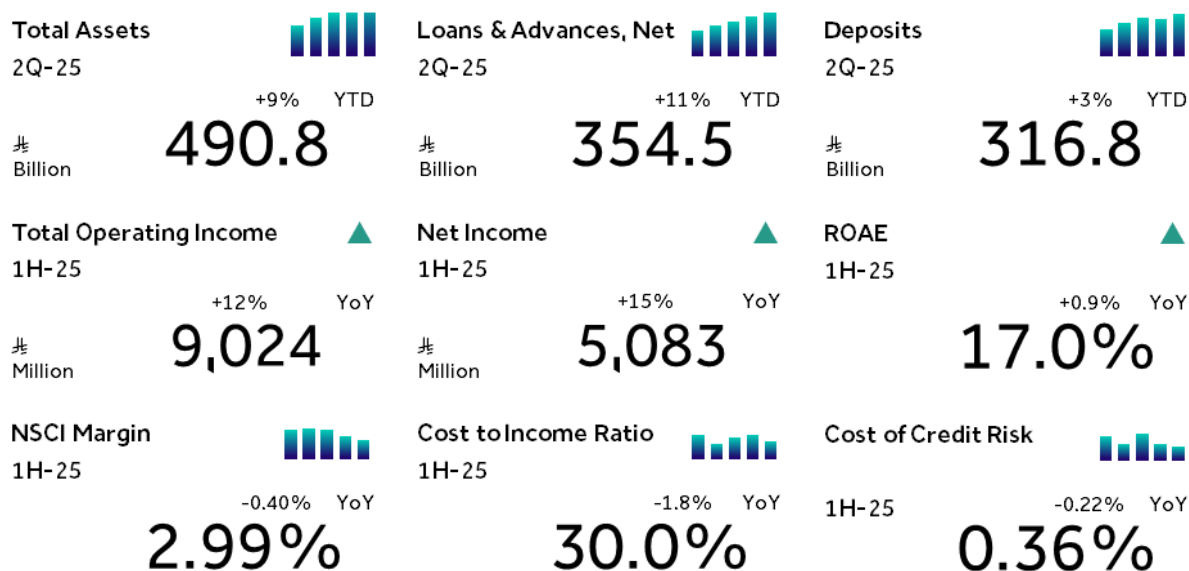


Riyad Bank reports 15% net income growth reaching to **ﷲ 5.1 billion** in 1H 2025

Riyad Bank reports 15% net income growth driven by a robust top line growth and improved efficiencies



- Total assets of **ﷲ 490.8bn**, up 9% YTD, mainly driven by 11% growth in loans & advances and a growth of 4% in investments.
- Customers' deposits amounted to **ﷲ 316.8 billion**, an increase of 3% YTD supporting funding growth.
- Total operating income of **ﷲ 9,023mn** in 1H 2025, up 12% YoY driven by a growth of 31% in fee and other income besides a growth of 5% YoY in net special commission income.
- Total impairment charges, net for 1H 2025 amounted to **ﷲ 671.2mn**, higher by 10% YoY while cost of credit risk normalized reaching to 36bps, lower by 22bps YoY.
- Net income for 1H 2025 reached to **ﷲ 5,083mn**, up 15% YoY on higher operating income and improved efficiencies.
- Although NSCI margin is lower by 40bps YoY standing at 2.99% for 1H 2025, volume growth supported a 5% YoY increase in NSCI.
- Positive jaws resulted in cost to income ratio trending lower to reach 30.0% down by 182bps YoY.
- Non-performing loans ratio of 1.13% in 1H 2025 has improved by 5bps YoY with a healthy non-performing loan coverage ratio standing at 135.4%.
- Healthy capitalization with Tier 1 ratio at 15.9% and Capital Adequacy Ratio (CAR) at 16.9%.
- Solid liquidity position with Liquidity Coverage Ratio (LCR) of 140.6%, Net Stable Funding Ratio (NSFR) of 106.6%, and SAMA loans to deposit ratio at 85.3%.
- Return on average equity for the period reached to 17.0% up by 90bps YoY.
- Return on average assets for the period reached to 2.16% down by 7bps YoY.

Riyadh, 4 August 2025 – Riyad Bank reported 15.2% year-on-year growth in net income reaching to ﷲ 5,083 million for 1H 2025, driven by 11.6% expansion total operating income which was partially offset by higher operating expenses of 5.2% and higher impairment charges of 9.8%. Total operating income growth resulted from an increase of 5.4% year-on-year in net special commission income coupled with a strong growth of 31.2% year-on-year in fees and other income.

