

A low-angle, upward-looking photograph of a modern, white, geometric building with sharp angles and a series of small, square decorative elements along its edges. The building is set against a clear blue sky. In the foreground, the fronds of several palm trees are visible, some in sharp focus and others blurred. To the left, a portion of an older, light-colored building with dark window frames is visible. Two small birds are seen flying in the sky.

The National
Commercial
Bank

Investor Presentation

1Q 2019

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leading KSA Bank

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Grow with NCB

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The Leading KSA Bank

The background image is a photograph of a modern building's interior. It features a large, open atrium with a high ceiling. The ceiling is composed of a complex, geometric pattern of white lines forming star-like shapes on a blue-grey background. A wide, light-colored wooden walkway runs diagonally across the frame. On the right side, there is a glass railing with vertical metal posts. The overall lighting is warm and natural, suggesting daylight coming from above.

1Q 2019 Results

Overview

10.7
BILLION

NCB made a net profit of SAR 10.7 billion, the highest in its history and the highest among Saudi banks for the sixth successive year. Return on average equity reached 18.1%.

The National Commercial Bank – The Nation's Gateway of Progressive Banking

NCB's vision is to be the premier financial services group in the region. To achieve this, five strategic aspirations have been defined: to be number one in revenues, to be number one in profit, to be the best digital bank, to be the best in customer service, and to be the employer of choice. Since its establishment in 1953, NCB has evolved into a broad-based financial services group and holds a leading market position. The banking group has a strong performance track record, mirroring the Kingdom's progress towards modernization and development. Today, NCB has a unique bond of trust with its customers. The bank leverages its investment in technology and commitment to enhancing the customer experience, delivering a comprehensive suite of financial products and services to 6 million KSA based customers, across all major market segments.

Return on average equity to common shareholders reached 18.1% in 2018

18.1%

NCB realizes that it can be a powerful force for good in the communities it serves, leading by example and acting responsibly and contributing to the empowerment of the community. NCB empowers financial planning, saving and borrowing to help its customer's meet their financial aspirations and invests in community development through its Ahalina CSR Program. It is also a major employer, with a commitment to creating career opportunities for a growing and ambitious Nation. Over the past sixth consecutive years NCB has achieved record net profits among Saudi Banks. Beginning with its IPO 2014, NCB has enjoyed the privileged of sharing its successes with widened investor base. As such NCB has effectively partnered with its stakeholders to continue delivering record profitability, and in 2018 achieved the highest net income level ever in the Saudi Banking Sector at SAR 10.7 billion.

NCB is the leading banking group in Saudi Arabia

Established in 1953; IPO in 2014

NCB Snapshot (FY 2018)

7_m

Clients

13,058

Employees*

SAR
453_{bn}

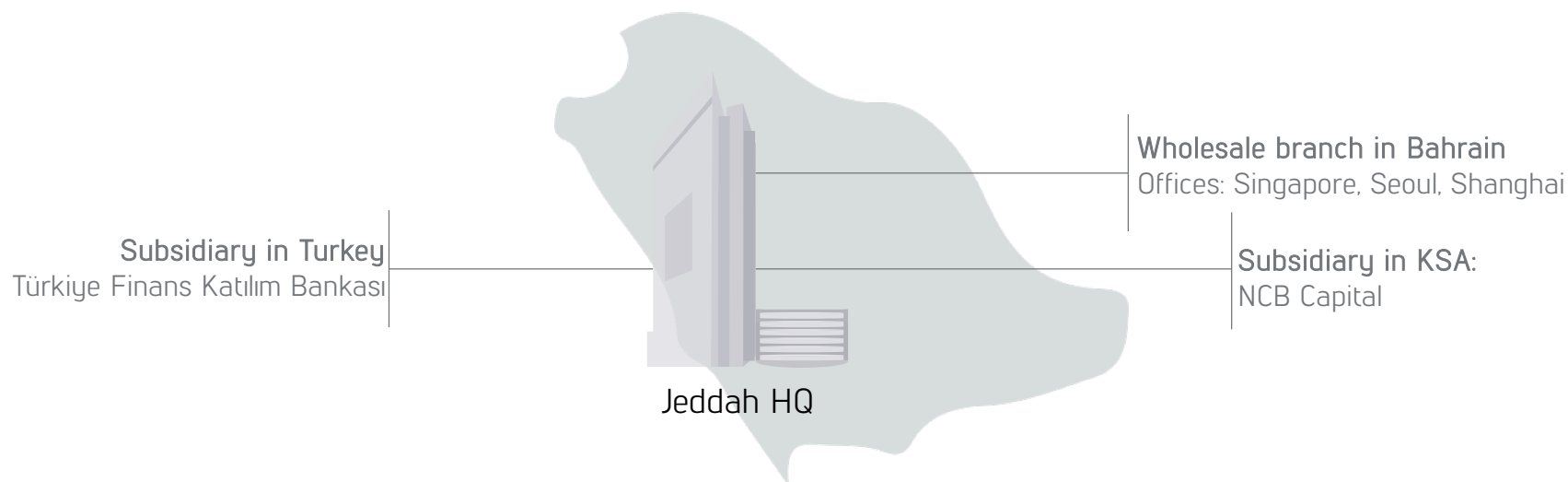
Assets

SAR
319_{bn}

Deposits

SAR
144_{bn}

Market Cap



*Includes Alahli Esnad (1,520 employees) – fully owned subsidiary engaged in outsourcing and manpower services in KSA

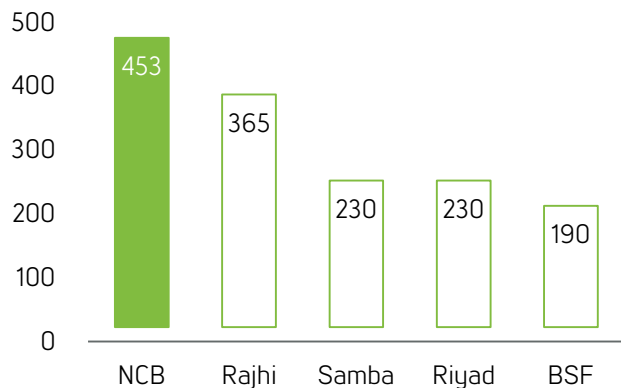
NCB is the leading banking group in Saudi Arabia

NCB has a strong market and financial position (FY 2018)

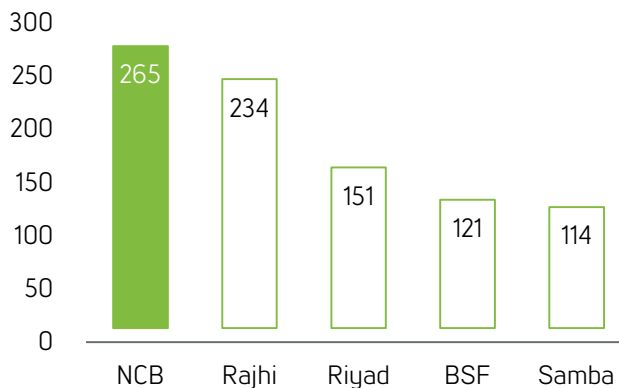
| Market Position | by | KSA |
|-------------------|--------------|-----|
| Overall banking | Assets | #1 |
| Corporate banking | Financing | #1 |
| Retail banking | Financing | #2 |
| Treasury | Investments | #1 |
| Asset Management | AUMs | #1 |
| Brokerage | Value Traded | #3 |

| Financial Position | KSA | GCC |
|------------------------|-----|-----|
| Assets | #1 | #4 |
| Financing | #1 | #4 |
| Deposits | #1 | #3 |
| Investments | #1 | #1 |
| Total Operating Income | #1 | #3 |
| Net Income | #1 | #3 |

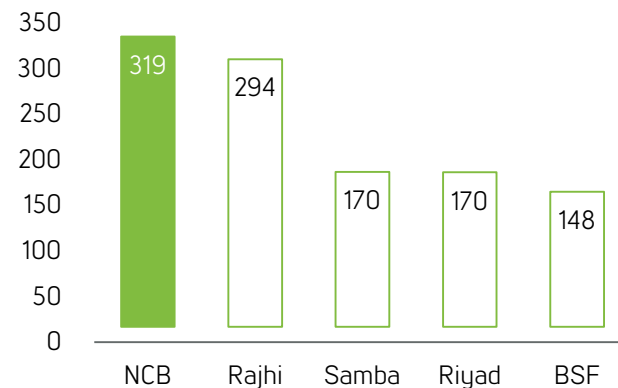
Assets (SARbn)



Financing (SARbn)

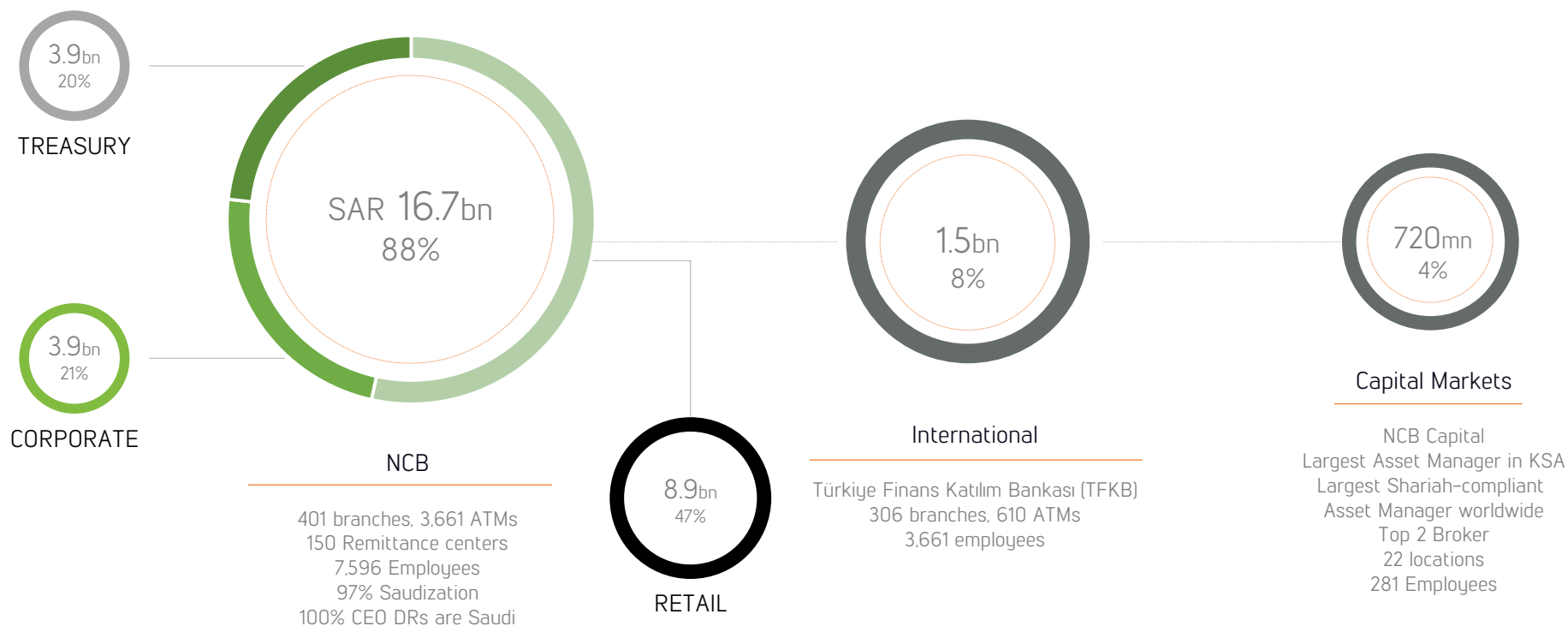


Deposits (SARbn)



NCB has a well-diversified business model

Total operating income contribution

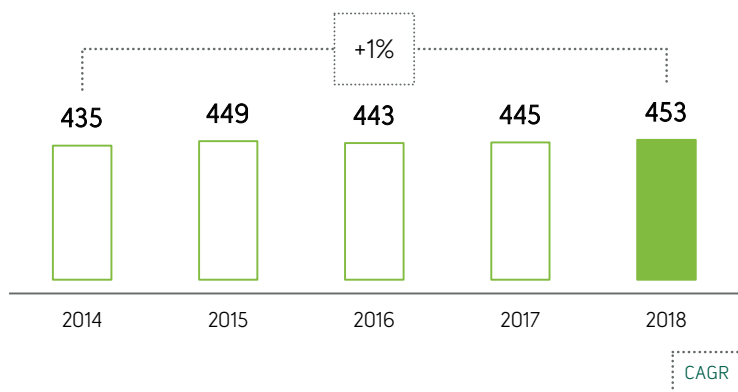


Notes: KSA based recruitment services firm Alahli Esnad (fully owned subsidiary) employs 1,520 persons
Operating Income as of FY 2108

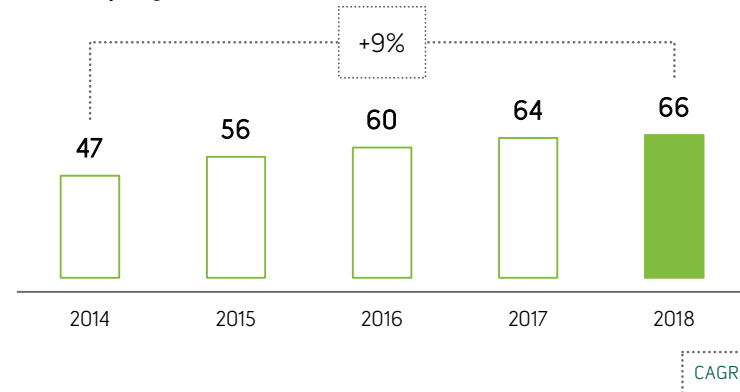
NCB has a strong financial position

Key KPIs

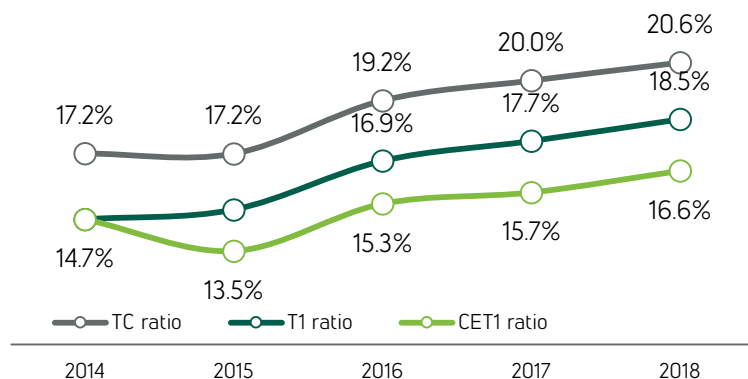
Total Assets (SARbn)



Total Equity (SARbn)

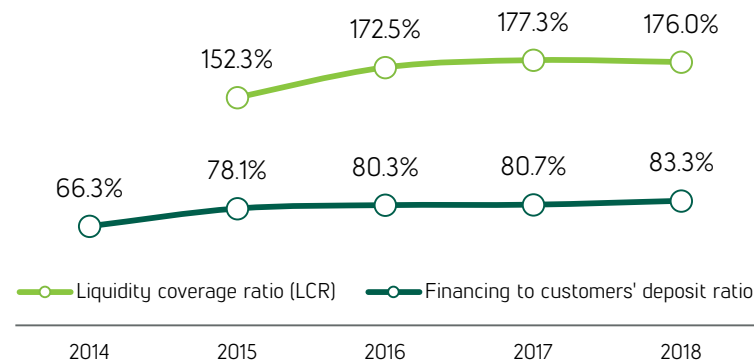


Capital Ratios (%)



Capital ratios are based on Pillar I RWA

Liquidity Ratios (%)

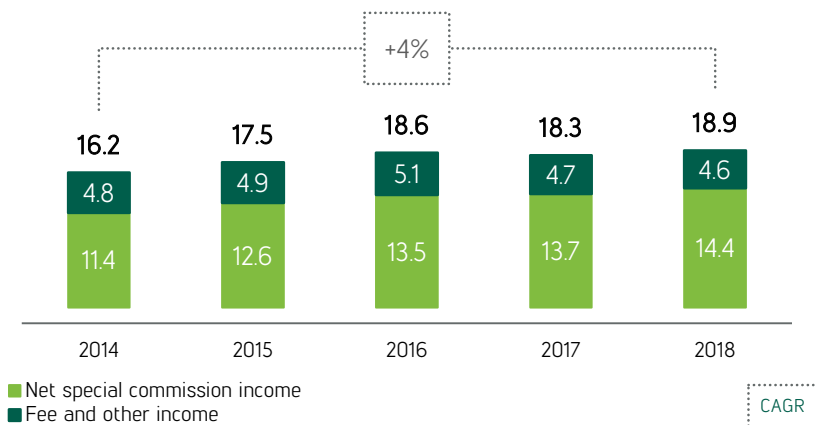


LCR is based on average quarterly numbers
LCR was not reported before 2015

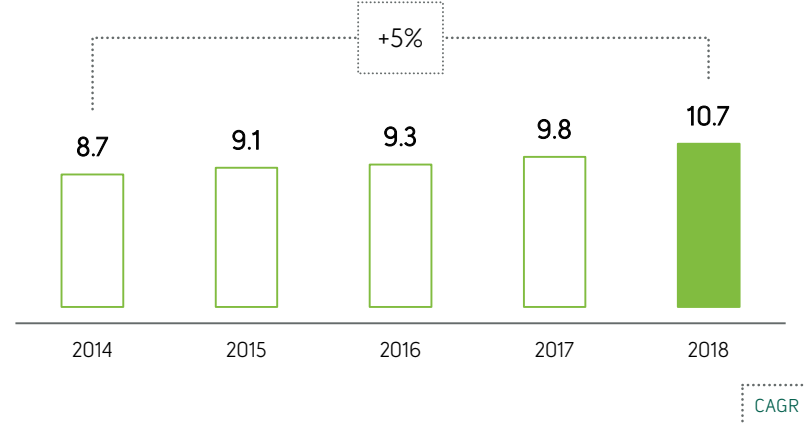
NCB has a strong performance track record

Key KPIs

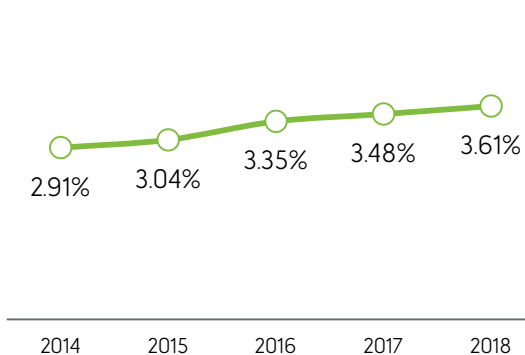
Total Operating Income (SARbn)



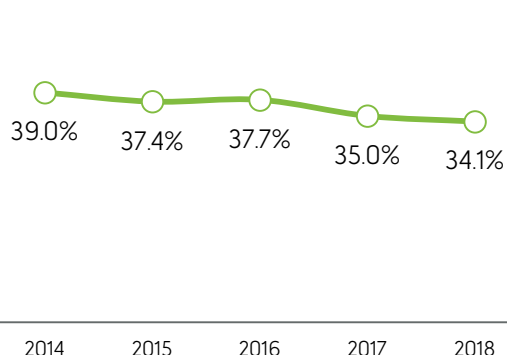
Net Income Attributed To Equity Holders (SARbn)



