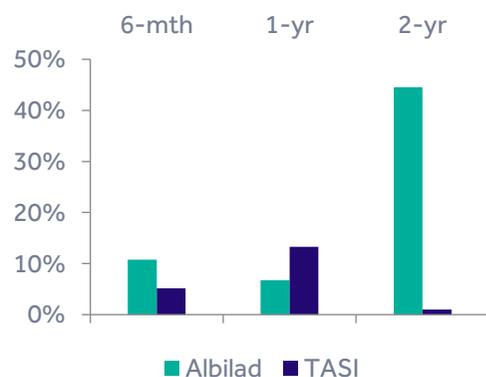


Market Data	
52-week high/low	SAR 48.15/35.25
Market Cap	SAR 45,900 mln
Shares Outstanding	1,000 mln
Free-float	58.24%
12-month ADTV	823,281
Bloomberg Code	ALBI AB



## Deposits Keep up Growth Momentum

February 06, 2024

Upside to Target Price	0.2%	Rating	Neutral
Expected Dividend Yield	1.1%	Last Price	SAR 45.90
Expected Total Return	1.3%	12-mth target	SAR 46.00

Bank Albilad	4Q2023	4Q2022	Y/Y	3Q2023	Q/Q	RC Estimate
Net Fin. Income	1,004	982	2%	1,052	(5%)	1,058
Total Op Income	1,337	1,349	(1%)	1,336	0%	1,380
Net Income	607	540	12%	616	(1%)	613
Net Financing	102,080	91,179	12%	101,602	0%	99,917
Deposits	112,831	94,843	19%	108,915	4%	109,543

(All figures are in SAR mln)

- Net financing witnessed a +12% Y/Y rise to SAR 102 bln in 4Q2023 but was flat Q/Q. Deposits continued to show steady growth, rising by almost SAR 4 bln Q/Q to SAR 112.8 bln at a time when bigger peers have been challenged. For the full year 2023, deposits expanded by +19%.
- While net financing and investment income inclined by +2% Y/Y to just over SAR 1.00 bln, this was -5% lower than SAR 1.05 bln posted in 3Q2023. Higher interest rates have generally compressed NIMs across the industry in 4Q. Total operating income was -3% below our estimates on lower than expected fee income. Management has reported lower net impairment charge for the period on better quality of the portfolio.
- The bank delighted investors by capitalizing retained earnings with an announcement of 1 bonus share for every 4 shares held. In addition, a cash dividend of SAR 0.50 per share was also proposed, similar to last year.
- Bank Albilad reported a bottom-line of SAR 607 mln (+12% Y/Y, -11% Q/Q) for 4Q2023, in-line with our forecast of SAR 613 mln. Full year net income came in at SAR 2.4 bln, +14% Y/Y. We raise our target price to SAR 46.00. The stock is likely to witness short term enthusiasm on the bonus share announcement.

## ■ Stock Rating

Buy	Neutral	Sell	Not Rated
Expected Total Return Greater than +15%	Expected Total Return between -15% and +15%	Expected Total Return less than -15%	Under Review/ Restricted

The expected percentage returns are indicative, stock recommendations also incorporate relevant qualitative factors  
For any feedback on our reports, please contact [research@riyadcapital.com](mailto:research@riyadcapital.com)

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