

# Allied Bank Limited

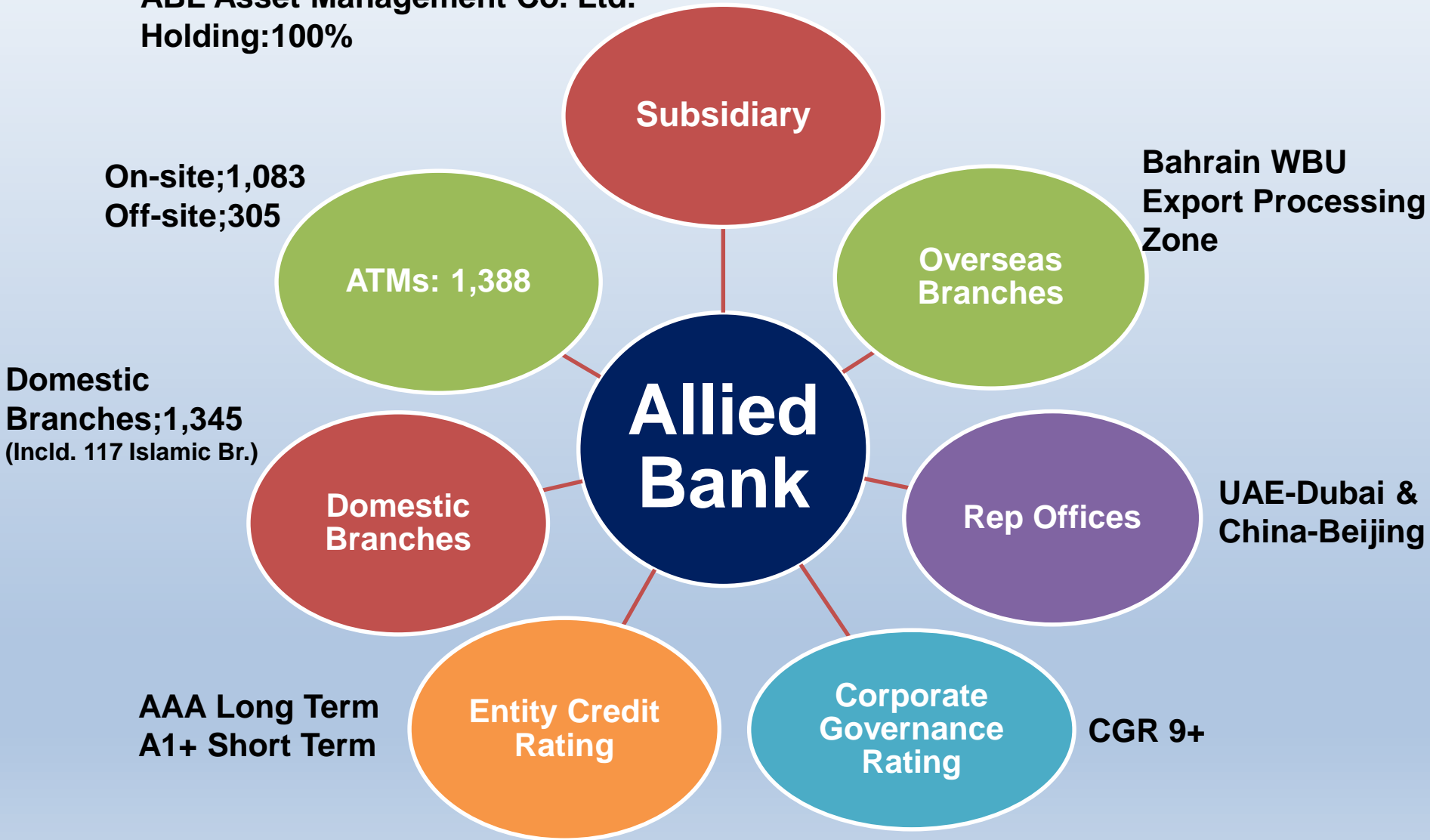


**Investor Presentation  
For The Year Ended  
December 31, 2018**

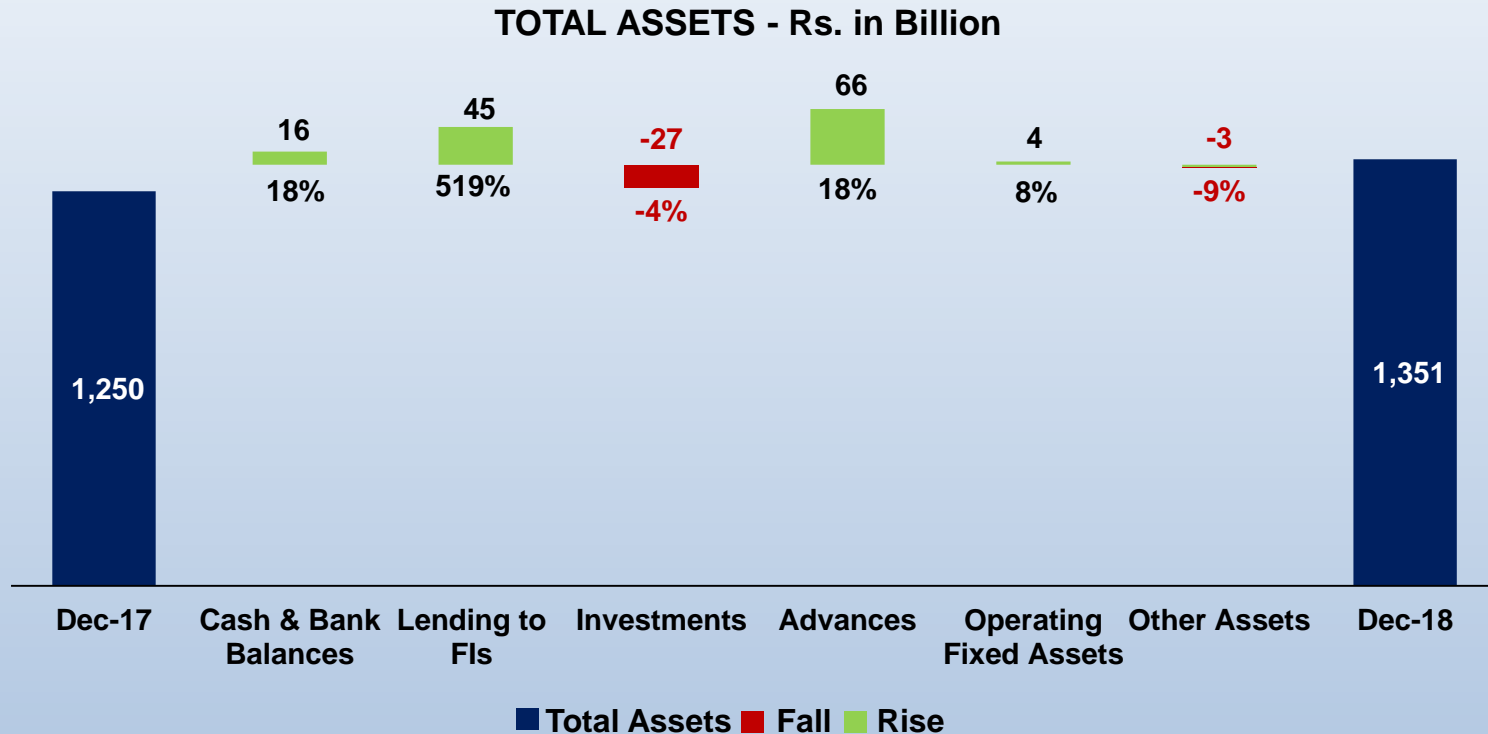
