

Flash Note

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Commercial Banks

Faysal Bank Limited (FABL)

Earnings: Faysal Bank Limited (FABL) announced its financial result for the third quarter of the year 2023. As per the financial result, the Bank reported unconsolidated earnings of PKR 4.52bn (PKR 2.98/share) during 3QCY23 compared to PKR 3.28bn (PKR 2.16/share) last year, an increase of +5%q/q and a jump of +38%/y/y. This brings total profitability for 9MCY23 to PKR 12.04bn (PKR 7.94/share), up by +57%/y/y.

Dividend/Payout: The Company announced a cash dividend of PKR 1.0/share along with the result bringing total cash payout for 9MCY23 to PKR 2.0/share.

Operating Performance: During the 3QCY23 period under review, the Bank reported net-interest income of PKR 18bn (up by +72%/y/y) and non-interest income of PKR 2bn (up by 2%/y/y). As a result, the bank's total revenue stood at PKR 21bn (up by +60%/y/y). Moreover, FABL recorded operating expenses of PKR 10bn (up by +45%/y/y), which has reduced the Bank's cost/income to 48% (last year: 53%). FABL booked a provision of PKR 1.6bn during 3QCY23 compared to a provision reversal of PKR 0.3bn in the same period last year. The tax charge for this quarter came at PKR 4.5bn (effective tax rate of 50% compared to 48% in 3QCY22. This brings total effective tax rate for 9MCY23 to 50% compared to 49% in the similar period last year.

Exhibit: Financial Highlights Faysal Bank Limited (FABL) - Unconsolidated								
Latest result published for 3Q'/23								
Period (PKRbn)	9M'/23	3Q'/23	2Q'/23	1Q'/23	9M'/22	3Q'/22	2Q'/22	1Q'/22
Net Interest Income	49	18	18	13	27	11	9	7
Fee Income	6	2	2	2	5	2	2	1
Treasury Income	1	(0)	0	1	2	1	0	1
Non-Interest Income	7	2	2	3	7	2	2	2
Total Revenue	56	21	20	16	34	13	11	9
Op. Exp.	(28)	(10)	(10)	(8)	(19)	(7)	(6)	(6)
Provision charge	(3.9)	(1.6)	(1.0)	(1.4)	0.7	0.3	0.3	0.1
Profit Before Tax	24	9	9	6	15	6	5	3
Tax	(12)	(5)	(5)	(3)	(7)	(3)	(3)	(1)
Profit After tax	12.04	4.52	4.31	3.21	7.66	3.28	2.25	2.13
EPS	7.94	2.98	2.84	2.12	5.05	2.16	1.48	1.41
DPS	2.00	1.00	1.00	0.00	6.00	5.50	0.50	0.00

Source: Company accounts, IGI Research. No. of shares: 1,517.7mn

Analyst

Abdullah Farhan

Abdullah.Farhan@igi.com.pk

Tel: +92 21 111 234 234 Ext: 912

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IGI Finex Securities Limited

Research Analyst(s)

Research Identity Number: BRP009

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Contact Details

Equity Sales

Faisal Jawed Khan	Head of Equities	Tel: (+92-21) 35301779	faisal.jawed@igi.com.pk
Zaeem Haider Khan	Regional Head (North)	Tel: (+92-42) 38303559-68	zaeem.haider@igi.com.pk
Muhammad Naveed	Regional Manager (Islamabad & Upper North)	Tel: (+92-51) 2604861-62	muhammad.naveed@igi.com.pk
Syeda Mahrukh Hameed	Branch Manager (Lahore)	Tel: (+92-42) 38303564	mahrukh.hameed@igi.com.pk
Shakeel Ahmad	Branch Manager (Faisalabad)	Tel: (+92-41) 2540843-45	shakeel.ahmad1@igi.com.pk
Asif Saleem	Equity Sales (RY Khan)	Tel: (+92-68) 5871652-56	asif.saleem@igi.com.pk
Mehtab Ali	Equity Sales (Multan)	Tel: (+92-61) 4512003	mahtab.ali@igi.com.pk

Research Team

Abdullah Farhan	Deputy Head of Research	Tel: (+92-21) 111-234-234 Ext: 912	abdullah.farhan@igi.com.pk
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IGI Finex Securities Limited

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Corporate member of Pakistan Mercantile Exchange Limited

Website: www.igisecurities.com.pk

Head Office

Suite No 701-713, 7th Floor, The Forum, G-20,
 Khayaban-e-Jami Block-09, Clifton, Karachi-75600
 UAN: (+92-21) 111-444-001 | (+92-21) 111-234-234
 Fax: (+92-21) 35309169, 35301780

Stock Exchange Office

Room # 134, 3rd Floor, Stock Exchange Building,
 Stock Exchange Road, Karachi.
 Tel: (+92-21) 32429613-4, 32462651-2
 Fax: (+92-21) 32429607

Lahore Office

Shop # G-009, Ground Floor,
 Packages Mall
 Tel: (+92-42) 38303560-69
 Fax: (+92-42) 38303559

Faisalabad Office

Office No. 2, 5 & 8, Ground Floor, The
 Regency International 949, The Mall
 Faisalabad
 Tel: (+92-41) 2540843-45

Multan Office

Mezzanine Floor, Abdali Tower,
 Abdali Road
 Tel: (92-61) 4512003, 4571183

Islamabad Office

Mezzanine Floor, Office 5, 6 & 7, Kashmir Plaza,
 Block- B, Jinnah Avenue, Blue Area
 Tel: (+92-51) 2604861-2, 2604864, 2273439
 Fax: (+92-51) 2273861

Rahim Yar Khan Office

Plot # 12, Basement of Khalid Market,
 Model Town, Town Hall Road
 Tel: (+92-68) 5871652-3
 Fax: (+92-68) 5871651

IGI Finex Securities Limited

Research Analyst(s)

Research Identity Number: BRP009

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