

BSF reports 8% net income growth to SAR 4,544mn in 2024

BSF reports 8% net income growth driven by higher non-interest income and lower cost of risk partly offset by rising expenses



- Total assets SAR 292.8bn, up 15% YoY, driven by increased lending and investments
- Loans and advances up 14% YoY to SAR 204.2bn from both Corporate and Retail
- Customers' deposits SAR 185.1bn, up 7% YoY from increased interest-bearing and non-interest-bearing deposits
- Net income for FY 2024 SAR 4,544mn, up 8% YoY on higher non-interest income and lower cost of risk partly offset by rising expenses
- Operating income SAR 9,658mn in FY 2024, up 4% YoY, driven by 19% non-interest income growth, and a modest 1% increase in net interest income
- Net interest margin at 3.05% in FY 2024, contracted by 48bps YoY
- Cost-to-income ratio at 35.3% for FY 2024, a 2.9 ppts increase YoY on higher expenses
- Return on equity at 10.4%, down 22bps YoY
- Tier 1 ratio of 18.8% and Capital Adequacy Ratio (CAR) of 19.7%
- Liquidity Coverage Ratio (LCR) of 162%; Net Stable Funding Ratio (NSFR) of 114%

Riyadh, 5 February 2025 - BSF reported 8% year-on-year growth in net income to SAR 4,544 million for FY 2024, driven by a 19% rise in non-interest income and a 26% reduction in the impairment charge, partly offset by higher operating expenses. Operating income grew by 4%, with non-interest income up 19% year-over-year, while net interest income grew more modestly at 1% as margin contraction mostly offset substantial balance sheet growth.

Total assets amounted to SAR 292.8 billion as of 31 December 2024, an increase of 15% year-on-year, mostly driven by healthy 14% loan growth and a 24% expansion of the investment portfolio. Total customers' deposits increased by 7% year-on-year from both interest-bearing and non-interest-bearing categories.

Bader Alsalloom, Chief Executive Officer of BSF, said:



“Our performance in 2024 reflects the progress we’ve made in advancing our strategic priorities. The 8% net income growth, driven by robust non-interest income and significantly lower impairment charges, highlights our progress in strengthening revenue diversity and risk management. Additionally, balance sheet momentum, supported by a positive operating environment in Saudi Arabia, reinforces our solid foundation. We have made transformative strides with key investments in technology, including the launch of our omnichannel digital app and core banking system releases, alongside the successful launch of our new brand, positioning BSF for future growth. As we look forward, we remain committed to delivering sustainable value by continuously innovating, enhancing operational efficiency, and expanding customer-centric solutions.”

Performance Highlights

Income Statement Highlights

SAR Mn	FY 2024	FY 2023	Δ%	4Q 2024	4Q 2023	Δ%
Net interest income	7,883	7,835	+1%	2,039	1,868	+9%
Non-interest income	1,774	1,489	+19%	533	323	+65%
Operating income	9,658	9,324	+4%	2,572	2,191	+17%
Operating expenses	(3,409)	(3,022)	+13%	(970)	(846)	+15%
Pre-impairment operating income	6,249	6,302	-1%	1,602	1,345	+19%
Impairment charge	(1,180)	(1,594)	-26%	(355)	(413)	-14%
Net income before zakat	5,069	4,708	+8%	1,247	932	+34%
Zakat	(525)	(485)	+8%	(130)	(104)	+25%
Net income	4,544	4,223	+8%	1,117	827	+35%
NIM	3.05%	3.53%	-48bps	3.02%	3.22%	-21bps
Cost to income ratio	35.3%	32.4%	+2.9ppts	37.7%	38.6%	-0.9ppts
Cost of risk	0.58%	0.96%	-38bps	0.63%	0.90%	-27bps
EPS	1.72	1.61	+7%	0.41	0.31	+32%
ROAE	10.4%	10.6%	-22bps	9.6%	8.2%	+140bps
ROAA	1.63%	1.73%	-10bps	1.54%	1.31%	+22bps

Net income for FY 2024 improved 8% year-on-year to SAR 4,544 million from a 19% rise in non-interest income and a 26% reduction in impairments, partly offset by a 13% increase in operating expenses. Quarterly net income increased by 35% year-on-year, driven by an improved top line but decreased by 3% quarter-on-quarter on higher risk and operating costs.