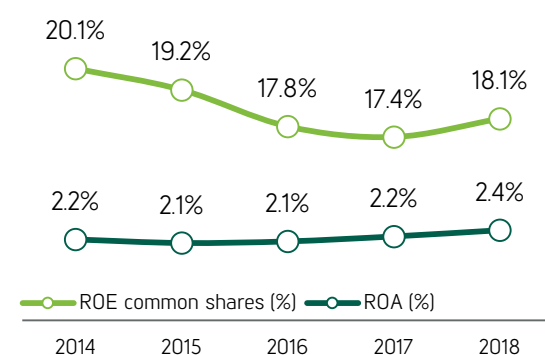
Net Special Commission Margin (%)



Cost to Income Ratio (%)



Returns (%)



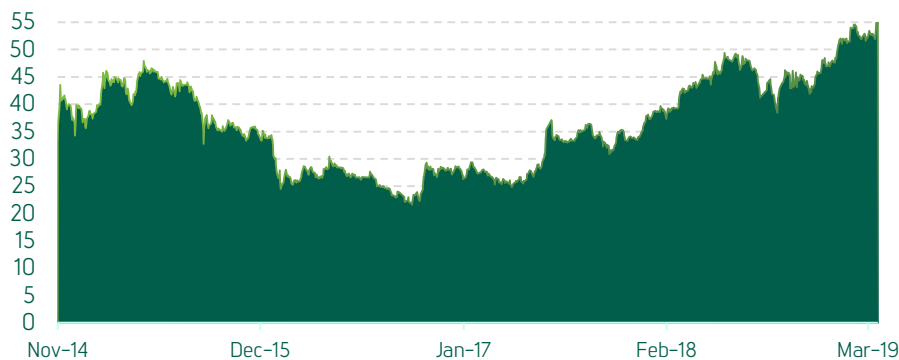
NCB Group listed on Tadawul in November 2014

Ranked third in Tadawul, S&P Pan Arab and MSCI Indices
with significant weightings

| Share parameters | 31 Mar 2019 |
|-------------------------------|-------------|
| Closing Price (SAR) | 55 |
| 52 week range (SAR) | 39-55 |
| Free Float | 35.4% |
| Shares issued (mn) | 3,000 |
| Tangible Book Value (SARmn) | 67.939 |
| Tangible BVPS | 22.65 |
| P/TBV Ratio | 2.4x |
| P/E Ratio (FY 2017 earnings) | 15.99x |
| Div Yield (FY 2017 dividends) | 3.82% |
| 3m Avg Daily Volume (shares) | 1,250,914 |

Source: NCB, Bloomberg

Share price performance since IPO (SAR) (Adj price)



Source: Bloomberg

Trading commenced 12/11/2014. Day 1 at SAR 33

| MSCI Saudi Arabia Index | Float Adj. Mcap (USD\$b) | Weighting (%) |
|---------------------------------|--------------------------|---------------|
| SABIC | 24.76 | 16.27 |
| Al Rajhi Bank | 22.63 | 14.87 |
| National Commercial Bank | 17.57 | 11.54 |
| Saudi Telecom (STC) | 11.43 | 7.51 |
| Samba Financial Group | 10.03 | 6.59 |

Source: MSCI, 29 March 2019

| Ratings | LT | ST | Outlook |
|-----------------------------------|------|-----|---------|
| National Commercial Bank | | | |
| S&P | BBB+ | A-2 | Stable |
| Fitch | A- | F1 | Stable |
| Moody's* | A1 | P-1 | Stable |
| Capital Intelligence | A+ | A1 | Stable |
| Government of Saudi Arabia | | | |
| S&P | A- | | Stable |
| Fitch | A+ | | Stable |
| Moody's | A1 | | Stable |
| Capital Intelligence | A+ | | Stable |

*Moody's rating is unsolicited

Grow with KSA Grow with NCB

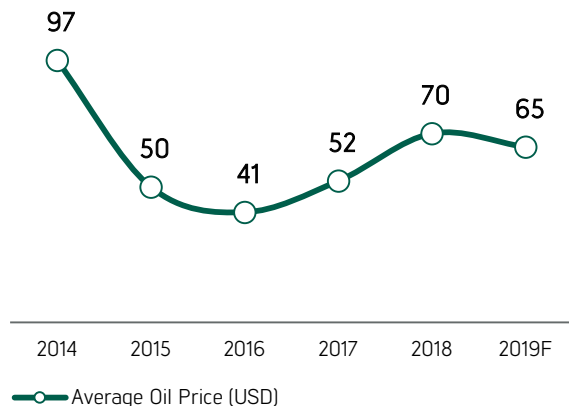
1Q 2019 Results



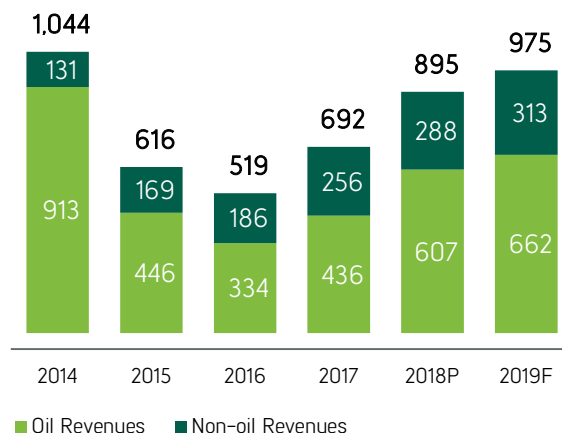
Record Saudi Budget in 2019

Fiscal expansionary policy to underpin economic growth

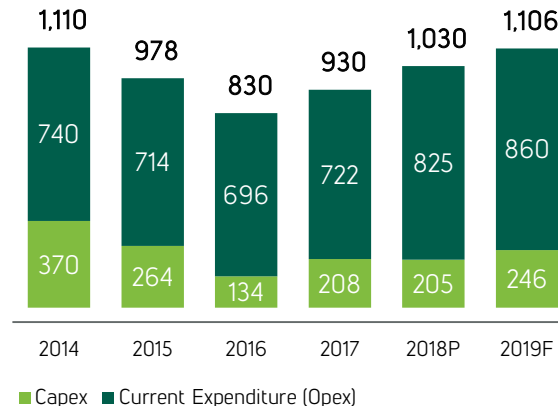
Average Oil Price (USD)



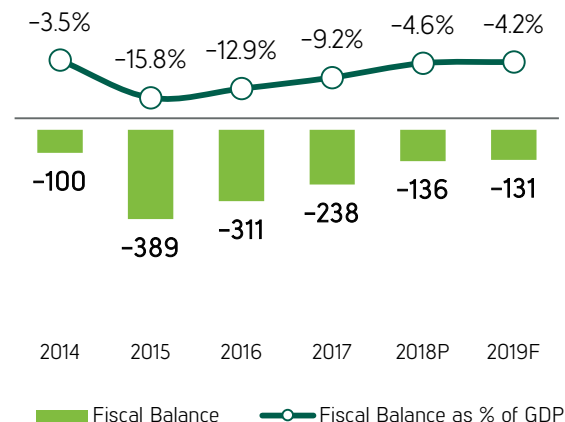
Government Revenue (SARbn)



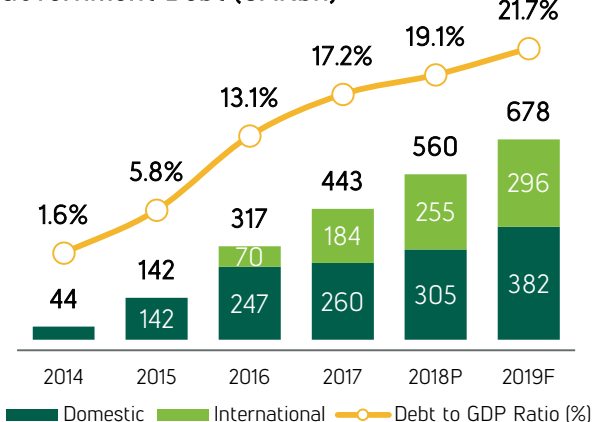
Government Expenditure (SARbn)



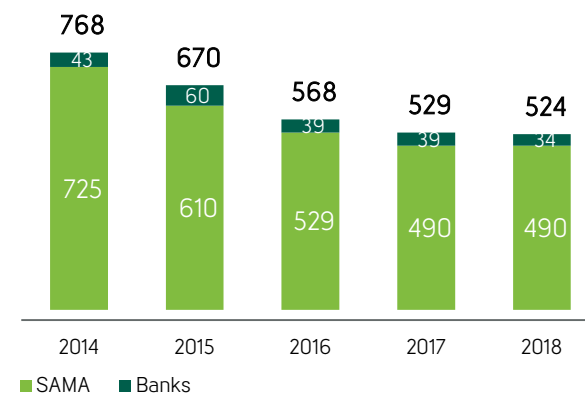
Fiscal Balance



Government Debt (SARbn)



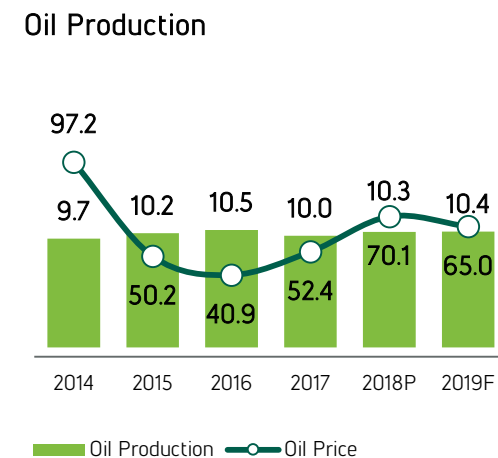
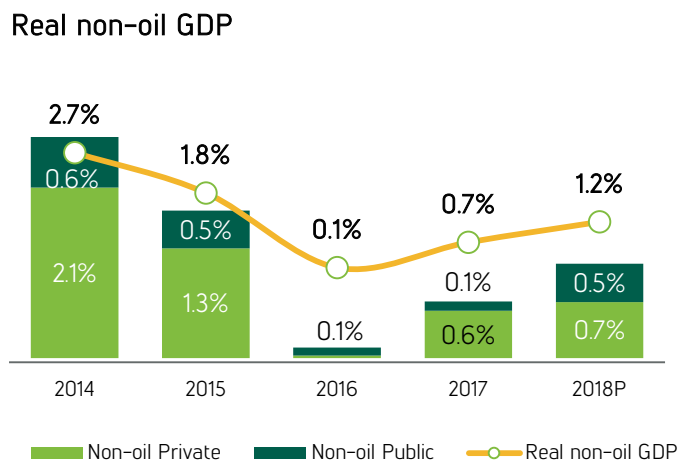
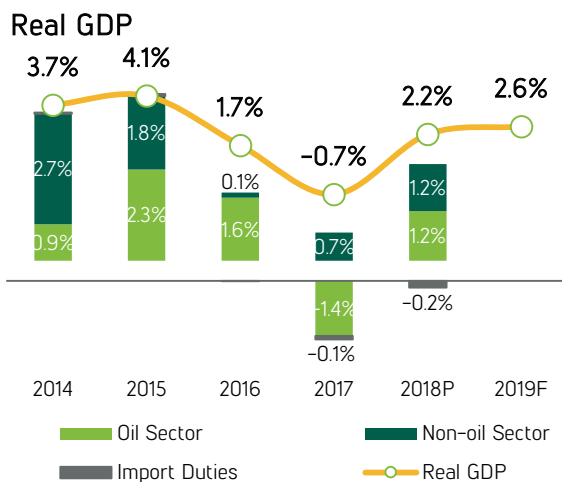
Foreign Reserves (USDbn)



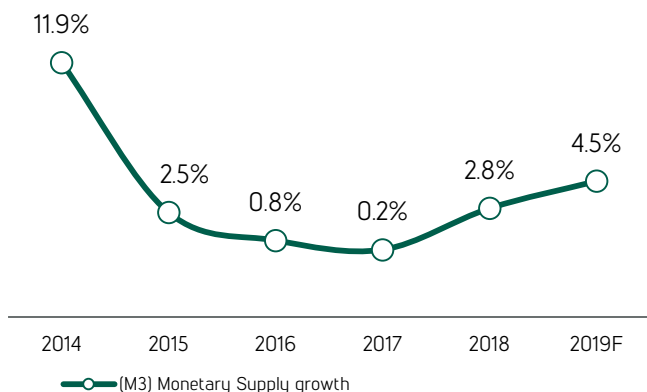
Source: Thomson Reuters, Ministry of Finance, SAMA, Tadawul, and NCB Economics Forecasts

Economic growth momentum continues

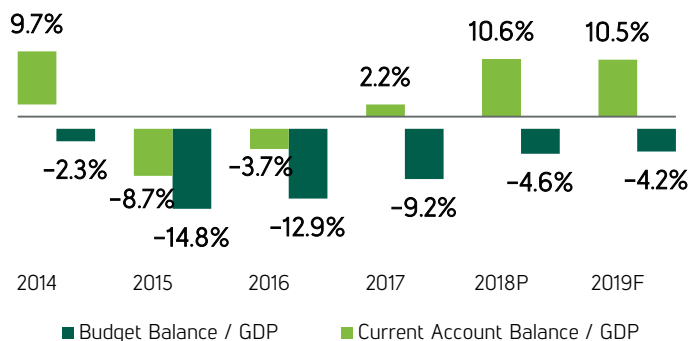
Non-Oil GDP pickup expected, supported by progress of ongoing Government Vision Realization Programs



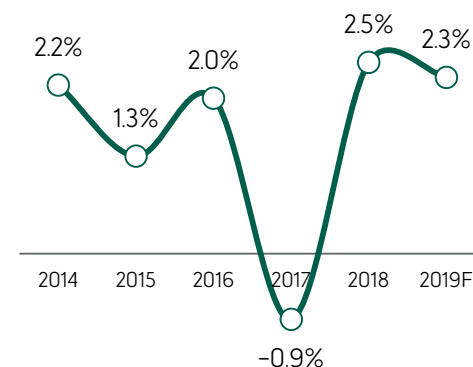
Monetary Supply growth



Twin Balances (%)



Inflation Rate, %

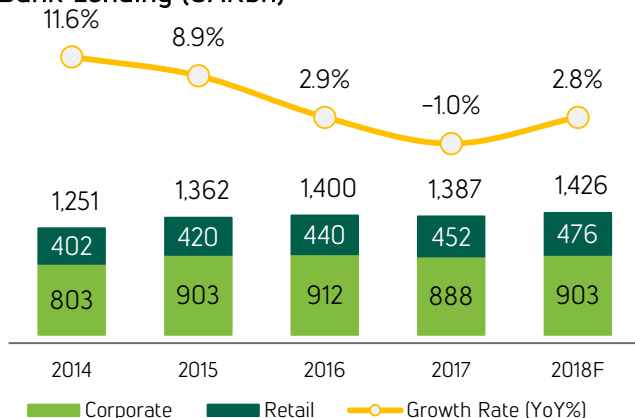


Source: Thomson Reuters, Ministry of Finance, SAMA, Tadawul, and NCB Economics Forecasts

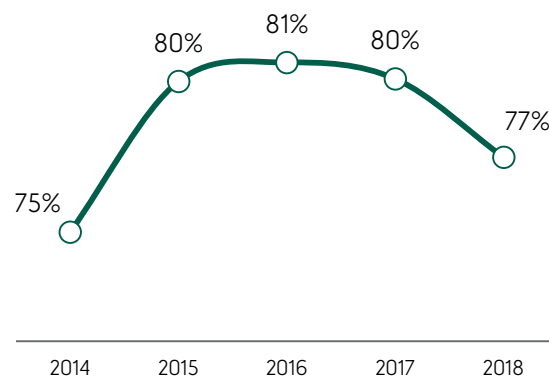
Saudi banking sector growth capacity

Lending capacity enables KSA banks to capture opportunities as fiscal policy offsets monetary drag from rising interest rates

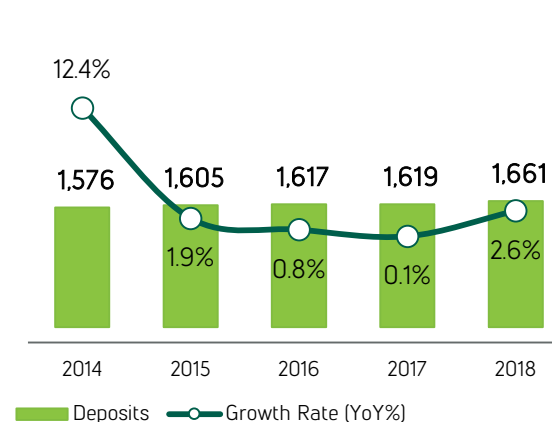
Bank Lending (SARbn)



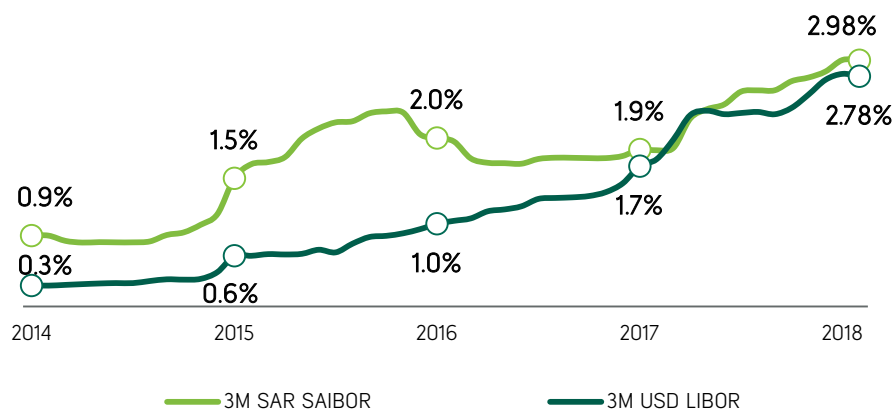
Loans to Deposits Ratio (%)



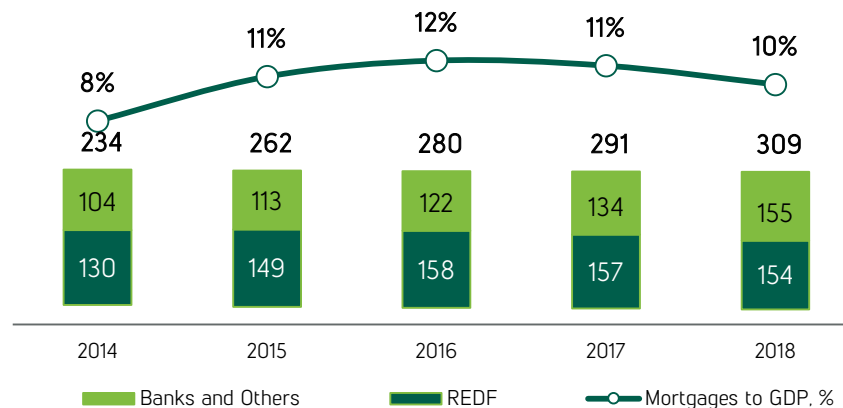
Bank Deposits (SARbn)



Interbank Rates (%)



Retail Mortgages (SARbn)

