



Al Rajhi Bank

Investor Presentation

3Q 2018 Results

The Blue Chip Islamic Bank





1	The World's Leading Islamic Bank	03	3	3Q 2018 Financial Results Overview	26
	Islamic Banking, Everywhere	04		Key Messages	27
	The Blue Chip Islamic Bank	05		Net Income Trends	28
	Top 10 Facts	08		Progress Against Guidance	29
	Market Shares	09		Operating Income	30
	Al Rajhi Bank Market Performance	12		Expenses	32
	Awards, Values and Social Responsibility	14		Assets, Financing & Asset Quality	33
				Funding & Liquidity	36
				Capitalisation	38
2	Al Rajhi Bank Strategy 2020	17	4	Operating Results	39
	Vision 2030	18		Retail Banking	40
	Financial Sector Development Program	19		Corporate Banking	41
	Strategy Overview - ABCDE	20		Treasury	42
				Investment Services & Brokerage	43
			5	Appendix, Additional Information & Disclaimer	44



Al Rajhi Bank

The World's Leading Islamic Bank

The Blue Chip Islamic Bank



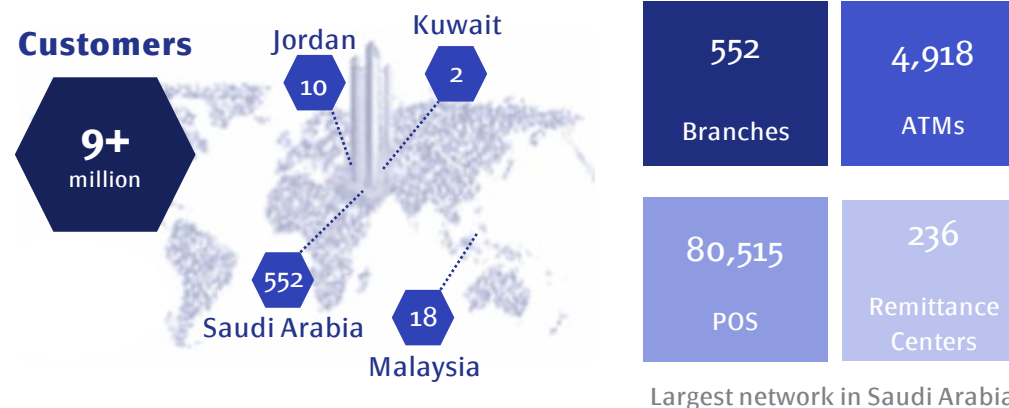
Al Rajhi Bank

Islamic Banking, Everywhere

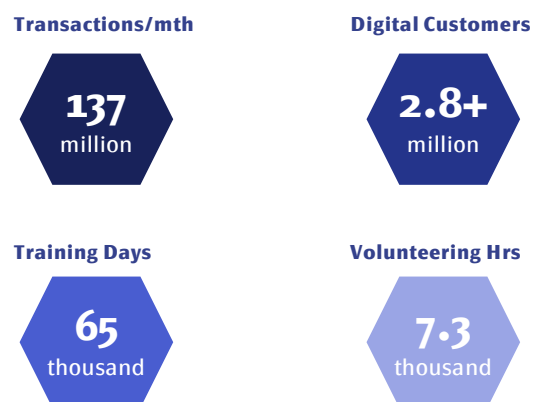
At a glance



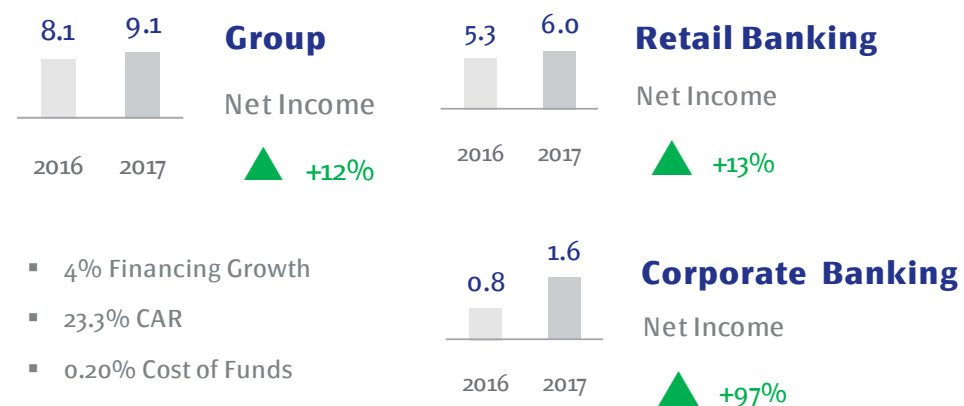
Presence & Branches



FY2017 Strategic Highlights



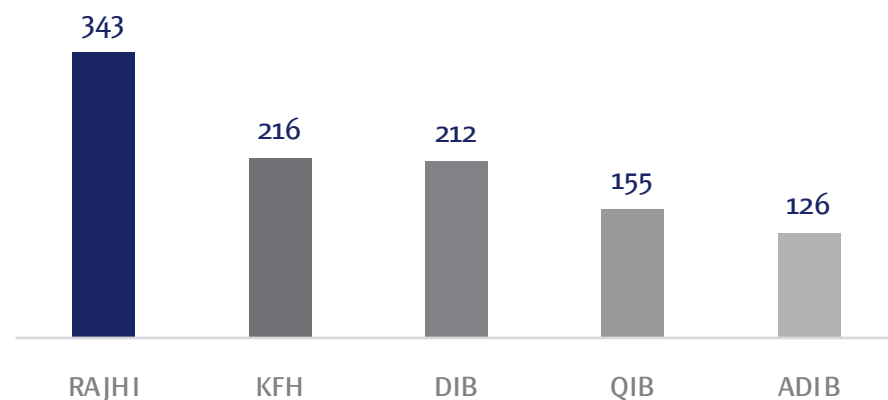
FY2017 Financial Highlights



Al Rajhi Bank

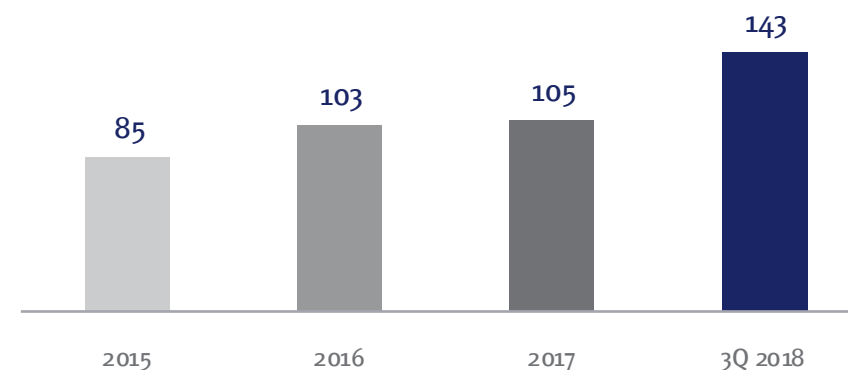
What makes us "The Blue Chip Islamic Bank"

Institutional Status - World's #1 Islamic Bank (by Assets; SAR bn)



Source: Bank Financial Statements, FY 2017

Large and Growing Market Cap (in SAR bn)



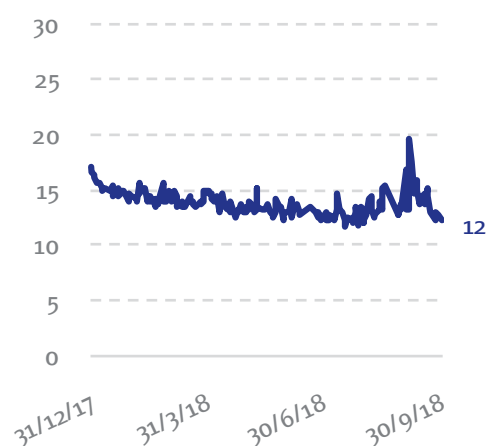
Source: Tadawul

Low Volatility (90D)



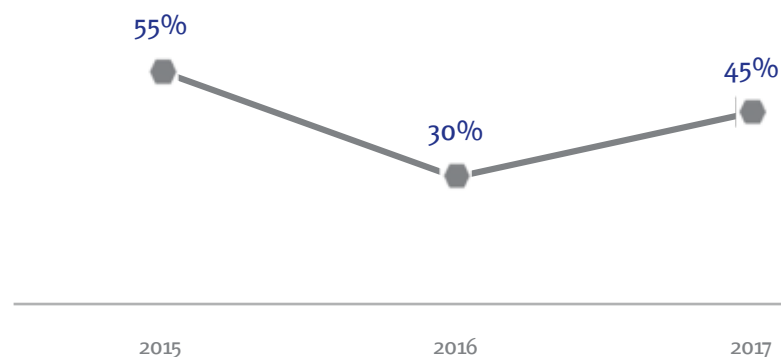
Source: Bloomberg

Low Bid / Ask Spread (bps)



Source: Bloomberg

High Stock Turnover Velocity (%)

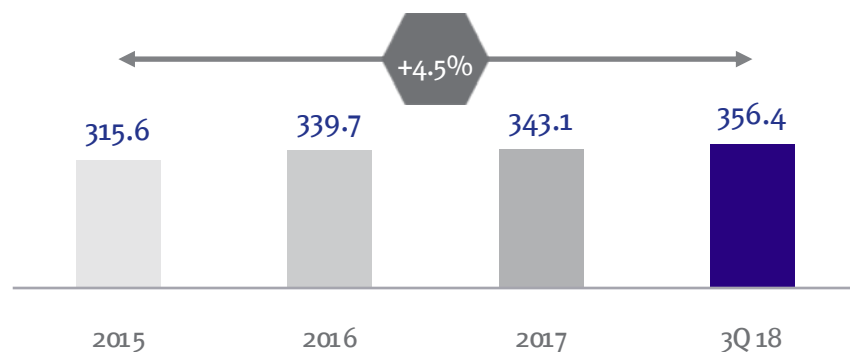


Source: Tadawul

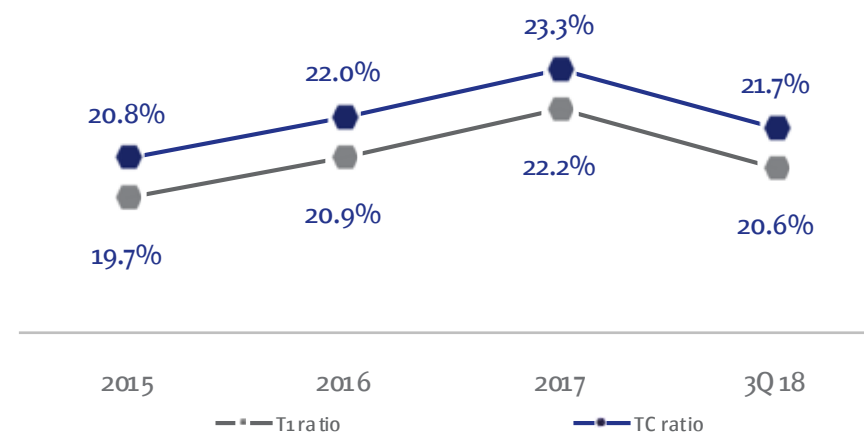
Al Rajhi Bank, The Blue Chip Islamic Bank

Robust balance sheet with 95% non-profit-bearing deposits

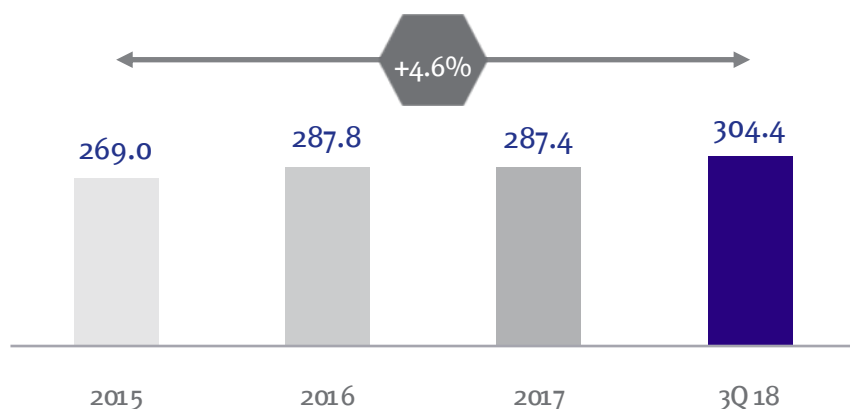
Total Assets (SARbn)



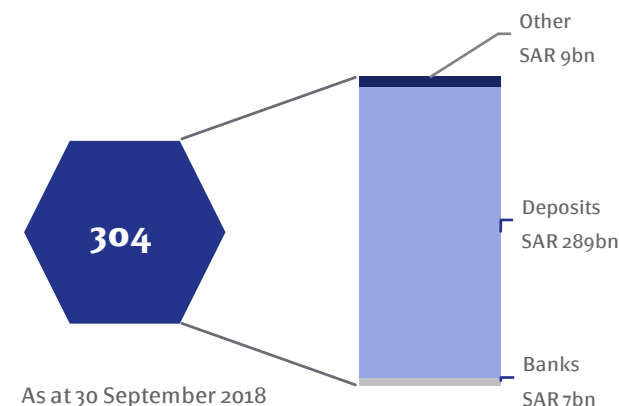
Capital Ratios (%)



Total Liabilities (SARbn)



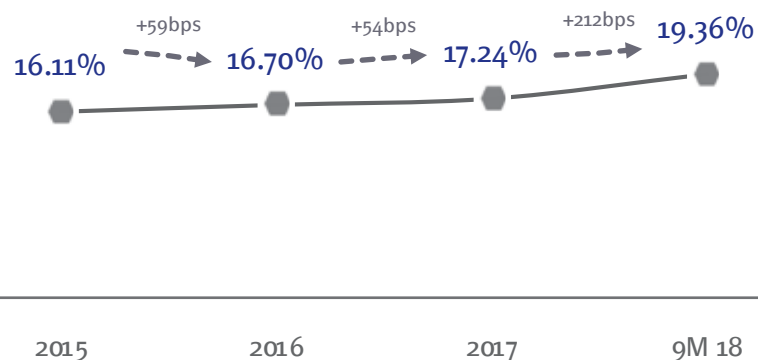
Total Liabilities Mix By Type (SARbn)



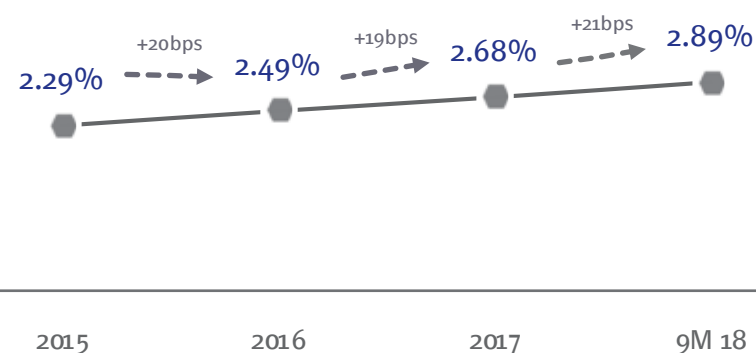
Al Rajhi Bank, The Blue Chip Islamic Bank