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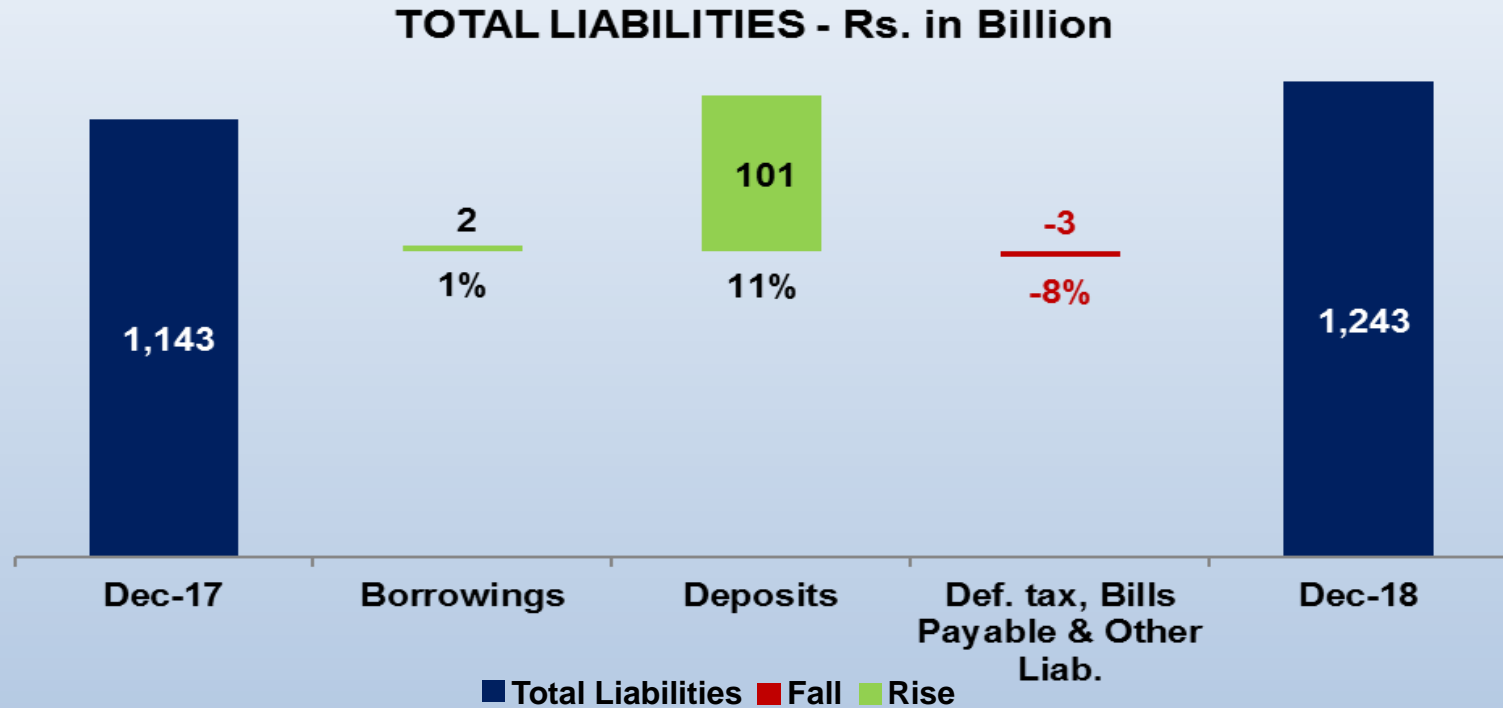
**ABL Asset Management Co. Ltd.**  
Holding:100%



