

Allied Bank Limited



**Investor Presentation
For The Half Year Ended
June 30, 2015**

MAJOR HIGHLIGHTS

- **Profit before and after tax improved by 26% & 4% respectively over June 2014. Excluding impact of prior year tax charge PAT improved by 24% over June 2014**
 - **One-off prior year tax impact of Rs.1,460 million**
 - **EPS for the half year at Rs.6.42 (June 14: Rs.6.20). Excluding impact of prior year tax charge, EPS comes to Rs.7.70**
 - **NII up by 35% - on account of volumetric growth/optimum assets mix**
 - **Provision reversal against advances during Q2 2015 amounted to Rs.188 million against charge of Rs.730 million in Q1 2015; net charge of Rs.542 million at end-June 2015**
 - **Due to limited credit growth opportunities/seasonal adjustment 1% decrease in Net Advances**
 - **Higher Fee/Dividend income diluting the impact of lower Capital Gains**
 - **Deposits grew by 7% in HY 2015; CASA improved to 75% in June 2015 against 73% in December 2014**
 - **Despite increase in branch network and inflationary impacts, operating expenditure growth controlled at 9%**
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Statement of Financial Position
Rs. in Million

	Unconsolidated				Consolidated			
	Q2 2015	2014	Diff.	% growth	Q2 2015	2014	Diff.	% growth
ASSETS								
Cash and Balances with Banks	75,718	44,159	31,559	71%	75,715	44,156	31,559	71%
Investments	476,925	428,791	48,135	11%	477,645	429,397	48,248	11%
Advances - net	301,514	306,014	(4,500)	-1%	301,566	306,058	(4,492)	-1%
Operating fixed assets	27,404	27,250	153	1%	27,424	27,271	153	1%
Other Assets	36,339	36,055	284	1%	36,552	36,216	337	1%
TOTAL ASSETS	917,900	842,269	75,631	9%	918,902	843,098	75,804	9%
LIABILITIES								
Deposits	711,054	667,878	43,176	7%	711,040	667,864	43,176	6%
Borrowings	81,130	66,096	15,033	23%	81,130	66,096	15,033	23%
Bills Payable	12,780	4,832	7,948	164%	12,780	4,832	7,948	164%
Sub-ordinated Loans	2,993	2,994	(1)	0%	2,993	2,994	(1)	0%
Other Liabilities	23,796	19,579	4,218	22%	23,993	19,747	4,247	22%
TOTAL LIABILITIES	831,753	761,379	70,374	9%	831,936	761,533	70,403	9%
NET ASSETS	86,147	80,890	5,257	6%	86,966	81,565	5,401	7%
EQUITY and RESERVES								
Share Capital	11,451	11,451	-	0%	11,451	11,451	-	0%
Reserves	53,698	50,603	3,095	6%	54,517	51,278	3,239	6%
Equity Tier I	65,149	62,054	3,095	5%	65,968	62,728	3,239	5%
Equity Tier II	86,147	80,890	5,257	6%	86,966	81,565	5,401	7%

