

Bank AlJazira reports 20% growth in net income to ₪ 1,143 million for 9M 2025

9M 2025 Financial Results Highlights:

- **Net income** for 9M 2025 amounted to ₪ 1,143 million, up 20% compared to 9M 2024. On a sequential basis, 3Q 2025 net income increased to ₪ 400 million up 5% compared to 2Q 2025.
- **Total operating income** for 9M 2025 reached ₪ 3,279 million, demonstrating 17% YoY growth, driven by a 17% increase in net financing and investment income and a 15% expansion in fee and other income.
- **Positive jaws** with cost-to-income ratio improving to 52.7%, down 270 bps despite continued investments in people, infrastructure, and digital initiatives.
- **The bank's cost of risk** decreased to 0.29% for 9M 2025, compared to 0.32% during 9M 2024.
- **Assets** demonstrated a 12% YoY increase compared to 9M 2024, driven by a 16% increase in financing, supported by both the retail and corporate segments.
- **Customers' deposits** rose by 12% YoY, reaching ₪ 115.3 billion, supported by higher time and savings deposits.

Reflecting on the 9M 2025 performance, Mr. Naif A. Al Abdulkareem, Chief Executive Officer of Bank AlJazira, stated:

"The bank's performance in the first nine months of 2025 has been impressive across all measures, and reflects solid execution and continued strength across all our business lines. Net income grew by 20% year-over-year to ₪ 1,143 million, supported by robust top-line growth. We continue to enjoy positive operating jaws, demonstrating our ability to balance growth with efficiency. This ability to deliver positive jaws while continuing to invest is key to the bank's investment case. The decline in our cost of risk to 29 bps highlights the continued strength of our credit quality and prudent risk approach. Our balance sheet remains healthy and well-diversified, with steady growth in financing and customer deposits, reflecting the trust of our clients and the resilience of our franchise.

Our strategic initiatives across corporate and retail segments continued to deliver material progress. In corporate banking, we significantly increased syndication activity and expanded the base of multinational clients, contributing to increased funded asset growth. Unfunded exposures also increased, driven by the launch of new trade finance and cash management solutions. Furthermore, the strategically important MSME portfolio recorded double-digit growth, and remains a key engine of future expansion. In retail banking, momentum remained strong, with continued expansion in the affluent segments and an almost twofold increase in the auto finance portfolio year-over-year. We further strengthened our digital leadership through innovative technology solutions such as the Loan Origination System for credit cards, Open Banking capabilities, and Google Pay integration.

Our performance over the period demonstrates the bank's continued ability to execute with discipline and consistency, even as we invest in growth and innovation. With a solid balance sheet, strong credit quality, and clear strategic focus, we are well positioned to capture future opportunities and deliver long-term value to our shareholders."

[Riyadh, 21 October 2025](#). Bank AlJazira's net income for 9M 2025 reached ₪ 1,143 million, reflecting a strong 20% year-over-year increase. This performance was driven by a 17% rise in total operating income, partially offset by an 11% increase in operating expenses and a 39% rise in impairment charge. In the third quarter of 2025, net income reached ₪ 400 million, experiencing a 20% year-over-year increase and 5% on a sequential basis.

Total operating income for 9M 2025 amounted to ₪ 3,279 million, a 17% year-over-year increase. This growth was driven by a 17% increase in net financing and investment income, coupled with a 15% expansion in fee and other income. 32% of total operating income in 9M 2025 came from fee and other income, driven mainly by increased fees from banking services, and supported by improved dividend and exchange income. Total operating income for 3Q 2025 reached ₪ 1,098 million, an increase of 8% year-over-year.

Financing and investment income for 9M 2025 saw 9% year-over-year growth, while the return on deposits and financial liabilities increased by 5%, leading to a 17% rise in net financing and investment income. The net margin for 9M 2025 increased by 8 bps, improving from 2.00% to 2.08% year-over-year. In the third quarter of 2025, net financing and investment income grew by 9% year-over-year but declined by 7% quarter-over-quarter, as higher funding costs on deposits outpaced the repricing of assets.