Outstanding foundation and strong returns

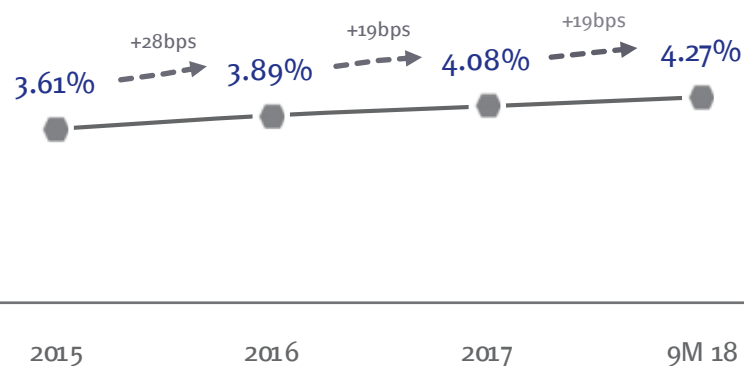
ROE (%)



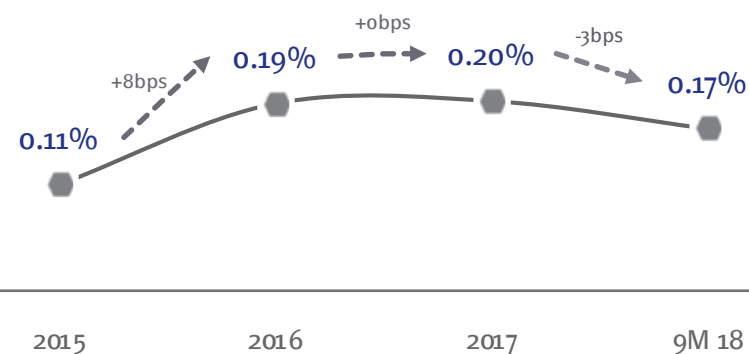
ROA (%)



Net Profit Margin (%)



Cost Of Funds (%)



Top 10 Facts about Al Rajhi Bank

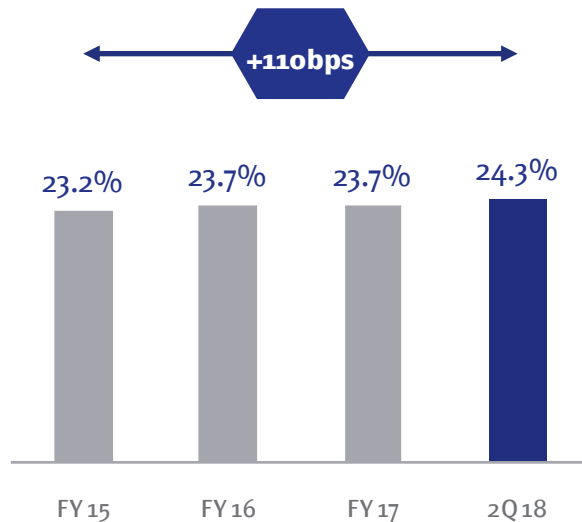


- 1 Largest Islamic Bank worldwide**
(by Assets & Market Cap)
- 2 #1 Retail Bank in Middle East**
(Retail Deposits & Income)
- 3 One of the highest NPB deposit ratios**
(95%)
- 4 #1 Bank capitalisation in GCC**
(21.7% Total Capital ratio)
- 5 #1 Brokerage in KSA**
(21.0% market share at 9M 2018)
- 6 #1 Bank in KSA**
(by number of customers)
- 7 #1 Distribution network in Middle East**
(by # of Branches, POS, ATMs, Remittance Centers)
- 8 #1 Banking transactions in KSA**
(4 of 10 transactions in KSA; 166mn per month)
- 9 #1 Bank for remittances in Middle East**
(by payment value)
- 10 #1 Bank brand in KSA**
(Brand Power Score)

What sets Al Rajhi Bank apart

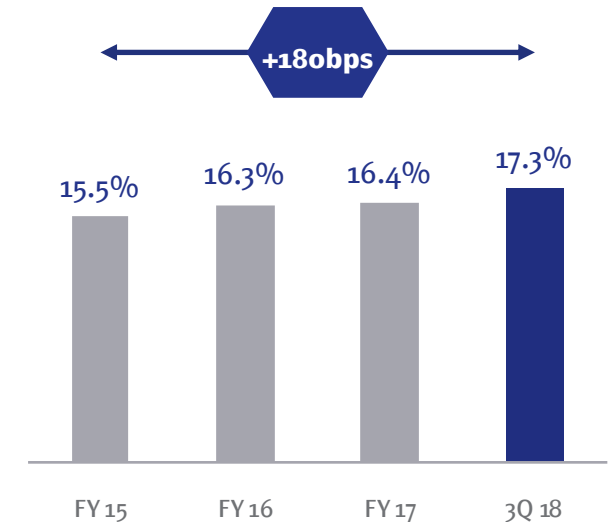
ARB has the largest retail banking business in the Middle East

Market Share - Current Accounts



1 in Saudi Arabia

Market Share - Deposits



#2 in Saudi Arabia

9+ Million
Customers

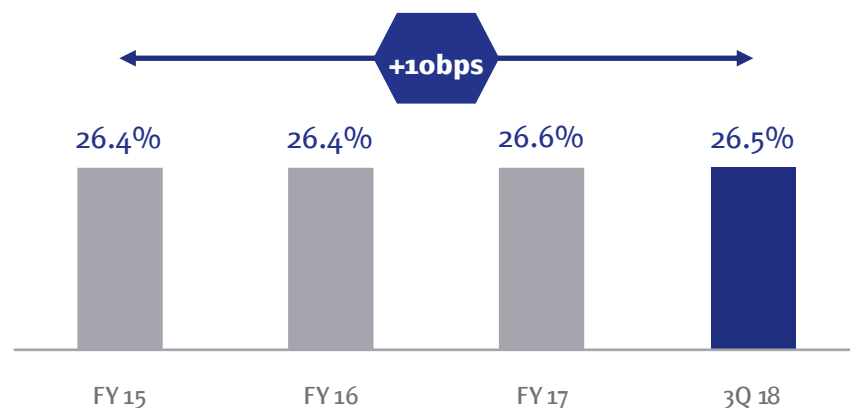
#1 in Saudi Arabia

Al Rajhi Bank's Leading Network

The Bank has a large distribution network in Saudi Arabia...

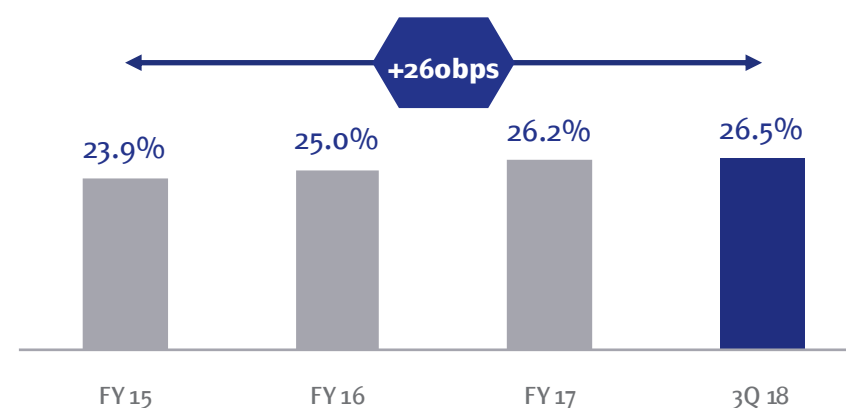
#1 in Branches

Market Share - Branches



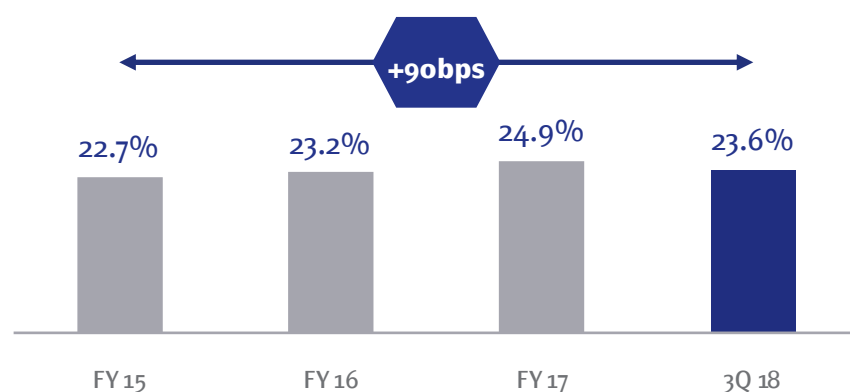
#1 in ATMs

Market Share - ATMs



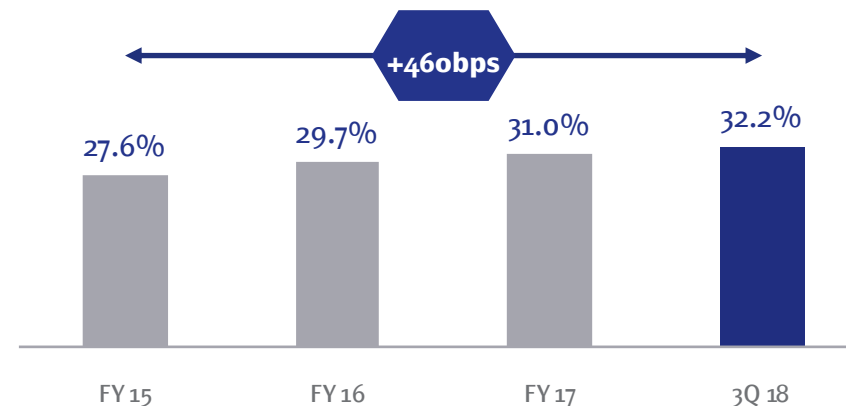
#1 in POS

Market Share - POS (Terminals)



#1 Remittance Centers

Market Share - Remittance Centers



Source: SAMA

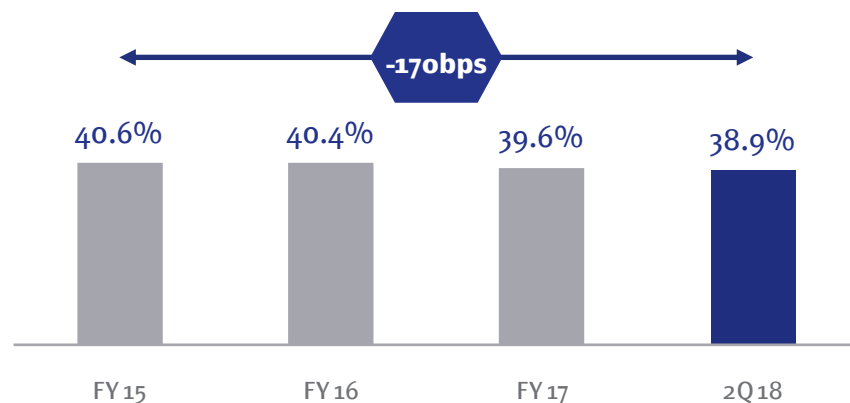
ARB has a unique franchise

We capture high market share across key products



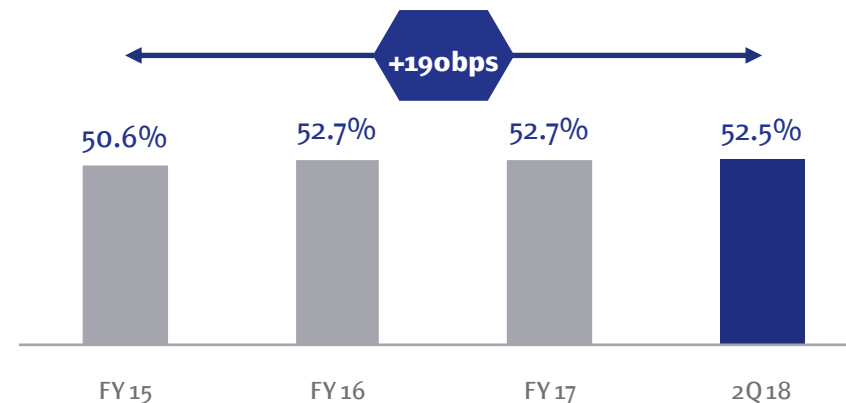
#1 in Personal Loans

Market Share - Personal Loans



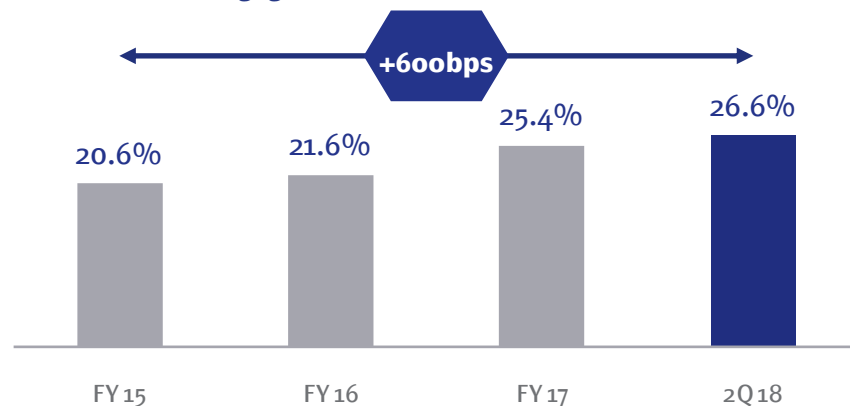
#1 in Auto Loans

Market Share - Auto Loans



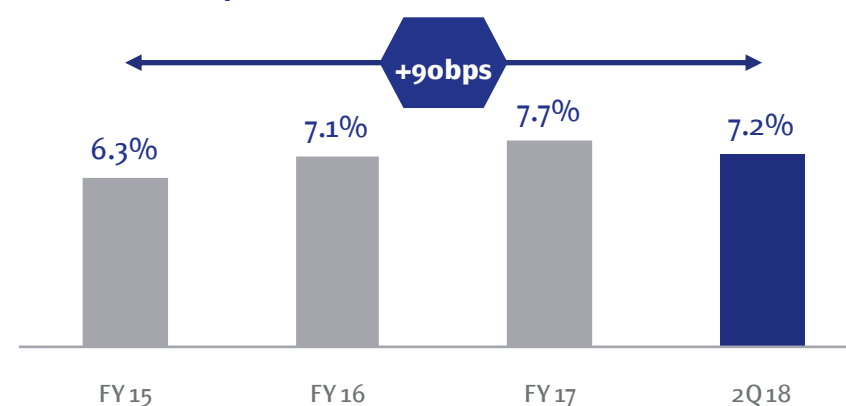
#1 in Mortgages

Market Share - Mortgages



Challenger Position in Corporate Loans

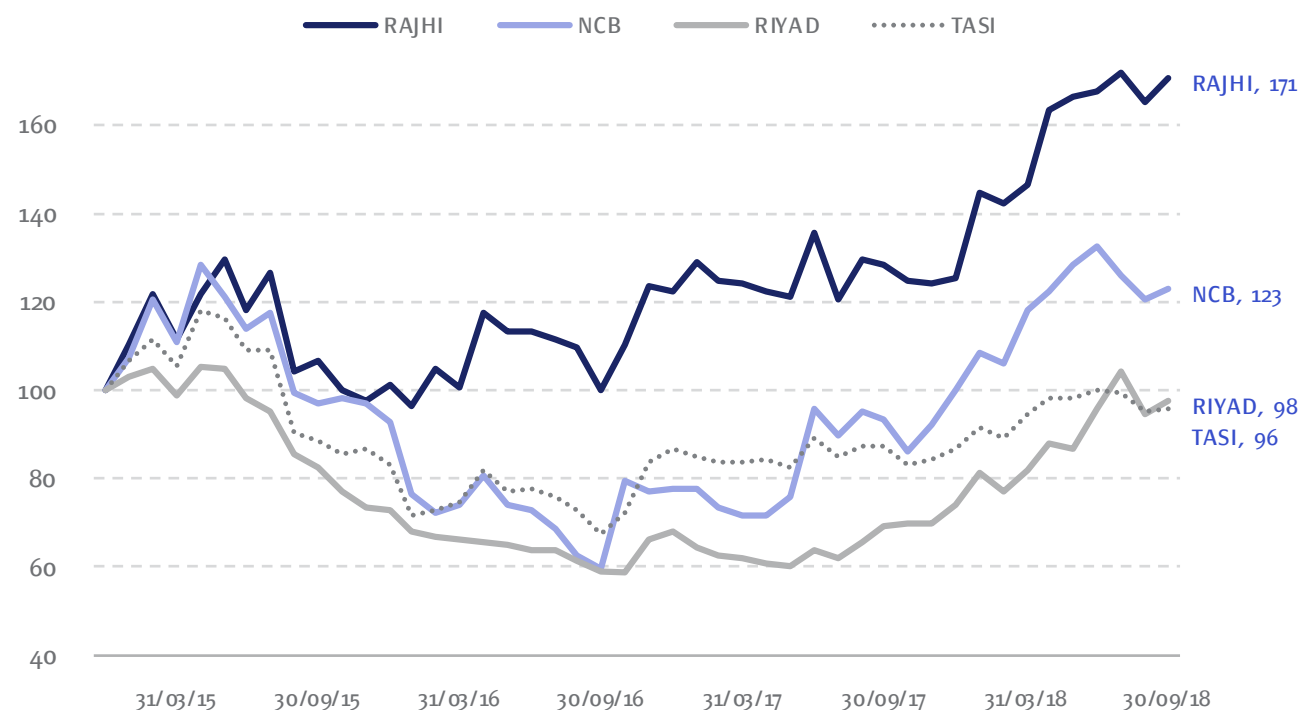
Market Share - Corporate Loans



ARB Market Performance

Al Rajhi Bank maintained its momentum and outperformed its peer group

Share Price Performance Top 3 KSA Banks (Monthly; Rebased to 100)