### MAJOR HIGHLIGHTS – BALANCE SHEET

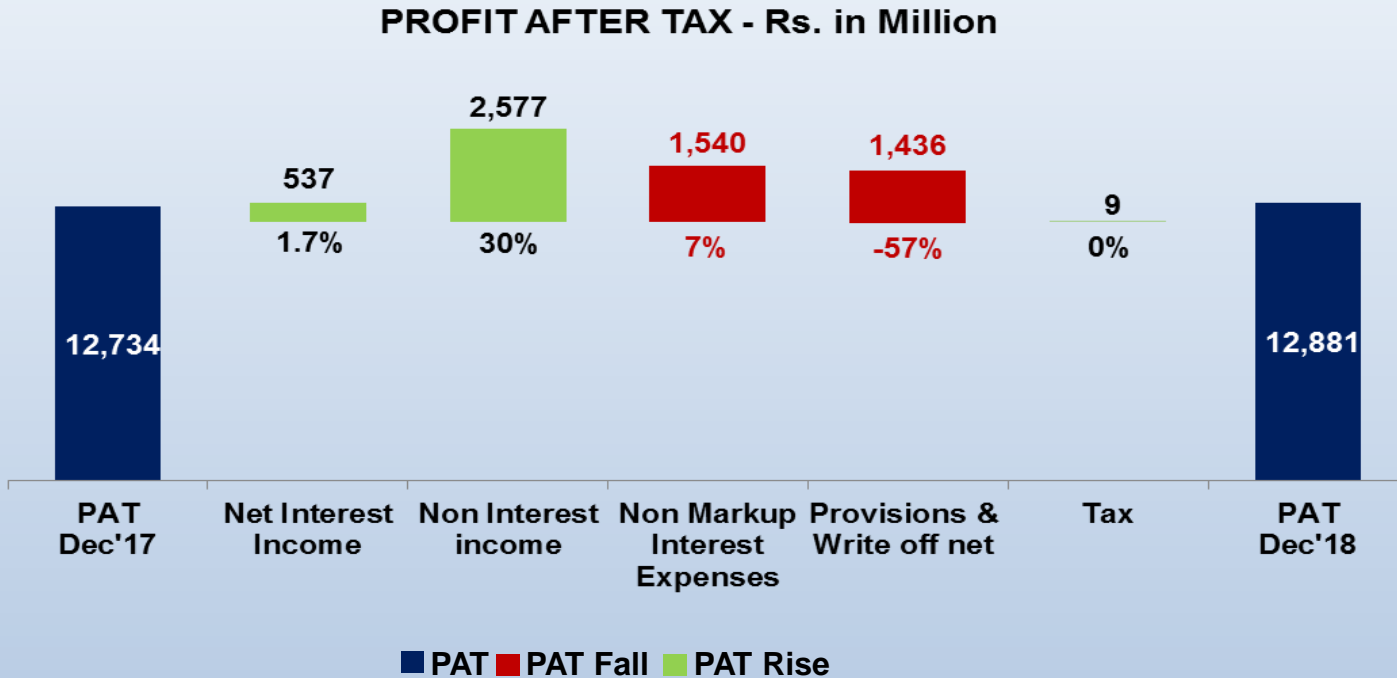


- Total Assets Rs.1,351 Billion; Growth 8%. Total Industry Assets grew by 5%.
- Healthy growth in advances at 18%
- Re-profiling of investments in rising interest rates landscape