The bank's segment mix remains well diversified, with all segments contributing to both operating and net income, exemplifying the strength and resilience of the business model.

Operating expenses for 9M 2025 increased by 11% compared to 9M 2024, due to higher spending on staff-related costs and strategic initiatives, including digital transformation. However, the cost-to-income ratio improved from positive operating leverage, showing a year-over-year decline of 2.7 ppts to reach 52.7% from 55.4%.

The impairment charge for 9M 2025 totalled ₪ 254 million, up 39% year-over-year and 12% versus the normalized level of last year, which had benefited from a one-off impairment reversal on certain real estate assets. The bank's cost of risk remained modest at 29 bps for 9M 2025, a 3 bps decrease compared to the previous year.

The balance sheet reached ₪ 163.4 billion expanding by 12% YoY, compared to the 9M 2024, driven by sustained growth in commercial financing, further supported by increasing consumer financing and investments. Customer deposits demonstrated a 12% YoY increase, driven by an increase in time, savings and call deposits.

Income Statement Summary

For the period ending 30 September 2025

﷼ Mn	9M 2025	9M 2024	YoY % Change	3Q 2025	3Q 2024	YoY % Change
Net financing and investment income	2,227	1,899	+17%	711	650	+9%
Fee and other income	1,053	913	+15%	387	371	+4%
Total operating income	3,279	2,812	+17%	1,098	1,021	+8%
Total operating expenses before impairment charge	(1,727)	(1,557)	+11%	(587)	(557)	+5%
Impairment charge	(254)	(183)	+39%	(54)	(88)	-38%
Net operating income	1,298	1,072	+21%	457	376	+22%
Share in net income of an associate	8	13	-38%	1	3	-58%
Net income for the period before zakat and income tax	1,306	1,085	+20%	458	379	+21%
Zakat and income tax	(163)	(134)	+22%	(58)	(47)	+25%
Net income for the period	1,143	951	+20%	400	333	+20%
Earnings per share	0.79	0.66	+19%	0.29	0.26	+11%
ROAE before zakat and tax	8.97%	8.51%	+46 bps	9.00%	8.86%	+15 bps
ROAE	7.85%	7.45%	+40 bps	7.86%	7.77%	+9 bps
Net margin	2.08%	2.00%	+8 bps	1.90%	1.95%	-5 bps
Cost of risk*	0.29%	0.32%	-3 bps	0.12%	0.40%	-28 bps
Cost to income ratio	52.7%	55.4%	-2.7 ppt	53.5%	54.6%	-1.1 ppts

*Cost of Risk is based on Impairment Charge in respect of Financing net of recoveries, reversal and write offs.

Balance Sheet Summary

For the quarter as of 30 September 2025

ﷲ Mn	3Q 2025	2Q 2025	QoQ % Change	4Q 2024	YTD % Change	3Q 2024	YoY % Change
Total cash, interbank and balances with SAMA	14,042	13,129	+7%	12,815	+10%	13,310	+5%
Investments, net	38,143	37,381	+2%	36,194	+5%	36,273	+5%
Financing, net	107,812	103,702	+4%	96,912	+11%	92,710	+16%
Other assets, net	3,430	3,361	+2%	2,984	+15%	3,112	+10%
Total assets	163,428	157,573	+4%	148,906	+10%	145,405	+12%
Due to banks and other financial institutions	21,753	19,899	+9%	19,309	+13%	20,154	+8%
Customers' deposits	115,283	114,155	+1%	108,187	+7%	103,349	+12%
Subordinated Sukuk	2,042	2,006	+2%	2,006	+2%	2,045	-0%
Other liabilities, net	2,713	2,422	+12%	2,203	+23%	2,258	+20%
Total liabilities	141,791	138,482	+2%	131,704	+8%	127,806	+11%
Total equity	21,637	19,091	+13%	17,202	+26%	17,599	+23%

Additional Information

The full financial statements, earnings release, investor and earnings presentations will be made available on our website at:

[Financial Reports](#)

Please contact BAJ for more information:

IR email: IR@BankAlJazira.com