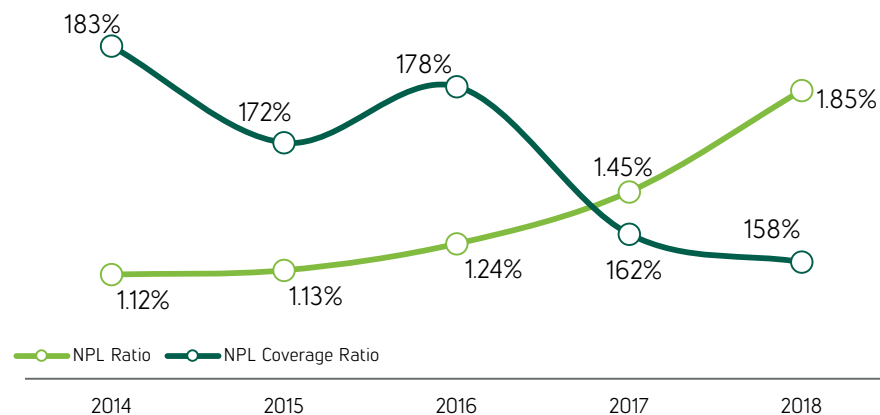


Source: Thomson Reuters, SAMA, Banks' Annual Reports

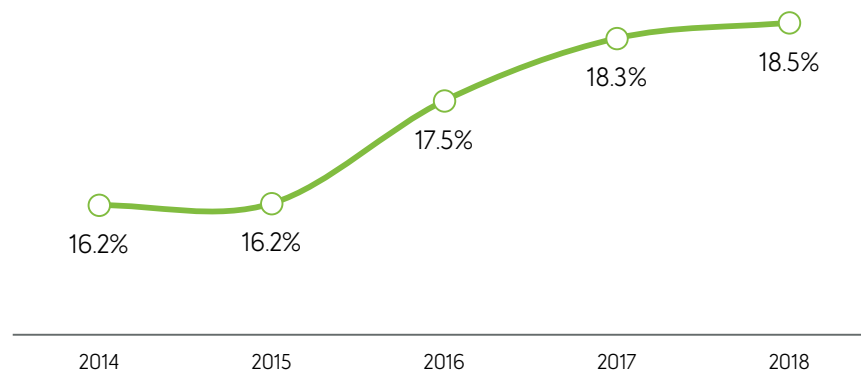
Saudi banking sector resilience

Strong capitalization, high credit quality, adequate coverage and a prudent regulatory environment expected to sustain banking sector profitability

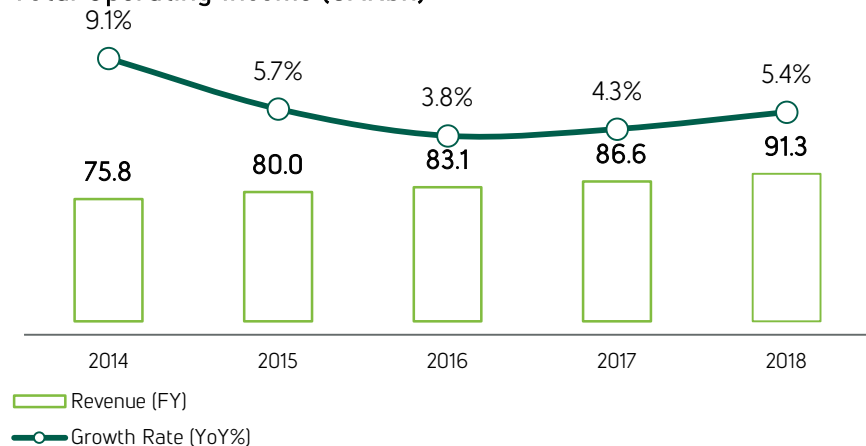
NPL & Coverage Ratios (%)



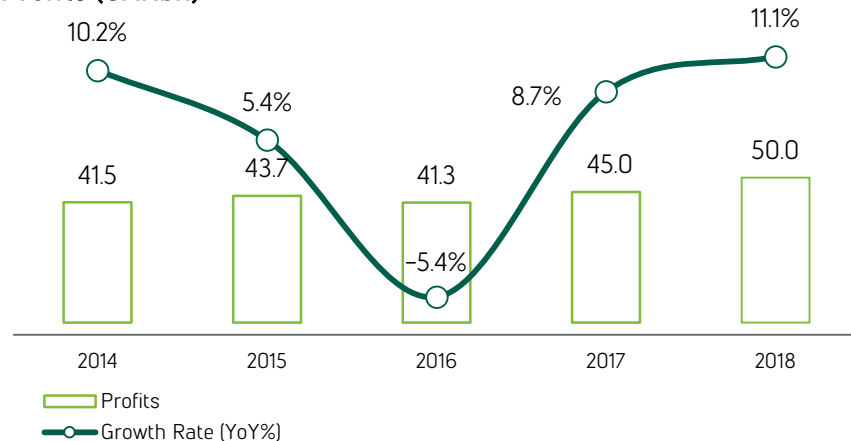
Tier 1 Capital Adequacy Ratio (%)



Total Operating Income (SARbn)



Profits (SARbn)



Source: Thomson Reuters, SAMA, Banks' Annual Reports

Vision 2030 Financial Sector Development Program (FSDP)

NCB Is a key Contributor to economic transformation and the FSDP



Vision 2030 Objectives
Directly Related to the
FSDP

Enabling financial
institutions to
support private
sector growth

Developing an
advanced capital
market

Promoting and
enabling financial
planning

- Leading lender for KSA companies with a 15% Corporate market share and a portfolio of SAR 131bn (2018);
- A leader in the SME segment, with over SAR 22.4 bn of credit extended to SMEs across KSA (2018)
- Provided home financing for 37,000 Saudi families with a portfolio of SAR 25.5bn (1Q 2019)
- Primary Dealer in local government securities with a SAR 60bn KSA Government Bond investment portfolio (1Q 2019)
- Trusted Financial Advisor across capital markets activities (USD 7.5 bn JLM and Book Runner for KSA's 2019 Sovereign bond issuance, USD 12 bn Joint Book Runner for Saudi Aramco's inaugural international bond issuance)
- Largest Asset Manager and Corporate Savings Advisor, with more than 50,000 individual participants and full suite of Takaful protection and savings products
- Expanding participation in the financial services sector with 6 million KSA based customers through a comprehensive physical and digital distribution network



NCB leverages
competitiveness and scale
to deliver value to its
stakeholders and support
the national agenda

Vision 2030

Saudi Arabia continues to drive economic growth through its comprehensive Vision 2030 program and NCB is fully committed to the success of The National Agenda



Key Milestones Towards 2030

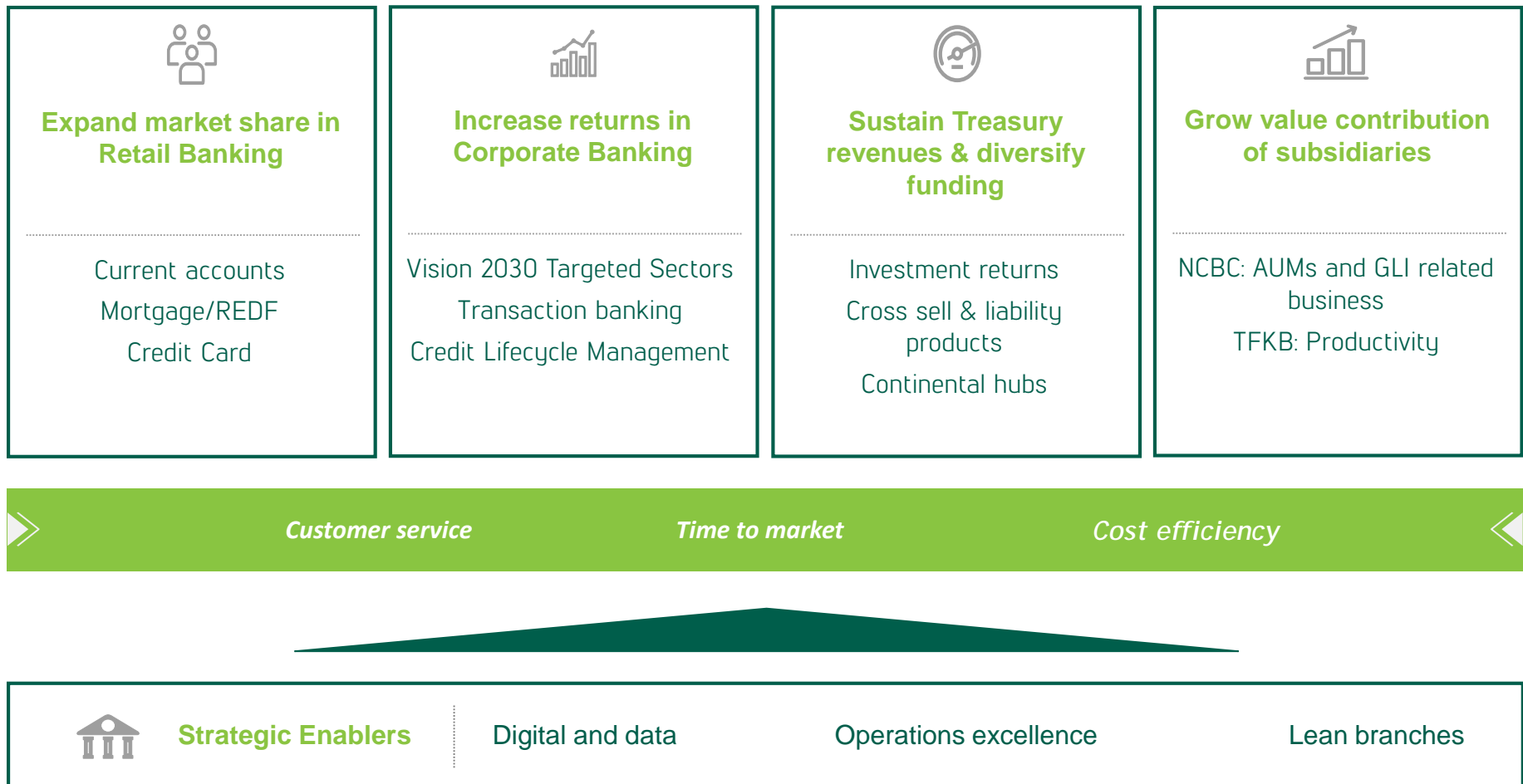
- Private sector contribution to GDP to reach 65% by 2030
- Balancing the budget and eliminating the fiscal deficit by 2023
- Public debt to GDP to remain below 30%
- Raise Saudi home ownership to 60% by 2020
- SME Contribution to GDP targeted to reach 23% by 2020
- Increase financial sector assets to SAR6.3 trillion by 2020
- Foreign Direct Investment to reach 1.46% of GDP by 2020 (~SAR45 billion)
- Women economic participation rate to reach 25% by 2020
- Gradually reducing energy subsidies to reach reference prices by 2025
- Neom phase 1 completion scheduled by 2025

Strategy Overview

1Q 2019 Results

NCB's 2019 Strategy Framework

Sustaining Leadership



NCB continues to deliver on its strategic plans

YTD 1Q 2019 Achievements

| | |
|-------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Retail Banking | <ul style="list-style-type: none">• Grew Retail NOR by 11% YoY on expanded volumes• Grew mortgage by 7% YTD to SAR 25.5bn |
| Corporate Banking | <ul style="list-style-type: none">• Grew Corporate NOR by 15% YoY through margin enhancement and higher average volumes• Sustaining Cost of Risk at 0.21% through proactive credit management |
| Treasury | <ul style="list-style-type: none">• Focus on recurring revenues. Treasury commission income increased 21% YoY• Earning Assets up 6% YTD. Replaced outflow of Current Accounts and T2 redemption |
| NCBC | <ul style="list-style-type: none">• Stable recurring revenues supported by a 5% increase in AUM• Cost discipline with a 13% improvement in operating expenses |
| TFKB | <ul style="list-style-type: none">• Strong capitalization and liquidity, outperforming sector in deposits growth• LTD improvement from 110% to 95% |
| Lean Distribution | <ul style="list-style-type: none">• Continued network expansion with two branches added in 1Q 2019• FTE density improvement to 9.7 FTE per branch. (6 FTE per new branch at no increase in headcount) |
| Digitalization | <ul style="list-style-type: none">• 55% of Retail sales are digital compared to 29% in 2018• Self Service kiosks (106 installed) carved out 72% of covered transactions• 97.5% of Bank financial transactions are digital |

Lean distribution

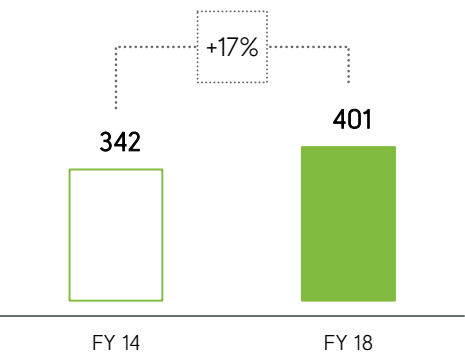


We will continue to expand with lean distribution in Saudi Arabia by adopting a smaller branch format and implementing extensive digitization

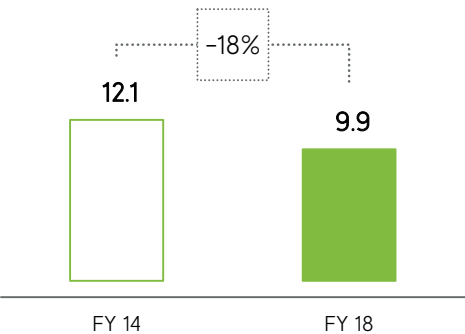
Strategic Focus Areas

- Continue to expand the network in strategic locations to acquire new customers and expand market share
- Expand with smaller branch format with sales and advisory focus
- Digitize branch experience and implement assisted self service technologies
- Optimize the cost of branch network

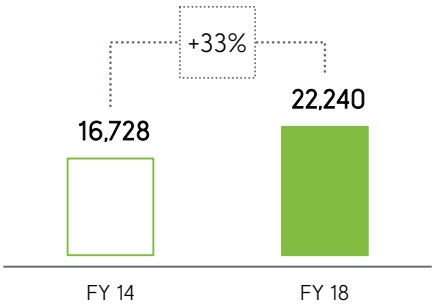
Number of Branches



FTE / branch



Retail Operating Income / Branch (SARmn)



Digitalization

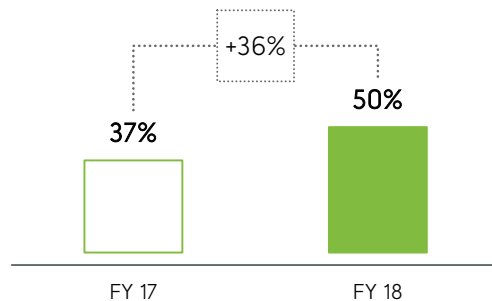


Continue to migrate to digital, drive up digital sales and improve operational excellence to deliver superior customer experiences

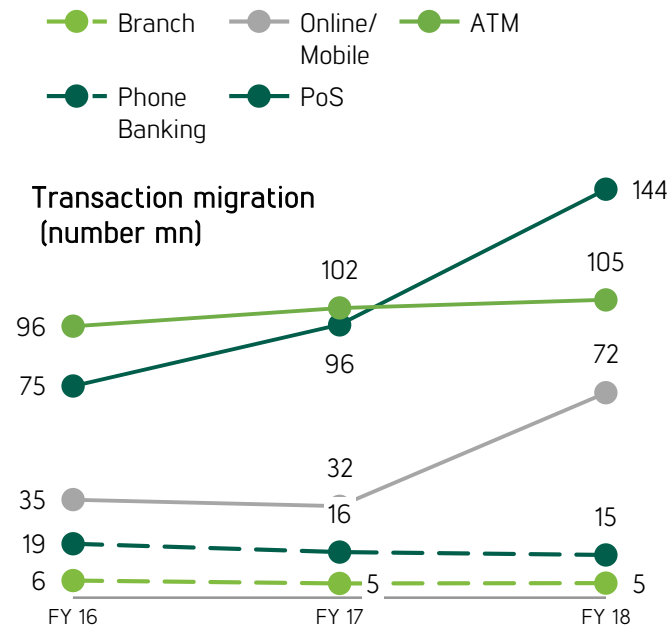
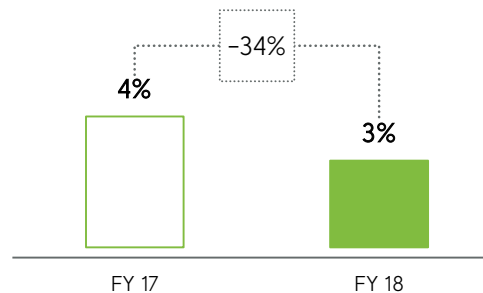
Strategic Focus Areas

- Mobile first – anytime, anywhere
- Leverage advanced data analytics and grow digital sales
- Implement “digital branch” and improve customer journeys through agile digitization
- Automate back office processes including robotics process automation

Digital Transactors (% of total base)



Branch Financial Transactions (% of total)



Retail Banking

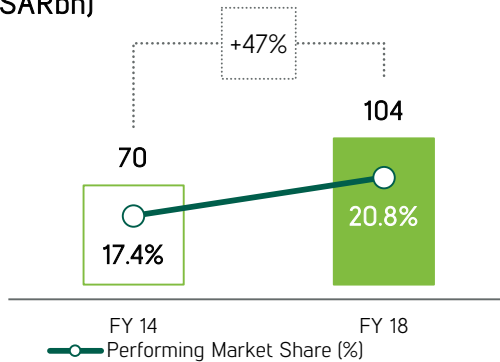


We are positioning the retail business to expand market share

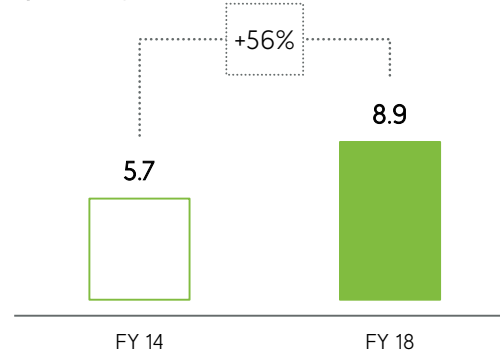
Strategic Focus Areas

- Grow core deposits
- Grow Lending Market Share; focus on mortgages and Credit Card
- Expand branch network with lean formats enabled by digital migration
- Continue to enhance customer service across all channels

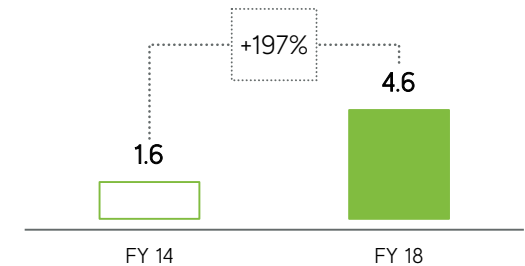
Retail Financing & Advances, net (SARbn)



Operating Income (SARbn)



Net Income (SARbn)



