,770	4.9%	3.0%	2.9%
SAIB	43,438	45,264	4.2%	5.2%	4.9%
SHB	51,181	58,283	13.9%	6.1%	6.4%
BSFR	109,029	116,154	6.5%	13.0%	12.7%
SABB	87,469	101,135	15.6%	10.4%	11.0%
ARNB	68,452	85,914	25.5%	8.2%	9.4%
SAMBA	103,411	111,247	7.6%	12.3%	12.1%
Al Rajhi	53,798	55,789	3.7%	6.4%	6.1%
AL Bilad	17,022	20,938	23.0%	2.0%	2.3%
Alinma	38,145	40,749	6.8%	4.5%	4.4%
NCB	137,899	156,585	13.6%	16.4%	17.1%
<b>Total</b>	<b>838,998</b>	<b>917,372</b>	<b>9.3%</b>	<b>100.0%</b>	<b>100.0%</b>

Net Investments			Market Share		
Bank	H1 2014	H1 2015	YoY	H1 2014	H1 2015
RIBL	46,310	47,286	2.1%	9.3%	9.4%
BJAZ	12,554	11,460	(8.7%)	2.5%	2.3%
SAIB	18,415	24,068	30.7%	3.7%	4.8%
SHB	19,065	20,519	7.6%	3.8%	4.1%
BSFR	45,128	39,651	(12.1%)	9.1%	7.9%
SABB	41,475	44,532	7.4%	8.4%	8.8%
ARNB	33,095	33,811	2.2%	6.7%	6.7%
SAMBA	64,111	61,154	(4.6%)	12.9%	12.1%
Al Rajhi	42,755	60,556	41.6%	8.6%	12.0%
AL Bilad	3,480	2,351	(32.4%)	0.7%	0.5%
Alinma	5,854	8,564	46.3%	1.2%	1.7%
NCB	163,635	150,018	(8.3%)	33.0%	29.8%
<b>Total</b>	<b>495,878</b>	<b>503,971</b>	<b>1.6%</b>	<b>100.0%</b>	<b>100.0%</b>

Total Assets			Market Share		
Bank	H1 2014	H1 2015	YoY	H1 2014	H1 2015
RIBL	213,992	222,484	4.0%	10.6%	10.2%
BJAZ	65,801	67,630	2.8%	3.3%	3.1%
SAIB	88,062	92,582	5.1%	4.4%	4.3%
SHB	89,489	102,273	14.3%	4.4%	4.7%
BSFR	184,313	185,950	0.9%	9.1%	8.5%
SABB	175,468	192,328	9.6%	8.7%	8.8%
ARNB	142,669	166,425	16.7%	7.1%	7.7%
SAMBA	214,254	225,930	5.4%	10.6%	10.4%
Al Rajhi	295,155	327,070	10.8%	14.6%	15.0%
AL Bilad	40,978	49,143	19.9%	2.0%	2.3%
Alinma	70,600	81,839	15.9%	3.5%	3.8%
NCB	435,534	461,422	5.9%	21.6%	21.2%
<b>Total</b>	<b>2,016,315</b>	<b>2,175,075</b>	<b>7.9%</b>	<b>100.0%</b>	<b>100.0%</b>

All numbers are in SAR million unless specified

Sources: Financial statements, Tadawul and Albilad Capital estimates

H1 2015

## Banks Financial Statements Summary by the End of H1 2015 (Cont.)

Bank	Provisions			Market Share	
	H1 2014	H1 2015	YoY	H1 2014	H1 2015
RIBL	467	443	(5.1%)	14.8%	14.1%
BJAZ	157	105	(32.8%)	5.0%	3.3%
SAIB	162	69	(57.4%)	5.1%	2.2%
SHB	169	194	15.0%	5.3%	6.2%
BSFR	214	80	(62.5%)	6.8%	2.5%
SABB	200	229	14.4%	6.3%	7.3%
ARNB	213	273	28.3%	6.7%	8.7%
SAMBA	102	76	(25.5%)	3.2%	2.4%
Al Rajhi	1,292	989	(23.4%)	40.9%	31.4%
AL Bilad	29	45	55.7%	0.9%	1.4%
Alinma	41	148	264.9%	1.3%	4.7%
NCB	114	497	336.6%	3.6%	15.8%
<b>Total</b>	<b>3,158</b>	<b>3,149</b>	<b>(0.30%)</b>	<b>100.0%</b>	<b>100.0%</b>

