



Al Rajhi Bank Investor Presentation

1H 2019 Results

The Blue Chip Islamic Bank



1	The World's Leading Islamic Bank	03
	Islamic Banking, Everywhere	04
	The Blue Chip Islamic Bank	05
	Top 10 Facts	08
	Market Shares	09
	Al Rajhi Bank Market Performance	12
	Awards, Values and Social Responsibility	14
2	Saudi Arabia's Macro-Economic Environment	17
3	Al Rajhi Bank Strategy 2020	20
	Vision 2030	21
	Financial Sector Development Program	22
	Strategy Overview & Update- ABCDE	23

4	2Q 2019 Financial Results Overview	25
	Key Messages	26
	Net Income Trends	27
	Progress Against Guidance	28
	Operating Income	29
	Expenses	31
	Assets, Financing & Asset Quality	32
	Funding & Liquidity	36
	Capitalisation	38
5	Operating Results	39
	Retail Banking	40
	Corporate Banking	41
	Treasury	42
	Investment Services & Brokerage	43
6	Appendix, Additional Information & Disclaimer	44



Al Rajhi Bank

The World's Leading Islamic Bank

The Blue Chip Islamic Bank



Al Rajhi Bank

Islamic Banking, Everywhere

At a glance



Islamic
Banking



NPB Deposits
% of Total Deposits



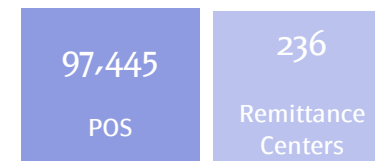
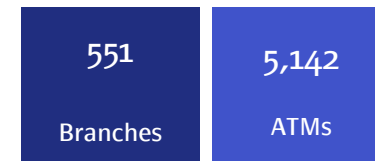
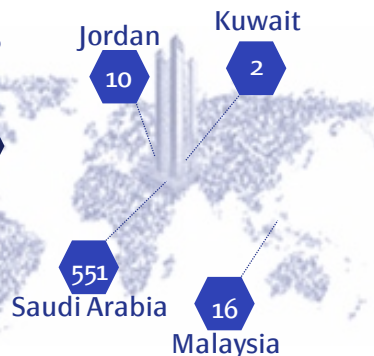
NPS
in KSA



Digital : Manual
Ratio

Presence & Branches

Customers



Largest network in Saudi Arabia

FY2018 Strategic Highlights

Avg Transactions/mth



Digital Customers



Training Days



Volunteering Hrs



FY2018 Financial Highlights

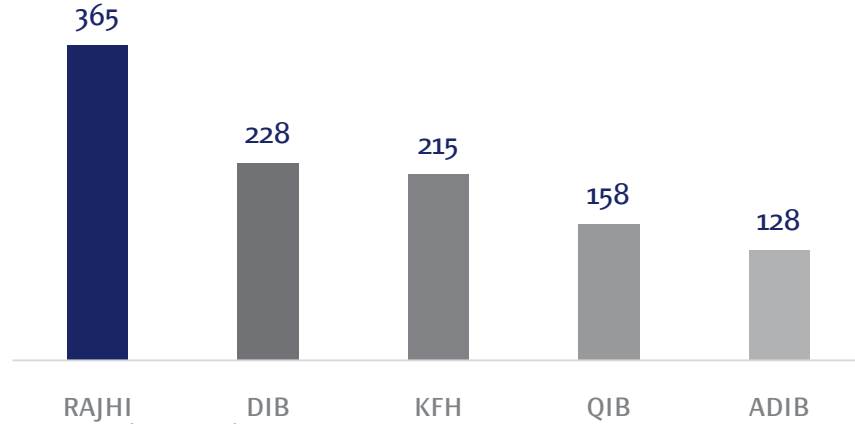


- 1.2% Gross Financing Growth
- 20.2% CAR
- 0.18% Cost of Funds



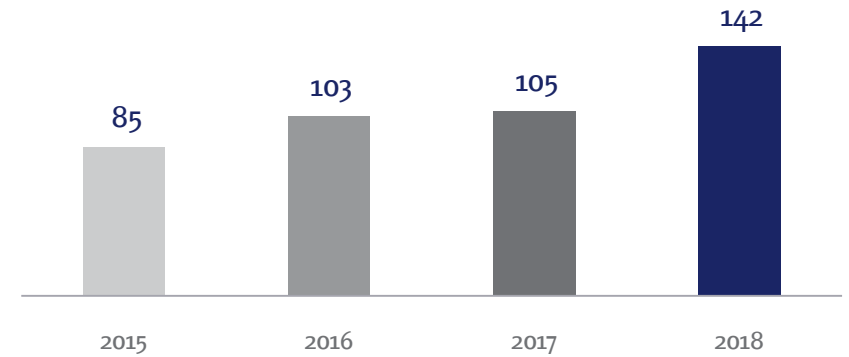
What makes us "The Blue Chip Islamic Bank"

Institutional Status - World's #1 Islamic Bank (by Assets; SAR bn)



Source: Bank Financial Statements, FY 2018

Large and Growing Market Cap (in SAR bn)



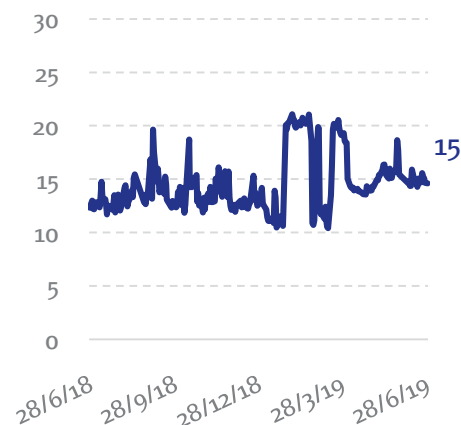
Source: Tadawul

Low Volatility (90D)



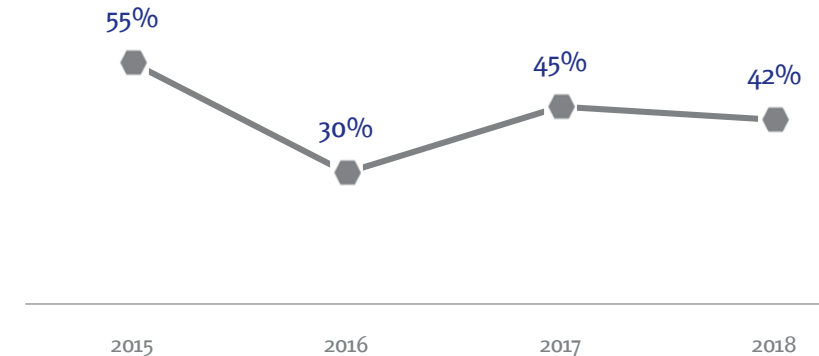
Source: Bloomberg

Low Bid / Ask Spread (bps)



Source: Bloomberg

High Stock Turnover Velocity (%)

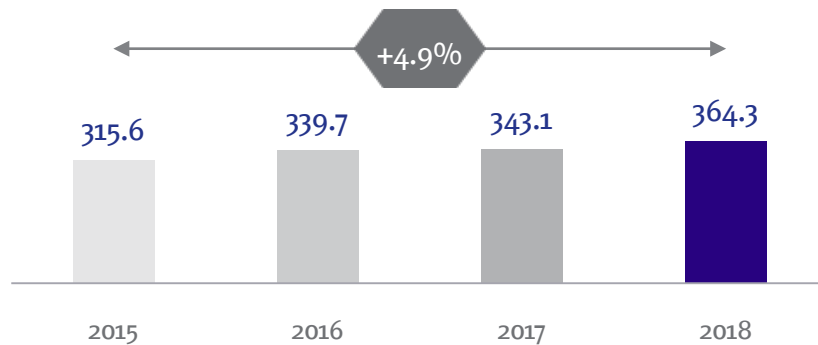


Source: Tadawul

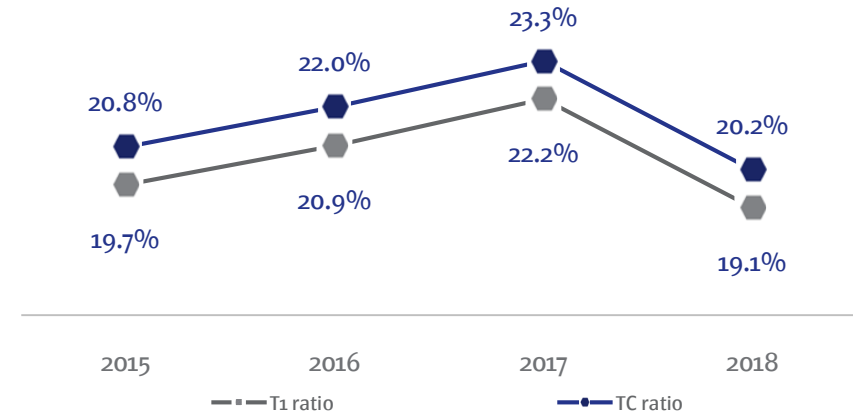
Al Rajhi Bank, The Blue Chip Islamic Bank

Robust balance sheet with 97% non-profit-bearing deposits at 2Q 2019

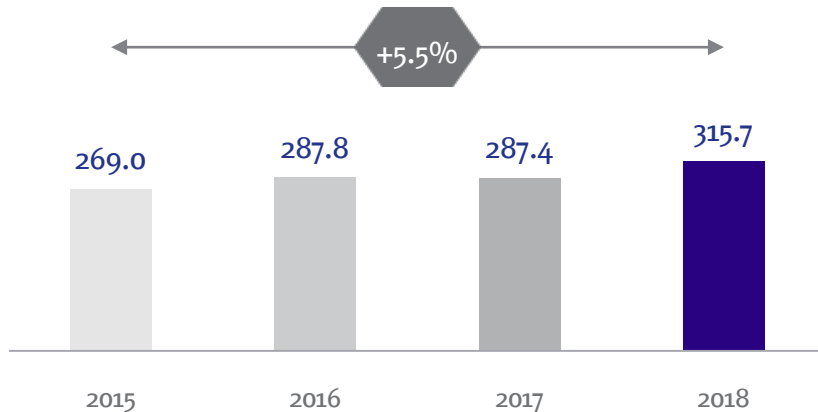
Total Assets (SARbn)



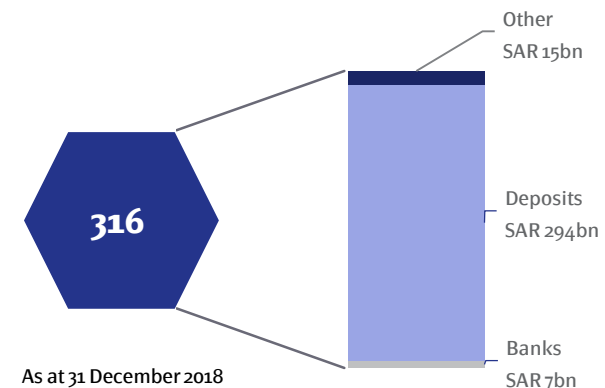
Capital Ratios (%)



Total Liabilities (SARbn)



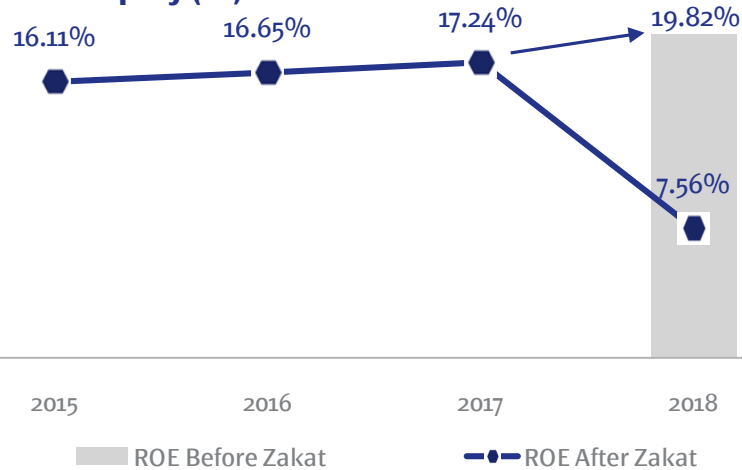
Total Liabilities Mix By Type (SARbn)



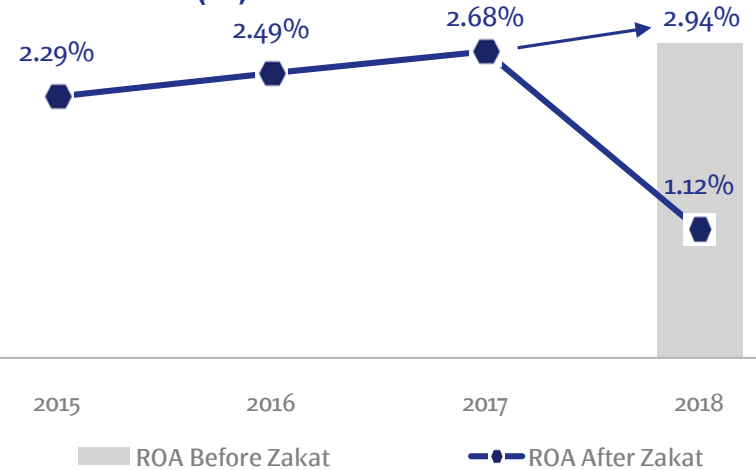
Al Rajhi Bank, The Blue Chip Islamic Bank

Outstanding foundation and strong returns

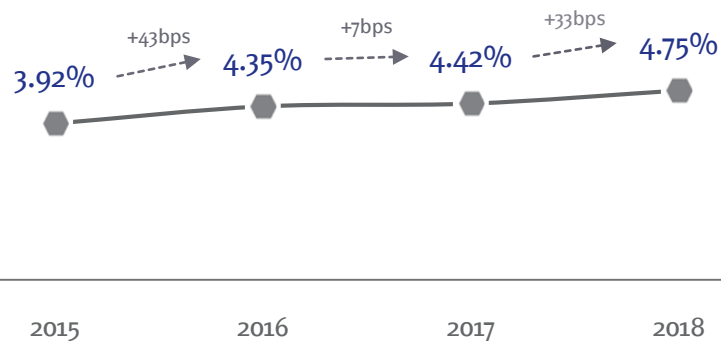
Return on Equity (%)



