

# Flash Note

Wednesday, October 30, 2024

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Securities

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## Commercial Banks

### Allied Bank Limited (ABL)

**Earnings:** Allied Bank Limited (ABL) announced its financial result for the third quarter of the year 2024. As per the financial result, the Bank reported unconsolidated earnings of PKR 12.1bn (PKR 10.52/share) during 3QCY24 compared to PKR 11.2bn (PKR 9.80/share) last year, up by 7% y/y, taking total earnings for 9MCY24 to PKR 35.7bn (PKR 31.17/share) as compared to PKR 28.7bn (PKR 25.03/share) in the same period last year.

**Dividend/Payout:** The Company announced a cash dividend of PKR 4.0/share with the result taking the total result for 9MCY24 to PKR 12.0/share.

**Operating Performance:** During the 3QCY24 period under review, the Bank reported net-interest income of PKR 32bn (up by 5%/y) and non-interest income of PKR 6.5bn (up by 33%/y). As a result, the bank's total revenue stood at PKR 38bn (up by 9%/y). Moreover, ABL recorded operating expenses of PKR 14bn (up by 15%/y), with the bank's cost/income ratio clocking in at 38% (3QCY23: 36%). The bank booked a provision charge of PKR 0.1bn during 3QCY24 compared to a provision reversal of PKR 0.2bn in the same period last year. The tax charge for this quarter was recorded at PKR 12bn (effective tax rate of 49% as compared to 50% in 3QCY23) bringing total effective tax rate for 9MCY24 to 49% compared to 50% in the same period last year.

Exhibit: Financial Highlights Allied Bank Limited (ABL)					
Latest result published for 3Q/24					
Period (PKRbn)	3Q/24	3Q/23	2Q/24	9M'24	9M'23
Net Interest Income	32	30	29	90	81
Fee Income	3.6	2.7	3	10	7
Treasury Income	2.5	2.2	4	9	8
Non-Interest Income	6.5	4.9	7	20	16
<b>Total Revenue</b>	<b>38</b>	<b>35</b>	<b>36</b>	<b>110</b>	<b>97</b>
Op. Exp.	(14)	(13)	(15)	(43)	(37)
Provision charge	(0.1)	0.2	3	3.0	(2.5)
Profit Before Tax	24	23	24	70	58
Tax	(12)	(11)	(12)	(34)	(29)
<b>Profit After tax</b>	<b>12.1</b>	<b>11.2</b>	<b>12.3</b>	<b>35.7</b>	<b>28.7</b>
<b>EPS</b>	<b>10.52</b>	<b>9.80</b>	<b>10.72</b>	<b>31.17</b>	<b>25.03</b>
<b>DPS</b>	<b>4.00</b>	<b>3.00</b>	<b>4.00</b>	<b>12.00</b>	<b>8.00</b>

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

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