Total assets amounted to ﷲ 490.8 billion as of 30th June 2025, an increase of 9.0% from the year end of 2024, largely due to robust loan growth of 10.8% coupled with a growth of 4.3% in investments. The asset growth was funded by diversified funding sources including customer deposits growing at 3.4% year-to-date, whole sale funding growing at 43.5% year-to-date and total shareholders' equity growing at 4.1% year-to-date.

Mr. Nadir Al-Koraya, Chief Executive Officer of Riyad Bank, said:

"Riyad Bank's exceptional financial performance in the first half of 2025 reflects the unwavering commitment and expertise of our team, aligned with our strategic vision to be the best bank in Saudi Arabia. By capitalizing on the strengths of our diverse business segments, we are well-positioned to meet the strong and sustained demand for credit from corporate clients and SMEs. This demand is supported by robust non-oil GDP growth and emerging opportunities within a favorable domestic economic environment, enabling us to contribute meaningfully to the Kingdom's Vision 2030 while delivering sustainable value to our shareholders."

Mr. Abdullah Al Oraini, Chief Financial Officer of Riyad Bank, said:

"Riyad Bank recorded a strong performance during 1H 2025, with 5.4% year-on-year growth in net special commission income coupled with a 31.2% year-on-year growth in fee and other income, resulting in total operating income rising by 11.6% year-on-year. Efficiencies has improved during the period driven by the positive jaws resulting in cost to income ratio to reach 30.0% down by 182bps year-on-year. The strong profitability delivered during the period resulted in healthy return metrics with ROAE and ROAA reaching to 17.0% and 2.16%, respectively. Loans year-to-date growth of 10.8% propelled total asset growth of 9.0%. Our credit quality remains resilience, with the NPL ratio at 1.13% and NPL coverage ratio at 135.4%."

Performance Highlights

Income Statement Highlights

﷼ (mn)	2Q-2025	2Q-2024	YoY % Change	1H-2025	1H-2024	YoY % Change
Net special commission income	3,200	3,097	+3%	6,482	6,147	+5%
Fee and other income	1,320	901	+47%	2,542	1,938	+31%
Total operating income, net	4,520	3,997	+13%	9,024	8,085	+12%
Total operating expenses before impairment charge	(1,326)	(1,225)	+8%	(2,705)	(2,571)	+5%
Net operating income before impairment charge	3,194	2,772	+15%	6,319	5,514	+15%
Total impairment charge	(309)	(175)	+77%	(671)	(611)	+10%
Net operating income	2,885	2,598	+11%	5,648	4,903	+15%
Share in earnings of associates	10	9	+21%	19	14	+35%
Net Income for the period before zakat	2,895	2,606	+11%	5,667	4,917	+15%
Zakat for the period	(298)	(269)	+11%	(584)	(507)	+15%
Net Income for the period after zakat	2,597	2,338	+11%	5,083	4,410	+15%
Earnings per share	0.82	0.75	+8%	1.61	1.42	+13%
ROAE	17.0%	17.1%	-0.1%	17.0%	16.1%	+0.9%
ROAA	2.17%	2.31%	-0.14%	2.16%	2.23%	-0.07%
NSCI margin	2.90%	3.37%	-0.47%	2.99%	3.39%	-0.40%
Cost to income ratio	29.3%	30.6%	-1.3%	30.0%	31.8%	-1.8%
Cost of credit risk	0.33%	0.55%	-0.22%	0.36%	0.58%	-0.22%

Net income for 1H 2025 recorded a solid growth of 15% year-on-year to ﷼ 5,083 million from 5% growth in net special commission income coupled with 31% growth in fee and other income which was partially offset by higher operating expenses of 5% and higher impairments charges of 10%.

Total operating income grew 12% year-on-year to reach ﷼ 9,024 million in 1H 2025. Net special commission income recorded an increase of 5% to ﷼ 6,482 million driven by volume growth. Fee and other income strongly grew by 31% year-on-year reaching ﷼ 2,542 million driven by fee from banking services, exchange income and investment related income.

Operating expenses before impairment charges increased 5% year-on-year to ﷼ 2,705 million in 1H 2025 mainly due to 15% year-on-year increase in depreciation and 58% year-on-year increase in premises-related expenses. The cost to income ratio continues to trend lower reaching 30.0% in 1H 2025, lower by 180bps in comparison with the corresponding period last year.

The impairment charges, net amounted to ﷼ 671 million for 1H 2025, higher by 10% compared with the corresponding period last year, resulting in cost of credit risk standing at 0.36%.

