Daily Bulletin

September 3, 2026

SAIB agrees to sell its 50% stake in American Express Saudi Arabia

Last Price: SAR 14.6 | YoY Performance: 7.4% | Target Price: SAR 15.7

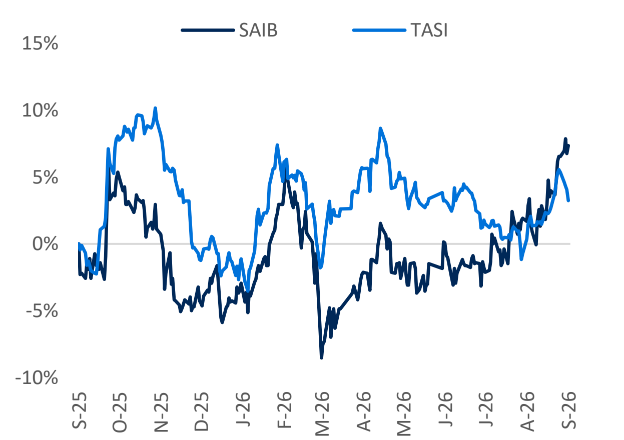
Saudi Investment Bank (SAIB) has signed an agreement with Amex (Middle East) B.S.C. (c) to sell its entire 50% shareholding in American Express Saudi Arabia (AESA). The consideration payable at completion is SAR 1,430.1 mn (USD 381.4 mn) in cash (based on a purchase price formula in the shareholders' agreement), plus a deferred purchase price representing SAIB's share of AESA's distributable profits from the transaction date to completion of the share transfer. The completion is conditional on regulatory approvals.

The transaction is expected to result in a one-off gain of SAR 792.4 mn, based on the book value of SAIB's investment in AESA of SAR 637.7 mn, as of 30th Nov-25. The financial impact of the transaction will be reflected in SAIB's financial statements following the completion of the transaction. The gain equals roughly 90.1% of SAIB's 1H26 net income (adjusted for Sukuk cost) of SAR 879.5 mn.

At AESA's 18.8x 2025 P/E multiple, SAIB is exiting at ~1.8x its own 1H26 annualized P/E multiple of 10.4x. The book value comparison is starker; AESA's sale price of SAR 1,430.1 mn represents a 2.2x P/B with an implied ROE of 11.9% (based on Nov-25 book value), against SAIB's own P/B of 1.0x and a 1H26 annualized ROE of 10.0%. The bank intends to use the proceeds from the sale to support and strengthen its financial position, in line with its strategic direction.

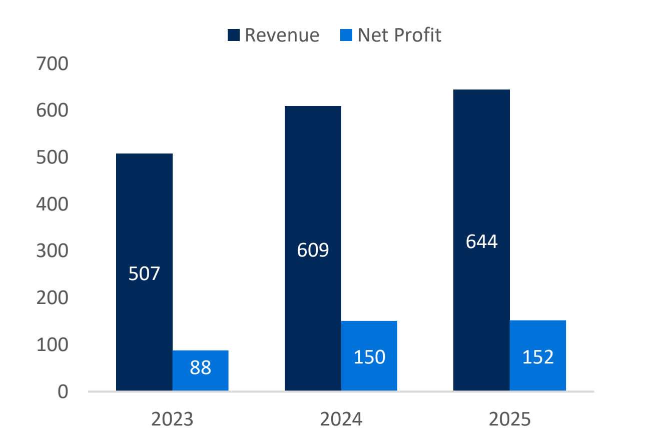
SAIB's stock has surged 7.4% YoY, outperforming TASI, which gained 3.2% during the same period. SAIB is currently trading at a 2026e P/B of 1.0x, with a target price of SAR 15.7/share, implying an upside of 7.7% from the current price of SAR 14.6/share.

Relative price chart



Source: Bloomberg, anbc research

AESA's key financials (SAR mn)



Source: Tadawul, anbc research

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