Total operating income increased by 4% year-on-year to SAR 9,658 million for FY 2024. Net interest income rose slightly by 1% to SAR 7,883 million as a 16% year-on-year growth in average interest earning assets was almost offset by a 48 basis points margin contraction to 3.05%.

Quarterly total operating income increased by 17% year-on-year and 7% quarter-on-quarter, driven mainly by higher non-interest income in the last quarter of 2024.

Non-interest income increased by 19% to SAR 1,774 million due to higher trading income, supported by net fee & commission income growth and improved investment-related and exchange income.

Operating expenses increased 13% year-on-year to SAR 3,409 million in FY 2024 due to increased general and administrative expenses and employee-related costs. Quarterly operating expenses rose by 15% year-on-year and 13% quarter-on-quarter. The cost to income ratio increased by 289 basis points year-on-year to 35.3% for FY 2024 due to the operating expenses growth.

The impairment charge amounted to SAR 1,180 million for FY 2024 compared with SAR 1,594 million in FY 2023. This 26% improvement resulted from lower commercial impairments, partly offset by higher consumer, investment and other impairments.

Balance Sheet Highlights

SAR Mn	4Q 2024	3Q 2024	Δ%	4Q 2023	Δ%
Cash & SAMA balances	10,921	11,118	-2%	10,559	+3%
Due from banks	5,016	6,764	-26%	4,113	+22%
Investments	60,289	57,669	+5%	48,750	+24%
Loans & advances	204,168	201,008	+2%	179,391	+14%
Other assets	12,382	11,394	+9%	10,852	+14%
Total assets	292,776	287,953	+2%	253,666	+15%
Due to banks, other FI & SAMA	32,307	24,181	+34%	18,945	+71%
Customers' deposits	185,118	193,342	-4%	172,209	+7%
Debt securities & term loans	15,518	12,798	+21%	8,634	+80%
Other liabilities	13,226	11,233	+18%	12,473	+6%
Total liabilities	246,169	241,554	+2%	212,262	+16%
Share capital	25,000	12,054	+107%	12,054	+107%
Retained earnings	4,510	13,757	-67%	11,711	-61%
Other	9,097	12,589	-28%	12,639	-28%
Equity attributable to shareholders	38,607	38,399	+1%	36,404	+6%
Tier 1 sukuk	8,000	8,000	+0%	5,000	+60%
Total equity	46,607	46,399	+0%	41,404	+13%
NPL ratio	0.93%	0.83%	+11bps	1.06%	-12bps
NPL coverage ratio	181.7%	193.1%	-11.5ppts	137.7%	+44.0ppts
T1 ratio	18.8%	18.7%	+12bps	19.0%	-18bps
CAR	19.7%	19.5%	+20bps	19.6%	+9bps
LCR	162.2%	161.6%	+0.5ppts	196.0%	-33.8ppts
NSFR	114.0%	118.0%	-4.0ppts	117.0%	-3.0ppts
LTD SAMA ratio	83.6%	81.4%	+2.2ppts	84.1%	-0.5ppts
Headline LTD Ratio	110.3%	104.0%	+6.3ppts	104.2%	+6.1ppts

Total assets as of 31 December 2024 amounted to SAR 292,776 million, an increase of 15% from 31 December 2023. Loans and advances rose 14% during FY 2024 to SAR 204,168 million, driven by 13% commercial and 16% consumer lending growth.

The investment portfolio expanded by 24% YoY from high-quality liquid assets to manage interest rate risk while capturing higher yields.

Customers' deposits increased by 7% during FY 2024 to SAR 185,118 million. Growth was driven by a 9% rise in interest-bearing deposits, further supported by a 6% increase in non-interest-bearing deposits.

