NCB CAPITAL

Strategy

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.

Eiji Aono
e.aono@ncbc.com
Tel. +966 2 6907784

Stocks under coverage	Ticker	Recommendation	Price (SAR)	Price Target (SAR)	Net Income 2009E (SARmn)	Net Income YoY % change	Net Income 4Q09E (SARmn)	Net Income YOY % change	EPS 2009E (SAR)	EPS YoY % change	EPS 4Q09E (SAR)	EPS 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 2009E (SARmn)	Net Income YoY % change	Net Income 4Q09E (SARmn)	Net Income YoY % change	EPS 2009E (SAR)	EPS YoY % change	EPS 4Q09E (SAR)	EPS 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

Kindly send all mailing list requests to research@ncbc.com

Brokerage sales	Roger Yeoman	+966 2 690 7851 +966 565 076 302 (mobile)	r.yeoman@ncbc.com
Brokerage website	www.alahlitadawul.com / www.alahlibrokerage.com		
Corporate website	www.ncbc.com		

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

IMPORTANT INFORMATION