

2223

Governance: A

# LUBEREF

Saudi Aramco Base Oil Co.

**101.90** SAR / Share

As of: Mar 26, 2026

**20.0x**

P/E RATIO

Trailing 12 Months

**3.7x**

P/B RATIO

Price to Book Value

**4.0%**

DIVIDEND YIELD

Annual Dividend / Share

**17.15B**  
**SAR**

MARKET CAP

Total Valuation

**1.08**

BETA

Systematic Risk Index

**10.6%**

NET MARGIN

Net Profit / Revenue

## Company Profile

Saudi Aramco Base Oil Company – Luberef is a Saudi Joint Stock Company that constructs, owns, and operates base oil refineries. It purchases feedstock from Saudi Aramco and sells base oils, additives, and by-products (such as fuel oil blend and asphalt) to local and international markets. The company is 70% owned by Saudi Aramco and ultimately controlled by the Saudi government.

## The Story

"A high-return, cash-generative subsidiary of Saudi Aramco that dominates the regional base oil market while maintaining a net-cash balance sheet."

Financial Metric	Value
Return on Capital (ROIC)	29.2%
Debt-to-Equity Ratio	5.5%
Sustainable Growth Rate	+5.8%

## Growth Story

Luberef is currently navigating a period of revenue consolidation, with TTM revenue of 8.1 billion SAR compared to 10.0 billion SAR in fiscal 2024. This trend reflects the cyclical nature of global petroleum product pricing. The company's sustainable growth rate is technically negative at -4.57%, driven by a five-year... [\[Read full story\]](#)

## Corporate Governance Profile

**Rating: A**

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## Profitability Dynamics

Despite the recent revenue contraction, Luberef maintains efficient operations with a TTM operating margin of 11.0% and a profit margin of 10.6%. This efficiency allows the company to generate substantial cash flows, supporting significant dividend distributions such as the 518 million SAR final dividend for 2024 and... [\[Read full story\]](#)

## Risk & Capital Structure Factors

Luberef's risk profile is characterized by high customer concentration and commodity sensitivity, with approximately 36% of revenue derived from sales to Saudi Aramco. However, this is balanced by an exceptionally strong balance sheet. The company maintains a negative gearing ratio of -10%, as its cash reserves of 987... [\[Read full story\]](#)