

# Allied Bank Limited



**Investor Presentation  
For The Period Ended  
March 31, 2019**

# Contents

<b>Description</b>	<b>Slide No.</b>
<b>Introduction</b>	<b>3</b>
<b>Major Highlights- Balance Sheet – Total Assets</b>	<b>4</b>
<b>Major Highlights – Balance Sheet – Total Liabilities</b>	<b>5</b>
<b>Major Highlights – Income Statement</b>	<b>6</b>
<b>Investments</b>	<b>7</b>
<b>Advances &amp; Asset Quality</b>	<b>8</b>
<b>Deposits</b>	<b>9</b>
<b>Key Ratios</b>	<b>10</b>
<b>Corporate Governance &amp; Rating</b>	<b>11</b>
<b>Stock market Data</b>	<b>12</b>
<b>Awards &amp; Achievement</b>	<b>13</b>
<b>Annexures</b>	<b>14-18</b>

**ABL Asset Management Co. Ltd.**  
Holding:100%

**On-site;1,095**  
**Off-site;302**

**ATMs: 1,397**

**Subsidiary**

**Bahrain WBU**  
**Export Processing**  
**Zone**

**Overseas**  
**Branches**

**Allied**  
**Bank**

**Domestic**  
**Branches;1,345**  
**(Incl. 117 Islamic Br.)**

**Domestic**  
**Branches**

**UAE-Dubai &**  
**China-Beijing**

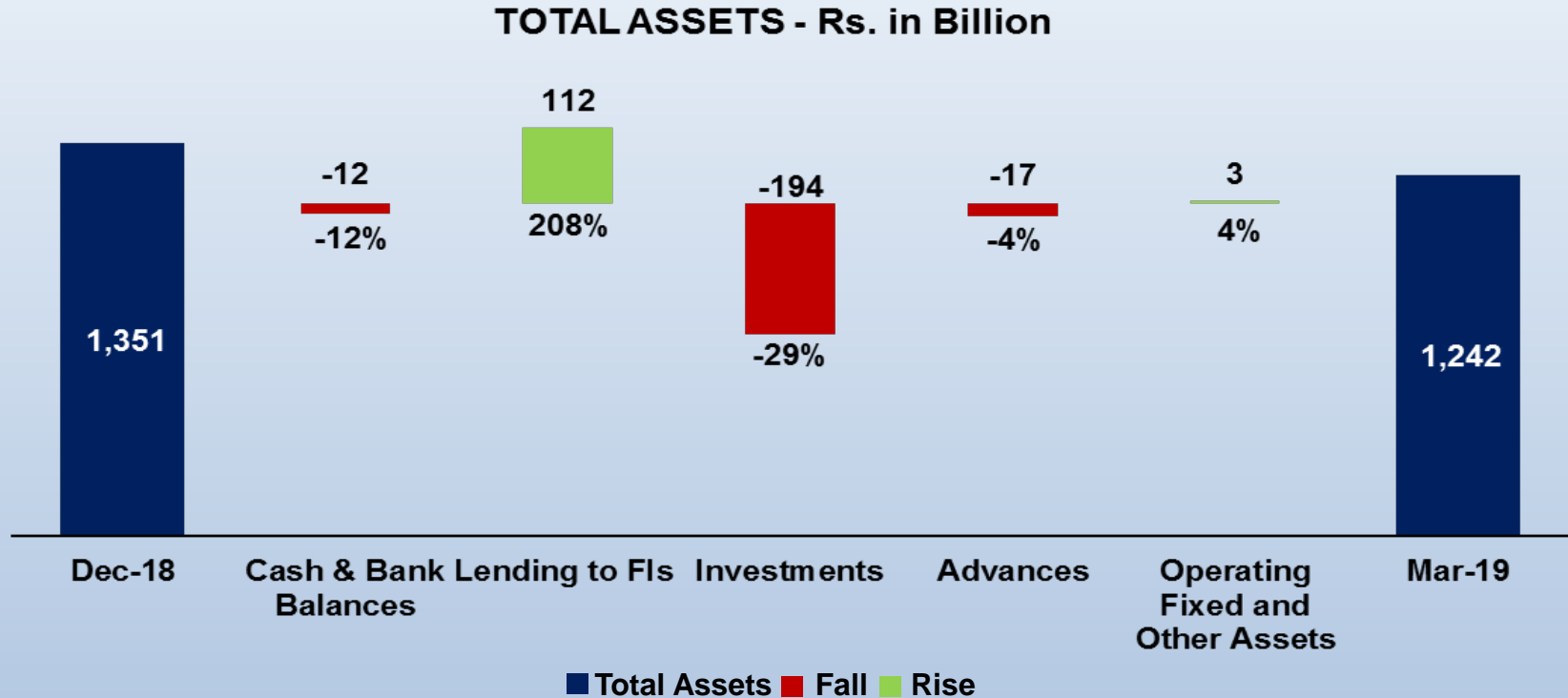
**Rep Offices**

**AAA Long Term**  
**A1+ Short Term**

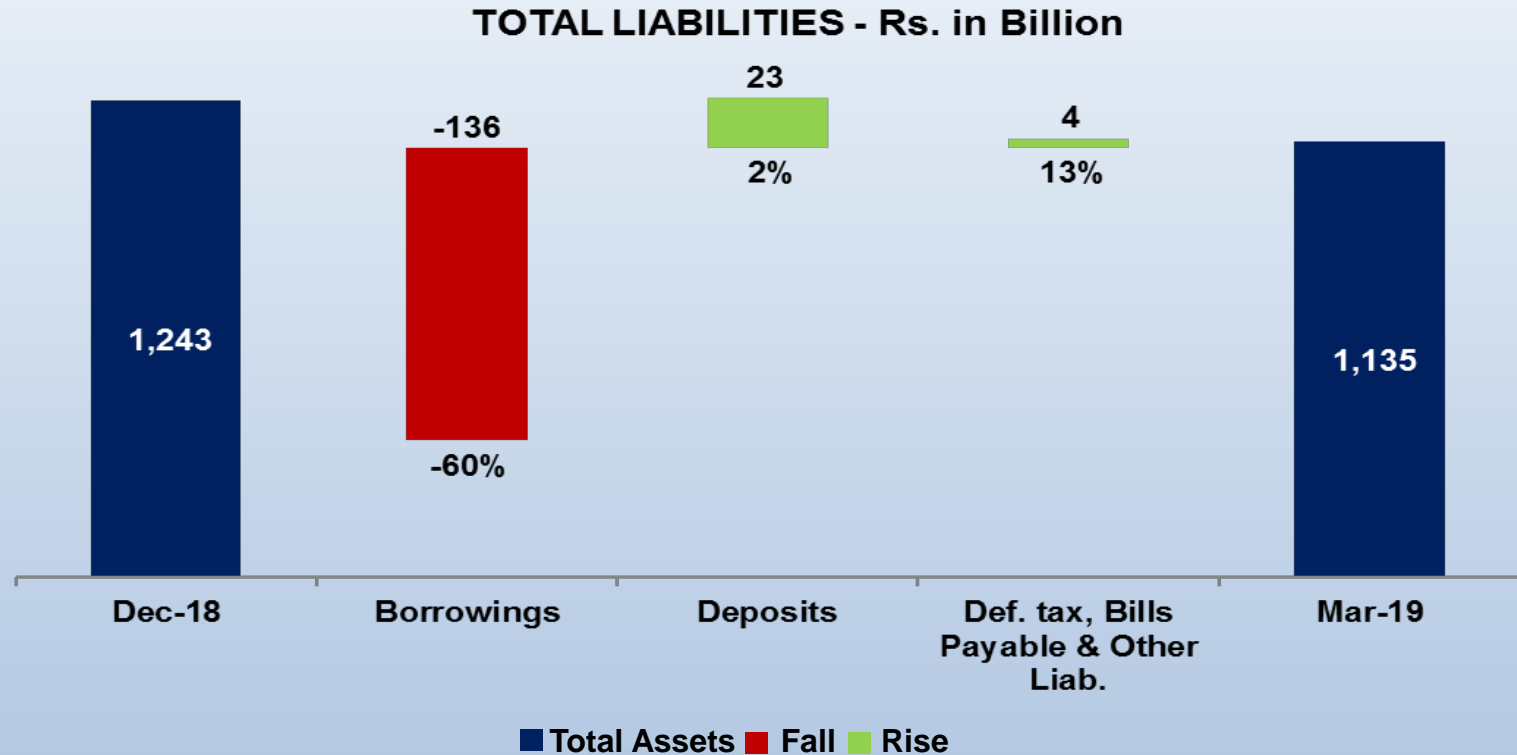
**Entity Credit**  
**Rating**

**Corporate**  
**Governance**  
**Rating**

**CGR 9+**

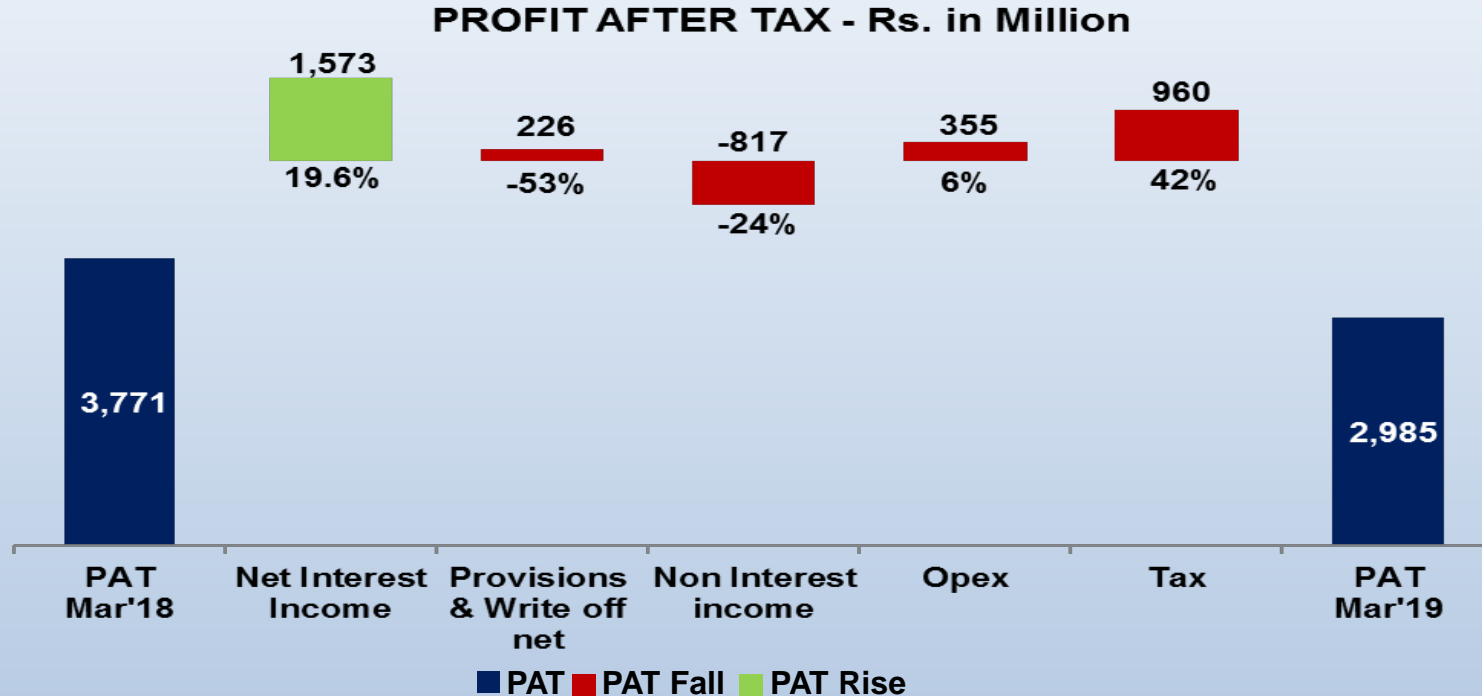
**MAJOR HIGHLIGHTS – BALANCE SHEET**


- **Total Assets Rs.1,242 Billion (decline by 8%); Total industry assets declined by 5%**
- **Net advances stood at Rs. 421 Billion.**
- **Lending to FI grew by 2.1 times**
- **Re-profiling of investments in rising interest rates landscape**

**MAJOR HIGHLIGHTS – BALANCE SHEET**


- **Total Liabilities Rs.1,135 Billion**
- **Deposits crossed 1,000 billion mark; CASA Mar'19: 79% (Dec'18: 82%)**
- **Total Equity at Rs.108 billion (US\$ 764 Million)**
- **CAR: 22.8% as at March 2019; Industry CAR December 18: 16.2%**