	Al Rajhi Bank	NCB	Riyad Bank	Kuwait Finance House	Dubai Islamic Bank	Qatar Islamic Bank	Abu Dhabi Islamic Bank
Rebased to 100	171	123	98	121	96	138	65
As of 30 Sept 2018	87.90 SAR	45.05 SAR	16.62 SAR	597 KWD	5.38 AED	141 QAR	3.61 AED

Source: Stock Exchanges

30 Sept 18

Key Metrics

Closing Price	SAR 87.90
Market Cap	SAR 142.8 bn
Market Cap / % Industry	23.74%
Market Cap / % Tadawul	7.52%
Shares outstanding	1.625 bn
90D Volatility	19.38%
Price / Earnings	14.77 x
Price / Book	2.71 x
Dividend Yield	5.12%
Return on Equity	19.36%
Return on Assets	2.89%

YoY Growth per share

Operating Income	9.46%
Earnings	12.85%
Total Return	39.79%

Sources: Bloomberg; Tadawul; RAJHI Financials

Ratings

Moody's	A1
S&P	BBB+
Fitch	A-

Market Performance

Strong index representation (TASI 2nd) and liquidity (4th)

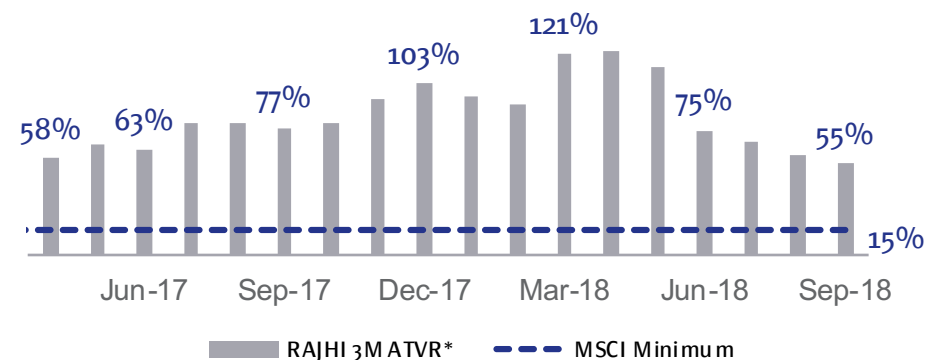
ARB has the highest weight in the MSCI GCC Index...

#	Top 10 Constituents	Country	Float Adj Mkt Cap	Index Weight (%)	Sector
1	Al Rajhi Bank	KSA	29.88	10.47%	Financials
2	Sabir	KSA	24.72	8.66%	Materials
3	Qatar National Bank	QAT	22.00	7.70%	Financials
4	National Commercial Bank	KSA	14.08	4.93%	Financials
5	Saudi Telecom	KSA	9.20	3.22%	Telecoms
6	SAMBA Financial Group	KSA	8.99	3.15%	Financials
7	National Bank of Kuwait	KUW	8.30	2.91%	Financials
8	Emirates Telecom Corp	UAE	7.91	2.77%	Telecoms
9	Alinma Bank	KSA	6.34	2.22%	Financials
10	Industries Qatar	QAT	6.22	2.18%	Industrials
			137.63	48.20%	

Source: MSCI Fact Sheet; 28 September 2018

...and is "certain" to be included in MSCI EM Index

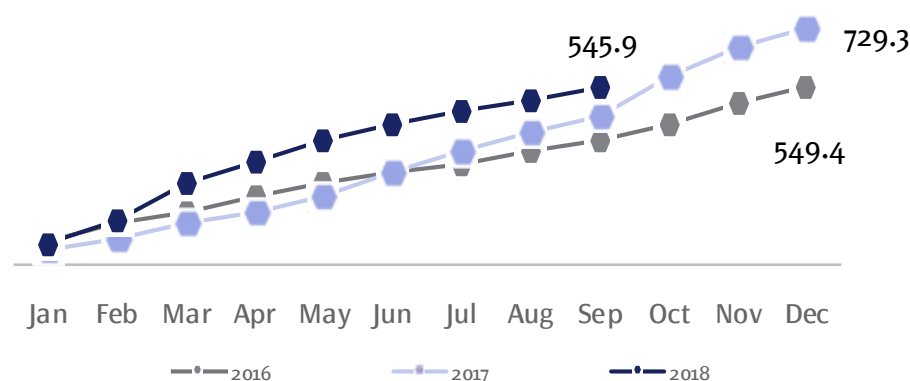
RAJHI ATVR* vs. MSCI Minimum Requirement (>15%)



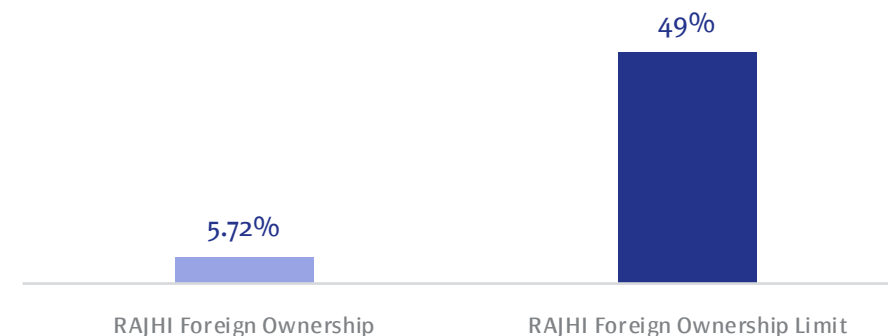
Source: MSCI; *3M ATVR is MSCI's measure of annualised median trading value of FOL & Free Float adjusted market capitalisation over the last 3 months, which is required to be >15% for MSCI index inclusion

ARB has consistently strong trading volumes...

Cumulative Monthly Trading Volumes (mn)



...and room for foreign ownership



Source: Tadawul, 30 Sept 2018

Awards

Recent international recognition



Global Awards



Best Bank in Saudi Arabia



Best Financial Institution in Saudi Arabia



Largest Bank in the world in terms of Sharia Assets



Best Bank in Saudi Arabia

Regional Awards



- **Best Bank in GCC**
- **Fastest Growing Bank in KSA**
- **Most Innovative Bank in KSA**
- **Best Retail Bank in KSA**



- **Strongest Islamic Retail Bank in the World**
- **Strongest Islamic Retail Bank in the GCC**
- **Strongest Islamic Retail Bank in the MEA**



GCC Best Employer Brand Award



Most Improved Investor Relations Team – Blue-Chip

Our Values



نعيش قيمنا
Living the Values

**Integrity &
Transparency**

Openness and highest standards of
corporate & personal ethics

**Passion to
Serve Our
Customers**

A strong commitment to anticipate and
address customer needs

**Solution
Oriented**

Helping our customers achieve their
objectives

Modesty

Humility in everything we do

Innovativeness

Nurturing imagination and fostering
creativity

Meritocracy

Defining, differentiating and reinforcing
excellence in people

Care for Society

Contributing towards a better tomorrow

Al Rajhi Bank's Social Responsibilities



Our responsibility to our community has always been at the forefront of what we do

Focus areas

Participation

101 programs conducted 21 cities

8630 volunteering hours clocked in 9M 2018

CSR Strategic Focus

People In Need, Volunteering, Financial Literacy and International Days

Direction for 2020

To enhance the staff participation in volunteering by **targeting cumulative 50K hours by 2020**

Examples





Al Rajhi Bank Strategy 2020

ABCDE 'Back to Basics'

The Blue Chip Islamic Bank



Saudi Arabia Vision 2030

Key objectives



A Vibrant Society

▪ Increase Umrah capacity from 8 to 30M
▪ Double the number of UNESCO World Heritage sites
▪ Have 3 Saudi cities in top 100 globally
▪ Increase household entertainment spending from 2.9% to 6%
▪ Increase ratio of individuals exercising from 13% to 40% of population
▪ Raise position from 26 to 10 in Social Capital Index
▪ Increase avg. life expect. from 74 to 80
▪ Increase home ownership from 47% to 60% (2015-20), 850k new housing units
▪ Increase RE financing contribution to non-oil GDP from 8% to 15% (2015-20)



A Thriving Economy

▪ Lower unemployment from 11.6% to 7%	▪ Rise in Global Competitiveness Index from 25 to top 10
▪ Increase SME contribution to GDP from 20% to 35%	▪ Increase FDI from 3.8% to 5.7%
▪ Increase women's participation in workforce from 22% to 30%	▪ Increase private sector contribution to GDP from 40% to 65%
▪ Move from 19th largest economy to top 15 globally	▪ Rise in Logistics Performance Index from 49 to 25
▪ Increase oil & gas localization from 40% to 75%	▪ Raise non-oil exports from 16% of GDP to 50%
▪ Increase PIF's assets from SAR 600B to SAR 7T	



An Ambitious Nation

▪ Increase non-oil government revenue from SAR 163B to 1T
▪ Rise in Government Effectiveness Index from 80 to 20
▪ Rise in E-Government Survey Index from 36 to top 5
▪ Raise in household savings from 6% to 10% of total income
▪ Raise non-profit's contribution to GDP from 1% to 5%
▪ Rally 1M volunteers p.a. from 11K now

Financial Sector Development Program

Creating a thriving financial sector that serves as key enabler for Vision 2030 objectives

2020 metrics & targets

Enable financial institutions to support private sector growth

- Increase total GWP to non-oil GDP from 2.1% to 2.9%
- Increase # of Fintech players to 3
- Increase SME loans as % of bank loans from 2% to 5%
- Increase value of SME funding through PE/VC vehicles to SAR 23 Bn
- Increase life GWP per capita from SAR 33 to 40
- Increase coverage ratio of insurance schemes to 45% (health) & 75% (motor)
- Increase share of non-cash transactions from 18% to 28%
- Increase outstanding real estate mortgages from SAR 290 Bn to SAR 502 Bn

Ensure the formation of an advanced capital market

- Increase total market capitalization (shares and debt) as % of GDP from 78% to $\geq 85\%$
- Increase assets under management as % of GDP from 12% to $\geq 22\%$
- Align market concentration of top 10 companies by market cap from 57% to 55%
- Increase institutional investors' share of value traded from 18% to $\geq 20\%$
- Increase foreign investor ownership of the equity market cap from 4% to $\geq 15\%$
- Increase # of micro and small cap companies listed, as % of total number of companies listed from 34% to $\geq 40\%$
- Increase share of investment accounts opened through eKYC to 10%
- Align minimum free float of equity market cap, in % of total outstanding shares from 46% to $\geq 45\%$



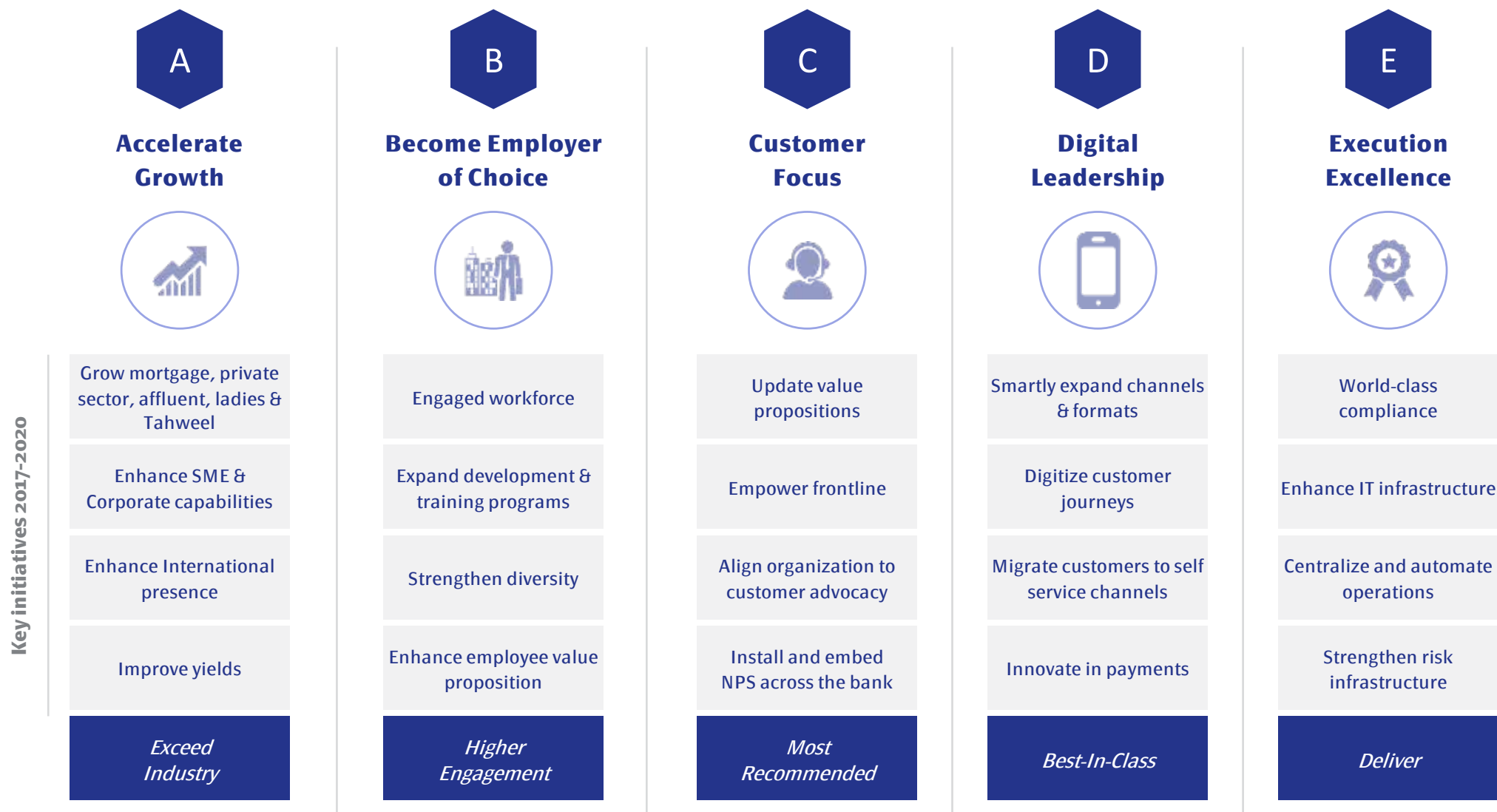
Promote and enable financial planning

- Increase total amount of savings held in savings products from SAR 315 Bn to SAR 400Bn
- Increase number of available types of savings products from 4 to 9
- Increase % of households savings on a regular basis from 19% to 29%
- Increase share of A/C opened through eKYC to 10%
- Increase household savings ratio as % of disposable income from 6.2% to 7.5%

