

# Flash Note

Wednesday, February 22, 2023



## Result announcement CY22

### Commercial Banks

## United Bank Limited (UBL)

**Earnings:** United Bank Limited (UBL) announced its annual result for the year 2022, whereby the Bank reported unconsolidated earnings of PKR 32bn (PKR 26.2/share) during CY22 compared to PKR 31bn (PKR 25.2/share) last year, an increase of +3.8%/y.

**Dividend/Payout:** The bank announced a final cash dividend of PKR 9/share along with the result. This brings total cash dividend to PKR 22/share for CY22.

**Operating Performance:** During the period under review, the Bank reported net-interest income of PKR 103.2bn (up by +44%/y) and non-interest income of PKR 34.4bn (up by +47%/y). As a result total revenue of the bank stood at PKR 137.7bn (up by +45%/y). Moreover, UBL recorded operating expenses of PKR 53.7bn (up by +22%/y) that sharply improved bank's cost/income ratio to 39% (last year: 46%). The bank booked provision charge of PKR 15.7bn during CY22 compared to reversal of PKR 1bn last year. Tax charge for the year came at PKR 36bn (effective tax rate of 53%) compared to 41% in CY21.

Exhibit: Financial Highlights United Bank Limited (UBL) - Unconsolidated											
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	103.2	30.4	27.7	23.6	21.5	71.8	18.1	18.6	18.2	16.9	75.0
Fee Income	15.9	4.2	3.9	3.8	3.9	13.1	3.3	3.1	3.6	3.0	11.1
Treasury Income	11.0	1.3	3.3	3.9	2.6	9.8	2.6	2.6	2.0	2.6	5.4
Non-Interest Income	34.4	12.3	7.4	7.9	6.8	23.4	6.1	5.9	5.6	5.8	17.1
<b>Total Revenue</b>	<b>137.7</b>	<b>42.8</b>	<b>35.1</b>	<b>31.6</b>	<b>28.3</b>	<b>95.1</b>	<b>24.2</b>	<b>24.5</b>	<b>23.9</b>	<b>22.6</b>	<b>92.1</b>
<b>Op. Exp.</b>	<b>(53.7)</b>	<b>(14.8)</b>	<b>(14.0)</b>	<b>(12.7)</b>	<b>(12.1)</b>	<b>(44.0)</b>	<b>(11.9)</b>	<b>(11.3)</b>	<b>(10.6)</b>	<b>(10.1)</b>	<b>(41.1)</b>
<b>Provision charge</b>	<b>(15.7)</b>	<b>(10.3)</b>	<b>(4.7)</b>	<b>(0.4)</b>	<b>(0.3)</b>	<b>1.0</b>	<b>0.5</b>	<b>0.3</b>	<b>0.4</b>	<b>(0.4)</b>	<b>(16.8)</b>
Profit Before Tax	68.3	17.7	16.4	18.4	15.8	52.1	12.8	13.5	13.7	12.2	34.2
Tax	(36.2)	(4.4)	(9.5)	(16.1)	(6.3)	(21.2)	(5.0)	(5.7)	6.1	(4.8)	(13.3)
<b>Profit After tax</b>	<b>32.06</b>	<b>13.3</b>	<b>6.9</b>	<b>2.3</b>	<b>9.5</b>	<b>30.9</b>	<b>7.8</b>	<b>7.8</b>	<b>19.8</b>	<b>7.4</b>	<b>20.9</b>
EPS	26.19	10.9	5.6	1.9	7.8	25.2	6.4	6.3	16.2	6.0	17.1
DPS	22.0	9.0	4.0	4.0	5.0	18.0	6.0	4.0	4.0	4.0	12.0
BVPS	170.2	165.6	164.9	163.0	166.8	167.2	167.2	151.9	148.4	144.2	150.4
Source: Company accounts, IGI Research										No. of shares: 1,224.2mn	

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