Earnings per share in 1H 2025 improved 13% reaching ﷼ 1.61 compared to ﷼ 1.42 in 1H 2024. Return on average equity for the period stands at 17.0% up by 90bps YoY, and return on average assets stands at 2.16% down by 7bps YoY.

Balance Sheet Highlights

ﷲ (mn)	2Q-2025	1Q-2025	QoQ % Change	4Q-2024	YTD % Change	2Q-2024	YoY % Change
Cash and balances with SAMA, net	19,602	26,910	-27%	22,600	-13%	29,389	-33%
Due from banks and financial Institutions, net	26,989	15,227	+77%	22,574	+20%	9,308	+190%
Investments, net	72,658	69,271	+5%	69,669	+4%	61,073	+19%
Loans and advances, net	354,550	338,991	+5%	320,089	+11%	291,051	+22%
Other assets, net	17,017	14,945	+14%	15,446	+10%	14,208	+20%
Total assets	490,816	465,345	+5%	450,379	+9%	405,029	+21%
Due to banks and other financial institutions	54,569	47,820	+14%	43,949	+24%	35,944	+52%
Customers' deposits	316,811	304,092	+4%	306,423	+3%	276,009	+15%
Debt securities in issue	27,614	22,752	+21%	13,324	+107%	13,303	+108%
Other liabilities, net	19,484	18,164	+7%	18,740	+4%	17,426	+12%
Total liabilities	418,478	392,829	+7%	382,437	+9%	342,682	+22%
Share capital	30,000	30,000	+0%	30,000	+0%	30,000	+0%
Reserves	15,477	15,399	+1%	15,196	+2%	12,444	+24%
Retained earnings	15,485	13,045	+19%	13,360	+16%	13,339	+16%
Proposed dividends	0	2,696	-100%	0	NM	0	NM
Total shareholders' equity	60,963	61,140	-0%	58,556	+4%	55,783	+9%
Tier 1 sukuk	11,376	11,377	-0%	9,386	+21%	6,564	+73%
Total equity	72,338	72,516	-0%	67,942	+6%	62,347	+16%
NPL Ratio	1.13%	1.14%	-0bps	0.98%	+16bps	1.18%	-5bps
NPL Coverage Ratio	135.4%	133.0%	+2.4%	167.1%	-31.6%	145.2%	-9.7%
NIB % of total	47.2%	53.2%	-6.0%	54.5%	-7.3%	56.7%	-9.5%
Tier 1 ratio	15.9%	16.4%	-0.6%	16.4%	-0.5%	16.7%	-0.8%
Capital adequacy ratio	16.9%	17.5%	-0.6%	18.9%	-2.1%	19.5%	-2.6%
Liquidity coverage ratio	140.6%	146.1%	-5.5%	145.0%	-4.3%	156.9%	-16.3%
Net stable funding ratio	106.6%	108.8%	-2.3%	107.0%	-0.4%	112.9%	-6.3%
Loans to customers' deposit ratio (headline)	111.9%	111.5%	+0.4%	104.5%	+7.5%	105.5%	+6.5%
Loans to customers' deposit ratio (SAMA weighted)	85.3%	85.7%	-0.4%	84.3%	+1.0%	84.3%	+1.0%

Total assets as of 30th June 2025 amounted to ﷲ 490,816 million, an increase of 9% YTD. Loans and advances, net rose 11% in 1H 2025 reaching ﷲ 354,550 million. Investments, net amounted to ﷲ 72,658 million, an increase of 4% YTD.

Funding growth during 1H 2025 was mainly driven by an increase of 107.2% in debt in securities which amounted to ﷲ 27,614 coupled with 3.4% increase in customer deposits amounted to ﷲ 316,811 supporting the lending portfolio.

The non-performing loan ratio stands at 1.13% as of 30th June 2025, 5 basis points improvement compared to the same period last year while coverage of non-performing loans remains healthy standing at 135.4% as of 30th June 2025.

The total capital adequacy ratio stood at 16.9% and the Tier 1 ratio at 15.9% as of 30th June 2025; the former declining by 2.1% relative to the previous year-end due to higher risk-weighted assets by 10.3% against 1.7% decrease in regulatory capital. The bank's liquidity remained strong and comfortably within regulatory limits, with the liquidity coverage ratio at 140.6%, the net stable funding ratio at 106.6% and SAMA regulatory loans to deposits ratio at 85.3%.

