

Flash Note

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Commercial Banks

Faysal Bank Limited (FABL)

Earnings: Faysal Bank Limited (FABL) announced its financial result for the fourth quarter of the year 2023. As per the financial result, the Bank reported unconsolidated earnings of PKR 8.0bn (EPS PKR 5.27) during 4QCY23 compared to PKR 3.57bn (EPS PKR 2.35) last year, an increase of +77%q/q and a jump of +2.2xy/y. This brings total profitability for CY23 to PKR 20.05bn (EPS PKR 13.21), up by +78%/y.

Dividend/Payout: The Company announced a cash dividend of PKR 2.0/share along with the result bringing total cash payout for CY23 to PKR 4.0/share.

Operating Performance: During the 4QCY23 period under review, the Bank reported net-interest income of PKR 22bn (up by +68%/y) and non-interest income of PKR 5bn (up by +2.2xy/y). As a result, the bank's total revenue stood at PKR 27bn (up by +76%/y). Moreover, FABL recorded operating expenses of PKR 13bn (up by +56%/y), which has reduced the Bank's cost/income to 47% (4QCY22: 53%). FABL booked a provision reversal of PKR 3.0bn during 4QCY23 compared to a provision reversal of PKR 0.2bn in the same period last year. The tax charge for this quarter came at PKR 9bn (effective tax rate of 54% compared to 52% in 4QCY22. This brings total effective tax rate for CY23 to 52% compared to 50% in the similar period last year.

Exhibit: Financial Highlights Faysal Bank Limited (FABL)										
Latest result published for 3Q'/23										
Period (PKRbn)	CY23	4Q'/23	3Q'/23	2Q'/23	1Q'/23	CY22	4Q'/22	3Q'/22	2Q'/22	1Q'/22
Net Interest Income	71	22	18	18	13	40	13	11	9	7
Fee Income	9	2	2	2	2	7	2	2	2	1
Treasury Income	3	3	(0)	0	1	2	0	1	0	1
Non-Interest Income	12	5	2	2	3	9	2	2	2	2
Total Revenue	83	27	21	20	16	49	15	13	11	9
Op. Exp.	(41)	(13)	(10)	(10)	(8)	(27)	(8)	(7)	(6)	(6)
Provision charge	(0.9)	3.0	(1.6)	(1.0)	(1.4)	0.9	0.2	0.3	0.3	0.1
Profit Before Tax	41	17	9	9	6	22	7	6	5	3
Tax	(21)	(9)	(5)	(5)	(3)	(11)	(4)	(3)	(3)	(1)
Profit After tax	20.05	8.00	4.52	4.31	3.21	11.23	3.57	3.28	2.25	2.13
EPS	13.21	5.27	2.98	2.84	2.12	7.40	2.35	2.16	1.48	1.41
DPS	4.00	2.00	1.00	1.00	0.00	7.00	1.00	5.50	0.50	0.00

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

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