Bank	Retail Provisions			Market Share	
	H1 2014	H1 2015	YoY	H1 2014	H1 2015
RIBL	159	518	225.6%	7.5%	33.1%
BJAZ	-68	-105	55.8%	(3.2%)	(6.7%)
SAIB	40	10	(74.2%)	1.9%	0.7%
SHB	31	41	34.0%	1.4%	2.6%
BSFR	70	-1	(101.4%)	3.3%	(0.1%)
SABB	98	114	16.6%	4.6%	7.3%
ARNB	111	139	25.2%	5.3%	8.9%
SAMBA	49	46	(5.8%)	2.3%	2.9%
Al Rajhi	936	474	(49.4%)	44.3%	30.3%
AL Bilad	34	35	3.4%	1.6%	2.2%
Alinma	18	18	0.3%	0.8%	1.1%
NCB	634	277	(56.3%)	30.0%	17.7%
<b>Total</b>	<b>2,110</b>	<b>1,564</b>	<b>(25.9%)</b>	<b>100.0%</b>	<b>100.0%</b>

Bank	Corporate Provisions			Market Share	
	H1 2014	H1 2015	YoY	H1 2014	H1 2015
RIBL	308	-74	(124.2%)	48.8%	(7.3%)
BJAZ	-89	0	(100.2%)	(14.1%)	0.0%
SAIB	122	59	(52.0%)	19.4%	5.8%
SHB	138	153	10.8%	22.0%	15.1%
BSFR	144	81	(43.6%)	22.8%	8.0%
SABB	102	115	12.3%	16.2%	11.3%
ARNB	102	134	31.8%	16.1%	13.2%
SAMBA	54	30	(43.5%)	8.5%	3.0%
Al Rajhi	356	515	44.6%	56.5%	50.8%
AL Bilad	-5	10	(319.8%)	(0.7%)	1.0%
Alinma	23	131	469.4%	3.6%	12.9%
NCB	-625	-139	(77.7%)	(99.1%)	(13.7%)
<b>Total</b>	<b>630</b>	<b>1,015</b>	<b>61.0%</b>	<b>100.0%</b>	<b>100.0%</b>

All numbers are in SAR million unless specified

Sources: Financial statements, Tadawul and Albilad Capital estimates

## Banks Financial Statements Summary by the End of H1 2015 (Cont.)

## Customer Deposits

Bank	Customer Deposits			Market Share	
	H1 2014	H1 2015	YoY	H1 2014	H1 2015
RIBL	160,100	166,372	3.9%	10.2%	9.8%
BJAZ	51,835	55,882	7.8%	3.3%	3.3%
SAIB	67,725	70,314	3.8%	4.3%	4.1%
SHB	71,157	83,354	17.1%	4.5%	4.9%
BSFR	134,408	142,594	6.1%	8.6%	8.4%
SABB	138,295	151,019	9.2%	8.8%	8.9%
ARNB	109,188	132,306	21.2%	7.0%	7.8%
SAMBA	163,644	170,582	4.2%	10.4%	10.0%
Al Rajhi	245,416	266,506	8.6%	15.6%	15.7%
AL Bilad	33,354	38,302	14.8%	2.1%	2.3%
Alinma	48,976	60,458	23.4%	3.1%	3.6%
NCB	345,597	360,466	4.3%	22.0%	21.2%
<b>Total</b>	<b>1,569,696</b>	<b>1,698,156</b>	<b>8.2%</b>	<b>100.0%</b>	<b>100.0%</b>

## Gross Loan / Deposit Ratio

Bank	Gross Loan / Deposit Ratio		
	H1 2014	H1 2015	YoY
RIBL	89.3%	83.3%	(5.99%)
BJAZ	76.8%	76.8%	0.02%
SAIB	82.1%	82.2%	0.13%
SHB	86.7%	87.1%	0.49%
BSFR	89.1%	89.1%	0.01%
SABB	83.2%	85.4%	2.20%
ARNB	86.0%	85.8%	(0.17%)
SAMBA	76.5%	78.1%	1.63%
Al Rajhi	84.0%	81.0%	(2.95%)
AL Bilad	82.9%	85.0%	2.06%
Alinma	101.2%	89.0%	(12.20%)
NCB	61.2%	66.0%	4.88%
<b>Total</b>	<b>79.5%</b>	<b>79.8%</b>	<b>0.26%</b>