*from 2016 to 2020

Strategy Overview

ABCDE 'Back to Basics' strategy already delivers results



Accelerate Growth

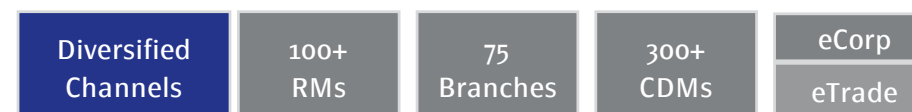
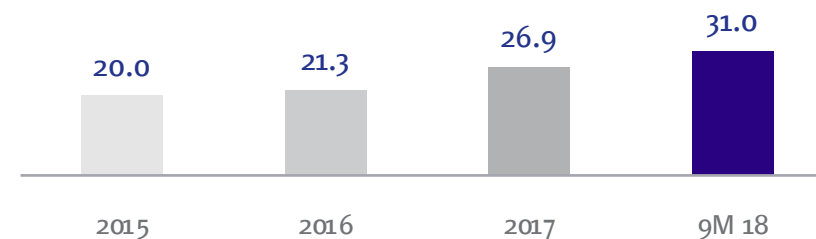
Key Initiatives 2017 - 2020



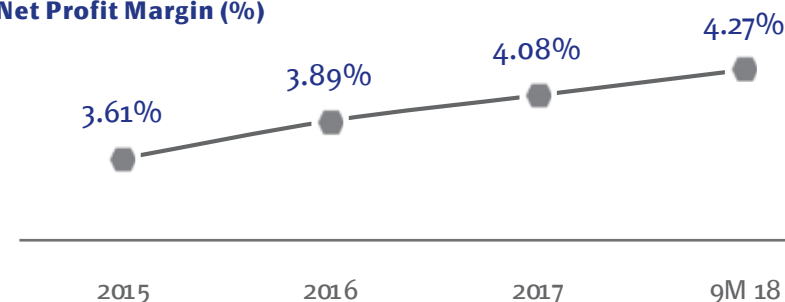
Criticality	Initiative	Progress to date
A	Grow mortgages, private sector, affluent, ladies & Tahweel (remittances)	
A	New Products	
A	Enhance SME & Corporate capabilities	
A	Improve yields	

Examples:

Mortgage Financing (SARbn)



Net Profit Margin (%)



Become Employer of Choice

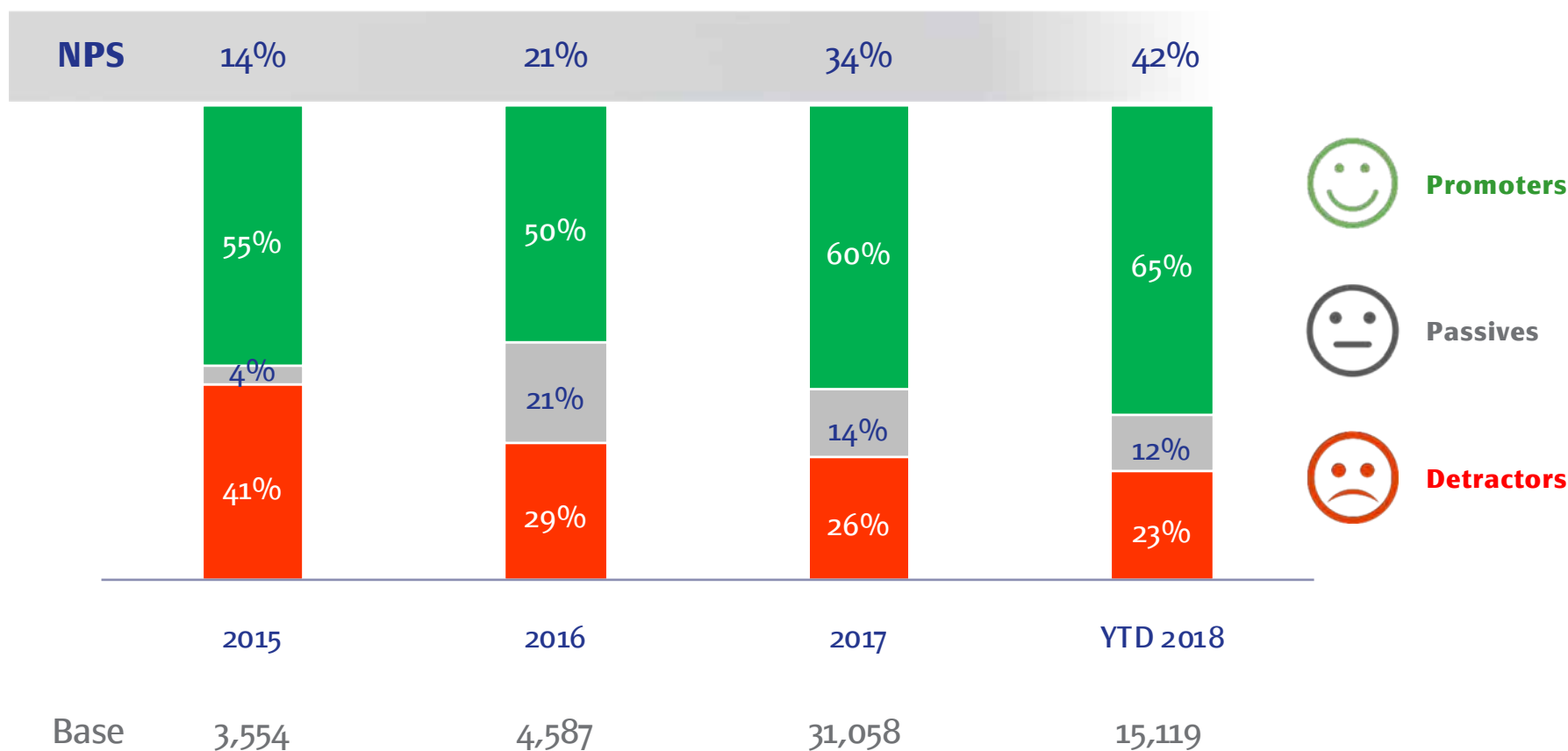
Key Initiatives 2017 - 2020



Criticality	Initiative	Progress to date	Examples:
B	Engaged workforce		Positive NPS among employees
B	Expand development & training programs		Al Rajhi Bank Academy School of Banking Graduate Development Program
B	Strengthen diversity		Higher percentage of women (13.27% at 9M 2018)
B	Enhance employee value proposition		Living Al Rajhi Bank's Values

Customer Focus

Al Rajhi Bank has significantly improved its NPS score



Q : Based on your experience with your main bank , how likely are you to recommend it to a friend, relative or colleague, on a scale from 0 to 10?

Source : Online Top Down NPS Study commissioned by Al Rajhi Bank Data Collection Period – end Sept 2018

Digital Leadership

Key Initiatives 2017 - 2020

Criticality	Initiative	Progress to date	Examples:
D	Smartly expand channels & formats		<p>Digital : Manual Ratio</p> 
D	Digitize customer journeys		  <p>3.5 Mn Registered customers</p>
D	Migrate customers to self-service channels		<p>5K ATMs</p> <p>1.1K CDMs</p> <p>250 Self Service Kiosks</p> <p>20 Interactive Teller Machines</p>
D	Innovate in payments		  

Execution Excellence

Key Initiatives 2017 - 2020



Criticality	Initiative	Progress to date	Examples:
E	World-class compliance		Maintain world-class compliance
E	Enhance IT infrastructure		IT Transformation Systems Risks Finance
E	Centralize and automate operations		Increase operational efficiency through digitalization [253 Bots, 21K transactions per day, 48 processes]
E	Strengthen risk infrastructure		IT Risk Operational Risk



Financial Results

Overview & Trends

The Blue Chip Islamic Bank

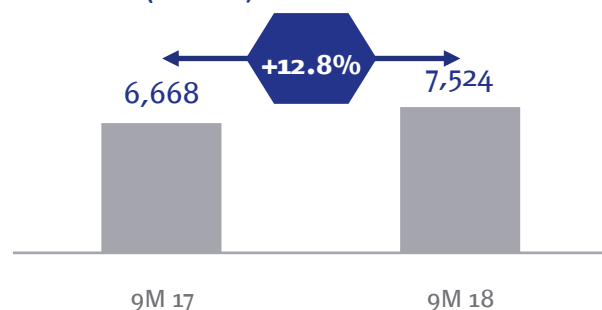


Key Messages

Solid 9M 2018 performance

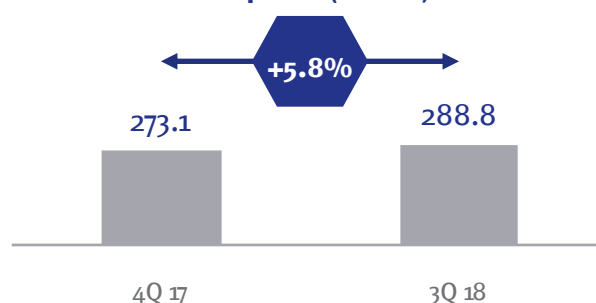
Net Income up 12.8% YoY

Net Income (SARmn)



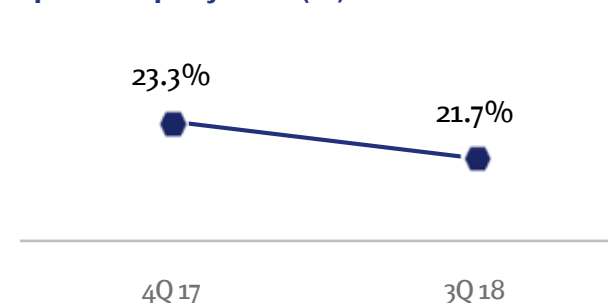
Deposits up 5.8% YTD, Financing improved slightly

Total Customers' Deposits (SARbn)

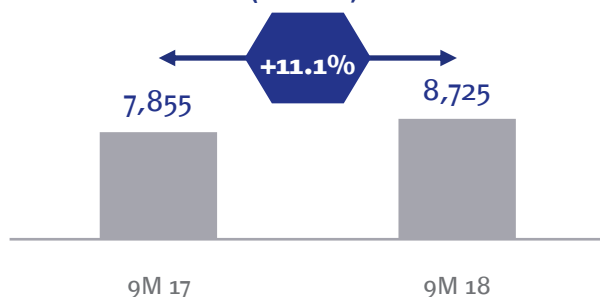


Liquidity remained healthy, CAR temporarily declined

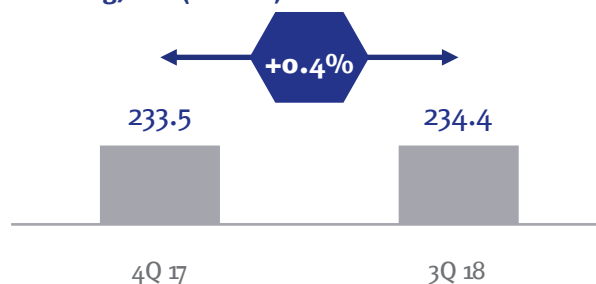
Capital Adequacy Ratio (%)



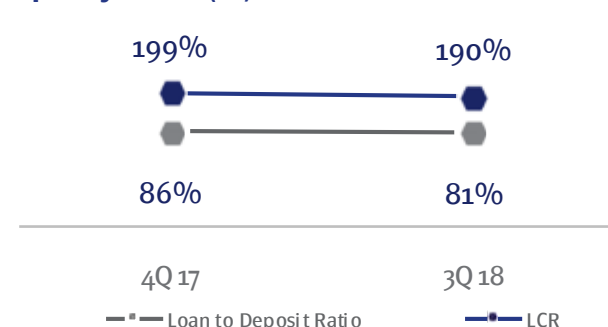
Pre-Provision Profit (SARmn)



Financing, Net (SARbn)



Liquidity Ratios (%)



- 12.8% Profit growth from solid 9.5% income growth, improved operating efficiency and stable cost of risk
- Profit growth driven by strong Retail Banking performance (+13.2%)

- 5.8% deposit growth YTD from non-profit bearing deposits which now account for 95%
- Financing activity slightly improved by 0.4%

- CAR declined by 163 bps YTD due to dividend payment and 1st time IFRS 9 adoption impact in 1Q2018
- Liquidity remained healthy

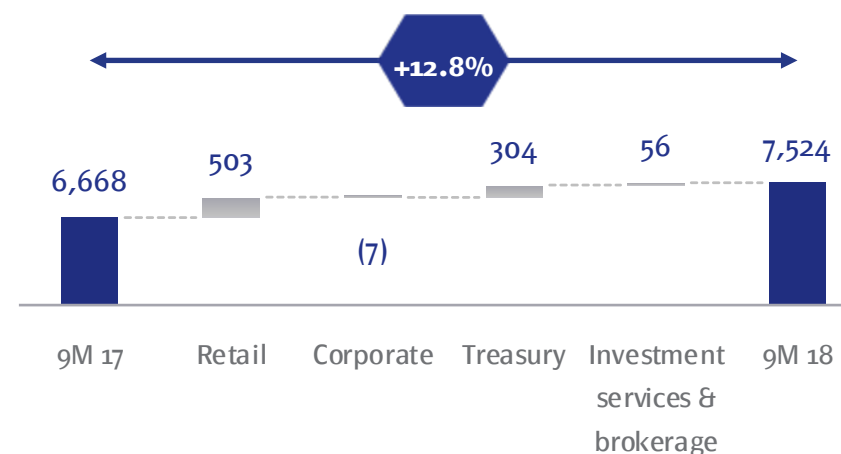
Net Income Trends

9M 2018 profit growth of 12.8% YoY from solid income growth

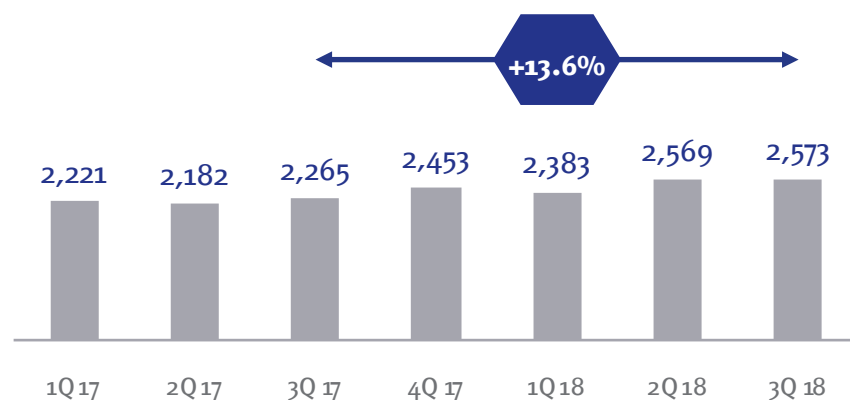
Commentary

- Net income for 9M 2018 increased 12.8% YoY to SAR 7,524 million mainly driven by 9.5% total operating income growth from both yield (+9.7%) and non-yield (+8.7%) improvements, partly offset by increased expenses (+6.2%)
- On a segmental basis, net income growth was driven by 12.2% Retail Banking and 28.1% Treasury growth, partly offset by a -0.6% decline in Corporate net income from higher credit costs, due to lower recoveries in 9M 2018

