Flash Note

Thursday, August 28, 2025

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Commercial Banks

Faysal Bank Limited (FABL)

Earnings: Faysal Bank Limited (FABL) announced its financial result for the second quarter of the year 2025. As per the financial result, the Bank reported earnings of PKR 4.86bn (PKR 3.20/share) during 2QCY25 compared to PKR 6.75bn (PKR 4.45/share) last year, down by 28%y/y and 6%q/q. This brings total profitability for 1HCY25 to PKR 10.0bn (PKR 6.59/share), down by 25%y/y, compared to PKR 13.27bn (PKR 8.74/share) in the similar period last year.

Dividend/Payout: The Company announced a cash dividend of PKR 1.5/share along with the result bringing total cash payout for 1HCY25 to PKR 3.0/share against PKR 3.0/share during 1HCY24.

Operating Performance: During the 2QCY25 period under review, the Bank reported net-interest income of PKR 17.2bn (down by -12%y/y) while non-interest income clocked in at PKR 5.7bn (up by +33%y/y). As a result, the bank's total revenue stood at PKR 22.9bn (down by -4%y/y). Moreover, FABL recorded operating expenses of PKR 13.3bn (up by +17%y/y), with the bank's cost/income ratio clocking in at 58% (2QCY24: 48%). The bank booked a provision reversal of PKR 1.2bn during 2QCY25 compared to a reversal of PKR 0.8bn in the same period last year. The tax charge for this quarter was recorded at PKR 5.9bn (effective tax rate of 55% against 49% in 2QCY24) bringing total effective tax rate for 1HCY25 to 59% against 47% in the similar period last year.

Exhibit: Financial Highlights Faysal Bank Limited (FABL) - Unconsolidated

Latest result published for 2Q'/25

Period (PKRbn)	2Q'/25	2Q'/24	1Q'/25	1HCY'25	1HCY'24
Net Interest Income	17.2	19.7	17.2	34.4	38.4
Fee Income	3.4	2.6	3.1	6.5	5.1
Treasury Income	2.3	1.7	1.8	4.1	3.7
Non-Interest Income	5.7	4.3	4.9	10.6	9.0
Total Revenue	**22.9**	**23.9**	**22.1**	**45.0**	**47.4**
Op. Exp.	(13.3)	(11.4)	(13.3)	(26.7)	(22.4)
Provision charge	1.2	0.8	2.3	3.5	0.8
Profit Before Tax	10.7	13.3	11.1	21.9	25.8
Tax	(5.9)	(6.6)	(6.0)	(11.8)	(12.6)
Profit After tax	**4.9**	**6.8**	**5.1**	**10.0**	**13.3**
EPS	**3.20**	**4.45**	**3.39**	**6.59**	**8.74**
DPS	**1.5**	**2.0**	**1.5**	**3.0**	**3.0**

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

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