**MAJOR HIGHLIGHTS – BALANCE SHEET**


- Total Liabilities Rs.1,243 Billion
- Healthy growth in deposits; Focus in CASA Dec'18: 82% (Dec'17: 78%)
- Total Equity at Rs.107 billion (US\$ 773 Million)
- CAR: 22.2% as at December 2018; Industry CAR September 18: 16.1%

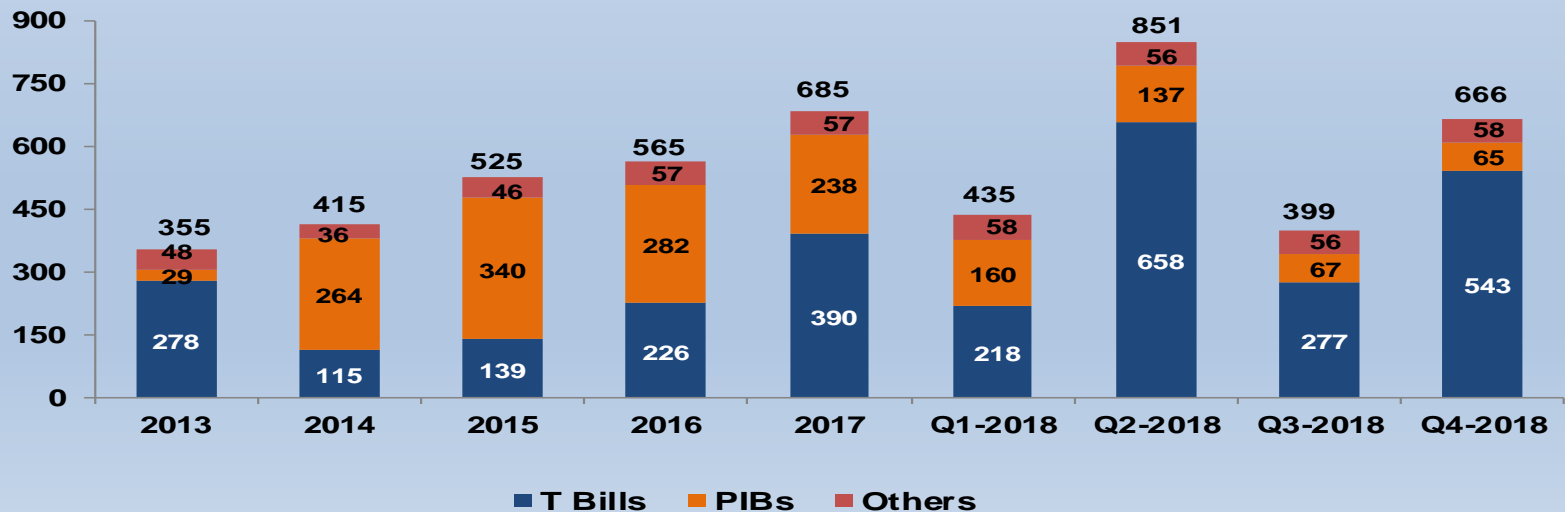
### MAJOR HIGHLIGHTS



- PAT at Rs.12,881 million: EPS Rs.11.25
- Growth in Net Interest Income by 2%; despite staggered repricing and securities related capital gain.
- Growth in Non Interest Income by 30%; Fee income growth, Foreign Exchange earnings and Realization of Capital Gains
- Optimum OPEX level; despite network expansion, higher technology and compliance costs, regulatory levies, retirement benefits and devaluation impacts.