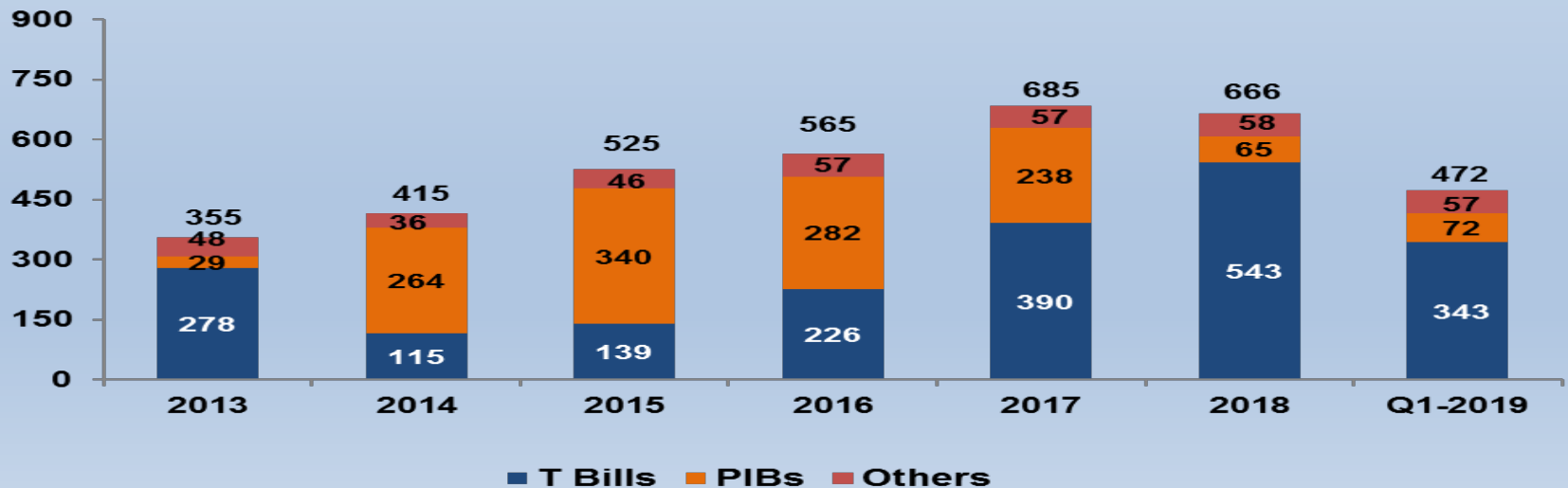
### MAJOR HIGHLIGHTS



- 8% Growth in PAT (before super tax charge); 1.3% Growth in PAT (after regular super tax charge)
- PAT at Rs.2,985 million: EPS Rs. 2.61
- Growth in Net Interest Income by 20%; Fee & Commission income increased by 20%; Foreign Exchange Income increased by 132%
- Decline in Capital Gain due to reprofiling of investments in corresponding period
- Optimum OPEX level; despite network expansion, higher technology and compliance costs including deposit protection cost amounting to Rs 205 million, regulatory levies, retirement benefits and devaluation impacts.

### INVESTMENTS

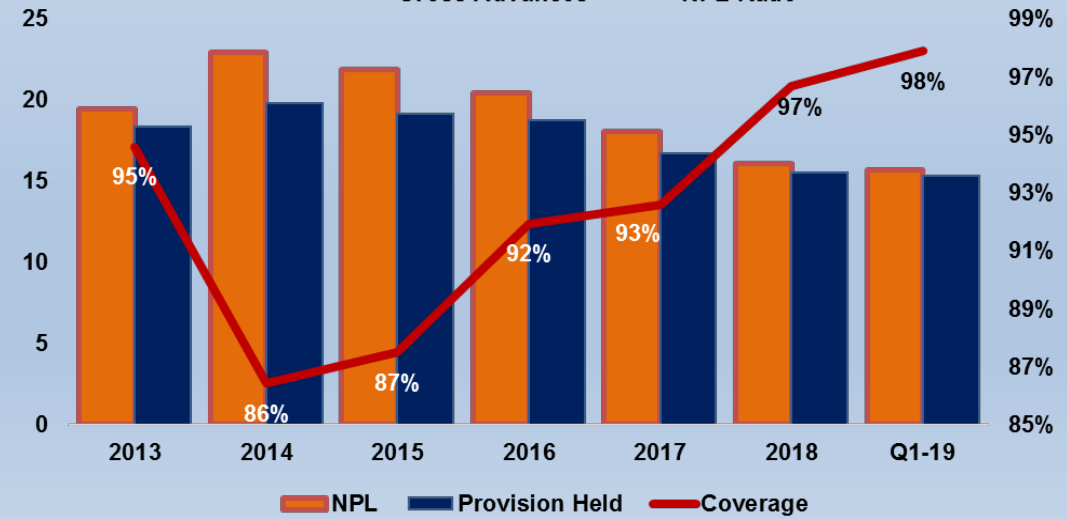
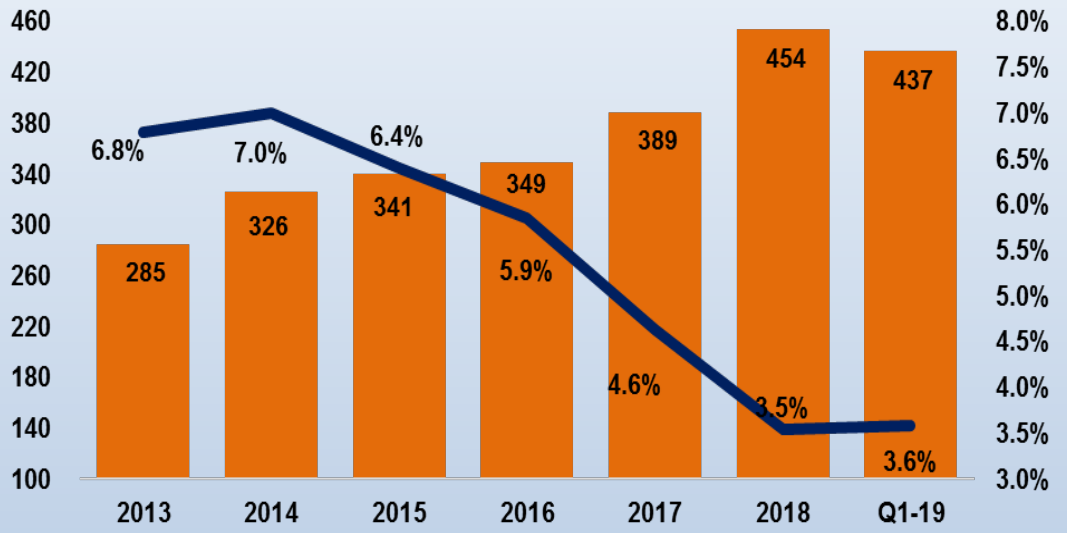
	<i>Rs. in Million</i>				<i>Composition</i>	
	Mar-19	Dec-18	Var.	Growth	Mar-19	Dec-18
Pakistan Investment Bonds	71,751	64,695	7,056	11%	15%	10%
Market Treasury Bills	343,339	543,455	(200,116)	-37%	73%	82%
Listed and Unlisted Shares	26,369	26,428	(59)	0%	6%	4%
TFCs, Bonds, Sukuks and Mutual Funds	30,432	30,826	(394)	-1%	6%	5%
Subsidiary	500	500	-	0%	0%	0%
Investments at Cost	472,391	665,905	(193,514)	-29%	100%	100%
Prov. for dimin. in value of investments	(2,662)	(2,655)	(8)	0%		
Surplus / (Deficit) on revaluation of securities	7,145	7,978	(833)	-10%		
Pakistan Investment Bonds	(1,195)	(1,397)				
Market Treasury Bills	(289)	(22)				
Listed and Unlisted Shares	8,281	9,572				
TFCs, Bonds, Sukuks and Mutual Funds	349	(175)				
<b>Total Investments at market value</b>	<b>476,874</b>	<b>671,228</b>	<b>(194,355)</b>	<b>-29%</b>		



