

# Flash Note

Wednesday, February 8, 2023



## Result announcement CY22

### Commercial Banks

## MCB Bank Limited (MCB)

**Earnings:** MCB Bank Limited (MCB) announced its annual result for the year 2022. As per the financial result, the Bank reported earnings of PKR 32.7bn (PKR 27.6/share) during CY22 compared to same period last year of PKR 30.8bn (PKR 26/share), an increase of +6.3%/y.

**Dividend/Payout:** The bank announced a final cash dividend of PKR 6/share this quarter. This brings total dividend payout to PKR 20/share for CY22.

**Operating Performance:** During the period under review, the Bank reported net-interest income of PKR 87.2bn (up by +36.2%/y) and non-interest income of PKR 24.6bn (up by +22.6%/y). As a result total revenue of the bank stood at PKR 111.8bn (up by +33%/y). Moreover, MCB recorded operating expenses of PKR 43.2bn (up by +17.1%/y) that significantly improved bank's cost/income ratio to 39% (last year: 44%). The Bank booked a provision reversal of PKR 2.8bn during CY22. Tax charge for the year came at PKR 38.6bn (effective tax rate of 54%).

<b>Exhibit: Financial Highlights MCB (MCB Bank Limited)</b>											
Latest result published for CY2022											
Period (PKRbn)	2022	4q/22	3q/22	2q/22	1q/22	2021	4q/21	3q/21	2q/21	1q/21	2020
Net Interest Income	87.2	25.6	22.5	20.9	18.1	64.0	16.2	16.2	16.3	15.2	71.3
Fee Income	14.2	3.9	3.6	3.5	3.3	12.4	3.3	3.1	2.7	3.3	10.9
Treasury Income	10.1	0.4	3.7	3.7	2.4	6.8	2.2	1.6	1.5	1.5	7.1
Non-Interest Income	24.6	4.4	7.4	7.2	5.7	20.1	5.7	4.9	4.7	4.7	18.1
<b>Total Revenue</b>	<b>111.8</b>	<b>30.0</b>	<b>29.9</b>	<b>28.1</b>	<b>23.8</b>	<b>84.1</b>	<b>21.9</b>	<b>21.1</b>	<b>21.1</b>	<b>20.0</b>	<b>89.5</b>
<b>Op. Exp.</b>	<b>(43.2)</b>	<b>(11.7)</b>	<b>(11.3)</b>	<b>(10.4)</b>	<b>(9.8)</b>	<b>(36.9)</b>	<b>(9.5)</b>	<b>(9.3)</b>	<b>(9.1)</b>	<b>(8.9)</b>	<b>(33.9)</b>
<b>Provision charge</b>	<b>2.8</b>	<b>1.5</b>	<b>0.5</b>	<b>(0.1)</b>	<b>0.9</b>	<b>4.8</b>	<b>1.3</b>	<b>1.5</b>	<b>1.8</b>	<b>0.2</b>	<b>(7.3)</b>
Profit Before Tax	71.4	20.3	19.1	17.6	14.9	52.0	13.7	13.3	13.7	11.3	48.2
Tax	(38.6)	(6.9)	(10.3)	(15.4)	(6.0)	(21.2)	(5.5)	(5.4)	(5.8)	(4.5)	(19.2)
<b>Profit After tax</b>	<b>32.74</b>	<b>12.9</b>	<b>8.7</b>	<b>2.2</b>	<b>8.9</b>	<b>30.8</b>	<b>8.3</b>	<b>7.8</b>	<b>8.0</b>	<b>6.8</b>	<b>29.0</b>
EPS	27.63	10.9	7.4	1.9	7.5	26.0	7.0	6.6	6.7	5.7	24.5
DPS	16.5	2.5	5.0	4.0	5.0	19.0	5.0	4.5	5.0	4.5	20.0
BVPS	153.2	143.5	142.6	138.8	145.9	147.2	147.2	149.9	150.7	147.4	160.4
Source: Company accounts, IGI Research, PSX										No. of shares: 1185.1mn	

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