

Company

Saudi National Bank

1Q26 Result Review

Rating

Buy

Bloomberg Ticker

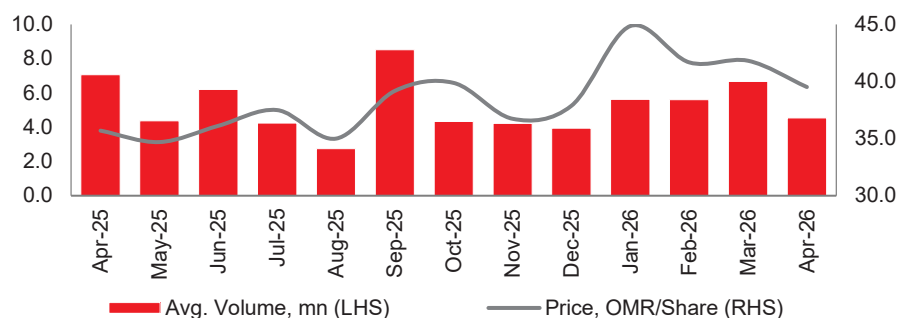
SNB AB

Date

28 April 2026

Results

Target Price (SAR)	48.5
Total Return	28.9%



Current Market Price (SAR)	39.5
52wk High / Low (SAR)	45.24/33.3
12m Average Vol. (mn)	4,654.1
Mkt. Cap. (USD/SAR bn)	63.2/237.1
Shares Outstanding (mn)	6,000.0
Free Float (%)	62.7%
3M ADTV (SAR mn)	232.6
6M ADTV (SAR mn)	197.7
P/E'26e (x)	9.1
P/B'26e (x)	1.2
Dividend Yield '26e (%)	6.2%
Price Perf. (1m/3m) (%)	-7/-12.2

Income stable due to margin pressure & fee, and other income

SNB reported an operating income of SAR 9.7bn in 1Q26, staying flat YoY. NIMs declined by 20bps YoY to 2.9% in 1Q2026, driven by reduced asset yields outweighing a partial reduction in funding costs. The 9% YoY decline in fee and other income largely offset the net reversal of impairments of SAR 578mn.

Profitability growth backed by high credit quality

Net Income attributable to shareholders grew by 7% YoY, largely in line with our estimates. This is backed by high credit quality, coupled with healthy loan growth of 4% YoY and deposit growth of 6% YoY, with the CASA ratio increasing to 71.5%.

U-Capital View

SNB continues to deliver robust balance-sheet expansion and enhanced liquidity, with deposit growth outpacing loan growth. The bank's superior credit quality and healthy CASA balances provide a solid foundation for continued success. We maintain our target price at SAR48.5/share and a Buy rating on the stock.

Research Department

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For our
last report

**Financial Summary**

SAR bn	1Q25	2Q25	3Q25	4Q25	1Q26	1Q26e	YoY	QoQ	Var.
P&L									
Op. Income	9.6	9.5	10.1	9.9	9.7	10.2	0%	-3%	-6%
Op. Expenses	(2.7)	(2.8)	(2.5)	(1.9)	(2.8)	(2.6)	3%	48%	8%
Impairments	0.0	(0.2)	0.2	0.9	(0.6)	0.3	n.m	n.m	n.m
Net Income (Owners)	6.0	6.1	6.5	6.4	6.4	6.5	7%	1%	-1%
BS									
Total Assets	1,171.1	1,201.0	1,206.6	1,210.0	1,228.5		5%	2%	
Shareholders' Equity	172.3	178.6	179.8	185.6	191.0		11%	3%	
Financing, net	706.4	714.8	725.1	729.3	732.7		4%	0%	
Customers' Deposits	626.4	658.7	639.5	636.1	665.5		6%	5%	
Ratios									
Cost to Income	28.4%	29.1%	24.6%	19.0%	29.0%	25.3%			
Loans to Cust. Deposit	112.8%	108.5%	113.4%	114.7%	110.1%				
RoE (TTM)					13.3%				
P/E (TTM)					9.7				
P/B					1.2				

Source: Financials, Tadawul, Bloomberg, U Capital Research; n.m. – not meaningful



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Recommendation

BUY

Greater than 10%

HOLD

Between
0% and +10%

SELL

Lower than 0%

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