

# Flash Note

Friday, July 11, 2025



## Commercial Banks

### United Bank Limited (UBL)

**Earnings:** United Bank Limited (UBL) announced its financial result for the second quarter of the year 2025. As per the financial result, the Bank reported unconsolidated earnings of PKR 28.2bn (PKR 11.26/share) during 2QCY25 compared to PKR 13.9bn (PKR 5.5/share) last year, surging by +2.0xy/y/10%q/q taking the cumulative earnings for the 1HCY25 to PKR 63.8bn (PKR 25.47/share) from PKR 29.4bn (PKR 11.76/share) in the same period last year.

**Dividend/Payout:** The Bank announced a cash dividend of PKR 8/share along with the result taking the cumulative dividend for 1HCY25 to PKR 19/share.

**Operating Performance:** During the 2QCY25 period under review, UBL reported net-interest income of PKR 91.2bn (up by +3.4xy/y). However, non-interest income clocked in at PKR 15.2bn (down by -17%y/y) due to a -75%y/y decline in trading gains as compared to same period last year. As a result, the total revenue of the bank clocked in at PKR 106.4bn (up by +2.3xy/y). Moreover, UBL recorded operating expenses of PKR 35.3bn (up by +88%y/y). The bank's cost/income ratio declined to 33% (2QCY24: 41%). UBL booked a provision reversal of PKR 2.3bn during 2QCY25 compared to a provision reversal of PKR 0.6bn in the same period last year. The tax charge for this quarter came at PKR 45.1bn (effective tax rate of 62% compared to 49% in the same period last year).

Exhibit: Financial Highlights United Bank Limited (UBL)					
Latest result published for 2Q'/25					
Period (PKRbn)	2Q'/25	2Q'/24	1Q'/25	1HCY'25	1HCY'24
Net Interest Income	91.2	27.0	68.2	175.4	53.6
Fee Income	8.0	4.8	3.0	14.5	10.0
Treasury Income	6.9	13.4	23.0	15.8	28.3
Non-Interest Income	15.2	18.3	26.2	30.8	38.7
<b>Total Revenue</b>	<b>106.4</b>	<b>45.3</b>	<b>94.4</b>	<b>206.2</b>	<b>92.3</b>
Op. Exp.	(35.3)	(18.7)	(37.8)	(61.4)	(37.0)
Provision charge	2.3	0.6	(14.2)	3.9	2.4
Profit Before Tax	73.3	27.2	42.4	271.5	131.7
Tax	(45.1)	(13.4)	(16.9)	(84.9)	(28.2)
<b>Profit After tax</b>	<b>28.2</b>	<b>13.9</b>	<b>25.5</b>	<b>63.8</b>	<b>29.4</b>
<b>EPS</b>	<b>11.3</b>	<b>5.5</b>	<b>10.2</b>	<b>25.47</b>	<b>11.76</b>
<b>DPS</b>	<b>8.0</b>	<b>11.0</b>	<b>11.0</b>	<b>19.0</b>	<b>22.0</b>

Source: Company accounts, IGI Research. No. of shares: 2504.2mn

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