Corporate Banking

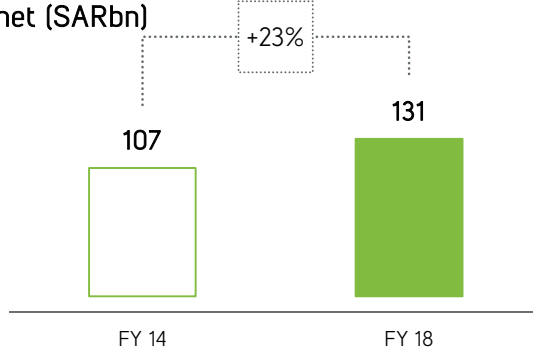


Grow selectively and increase risk-adjusted returns

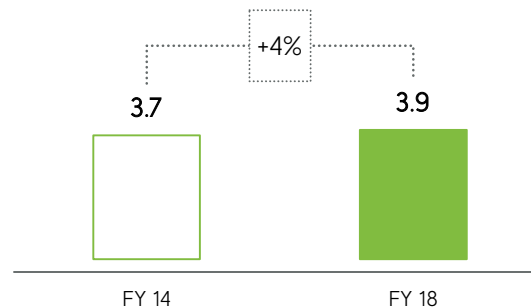
Strategic Focus Areas

- Grow lending in V2030 target sectors
- Increase cross sell focus to capture full value of relationships
- Grow Kafalah-based lending
- Expand collections capabilities and strengthen credit lifecycle management
- Enhance client servicing model via credit process digitization

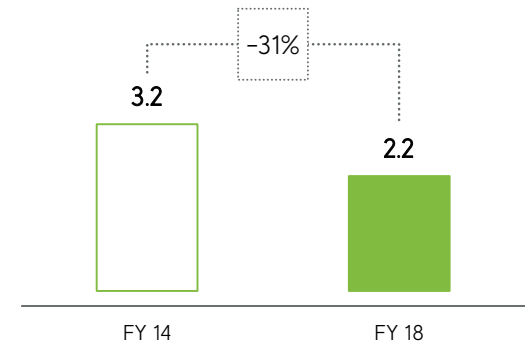
Corporate Financing & Advances, net (SARbn)



Total Operating Income (SARbn)



Net Income (SARbn)



Treasury

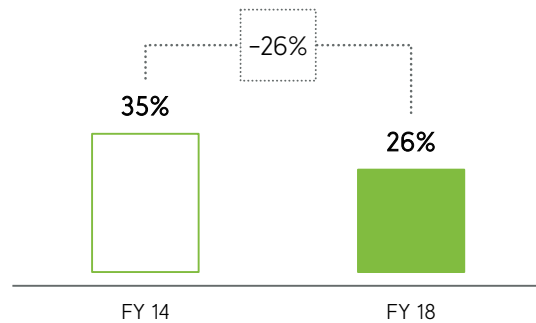


Broaden and deepen liquidity access while sustaining revenues

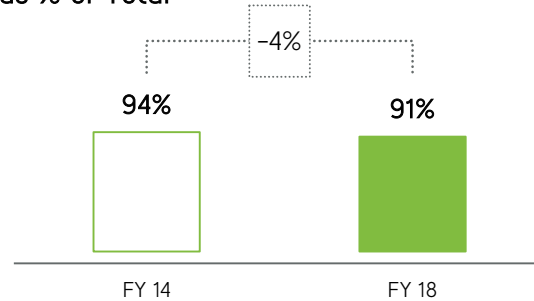
Strategic Focus Areas

- Increase recurring revenues
- Optimize investment portfolio to enhance quality, liquidity and returns
- Launch continental hubs to expand coverage (Singapore, UK)
- Introduce innovative Shariah compliant products to diversify liquidity sources and enhance cross sell

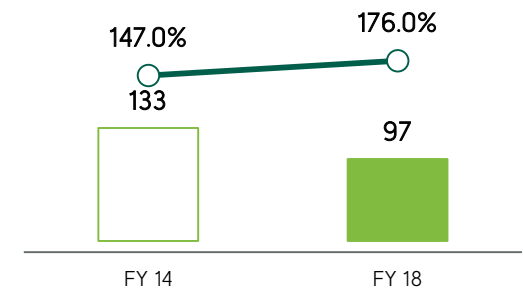
Investments as % of Total Assets



Saudi Government and Investment Grade Investments as % of Total



HQLA and Liquidity Coverage (SARbn/%)

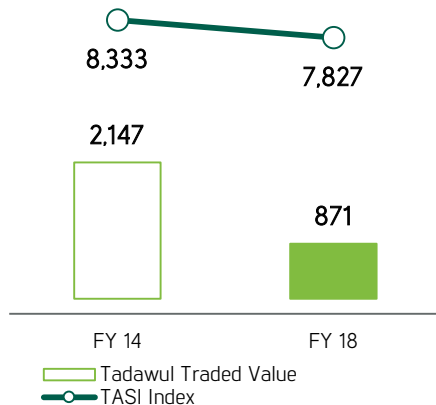




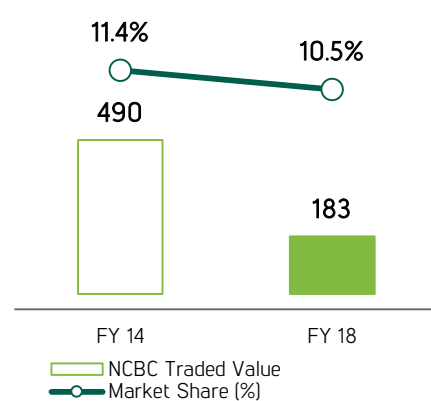
Strategic Focus Areas

- Sustain and grow market leadership product innovation
- Grow recurring revenues by increasing AUMs
- Grow share of brokerage revenue pool
- Continue to enhance efficiency and productivity
- Grow share of Government Linked Institutions related revenues

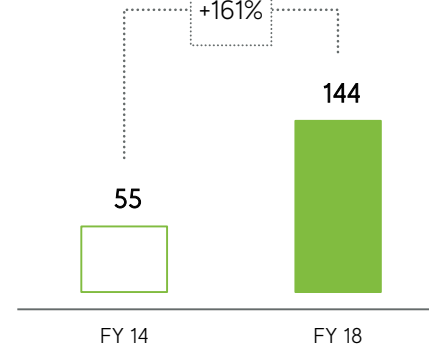
Tadawul Traded Value (SARbn) & TASI Index



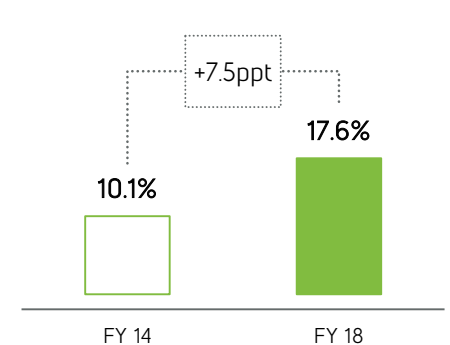
NCBC Traded Value (SARbn) & Market Share (%)



NCBC Assets under Management (SARbn)



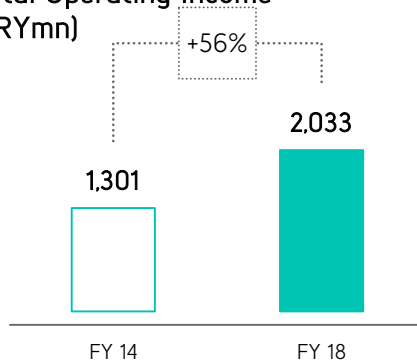
NCBC Share of Sector Net Income (%)



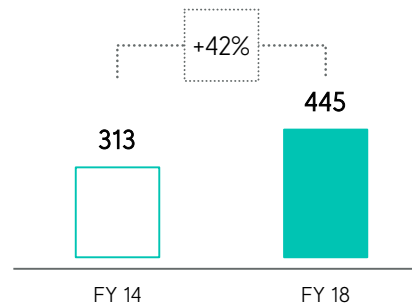
Strategic Focus Areas

- Resume branch expansion, expand digital channels
- Strengthen underwriting and collection performance
- Increase automation and drive capacity optimization
- Instill NCB's principles (Customer excellence, robust governance, best-in-class technology)

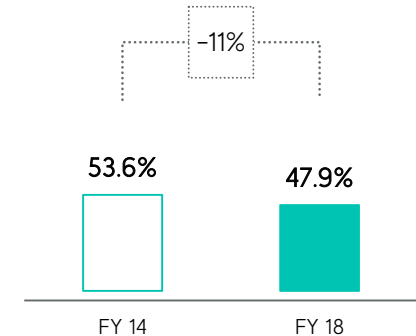
Total Operating Income
(TRYmn)



Net Income (TRYmn)



Cost to income (%)



Financial Results Highlights

1Q 2019 Results

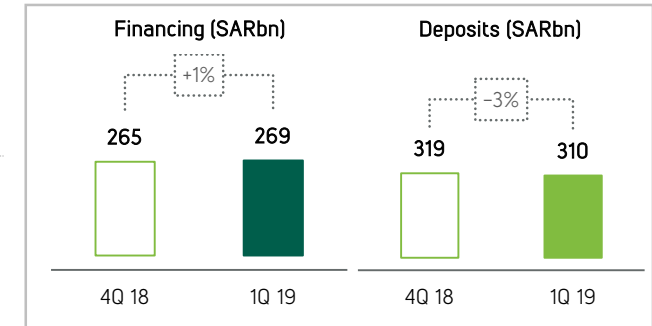


Key messages

1Q 2019 Results

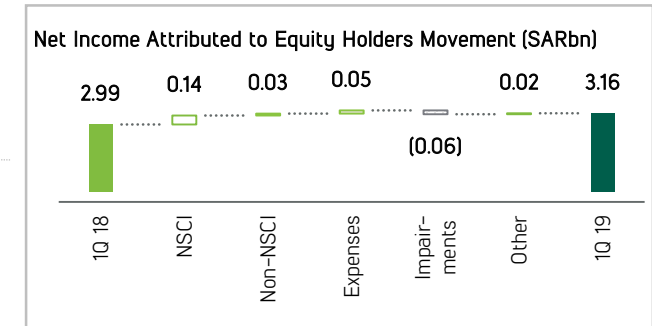
Balance Sheet

- 3% increase in total assets
- 1% Financing growth
- 5% investments growth
- 3% decline in customers' deposits
- CASA ratio at 76% of deposits



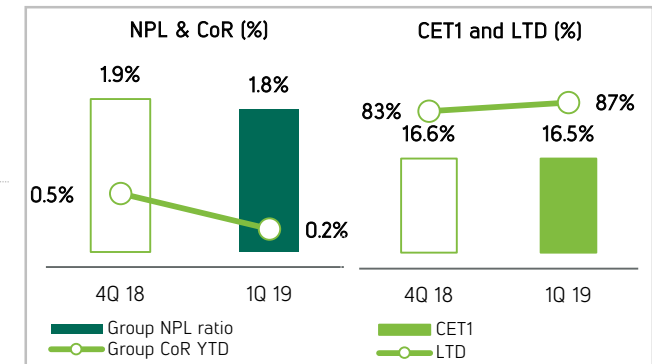
Income Statement

- 6% net income growth
- 4% NSCI growth
- 2% Increase in Fee and other income
- 3% lower operating expenses
- CoR stands at 21bps



Asset Quality, Capital & Liquidity

- NPL ratio at 1.8% and NPL coverage of 145%
- CET1 of 16.5% and T1 ratio of 18.4%
- LTD ratio of 87%.
- LCR of 184%
- Leverage Ratio of 13.6%



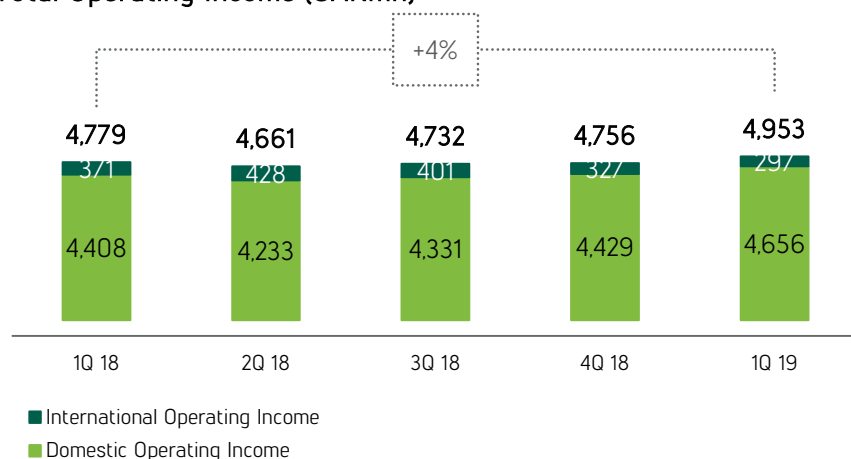
Income Statement

Higher 1Q 2019 net income derived from higher operating income and lower operating expenses, partly offset by higher impairments

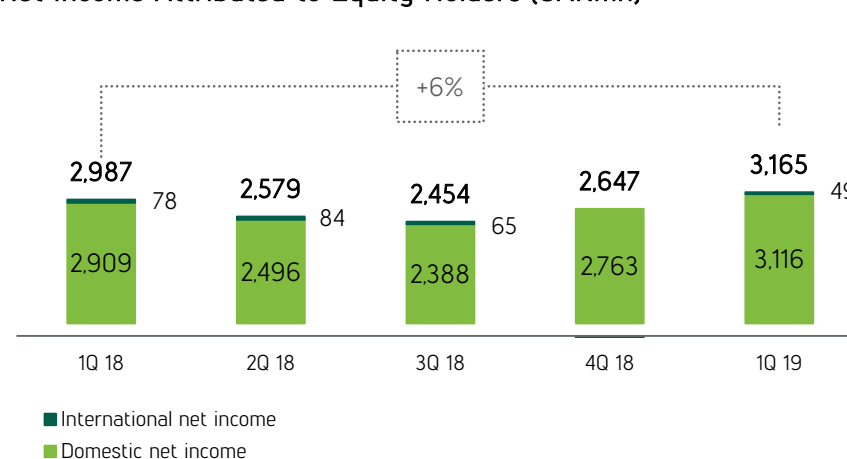
Profitability Trends

| SAR (mn) | 1Q 2019 | 4Q 2018 | 1Q 2018 | YoY % change |
|------------------------------------------------|--------------|--------------|--------------|--------------|
| Net special commission income | 3,562 | 3,741 | 3,419 | +4% |
| Fee and other income | 1,391 | 1,015 | 1,361 | +2% |
| Total operating income | 4,953 | 4,756 | 4,779 | +4% |
| Operating expenses | (1,618) | (1,475) | (1,668) | -3% |
| Total impairment charge | (145) | (601) | (83) | +75% |
| Income from operations, net | 3,189 | 2,680 | 3,028 | +5% |
| Net income attributed to equity holders | 3,165 | 2,647 | 2,987 | +6% |

Total Operating Income (SARmn)



Net Income Attributed to Equity Holders (SARmn)



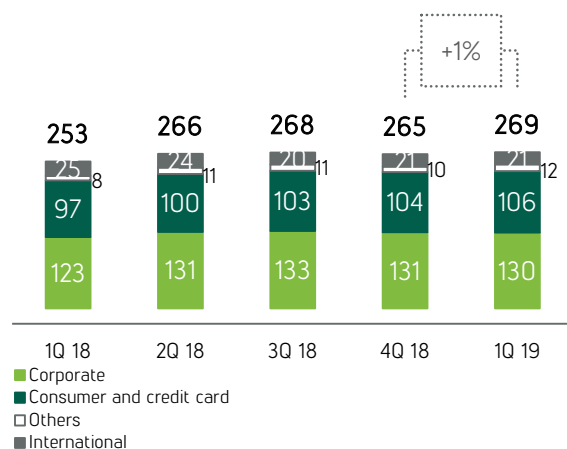
Balance Sheet

3% YTD increase in total assets from financing and investments.

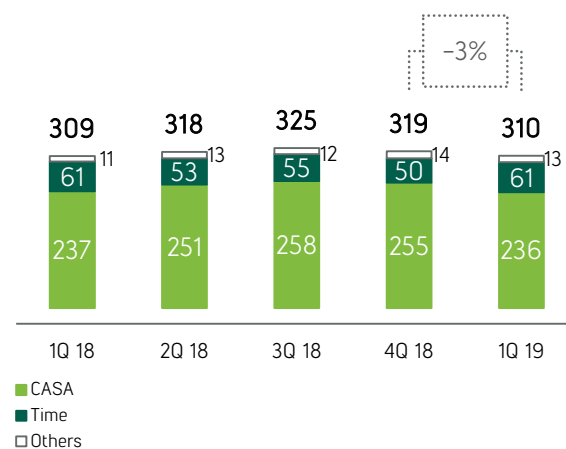
Balance Sheet Trends

| SAR (mn) | 1Q 2019 | 1Q 2018 | YoY % change | 4Q 2018 | YTD % change |
|-----------------------------------------------|----------------|----------------|--------------|----------------|--------------|
| Investments, net | 123,419 | 113,555 | +9% | 118,090 | +5% |
| Financing and Advances, net | 268,657 | 252,777 | +6% | 265,317 | +1% |
| Total assets | 466,348 | 438,896 | +6% | 453,390 | +3% |
| Due to banks and other financial institutions | 63,127 | 37,978 | +66% | 45,963 | +37% |
| Customers' deposits | 309,661 | 309,001 | +0% | 318,699 | -3% |
| Debt securities issued | 4,421 | 10,528 | -58% | 9,431 | -53% |
| Total liabilities | 397,507 | 374,035 | +6% | 387,721 | +3% |
| Equity attributable to shareholders | 60,939 | 56,684 | +8% | 57,737 | +6% |
| Total equity | 68,841 | 64,861 | +6% | 65,669 | +5% |

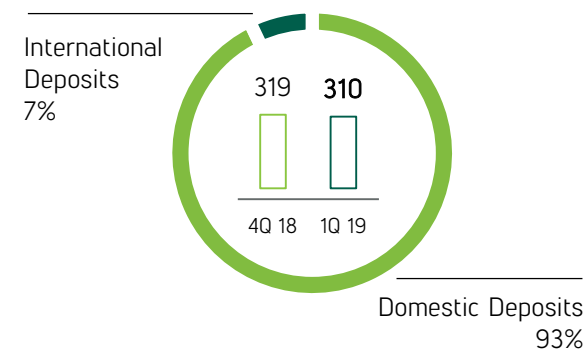
Financing & Advances, net (SARbn)



Customers' Deposits (SARbn)



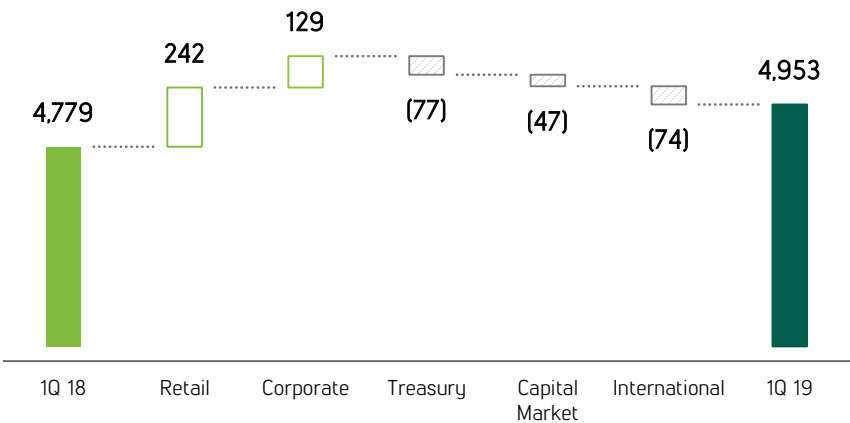
Customers' Deposits Mix (SARbn)



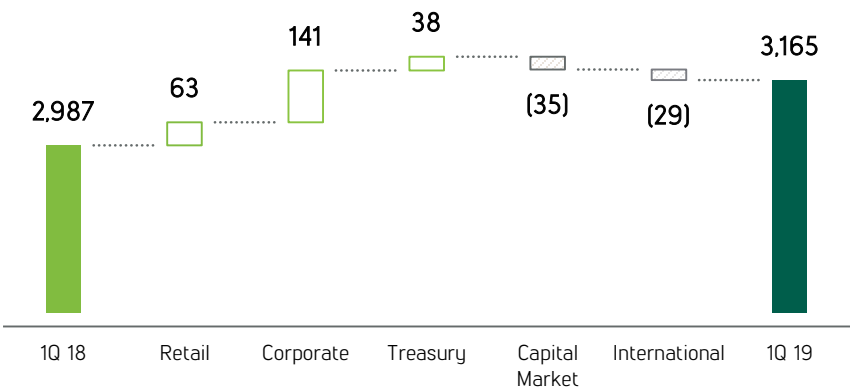
Segmental Information (1/2)

1Q 2019 Total operating and net income growth mainly from Retail and Corporate segments.