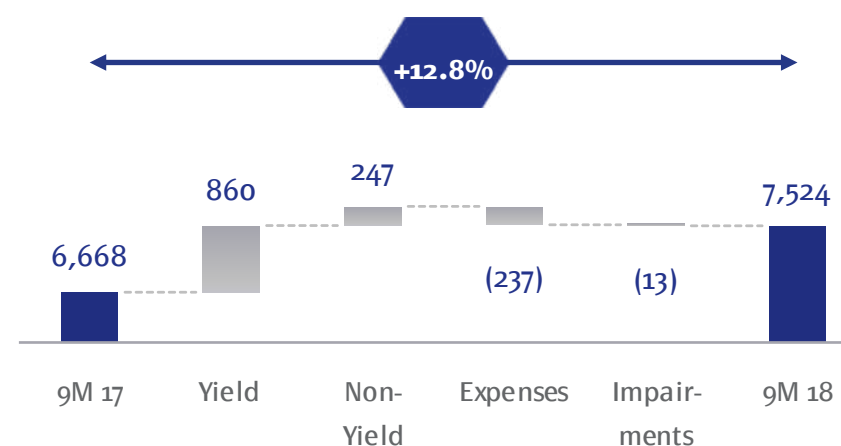
Net Income Growth Drivers By Segment (SARmn)



Net Income For The Period (SARmn)



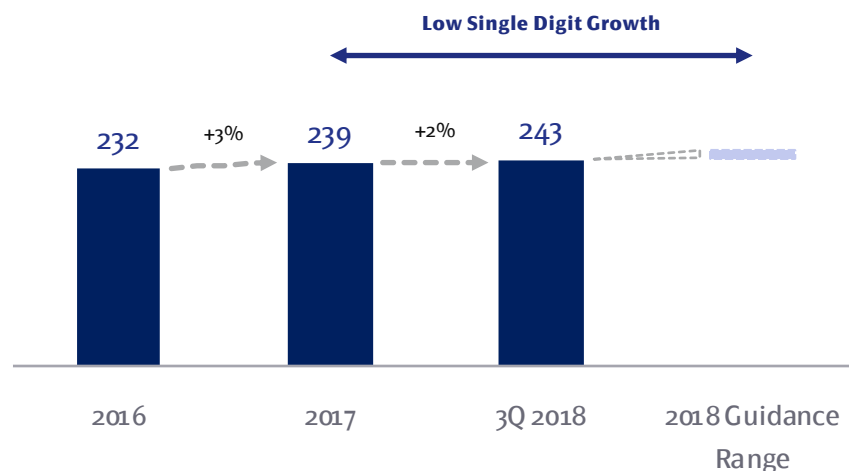
Net Income Growth Drivers By Type (SARmn)



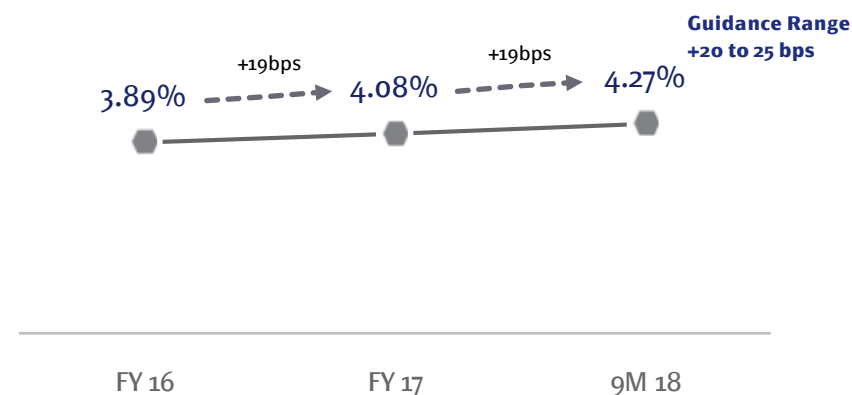
Progress against guidance

Financing & income growth, efficiency and cost of risk in line with FY 2018 guidance

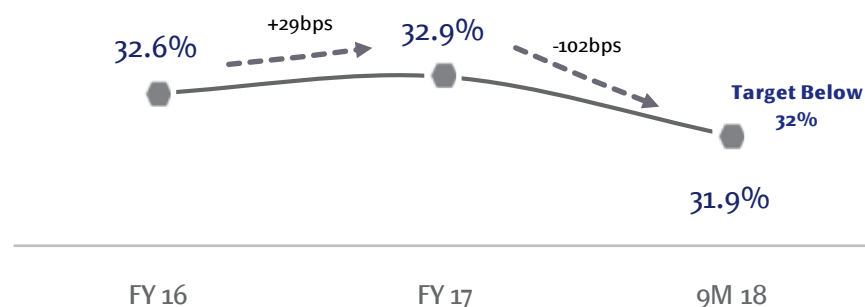
Financing, Gross (SARbn)



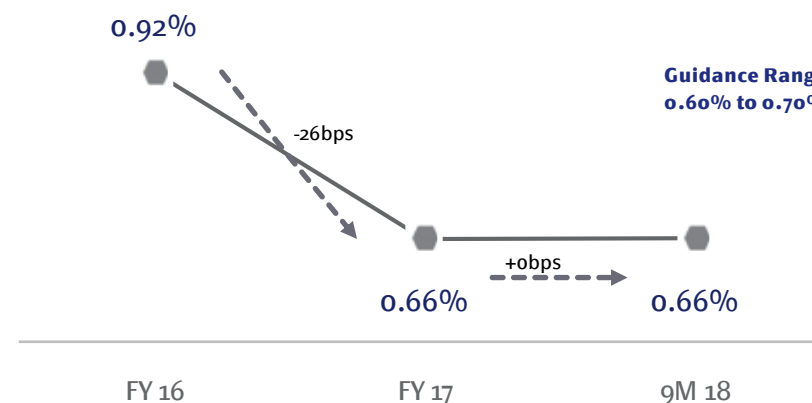
Net Profit Margin (%)



Cost To Income Ratio (%)



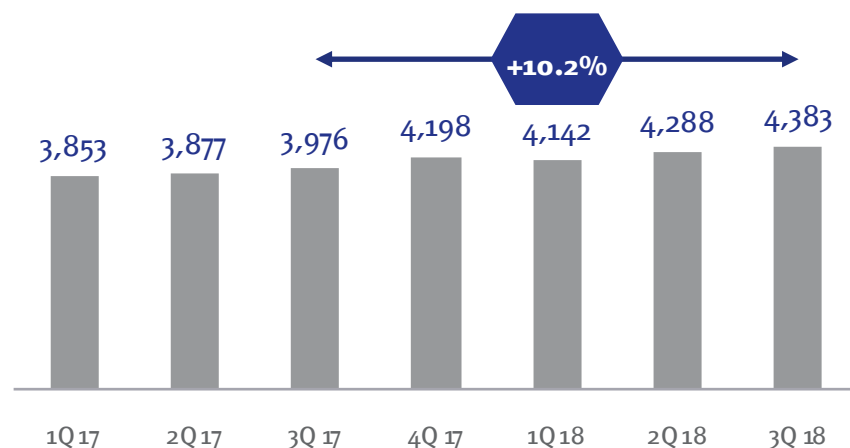
Cost Of Risk (%)



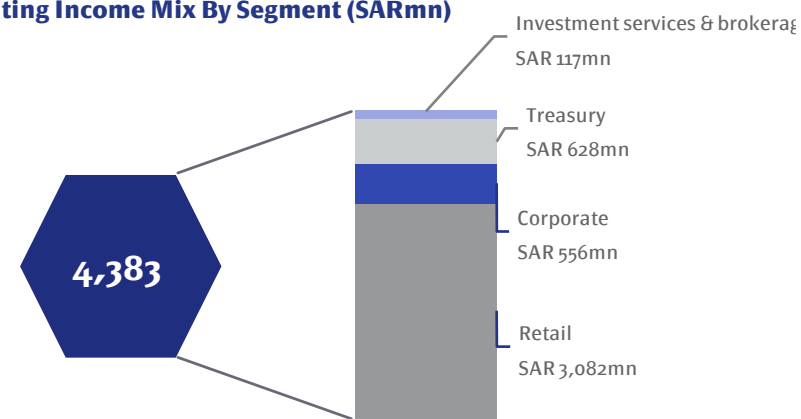
Operating Income Trends

9M 2018 income growth of 9.5% from financing (+9.7%) and fees & other income (+8.7%)

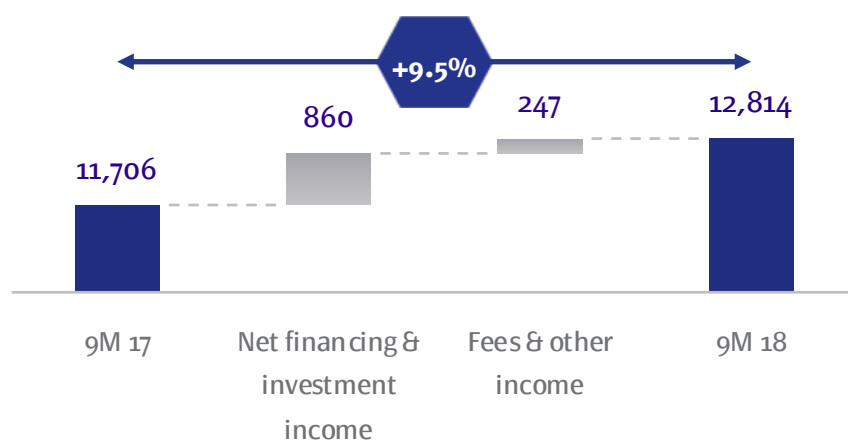
Total Operating Income (SARmn)



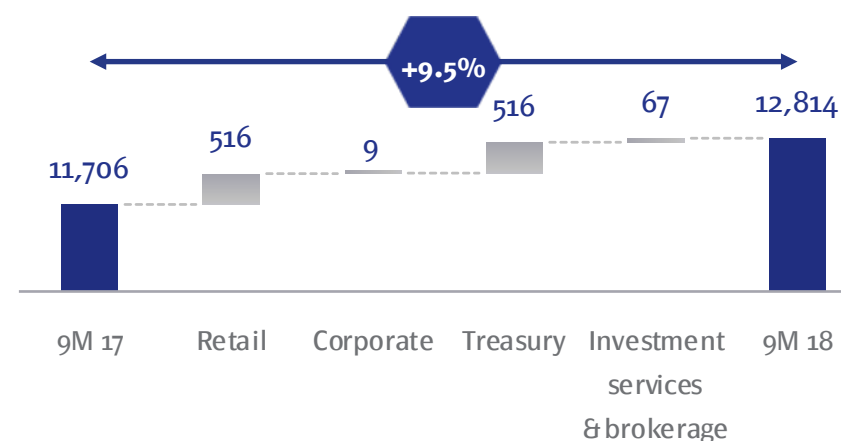
Total Operating Income Mix By Segment (SARmn)



Total Operating Income Growth Drivers by Type (SARmn)



Total Operating Income Growth Drivers By Segment (SARmn)



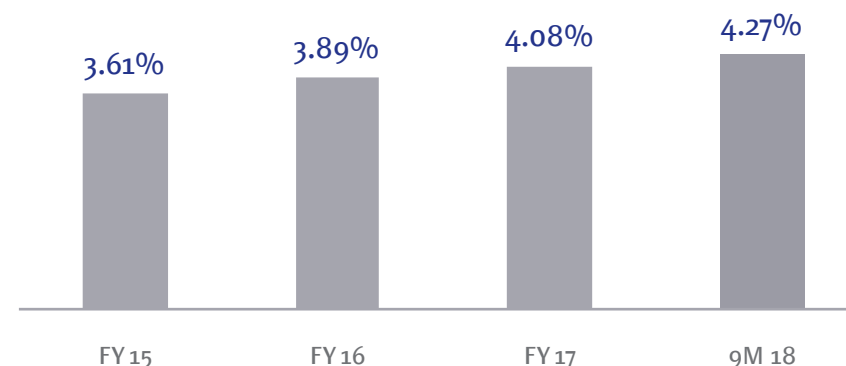
Operating Income Trends

Improved YoY financing margin & strong banking fee income growth

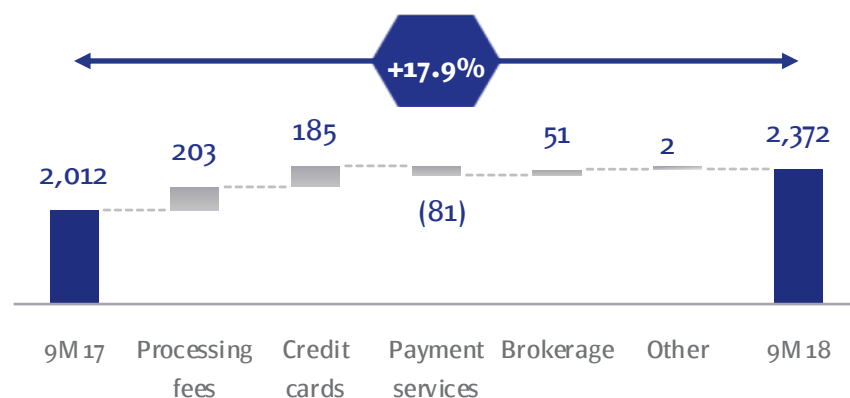
Commentary

- 9M 2018 net financing and investment income grew 9.7% YoY due to improved financing margins on stable average profit-bearing assets
- The 9M net profit margin improved by 27bps YoY to 4.27% as both financing yields (+22bps) and cost of funding improved (+4bps). Margin improved due to rising interest rate environment, improved deposit mix and higher average investment portfolio balances
- Fee and other income grew 8.7% YoY, mainly from strong 17.9% growth in fees from banking services driven by processing fees and credit card fees, partly offset by decline in exchange and other income

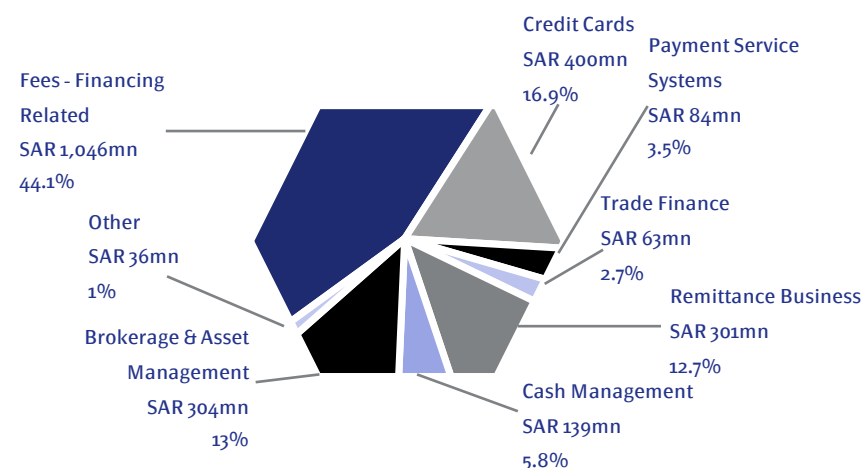
Net Profit Margin (%)



