Company

Saudi National Bank

2Q26 Result Review

Rating

Buy

Bloomberg Ticker

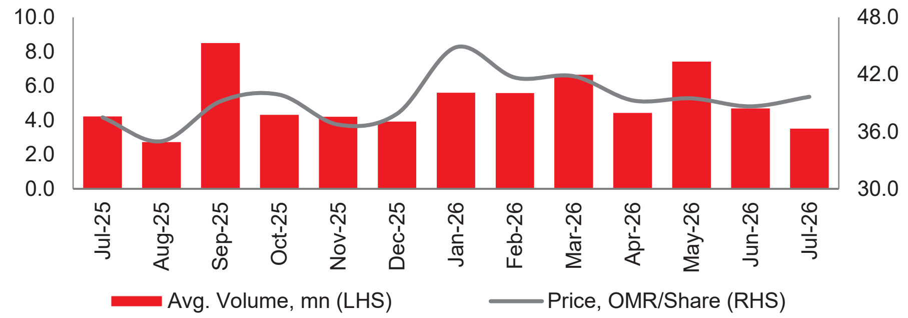
SNB AB

Date

26 July 2026

Results

Target Price (SAR)	48.1
Total Return	27.2%



Current Market Price (SAR)	39.6
52wk High / Low (SAR)	45.2/33.3
12m Average Vol. (m)	4,598.9
Mkt. Cap. (USD/SAR bn)	64.1/237.4
Shares Outstanding (mn)	6,000
Free Float (%)	62.7%
3M ADTV (SAR mn)	172,.32
6M ADTV (SAR mn)	202.117
P/E'26e	8.6 x
PB'26e	1.1 x
Dividend Yield '26e	5.7%
Price Perf. (1m/3m) (%)	-1.1%/-1.0%

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Operating income increased 11% YoY in 2Q26

Operating income increased by 11% YoY to SAR10.6bn in 2Q26, driven by 11% YoY growth in net special commission income and fee and other income. This growth was driven by a 3% YoY improvement in financing and 6% YoY growth in deposits. Furthermore, NIM increased by 23bps YoY to 3.02% in 2Q26.

Profitability improved 8% YoY in 2Q26

Net income attributable to shareholders after equity sukuk payments increased by 8% YoY to SAR 6.4bn in 2Q26, supported by healthy growth in operating income and minimal increase in operating expenses, reflecting cost discipline. Cost-to-income ratio declined to 26.4% in 2Q26 vs. 29.1% in 2Q25. SNB also maintained robust asset quality with CoR at 0.14%.

U-Capital View

SNB continues to deliver robust profitability, supported by balance sheet optimization and disciplined cost management. We expect this positive momentum to continue and maintain our Buy rating with a target price of SAR 48.1/share.

Financial Summary

SAR bn	2Q25	3Q25	4Q25	1Q26	2Q26	YoY	QoQ	1H25	1H26	YoY
P&L										
Op. Income	9.5	10.3	9.6	9.7	10.6	11%	10%	19.1	20.2	6%
Op. Expenses	(2.8)	(2.5)	(1.9)	(2.8)	(2.8)	1%	0%	(5.5)	(5.6)	2%
Total Impairment	0.2	(0.2)	(0.9)	0.6	(0.3)	n.m	n.m	0.1	0.3	131%
Net Income (shareholders')	5.9	6.3	6.1	6.2	6.4	8%	3%	11.6	12.5	8%
BS										
Total Assets	1,201.0	1,206.6	1,210.0	1,228.5	1,244.7	4%	1%	1,201.0	1,244.7	4%
Shareholders' Equity	178.6	179.8	185.6	191.0	191.2	7%	0%	178.6	191.2	7%
Financing, net	714.8	725.1	729.3	732.7	739.6	3%	1%	714.8	739.6	3%
Customers' Deposits	658.7	639.5	636.1	665.5	698.2	6%	5%	658.7	698.2	6%
Ratios										
Cost to Income	29.1%	24.3%	19.6%	29.0%	26.4%			28.7%	27.6%	
Loans to Cust. Deposit	108.5%	113.4%	114.7%	110.1%	105.9%			108.5%	105.9%	
RoE (TTM)					13.0%					
P/E (TTM)					9.3					
P/B					1.2					

Source: Financials, Tadawul, Bloomberg, U Capital Research

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Research

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Greater than 10%	Between 0% and +10%	Lower than 0%

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