## Customer Deposits Breakdown

Bank	On Demand				Saving Accounts				Time Deposits			
	H1 2014	H1 2015	YoY	Market Share	H1 2014	H1 2015	YoY	Market Share	H1 2014	H1 2015	YoY	Market Share
RIBL	68,398	93,234	36.3%	8.0%	283	304	7.4%	1.5%	82,281	62,802	(23.7%)	13.8%
BJAZ	24,380	26,592	9.1%	2.3%	-	-	-	0.0%	26,661	28,034	5.1%	6.2%
SAIB	15,995	21,132	32.1%	1.8%	1,890	869	(54.0%)	4.3%	48,337	47,250	(2.2%)	10.4%
SHB	29,927	32,940	10.1%	2.8%	473	455	(3.8%)	2.3%	39,665	48,661	22.7%	10.7%
BSFR	87,213	106,665	22.3%	9.1%	431	477	10.7%	2.4%	43,435	31,500	(27.5%)	6.9%
SABB	82,430	98,008	18.9%	8.4%	7,051	7,656	8.6%	37.9%	46,721	42,536	(9.0%)	9.4%
ARNB	64,308	75,482	17.4%	6.5%	102	114	12.0%	0.6%	41,905	51,941	23.9%	11.4%
SAMBA	108,062	115,797	7.2%	9.9%	5,989	6,822	13.9%	33.8%	42,424	40,217	(5.2%)	8.8%
Al Rajhi	220,844	253,235	14.7%	21.7%	-	-	-	0.0%	20,717	8,683	(58.1%)	1.9%
AL Bilad	24,609	29,713	20.7%	2.5%	3,014	3,353	11.3%	16.6%	4,960	4,312	(13.1%)	0.9%
Alinma	27,997	36,393	30.0%	3.1%	-	-	-	0.0%	19,974	23,308	16.7%	5.1%
NCB	262,807	277,498	5.6%	23.8%	156	159	1.9%	0.8%	66,321	65,280	(1.6%)	14.4%
<b>Total</b>	<b>1,016,969</b>	<b>1,166,689</b>	<b>14.7%</b>	<b>100.0%</b>	<b>19,389</b>	<b>20,209</b>	<b>4.2%</b>	<b>100.0%</b>	<b>483,401</b>	<b>454,523</b>	<b>(6.0%)</b>	<b>100.0%</b>

## Shareholders Equity

Bank	Shareholders Equity			Contribution	
	H1 2014	H1 2015	YoY	H1 2014	H1 2015
RIBL	33,804	36,558	8.1%	12.2%	12.1%
BJAZ	5,978	7,144	19.5%	2.2%	2.4%
SAIB	10,947	11,968	9.3%	4.0%	4.0%
SHB	9,829	11,127	13.2%	3.6%	3.7%
BSFR	25,220	27,950	10.8%	9.1%	9.3%
SABB	24,150	27,252	12.8%	8.7%	9.0%
ARNB	20,311	21,419	5.5%	7.4%	7.1%
SAMBA	35,983	39,917	10.9%	13.0%	13.2%
Al Rajhi	40,665	44,097	8.4%	14.7%	14.6%
AL Bilad	5,470	6,090	11.4%	2.0%	2.0%
Alinma	17,458	17,906	2.6%	6.3%	5.9%
NCB	46,354	50,508	9.0%	16.8%	16.7%
<b>Total</b>	<b>276,170</b>	<b>301,937</b>	<b>9.3%</b>	<b>100.0%</b>	<b>100.0%</b>

All numbers are in SAR million unless specified

Sources: Financial statements, Tadawul and Albilad Capital estimates

H1 2015

## Banks Financial Statements Summary by the End of H1 2015 (Cont.)

## Return on Assets

Bank	H1 2014	H1 2015	Change
RIBL	1.98%	1.99%	0.01%
BJAZ	1.01%	1.79%	0.78%
SAIB	1.52%	1.62%	0.09%
SHB	1.87%	1.96%	0.08%
BSFR	1.46%	2.07%	0.60%
SABB	2.31%	2.23%	(0.09%)
ARNB	1.84%	1.79%	(0.05%)
SAMBA	2.18%	2.27%	0.08%
Al Rajhi	2.34%	2.03%	(0.31%)
AL Bilad	1.93%	1.76%	(0.16%)
Alinma	1.62%	1.68%	0.06%
NCB	1.95%	1.88%	(0.07%)
<b>Total</b>	1.95%	1.97%	0.02%

