

Flash Note

Tuesday, February 4, 2025

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Commercial Banks

Allied Bank Limited (ABL)

Earnings: Allied Bank Limited (ABL) announced its financial result for the fourth quarter of the year 2024. As per the financial result, the Bank reported unconsolidated earnings of PKR 7.5bn (PKR 6.58/share) during 4QCY24 compared to PKR 12.0bn (PKR 10.5/share) last year, down by -37% y/y, taking total earnings for CY24 to PKR 43.1bn (PKR 37.6/share) as compared to PKR 40.7bn (PKR 35.5/share) last year.

Dividend/Payout: The Company announced a cash dividend of PKR 4.0/share with the result taking the total cash payout for CY24 to PKR 16.0/share.

Operating Performance: During the 4QCY24 period under review, the Bank reported net-interest income of PKR 25.1bn (down by 22%/y/y) and non-interest income of PKR 8.1bn remaining almost flat on a y/y basis. As a result, the bank's total revenue stood at PKR 33.2bn (down by 18%/y/y). Moreover, ABL recorded operating expenses of PKR 15.1bn (up by +24%/y/y), with the bank's cost/income ratio clocking in at 46% (4QCY23: 30%). The bank booked a provision charge of PKR 0.3bn during 4QCY24 compared to a provision charge of PKR 0.4bn in the same period last year. The tax charge for this quarter was recorded at PKR 10.4bn (effective tax rate of 58% as compared to 57% in 4QCY23) bringing total effective tax rate for CY24 to 51% compared to 53% last year.

Exhibit: Financial Highlights Allied Bank Limited (ABL)					
Latest result published for 4Q/'24					
Period (PKRbn)	4Q/'24	4Q/'23	3Q/'24	CY'24	CY'23
Net Interest Income	25.1	32.3	31.7	115.2	113.3
Fee Income	4.0	2.9	3.6	14.1	10.6
Treasury Income	4.1	5.2	2.5	13.1	13.6
Non-Interest Income	8.1	8.3	6.5	28.0	24.4
Total Revenue	33.2	40.6	38.2	143.2	137.7
Op. Exp.	(15.1)	(12.2)	(14.5)	(58.0)	(49.0)
Provision charge	(0.3)	(0.4)	(0.1)	2.7	(3.0)
Profit Before Tax	17.9	27.9	23.6	87.9	85.8
Tax	(10.4)	(15.9)	(11.6)	(44.8)	(45.1)
Profit After tax	7.5	12.0	12.1	43.1	40.7
EPS	6.58	10.50	10.52	37.65	35.53
DPS	4.00	4.00	4.00	16.0	12.0

Source: Company accounts, IGI Research. No. of shares: 1,145.1mn

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- Justified Price to Book
- Residual Income (RI)
- Relative Valuation (Price to Earning, Price to Sales, Price to Book)

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