03 July 2010

2Q10 Earnings Preview

We present our 2Q 2010 Net Income and EPS estimates for our companies under coverage.

Stocks under coverage	Ticker	Recom.	Price SAR*	Price Target SAR	Net Income 2Q10E SAR mn	Net Income 2Q10E % Chg. YoY	Net Income 2Q10E % Chg. QoQ	EPS 2Q10E SAR
Almarai	2280.SE	Neutral	190.8	193.0	333	16.0	42.0	2.90
Savola	2050.SE	Neutral	35.0	34.4	231	9.0	(41.0)	0.46
Al Othaim	4001.SE	Overweight	76.5	79.0	27.2	39.0	(14.1)	1.21
Jarir	4190.SE	Overweight	156.0	170.0	74	2.0	(38.0)	1.84
Al Hokair	4240.SE	Neutral	41.1	46.5	41.5	22.0	49.8	0.59
Yamama Cement	3020.SE	Overweight	49.0	58.0	165	(0.4)	(0.3)	1.22
Yanbu Cement	3060.SE	Neutral	43.0	39.4	130	(14.1)	5.4	1.24
Eastern Cement	3080.SE	Neutral	43.2	44.3	115	11.9	25.1	1.34
Qassim Cement	3040.SE	Neutral	70.8	71.3	133	(10.6)	(8.0)	1.47
Southern Cement	3050.SE	Underweight	68.0	60.0	201	(5.3)	5.9	1.43
Saudi Cement	3030.SE	Neutral	44.4	41.2	182	8.8	(31.0)	1.19
Saudi Electricity	5110.SE	Overweight	12.7	18.5	948	33.0	NA	0.23
Saudi Steel Pipes	1320.SE	Overweight	27.1	40.5	22.3	(38.0)	12.0	0.44
Maaden	1211.SE	Underweight	17.5	15.3	59.5	NA	189.0	0.06
SAFCO^	2020.SE	Neutral	128.5	127.0	899	87.2	28.8	3.6
Sipchem	2310.SE	Overweight	20.8	27.9	217	424.7	168	0.65
Tasnee	2060.SE	Overweight	23.7	36.2	380	313	14.0	0.79
Saudi Kayan	2350.SE	Neutral	18.0	20.3	(5)	NA	NA	(0.003)
Sahara	2260.SE	Neutral	19.3	27.2	103	NA	(11.0)	0.35
Yansab	2290.SE	Neutral	38.1	50.7	801	NA	209	1.42
Petrochem	2002.SE	Underweight	14.9	15.8	(28)	NA	NA	(0.06)

Source: Bloomberg, NCBC Research estimates
*Prices as of 30/6/2010
^Includes SR263mn gain from sale of Dammam land

Strategy

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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

IMPORTANT INFORMATION