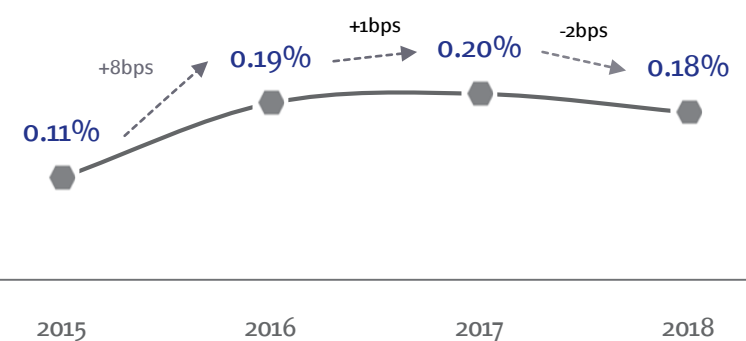
Return on Assets (%)



Net Profit Margin (%)



Cost of Funds (%)



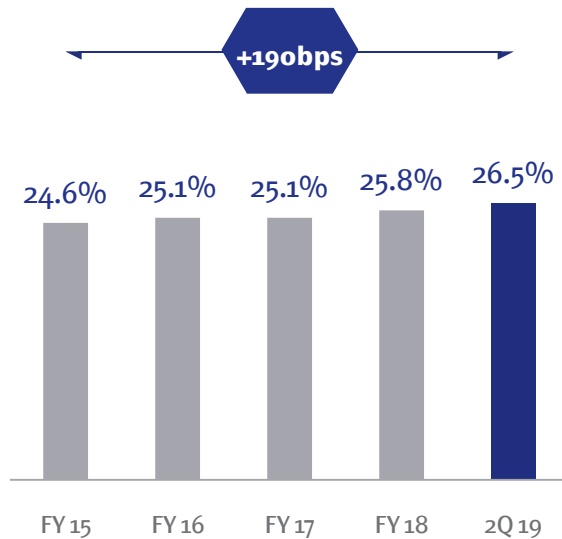
Top 10 Facts about Al Rajhi Bank

- 1 Largest Islamic Bank worldwide**
(by Assets & Market Cap)
- #1 Retail Bank in Middle East**
(Retail Deposits & Income)
- One of the highest NPB deposit ratios**
(97% Non -profit bearing deposits)
- #1 Bank capitalisation in GCC**
(20.5% Total Capital ratio)
- #1 NPS in KSA**
(#1 out of 12 in KSA)
- #1 Bank in KSA**
(by number of customers)
- #1 Distribution network in Middle East**
(by # of Branches, POS, ATMs, Remittance Centers)
- #1 Banking transactions in KSA**
(205mn per month, avg)
- #1 Bank for remittances in Middle East**
(by payment value)
- #1 Bank brand in KSA**
(Brand Power Score)

What sets Al Rajhi Bank apart

ARB has the largest retail banking business in the Middle East

Market Share - Current Accounts

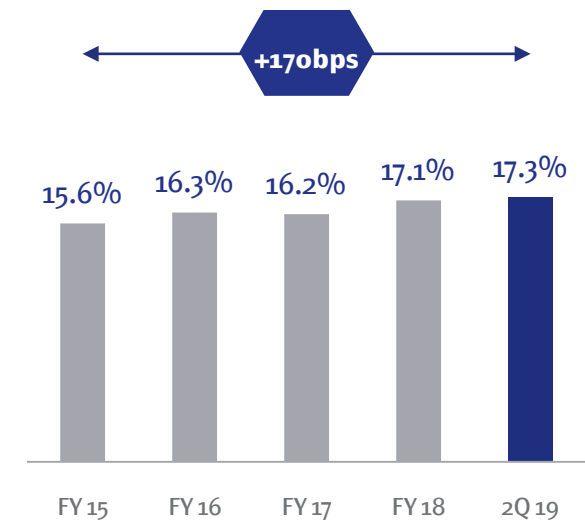


#1 in Saudi Arabia



#1 in Saudi Arabia

Market Share - Deposits



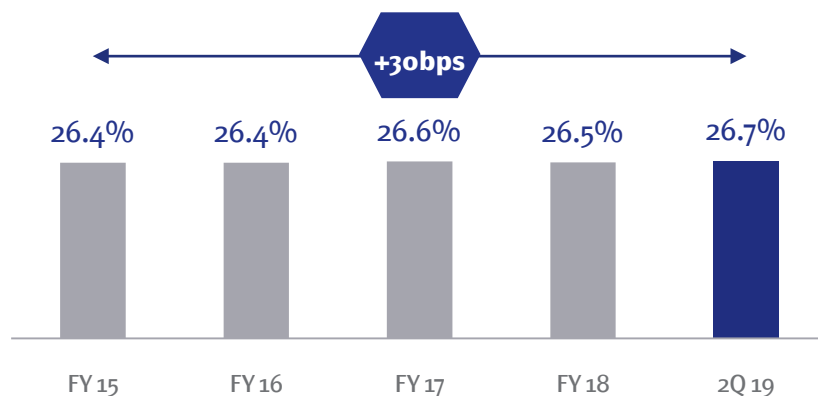
#2 in Saudi Arabia

Al Rajhi Bank's Leading Network

The Bank has a large distribution network in Saudi Arabia...

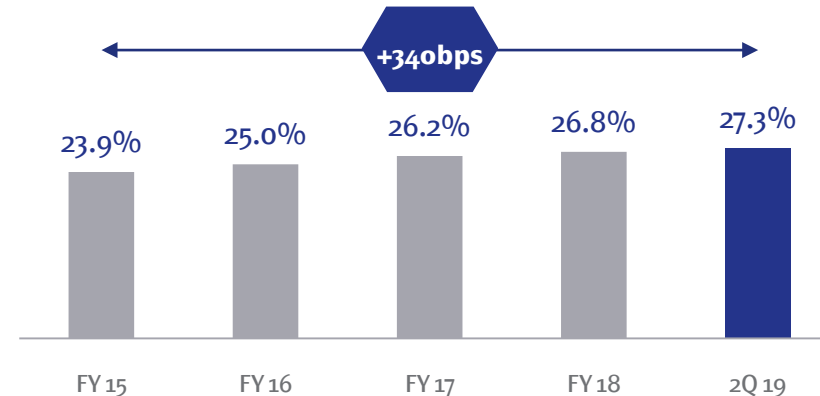
#1 in Branches

Market Share - Branches



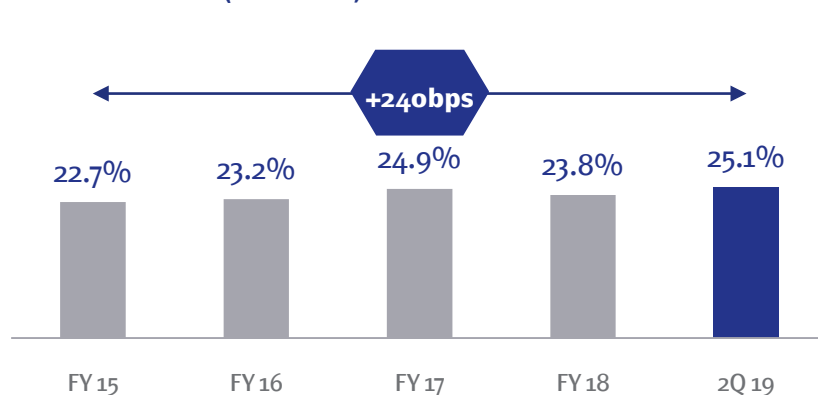
#1 in ATMs

Market Share - ATMs



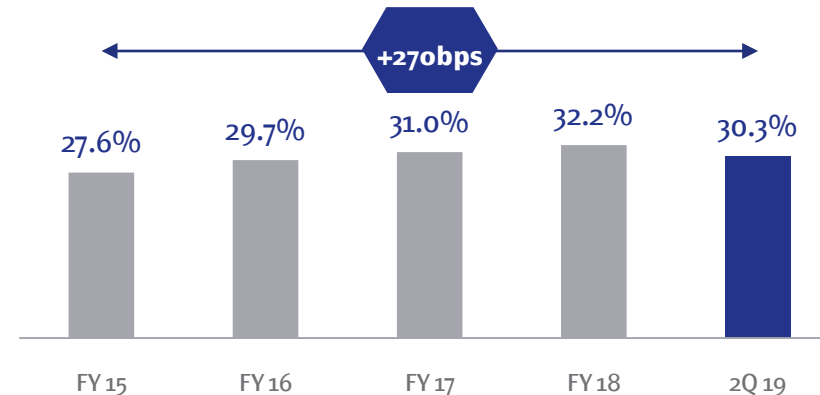
#1 in POS

Market Share - POS (Terminals)



#1 Remittance Centers

Market Share - Remittance Centers



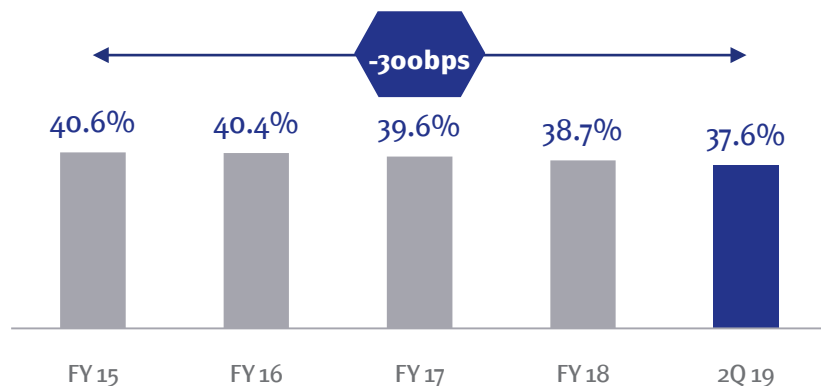
Source: SAMA

ARB has a unique franchise

We capture high market share across key products

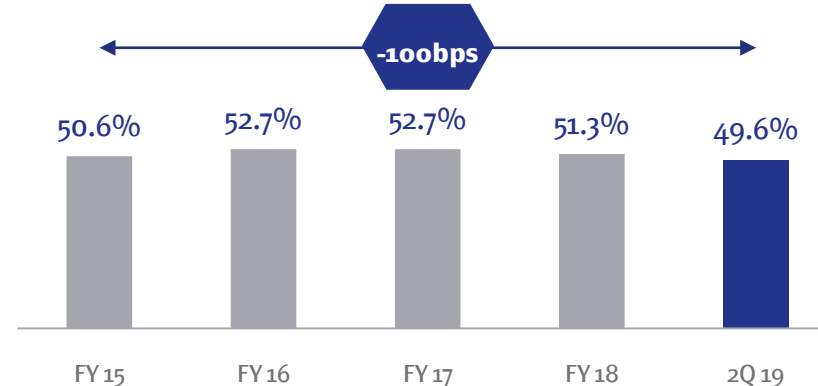
#1 in Personal Loans

Market Share - Personal Loans



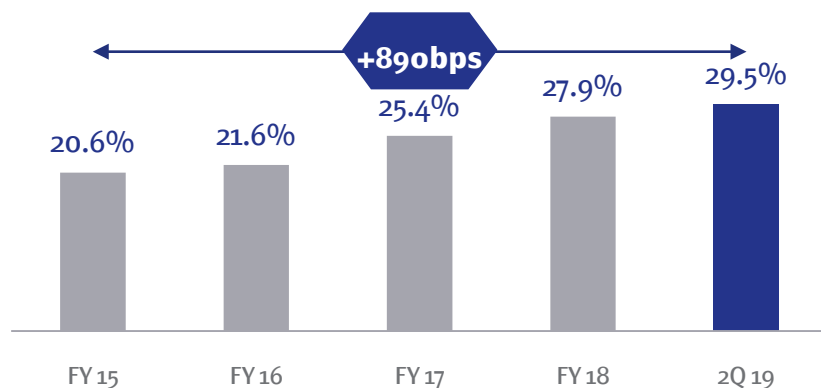
#1 in Auto Loans

Market Share - Auto Loans



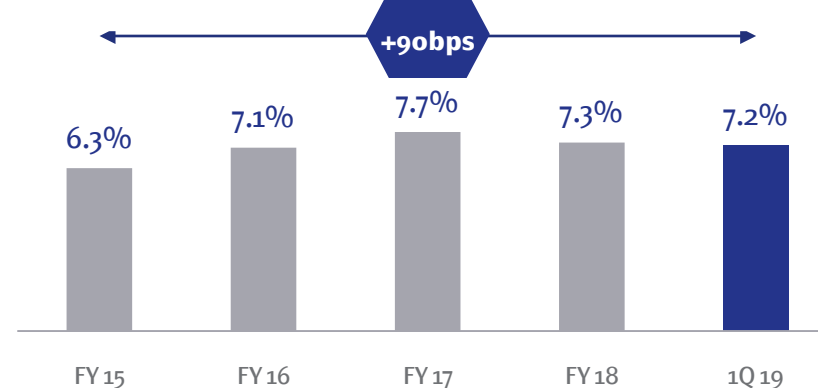
#1 in Mortgages

Market Share - Mortgages



Challenger Position in Corporate Loans

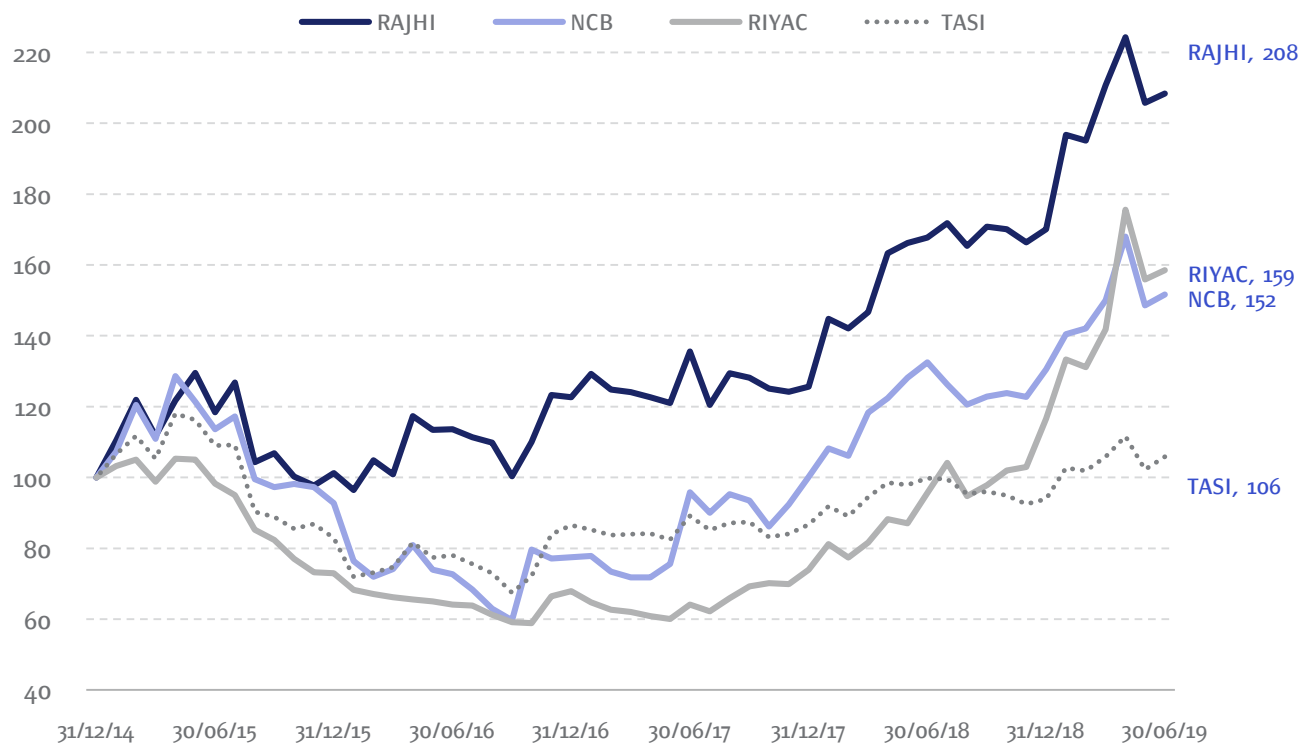
Market Share - Corporate Loans



ARB Market Performance

Al Rajhi Bank maintained its momentum and outperformed its peer group

Share Price Performance Top 3 KSA Banks (Monthly; Rebased to 100)