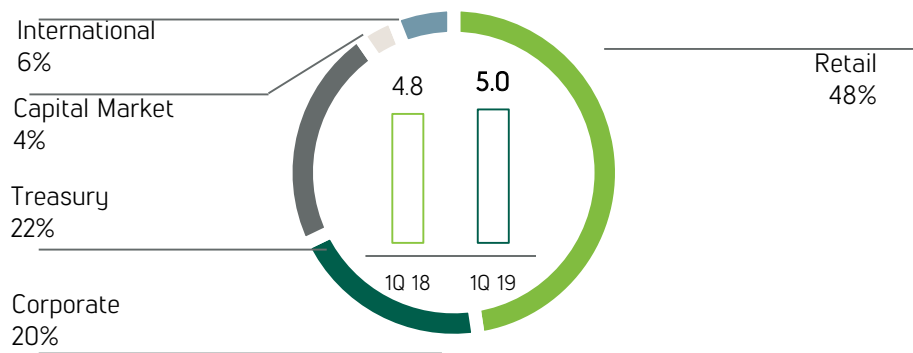
1Q 19 Total Operating Income Movement (SARmn)



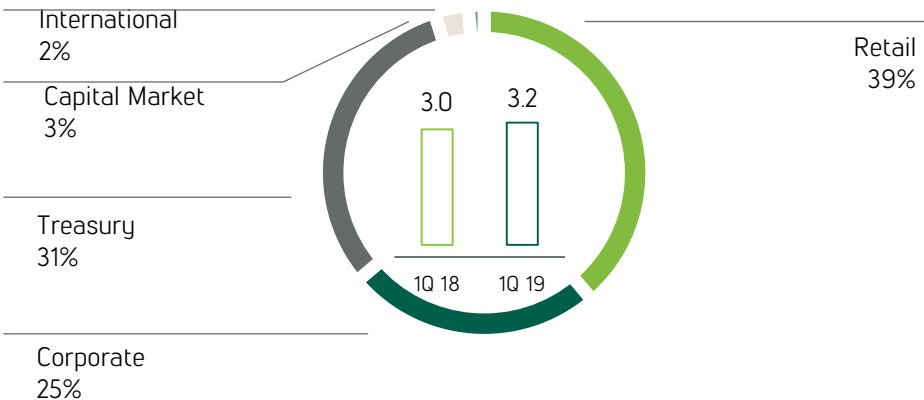
1Q 19 Net Income Attributed to Equity Holders Movement (SARmn)



Total Operating Income (SARbn)



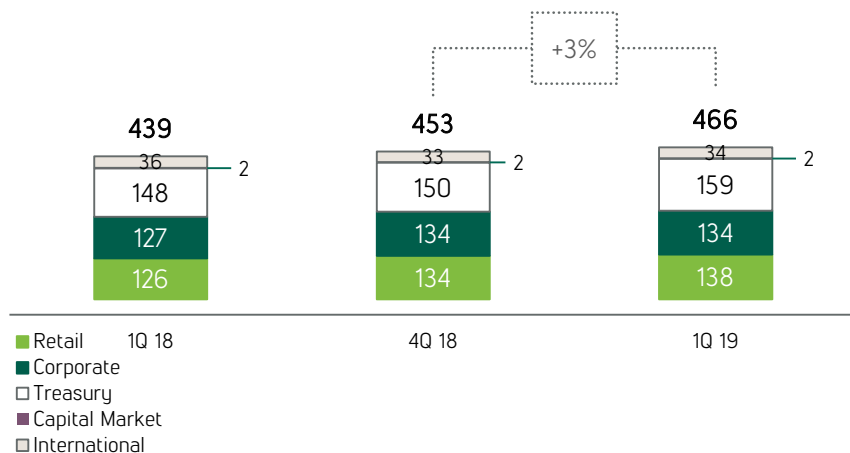
Net Income Attributed to Equity Holders (SARbn)



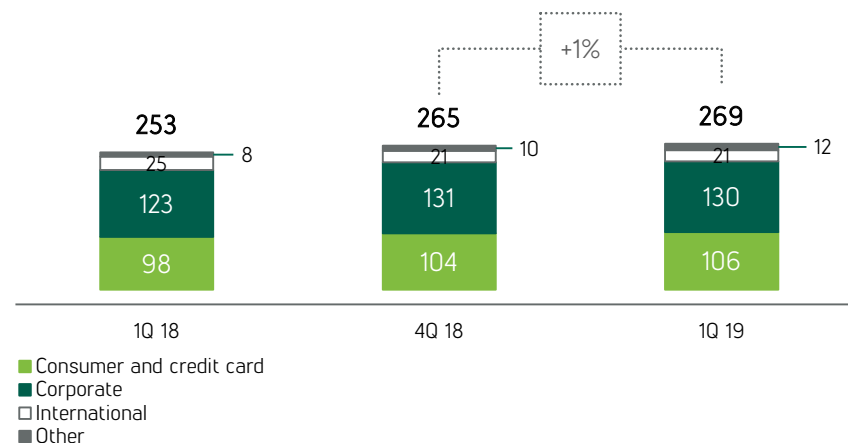
Segmental Information (2/2)

1Q 2019 total assets growth mainly driven by Retail and Treasury segments

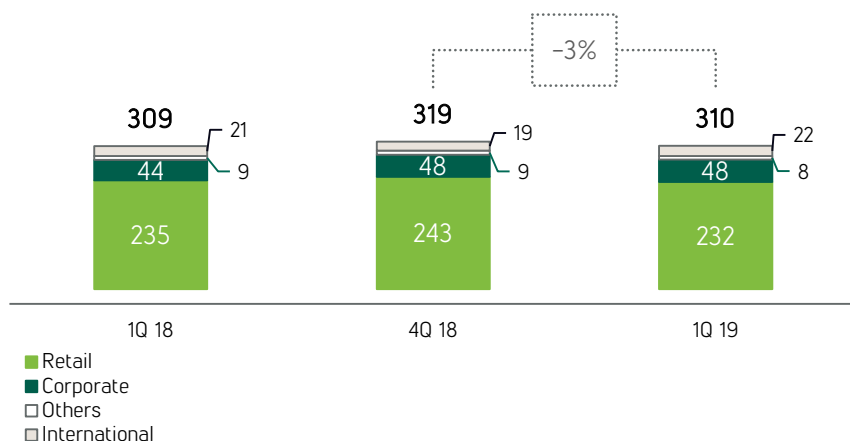
Total Assets (SARbn)



Financing and Advances, net (SARbn)



Customers' Deposits (SARbn)



Management Commentary

- YTD 2019 Total Assets increased by 3% due to higher financing by 1% and investments by 5%.
- Customers' deposits decreased by 3% from Retail segment, CASA balances at 76% of total deposits at 1Q 2019 compared with 80% at 4Q 2018.
- Total Financing increased by 1%: Retail increased by 2% and others by 20%.

Outlook

Improved macroeconomic environment expected to drive growth

2019 Macroeconomic Outlook

- Average Arabian light oil price of USD 65 per barrel
- **No US Fed rate hikes expected in 2019 (revised from two 25bps hikes)**
- 2019's expansionary fiscal policy is expected to underpin GDP and Credit growth
- Real GDP growth is estimated to reach 2.6%
- The budget deficit projected to narrow to 4.2% of GDP
- Inflation to ease to 2.3% as energy price subsidies remain unchanged

Balance Sheet

Financing growth

6%

+1%

4% to 6%

Within guidance

Profitability

NSCI margin

3.61%

3.55%

3.65% - 3.69%

At 1Q 2019 level

Cost to income

34.1%

32.7%

Below 34%

Within guidance

Capitalization and Asset Quality

Tier 1 CAR

18.5%

18.4%

16% to 18%

Upper end of the guidance

Group Cost of Risk

0.52%

0.21%

0.6% to 0.8%

Lower end of the guidance

Financial Results Details

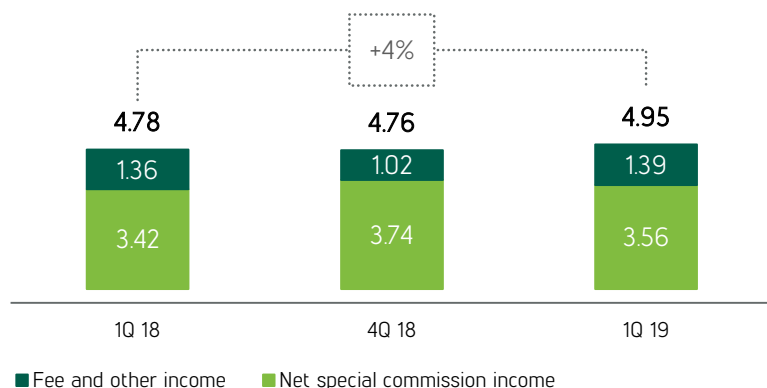
1Q 2019 Results



Operating Income Highlights

Higher 1Q 2019 total operating income driven by net special commission income and investment related income

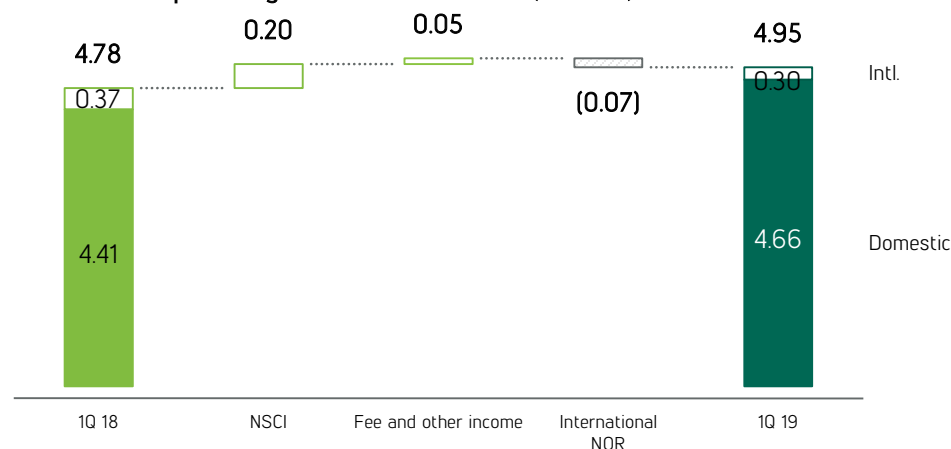
Total Operating Income (SARbn)



Management Commentary

- Total operating income increased 4% YoY from a 4% improvement in net special commission income, higher investment-related income (+25%), partly offset by a decrease in FX revenue and fees by (-8%).
- International operating income decreased by 20% due to 29% depreciation of the average Turkish Lira rate as compared with 1Q 2018.
- Excluding the International business, Total operating income was 6% higher YoY.

1Q 19 Total Operating Income Movement (SARbn)



Net special commission income trends

1Q 2019 net special commission income grew by 4%, despite 61% increase in special commission expenses

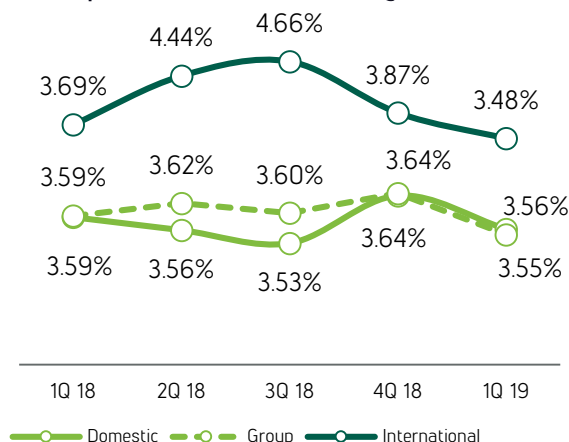
Management Commentary

- NSCI improved by 4% on higher SCI (+15%), despite 61% increase in cost of fund due mainly to a change in funding mix.
- Funding cost was 50bps higher YoY mainly due to a change in funding mix.
- The net special commission margin decreased by 4bps YoY to 3.55% due to higher cost of funds.

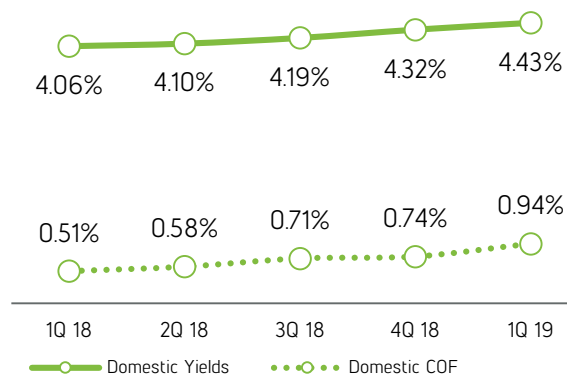
Net Special Commission Income

| SAR (mn) | 1Q 2019 | 4Q 2018 | 1Q 2018 | YoY % change |
|------------------------------------------|--------------|--------------|--------------|--------------|
| Special commission income | 4,863 | 4,936 | 4,228 | +15% |
| Special commission expense | (1,302) | (1,195) | (809) | +61% |
| Net special commission income | 3,562 | 3,741 | 3,419 | +4% |
| Commission yield (%) | 4.85% | 4.81% | 4.44% | +9% |
| Funding cost (%) | 1.41% | 1.25% | 0.91% | +55% |
| Net special commission margin (%) | 3.55% | 3.64% | 3.59% | -1% |

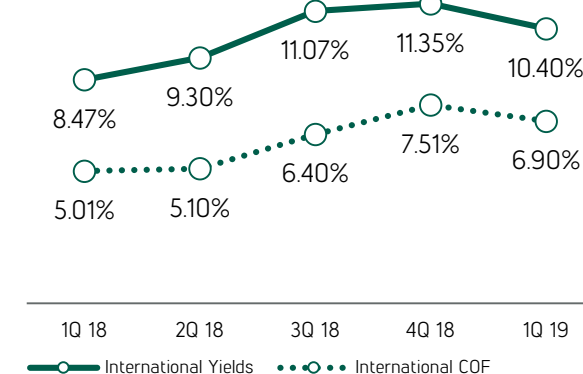
Net Special Commission Margin (%)



Domestic Commission Yield and Funding Cost (%)



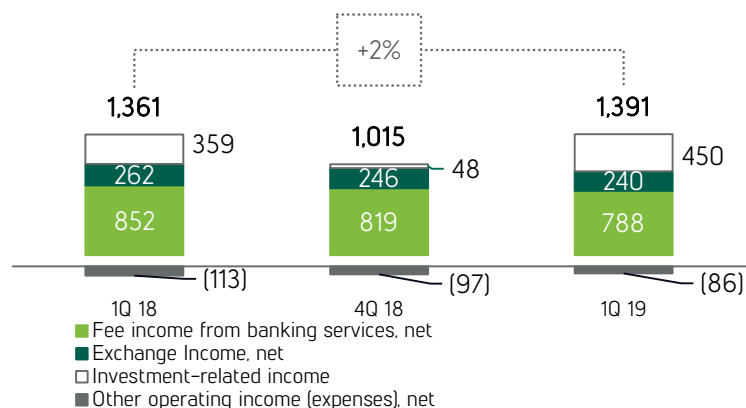
International Commission Yield and Funding Cost (%)



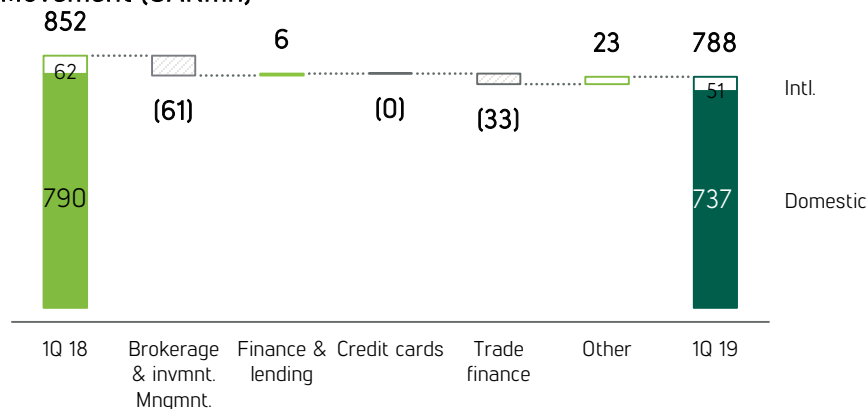
Fee and other income trends

Higher 1Q 2019 Investment income partially offset by lower fees and exchange income.

Fee and Other Income (SARmn)



1Q 19 Drivers of Fee Income from Banking Services Movement (SARmn)



Fee Income

| SAR (mn) | 1Q 2019 | 4Q 2018 | 1Q 2018 | YoY % change |
|----------------------------------------------|------------|------------|------------|--------------|
| Finance and lending | 364 | 367 | 358 | +2% |
| Trade finance | 104 | 79 | 137 | -24% |
| Investment management services | 129 | 123 | 164 | -22% |
| Shares brokerage | 35 | 38 | 60 | -42% |
| Credit cards | 38 | 16 | 38 | -0% |
| Others | 119 | 194 | 96 | +23% |
| Fee income from banking services, net | 788 | 819 | 852 | -8% |

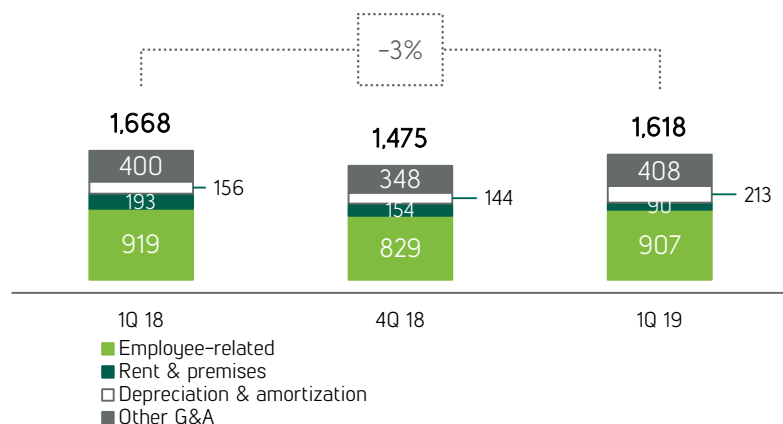
Management Commentary

- Fee and other income increased by 2% YoY due to 25% growth in investment-related income and 24% lower other operating expenses, which were partially offset by 8% lower fees from banking services and 9% lower FX income.
- The lower fees were mainly driven by lower fees from trade finance, investment management services and shares brokerage, partly offset by higher finance and lending.