### INVESTMENTS

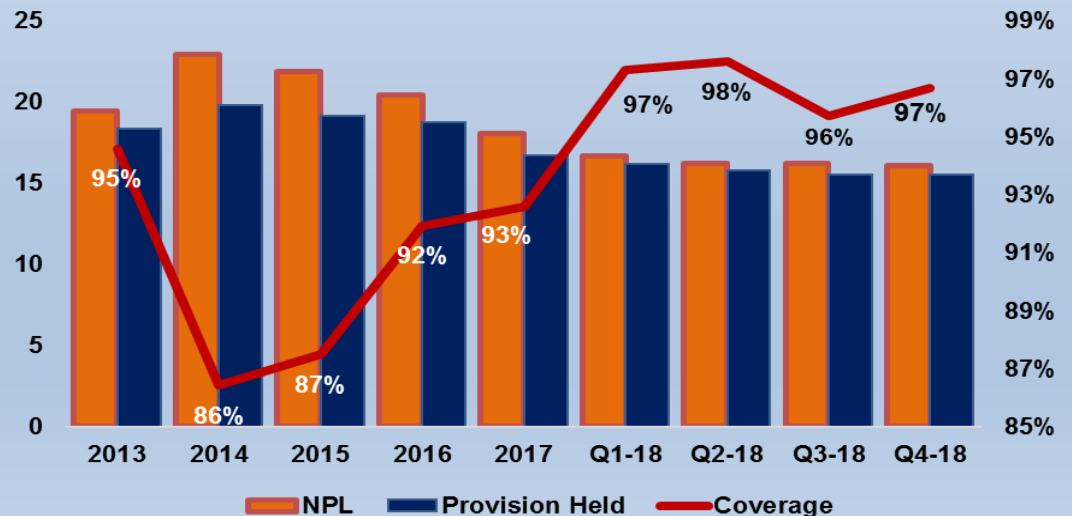
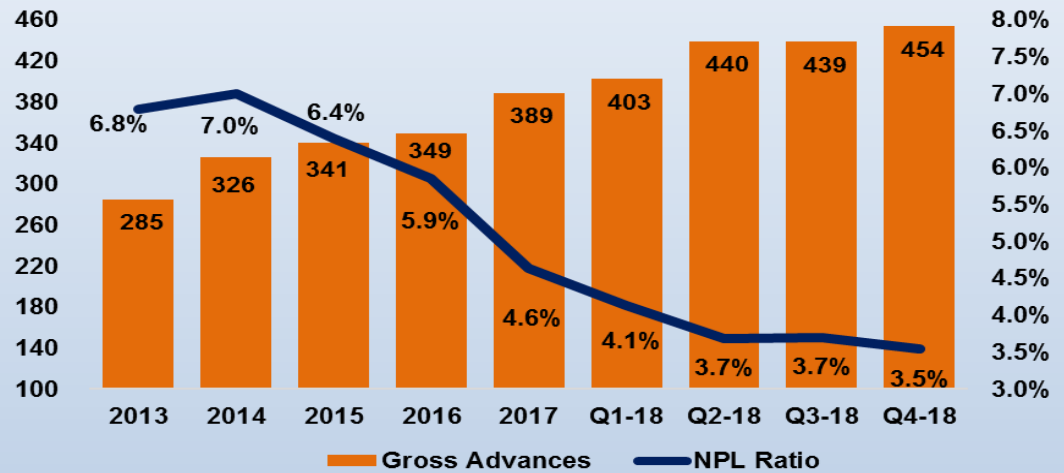
	<i>Rs. in Million</i>				<i>Composition</i>	
	Dec-18	Dec-17	Var.	Growth	Dec-18	Dec-17
Pakistan Investment Bonds	64,695	237,631	(172,935)	-73%	10%	35%
Market Treasury Bills	543,455	390,385	153,069	39%	82%	57%
Listed and Unlisted Shares	26,428	26,551	(123)	0%	4%	4%
TFCs, Bonds, Sukuks and Mutual Funds	30,826	29,575	1,251	4%	5%	4%
Subsidiary	500	500	-	0%	0%	0%
Investments at Cost	665,905	684,642	(18,737)	-3%	100%	100%
Prov. for dimin. in value of investments	(2,655)	(2,705)	51	-2%		
Surplus / (Deficit) on revaluation of securities	7,978	16,145	(8,167)	-51%		
Pakistan Investment Bonds	(1,397)	2,812				
Market Treasury Bills	(22)	(37)				
Listed and Unlisted Shares	9,572	12,654				
TFCs, Bonds, Sukuks and Mutual Funds	(175)	718				
<b>Total Investments at market value</b>	<b>671,228</b>	<b>698,082</b>	<b>(26,854)</b>	<b>-4%</b>		