During FY 2024, the Bank issued debt securities and term loans totaling USD 1,855 million.

The non-performing loans ratio further declined to 0.93% as of 31 December 2024, a 12 basis points improvement during FY 2024 as NPLs increased by 1% relative to 14% gross loan growth. The coverage of non-performing loans increased further to 181.7% as of 31 December 2024 relative to 137.7% at the start of the year.

The total capital adequacy ratio increased to 19.7%, and the Tier 1 ratio rose to 18.8% as of 31 December 2024, driven by additional Tier 1 sukuk issuance of SAR 3 billion and retained earnings generation.

In 4Q 2024, the Bank increased its capital from SAR 12,054 million to SAR 25,000 million by capitalizing SAR 5,000 million from the statutory reserve and SAR 7,946 million from retained earnings. This issuance granted 1.074 bonus shares for each existing share. This move aims to strengthen the Bank's financial position in support of its strategic objectives.

The bank's liquidity remained strong and comfortably within regulatory limits, with the liquidity coverage ratio at 162%, the net stable funding ratio at 114%, the SAMA regulatory loan to deposit ratio at 83.6%, and the headline loan to deposit ratio at 110.3%.

Operating Segment Highlights

Corporate Banking

Income Statement Highlights

SAR Mn	FY 2024	FY 2023	Δ%	4Q 2024	4Q 2023	Δ%
Net interest income	4,416	3,736	+18%	1,035	939	+10%
Fee & other income	534	531	+1%	110	118	-7%
Total operating income	4,950	4,267	+16%	1,145	1,057	+8%
Expenses	(892)	(760)	+17%	(258)	(203)	+27%
Pre-impairment operating income	4,058	3,507	+16%	887	855	+4%
Impairments	(920)	(1,631)	-44%	(284)	(365)	-22%
Net income before zakat	3,138	1,876	+67%	603	490	+23%
NIM	3.05%	2.90%	+15bps	2.73%	2.78%	-4bps
Cost to income ratio	18.0%	17.8%	+0.2ppts	22.5%	19.2%	+3.4ppts
Commercial COR	0.56%	1.18%	-62bps	0.61%	1.04%	-43bps

Balance Sheet Highlights

SAR Mn	4Q 2024	3Q 2024	Δ%	4Q 2023	Δ%
Loans & advances	151,428	149,711	+1%	135,650	+12%
Total assets	153,956	152,067	+1%	136,409	+13%
Customers' deposits	119,383	130,752	-9%	102,995	+16%
Total liabilities	120,747	131,829	-8%	104,477	+16%

Corporate reported 67% year-on-year growth in net income before zakat to SAR 3,138 million. This resulted from 16% operating income growth to SAR 4,950 million and a 44% decline in credit impairments.

Total assets for the corporate segment grew 13% in FY 2024 to SAR 153,956 million from a 12% increase in loans and advances. Corporate liabilities grew 16% year-on-year to SAR 120,747 million from 16% deposits growth.

Retail Banking

Income Statement Highlights

SAR Mn	FY 2024	FY 2023	Δ%	4Q 2024	4Q 2023	Δ%
Net interest income	3,876	3,400	+14%	958	893	+7%
Fee & other income	157	179	-12%	54	49	+10%
Total operating income	4,032	3,579	+13%	1,012	942	+7%
Expenses	(1,863)	(1,692)	+10%	(527)	(478)	+10%
Pre-impairment operating income	2,169	1,887	+15%	485	464	+4%
Impairments	(250)	39	-744%	(64)	(52)	+24%
Net income before zakat	1,919	1,926	-0%	420	412	+2%
NIM	8.24%	8.65%	-41bps	7.58%	8.56%	-98bps
Cost to income ratio	46.2%	47.3%	-1.1ppts	52.1%	50.7%	+1.4ppts
Consumer COR	0.67%	-0.06%	+73bps	0.68%	0.24%	+44bps

Balance Sheet Highlights

SAR Mn	4Q 2024	3Q 2024	Δ%	4Q 2023	Δ%
Loans & advances	50,971	49,577	+3%	42,325	+20%
Total assets	53,008	51,582	+3%	44,030	+20%
Customers' deposits	65,735	62,590	+5%	69,214	-5%
Total liabilities	66,659	63,349	+5%	70,429	-5%

Retail net income before zakat for FY 2024 remained stable year-on-year at SAR 1,919 million as 13% operating income growth to SAR 4,032 million was offset by an increase in impairments to SAR 250 million and 10% increase in operating expenses.