Expense highlights

Digitization, productivity enhancement and optimization delivered expense savings in 1Q 2019

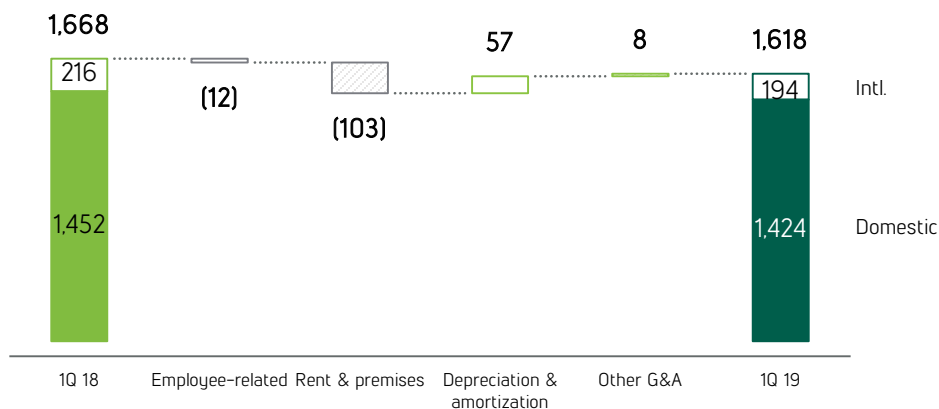
Operating Expenses (SARmn)



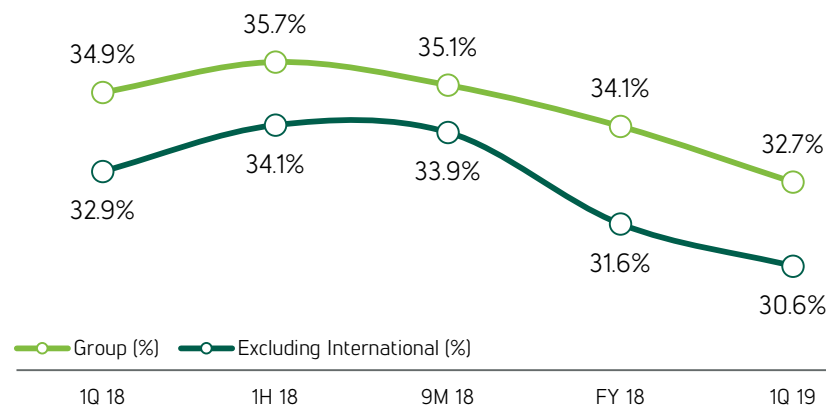
Management Commentary

- Expenses declined by 3% YoY.
- The cost to income ratio was 32.67%, lower by 223bps compared to 1Q 2018.
- The cost base improvement was relatively broad-based.

1Q 19 Operating Expenses Movement Drivers (SARmn)



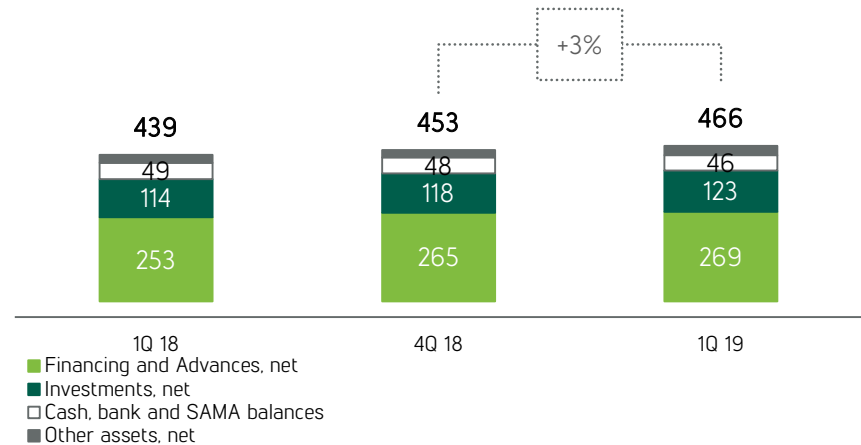
Cost to Income Ratio (YTD %)



Asset highlights and composition

3% growth in balance sheet as a result of increase in financing and investments.

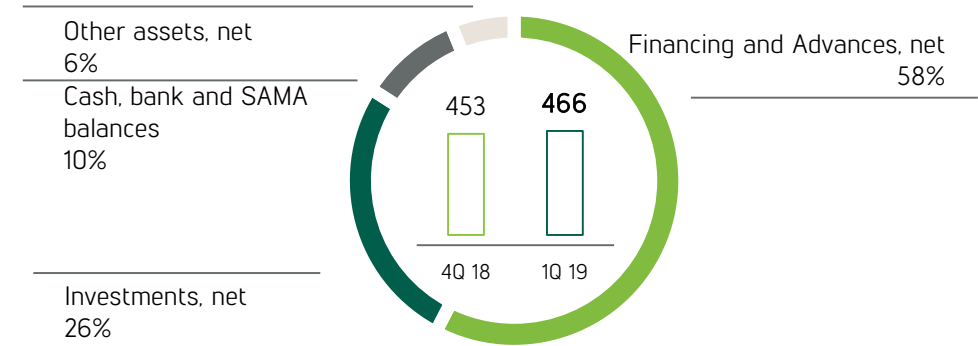
Total Assets (SARbn)



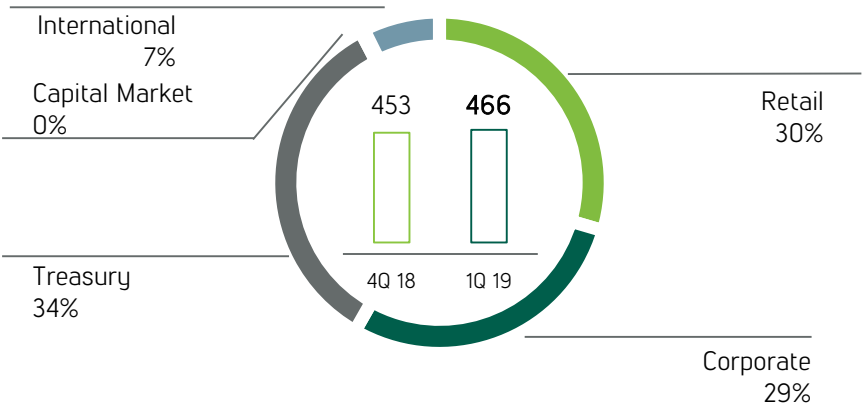
Management Commentary

- Total assets increased 3% due to increase in financing and investments.
- 1% financing increase driven by 2% increase in domestic financing, despite 2% decline in international financing impacted by Turkish Lira depreciation.
- Investments increased by 5% due to participation in Saudi Government debt issuance continued.

Total Assets Mix (SARbn)



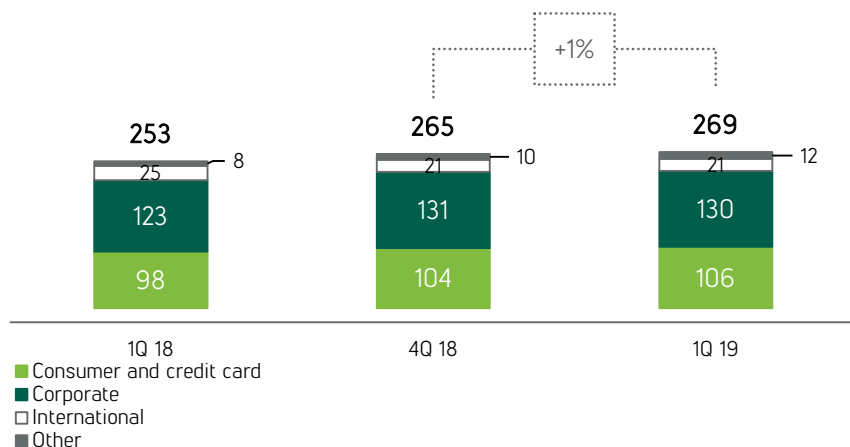
Total Assets by Segment (SARbn)



Financing and advances

Financing growth driven by Consumer and Other segments

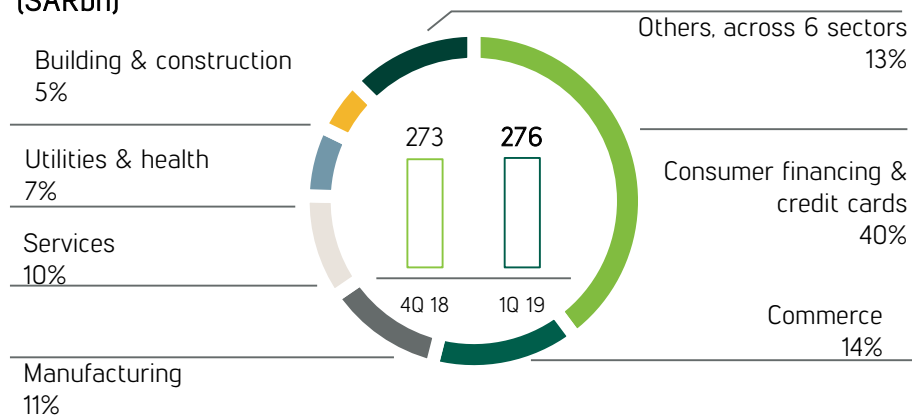
Financing and Advances, net (SARbn)



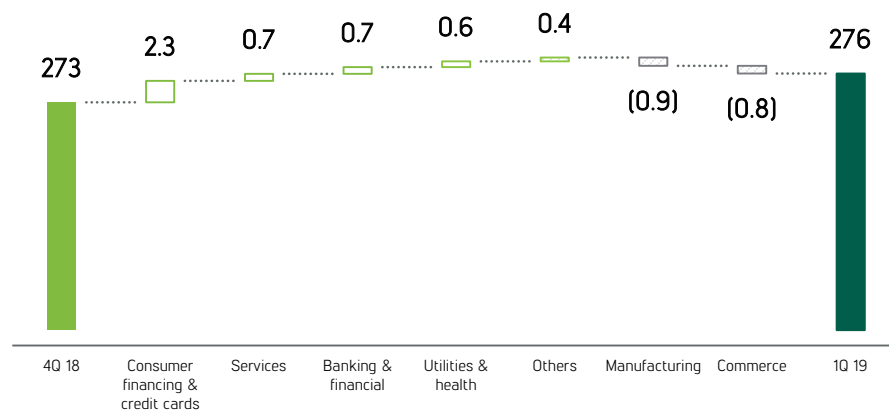
Management Commentary

- Domestically, financing grew for the Consumer (+2%) and other segment (+20%) from 4Q 2018.
- Corporate segment marginally low due to early repayments mainly in manufacturing and commerce sectors.
- International financing declined 2% due principally to the weakened Turkish Lira.

Financing and Advances, gross by Economic Sector (SARbn)



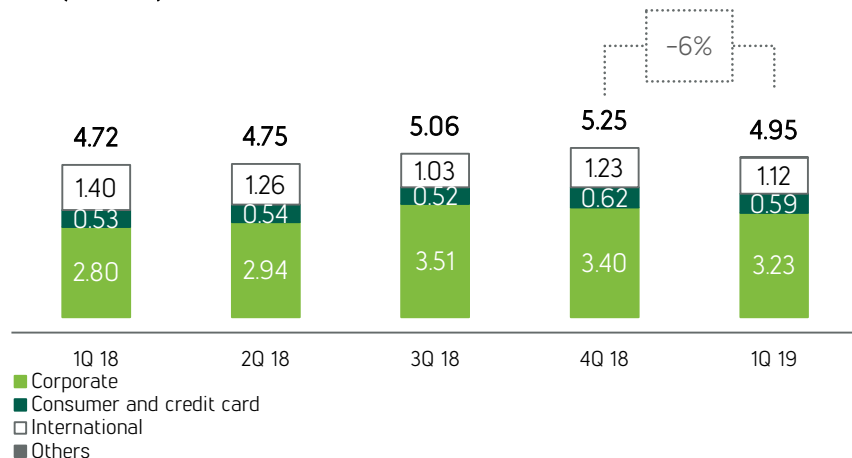
Movement Financing, gross by Economic Sector (SARbn)



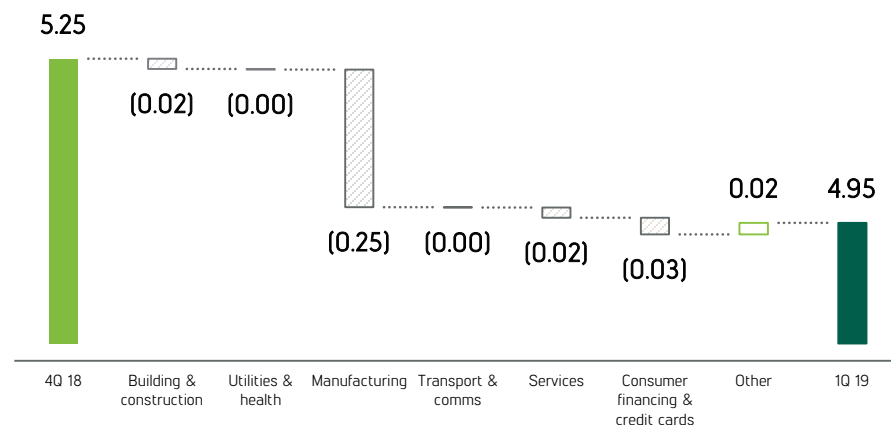
Financing and advances credit quality (1/2)

YTD NPLs have fallen, particularly in the manufacturing sector

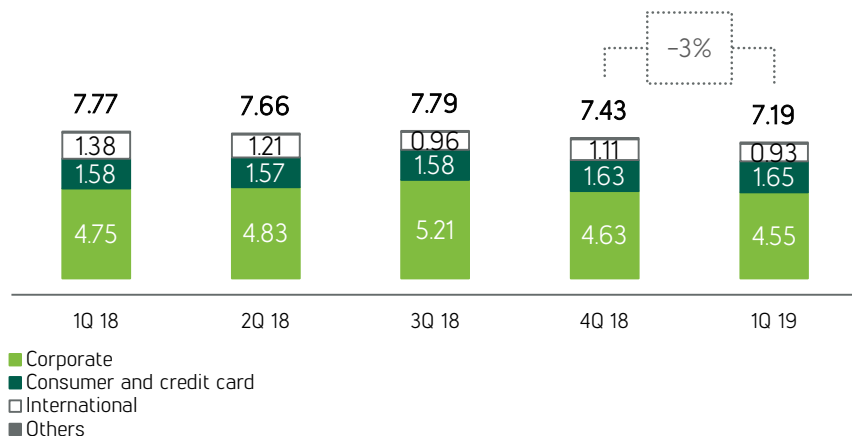
NPL (SARbn)



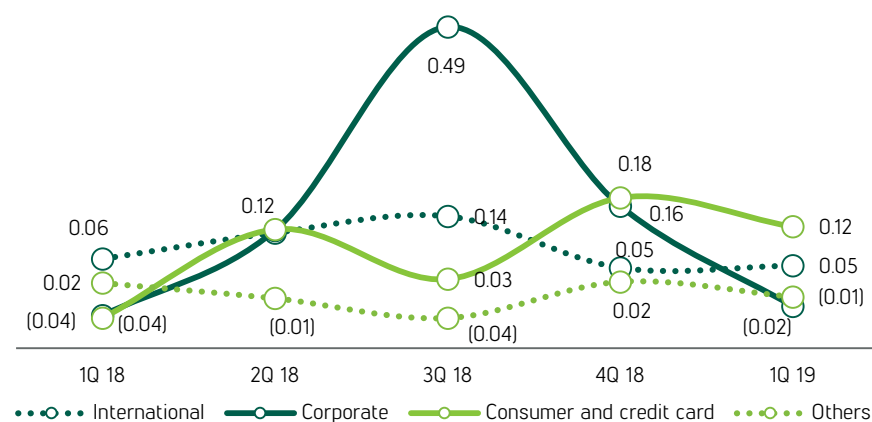
Movement NPLs by Economic Sector (SARbn)



Impairment Allowances (SARbn)



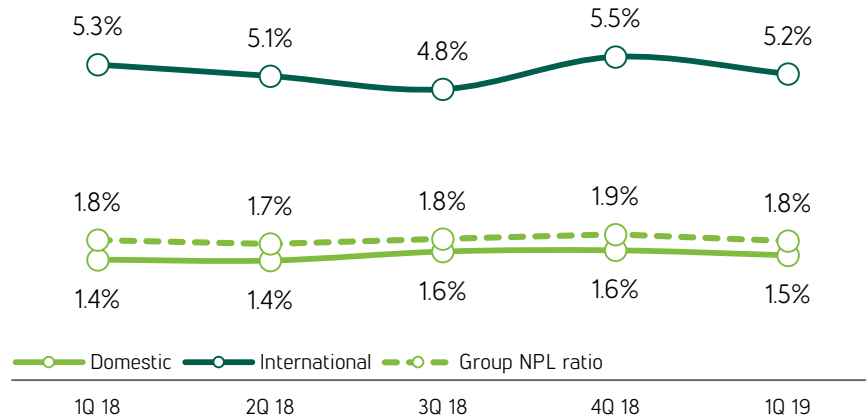
Impairment Charge (SARbn)



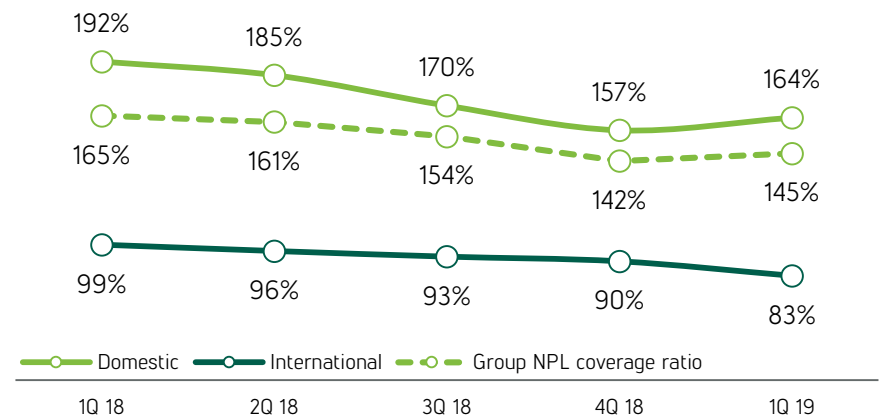
Financing and advances credit quality (2/2)

Stable NPL ratio and higher NPL coverage

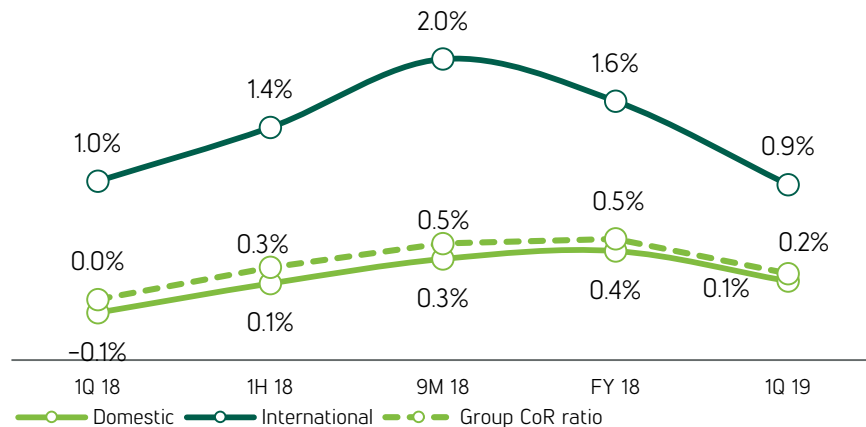
NPL Ratios (%)



NPL Coverage Ratios (%)



CoR Ratios (YTD %)



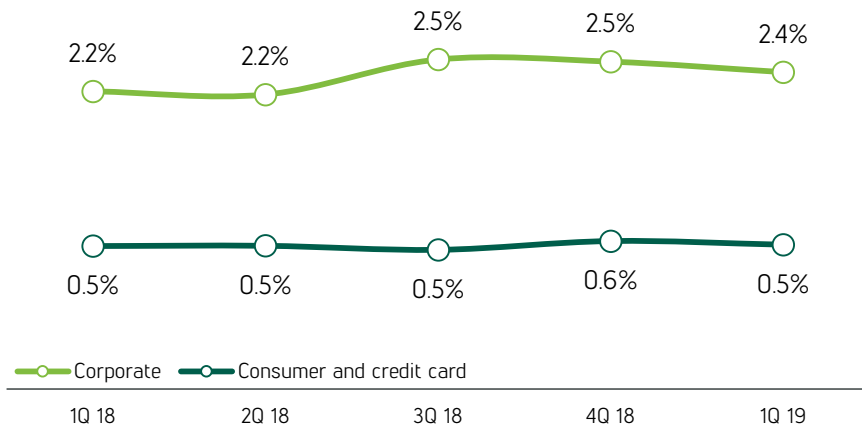
Management Commentary

- NPL ratio slightly declined vs. 4Q 2018 driven by International and domestic segments, largely due to lower NPL inflow during the quarter.
- NPL coverage was higher at 145% with domestic NPL coverage enhanced due to lower NPL.
- Cost of risk for the first quarter remained low due to lower NPL flow assisted by higher recovery.