## Return on Equity Ratio

Bank	H1 2014	H1 2015	Change
RIBL	13.0%	12.6%	(0.4%)
BJAZ	11.7%	18.4%	6.7%
SAIB	13.2%	13.1%	(0.1%)
SHB	18.2%	19.1%	0.9%
BSFR	11.2%	14.5%	3.3%
SABB	18.0%	16.7%	(1.3%)
ARNB	13.6%	14.3%	0.7%
SAMBA	13.5%	13.5%	(0.0%)
Al Rajhi	17.7%	15.7%	(2.0%)
AL Bilad	15.5%	15.0%	(0.5%)
Alinma	6.6%	7.8%	1.2%
NCB	17.3%	17.9%	0.6%
<b>Total</b>	14.6%	14.85%	0.22%

## Demand Deposits to Equity (x)

Bank	H1 2014	H1 2015	Change
RIBL	2.02	2.55	52.7%
BJAZ	4.08	3.72	(35.6%)
SAIB	1.46	1.77	30.5%
SHB	3.04	2.96	(8.4%)
BSFR	3.46	3.82	35.8%
SABB	3.41	3.60	18.3%
ARNB	3.17	3.52	35.8%
SAMBA	3.00	2.90	(10.2%)
Al Rajhi	5.43	5.74	31.2%
AL Bilad	4.50	4.88	37.9%
Alinma	1.60	2.03	42.9%
NCB	5.67	5.49	(17.5%)
<b>Total</b>	3.68	3.86	18.2%

## Cash and Equivalent to Total Deposits

Bank	H1 2014	H1 2015	Change
RIBL	13.3%	20.4%	7.2%
BJAZ	23.3%	21.8%	(1.5%)
SAIB	17.6%	10.4%	(7.2%)
SHB	11.2%	9.8%	(1.4%)
BSFR	12.7%	11.2%	(1.5%)
SABB	12.0%	10.9%	(1.1%)
ARNB	12.6%	12.9%	0.2%
SAMBA	13.0%	16.1%	3.1%
Al Rajhi	17.6%	17.0%	(0.6%)
AL Bilad	29.3%	36.8%	7.5%
Alinma	26.4%	28.1%	1.7%
NCB	15.3%	17.4%	2.1%
<b>Total</b>	15.3%	16.4%	1.0%

## Cash and Equivalent to Total Assets

Bank	H1 2014	H1 2015	Change
RIBL	9.9%	15.3%	5.4%
BJAZ	18.4%	18.0%	(0.4%)
SAIB	13.5%	7.9%	(5.6%)
SHB	8.9%	8.0%	(0.9%)
BSFR	9.2%	8.6%	(0.7%)
SABB	9.5%	8.5%	(0.9%)
ARNB	9.7%	10.2%	0.6%
SAMBA	9.9%	12.1%	2.2%
Al Rajhi	14.6%	13.9%	(0.8%)
AL Bilad	23.8%	28.7%	4.8%
Alinma	18.3%	20.8%	2.4%
NCB	12.2%	13.6%	1.5%
<b>Total</b>	11.9%	12.8%	0.8%

## Cash and Equivalents to Demand Deposit

Bank	H1 2014	H1 2015	Change
RIBL	31.1%	36.5%	5.4%
BJAZ	49.5%	45.7%	(3.8%)
SAIB	74.3%	34.6%	(39.7%)
SHB	26.7%	24.8%	(1.9%)
BSFR	19.5%	14.9%	(4.6%)
SABB	20.2%	16.8%	(3.4%)
ARNB	21.4%	22.5%	1.1%
SAMBA	19.7%	23.7%	4.0%
Al Rajhi	19.5%	17.9%	(1.7%)
AL Bilad	39.7%	47.4%	7.7%
Alinma	46.2%	46.7%	0.5%
NCB	20.2%	22.7%	2.5%
<b>Total</b>	23.7%	23.8%	0.1%

Sources: Financial statements, Tadawul and Albilad Capital estimates

## Banks Financial Statements Summary by the End of H1 2015 (Cont.)

## NPLs Coverage Ratio (x)

Bank	H1 2014	H1 2015	YoY
RIBL	1.70	1.67	(3.0%)
BJAZ	1.04	1.80	76.6%
SAIB	1.95	1.86	(9.2%)
SHB	1.61	1.66	5.6%
BSFR	1.71	2.15	43.2%
SABB	1.51	1.59	8.1%
ARNB	2.08	2.17	8.7%
SAMBA	1.48	1.62	14.5%
Al Rajhi	1.60	1.97	37.3%
AL Bilad	2.08	1.75	(33.9%)
Alinma	1.81	2.09	28.5%
NCB	1.79	1.65	(13.8%)
<b>Total</b>	1.66	1.80	14.6%