30 June 19

Key Metrics

Closing Price	SAR 69.70
Market Cap	SAR 174.25 bn
Market Cap / % Industry	23.23%
Market Cap / % Tadawul	8.37%
Shares outstanding	2,500 bn
90D Volatility	21.204
Price / Earnings	16.14 x
Price / Book	3.40 x
Dividend Yield	5.38%
Return on Equity	20.72%
Return on Assets	2.84%

YoY Growth per share

Operating Income	3.80%
Earnings	2.07%
Total Return	26.94%

Sources: Bloomberg; Tadawul; RAJHI Financials

Ratings

Moody's	A1
S&P	BBB+
Fitch	A-

	Al Rajhi Bank	NCB	Riyad Bank	Kuwait Finance House	Dubai Islamic Bank	Qatar Islamic Bank	Abu Dhabi Islamic Bank
Rebased to 100	208	152	159	160	91	162	83
As of 30 June 2019	69.70 SAR	55.60 SAR	26.95 SAR	714 KWD	5.11 AED	16.60 QAR	4.61 AED

Source: Stock Exchanges

Market Performance

Market cap and liquidity ensures high index weighting

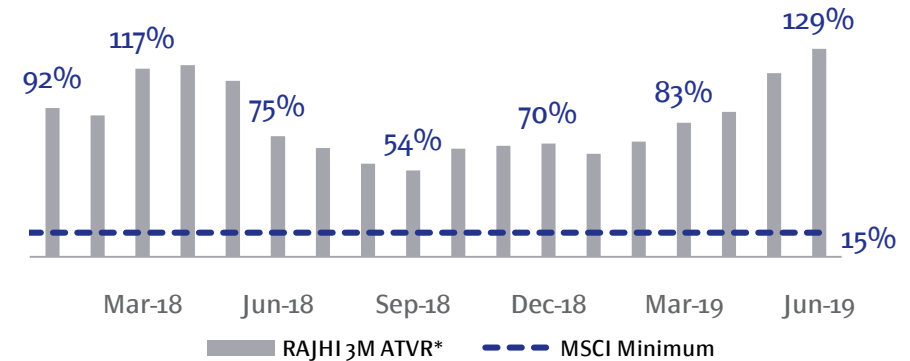
ARB has the highest weight in the MSCI GCC Index...

#	Top 10 Constituents	Country	Float Adj Mkt Cap	Index Weight (%)	Sector
1	Al Rajhi Bank	KSA	39.44	12.17%	Financials
2	Qatar National Bank	QAT	23.65	7.30%	Financials
3	Sabic	KSA	22.84	7.05%	Materials
4	National Commercial Bank	KSA	17.73	5.47%	Financials
5	Saudi Telecom	KSA	11.11	3.43%	Telecoms
6	First Abu Dhabi Bank	UAE	11.02	3.40%	Financials
7	National Bank of Kuwait	KUW	10.47	3.23%	Financials
8	SAMBA Financial Group	KSA	10.38	3.20%	Financials
9	Kuwait Finance House	KUW	8.94	2.76%	Financials
10	Riyadh Bank	UAE	8.58	2.65%	Telecoms
			164.16	50.65%	

Source: MSCI Fact Sheet; 28 June 2019

...and is included in MSCI EM Index

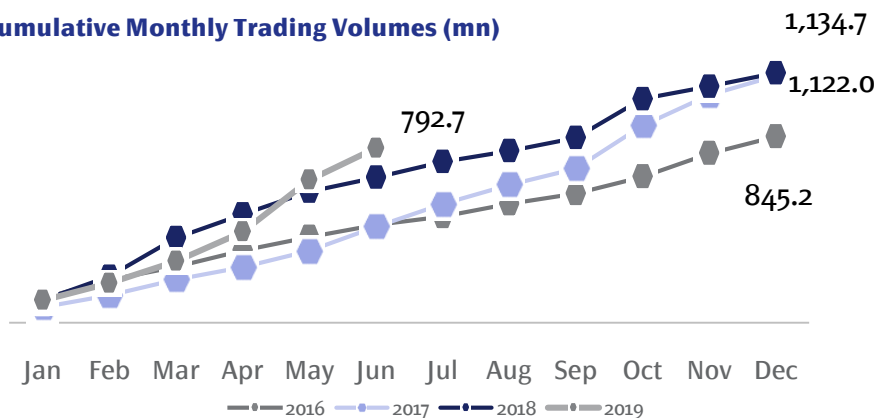
RAJHI ATVR* vs. MSCI Minimum Requirement (>15%)



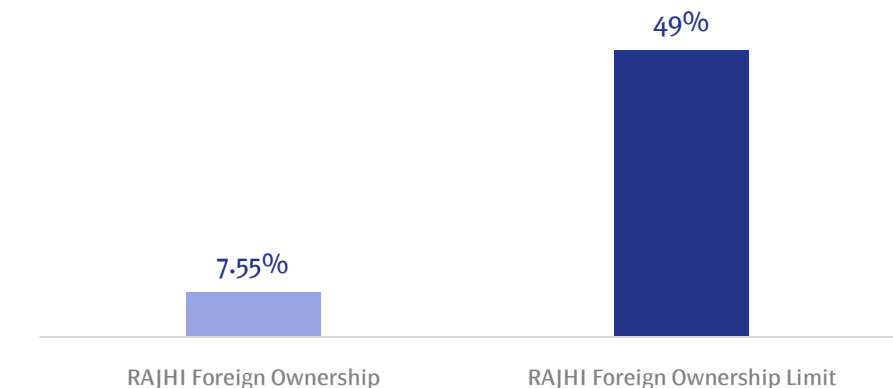
Source: MSCI; *3M AVTR is MSCI's measure of annualised median trading value of FOL & Free Float adjusted market capitalisation over the last 3 months, which is required to be >15% for MSCI index inclusion

ARB has consistently strong trading volumes...

Cumulative Monthly Trading Volumes (mn)



...and room for foreign ownership



Source: Tadawul, 30 June 2019

Awards

Recent international recognition

Global Awards



**Best Bank in Saudi Arabia
(3 consecutive years)**



Best Financial Institution in Saudi Arabia

The Banker

**Largest Bank in the world in terms
of Sharia Assets**



Best Bank in Saudi Arabia

Regional Awards



- **Best Bank in GCC**
- **Fastest Growing Bank in KSA**
- **Most Innovative Bank in KSA**
- **Best Retail Bank in KSA**



- **Strongest Islamic Retail Bank in the World**
- **Strongest Islamic Retail Bank in the GCC**
- **Strongest Islamic Retail Bank in the MEA**



GCC Best Employer Brand Award

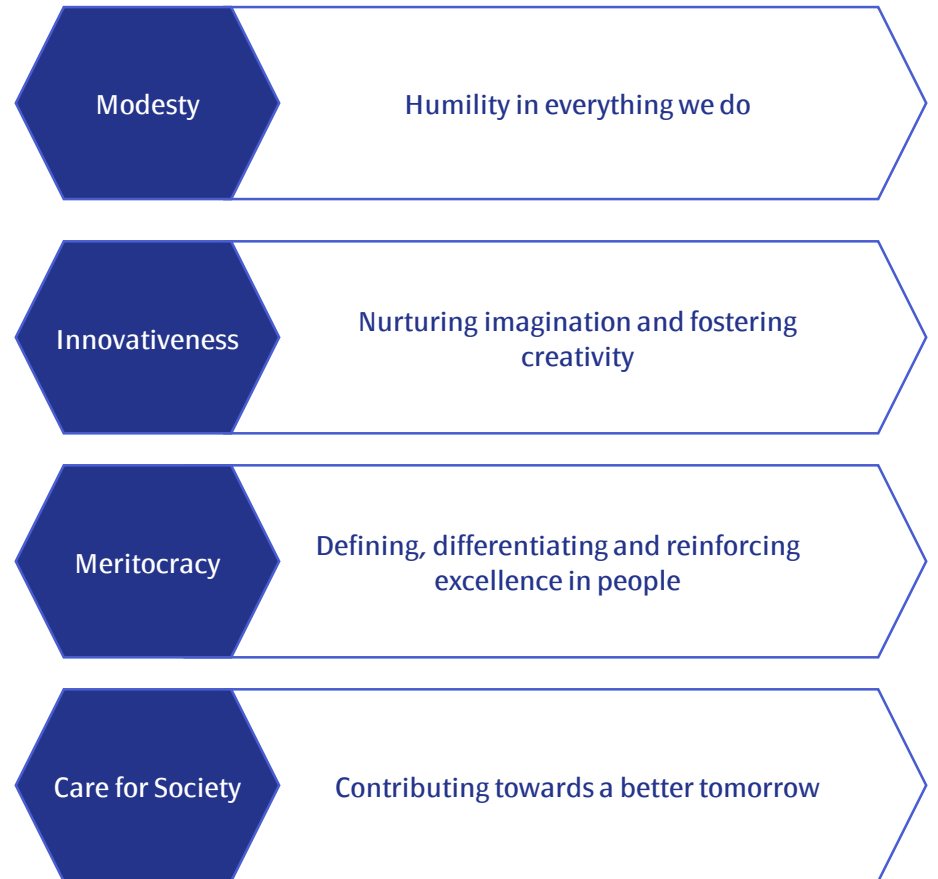


Most Improved Investor Relations Team – Blue-Chip

Our Values



نعيش قيمنا
Living the Values



Al Rajhi Bank's Social Responsibilities

Our responsibility to our community has always been at the forefront of what we do

Focus areas

Participation

101 programs conducted 21 cities
8,815 volunteering hours clocked in 1H 2019

CSR Strategic Focus

People In Need, Volunteering, Financial Literacy and International Days

Direction for 2020

To enhance the staff participation in volunteering by **targeting cumulative 50K hours by 2020; 30K hours to date since 2016.**

Examples





Saudi Arabia's Macro-Economic Environment

Supportive of Growth

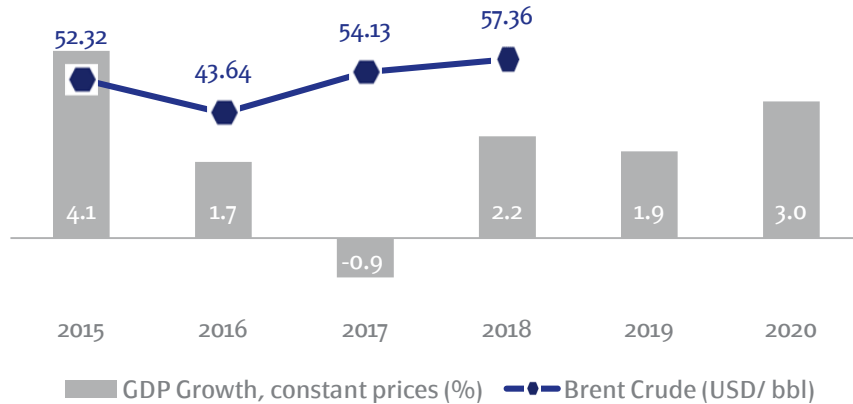
The Blue Chip Islamic Bank



Macro Environment

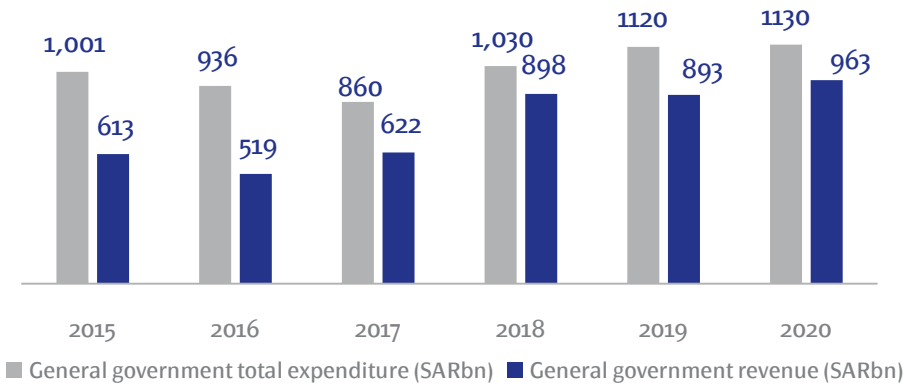
Expected continued improvement in economic growth

KSA GDP Growth is Expected to Improve, in part from more supporting oil prices...



Source: IMF, U.S. Energy Information Administration

...as well as expansionary fiscal policy...