Fee From Banking Services Growth Drivers By Type (SARmn)



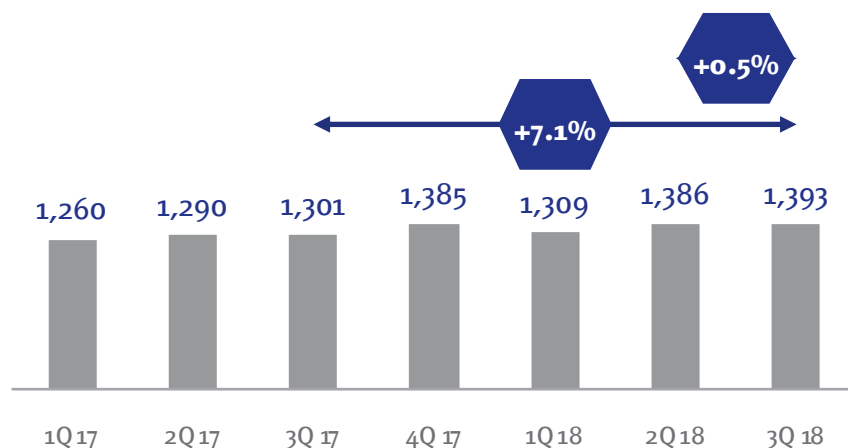
Fee From Banking Services, Net Mix By Type (SARmn)



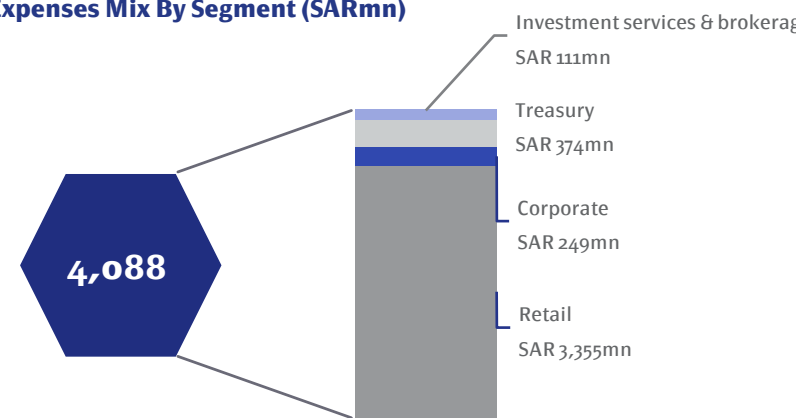
Expenses Trends

9M 2018 expense growth of 6.2% YoY, but efficiency improved 99 bps on positive "jaws"

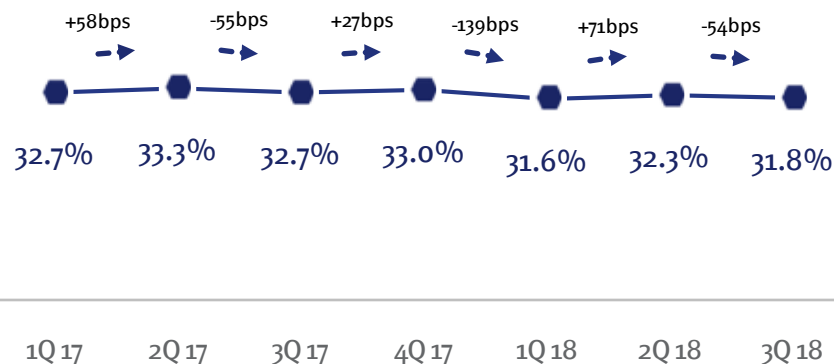
Operating Expenses (SARmn)



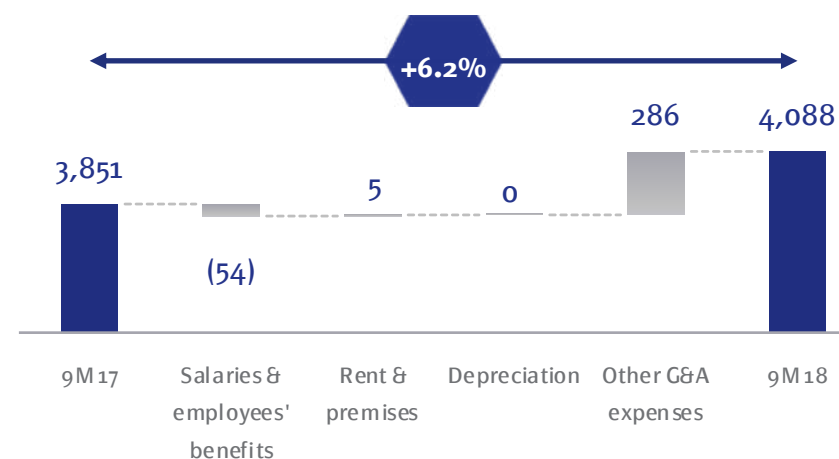
Operating Expenses Mix By Segment (SARmn)



Cost To Income Ratio Trend (%)



Operating Expenses Growth Drivers By Type (SARmn)



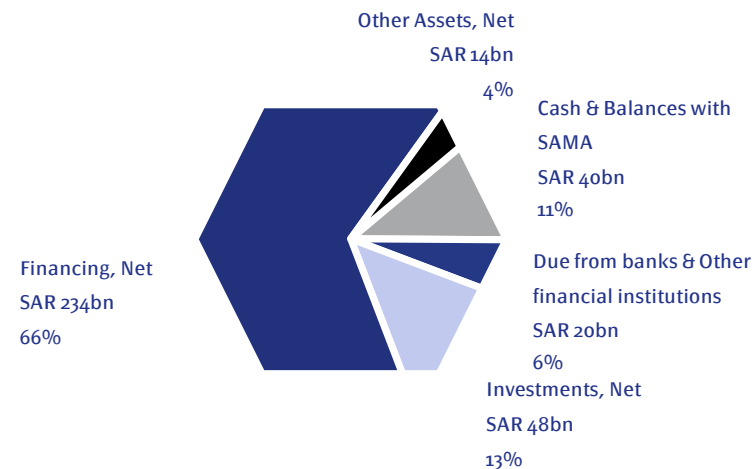
Assets

3.9% increase YTD in total assets

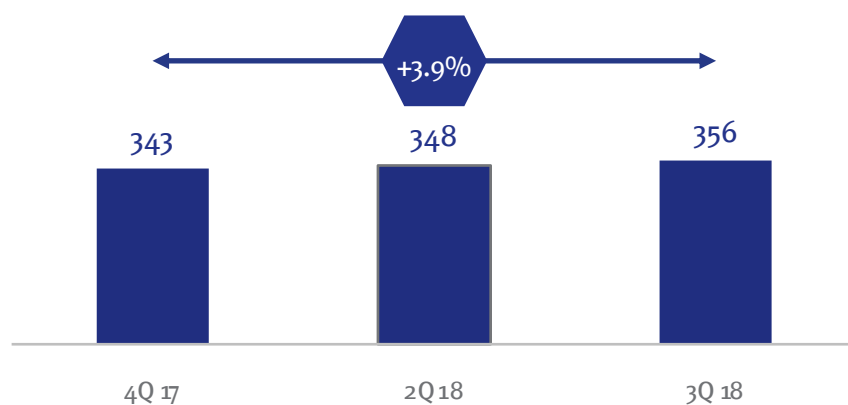
Commentary

- Total assets increased by 3.9% YTD as an increase in investments (+31.5%) and interbank balances (+87.9%) were offset by lower cash and balances with SAMA and other central banks (-17.2%)

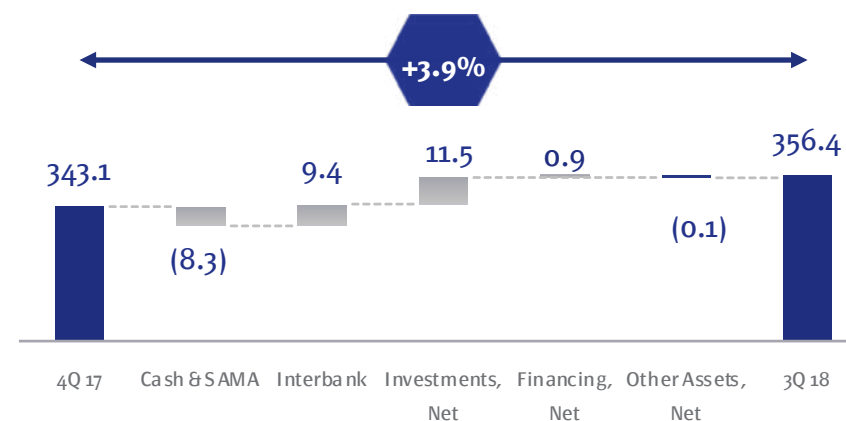
Total Assets Mix By Type (SARbn)



Total Assets (SARbn)



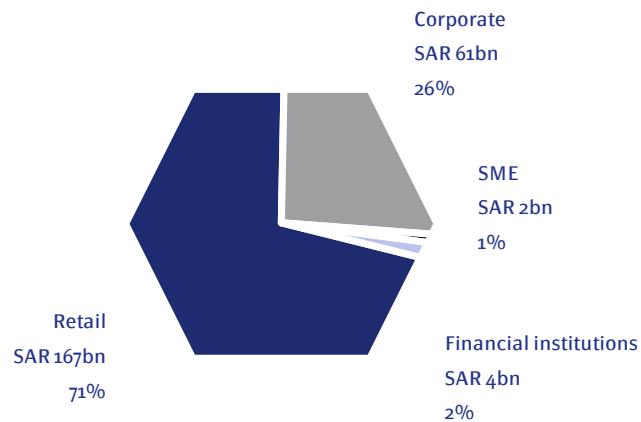
Asset Drivers By Type (SARmn)



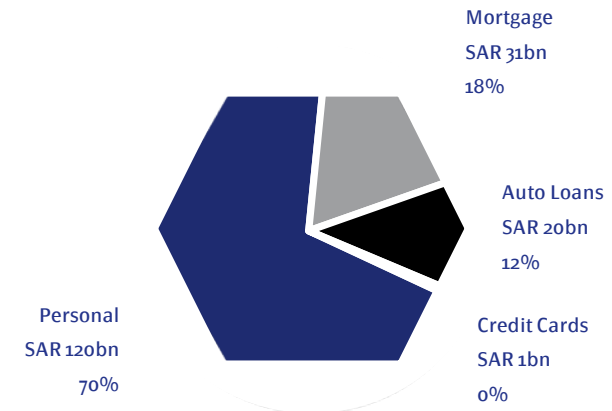
Financing

Financing dominated by retail

Financing, Net Mix By Segment (SARbn)



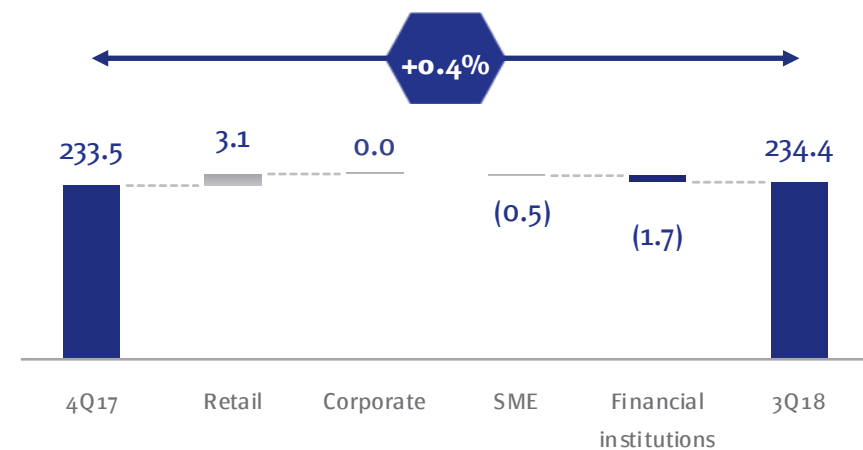
Retail Financing, Net Mix By Type (SARbn)



Commentary

- Financing dominated by retail (71%) followed by corporate (26%) while SME and financial institutions are negligible
- Retail financing is primarily comprised of personal (70%) and mortgage financing (18%)

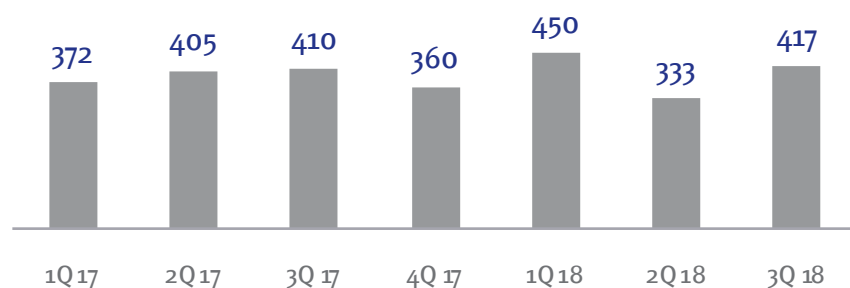
Financing, Net Drivers (SARmn)



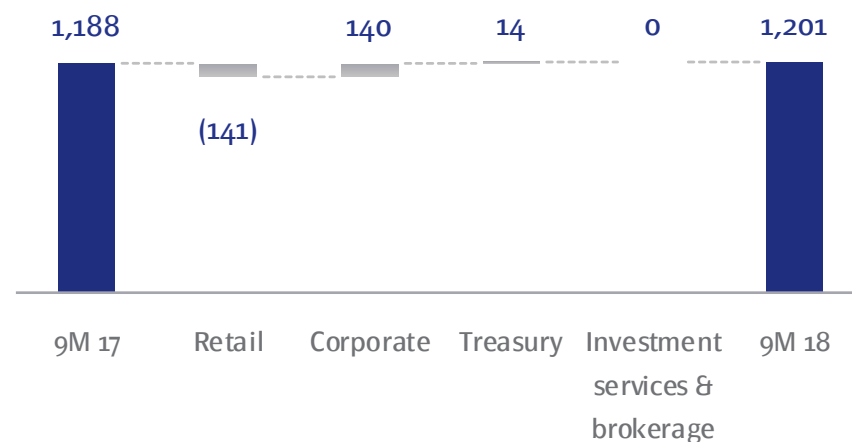
Asset Quality Trends

9M 2018 cost of credit stable

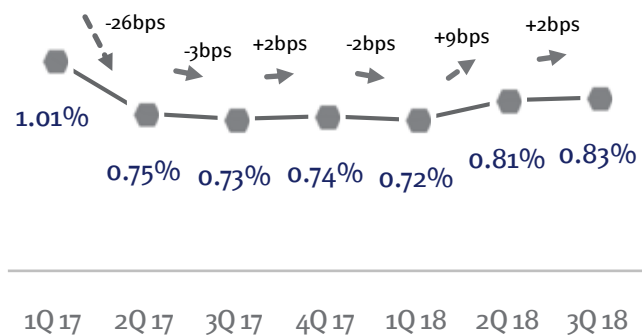
Total Impairment Charge (SARmn)



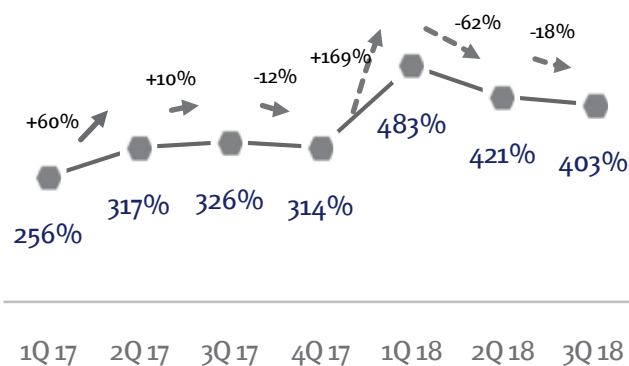
Impairment Charge Drivers By Segment (SARmn)