**Market Share: 6%**

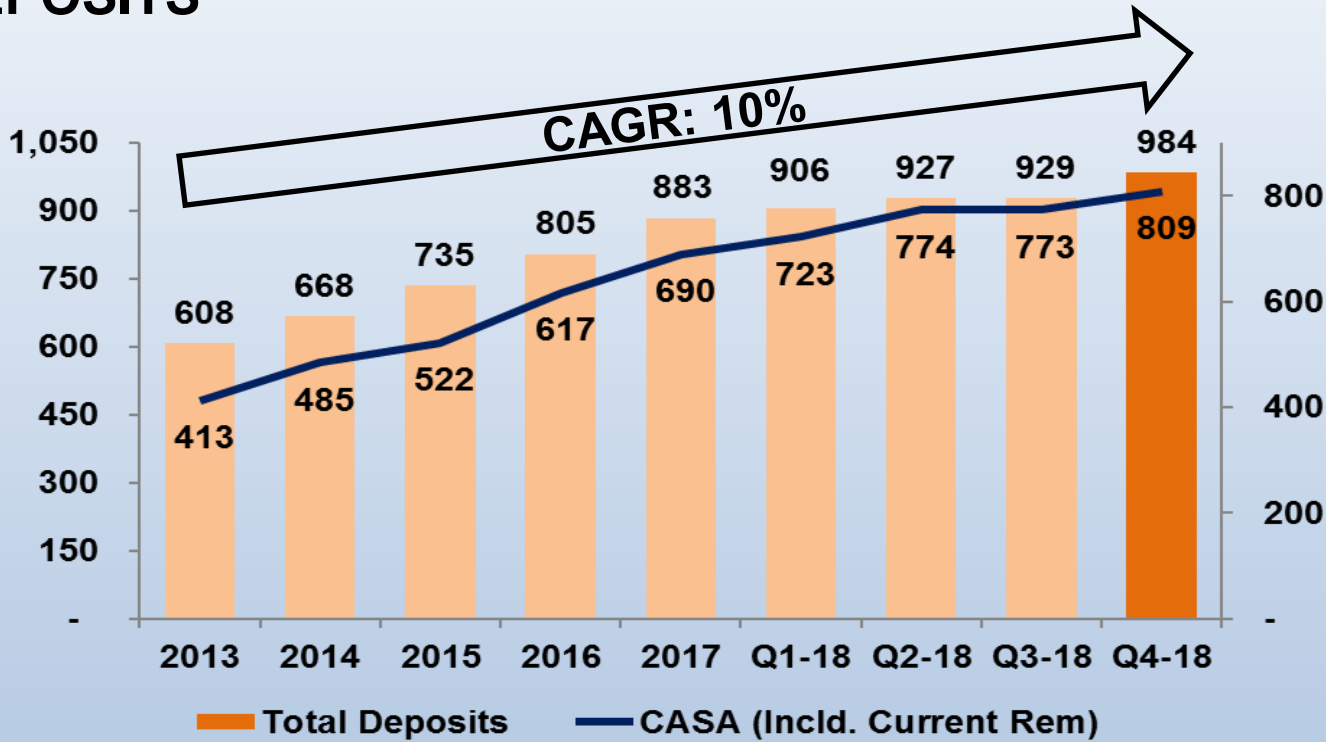
### ADVANCES & ASSET QUALITY

- Gross Advances reached Rs. 454 billion (↑ 17%) (Industry growth 21%)
- Net ADR Ratio reached 45% (↑ 2%) (Industry ADR 56%)
- NPLs at Rs.16.1 billion (↓ 11%)
- NPL ratio 3.5% (↓ 1.1%) (Industry Sep'18: 8.0%)
- NPL coverage 97% (↑ 4%) (Industry Sep'18 : 86%)
- Power, Textile, Cement, Chemical and Agriculture remained key sectors.





### DEPOSITS



<i>Rs. In Billion</i>	Dec-18	Dec-17	Growth
<b>Current</b>	364	316	15%
<b>Saving</b>	445	374	19%
<b>Term</b>	176	193	-9%
<b>Total Deposits</b>	<b>984</b>	<b>883</b>	<b>11%</b>

