



05 January 2010

# 4Q09 Earnings Preview

**We present our 4Q09 Net Income and EPS estimates for our companies under coverage as well as consensus estimates for 10 other major companies in the TASI.**

- Of the companies under coverage, Yanbu Cement and Jarir Marketing have already announced preliminary results.
- Yanbu 4Q09 results were about 19% weaker than our expectations as 4Q09 EPS came in at SAR0.74 versus our expectations of SAR0.91.
- Jarir 4Q09 results were about 11% stronger than our expectations as 4Q09 EPS came in at SAR2.55 versus our estimate of SAR2.30.

Strategy

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Please refer to the last  
page for important  
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| Stocks under coverage | Ticker  | Recommendation | Price (SAR) | Price Target (SAR) | Net Income    |              |               |              | EPS         |              |             |              |
|-----------------------|---------|----------------|-------------|--------------------|---------------|--------------|---------------|--------------|-------------|--------------|-------------|--------------|
|                       |         |                |             |                    | 2009E (SARmn) | YoY % change | 4Q09E (SARmn) | YOY % change | 2009E (SAR) | YoY % change | 4Q09E (SAR) | YOY % change |
| Almarai               | 2280.SE | Overweight     | 166.8       | 200                | 1,176         | 29%          | 329           | 50%          | 10.79       | 29%          | 3.01        | 50%          |
| Savola                | 2050.SE | Equalweight    | 30.1        | 30.3               | 861           | 102%         | 202           | N/A          | 1.72        | 115%         | 0.40        | N/A          |
| Al Othaim             | 4001.SE | Overweight     | 50.8        | 63.1               | 76            | 23%          | 18            | 76%          | 3.39        | 22%          | 0.79        | 76%          |
| Jarir*                | 4190.SE | Overweight     | 132.5       | 157                | 374           | 12%          | 102           | 27%          | 9.35        | 12%          | 2.55        | 28%          |
| Yamama Cement         | 3020.SE | Equalweight    | 47.4        | 49.1               | 548           | -10%         | 130           | 53%          | 4.06        | -10%         | 0.96        | 52%          |
| Yanbu Cement**        | 3060.SE | Overweight     | 48.3        | 58.6               | 478           | -15%         | 78            | -35%         | 4.55        | -15%         | 0.74        | -36%         |
| Eastern Cement        | 3080.SE | Equalweight    | 49.9        | 46.2               | 396           | -9%          | 95            | 28%          | 4.60        | -9%          | 1.11        | 28%          |
| Saudi Electricity     | 5110.SE | Neutral        | 11.5        | 11.9               | 1,416         | 28%          | (303)         | N/A          | 0.34        | 28%          | (0.07)      | N/A          |
| Maaden                | 1211.SE | Underweight    | 17.7        | 15.3               | 141           | -30%         | 80            | -31%         | 0.15        | -50%         | 0.09        | -70%         |
| SAFCO                 | 2020.SE | Neutral        | 123         | 109.5              | 1,808         | -58%         | 339           | -37%         | 7.23        | -58%         | 1.35        | -37%         |
| Sipchem               | 2310.SE | Overweight     | 23.8        | 27.9               | 128           | -76%         | 44            | 26%          | 0.38        | -77%         | 0.13        | 44%          |
| Tasnee                | 2060.SE | Overweight     | 29.8        | 33.2               | 653           | 9%           | 350           | 327%         | 1.59        | 8%           | 0.93        | 520%         |

\* based on preliminary results released Jan. 5, 2010. NCBC estimates were for 4Q09e Net Income of SAR92mn and EPS of SAR2.30

\*\* based on preliminary results released Dec. 29, 2009. NCBC estimates were for 4Q09e Net Income of SAR95mn and EPS of SAR0.91

| Consensus for other major stocks | Ticker  | Price (SAR) | Net Income    |              |               |              | EPS         |              |             |              |
|----------------------------------|---------|-------------|---------------|--------------|---------------|--------------|-------------|--------------|-------------|--------------|
|                                  |         |             | 2009E (SARmn) | YoY % change | 4Q09E (SARmn) | YoY % change | 2009E (SAR) | YoY % change | 4Q09E (SAR) | YoY % change |
| Riyadh Bank                      | 1010.SE | 26.9        | 2,794         | 6%           | 676           | 28%          | 1.86        | -8%          | 0.45        | 42%          |
| Saudi Hollandi                   | 1040.SE | 30.4        | 811           | -34%         | 286           | -8%          | 2.45        | -47%         | 0.86        | -26%         |
| Saudi Fransi                     | 1050.SE | 40.4        | 2,664         | -5%          | 517           | -9%          | 3.77        | -25%         | 0.80        | -22%         |
| SABB                             | 1060.SE | 44.4        | 2,653         | -9%          | 646           | -2%          | 3.57        | -27%         | 0.89        | -19%         |
| Arab National                    | 1080.SE | 42.3        | 2,508         | 1%           | 434           | 0%           | 3.86        | 1%           | 0.67        | 1%           |
| SAMBA                            | 1090.SE | 51          | 4,707         | 6%           | 982           | 19%          | 5.23        | 6%           | 1.09        | 19%          |
| Al Rajhi                         | 1120.SE | 71.5        | 6,816         | 4%           | 1,519         | 7%           | 4.49        | 3%           | 0.96        | 1%           |
| SABIC                            | 2010.SE | 86          | 6,879         | -69%         | 2,400         | 654%         | 2.29        | -69%         | 0.80        | 703%         |
| STC                              | 7010.SE | 44.1        | 11,085        | 0%           | 3,204         | 177%         | 5.54        | 0%           | 1.60        | 175%         |
| Etihad Etisalat                  | 7020.SE | 45.6        | 2,702         | 29%          | 740           | -5%          | 3.85        | -4%          | 1.05        | -23%         |

Source: Reuters, NCBC Research



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## NCBC INVESTMENT RATINGS

|               |                                                                                                                                                                                                                                                                                                                 |
|---------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Overweight:   | Target price represents expected returns in excess of 15% in the next 12 months                                                                                                                                                                                                                                 |
| Neutral:      | Target price represents expected returns between -10% and +15% in the next 12 months                                                                                                                                                                                                                            |
| Underweight:  | Target price represents a fall in share price exceeding 10% in the next 12 months                                                                                                                                                                                                                               |
| Price Target: | Analysts set share price targets for individual companies based on a 12 month horizon. These share price targets are subject to a range of company specific and market risks. Target prices are based on a methodology chosen by the analyst as the best predictor of the share price over the 12 month horizon |

## OTHER DEFINITIONS

|     |                                                                                                                                                                                                                                                                                                     |
|-----|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| NR: | Not Rated. The investment rating has been suspended temporarily. Such suspension is in compliance with applicable regulations and/or in circumstances when NCB Capital is acting in an advisory capacity in a merger or strategic transaction involving the company and in certain other situations |
| CS: | Coverage Suspended. NCBC has suspended coverage of this company                                                                                                                                                                                                                                     |
| NC: | Not Covered. NCBC does not cover this company                                                                                                                                                                                                                                                       |

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