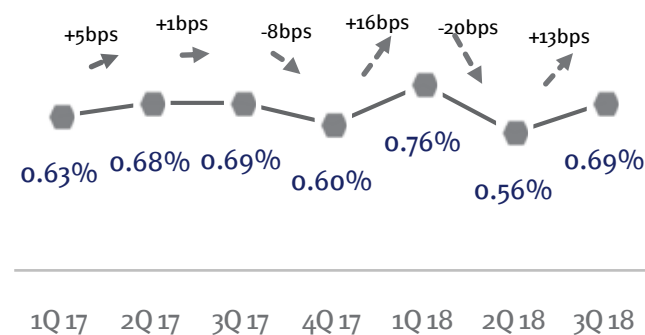
NPL Ratio Trend (%)



NPL Coverage Trend (%)



Cost of Risk Trend (%)



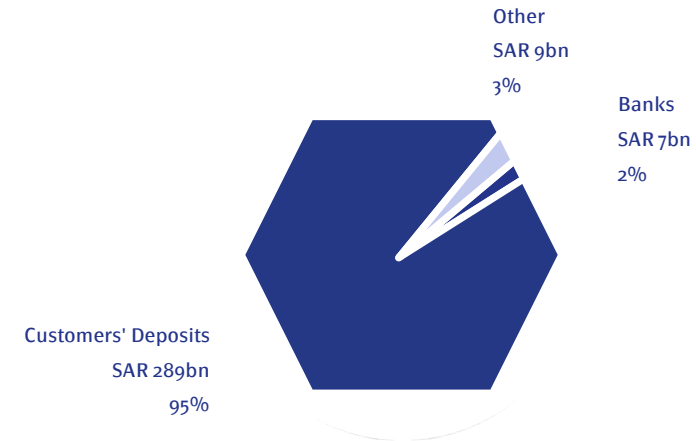
Funding & Liquidity Trends

Liquidity and funding remain comfortably within regulatory requirements

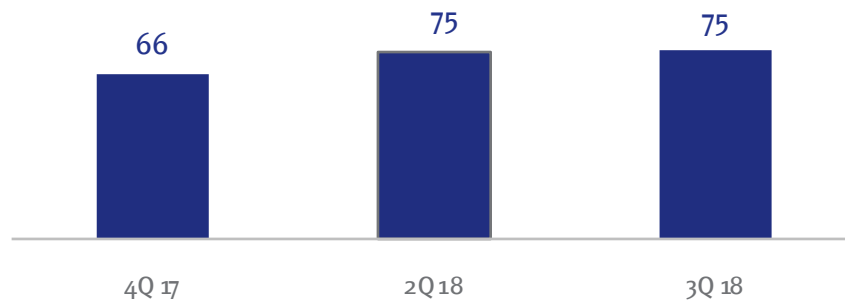
Commentary

- Liquidity remained healthy during 3Q 2018 and comfortably within regulatory guidelines
- HQLA increased by 14.8% during the 9M 2018 due to growth in high quality investment book. LCR remained healthy at 190%
- The loan to deposit ratio improved by 5ppt during 9M 2018 to 81% as deposit growth of 5.8% exceeded net financing growth of 0.4%.

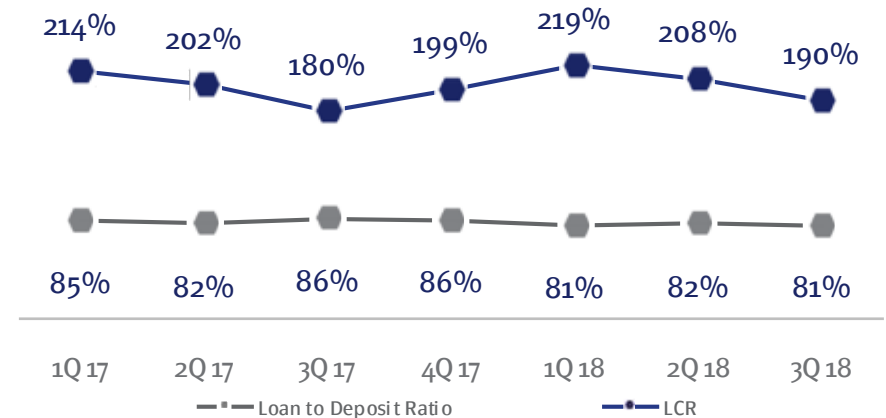
Total Liabilities Mix By Type (SARbn)



HQLA (SARbn)



Liquidity Ratios (%)



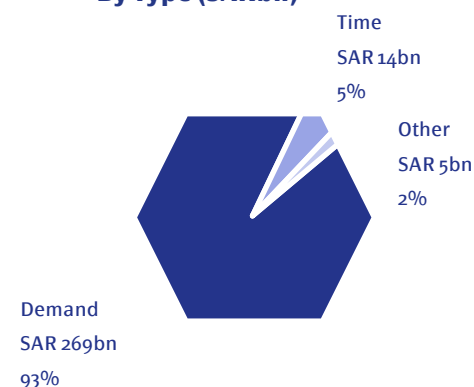
Funding & Liquidity Trends

Continued growth in non-profit bearing deposits

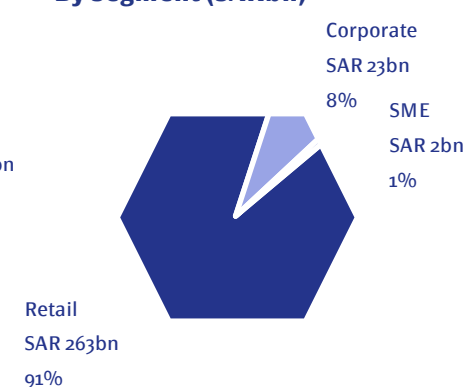
Commentary

- Strong stable funding with 95% of liabilities sourced from customers' deposits, of which 95% are non-profit bearing
- Customers' deposits grew 5.8% from 31 December 2017, principally from non-profit bearing demand deposits

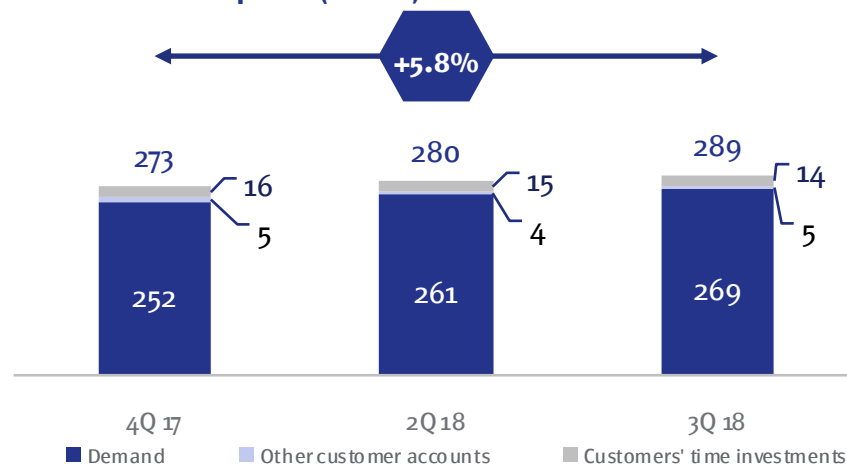
Total Customers' Deposits Mix By Type (SARbn)



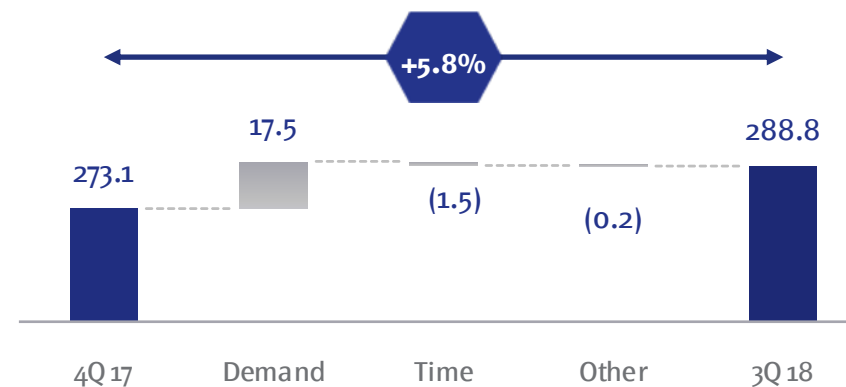
Total Customers' Deposits Mix By Segment (SARbn)



Total Customers' Deposits (SARbn)



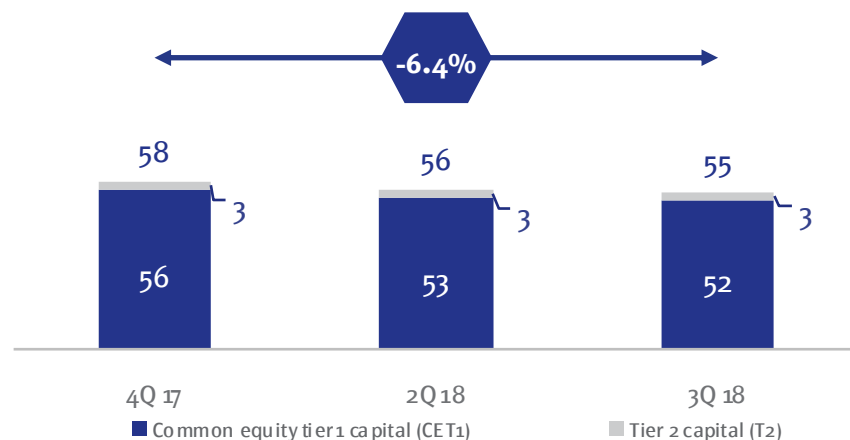
Total Customers' Deposits Drivers (SARmn)



Capitalisation Trends

Strong capitalization despite dividend payment & one-off IFRS 9 impact

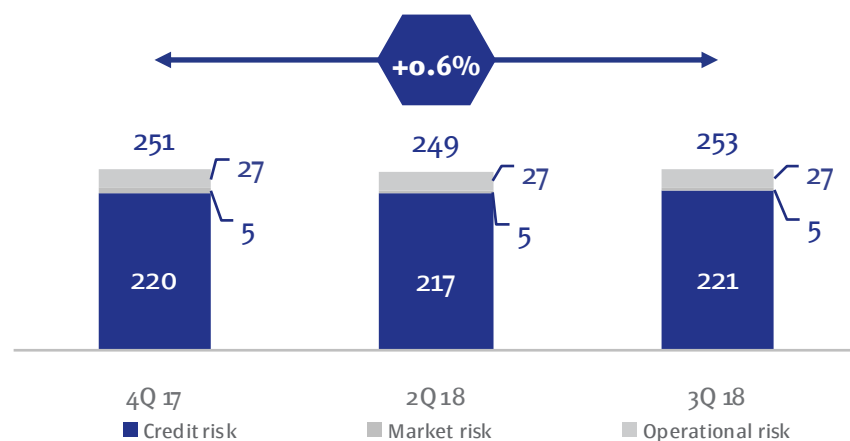
Total Capital (SARbn)



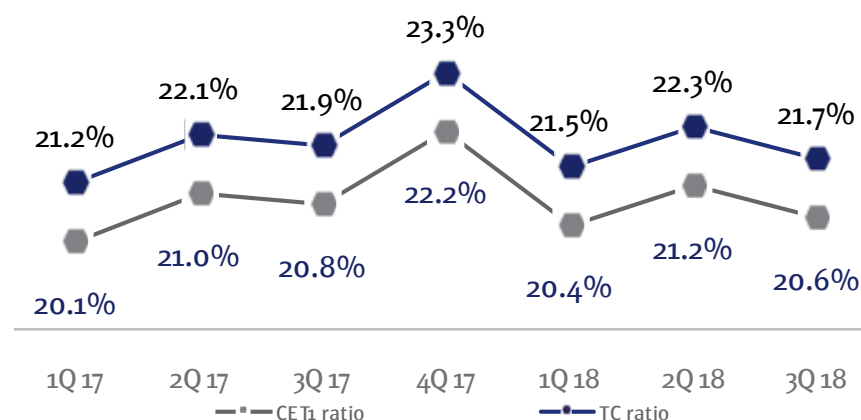
Commentary

- Capital ratios declined by approximately 1.6% from 31 December 2017 as the dividend payments of SAR 7.3 billion and the first time adoption impact of IFRS 9 on retained earnings and other reserves of SAR 2.9 billion more than offset net income generation of SAR 7,524 million
- Capitalization nevertheless remained extremely strong with CAR of 21.7% and CET1 of 20.6% as at 30 Sept 2018

Risk Weighted Assets (SARbn)



Capital Ratios (%)





Operating Results

2Q 2018 Performance

The Blue Chip Islamic Bank



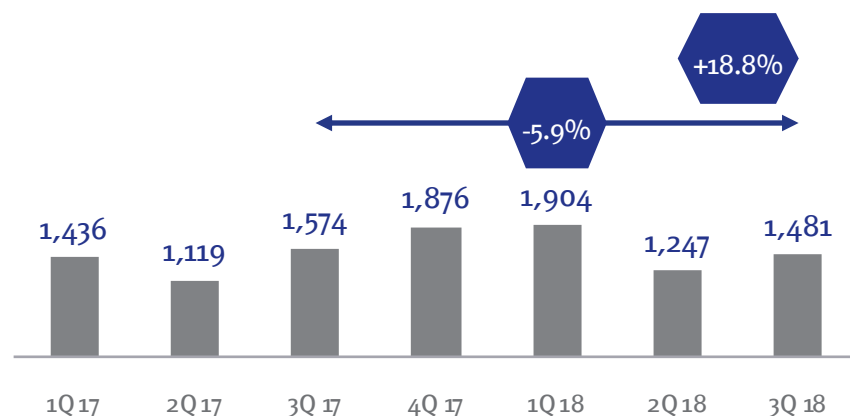
Retail Banking

Strong 12.2% profit growth on solid operating income performance and improved CoR

Commentary

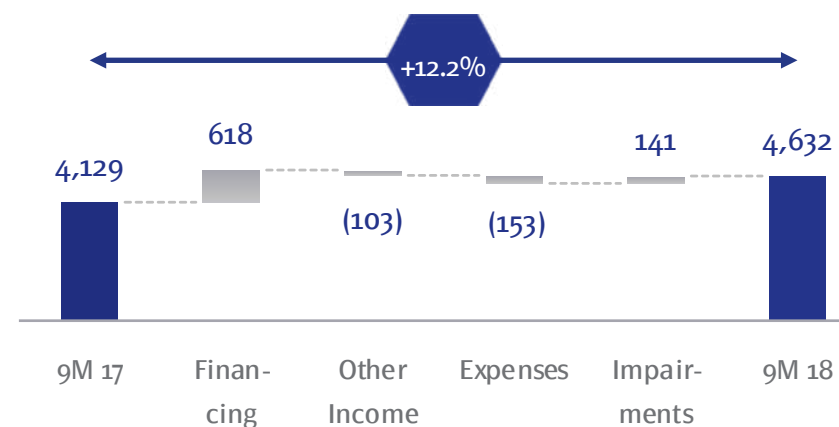
- Retail Banking 9M 2018 net income grew 12.2% YoY as growth in financing (+9.2%) was further boosted by a drop in the impairment charge (-13.3%).
- Total operating income grew 6.1% YoY mainly from net financing and investment income growth (+9.2%), driven by continued growth in assets (+3.7%) and liabilities (+10.3% mainly from non-profit bearing deposit growth), partly offset by drop in fee income (-6.1%)
- The Retail impairment charge declined 13.3% YoY on improved collections and recoveries

