

Flash Note

Wednesday, October 25, 2023



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Commercial Banks

Bank AL Habib Limited (BAHL)

Earnings: Bank Al Habib Limited (BAHL) announced its financial result for the third quarter of the year 2023. As per the financial result, the Bank reported unconsolidated earnings of PKR 11.2bn (PKR 10.07/share) during 3QCY23 compared to PKR 5.34bn (PKR 4.8/share) last year, an increase of +48%q/q and a jump of +2.1xy/y. This brings total profitability for 9MCY23 to PKR 29.3bn (PKR 26.35/share), up by +96%/y.

Dividend/Payout: The Company announced a cash dividend of PKR 4.5/share along with the result bringing total cash payout for 9MCY23 to PKR 9.0/share.

Operating Performance: During the 3QCY23 period under review, the Bank reported net-interest income of PKR 34bn (up by +68%/y) and non-interest income of PKR 6bn (down by 5%/y). As a result, the bank's total revenue stood at PKR 40bn (up by +52%/y). Moreover, BAHL recorded operating expenses of PKR 18bn (up by +27%/y), which has improved bank's cost/income ratio to 45% (last year: 54%). The bank booked a provision charge of PKR 0.1bn during 3QCY23 compared to a provision charge of PKR 1.8bn in the same period last year. The tax charge for this quarter came at PKR 11bn (effective tax rate of 49% compared to 49% in 3QCY22). This brings total effective tax rate for 9MCY23 to 45% compared to 48% in the same period last year.

Exhibit: Financial Highlights Bank Al-Habib Limited (BAHL)								
Latest result published for 3Q'/23								
Period (PKRbn)	9MCY23	3Q'/23	2Q'/23	1Q'/23	9MCY22	3Q'/22	2Q'/22	1Q'/22
Net Interest Income	85	34	26	25	54	20	18	16
Fee Income	10	4	4	3	9	3	3	3
Treasury Income	6	2	2	3	7	3	3	1
Non-Interest Income	17	6	5	6	16	6	6	4
Total Revenue	103	40	32	31	71	26	24	20
Op. Exp.	(51)	(18)	(18)	(15)	(39)	(14)	(13)	(12)
Provision charge	1.1	(0.1)	0.2	1.0	(2.4)	(1.8)	(0.5)	(0.2)
Profit Before Tax	53	22	14	17	29	10	10	8
Tax	(24)	(11)	(7)	(6)	(14)	(5)	(6)	(3)
Profit After tax	29.28	11.20	7.55	10.54	14.97	5.34	4.67	4.96
EPS	26.35	10.07	6.79	9.48	13.47	4.80	4.20	4.46
DPS	9.00	4.50	4.50	0.00	0.00	0.00	0.00	0.00

Source: Company accounts, IGI Research. No. of shares: 1,111.4mn

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