

Flash Note

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Commercial Banks

Faysal Bank Limited (FABL)

Earnings: Faysal Bank Limited (FABL) announced its financial result for the first quarter of the year 2023. As per the financial result, the Bank reported earnings of PKR 3.2bn (PKR 2.1/share) during 1QCY23 compared to PKR 2.1bn (PKR 1.4/share) last year, an increase of +51%/y.

Dividend/Payout: The Company did not announce cash dividend this quarter.

Operating Performance: During the period under review, the Bank reported net-interest income of PKR 13bn (up by +82%/y) and non-interest income of PKR 3bn (up by 18%/y). As a result total revenue of the bank stood at PKR 16bn (up by +67%/y). Moreover, FABL recorded operating expenses of PKR 8bn (up by +33%/y), which improved the bank's cost/income ratio to 51% (last year: 64%). The bank booked hefty provision charge of PKR 1.4bn during 1QCY23 compared to provision reversal of PKR 0.1bn last year same period. Tax charge for this quarter came at PKR 3bn (effective tax rate of 49% compared to 39% in 1QCY22).

Exhibit: Financial Highlights Faysal Bank Limited (FABL)												
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	13	40	13	11	9	7	26	7	7	6	5	25
Fee Income	2	7	2	1	2	1	5	1	1	1	1	4
Treasury Income	1	2	0	1	0	1	3	1	1	1	1	4
Non-Interest Income	3	9	2	2	2	2	9	2	2	2	2	8
Total Revenue	16	49	15	13	11	9	34	9	9	9	8	33
Op. Exp.	(8)	(27)	(8)	(7)	(6)	(6)	(21)	(6)	(6)	(5)	(5)	(20)
Provision charge	(1.4)	1	0	0	0	0.1	(0)	0	(0)	(1)	1	(2)
Profit Before Tax	6	22	7	6	5	3	13	3	3	3	3	11
Tax	(3)	(11)	(4)	(3)	(3)	(1)	(5)	(1)	(1)	(1)	(1)	(4)
Profit After tax	3.21	11.23	3.57	3.28	2.25	2.13	8.12	2.08	2.05	1.92	2.08	6.51
EPS	2.12	7.40	2.35	2.16	1.48	1.41	5.35	1.37	1.35	1.26	1.37	4.29
DPS	0.00	7.00	1.00	5.50	0.50	0.00	1.50	1.00	0.00	0.50	0.00	0.00
BVPS	48	46	46	46	45	44	43	43	43	42	41	40

Source: Company accounts, IGI Research. No. of shares: 1517.7mn

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