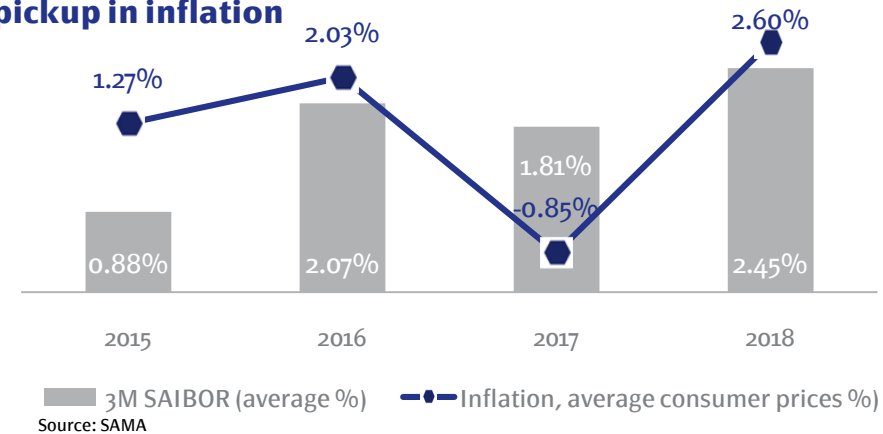


Source: IMF

...underpinned by acceleration of Vision 2030 initiatives



These drivers are expected to more than offset the dampening effect of a higher rate environment and pickup in inflation

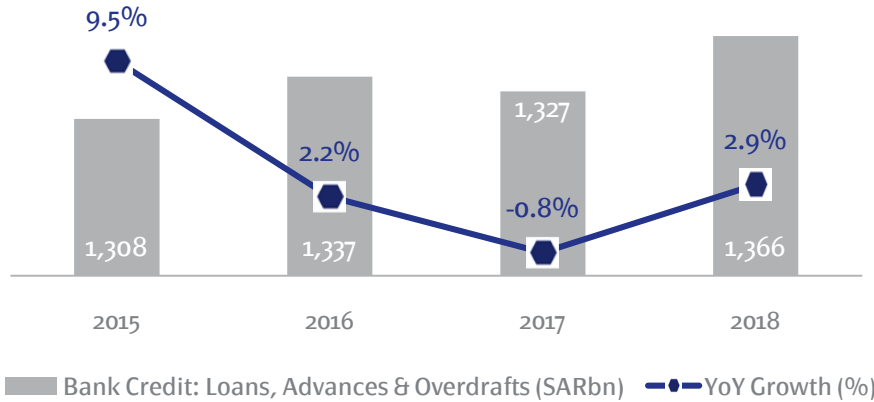


Source: SAMA

Macro Environment

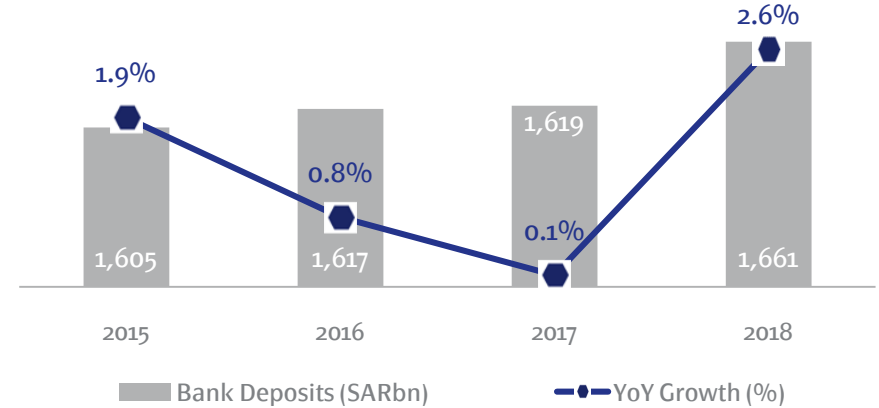
Supportive of Banking Sector

Moderate pickup in sector loan growth...



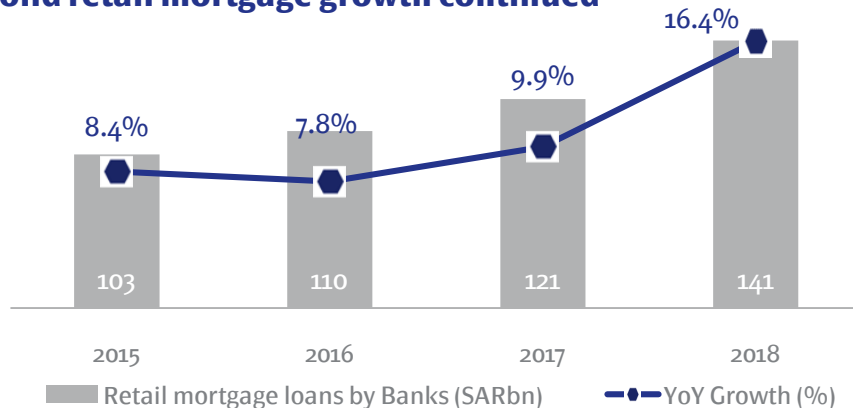
Source: SAMA

...and moderate pick up in bank deposits amid balance sheet optimisation in rising rate environment



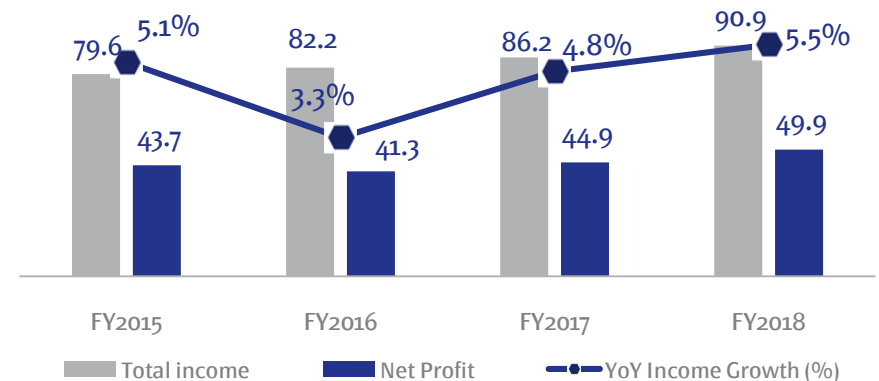
Source: SAMA

Solid retail mortgage growth continued



Source: SAMA

Which in combination drove top line growth



Source: Bloomberg



Al Rajhi Bank Strategy 2020

ABCDE 'Back to Basics'

The Blue Chip Islamic Bank



Saudi Arabia Vision 2030

Key objectives



A Vibrant Society

- Increase Umrah capacity from 8 to 30M
- Double the number of UNESCO World Heritage sites
- Have 3 Saudi cities in top 100 globally
- Increase household entertainment spending from 2.9% to 6%
- Increase ratio of individuals exercising from 13% to 40% of population
- Raise position from 26 to 10 in Social Capital Index
- Increase avg. life expect. from 74 to 80
- Increase home ownership from 47% to 60% (2015-20), 850k new housing units
- Increase RE financing contribution to non-oil GDP from 8% to 15% (2015-20)



A Thriving Economy

- Lower unemployment from 11.6% to 7%
- Increase SME contribution to GDP from 20% to 35%
- Increase women's participation in workforce from 22% to 30%
- Move from 19th largest economy to top 15 globally
- Increase oil & gas localization from 40% to 75%
- Increase PIF's assets from SAR 600B to SAR 7T
- Rise in Global Competitiveness Index from 25 to top 10
- Increase FDI from 3.8% to 5.7%
- Increase private sector contribution to GDP from 40% to 65%
- Rise in Logistics Performance Index from 49 to 25
- Raise non-oil exports from 16% of GDP to 50%



An Ambitious Nation

- Increase non-oil government revenue from SAR 163B to 1T
- Rise in Government Effectiveness Index from 80 to 20
- Rise in E-Government Survey Index from 36 to top 5
- Raise in household savings from 6% to 10% of total income
- Raise non-profit's contribution to GDP from 1% to 5%
- Rally 1M volunteers p.a. from 11K now

Financial Sector Development Program

Creating a thriving financial sector that serves as key enabler for Vision 2030 objectives

2020 metrics & targets

Enable financial institutions to support private sector growth

- Increase total GWP to non-oil GDP from 2.1% to 2.9%
- Increase # of Fintech players to 3
- Increase SME loans as % of bank loans from 2% to 5%
- Increase value of SME funding through PE/VC vehicles to SAR 23 Bn
- Increase life GWP per capita from SAR 33 to 40
- Increase coverage ratio of insurance schemes to 45% (health) & 75% (motor)
- Increase share of non-cash transactions from 18% to 28%
- Increase outstanding real estate mortgages from SAR 290 Bn to SAR 502 Bn

Ensure the formation of an advanced capital market

- Increase total market capitalization (shares and debt) as % of GDP from 78% to >=85%
- Increase assets under management as % of GDP from 12% to >=22%
- Align market concentration of top 10 companies by market cap from 57% to 55%
- Increase institutional investors' share of value traded from 18% to >=20%
- Increase foreign investor ownership of the equity market cap from 4% to >=15%
- Increase # of micro and small cap companies listed, as % of total number of companies listed from 34% to >= 40%
- Increase share of investment accounts opened through eKYC to 10%
- Align minimum free float of equity market cap, in % of total outstanding shares from 46% to >=45%

Promote and enable financial planning

- Increase total amount of savings held in savings products from SAR 315 Bn to SAR 400Bn
- Increase number of available types of savings products from 4 to 9
- Increase % of households savings on a regular basis from 19% to 29%
- Increase share of A/C opened through eKYC to 10%
- Increase household savings ratio as % of disposable income from 6.2% to 7.5%



*from 2016 to 2020

Strategy Overview

ABCDE 'Back to Basics' strategy already delivers results

Key initiatives 2017-2020



Accelerate Growth



Grow mortgage, private sector, affluent, ladies & Tahweel

Enhance SME & Corporate capabilities

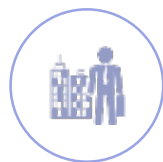
Enhance International presence

Improve yields

Exceed Industry



Become Employer of Choice



Engaged workforce

Expand development & training programs

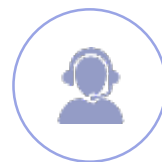
Strengthen diversity

Enhance employee value proposition

Higher Engagement



Customer Focus



Update value propositions

Empower frontline

Align organization to customer advocacy

Install and embed NPS across the bank

Most Recommended



Digital Leadership



Smartly expand channels & formats

Digitize customer journeys

Migrate customers to self service channels

Innovate in payments

Best-In-Class



Execution Excellence



World-class compliance

Enhance IT infrastructure

Centralize and automate operations

Strengthen risk infrastructure

Deliver

Strategy Update

ABCDE 'Back to Basics' strategy delivered strong results in 1H 2019



Accelerate Growth

12.7% YoY operating income growth

39% YoY growth in mortgages

9.0% YoY growth in current accounts

55bps YoY net profit margin improvement to 5.20%

Mortgage Financing (SARbn)



2015

1H 2019

Exceed Industry



Become Employer of Choice

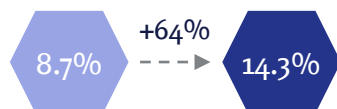
Al Rajhi Bank Academy

School of Banking

Graduate Program

16,660 training days delivered

Number of Female Employees



2015

1H 2019

Higher Engagement



Customer Focus

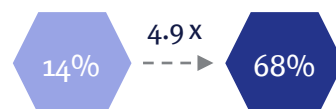
13 new products launched to cater to customers' needs

Enhanced Distribution Network

#1 Bank brand in KSA (BrandPower Score 2018)

#1 Net Promoter Score in KSA

Net Promoter Score



2015

1H 2019

Most Recommended



Digital Leadership

97K POS

5K ATMs

27 ITMs

280 Self Service Kiosks

4.7mn active digital users

Digital : Manual Ratio



2015

1H 2019

Best-In-Class



Execution Excellence

253 Bots

24K transactions per day

New head office and data center

Further enhanced turnaround time

Transactions per month (Avg.)



2015

1H 2019

Deliver



Financial Results

Overview & Trends

The Blue Chip Islamic Bank

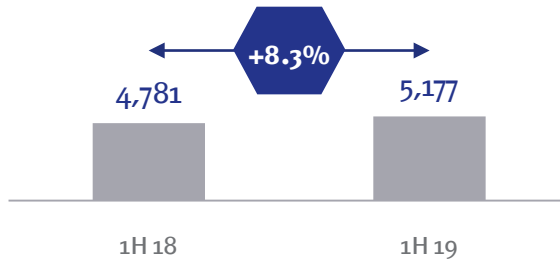


Key Messages

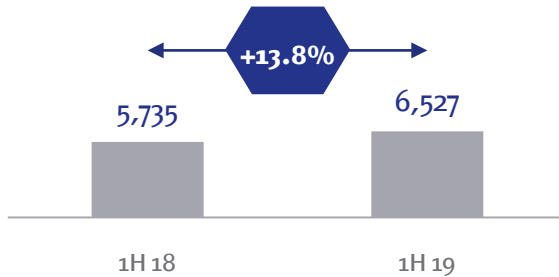
Solid 1H 2019 Performance

Net Income after Zakat up 8.3% YoY

Net Income (SARmn)

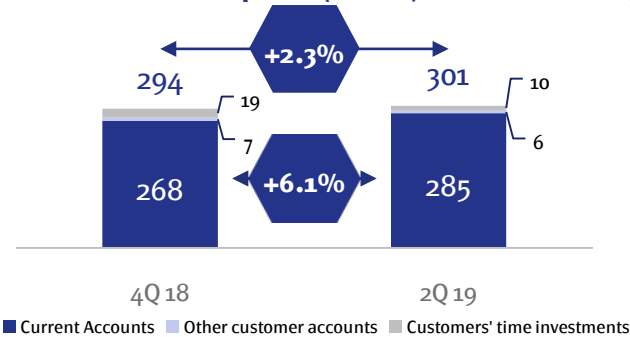


Pre-Provision Profit (SARmn)

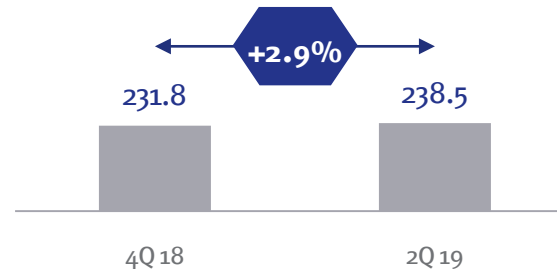


Deposits up 2.3%, Financing up by 2.9%

Total Customers' Deposits (SARbn)

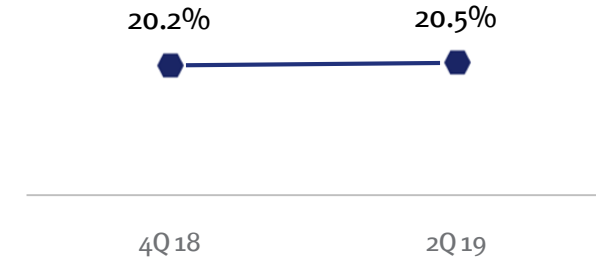


Financing, Net (SARbn)

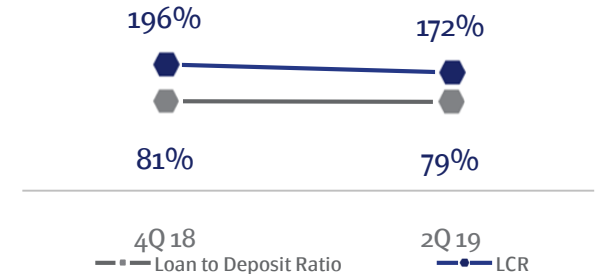


Liquidity remained healthy

Capital Adequacy Ratio (%)