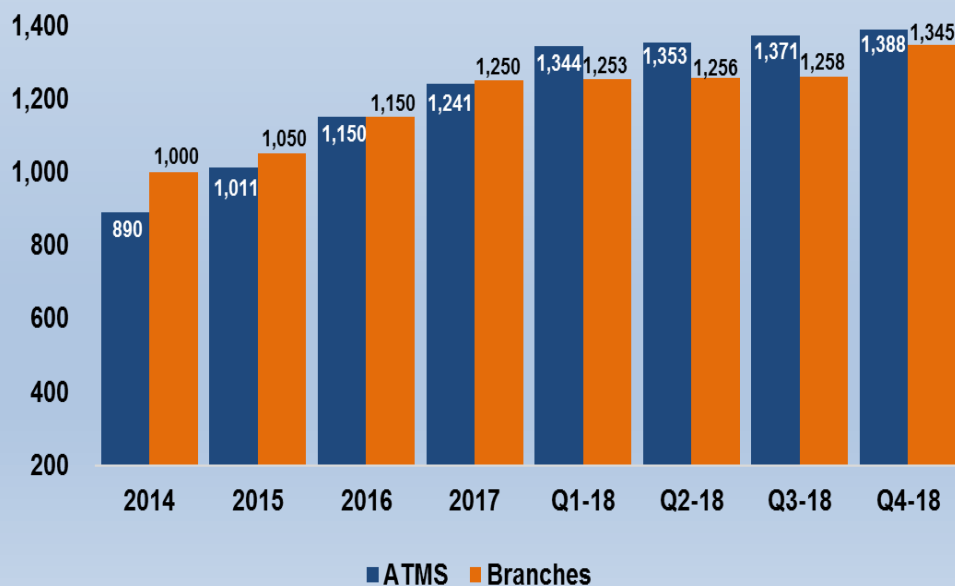
### Key Ratios

	ABL		Industry
	Dec'18	Dec'17	Sep'2018
ROA (%)	1	1	1
ROE (Tier I) (%)	16	17	13
Capital Adequacy Ratio (%)	22	22	16

### Channels

	Dec-18	Dec-17	Growth
<b>Total Branches</b>	<b>1,345</b>	<b>1,250</b>	<b>95</b>
Conventional	1,226	1,131	95
Islamic	117	117	0
<b>Total ATMs</b>	<b>1,388</b>	<b>1,241</b>	<b>147</b>
On-site	1,083	992	91
Off-Site	305	249	56
Islamic Windows	10	0	10

**95 New Branches**  
**147 New ATMs**



**Corporate Governance & Ratings**

RATING TYPE	RATING	RATING AGENCY	RATING INDICATION
Entity Rating	<b>AAA (Long Term)</b> <b>A1+ (Short Term)</b>	PACRA	<p>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.</p>
Corporate Governance Rating	CGR-9+	JCR-VIS	<p>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.</p>
Deposits	B3	Moody's	<p>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.</p>

**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>123.06</b>
<b>Market Capitalization (US\$ mln)</b>	<b>886.66</b>
<b>Current Stock Price*</b>	<b>107.47</b>
<b>12M High/Low</b>	<b>109/88</b>

**ABL outperformed market with 22% increase between Dec'17 – Dec'18**

**\*Stock Price as at December 31, 2018**

### AWARDS & ACHIEVEMENTS



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



**Corporate Excellence Award  
Management Association of Pakistan**



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



**Best Bank for CSR –  
Pakistan**



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



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

# Annexures

**INCOME STATEMENT – Standalone**

	<i>Rs. in Million</i>			<i>US\$ in Million</i>			<b>Growth</b>
	<b>Dec-18</b>	<b>Dec-17</b>	<b>Var.</b>	<b>Dec-18</b>	<b>Dec-17</b>	<b>Var.</b>	
Mark-up/ interest Income	73,274	65,709	7,565	528	473	55	12%
Mark-up/ interest Expensed	41,159	34,130	7,029	297	246	51	21%
Net Mark-up/ interest Income	32,115	31,579	536	231	228	4	2%
Capital Gain & Dividend	5,172	3,869	1,303	37	28	9	34%
Fee based Income & Others	6,117	4,843	1,274	44	35	9	26%
Non Mark-up/ Interest Income	11,289	8,712	2,577	81	63	19	30%
Gross Income	43,404	40,291	3,113	313	290	22	8%
Human Resource Cost	12,370	10,944	1,426	89	79	10	13%
Other Operating Cost	11,108	10,994	114	80	79	1	1%
Total Operating Cost	23,478	21,938	1,540	169	158	11	7%
Operating Profit/(Loss)	19,926	18,353	1,573	144	132	11	9%
Total Provisions	(1,090)	(2,526)	1,436	(8)	(18)	10	-57%
Profit Before Tax	21,016	20,879	137	151	150	1	1%
Taxation	8,136	8,145	(9)	59	59	(0)	0%
Profit After Tax	12,881	12,734	147	93	92	1	1%

**INCOME STATEMENT – Consolidated**
**Annexure A**

	<i>Rs. in Million</i>			<i>US\$ in Million</i>			<b>Growth</b>
	<b>Dec-18</b>	<b>Dec-17</b>	<b>Var.</b>	<b>Dec-18</b>	<b>Dec-17</b>	<b>Var.</b>	
<b>Mark-up/ interest Income</b>	73,275	65,711	7,564	528	473	55	12%
<b>Mark-up/ interest Expensed</b>	41,157	34,129	7,028	297	246	51	21%
<b>Net Mark-up/ interest Income</b>	32,118	31,581	537	231	228	4	2%
<b>Capital Gain &amp; Dividend</b>	5,148	3,868	1,280	37	28	9	33%
<b>Fee based Income &amp; Others</b>	6,732	5,481	1,251	49	39	9	23%
<b>Non Mark-up/ Interest Income</b>	11,880	9,349	2,531	86	67	18	27%
<b>Gross Income</b>	43,998	40,930	3,068	317	295	22	7%
<b>Human Resource Cost</b>	12,611	11,152	1,459	91	80	11	13%
<b>Other Operating Cost</b>	11,244	11,161	83	81	80	1	1%
<b>Total Operating Cost</b>	23,855	22,313	1,542	172	161	11	7%
<b>Operating Profit/(Loss)</b>	20,143	18,617	1,526	145	134	11	8%
<b>Total Provisions</b>	(1,090)	(2,526)	1,436	(8)	(18)	10	-57%
<b>Profit Before Tax</b>	21,233	21,144	89	153	152	1	0%
<b>Taxation</b>	8,201	8,218	(17)	59	59	(0)	0%
<b>Profit After Tax</b>	13,032	12,926	106	94	93	1	1%



