Saudi Aramco
ARAMCO AB: Saudi Arabia
27 July 2025

alrajhi capital الراجحي المالية

US$1.6trn	2.46%	US$83.1mn
Market Cap.	Free Float	Avg. Daily Value traded

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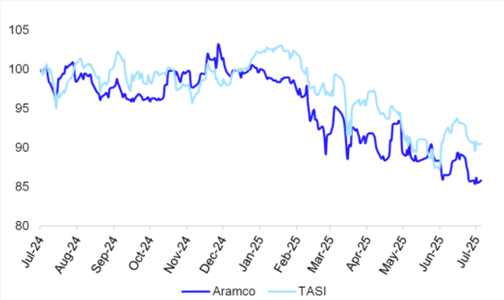
Overweight

Price Target (SAR): 31.00

Current (27th July 2025): 24.11

Major Shareholders	% Ownership
Kingdom of Saudi Arabia	81.48

Price Performance	1M	3M	YTD
Absolute	-0.8%	-6.4%	-14.0%
Relative to TASI	+0.2%	+0.7%	-5.1%



Saudi Arabian Oil Co.

2Q 2025 earnings preview

Oil production in the Kingdom averaged around 9.18mmbpd for 2Q25, while Crude oil prices averaged around $65.2/bbl vis-à-vis $74.3/bbl in 1Q25 (company realized prices: $76.3/bbl) and $84.1/bbl in 2Q24 (realized: $85.7/bbl). Brent prices were down in 2Q25 due tariff related uncertainty and production increase. The upstream business is expected to be impacted by lower crude oil prices and the possibility of absence of premium over Brent, partly offset by higher production. On the other hand, downstream business should benefit from the improvement in the refining margins.

In this backdrop, we anticipate 2Q25 revenues to be down 16% y-o-y (-8% q-o-q). Adjusted profits (income before minority) are also expected to be lower 17.1% y-o-y and 10.4% q-o-q at SAR 88.5 bn ($23.6 bn). Overall, weaker crude oil prices to weigh on upstream performance, albeit partly offset by improvement in downstream owing to better refining margins.

Figure 1 **2Q 2025 ARC Result Estimates**

(SAR bn)	2Q25e	1Q25	2Q24	q-o-q	y-o-y
Average Brent Prices ($/bbl)	65.2	74.3	84.1	*-12.2%*	*-22.5%*
Revenue	395.2	429.6	470.6	-8.0%	-16.0%
Operating Profit	**178.1**	**191.4**	**206.5**	**-7.0%**	**-13.8%**
Operating Margin	*45.0%*	*44.5%*	*43.9%*		
Adjusted net income	**88.5**	**98.7**	**106.7**	**-10.4%**	**-17.1%**
Adjusted net margin	*22.4%*	*23.0%*	*22.7%*		

Source: Company data, Al Rajhi Capital. Note: Adjusted net income is before minority interest

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