Net Income (SARmn)



	SAR (mn)	9M 2018	9M 2017	YoY %
Net financing & investment income		7,341	6,722	+9.2%
Fee and other income		1,568	1,670	-6.1%
Total Operating Income		8,908	8,393	+6.1%
Operating expenses		3,355	3,202	+4.8%
Impairment charge		921	1,062	-13.3%
Net income (loss)		4,632	4,129	+12.2%
Total assets		189,913	183,142	+3.7%
Total liabilities		269,213	244,012	+10.3%

Net Income Growth Drivers By Type (SARmn)



Corporate Banking

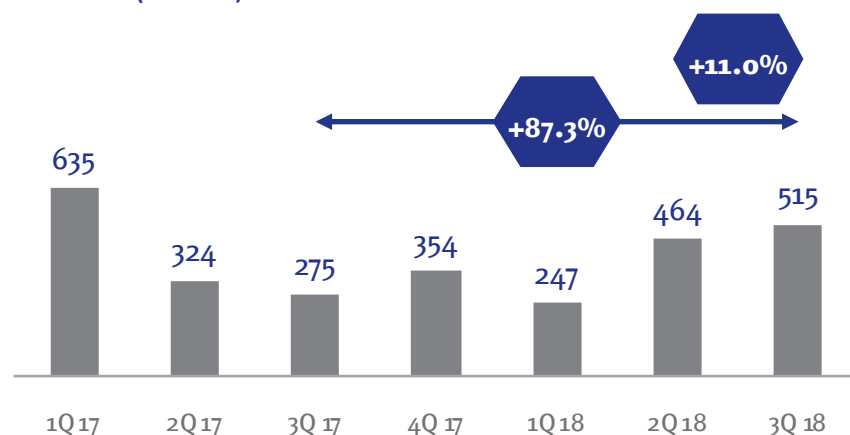
Net income declined despite 0.5% operating income growth on higher credit charges

Commentary

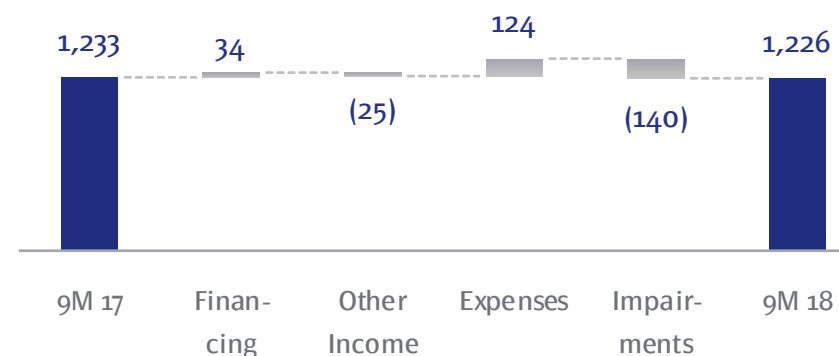
- Corporate Banking 9M 2018 net income declined -0.6% YoY despite operating income growth due to a rise in credit costs
- Total operating income grew 0.5% YoY as financing income grew 2.7% while fee income declined by 5.3% YoY
- The Corporate impairment charge rose by SAR 140 million YoY to SAR 265 million in 9M 2018 due to non-recurrence of certain recoveries

	SAR (mn)	9M 2018	9M 2017	YoY %
Net financing & investment income		1,291	1,258	+2.7%
Fee and other income		449	474	-5.3%
Total Operating Income		1,740	1,731	+0.5%
Operating expenses		249	373	-33.4%
Impairment charge		265	125	+112.3%
Net income (loss)		1,226	1,233	-0.6%
Total assets		61,177	66,225	-7.6%
Total liabilities		18,860	23,701	-20.4%

Net Income (SARmn)



Net Income Growth Drivers By Type (SARmn)



Treasury

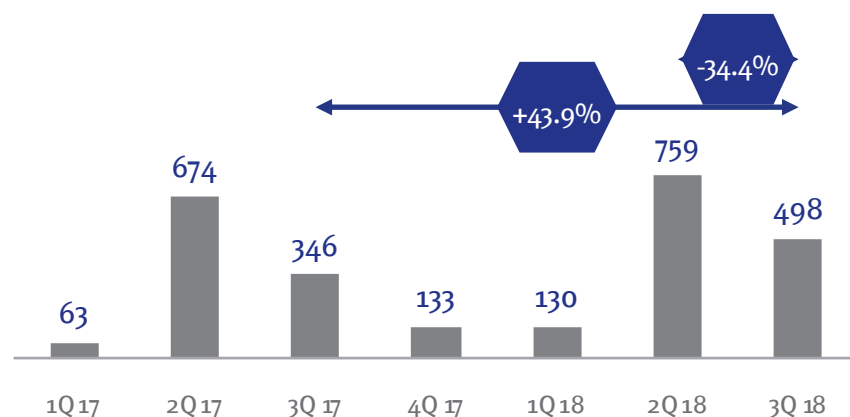
Strong profit growth from increased investment portfolio

Commentary

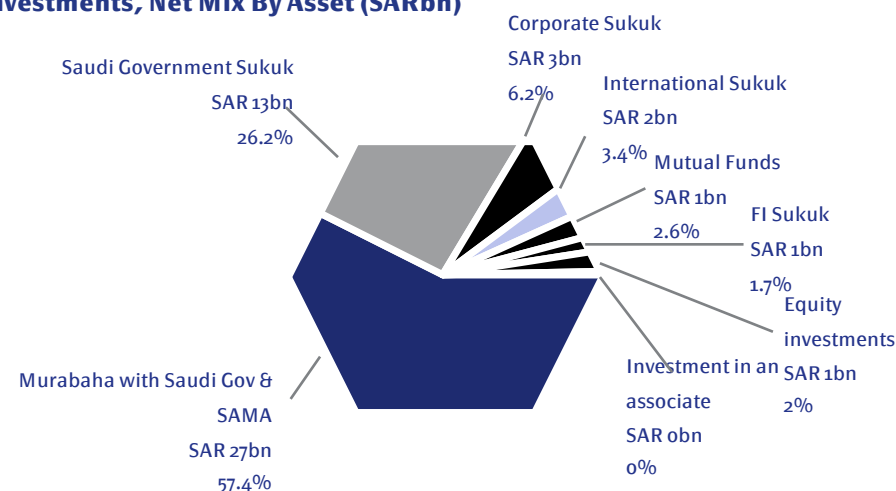
- Treasury 9M 2018 net income rose 28.1% YoY to SAR 1,386 million from 41.0% total operating income growth, partly offset by a SAR 198 million rise in operating expenses
- Total Treasury assets grew 18.2% YoY on 34.1% growth in the investment portfolio which aided net financing and investment income growth of SAR 206 million to SAR 1,082 million
- Tahweel Alrajhi (remittances) market share reached 26% in 3Q 2018

	SAR (mn)	9M 2018	9M 2017	YoY %
Net financing & investment income		1,082	876	+23.5%
Fee and other income		693	383	+81.0%
Total Operating Income		1,775	1,259	+41.0%
Operating expenses		374	176	+112.0%
Impairment charge		15	0	+3782.2%
Net income (loss)		1,386	1,082	+28.1%
Total assets		101,928	86,219	+18.2%
Total liabilities		15,811	16,809	-5.9%

Net Income (SARmn)



Investments, Net Mix By Asset (SARbn)



Investment Services & Brokerage

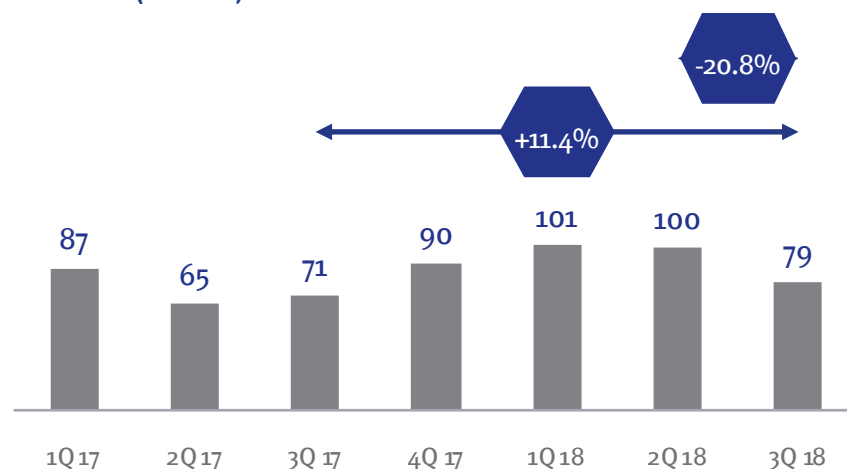
25.3% growth in profit driven by asset management business

Commentary

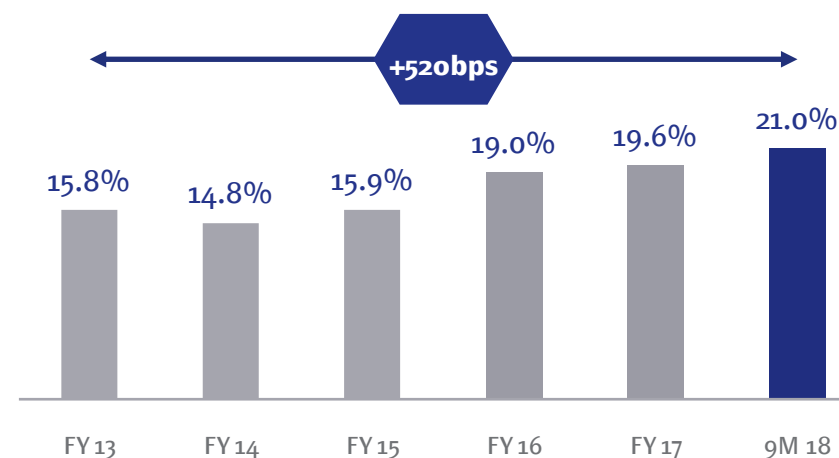
- 9M 2018 Net income for Investment Services & Brokerage improved 25.3% YoY to SAR 279 million principally from 20.8% operating income growth
- Total operating income growth was driven by improved fee income (+21.0%), mainly in brokerage
- Operating expenses rose by 10.9% YoY to support the 25.3% growth in income

	SAR (mn)	9M 2018	9M 2017	YoY %
Net financing & investment income		19	16	+17.2%
Fee and other income		372	307	+21.0%
Total Operating Income		390	323	+20.8%
Operating expenses		111	100	+10.9%
Net income (loss)		279	223	+25.3%
Total assets		3,401	2,444	+39.2%
Total liabilities		560	132	+323.1%

Net Income (SARmn)



Market Share - Al Rajhi Capital Brokerage (Value traded)





Appendix

Additional Information

The Blue Chip Islamic Bank



Board of Directors

Members



Chairman
Abdullah bin Sulaiman Al Rajhi
Non-Executive



Salah bin Ali AbalKhail
Non-Executive



Abdulaziz bin Khaled Al Ghefaily
Non-Executive



Bader bin Mohammed Al Rajhi
Non-Executive



Khaled bin Abdulrahman Al Qoaiz
Non-Executive



Alaa bin Shakib Al Jabiri
Independent



Ibrahim F. Al-Ghofaily
Independent



Ameen F. Al Shiddi
Non-Executive



Hamza O. Khushaim
Non-Executive



Raed A. Al-Tamimi
Independent



Abdulatif A. Alseif
Independent

Management Team



International expertise combined with deep roots in Saudi Arabia



Chief Executive Officer
Steve Bertamini
Banking experience: 31 years



Chief Financial Officer
Abdullah Alkhalifa
Banking experience: 27 years



Chief Risk Officer
Christopher Maclean
Banking experience: 34 years



Chief Operating Officer
Waleed Al-Mogbel
Banking experience: 20 years



Chief Compliance Officer
Abdullah Sulaiman Alnami
Banking experience: 23 years



Chief Governance & Legal Officer
Omar Almudarra
Banking experience: 18 years



General Manager Retail
Saleh Alzumaie
Banking experience: 27 years



General Manager Corporate
Majid Algwaiz
Banking experience: 23 years



General Manager Treasury
Abdulrahman Al Fadda
Banking experience: 21 years



General Manager Sharia
Saleh Al-Haidan
Banking experience: 15 years



Chief Human Resources Officer
Khalid Al Huzaim
Banking experience: 18 years



Chief Internal Audit Officer
Abdulaziz Alshushan
Banking experience: 2 years

Additional Information

Contact investor relations for more information



Mr. Amr M. Sager

Head of Investor Relations

Tel: +966 (11) 211 6800

Email: sagera@alrajhibank.com.sa



Disclaimer

- AL RAJHI BANK HEREIN REFERRED TO AS ARB MAKES NO REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY REGARDING THIS DOCUMENT OR THE MATERIALS AND INFORMATION CONTAINED OR REFERRED TO ON EACH PAGE ASSOCIATED WITH THIS DOCUMENT. THE MATERIAL AND INFORMATION CONTAINED ON THIS DOCUMENT IS PROVIDED FOR GENERAL INFORMATION ONLY AND SHOULD NOT BE USED AS A BASIS FOR MAKING BUSINESS DECISIONS. ANY ADVICE OR INFORMATION RECEIVED VIA THIS DOCUMENT SHOULD NOT BE RELIED UPON WITHOUT CONSULTING PRIMARY OR MORE ACCURATE OR MORE UP-TO-DATE SOURCES OF INFORMATION OR SPECIFIC PROFESSIONAL ADVICE. YOU ARE RECOMMENDED TO OBTAIN SUCH PROFESSIONAL ADVICE WHERE APPROPRIATE.
- GEOGRAPHIC, POLITICAL, ECONOMIC, STATISTICAL, FINANCIAL AND EXCHANGE RATE DATA IS PRESENTED IN CERTAIN CASES IN APPROXIMATE OR SUMMARY OR SIMPLIFIED FORM AND MAY CHANGE OVER TIME. RELIANCE HAS BEEN PLACED BY THE EDITORS ON CERTAIN EXTERNAL STATISTICAL DATA WHICH, THOUGH BELIEVED TO BE CORRECT, MAY NOT IN FACT BE ACCURATE. ARB ACCEPTS NO LIABILITY FOR ANY LOSS OR DAMAGE ARISING DIRECTLY OR INDIRECTLY FROM ACTION TAKEN, OR NOT TAKEN, IN RELIANCE ON MATERIAL OR INFORMATION CONTAINED IN THIS DOCUMENT. IN PARTICULAR, NO WARRANTY IS GIVEN THAT ECONOMIC REPORTING INFORMATION MATERIAL OR DATA IS ACCURATE RELIABLE OR UP TO DATE.
- ARB ACCEPTS NO LIABILITY AND WILL NOT BE LIABLE FOR ANY LOSS OR DAMAGE ARISING DIRECTLY OR INDIRECTLY (INCLUDING SPECIAL, INCIDENTAL OR CONSEQUENTIAL LOSS OR DAMAGE) FROM YOUR USE OF CONTENTS IN THE DOCUMENT, HOWSOEVER ARISING, AND INCLUDING ANY LOSS, DAMAGE OR EXPENSE ARISING FROM, BUT NOT LIMITED TO, ANY DEFECT, ERROR, IMPERFECTION, FAULT, MISTAKE OR INACCURACY WITH THIS DOCUMENT.