Liquidity Ratios (%)



- 8.3% Profit growth from solid 12.7% income growth, improved operating efficiency and stable cost of risk
- Profit growth driven by improvement across all core banking segments

- 2.3% deposit growth from non-profit bearing deposits which now account for 97% of total deposits
- Net financing grew by 2.9%

- CAR increased by 37 bps due to dividends payout
- Liquidity remained healthy

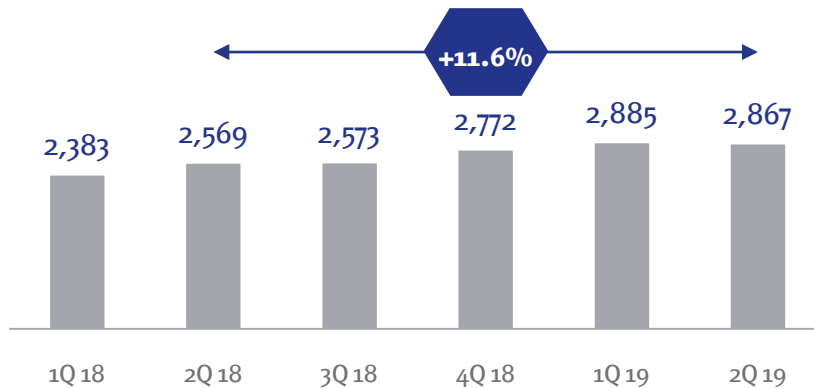
Net Income Trends

1H 2019 profit growth of 8.3% from solid income growth

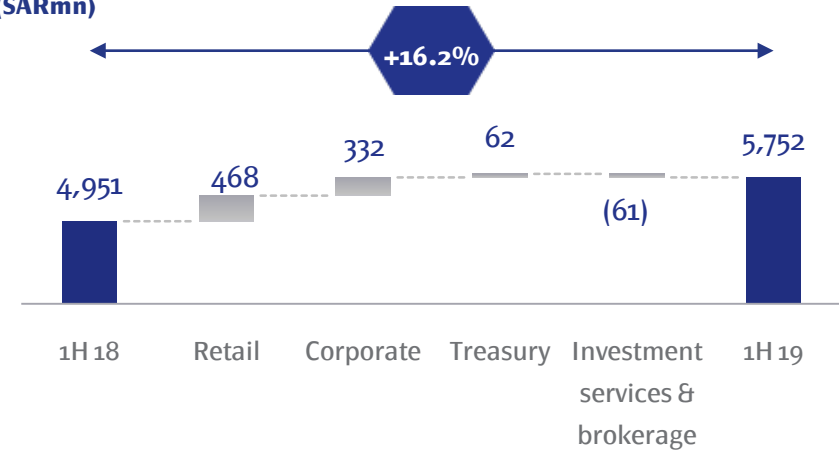
Commentary

- Previously Zakat was recognized in the statement of changes in equity under retained earnings, during 2Q 2019 the accounting policy was amended to recognize Zakat in the statement of income.
- Net income for 1H 2019 increased 8.3 % YoY to SAR 5,177 million mainly driven by 12.7% total operating income growth from yield (+14.5%) and non-yield (+4.0%) related income improvements, partly offset by increased expenses (+10.3%) and Zakat
- Dividend for 1H 2019 increased by 15% to SAR 3,750 million, with DPS of SAR 1.50

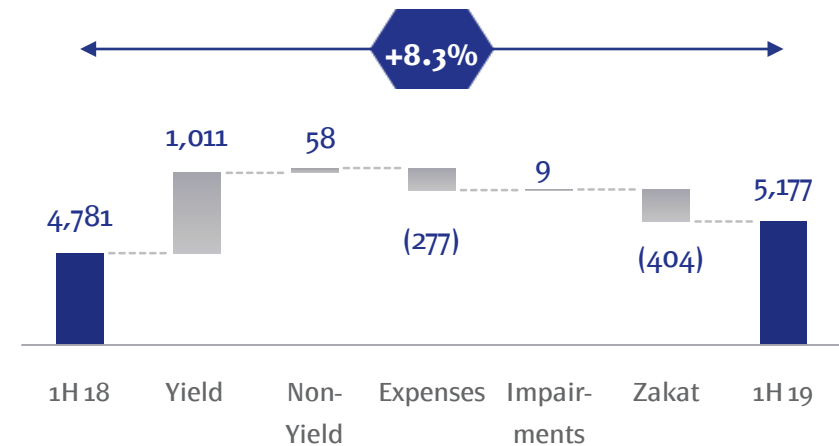
Net Income Before Zakat For The Period (SARmn)



Net Income Before Zakat Growth Drivers By Segment (SARmn)



Net Income After Zakat Growth Drivers By Type (SARmn)



Progress against guidance and outlook

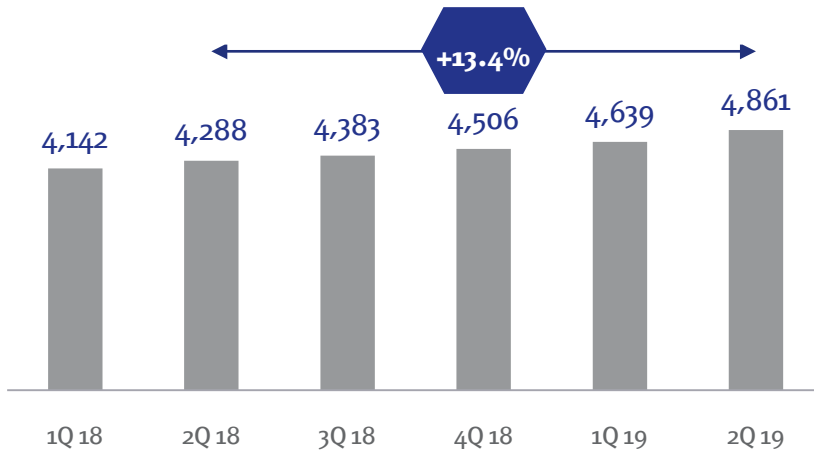
Financing & income growth, efficiency and cost of risk in line with FY 2019 guidance

		FY 2018	1H 2019 Actual	FY 2019 Guidance
Balance Sheet	Financing, Net (SAR bn)	231	239 (+2.9%)	Mid single digit growth
	Net Profit Margin	4.75%	5.20% (+45 bps)	+30 to +40 bps
Profitability	Cost to Income Ratio	31.7%	31.3%	Below 31%
	Cost of Risk	0.64%	0.64%	0.60% - 0.70%
Asset Quality	CET1 Ratio	19.1%	19.5%	19% to 20%
	ROE after Zakat	7.56%	20.72%	Above 21%
Capital & Liquidity				

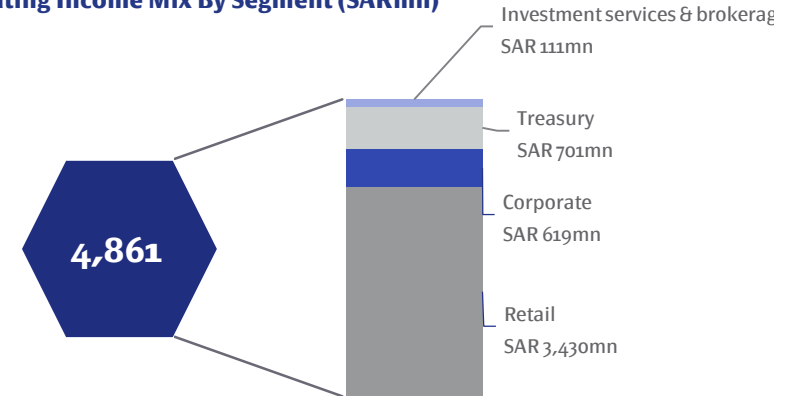
Operating Income Trends

1H 2019 income growth of 12.7% from financing and investment income(+14.5%)

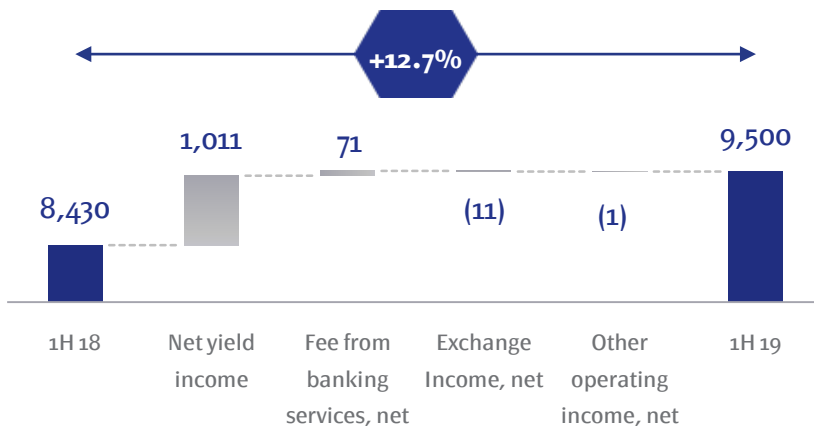
Total Operating Income (SARmn)



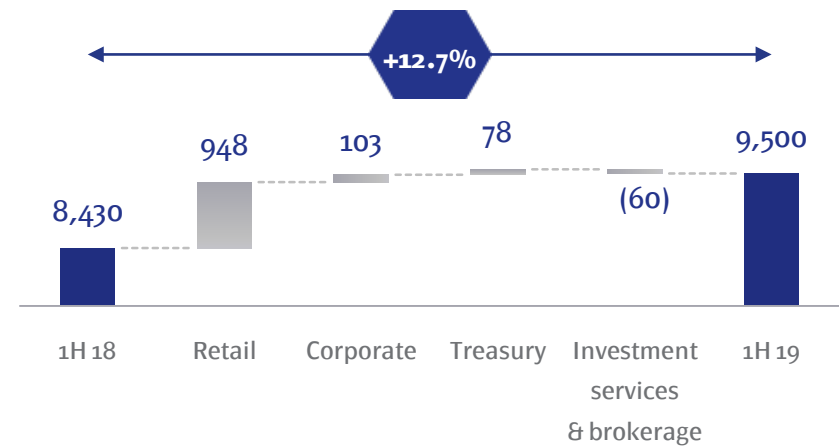
Total Operating Income Mix By Segment (SARmn)



Total Operating Income Growth Drivers By Type (SARmn)



Total Operating Income Growth Drivers By Segment (SARmn)



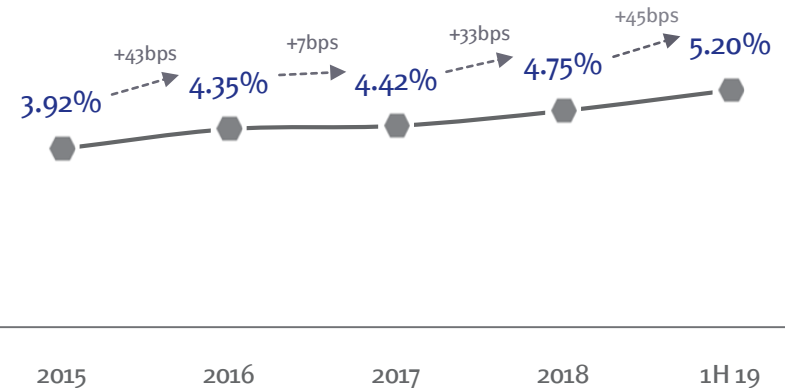
Operating Income Trends

Stronger YoY financing margin & good banking fee income growth

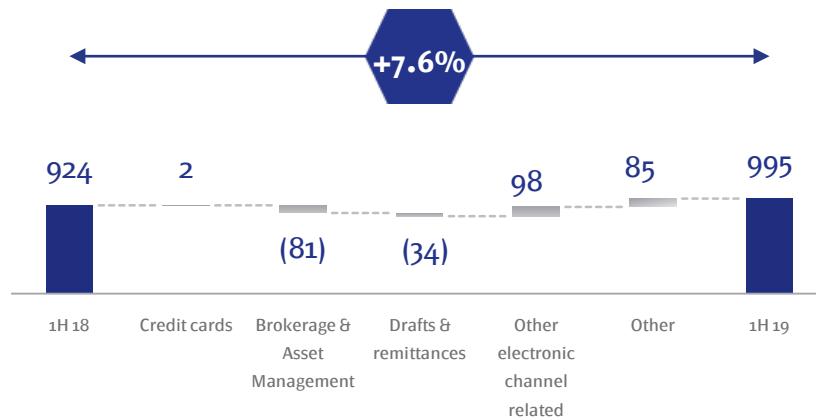
Commentary

- 1H 2019 net financing and investment income grew 14.5% YoY due to improved financing margins, further aided by 4.0% growth in average profit-bearing assets
- The net profit margin improved by 55 bps YoY to 5.20% . Margin improved due to product mix, focus on mortgage and higher average investment portfolio balances; 2Q 2019 Funding Cost 0.18%
- Banking services fees increased 7.6% YoY, mainly from electronic channel related fees

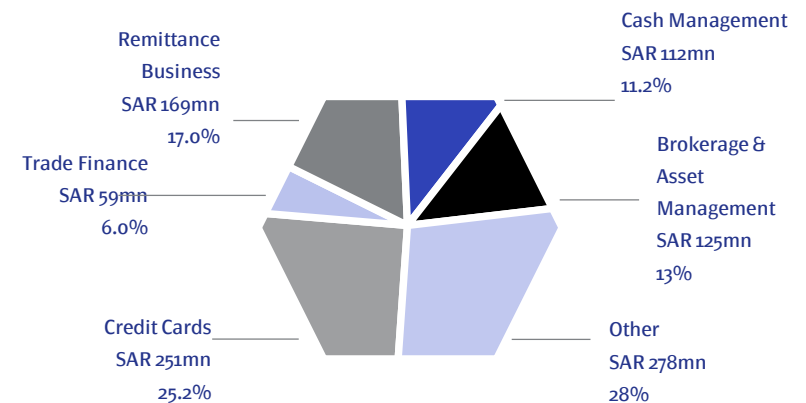
Net profit margin (%)



Fee From Banking Services Growth Drivers By Type (SARmn)



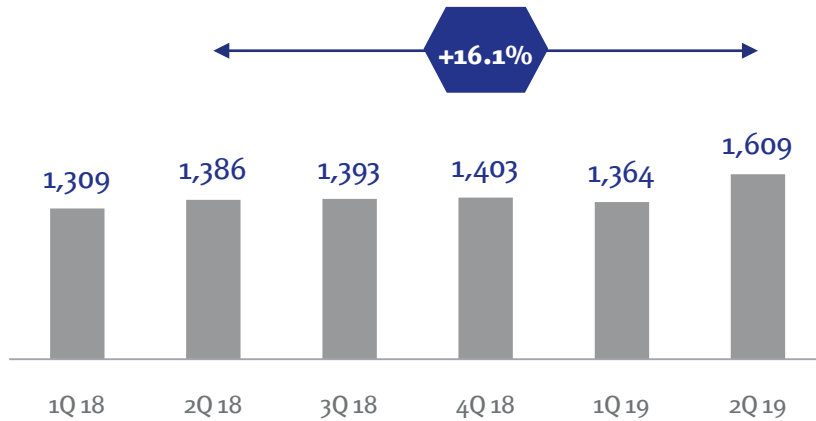
Fee From Banking Services, Net Mix By Type (SARmn)