**Market Share: 6%**

### ADVANCES & ASSET QUALITY

- **Gross Advances** reached Rs. 437 billion (↓4%) (Industry growth 0.08%)
- **Net ADR Ratio** reached 42% (Industry ADR 54%)
- **NPLs** at Rs.15.7 billion (↓2.3%)
- **NPL ratio** 3.6% ( ↓0.5%) (Industry Dec'18: 8.0%)
- **NPL coverage** 98% (↑1.2%) (Industry Dec'18 : 83.8%)
- **Power, Textile, Cement, chemical and Agriculture** remained key sectors.

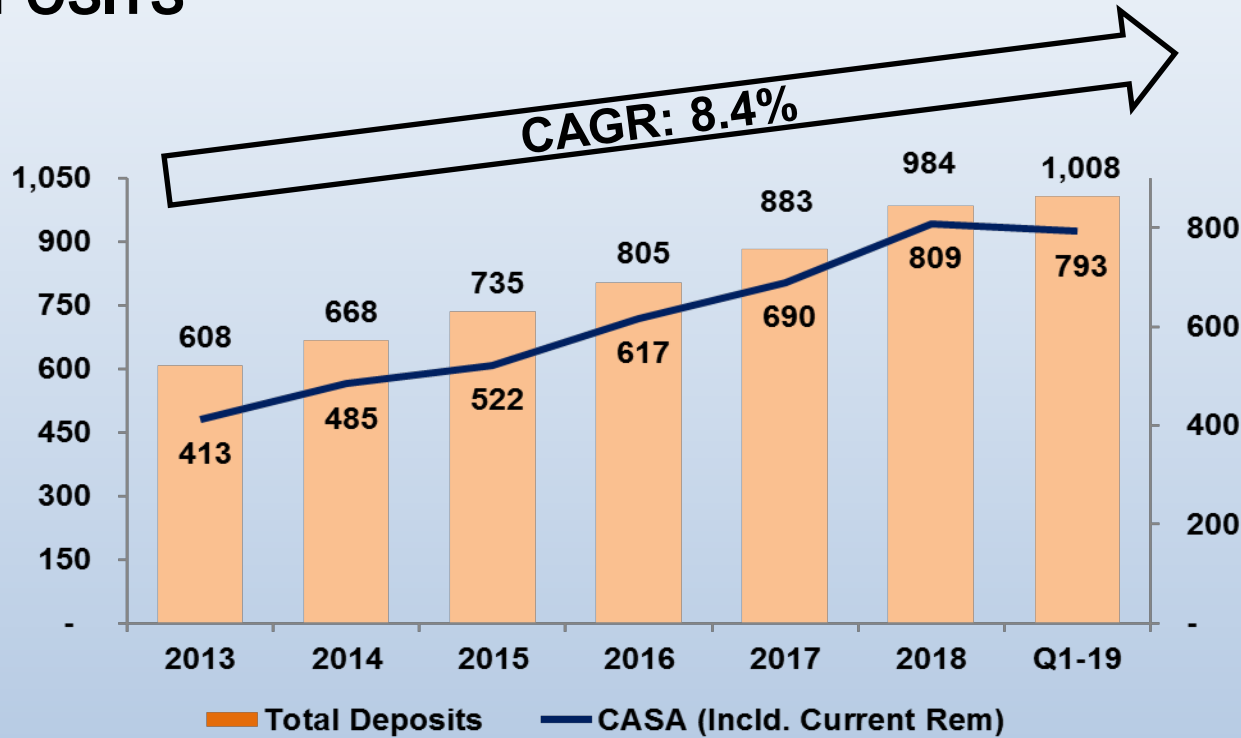




### DEPOSITS

**Market Share 7.5%**

**Industry Growth 1%**



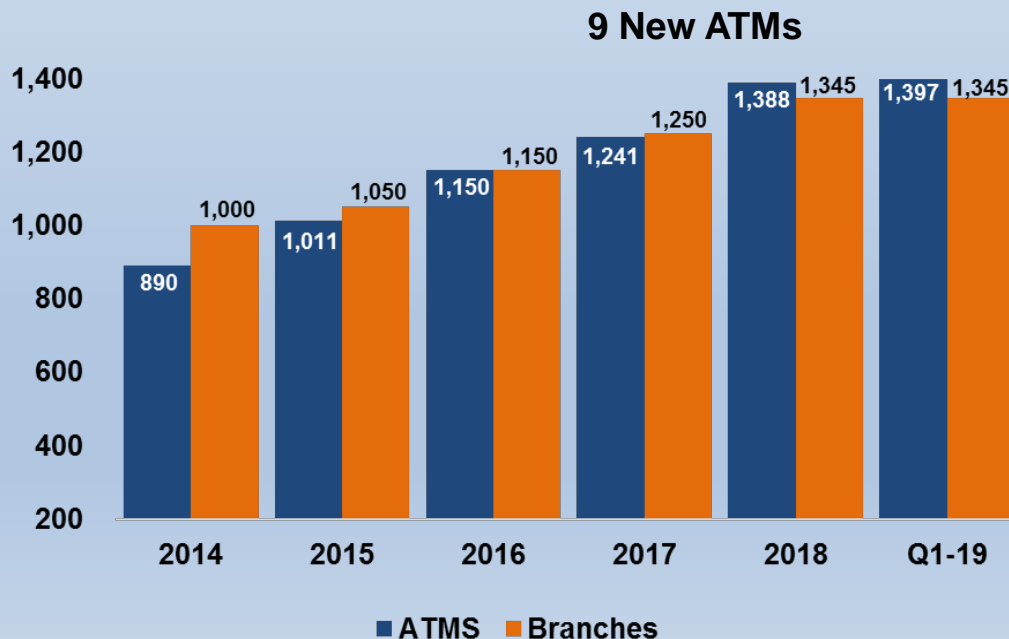
<i>Rs. In Billion</i>	Mar-19	Dec-18	Growth
Current	369	364	1%
Saving	424	445	-5%
Term	214	176	22%
<b>Total Deposits</b>	<b>1,008</b>	<b>984</b>	<b>2%</b>

### Key Ratios

	ABL		Industry
	Mar'19	Dec'18	Dec'2018
ROA (%)	1	1	1
ROE (Tier I) (%)	14	16	12
Capital Adequacy Ratio (%)	23	22	16

### Channels

	Mar-19	Dec-18	Growth
Total Branches	1,345	1,345	-
Conventional	1,226	1,226	-
Islamic	117	117	-
Total ATMs	1,397	1,388	9
On-site	1,095	1,083	12
Off-site	302	305	(3)
Islamic Windows	10		10



**Corporate Governance & Ratings**

RATING TYPE	RATING	RATING AGENCY	RATING INDICATION
Entity Rating	<b>AAA (Long Term)</b> <b>A1+ (Short Term)</b>	PACRA	<b>A very low expectation of credit risk emanating from a very strong capacity for timely payment of financial commitments and not being significantly vulnerable to foreseeable events.</b>
Corporate Governance Rating	CGR-9+	JCR-VIS	<b>Very high level of corporate governance; The rating action takes into consideration the continued commitment of the Board and management of the Bank to maintain a sound governance framework.</b>
Deposits	B3	Moody's	<b>Rating reflects Banks stable deposit – based funding profile, high liquidity buffer and good earnings generating capacity.  Outlook Negative, constrained by negative outlook on the sovereign rating.</b>

