

BOARD OF DIRECTORS' REPORT

The Directors present their Audited Financial Statements of American Express Saudi Arabia (the "Company") for the fourteen month period ended 31 December 2016.

Review of Business

The Company reported a net profit of SAR 192.37 million (\$51.30 million) for the reporting period.

Financial Highlights	SAR Millions
Total Operating Revenue	492
Total Expenses	(280)
Profit before Zakat and Income Tax	212
Net profit for the period	192
Total Assets	886
Total Liabilities	492
Total Shareholders' Equity	393

In 2016, we made the consumer card products Sharia compliant. In tough economic conditions we restructured business processes and enhanced automation to achieve a lean organization, contain costs and protect profitability. While doing this we continue to make investments to grow business in the long run and are committed to recruiting and training Saudi nationals.

These are the Company's first statutory financial statements after conversion to a Saudi Closed Joint Stock Company.


Dividend

The Company paid SAR 182.06 million as dividends for the years 2014 and 2015.

Auditors

A resolution proposing re-appointment of Ernst & Young for auditing the Company's financial statements for the year ending 31 December 2017 and authorizing the Directors to fix their remuneration will be approved at the Annual General Assembly.

On behalf of the Board



HH Prince Ahmad bin Khalid bin Abdullah bin Abdulrahman Al Saud
Chairman
February 1, 2017