Operating Segment Highlights

Corporate Segment Highlights

ﷲ (mn)	2Q-2025	2Q-2024	YoY % Change	1H-2025	1H-2024	YoY % Change
Net special commission income	1,683	1,716	-2%	3,445	3,376	+2%
Fee and other income	703	473	+49%	1,303	953	+37%
Total operating income	2,386	2,189	+9%	4,748	4,329	+10%
Total operating expenses before impairment charge	368	372	-1%	811	769	+6%
Impairment charge	144	(39)	-468%	369	263	+41%
Net income for the period before zakat	1,874	1,857	+1%	3,568	3,298	+8%

ﷲ (mn)	2Q-2025	4Q-2024	YTD % Change	2Q-2024	YoY % Change
Loans and advances, net	253,913	222,553	+14%	194,467	+31%
Total assets	269,149	230,141	+17%	199,201	+35%
Deposits	200,010	194,729	+3%	160,424	+25%
Total liabilities	210,190	209,282	+0%	177,110	+19%

The corporate segment reported 8% year-on-year growth in net income before zakat for 1H 2025 reaching to ﷲ 3,568 million. This resulted from 2% year-on-year growth in NSCI to ﷲ 3,445 coupled with a robust growth of 37% in fee and other income reaching to ﷲ 1,303 million. Credit impairment charges was higher by 41% YoY.

Total assets for the corporate segment strongly grew by 17% year-to-date in 1H 2025 to ﷲ 269,149 million from a 14% increase in loans and advances, net. Corporate deposits increased by 3% year-to-date in 1H 2025 reaching to ﷲ 200,010 million.

Retail Segment Highlights

﷼ (mn)	2Q-2025	2Q-2024	YoY % Change	1H-2025	1H-2024	YoY % Change
Net special commission income	1,211	1,133	+7%	2,412	2,190	+10%
Fee and other income	37	124	-70%	109	199	-45%
Total operating income	1,248	1,257	-1%	2,522	2,389	+6%
Total operating expenses before impairment charge	807	712	+13%	1,588	1,522	+4%
Impairment charge	162	189	-14%	306	324	-5%
Net income for the period before zakat	278	356	-22%	627	543	+16%

﷼ (mn)	2Q-2025	4Q-2024	YTD % Change	2Q-2024	YoY % Change
Loans and advances, net	98,933	95,950	+3%	95,407	+4%
Total assets	117,108	112,884	+4%	111,024	+5%
Deposits	116,801	111,695	+5%	115,585	+1%
Total liabilities	124,330	117,907	+5%	121,348	+2%

Retail net income before zakat for 1H 2025 demonstrated a strong growth of 16% year-on-year reaching to ﷼ 627 million. Total operating income increased by 6% reaching to ﷼ 2,522 million driven by a growth of 10% in net special commission income to reach ﷼ 2,412 which was offset by a lower 45% in fee and other income. Operating expenses increased by 4% compared to the corresponding period last year to reach ﷼ 1,588 million whereas impairment charges were lower by 5%.

Total retail assets increased by 4% year-to-date in 1H 2025 to reach ﷼ 117,108 million supported by a 3% increase in loans and advances, net. Deposits expanded by 5% year-to-date in 1H 2025 to reach ﷼ 116,801 million.

Treasury and Investments Segment Highlights

ﷲ (mn)	2Q-2025	2Q-2024	YoY % Change	1H-2025	1H-2024	YoY % Change
Net special commission income	193	162	+19%	419	428	-2%
Fee and other income	436	165	+164%	829	489	+70%
Total operating income	629	327	+92%	1,247	916	+36%
Total operating expenses before impairment charge	68	63	+9%	140	127	+11%
Impairment charge	3	25	-88%	(4)	25	-117%
Net income for the period before zakat	568	248	+129%	1,131	779	+45%

ﷲ (mn)	2Q-2025	4Q-2024	YTD % Change	2Q-2024	YoY % Change
Investments, net	72,658	69,669	+4%	61,073	+19%
Total assets	100,680	103,531	-3%	87,252	+15%
Total liabilities	83,476	54,483	+53%	43,810	+91%

Treasury and investments recorded a strong growth of 45% in net income before zakat to reach ﷲ 1,131 million during 1H 2025. Operating income increased by 36% in 1H 2025 reaching to ﷲ 1,247 million on a 70% increase in fee and other income and partially offset by a decline of 2% in net special commission income.

Treasury assets decreased by 3% year-to-date during 1H 2025 reaching to ﷲ 100,680 million although investment portfolio grew by 4% year-to-date to reach ﷲ 72,658 million, while total liabilities rose by 53% year-to-date.