**Stock Market Data**

<b>Pakistan Stock Exchange Code</b>	<b>ABL</b>
<b>Bloomberg Code</b>	<b>ABL PA</b>
<b>Shares Outstanding (mln)</b>	<b>1,145.07</b>
<b>Market Capitalization (Rs. bln)</b>	<b>124</b>
<b>Market Capitalization (US\$ mln)</b>	<b>879.27</b>
<b>Current Stock Price*</b>	<b>*108.04</b>
<b>12M High/Low</b>	<b>114/93</b>

**\*Stock Price as at March 31, 2019**

### AWARDS & ACHIEVEMENTS



**Best Bank in Pakistan Award 2018 by Euromoney**



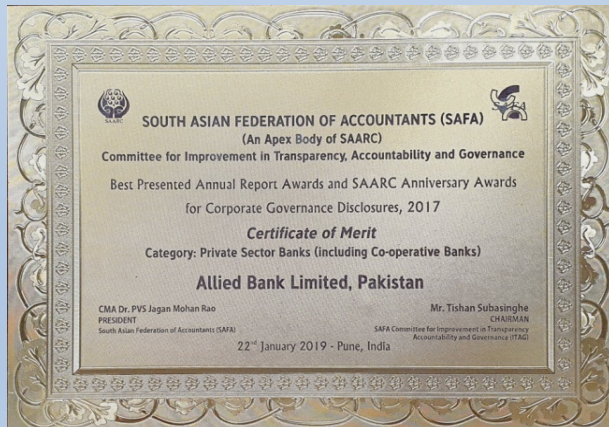
**6th FPCCI Achievement Award 2018 - Commercial Banks**



**Best Bank for CSR – Pakistan**



**Best Corporate Report Awards by ICAP/ICMAP – 2nd position**



**SAFA - Certificate of Merit Corporate Governance Disclosure**



**Top Issuer of PayPak Debit Cards by 1-Link**



**Corporate Excellence Award Management Association of Pakistan**

# Annexures

**Income Statement – Standalone**
**Annexure A**

	<i>Rs. in Million</i>			<i>US\$ in Million</i>			<b>Growth</b>
	<b>Mar-19</b>	<b>Mar-18</b>	<b>Var.</b>	<b>Mar-19</b>	<b>Mar-18</b>	<b>Var.</b>	
Mark-up/ interest Income	24,344	15,674	8,670	173	111	62	55%
Mark-up/ interest Expensed	14,759	7,662	7,097	105	54	50	93%
Net Mark-up/ interest Income	9,585	8,012	1,573	68	57	11	20%
Capital Gain & Dividend	425	1,893	(1,468)	3	13	(10)	-78%
Fee based Income & Others	2,112	1,461	651	15	10	5	45%
Non Mark-up/ Interest Income	2,537	3,354	(817)	18	24	(6)	-24%
Gross Income	12,122	11,366	756	86	81	5	7%
Human Resource Cost	2,883	3,103	(220)	20	22	(2)	-7%
Other Operating Cost	3,193	2,618	575	23	19	4	22%
Total Operating Cost	6,076	5,721	355	43	41	3	6%
Operating Profit/(Loss)	6,046	5,645	401	43	40	3	7%
Total Provisions	(204)	(430)	226	(1)	(3)	2	-53%
Profit Before Tax	6,250	6,075	175	44	43	1	3%
Taxation	3,265	2,305	960	23	16	7	42%
Profit After Tax	2,985	3,771	(786)	21	27	(6)	-21%

**Income Statement – Consolidated**

	<i>Rs. in Million</i>			<i>US\$ in Million</i>			<b>Growth</b>
	<b>Mar-19</b>	<b>Mar-18</b>	<b>Var.</b>	<b>Mar-19</b>	<b>Mar-18</b>	<b>Var.</b>	
Mark-up/ interest Income	24,345	15,675	8,670	173	111	62	55%
Mark-up/ interest Expensed	14,759	7,662	7,097	105	54	50	93%
Net Mark-up/ interest Income	9,586	8,013	1,573	68	57	11	20%
Capital Gain & Dividend	507	1,950	(1,443)	4	14	(10)	-74%
Fee based Income & Others	2,257	1,609	648	16	11	5	40%
Non Mark-up/ Interest Income	2,764	3,559	(795)	20	25	(6)	-22%
Gross Income	12,350	11,572	778	88	82	6	7%
Human Resource Cost	2,929	3,144	(215)	21	22	(2)	-7%
Other Operating Cost	3,244	2,683	561	23	19	4	21%
Total Operating Cost	6,173	5,828	345	44	41	2	6%
Operating Profit/(Loss)	6,177	5,745	432	44	41	3	8%
Total Provisions	(204)	(429)	225	(1)	(3)	2	-52%
Profit Before Tax	6,381	6,174	207	45	44	1	3%
Taxation	3,287	2,330	957	23	17	7	41%
Profit After Tax	3,094	3,844	(750)	22	27	(5)	-20%