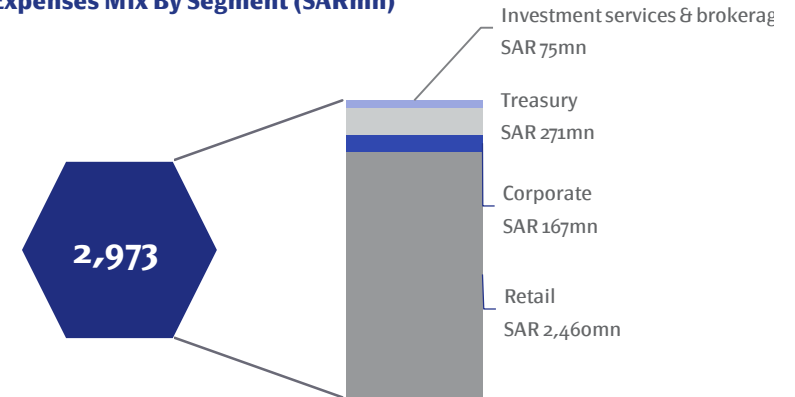
Expenses Trends

YoY expense growth of 10.3%, but efficiency improved 240 bps on positive "jaws"

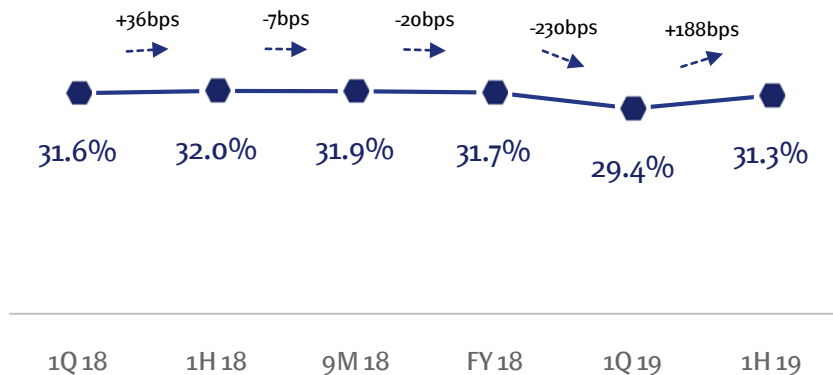
Operating Expenses (SARmn)



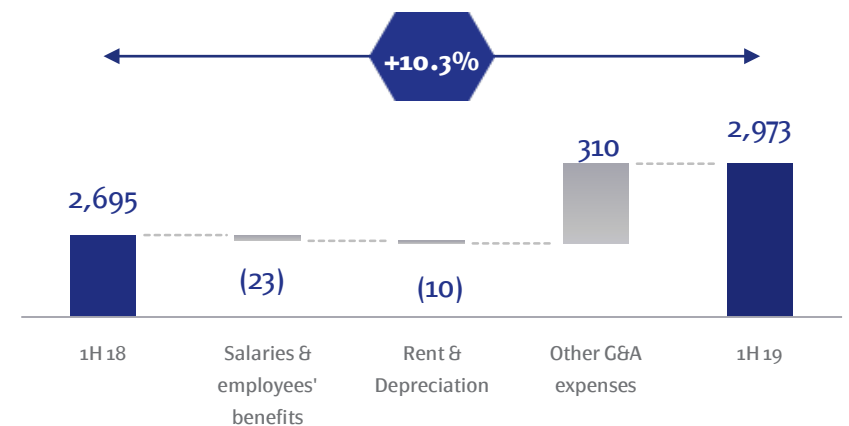
Operating Expenses Mix By Segment (SARmn)



Cost To Income Ratio Trend (%)



Operating Expenses Growth Drivers By Type (SARmn)



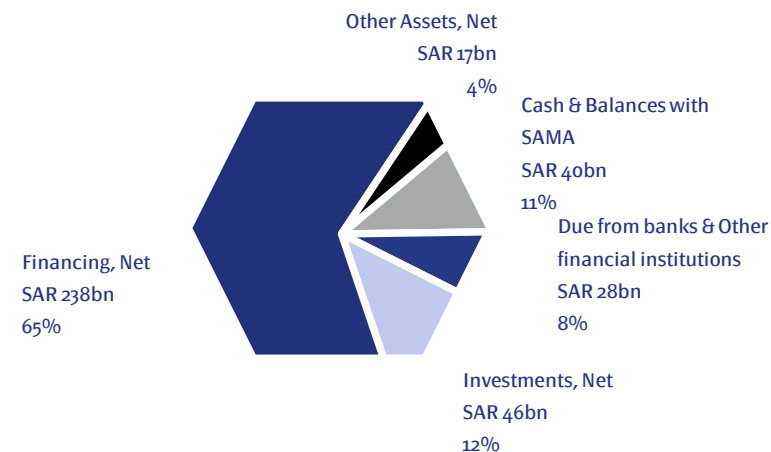
Assets

Slight 1.4% increase YTD in total assets

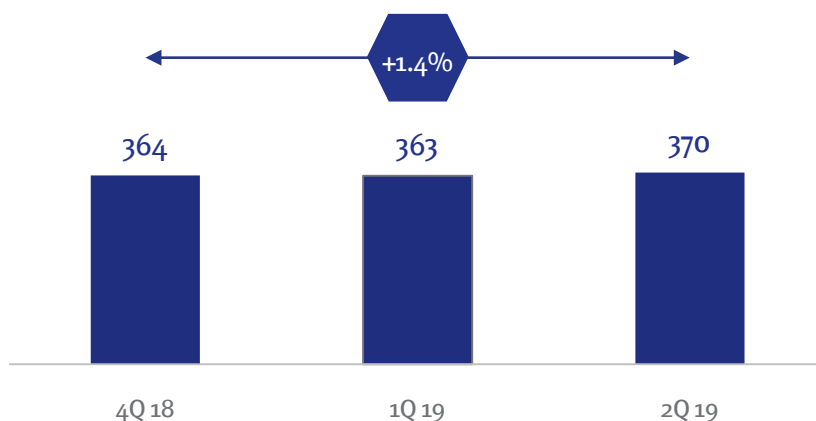
Commentary

- Total assets increased by 1.4% YTD as an increase in financing (+2.9%) and investments (+6.5%) were offset by lower cash and balances with SAMA and other central banks (-7.0%) and decline in interbank balances (-12.8%)

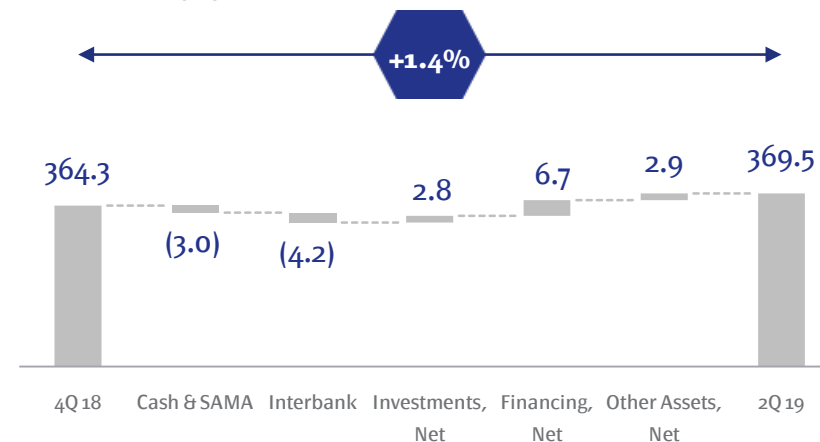
Total Assets Mix By Type (SARbn)



Total Assets (SARbn)



Asset Drivers By Type (SARmn)



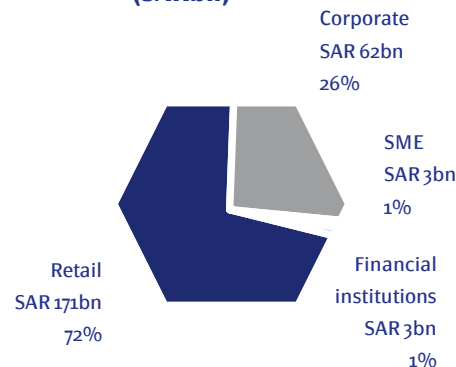
Financing

Financing dominated by retail

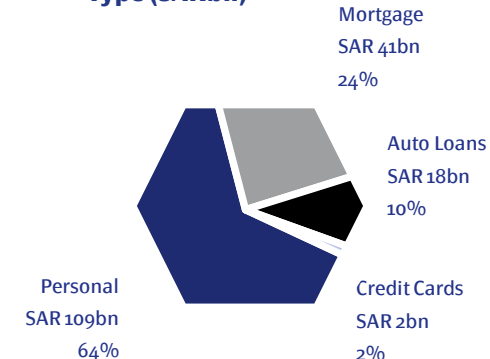
Commentary

- Financing is dominated by retail (72%) followed by corporate (26%)
- Retail financing is primarily comprised of personal (64%) and mortgage financing (24%)

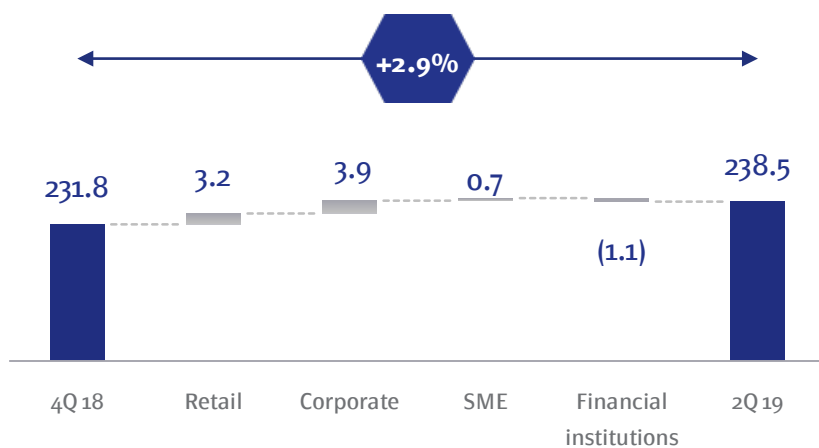
Financing, Net Mix By Segment (SARbn)



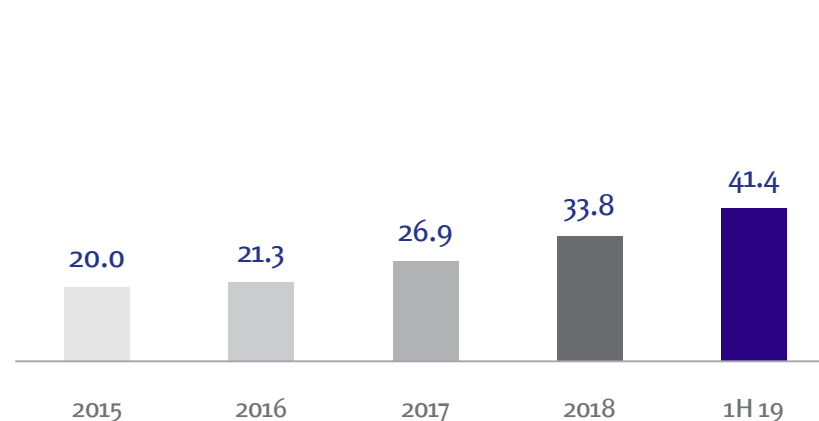
Retail Financing, Net Mix By Type (SARbn)



Financing, Net Drivers (SARmn)



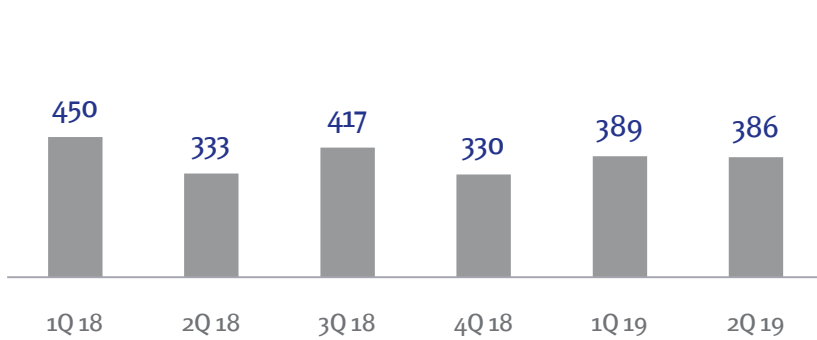
Mortgage Financing (SARbn)



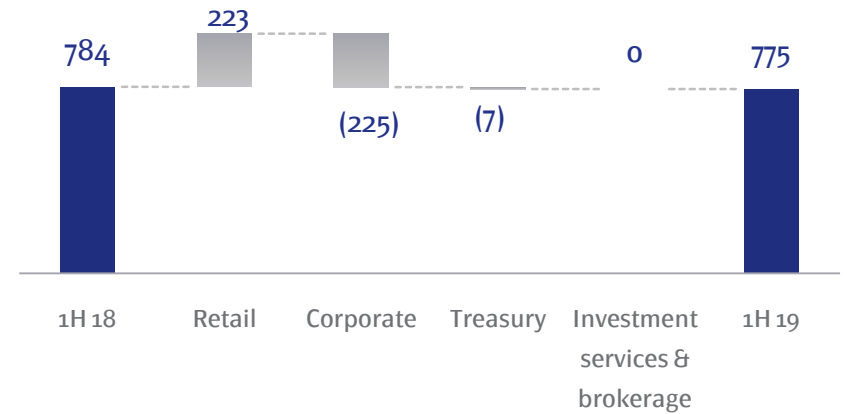
Asset Quality Trends (1)

Cost of Risk remains stable

Total Impairment Charge (SARmn)



Impairment Charge Drivers By Segment (SARmn)