Total retail assets rose by 20% during FY 2024 to SAR 53,008 million from 20% growth in retail loans. Total liabilities declined by 5% year-to-date to SAR 66,659 million due to a 5% reduction in customers' deposits.

Treasury

Income Statement Highlights

SAR Mn	FY 2024	FY 2023	Δ%	4Q 2024	4Q 2023	Δ%
Net interest income	(576)	528	-209%	2	(6)	+127%
Fee & other income	702	481	+46%	269	60	+349%
Total operating income	127	1,009	-87%	270	54	+400%
Expenses	(390)	(342)	+14%	(116)	(98)	+19%
Pre-impairment operating income	(263)	667	-139%	155	(44)	+455%
Impairments	(10)	(2)	+415%	(7)	3	-333%
Net income before zakat	(273)	665	-141%	147	(40)	+465%

Balance Sheet Highlights

SAR Mn	4Q 2024	3Q 2024	Δ%	4Q 2023	Δ%
Investments	60,289	57,669	+5%	48,750	+24%
Total assets	83,097	81,746	+2%	71,113	+17%
Total liabilities	57,869	45,516	+27%	36,595	+58%

Treasury reported a net loss before zakat of SAR 273 million for FY 2024. This resulted from an 87% year-on-year decline in operating income to SAR 127 million on higher funding costs, reflective of the higher rate environment.

Treasury assets increased by 17% during FY 2024 from 24% growth in the investment portfolio, while liabilities rose 58%.

Investment Banking and Brokerage

Income Statement Highlights

SAR Mn	FY 2024	FY 2023	Δ%	4Q 2024	4Q 2023	Δ%
Net interest income	167	170	-2%	45	41	+9%
Fee & other income	382	299	+28%	100	96	+4%
Total operating income	549	469	+17%	145	137	+6%
Expenses	(264)	(228)	+15%	(69)	(68)	+1%
Net income before zakat	286	241	+19%	76	70	+10%
Brokerage volume	110,008	93,195	+18%	22,047	21,717	+2%
Cost to income ratio	48.0%	48.7%	-0.7ppts	47.4%	49.3%	-2.0ppts

Balance Sheet Highlights

SAR Mn	4Q 2024	3Q 2024	Δ%	4Q 2023	Δ%
AUM	30,494	29,622	+3%	23,985	+27%
Loans & advances	1,769	1,720	+3%	1,417	+25%
Total assets	2,714	2,558	+6%	2,113	+28%
Total liabilities	894	860	+4%	761	+18%

The Investment Banking and Brokerage segment registered a 19% year-on-year improvement in net income before zakat to SAR 286 million for FY 2024. This was driven by 17% growth in operating income due to increased fee income, partly offset by rising operating expenses.

Outlook

The macro-economic fundamentals in the Kingdom of Saudi Arabia remain strong, with expected real GDP growth of 3.3% in 2025. The continued realization of Vision 2030 opportunities, alongside a projected robust non-oil GDP growth at 4.4%, is anticipated to drive vigorous corporate activity and healthy credit demand.

Interest rates are forecasted to remain stable, with a potential decrease of up to 50 basis points throughout the year.

The bank is well-positioned to capitalize on these favorable economic conditions in 2025. Combined with our unwavering focus on strategic execution, we anticipate delivering enhanced returns for our shareholders.

Additional Information

The FY 2024 financial statements, earnings release, earnings presentation, investor presentation and financial data supplement will be available on the website of BSF at:

[BSF IR Website](#)

[Financial Disclosures](#)

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