## NPL/Total Loans

Bank	H1 2014	H1 2015	Change
RIBL	0.9%	0.8%	(0.09%)
BJAZ	2.0%	1.0%	(0.98%)
SAIB	0.8%	0.7%	(0.03%)
SHB	1.2%	1.2%	(0.04%)
BSFR	1.1%	0.8%	(0.28%)
SABB	1.3%	1.2%	(0.18%)
ARNB	1.1%	1.0%	(0.06%)
SAMBA	1.6%	1.2%	(0.37%)
Al Rajhi	1.6%	1.2%	(0.32%)
AL Bilad	1.6%	1.5%	(0.04%)
Alinma	0.6%	0.7%	0.10%
NCB	1.4%	1.3%	(0.09%)
<b>Total</b>	1.3%	1.1%	(0.19%)

## Net Interest Margin

Bank	H1 2014	H1 2015	Change
RIBL	3.0%	3.0%	(0.01%)
BJAZ	2.9%	3.1%	0.14%
SAIB	2.2%	2.2%	(0.03%)
SHB	2.5%	2.5%	0.03%
BSFR	2.3%	2.4%	0.05%
SABB	2.7%	2.6%	(0.1%)
ARNB	3.0%	2.8%	(0.1%)
SAMBA	2.7%	2.6%	(0.0%)
Al Rajhi	4.2%	3.8%	(0.4%)
AL Bilad	3.8%	3.5%	(0.3%)
Alinma	3.8%	3.8%	(0.0%)
NCB	3.4%	3.2%	(0.2%)
<b>Total</b>	3.1%	3.0%	(0.05%)

## Provisions to Loans Ratio

Bank	H1 2014	H1 2015	Change
RIBL	1.6%	1.4%	(0.18%)
BJAZ	2.1%	1.8%	(0.26%)
SAIB	1.5%	1.4%	(0.12%)
SHB	2.0%	2.0%	0.00%
BSFR	1.9%	1.8%	(0.12%)
SABB	2.0%	1.9%	(0.17%)
ARNB	2.3%	2.2%	(0.03%)
SAMBA	2.4%	2.0%	(0.37%)
Al Rajhi	2.5%	2.5%	(0.05%)
AL Bilad	3.3%	2.7%	(0.60%)
Alinma	1.1%	1.5%	0.38%
NCB	2.4%	2.1%	(0.34%)
<b>Total</b>	2.1%	2.0%	(0.15%)



## Definitions

### Net Interest Margin

The net interest margin is used in tracking the profitability of a bank's investing and lending activities over a specific course of time. It measures the difference between the yield on average earning assets and the cost of average interest bearing liabilities.

### Coverage Ratio

A ratio measures a bank's ability to absorb potential losses from its non-performing loans. This ratio is calculated by dividing the credit loss provisions over total non-performing loans.

### Non-performing Loans Ratio (NPL Ratio)

The NPL ratio measures the percentage of the non-performing loans of a bank to its total loans. Shows the bank's management of default risk and its future cash flows.

### Capital Adequacy Ratio

A measure of a bank's capital. It is expressed as a percentage of a bank's risk weighted credit exposures. Two types of capital are measured: tier one capital, which can absorb losses without a bank being required to cease trading, and tier two capital, which can absorb losses in the event of a winding-up and so provides a lesser degree of protection to depositors.

### Earnings Per Share

It is an indicator of the company's profit in Saudi Riyals per each outstanding share. It is calculated by dividing the company's net income of by the number of outstanding shares.

### Price-to-earnings (P/E) Ratio

It is the price paid by the company's shareholders for the earnings of one of its shares. It is used to compare company on relative basis. If the P/E is higher than the sector's average, it indicates either the share is overpriced or the market pays a premium for higher future earnings. It is calculated by dividing the price of a share by the share's earnings in Saudi Riyals.

### Book value per share

The company's book value represents total shareholders' equity value. Dividing the book value by the company's number of issued shares represents the book value per share.

### Price-to-book (P/B) ratio

It represents the market price per share vis-à-vis its book value. It is used to compare between companies within the same sector and comparing them to the sector's average. If the number is higher than the average, it means that the company's price is traded higher than its book value. This means that either the share is overpriced or that the company is in a growth state; and vice versa. The number is calculated by dividing the share's market price by its book value.

### RoE (Return on Equity)

A percentage representing how efficient is the company in making profit out of its shareholders investment. Calculated by dividing the net income over the outstanding shares. The higher the ratio, the more efficient the company is, and vice versa.

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