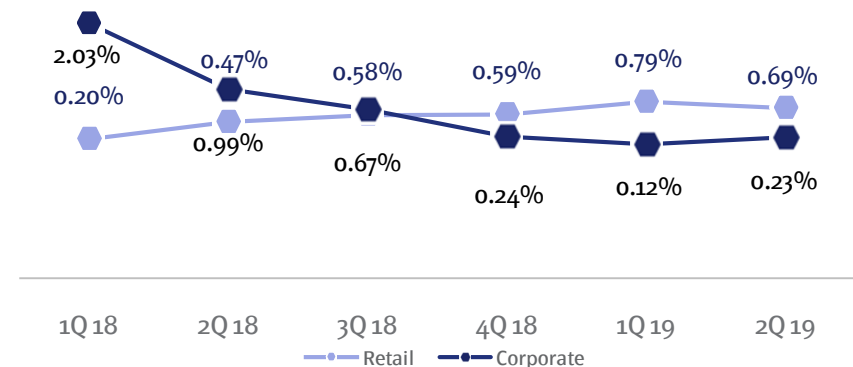


Cost of Risk (%)



Cost of Risk Trends (%)

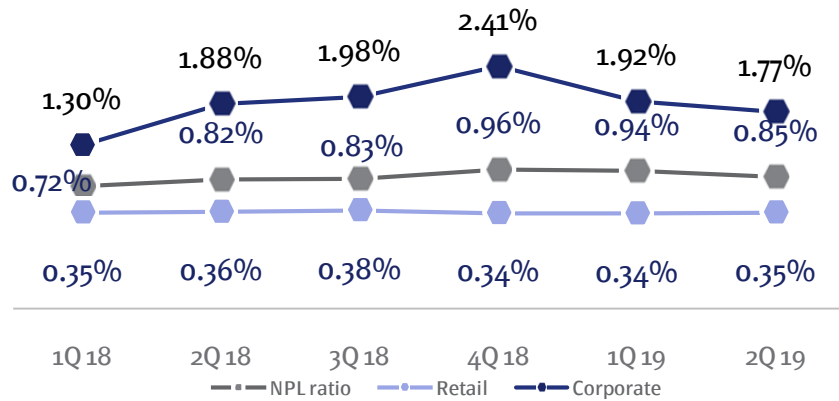
For KSA Only



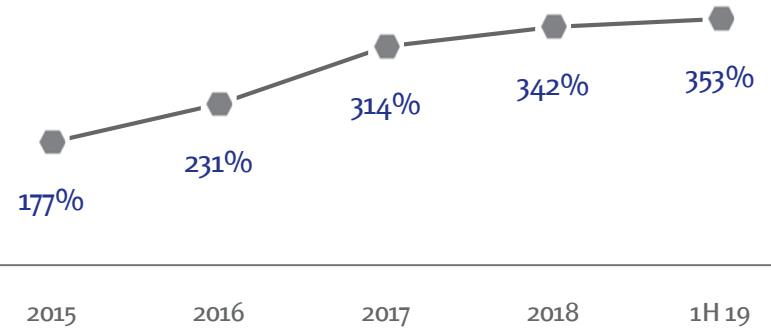
Asset Quality Trends (2)

Asset quality remains solid

NPL Ratio Trends(%)



NPL coverage ratio



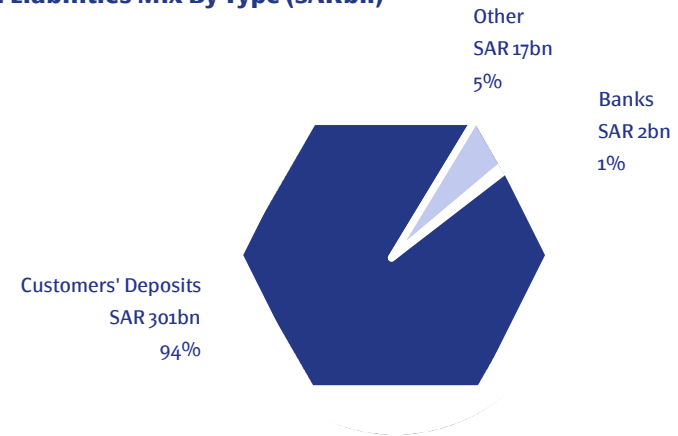
Funding & Liquidity Trends

Liquidity and funding remain comfortably within regulatory requirements

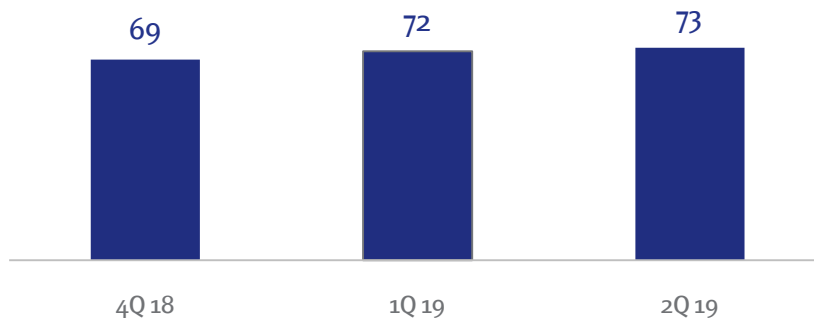
Commentary

- Liquidity remained healthy during 2Q 2019 and comfortably within regulatory guidelines
- HQLA increased by 5.8% during 1H 2019 and LCR declined to 172%
- The loan to deposit ratio remained stable YoY at 79% as deposit growth tracked net financing growth

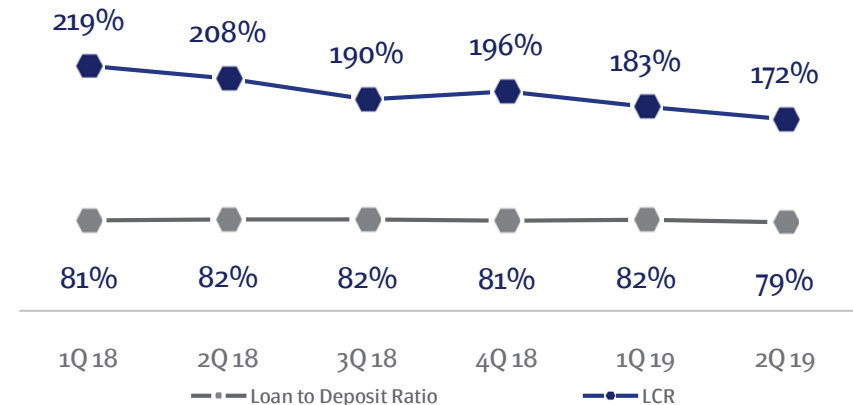
Total Liabilities Mix By Type (SARbn)



HQLA (SARbn)



Liquidity Ratios (%)



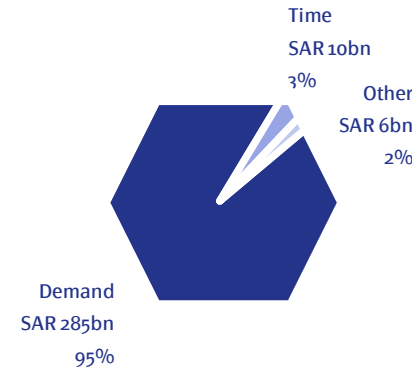
Funding & Liquidity Trends

Continued growth in non-profit bearing deposits

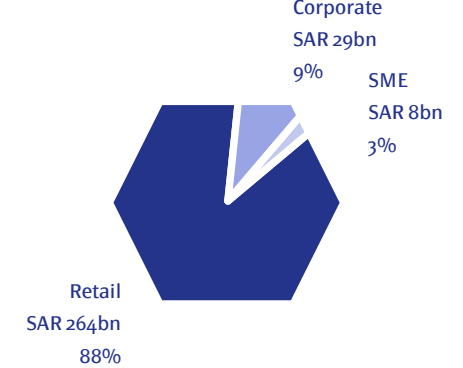
Commentary

- Strong stable funding with 94% of liabilities sourced from customers' deposits, of which 97% are non-profit bearing
- Customers' deposits grew 2.3% from 31 December 2018, principally from non-profit bearing demand deposits

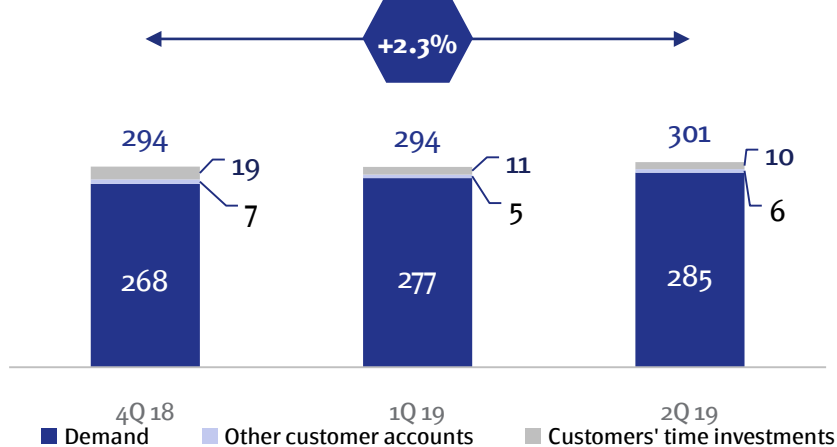
Total Customers' Deposits Mix
By Type (SARbn)



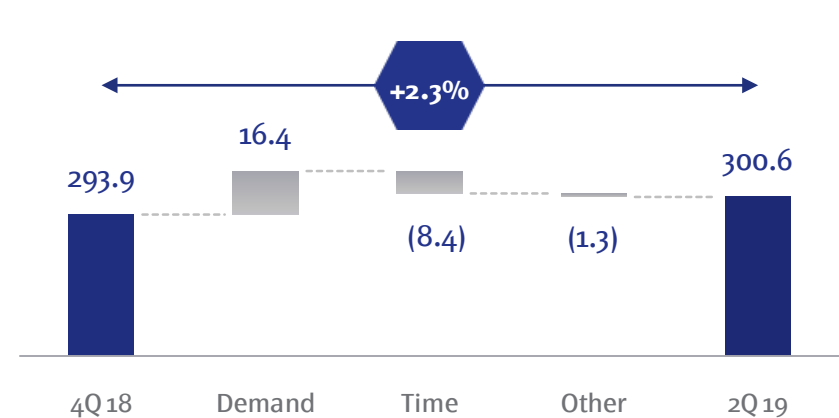
Total Customers' Deposits Mix
By Segment (SARbn)



Total Customers' Deposits (SARbn)



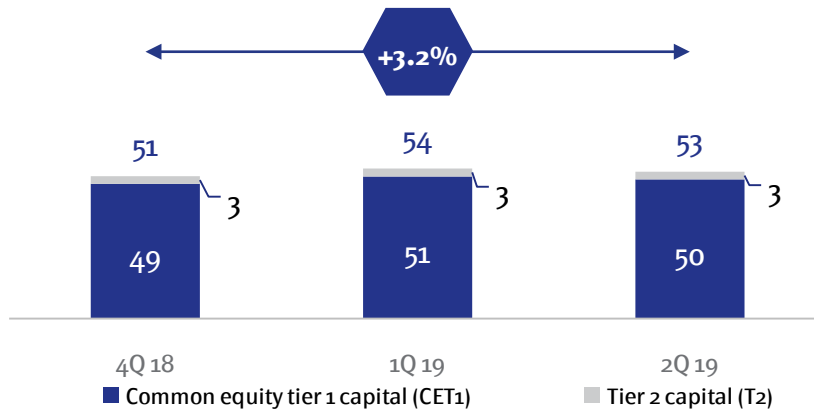
Total Customers' Deposits Drivers (SARmn)



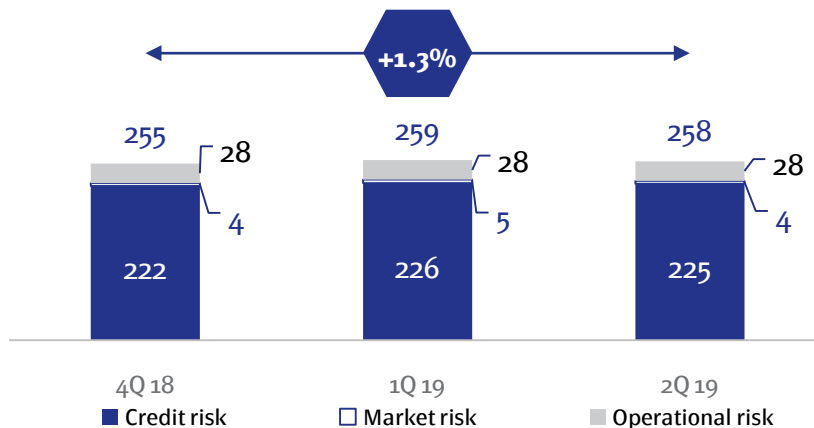
Capitalisation Trends

Rising profitability drives total capital higher

Total Capital (SARbn)



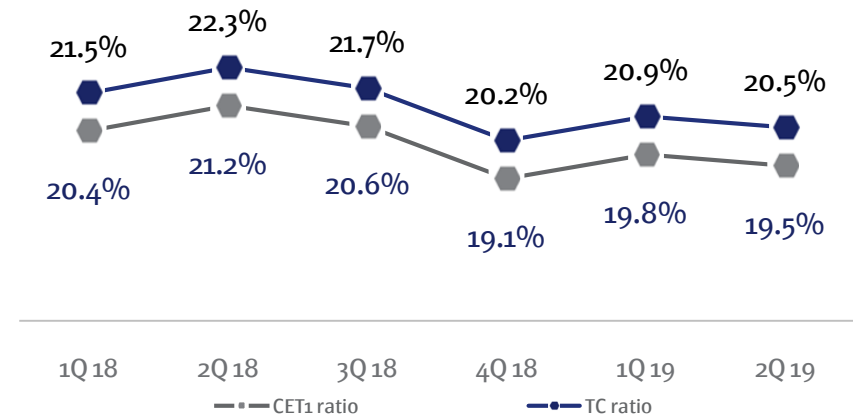
Risk Weighted Assets (SARbn)



Commentary

- Total capital increased by 3.2% on rising profitability
- Capitalization remains strong with CAR of 20.5% and CET1 of 19.5% as at 30 June 2019

Capital Ratios (%)





Operating Results

2Q 2019 Performance

The Blue Chip Islamic Bank



Retail Banking

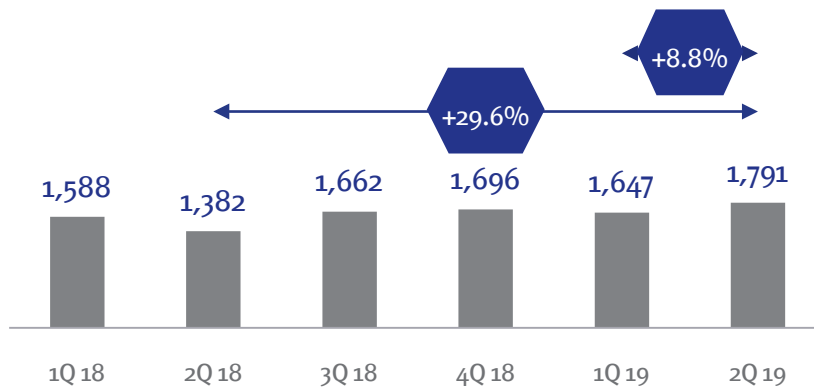
15.7% increase in profit on strong operating income performance

