Company

Saudi National Bank

4Q25 Result Review

Rating

Buy

Bloomberg Ticker

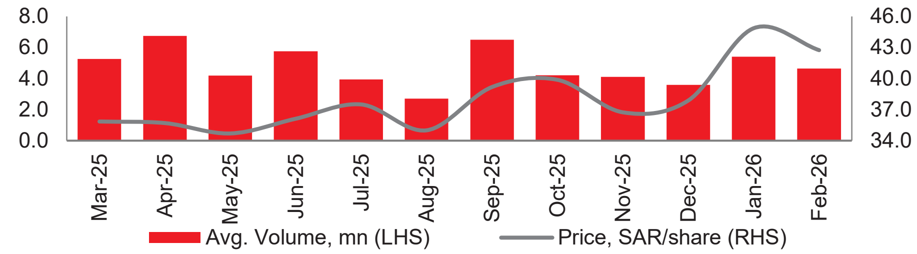
SNB AB

Date

25 February 2026

Results

Target Price SAR	48.2
Total Return	18.5%



Current Market Price (SAR)	43.1
52wk High / Low (SAR)	45.2/31.6
12m Average Vol. (mn)	4.8
Mkt. Cap. (USD/SAR bn)	68/256
Shares Outstanding (mn)	6,000.0
Free Float (%)	62.7%
3M ADTV (SAR mn)	185.1
6M ADTV (SAR mn)	183.0
P/E'26e (x)	9.6
P/B'26e (x)	1.2
Dividend Yield '26e (%)	5.6%
Price Perf. (1m/3m) (%)	-0.6/16.3

Research Department

Email: ubhar-research@u-capital.net

For our last report

Healthy operating income growth led by financing momentum

SNB reported strong operating momentum in 4Q25, with operating income rising 10% YoY to SAR 9.9bn, supported by resilient special commission income and strong growth in fee and other income. For FY25, operating income increased 9% YoY to SAR 39.2bn. Financing and advances of SNB grew 11% YoY to SAR 729.3bn.

Sharp cost reduction offsets higher impairments

The company's net income attributable to equity holders increased 15% YoY to SAR 6.4bn in 4Q25, driven by solid operating income growth alongside a sharp 31% YoY decline in operating expenses, which more than offset the increase in impairment charge for expected credit losses. For FY25, net income rose 18% YoY to SAR 25.0bn, outpacing topline growth, driven by an improved cost-to-income profile.

U-Capital View

SNB continues to deliver healthy balance-sheet expansion, with financing and advances expanding at a robust pace, supported by strong momentum in wholesale financing. The bank’s focus on cost efficiency and revenue diversification supports a positive earnings outlook over the medium term. Reflecting the improved operating performance and balance sheet growth, we have updated our target price to SAR 48.2/share and maintain a Buy rating on the stock.

Financial Summary

(SAR bn)	4Q24	1Q25	2Q25	3Q25	4Q25	4Q25e	YoY	QoQ	Var.	FY24	FY25	YoY
P&L												
Op. Income	9.0	9.6	9.5	10.1	9.9	10.3	10%	-2%	-4%	36.0	39.2	9%
Op. Expenses	(2.7)	(2.7)	(2.8)	(2.5)	(1.9)	(2.5)	-31%	-24%	-25%	(11.0)	(9.9)	-10%
Net ECL charge	(0.0)	(0.0)	0.2	(0.2)	(0.9)	(0.3)	n.m.	307%	222%	(1.0)	(1.0)	1%
Zakat and Tax	(0.7)	(0.7)	(0.7)	(0.8)	(0.6)	(0.8)	-5%	-22%	-24%	(2.5)	(2.9)	15%
Net Income (Owners)	5.6	6.0	6.1	6.5	6.4	6.6	15%	-2%	-4%	21.2	25.0	18%
BS												
Assets	1,104.2	1,171.1	1,201.0	1,206.6	1,210.0		10%	0%		1,104.2	1,210.0	10%
Shareholders' Equity	171.4	172.2	178.6	179.8	185.6		8%	3%		171.4	185.6	8%
Loans & Advances	654.3	706.4	714.8	725.1	729.3		11%	1%		654.3	729.3	11%
Customer deposits	579.8	626.4	658.7	639.5	636.1		10%	-1%		579.8	636.1	10%
Ratios												
Cost to Income	30.5%	28.4%	29.1%	24.6%	19.0%	24.5%				30.6%	25.2%	
Loans to Cust. Dep	112.8%	112.8%	108.5%	113.4%	114.7%					112.8%	114.7%	
RoE (TTM)					14.0%							
P/E (TTM)					10.3							
P/B					1.4							

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

Disclaimer

Recommendation

BUY	HOLD	SELL
Greater than +10%	Between 0% and +10%	Lower than 0%

Ubhar Capital SAOC (U Capital)

Website: *www.u-capital.net*
PO Box 1137, PC 111, Sultanate of Oman
Tel: +968 2494 9036 | **Fax:** +968 2494 9099 | **Email:** research@u-capital.net