

Result announcement: Annual 2021

Commercial Banks

Allied Bank Limited

Earnings: Allied Bank Limited (ABL) announced its financial result for the year ending 2021. As per the financial result, the bank reported full year earnings of PKR 17.3bn (PKR 15.1/share) compared to last year PKR 18bn (PKR 15.7/share) a decline of -4%y.

Dividends/Payouts: The bank announced final cash dividend of PKR 2/share along with interim dividends of PKR 6/share, thus the total dividend for the year stands at PKR 8/share.

Operating performance: During the period under review, the bank reported net-interest income of PKR 45.5bn (down by 6%y) and non-interest income of PKR 15.9bn (up by +27%y). As a result total revenue of the bank stood at PKR 61.5bn (up by +1%y). Moreover, the bank recorded operating expenses of PKR 33.9bn (up by 11%y) which deteriorated bank's cost/income ratio to 55.2% (last year: 50.2%). In addition, the bank booked a provisioning reversal of PKR 811mn compared to last year provision charge of PKR 843mn.

Exhibit: Financial Highlights Allied Bank Ltd. (ABL)							
Latest result published for year 2021							
Period (PKRmn)	2021	4q2021	3q2021	2q2021	1q2021	2020	2019
Net Interest Income	45,587	10,905	11,664	12,224	10,794	48,420	41,507
Fee Income	6,811	1,862	1,694	1,632	1,623	5,440	5,092
Treasury Income	8,457	2,015	2,038	2,210	2,194	6,738	5,396
Non-Interest Income	15,937	4,208	3,796	4,103	3,830	12,542	10,891
Total Revenue	61,524	15,113	15,460	16,327	14,624	60,962	52,399
Operating Expenses	(33,946)	(8,947)	(8,450)	(8,486)	(8,063)	(30,604)	(27,610)
Provision charge	811	250	252	171	139	(843)	(547)
Tax Charge	(11,077)	(2,174)	(2,954)	(3,279)	(2,670)	(11,486)	(10,129)
Profit After tax	17,313	4,243	4,308	4,733	4,029	18,029	14,113
EPS	15.1	3.7	3.8	4.1	3.5	15.7	12.3
DPS	8.0	2.0	2.0	2.0	2.0	8.0	8.0
Source: Company accounts, IGI Research, PSX				No. of shares: 1145.07mn			

Link: <https://www.igisecurities.com.pk/downloads/research/ABLResultReview.pdf>

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