Commentary

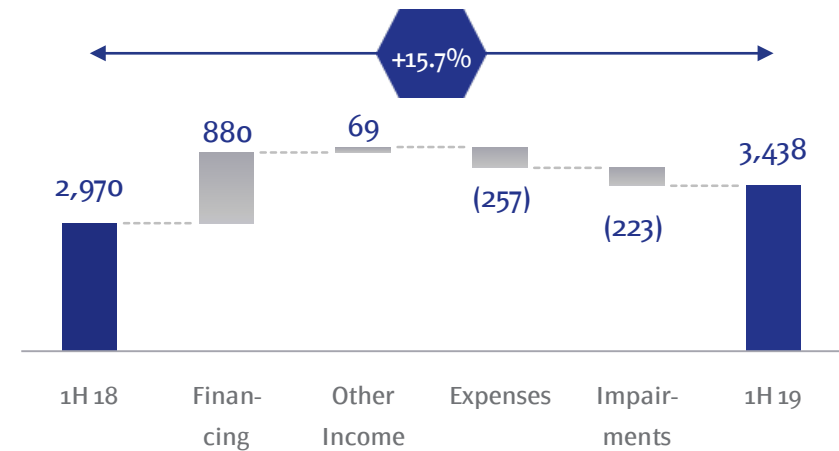
- Retail Banking 1H 2019 net income increased by 15.7% YoY, reflecting strong operating income performance
- Total operating income grew 16.8% YoY mainly from net financing, driven by better product mix in financing portfolio, continued growth in assets (+4.6%) and liabilities (+10.0% mainly from non-profit bearing deposit growth)

	SAR (mn)	1H 2019	1H 2018	YoY %
Net financing & investment income		5,972	5,092	+17.3%
Fee and other income		622	553	+12.4%
Total Operating Income		6,594	5,645	+16.8%
Operating expenses		2,460	2,203	+11.7%
Impairment charge		696	473	+47.3%
Net income		3,438	2,970	+15.7%
Total assets		194,929	186,279	+4.6%
Total liabilities		286,308	260,379	+10.0%

Net Income (SARmn)



Net Income Growth Drivers By Type (SARmn)



Corporate Banking

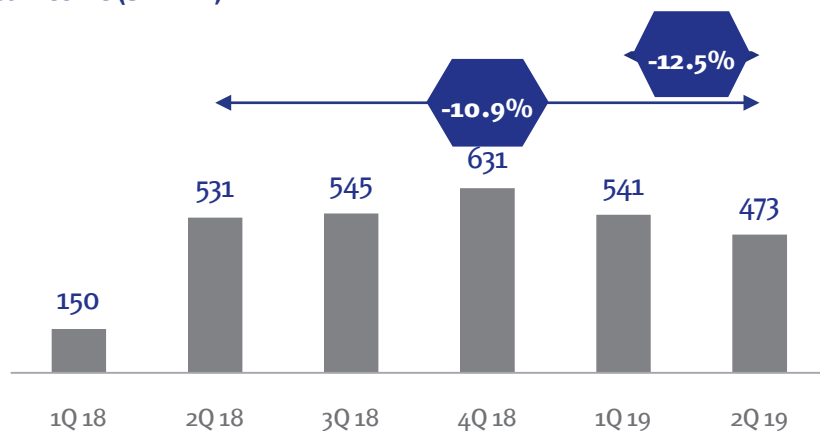
Strong top line and lower impairment charge lead to 48.8% profit growth

Commentary

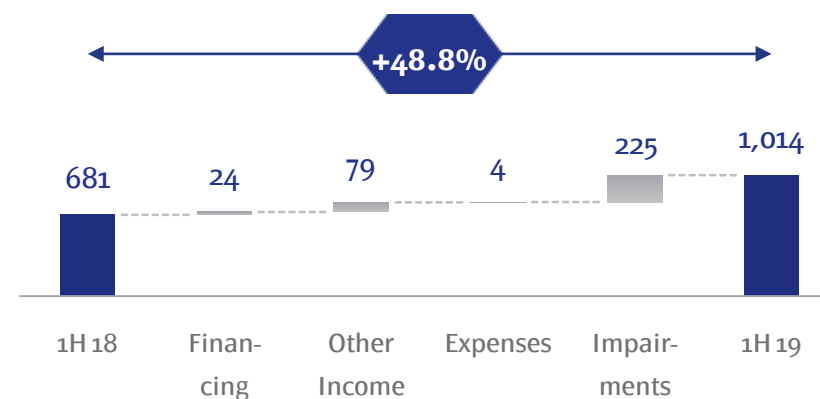
- Corporate Banking 1H 2019 net income grew 48.8% YoY as a result of higher income, improved operating efficiency and a drop in the impairment charge
- Total operating income increased 9.0% YoY as financing income increased 2.5% and fee and other income increased 47.7% YoY

	SAR (mn)	1H 2019	1H 2018	YoY %
Net financing & investment income		1,012	988	+2.5%
Fee and other income		245	166	+47.7%
Total Operating Income		1,257	1,154	+9.0%
Operating expenses		167	171	-2.3%
Impairment charge		77	302	-74.5%
Net income		1,014	681	+48.8%
Total assets		63,917	60,590	+5.5%
Total liabilities		25,057	25,640	-2.3%

Net Income (SARmn)



Net Income Growth Drivers By Type (SARmn)



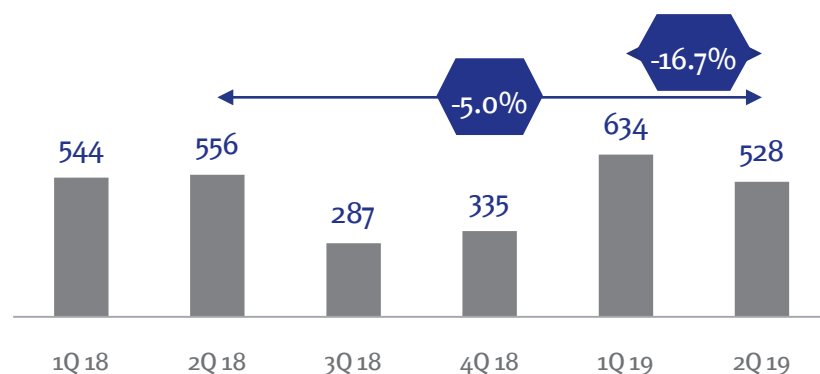
Treasury

Strong profit growth from increased investment portfolio

Commentary

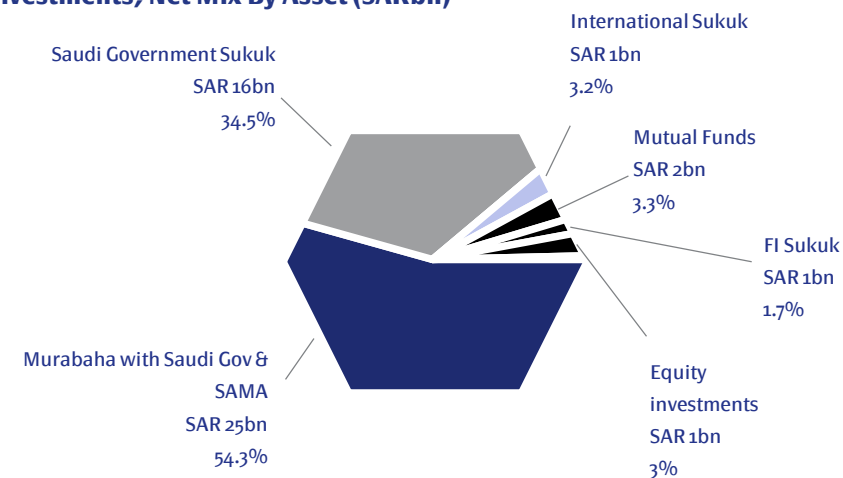
- Treasury 1H 2019 net income rose 5.7% YoY from 5.7% total operating income growth
- Total Treasury assets grew 10.2% YoY in line with the overall asset expansion which aided net financing and investment income growth of SAR 109 million to SAR 1,010 million
- Tahweel Alrajhi (remittances) market share reached 27% as at 31 March 2019

Net Income (SARmn)



	SAR (mn)	1H 2019	1H 2018	YoY %
Net financing & investment income		1,010	901	+12.1%
Fee and other income		425	457	-7.0%
Total Operating Income		1,435	1,357	+5.7%
Operating expenses		271	249	+9.1%
Impairment charge		2	9	-77.7%
Net income		1,162	1,099	+5.7%
Total assets		107,537	97,569	+10.2%
Total liabilities		7,891	8,214	-3.9%

Investments, Net Mix By Asset (SARbn)



Investment Services & Brokerage

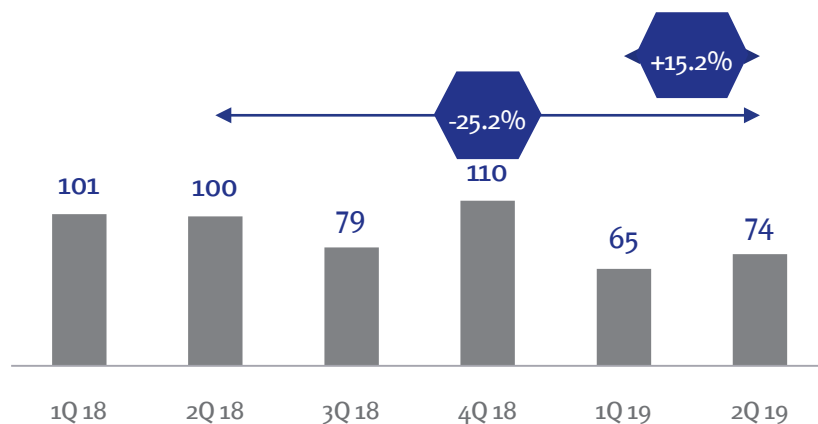
30.7% drop in profit on lower fees

Commentary

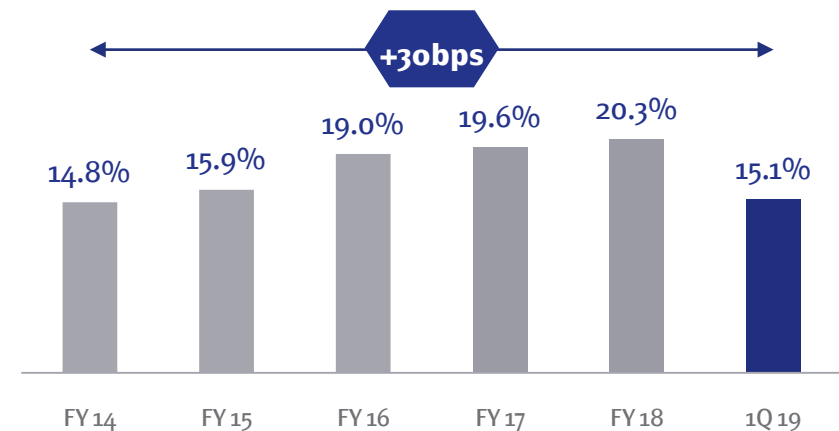
- 1H 2019 Net income for Investment Services & Brokerage declined 30.7% YoY to SAR 139 million principally from 21.9% operating income drop
- Total operating income drop was due to lower volume during 1H 2019
- 5.9% TASI volume decline YoY

	SAR (mn)	1H 2019	1H 2018	YoY %
Net financing & investment income		10	12	-17.5%
Fee and other income		204	262	-22.1%
Total Operating Income		214	274	-21.9%
Operating expenses		75	73	+2.0%
Net income		139	201	-30.7%
Total assets		3,136	3,148	-0.4%
Total liabilities		124	563	-78.0%

Net Income (SARmn)



Market Share - Al Rajhi Capital Brokerage (Value traded)





Appendix

Additional Information

The Blue Chip Islamic Bank



Board of Directors

Members



Chairman
Abdullah bin Sulaiman Al Rajhi
Non-Executive



Salah bin Ali AbalKhail
Non-Executive



Vice Chairman
Alaa bin Shakib Al Jabiri
Independent



Bader bin Mohammed Al Rajhi
Non-Executive



Khaled bin Abdulrahman Al Qoaz
Non-Executive



Abdulaziz bin Khaled Al Ghefaily
Non-Executive



Ibrahim F. Al-Ghofaily
Independent



Ameen F. Al Shiddi
Non-Executive



Hamza O. Khushaim
Non-Executive



Raed A. Al-Tamimi
Independent



Abdulatif A. Alseif
Independent

Management Team

International expertise combined with deep roots in Saudi Arabia



Chief Executive Officer
Steve Bertamini
Banking experience: 32 years



Deputy Chief Executive Officer
Waleed Al-Mogbel
Banking experience: 21 years



Chief Financial Officer
Abdullah Alkhalifa
Banking experience: 28 years



Chief Risk Officer
Christopher Maclean
Banking experience: 35 years



Chief Compliance Officer
Abdullah Sulaiman Alnami
Banking experience: 24 years



Chief Governance & Legal Officer
Omar Almudarra
Banking experience: 19 years



General Manager Retail
Saleh Alzumaie
Banking experience: 28 years



General Manager Corporate
Majid Algwaiz
Banking experience: 24 years



General Manager Treasury
Abdulrahman Al Fadda
Banking experience: 22 years



General Manager Sharia
Saleh Al-Haidan
Banking experience: 16 years



Chief Internal Audit Officer
Abdulaziz Alshushan
Banking experience: 3 years

Additional Information

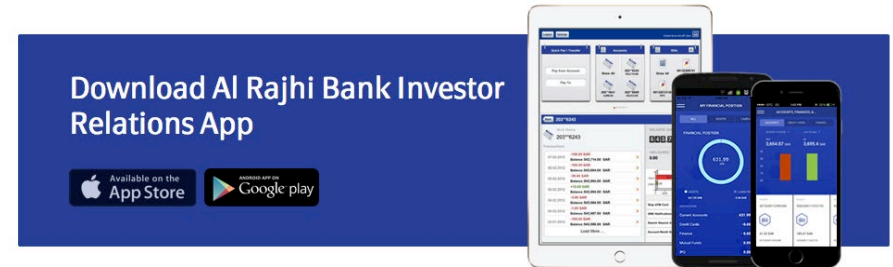
Contact investor relations for more information

Mr. Amr M. Sager

Head of Investor Relations

Tel: +966 (11) 828 1985

Email: sagera@alrajhibank.com.sa



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