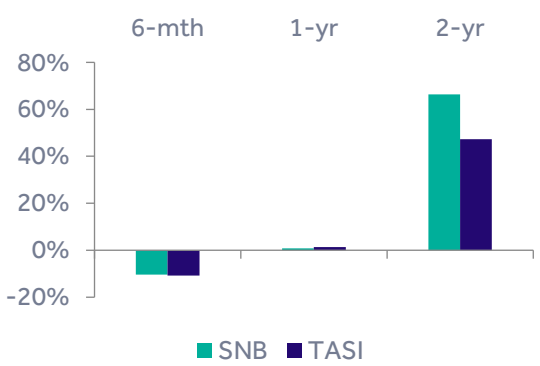


Market Data	
52-week high/low	SAR 82.00/59.60
Market Cap	SAR 295,100 mln
Shares Outstanding	4,478 mln
Free-float	62.72%
12-month ADTV	3,475,997
Bloomberg Code	SNB AB



Net Income Up +19% Y/Y

October 25, 2022

Upside to Target Price	21.4%	Rating	Buy
Expected Dividend Yield	3.0%	Last Price	SAR 65.90
Expected Total Return	24.4%	12-mth target	SAR 80.00

SNB	3Q2022	3Q2021	Y/Y	2Q2022	Q/Q	RC Estimate
Net Commission Income	6,555	6,206	6%	6,806	(4%)	6,888
Total Operating Income	8,448	7,874	7%	8,373	1%	8,675
Net Income	4,725	3,980	19%	4,589	3%	4,819
Loans & Advances	536,176	502,482	7%	536,189	(0%)	549,593
Deposits	596,886	589,190	1%	593,011	1%	598,942

(All figures are in SAR mln)

- SNB grew its deposits portfolio by +1% Q/Q, adding SAR 3.9 bln, while loans were almost flat Q/Q. Accordingly, LDR stand at 90% this quarter.
- NSCI of SAR 6.6 bln increased by +6% Y/Y due to an increase in Special Commission Income by +27%. However, NSCI fell by -4% Q/Q despite an increase of +9% in Special Commission Income mainly due to higher Special commission expense.
- Non-core income of SAR 1.9 bln increased on both yearly and quarterly basis by +13% and +21% respectively. Operating income of SAR 8.4 bln was up +7% Y/Y and +1% Q/Q on the back of higher NSCI, fee income from banking services, foreign exchange income, Investment income, and lower other operating expenses.
- Total Opex of SAR 3.0 bln, including provisions, was lower by -10% Y/Y and -1% Q/Q mainly due to lower staff expenses, amortization of intangible assets, other G&A expenses and provisions.
- SNB's net income was up by +19% Y/Y and +3% Q/Q to SAR 4.7 bln, in-line with our forecast, on the back of higher total operating income and lower provisions.
- We reduce our target price to SAR 80.00 but maintain a Buy recommendation.

Abdullah D Alharbi
 abdullah.ulihan.alharbi@riyadcapital.com
 +966-11-486-5680



■ 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

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