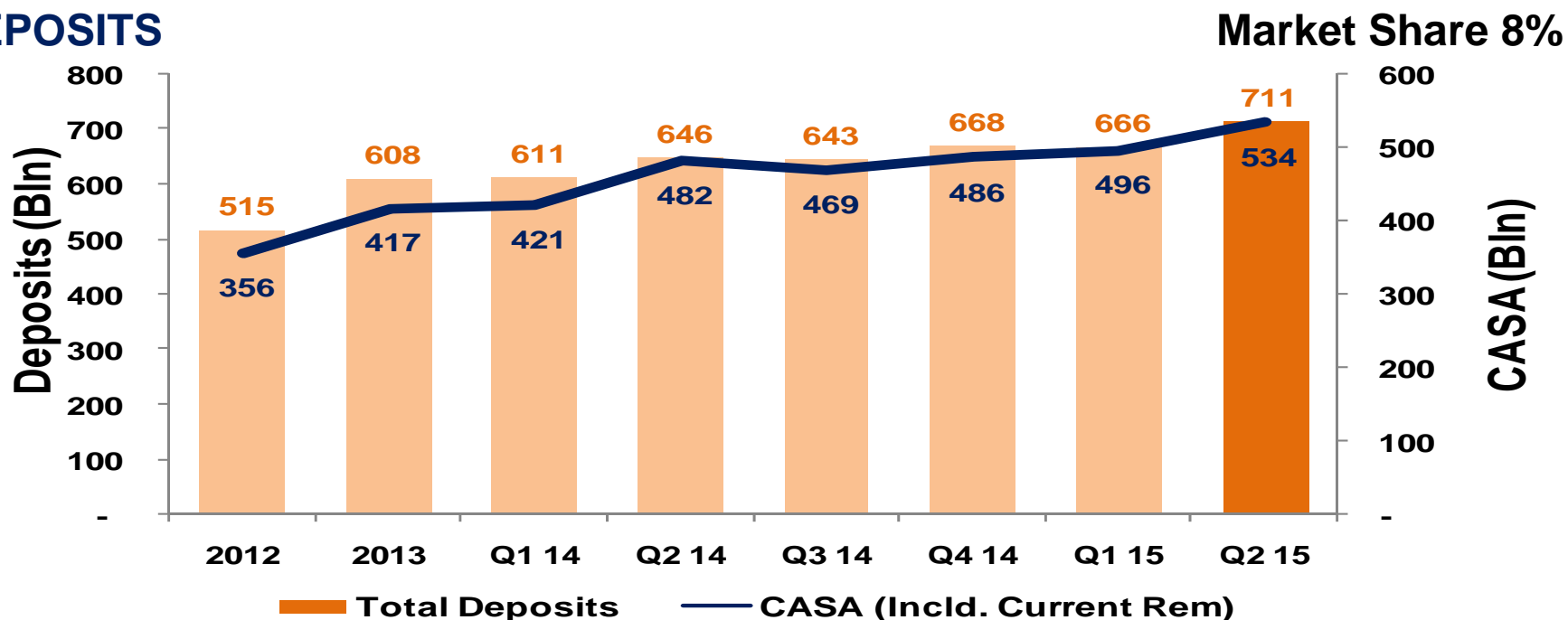
INVESTMENTS
Rs. in Million

	Q2 2015	Dec 2014	Diff.	% growth
Pakistan Investment Bonds	318,997	263,957	55,041	21%
Market Treasury Bills	97,273	115,321	(18,048)	-16%
Listed and Unlisted Shares	24,643	22,769	1,874	8%
TFCs, Bonds, Sukuks and Mutual Funds	14,877	12,732	2,145	17%
Subsidiary	500	500	-	0%
Investments at Cost	456,290	415,279	41,012	10%
Prov. for diminution in value of investments	(985)	(977)	(8)	1%
Surplus on revaluation of securities	21,620	14,489	7,131	49%
Total Investments at market value	476,925	428,791	48,135	11%

Investments Composition

	Q2 2015	2014
Pakistan Investment Bonds	70%	64%
Market Treasury Bills	21%	28%
Listed and Unlisted Shares	5%	5%
TFCs, Bonds, Sukuks and Mutual Funds	3%	3%
Subsidiary	0%	0%

DEPOSITS



	Q2 2015 vs. 2014	Q1 2015 vs. 2014	2014 vs. 2013
ABL Growth	6.5%	-0.3%	9.8%
Industry Growth	9.6%	2.0%	10.8%
M2 Growth	9.8%	2.0%	10.0%

Rs. in Billion	Q2 2015	Q1 2015	2014	Growth vs 2014	Growth vs Q1 2015
Current	241	212	206	17%	13%
Saving	293	284	280	5%	3%
Term	177	170	182	-3%	4%
Total Deposits	711	666	668	6%	7%