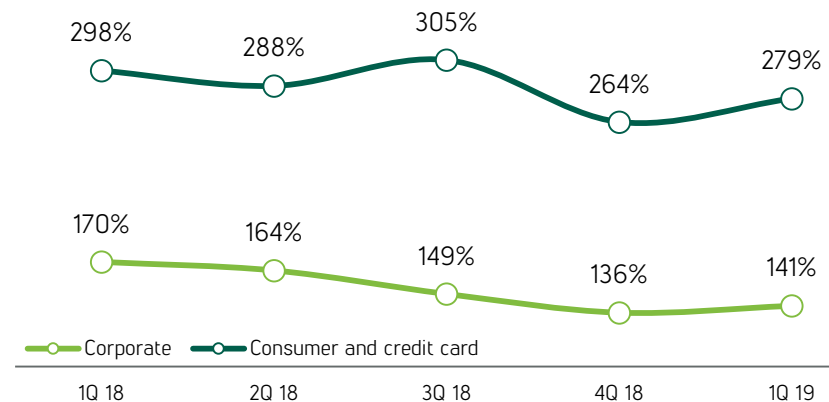
Domestic financing and advances credit quality

Corporate and Consumer NPL ratios have improved

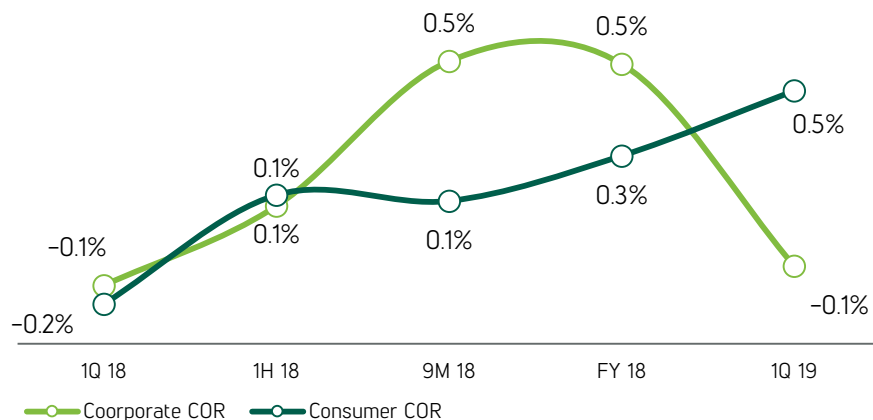
NPL Ratios (%)



NPL Coverage Ratios (%)



CoR Ratios (YTD %)



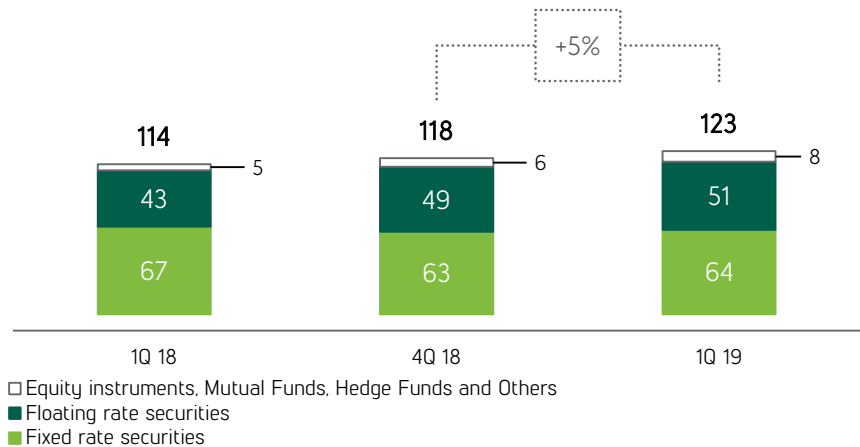
Management Commentary

- The Corporate NPL ratio and cost of risk declined while NPL coverage ratio increased.
- Consumer and credit card risk metrics remained healthy.

Investments trends and composition

Investments increased 5% and quality remains strong; ~89% of the investment portfolio remains Saudi Government and investment grade

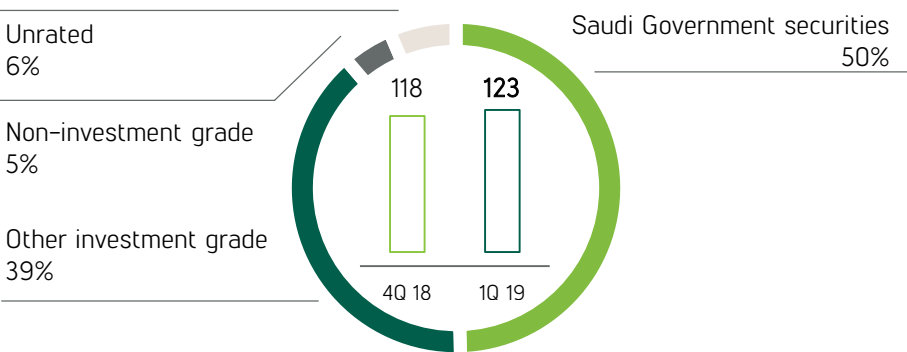
Investments (SARbn)



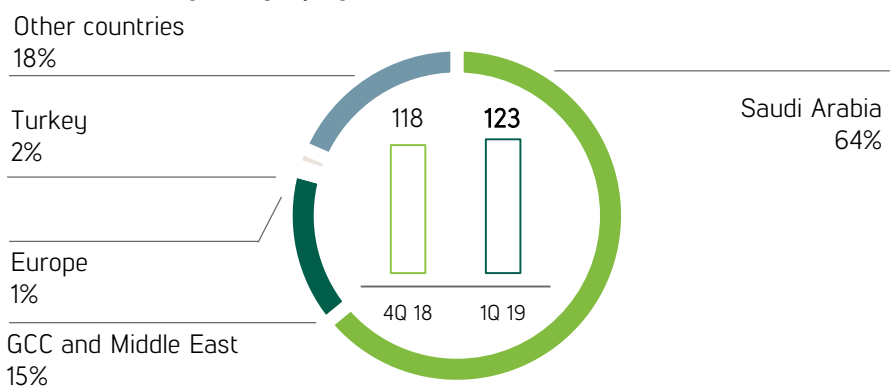
Management Commentary

- The investment portfolio is built on high quality securities with ~89% being Saudi government and investment grade.
- Since the resumption of KSA government debt issuance, NCB has actively participated in issues of longer term debt securities.

Investments by Credit Grade (SARbn)



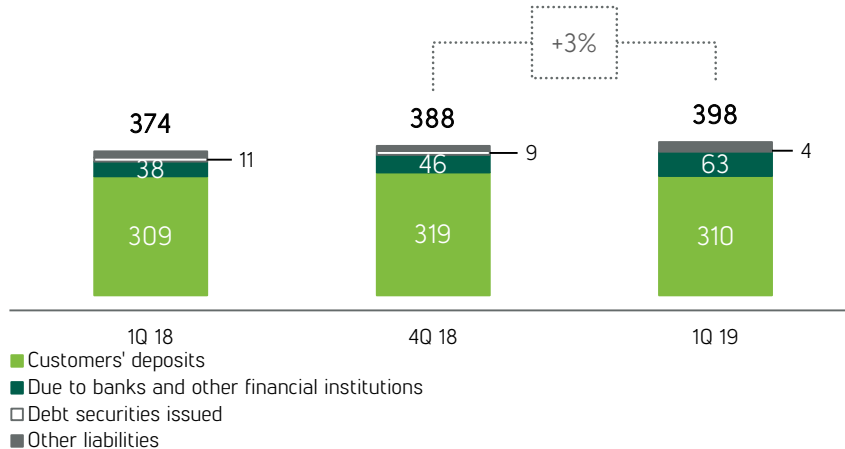
Investments by Geography (SARbn)



Liabilities trends and composition

Higher total liability base from bank placements

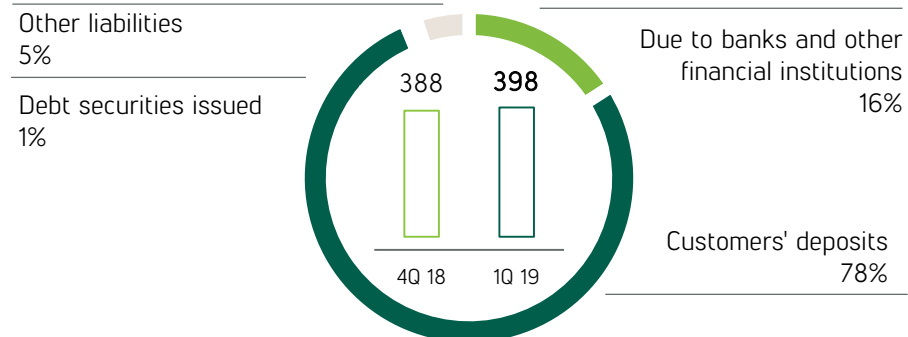
Total Liabilities (SARbn)



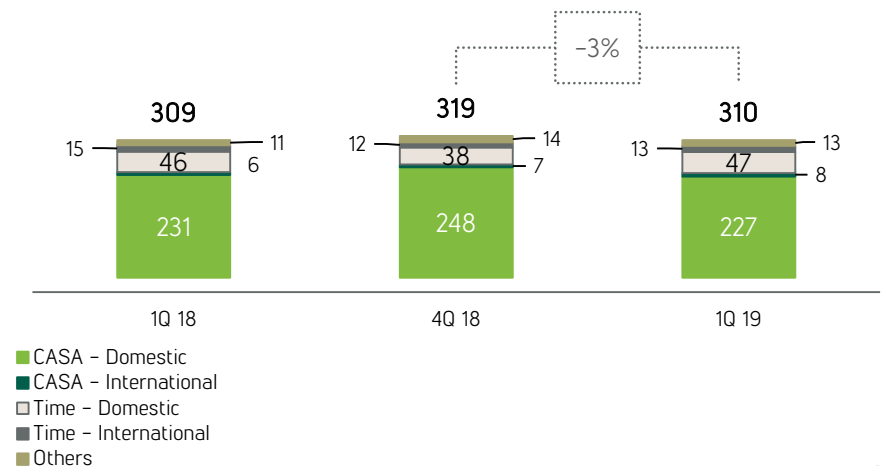
Management Commentary

- 3 % increase in total liabilities mainly from Due to Bank as a result of the change in funding mix and other liabilities.
- Customers' deposits declined by 3% in 1Q 2019, mainly from outflow of government and quasi government deposits as compared with 4Q 2018.
- CASA balances account for 76% of customers' deposits compared to 80% at 4Q 2018.
- T2 sukuk of SAR 5bn was called in during 1Q 2019.

Total Liabilities Mix (SARbn)



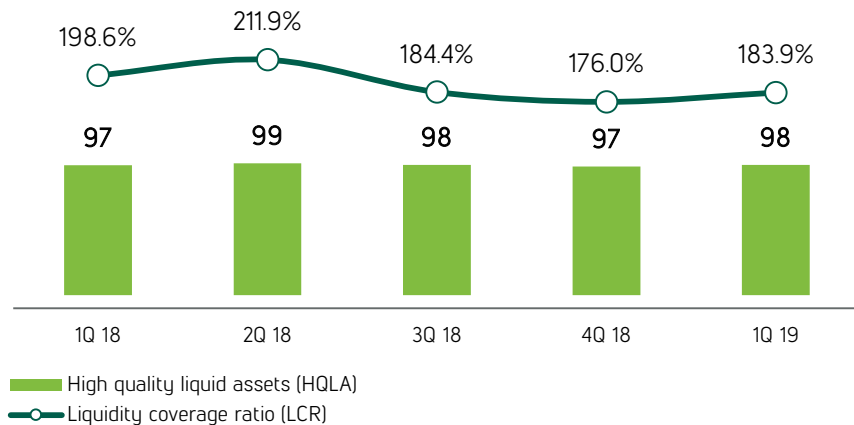
Customers' Deposits (SARbn)



Liquidity

NCB maintained a strong liquidity profile

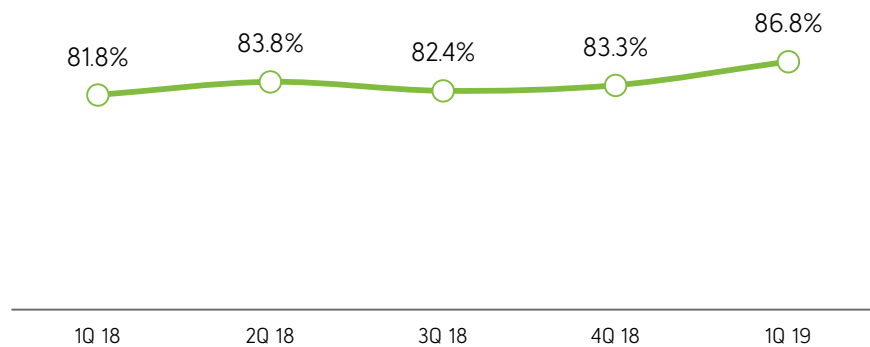
HQLA and Average Liquidity Coverage (SARbn/%)



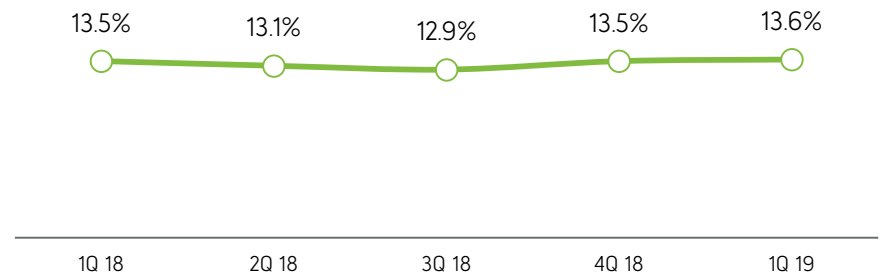
Management Commentary

- As at 1Q 2019, the financing to customers' deposit ratio was 86.8% and comfortably below the regulatory guidelines.
- HQLA balances rose by 1.3% compared to 4Q 2018. The average quarterly LCR improved to 183.9% in 1Q 2019 from 176% in 4Q 2018.
- Basel III leverage ratio was stable at 13.6% as at 1Q 2019 relative to 13.5% at 4Q 2018.

Financing to Customer Deposit Ratio (%)



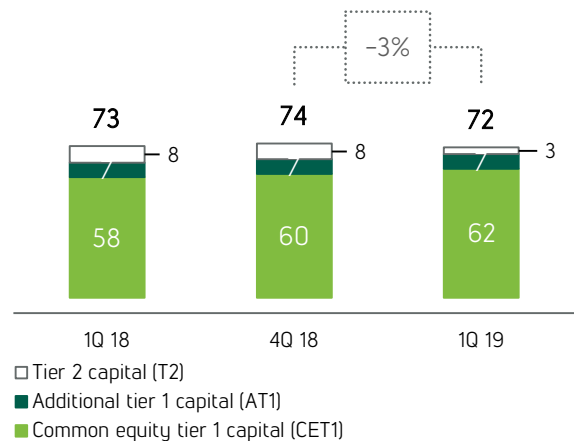
Basel III leverage Ratio (%)



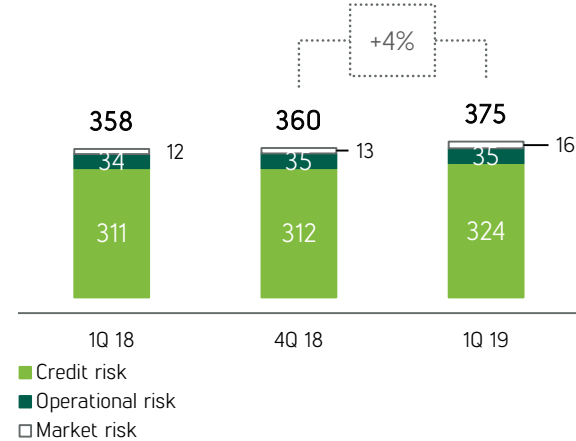
Capital

Capital position comfortably above regulatory minima

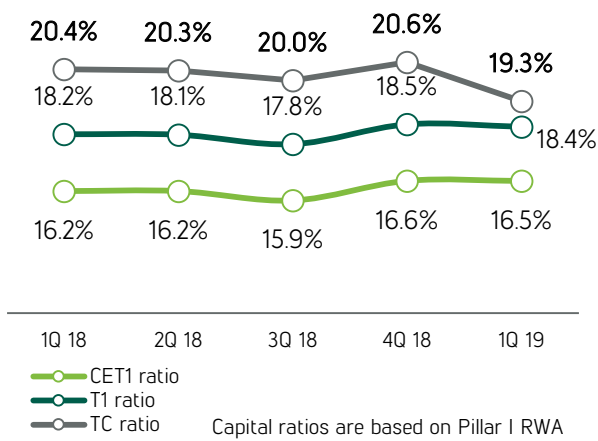
Capitalisation (SARbn)



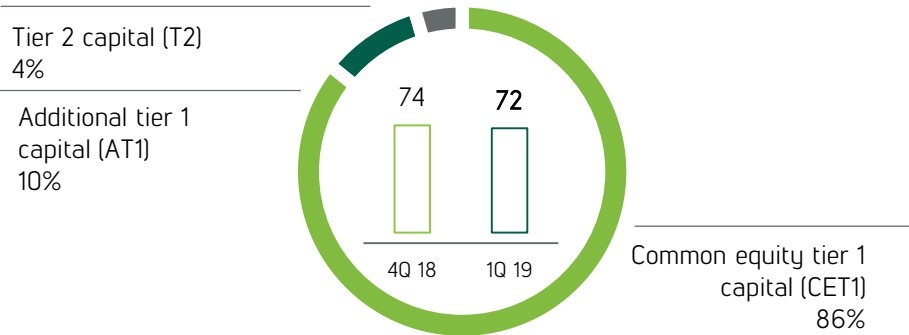
Pillar I Risk Weighted Assets (SARbn)



Capital Ratios (%)



Total Capital Composition (SARbn)



Management Commentary

- Capitalization remained strong and comfortably above the regulatory minima with CET1 at 16.5% and T1 at 18.4%.
- Common equity Tier 1 capital (CET1) is impacted by one time IFRS9 adjustment adoption.
- During 1Q 2019, T2 Sukuk were redeemed, leading to a drop in the total capital ratio.