Investment Banking and Brokerage Segment Highlights

﷼ (mn)	2Q-2025	2Q-2024	YoY % Change	1H-2025	1H-2024	YoY % Change
Net special commission income	113	85	+33%	207	154	+34%
Fee and other income	144	139	+4%	300	297	+1%
Total operating income	257	224	+15%	507	451	+12%
Total operating expenses before impairment charge	83	78	+5%	165	153	+8%
Net income for the period before zakat	175	145	+20%	341	298	+15%

﷼ (mn)	2Q-2025	4Q-2024	YTD % Change	2Q-2024	YoY % Change
Total assets	3,879	3,822	+2%	7,551	-49%
Total liabilities	482	764	-37%	415	+16%

Investment banking and brokerage booked a 15% year-on-year increase in net income before zakat reaching to ﷼ 341 million during 1H 2025, driven by a robust growth of 34% in net special commission income.

Investment banking and brokerage assets increased by 2% year-to-date during 1H 2025 reaching to ﷼ 3,879 million and liabilities decreased by 37% reaching to ﷼ 482 million.

Outlook

Saudi Arabia's economy maintained steady momentum in the first half of 2025, with real GDP rising by 3.4% year-on-year in 1Q. Growth was fueled primarily by a 4.9% increase in non-oil activities, while oil-related output declined slightly by 0.5% as voluntary production cuts under the OPEC+ agreement remained in place. Seasonally adjusted GDP rose by 1.1%, reflecting a healthy rebound in economic activity after a relatively flat performance in late 2024. The non-oil sector continues to anchor growth, supported by strong domestic demand, ongoing investment in infrastructure, and the government's continued focus on economic diversification. Market expectations point to further strengthening in 2Q, with early indicators suggesting another solid performance driven by services, manufacturing, and trade-related sectors.

Inflation pressures remain modest overall but are gradually ticking up, driven mainly by rising housing costs. In June 2025, the annual inflation rate stood at 2.3%, and marking the highest level in nearly a year. Rents for apartments and villas have seen sustained increases, pushing up the overall cost of housing and services. Nevertheless, inflation remains contained relative to global peers, thanks to domestic price support policies, the currency peg to the dollar, and muted imported inflation. Core inflation also appears stable, which provides policymakers with room to prioritize growth without triggering major price instability. Inflation will remain a key metric to watch in the coming months as housing supply catches up with demand.

Saudi Arabia's non-oil private sector remained firmly in expansion territory in 2Q 2025, as reflected in the Riyadh Bank PMI, which averaged above 56 over the quarter and rose to 57.2 in June. The readings indicate a strong improvement in business conditions, led by higher output, a pickup in new orders, and increased employment. Key sectors such as services, construction, and manufacturing have reported robust performance, driven by domestic spending and improved export demand. Firms also noted improved supplier delivery times and rising confidence, with future output expectations reaching a nine-month high. While material costs remain elevated, easing wage pressures have helped keep overall input costs manageable. These dynamics highlight the growing role of private sector activity in sustaining growth and diversification.

On the fiscal side, the government expects to run a deficit of ﷲ 101 billion in 2025, equivalent to 2.3% of GDP. Based on MoF, total expenditures are projected at ﷲ 1.285 trillion, with continued focus on Vision 2030 priorities such as infrastructure, industrial development, and tourism. Revenues are forecast to reach ﷲ 1.184 trillion, underpinned by growing non-oil income streams. Despite the deficit, the government remains committed to long-term investment, using borrowing and reserves to maintain momentum in strategic sectors.

Saudi Arabia's near-term outlook remains positive, supported by solid non-oil growth, manageable inflation, and continued fiscal support positioning the Kingdom for continued progress. Structural reforms under Vision 2030 are reshaping the economy, reinforcing Saudi Arabia's role as a dynamic and diversified economic center for regional growth.

About Riyad Bank

Riyad Bank is one of the largest financial institutions in the Kingdom of Saudi Arabia and the Middle East. Established in 1957, with a paid-up capital of 30 billion and now with +7.5K employees, we take pride of being among the Saudi organizations with the highest national employment rate of 96%.

We provide a comprehensive range of products and services fully compliant with the Islamic Sharia' to meet the needs of both retail and corporate customers, including small and medium-size enterprises. We take a lead role in many areas of finance and investment across Saudi Arabia and are distinguished as a leading financier and arranger of syndicated loans in the oil and petrochemicals sector as well as the Kingdom's most notable infrastructure projects.

We offer innovative financing solutions through a network of 333 licensed branches, and +215K POS, in addition to +1.6K ATMs distributed across the Kingdom. Our branch in London and offices in Houston (USA) and Singapore support the international banking needs of our increasingly global customers.

Additional Information

The 2Q 2025 financial statements, earnings release, earnings presentation, investor presentation and financial data supplement will be available on the website of Riyad Bank at:



[Riyad Bank - Investor Relations Website](#)

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