**Statement of Financial Position – Standalone**
**Annexure B**

ASSETS	Rs. in Million			US\$ in Million			Growth
	Mar-19	Dec-18	Var.	Mar-19	Dec-18	Var.	
Cash and Balances with Banks	89,569	101,763	(12,194)	636	722	(87)	-12%
Lending to FIs	165,740	53,786	111,954	1,176	382	795	208%
Investments	476,874	671,228	(194,354)	3,385	4,764	(1,379)	-29%
Advances - net	421,285	438,319	(17,034)	2,990	3,111	(121)	-4%
Operating fixed assets	52,741	52,128	613	374	370	4	1%
Other Assets	36,012	33,382	2,630	256	237	19	8%
<b>TOTAL ASSETS</b>	<b>1,242,221</b>	<b>1,350,606</b>	<b>(108,385)</b>	<b>8,817</b>	<b>9,586</b>	<b>(769)</b>	<b>-8%</b>
<b>LIABILITIES</b>							
Deposits	1,007,542	984,475	23,067	7,151	6,988	164	2%
Borrowings	89,851	225,883	(136,032)	638	1,603	(966)	-60%
Bills Payable	7,303	7,753	(450)	52	55	(3)	-6%
Other Liabilities	29,946	25,190	4,756	213	179	34	19%
<b>TOTAL LIABILITIES</b>	<b>1,134,642</b>	<b>1,243,301</b>	<b>(108,659)</b>	<b>8,053</b>	<b>8,825</b>	<b>(771)</b>	<b>-9%</b>
<b>NET ASSETS</b>	<b>107,579</b>	<b>107,305</b>	<b>274</b>	<b>764</b>	<b>762</b>	<b>2</b>	<b>0%</b>
<b>EQUITY and RESERVES</b>							
Share Capital	11,451	11,451	-	81	81	-	0%
Reserves	73,571	72,777	794	522	517	6	1%
Equity Tier I	85,022	84,228	794	603	598	6	1%
Equity Tier II	107,579	107,305	274	764	762	2	0%

**Statement of Financial Position – Consolidated**
**Annexure B**

ASSETS	Rs. in Million			US\$ in Million			Growth
	Mar-19	Dec-18	Var.	Mar-19	Dec-18	Var.	
Cash and Balances with Banks	89,561	101,753	(12,192)	636	722	(87)	-12%
Lending to Fis	162,862	53,786	109,076	1,156	382	774	203%
Investments	481,263	672,587	(191,324)	3,416	4,774	(1,358)	-28%
Advances - net	421,321	438,358	(17,037)	2,990	3,111	(121)	-4%
Operating fixed assets	52,767	52,156	611	375	370	4	1%
Other Assets	36,372	33,750	2,622	258	240	19	8%
<b>TOTAL ASSETS</b>	<b>1,244,146</b>	<b>1,352,390</b>	<b>(108,244)</b>	<b>8,831</b>	<b>9,599</b>	<b>(768)</b>	<b>-8%</b>
<b>LIABILITIES</b>							
Deposits	1,007,532	984,463	23,069	7,151	6,988	164	3%
Borrowings	89,851	225,883	(136,032)	638	1,603	(966)	-60%
Bills Payable	7,303	7,753	(450)	52	55	(3)	-6%
Other Liabilities	30,289	25,502	4,787	215	181	34	19%
<b>TOTAL LIABILITIES</b>	<b>1,134,973</b>	<b>1,243,601</b>	<b>(108,626)</b>	<b>8,056</b>	<b>8,827</b>	<b>(771)</b>	<b>-9%</b>
<b>NET ASSETS</b>	<b>109,173</b>	<b>108,790</b>	<b>384</b>	<b>775</b>	<b>772</b>	<b>3</b>	<b>0%</b>
<b>EQUITY and RESERVES</b>							
Share Capital	11,451	11,451	-	81	81	-	0%
Reserves	75,166	74,262	904	534	527	6	1%
Equity Tier I	86,617	85,713	904	615	608	6	1%
Equity Tier II	109,173	108,790	383	775	772	3	0%

## **DISCLAIMER**

**The information being presented herein is solely for your information.**

**Except for the historical information, statements that describe the Bank's objectives, plans or goals discussed in Investor Conference Call are forward-looking statements. These forward looking statements involve a number of risks, uncertainties and other factors and are made based on management's current expectations or beliefs as well as assumptions made by and information currently available to management.**

**The information presented is subject to change without notice.**

**THANK YOU**