

Flash Note

Wednesday, April 24, 2024

IGI
Securities

SERVING YOU SINCE 1994

Commercial Banks

Allied Bank Limited (ABL)

Earnings: Allied Bank Limited (ABL) announced its financial result for the first quarter of the year 2024. As per the financial result, the Bank reported unconsolidated earnings of PKR 11.36bn (PKR 9.92/share) during 1QCY24 compared to PKR 7.59bn (PKR 6.63/share) last year, a decline of -5%q/q and a jump of +50%/y/y.

Dividend/Payout: The Bank announced a cash dividend of PKR 4.0/share along with the result.

Operating Performance: During the 1QCY24 period under review, the Bank reported net-interest income of PKR 29bn (up by +42%/y/y) and non-interest income of PKR 6bn (up by -7%/y/y) due to a decline of 61%/y/y in FX income. As a result, the bank's total revenue stood at PKR 35bn (up by +30%/y/y). Moreover, ABL recorded operating expenses of PKR 13bn (up by +15%/y/y), which reduced the bank's cost/income ratio to 38% (1QCY23: 42%). The bank booked a provision reversal of PKR 0.2bn during 1QCY24 compared to a provision charge of PKR 2.3bn in the same period last year. The tax charge for this quarter was recorded at PKR 11bn (effective tax rate of 49% compared to 43% in 1QCY23).

Exhibit: Financial Highlights Allied Bank Limited (ABL)							
Latest result published for 1Q'/24							
Period (PKRbn)	1Q'/24	2023	4Q'/23	3Q'/23	2Q'/23	1Q'/23	2022
Net Interest Income	29	113	32	30	30	21	67
Fee Income	4	11	3	3	3	3	8
Treasury Income	3	14	5	2	2	4	12
Non-Interest Income	6	24	8	5	4	7	21
Total Revenue	35	138	41	35	35	27	87
Op. Exp.	(13)	(49)	(12)	(13)	(13)	(12)	(41)
Provision charge	0.2	(3.0)	(0.4)	0.2	(0.4)	(2.3)	0
Profit Before Tax	22	86	28	23	22	13	47
Tax	(11)	(45)	(16)	(11)	(12)	(6)	(25)
Profit After tax	11.36	40.68	12.02	11.22	9.85	7.59	21.19
EPS	9.92	35.53	10.50	9.80	8.61	6.63	18.51
DPS	4.00	12.00	4.00	3.00	2.50	2.50	8.50

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

Analyst

Sakina Makati

sakina.makati@igi.com.pk

Tel: +92 21 111 234 234 Ext: 810