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

ASSETS	Rs. in Million			US\$ in Million			Growth
	Dec-18	Dec-17	Var.	Dec-18	Dec-17	Var.	
Cash and Balances with Banks	101,763	86,016	15,747	733	620	113	18%
Lending to FIs	53,786	8,694	45,091	388	63	325	519%
Investments	671,228	698,082	(26,854)	4,836	5,030	(193)	-4%
Advances - net	438,319	372,038	66,281	3,158	2,681	478	18%
Operating fixed assets	52,128	48,327	3,801	376	348	27	8%
Other Assets	33,382	36,508	(3,126)	241	263	(23)	-9%
<b>TOTAL ASSETS</b>	<b>1,350,606</b>	<b>1,249,666</b>	<b>100,940</b>	<b>9,731</b>	<b>9,004</b>	<b>727</b>	<b>8%</b>
<b>LIABILITIES</b>							
Deposits	984,475	883,741	100,734	7,093	6,367	726	11%
Borrowings	225,883	223,556	2,327	1,627	1,611	17	1%
Bills Payable	7,753	7,835	(82)	56	56	(1)	-1%
Other Liabilities	25,191	27,818	(2,627)	181	200	(19)	-9%
<b>TOTAL LIABILITIES</b>	<b>1,243,302</b>	<b>1,142,950</b>	<b>100,352</b>	<b>8,958</b>	<b>8,235</b>	<b>723</b>	<b>9%</b>
<b>NET ASSETS</b>	<b>107,305</b>	<b>106,716</b>	<b>589</b>	<b>773</b>	<b>769</b>	<b>4</b>	<b>1%</b>
<b>EQUITY and RESERVES</b>							
Share Capital	11,451	11,451	-	83	83	-	0%
Reserves	72,777	67,193	5,584	524	484	40	8%
Equity Tier I	84,228	78,643	5,584	607	567	40	7%
Equity Tier II	107,305	106,716	589	773	769	4	1%

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

ASSETS	Rs. in Million			US\$ in Million			Growth
	Dec-18	Dec-17	Var.	Dec-18	Dec-17	Var.	
Cash and Balances with Banks	101,753	86,005	15,748	733	620	113	18%
Lending to Fis	53,786	8,694	45,091	388	63	325	519%
Investments	672,587	699,324	(26,737)	4,846	5,039	(193)	-4%
Advances - net	438,358	372,081	66,277	3,158	2,681	478	18%
Operating fixed assets	52,156	48,356	3,800	376	348	27	8%
Other Assets	33,751	36,816	(3,065)	243	265	(22)	-8%
<b>TOTAL ASSETS</b>	<b>1,352,391</b>	<b>1,251,276</b>	<b>101,114</b>	<b>9,744</b>	<b>9,015</b>	<b>729</b>	<b>8%</b>
<b>LIABILITIES</b>							
Deposits	984,463	883,702	100,761	7,093	6,367	726	12%
Borrowings	225,883	223,556	2,327	1,627	1,611	17	1%
Bills Payable	7,753	7,835	(82)	56	56	(1)	-1%
Other Liabilities	25,502	28,133	(2,631)	184	203	(19)	-9%
<b>TOTAL LIABILITIES</b>	<b>1,243,601</b>	<b>1,143,226</b>	<b>100,376</b>	<b>8,960</b>	<b>8,237</b>	<b>723</b>	<b>9%</b>
<b>NET ASSETS</b>	<b>108,790</b>	<b>108,050</b>	<b>740</b>	<b>784</b>	<b>779</b>	<b>5</b>	<b>1%</b>
<b>EQUITY and RESERVES</b>							
Share Capital	11,451	11,451	-	83	83	-	0%
Reserves	74,262	68,526	5,736	535	494	41	8%
Equity Tier I	85,713	79,977	5,736	618	576	41	7%
Equity Tier II	108,790	108,050	740	784	779	5	1%

## 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**