Segmental Review

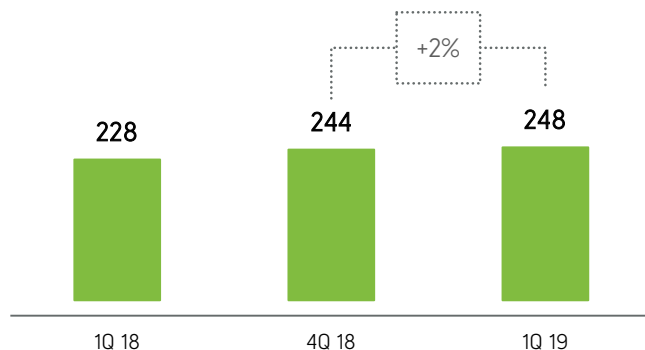
1Q 2019 Results



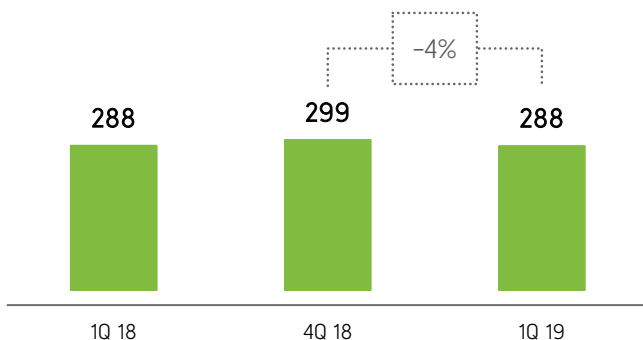
NCB Bank (standalone)

Strong 9% 1Q 2019 net income growth resulting from operating income growth and lower operating expenses

Financing and Advances, net (SARbn)



Customers' Deposits (SARbn)



Summary Financial Performance

| SAR (mn) | 1Q 2019 | 4Q 2018 | 1Q 2018 | YoY % change |
|---------------------------------------|--------------|--------------|--------------|--------------|
| Total assets | 438,700 | 426,865 | 409,258 | +7% |
| Total operating income | 4,475 | 4,280 | 4,180 | +7% |
| Net special commission income | 3,308 | 3,457 | 3,111 | +6% |
| Fee income from banking services, net | 573 | 615 | 568 | +1% |
| Operating expenses | (1,346) | (1,230) | (1,363) | -1% |
| Impairment charge | (94) | (351) | (20) | +372% |
| Other income (expenses) | (18) | (0) | (24) | -23% |
| Net income for the period | 3,016 | 2,698 | 2,774 | +9% |
| % of total assets | 94.1% | 94.1% | 93.2% | +1% |
| Cost to income (%) | 30.1% | 28.7% | 32.6% | -8% |
| NCL (%) | 0.1% | 0.6% | -0.1% | -231% |
| ROA (%) | 2.8% | 2.5% | 2.8% | +3% |

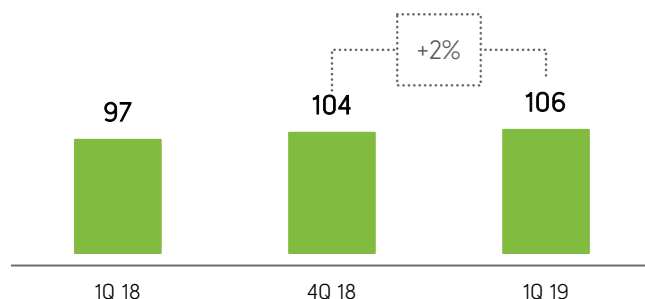
Management Commentary

- Net income rose 9% YoY driven principally by 7% operating income growth and a 1% improvement in operating expenses, while the impairment charge increased as IFRS 9 adoption adjustments in 1Q 2018 resulted in lower charge.
- NSCI improved by 6% YoY due to increase in average earning assets.

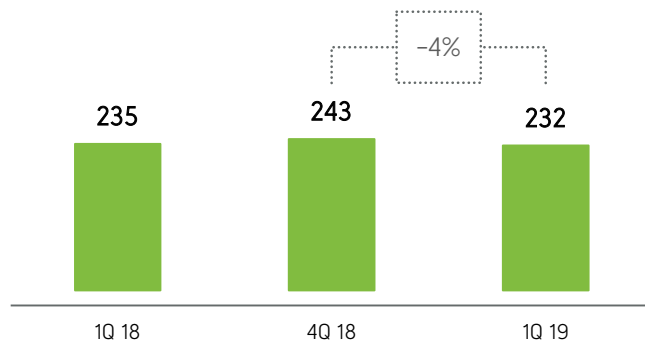
Retail Banking

Higher 1Q 2019 net income from higher operating income

Financing & Advances, net (SARbn)



Customers' Deposits (SARbn)



Summary Financial Performance

| SAR (mn) | 1Q 2019 | 4Q 2018 | 1Q 2018 | YoY % change |
|---------------------------------------|--------------|--------------|--------------|--------------|
| Total assets | 137,774 | 134,020 | 125,975 | +9% |
| Total operating income | 2,359 | 2,248 | 2,117 | +11% |
| Net special commission income | 1,983 | 1,946 | 1,793 | +11% |
| Fee income from banking services, net | 354 | 305 | 310 | +14% |
| Operating expenses | (1,000) | (944) | (988) | +1% |
| Impairment charge | (122) | (175) | 45 | -373% |
| Other income (expenses) | (7) | (0) | (8) | -11% |
| Net income for the period | 1,229 | 1,129 | 1,166 | +5% |
| % of total assets | 29.5% | 29.6% | 28.7% | +3% |
| Cost to income (%) | 42.4% | 42.0% | 46.7% | -9% |
| CoR | 0.5% | 0.7% | -0.2% | -351% |
| ROA (%) | 3.6% | 3.4% | 3.8% | -6% |

Management Commentary

- Net income increased by 5% YoY driven principally by 11% higher operating income.
- NSCI improved by 11% YoY due to a 9% increase in retail financing.
- Fee income increased by 14% YoY, mainly from financing-related activity.
- Operating expenses increased 1% YoY and the cost to income ratio reached 42.4% from 46.7% a year earlier due to strong operating income growth.

Corporate Banking

22% 1Q 2019 growth in net income from higher operating income and lower operating expenses

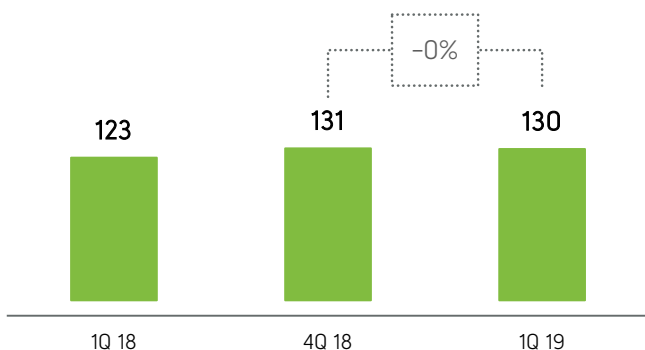
Summary Financial Performance

| SAR (mn) | 1Q 2019 | 4Q 2018 | 1Q 2018 | YoY % change |
|---------------------------------------|--------------|--------------|------------|--------------|
| Total assets | 133,847 | 134,385 | 127,191 | +5% |
| Total operating income | 1,003 | 1,077 | 874 | +15% |
| Net special commission income | 809 | 783 | 653 | +24% |
| Fee income from banking services, net | 193 | 295 | 221 | -13% |
| Operating expenses | (230) | (192) | (257) | -10% |
| Impairment charge | 23 | (160) | 40 | -43% |
| Other income (expenses) | (5) | (0) | (7) | -28% |
| Net income for the period | 790 | 725 | 650 | +22% |
| % of total assets | 28.7% | 29.6% | 29.0% | -1% |
| Cost to income (%) | 22.9% | 17.8% | 29.4% | -22% |
| CoR | -0.1% | 0.5% | -0.1% | -46% |
| ROA (%) | 2.4% | 2.1% | 2.1% | +15% |

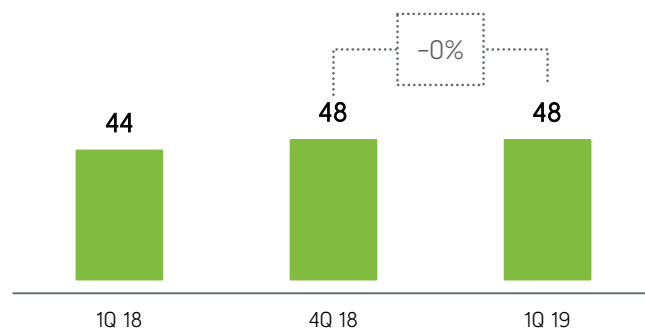
Management Commentary

- Net income increased 22% YoY due to higher operating income of 15% and lower operating expenses (-10%).
- NSCI increased 24% YoY as a result of margin enhancement along with higher financing in 1Q 2019 that increased average balances during the period by 8% compared with 1Q 2018.
- Fee income decreased by 13% YoY mainly on amortization of lending fees and lower trade fees.
- Operating expenses improved 10% YoY, and cost to income stands at 22.9% lower by 22% from 1Q 2018.
- NCL contained by managing proactively credit exposures and improved recoveries.

Financing & Advances, net (SARbn)



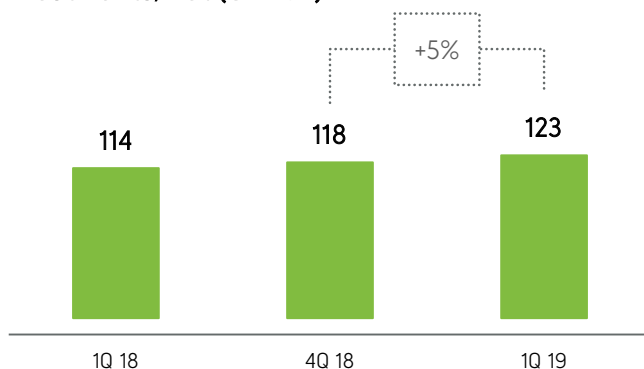
Customers' Deposits (SARbn)



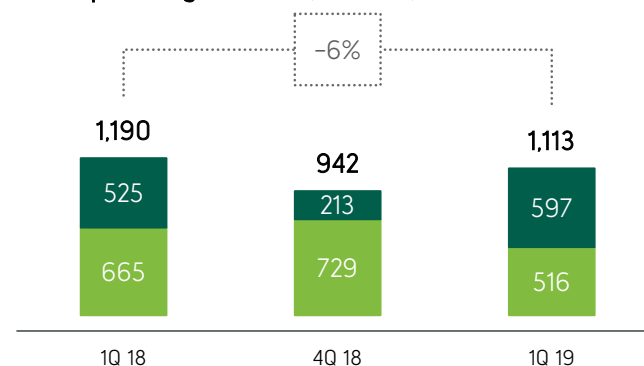
Treasury

Higher 1Q 2019 net income driven by lower impairment

Investments, net (SARbn)



Total Operating Income (SARmn)



■ Net special commission income
■ Fee and other income

Summary Financial Performance

| SAR (mn) | 1Q 2019 | 4Q 2018 | 1Q 2018 | YoY % change |
|---------------------------------------|--------------|------------|--------------|--------------|
| Total assets | 159,027 | 150,468 | 147,993 | +7% |
| Total operating income | 1,113 | 942 | 1,190 | -6% |
| Net special commission income | 516 | 729 | 665 | -22% |
| Fee income from banking services, net | 26 | 15 | 37 | -31% |
| Other operating income | 572 | 197 | 488 | +17% |
| Operating expenses | (116) | (94) | (118) | -2% |
| Impairment charge | 5 | (16) | (105) | -105% |
| Other income (expenses) | (6) | 0 | (8) | -30% |
| Net income for the period | 996 | 832 | 958 | +4% |
| % of total assets | 34.1% | 33.2% | 33.7% | +1% |
| Cost to income (%) | 10.4% | 9.9% | 10.0% | +5% |
| ROA (%) | 2.6% | 2.1% | 2.5% | +4% |

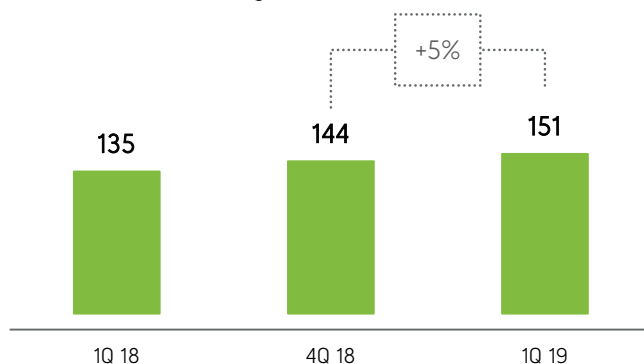
Management Commentary

- Net income improved by 4% YoY driven by lower impairment charges, partly offset by 6% lower operating income.
- Operating income declined 6% YoY mainly due to lower NSCI and fee income from banking services offset by an increase in investment income.

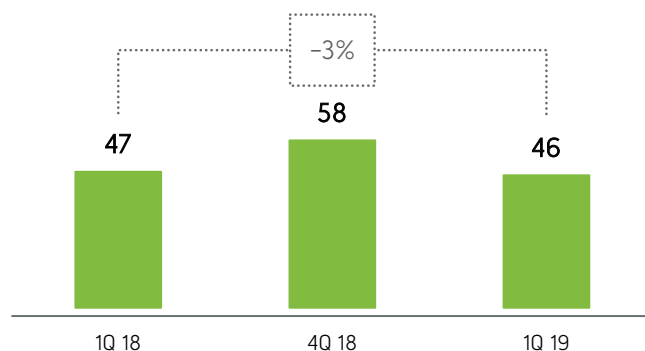
Capital Markets

Lower 1Q 2019 net income growth, driven by lower operating income

Assets Under Management (SARbn)



Brokerages Volume (SARbn)



Summary Financial Performance

| SAR (mn) | 1Q 2019 | 4Q 2018 | 1Q 2018 | YoY % change |
|------------------------------------------------|------------|------------|------------|--------------|
| Assets Under Management | 151,248 | 144,096 | 134,652 | +12% |
| Brokerages Volume | 45,559 | 57,580 | 46,852 | -3% |
| Total operating income | 181 | 162 | 228 | -20% |
| AUM Related Fee Income | 120 | 115 | 157 | -24% |
| Brokerage Related Fee Income | 32 | 37 | 38 | -14% |
| Other fee income | 11 | 7 | 27 | -58% |
| Fee income, net | 164 | 158 | 222 | -26% |
| Operating expenses | (78) | (81) | (89) | -13% |
| Other income (expenses) | 0 | (1) | 0 | n/a |
| Net income | 103 | 79 | 139 | -25% |
| Non-controlling interests | (3) | (3) | (4) | -11% |
| Net income attributed to equity holders | 100 | 76 | 135 | -26% |
| Cost to income (%) | 42.9% | 50.4% | 39.0% | +10% |

Management Commentary

- Net income decreased by 26% from lower 20% operating income driven by one-time transaction-related revenues in 1Q 2018, partly offset by 13% lower operating expenses.
- Fee income decreased by 26% YoY due to lower AUM related fee income by 24% and Brokerage related fee income by 14%.

International (in TRY)

1Q 2019 net income decreased by 8% YoY due to higher operating expenses and higher impairment charge

% in foreign currency xx%

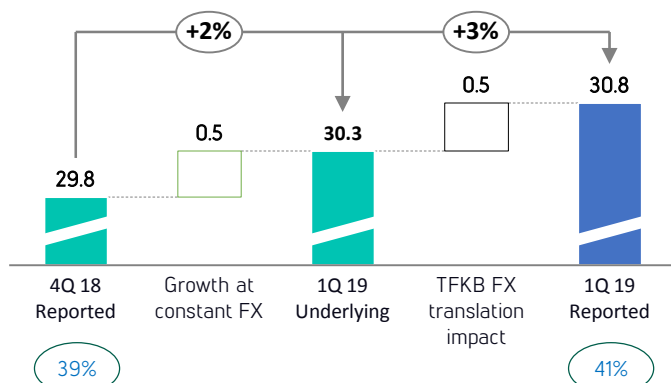
Summary Financial Performance

| SAR (mn) | 1Q 2019 | 4Q 2018 | 1Q 2018 | YoY % change |
|---------------------------------------|------------|------------|------------|--------------|
| Total assets | 50,434 | 46,486 | 38,269 | +32% |
| Total operating income | 427 | 464 | 378 | +13% |
| Net special commission income | 359 | 408 | 311 | +15% |
| Fee income from banking services, net | 73 | 67 | 63 | +16% |
| Operating expenses | (279) | (238) | (220) | +27% |
| Impairment charge | (74) | (75) | (64) | +16% |
| Other income (expenses) | 4 | (32) | - | na |
| Net income | 83 | 130 | 90 | -8% |
| Cost to income (%) | 64.6% | 50.1% | 58.8% | +580bps |
| CAR % | 15.2% | 16.8% | 19.3% | -410bps |
| Tier 1 CAR % | 10.9% | 12.0% | 14.5% | -360bps |
| LTD ratio % | 95.0% | 110.0% | 118.0% | -2,300bps |

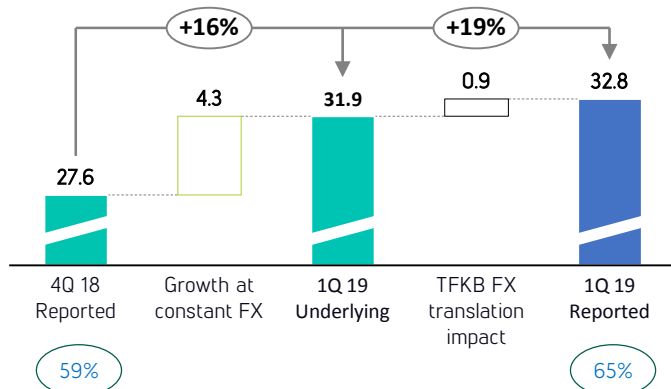
Management Commentary

- Net income decreased by 8% YoY due to raising Opex (27%), which was due to inflation and the impact of branch expansion, partly offset by 13% increase in operating income boosted by core banking activity.
- Loan-to-Deposit ratio decreased to 95% in 1Q 2019 from 110% in 2018 due to robust increase in customer FX deposits (+19% QoQ).

Financing & Advances, net (TRYbn)



Customers' Deposits (TRYbn)



Note: Figures according to IFRS accounting standards

Additional Information

1Q 2019 Results



Additional Information

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