

Result Highlights

- FABL posted earnings of PKR 5.5bn (EPS: PKR 3.66) in 3QCY25, down 18% YoY. This brought 9MCY25 profitability to PKR 15.55bn, reflecting a 24% YoY decline. Alongside the results, the bank announced a cash dividend of PKR 1.5/share, taking cumulative payout for 9MCY25 to PKR 4.5/share.
- Earnings contraction stemmed from a decline in net profit earned (NII) and higher operating costs.
- Net profit earned stood at PKR 17.7bn, down 19% YoY, as profit earned fell 28% YoY while profit expensed declined 34% YoY.
- On the non-funded side, income grew 148% YoY (+53% QoQ), driven by strong fee income (+75% YoY to PKR 5.3bn) and a surge in FX income (3.5x YoY to PKR 2.2bn). Gain on securities increased 17x YoY, whereas dividend income plunged 65% YoY to PKR 18mn.
- Provisions reversal amounted to PKR 694mn, versus a reversal of PKR 562mn in 3QCY24.
- Operating expenses rose 26% YoY to PKR 16.5bn, pushing the cost-to-income ratio to 60.13% as compared to 51.1% SPLY.
- Effective tax rate climbed to 53.18% (vs 48.7% in 3QCY24).
- On the balance sheet front, deposits hit an all-time high of PKR 1.27trn.
- Advance to Deposit ratio (ADR) has increased to 56.93% in 3QCY25 as compared to 43.64% in SPLY.
- NIMs have declined from 7.39% to 5.54% in 3QCY25.

Exhibit: Financial Highlights (Consolidated)

(PKR mn)	9MCY25a	9MCY24a	YoY	3QCY25a	3QCY24a	YoY	QoQ
Income Statement							
Profit earned	124,917	177,036	-29%	40,951	56,791	-28%	-2%
Profit expensed	72,810	116,810	-38%	23,262	35,065	-34%	-6%
Net profit / return	52,107	60,226	-13%	17,690	21,726	-19%	3%
NFI	20,400	13,748	48%	9,791	3,955	148%	53%
Total Income	72,506	73,975	-2%	27,481	25,682	7%	16%
Total provisions	(4,204)	(1,360)	209%	(694)	(562)	23%	-42%
OPEX	43,205	36,071	20%	16,523	13,136	26%	19%
PBT	33,705	39,556	-15%	11,851	13,218	-10%	7%
Taxation	18,150	19,209	-6%	6,303	6,432	-2%	4%
Profit after tax*	15,554	20,347	-24%	5,548	6,785	-18%	11%
EPS (PKR)	10.25	13.41		3.66	4.47		
DPS (PKR)	4.50	3.00		1.50	1.50		
Balance Sheet							
Net Advances	725,863	507,986	43%				1%
Deposits	1,274,963	1,164,075	10%				3%
Investments	704,936	650,530	8%				0%
Borrowings	202,340	75,931	166%				-4%
Ratio Analysis							
ADR	56.93%	43.64%					
IDR	55.29%	55.88%					
NIMs	5.54%	7.39%					
Cost to Income	59.59%	48.76%		60.13%	51.15%		
ETR	53.85%	48.56%		53.18%	48.66%		

Source (s): Company Financials, AHL Research, *profit attributable to equity shareholders of the bank, EPS @current number of shares

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Result Review: EPS clocked in at PKR 3.66 in 3QCY25

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