INCOME STATEMENT
Rs. in Million

	Unconsolidated - Half Year				Consolidated - Half Year			
	Jun-15	Jun-14	Inc./ (Dec.)	Growth	Jun-15	Jun-14	Inc./ (Dec.)	Growth
Mark-up/ interest Income	36,370	31,771	4,599	14%	36,370	31,772	4,598	14%
Mark-up/ interest Expensed	18,985	18,910	75	0%	18,979	18,905	74	0%
Net Mark-up/ interest Income	17,385	12,861	4,524	35%	17,391	12,867	4,524	35%
Capital Gain & Dividend	2,195	3,218	(1,024)	-32%	2,273	3,271	(997)	-30%
Fee based Income & Others	3,480	2,948	532	18%	3,719	3,109	609	20%
Non Mark-up/ Interest Income	5,675	6,166	(491)	-8%	5,992	6,380	(388)	-6%
Gross Income	23,060	19,027	4,032	21%	23,383	19,247	4,136	21%
Human Resource Cost	4,990	4,511	479	11%	5,079	4,599	480	10%
Other Operating Cost	3,922	3,687	235	6%	3,977	3,707	270	7%
Total Operating Cost	8,912	8,198	1	9%	9,056	8,306	750	9%
Operating Profit/(Loss)	14,148	10,829	3,318	31%	14,327	10,941	3,386	31%
Total Provisions	569	53	516	9.74	569	53	516	9.74
Profit Before Tax	13,579	10,777	2,802	26%	13,759	10,888	2,870	26%
Taxation	6,222	3,674	2,548	69%	6,259	3,693	2,565	69%
Profit After Tax	7,357	7,103	254	4%	7,500	7,195	305	4%
PAT (excluding prior year tax impact)	8,817	7,103	1,714	24%	8,961	7,195	1,766	25%

KEY RATIOS

	2015		2014			
	June	Mar	Dec	Sep	Jun	Mar
ROA (%)	1.7	1.97	1.9	2.0	1.8	1.7
ROE (Tier I) (%)	23.1	26.7	25.9	27.0	25.5	23.8
EPS Quarterly (Rs.)	2.7	3.7	3.0	3.9	3.4	2.8
EPS Annualized (Rs.)	12.8	14.7	13.1	13.5	12.4	11.3
Infection Ratio (%)	7.0	7.1	7.0	7.7	6.4	7.0
Coverage (%)	88.8	90.6	86.4	79.5	93.8	92.9
Capital Adequacy Ratio (%)	21.9	20.8	19.8	19.7	19.1	17.6

Excluding Prior Year Tax Impact:

ROA (%)	2.0	2.0	1.9	2.0	1.8	1.7
ROE (Tier I) (%)	27.7	26.7	25.9	27.0	25.5	23.8
EPS Quarterly (Rs.)	4.0	3.7	3.0	3.9	3.4	2.8
EPS Annualized (Rs.)	15.4	14.7	13.1	13.5	12.4	11.3

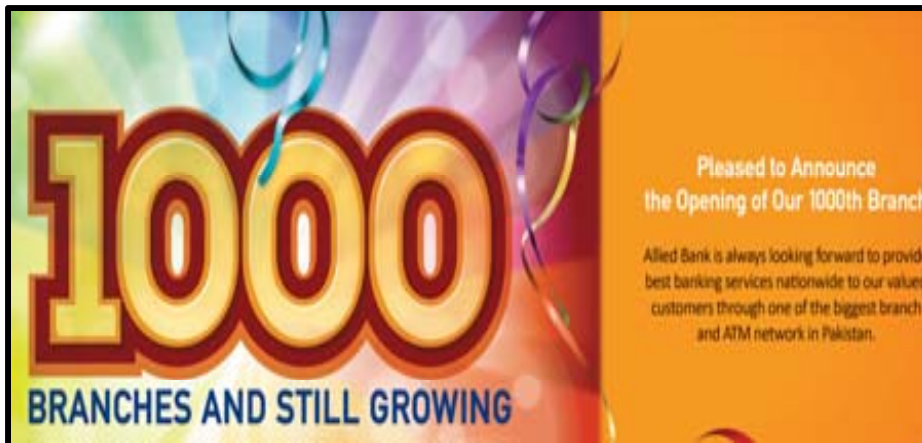
Corporate Governance & Ratings

RATING TYPE	RATING	RATING AGENCY	RATING INDICATION
Corporate Governance Rating	CGR-9	JCR-VIS	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.
Entity Rating	AA+ (Long Term) A1+ (Short Term)	PACRA	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.
TFC Rating	AA	PACRA	High credit quality and strong capacity for timely payment of financial institution
Deposits	B3	Moody's	Positive outlook, driven by assessment of the bank's standalone credit strength. Improved from Caa1 to B3
Rated 861 (2014: 911) by Financial Times The Banker's Top 1000 Banks ranking			

AWARDS & ACHIEVEMENTS



Best Investment Bank 2015



Best Domestic Investment Bank 2014

DISCLAIMER

The information being presented herein is solely for your information.

Except for the historical information, statements that describe the Company's objectives, plans or goals 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
