

Flash Note

Thursday, April 27, 2023

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Commercial Banks

Allied Bank Limited (ABL)

Earnings: Allied Bank Limited (ABL) announced its financial result for the first quarter of the year 2023. As per the financial result, the Bank reported earnings of PKR 7.6bn (PKR 6.6/share) during 1QCY23 compared to PKR 4.8bn (PKR 4.2/share) last year, an increase of +57%/y.

Dividend/Payout: The Company announced cash dividend of PKR 2.5/share along with the result this quarter compared to PKR 2/share last year same period.

Operating Performance: During the period under review, the Bank reported net-interest income of PKR 21bn (up by +64%/y) and non-interest income of PKR 7bn (up by 68%/y). As a result total revenue of the bank stood at PKR 27bn (up by +65%/y). Moreover, ABL recorded operating expenses of PKR 12bn (up by +31%/y), which improved the bank's cost/income ratio to 42% (last year: 53%). The bank booked provision charge of PKR 2.3bn during 1QCY23 compared to provision charge of PKR 0.3bn last year same period. Tax charge for this quarter came at PKR 6bn (effective tax rate of 43% compared to 40% in 1QCY22).

Exhibit: Financial Highlights Allied Bank Limited (ABL)												
Latest result published for 1Q/23												
Period (PKRbn)	1Q/23	2022	4Q/22	3Q/22	2Q/22	1Q/22	2021	4Q/21	3Q/21	2Q/21	1Q/21	2020
Net Interest Income	21	67	21	18	15	13	46	11	12	12	11	48
Fee Income	3	8	2	2	2	2	7	2	2	2	2	5
Treasury Income	4	12	2	4	5	2	8	2	2	2	2	7
Non-Interest Income	7	21	4	6	7	4	16	4	4	4	4	13
Total Revenue	27	87	26	24	22	17	62	15	15	16	15	61
Op. Exp.	(12)	(41)	(12)	(11)	(10)	(9)	(34)	(9)	(8)	(8)	(8)	(31)
Provision charge	(2)	0	(0)	(0)	0	0	1	0	0	0	0	(1)
Profit Before Tax	13	47	14	13	12	8	28	6	7	8	7	30
Tax	(6)	(25)	(5)	(7)	(10)	(3)	(11)	(2)	(3)	(3)	(3)	(11)
Profit After tax	7.59	21.19	8.57	5.74	2.06	4.83	17.31	4.24	4.31	4.73	4.03	18.03
EPS	6.63	18.51	7.48	5.01	1.80	4.22	15.12	3.70	3.76	4.13	3.52	15.74
DPS	2.50	8.00	2.00	2.00	2.00	2.00	8.00	2.00	2.00	2.00	2.00	8.00
BVPS	116	112	112	109	110	113	111	111	113	112	110	115

Source: Company accounts, IGI Research. No. of shares: 1145.1mn

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