

Allied Bank Limited

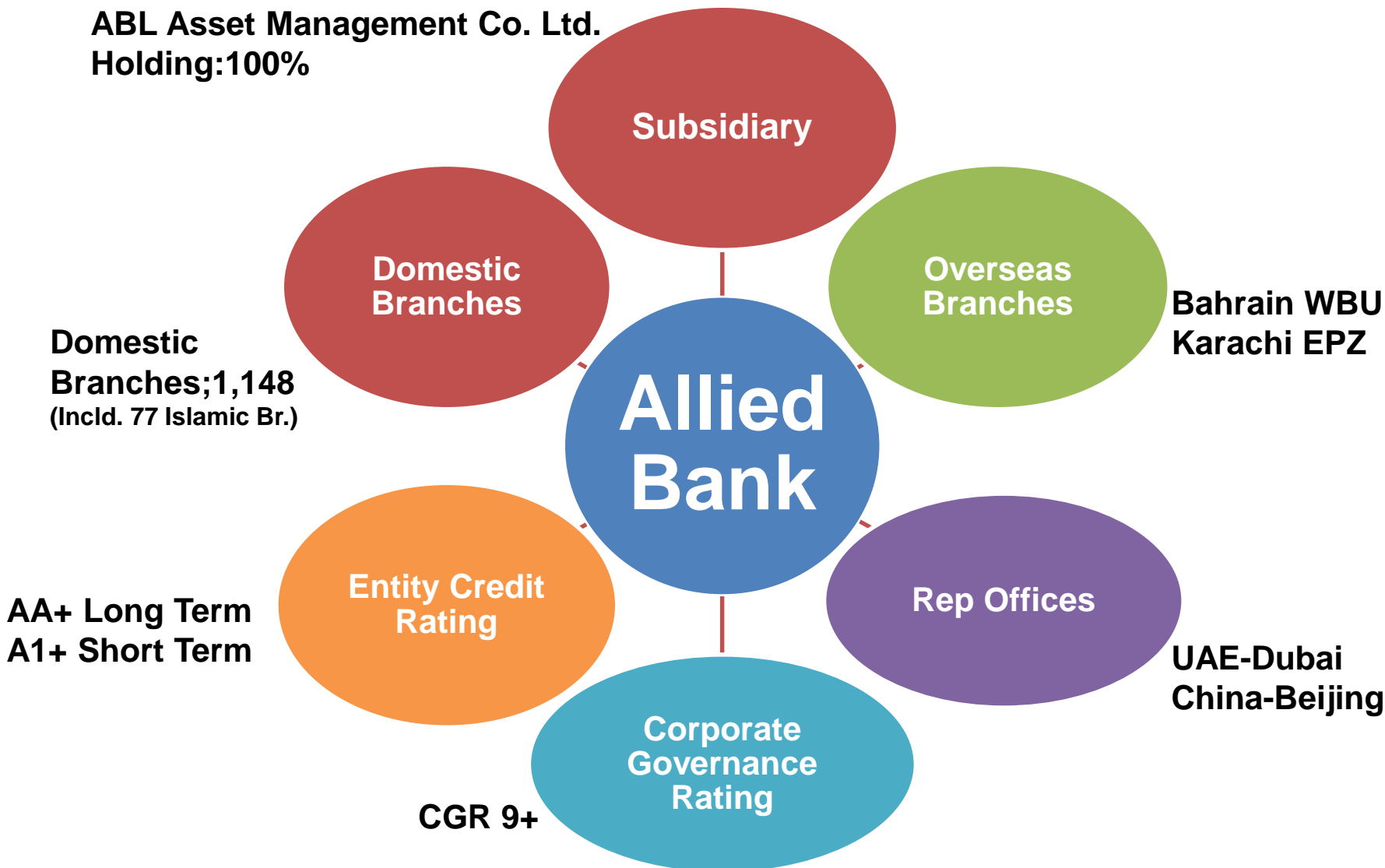


**Investor Presentation
For The Period Ended
March 31, 2017**

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ABL Asset Management Co. Ltd.
Holding:100%



MAJOR HIGHLIGHTS – INCOME STATEMENT
Rs. In Million

| | Mar-17 | Mar-16 | Inc/(Dec) | |
|-------------------|--------|--------|-----------|------|
| | | | Rs. | % |
| Profit Before Tax | 5,551 | 7,375 | (1,823) | -25% |
| Profit After Tax | 3,602 | 4,788 | (1,186) | -25% |
| EPS - in Rs | 3.15 | 4.18 | (1.03) | -25% |

- NIM reached Rs.7,999 mln (↓6%YoY); changing earning assets mix
- Prov. reversal against advances of Rs.394 million; (Mar'16:Charge of Rs.276 million)
- NIM after provisions at Rs.8,393 million (↑2% YoY)
- Fee income stable at Rs.1,137 million (↑0.3% YoY);
- Dividend income (↓70% YoY) to Rs.422 million
- Cap. Gains at Rs.300 million (↓69% YoY);
- OPEX (↑7% YoY) on account of continuous investment towards :
 - Expansion in footprint – 100 new Branches
 - Alternate Delivery Channels – 158 new ATMs
 - Staff Strength – 10,991
 - Incremental investment in Technology, Digital Banking and Security initiatives

MAJOR HIGHLIGHTS – BALANCE SHEET

Rs. In Billion

| | Mar-17 | Dec-16 | Inc/(Dec) | |
|---------------------|--------------|--------------|-----------|-----------|
| | | | Rs. | % |
| Investments | 606 | 590 | 16 | 3% |
| Advances | 351 | 330 | 20 | 6% |
| Total Assets | 1,093 | 1,070 | 23 | 2% |
| Total Equity | 102 | 101 | 1 | 1% |

- Balance sheet footing increased to Rs.1,093 Billion (US\$10.4 Billion); (↑2% vs Dec'16)
- Average earning assets (↑7% vs Dec'16)
- Gross advances at Rs.369 billion (↑6% vs Dec'16)
- NPLs (↓3% vs Dec'16) to Rs.19.8 billion; improving NPL / Coverage Ratio
- Investments at market value stood at Rs.606 billion (↑3% vs Dec'16)
- Deposits base remained stable with 1% increase vs Dec'16 to reach Rs.810 Billion:
 - CASA % of total deposits increased to 80% (Dec'16: 78%); (↑3% vs Dec'16)
 - Market share at 7.3%
- Equity of the Bank reached Rs.102 billion (US\$ 968 Million) (↑1% vs Dec'16)
- CAR stood at 22.28% as at March 2017; Industry CAR Dec'16: 16.2%

Statement of Financial Position – Standalone

| ASSETS | Rs. in Million | | | US\$ in Million | | | Growth |
|---|------------------|------------------|---------------|-----------------|---------------|------------|-----------|
| | Mar-17 | Dec-16 | Var. | Mar-17 | Dec-16 | Var. | |
| Cash and Balances with Banks & Lending to FIs | 75,521 | 84,396 | (8,875) | 720 | 805 | (85) | -11% |
| Investments | 606,019 | 589,865 | 16,155 | 5,780 | 5,626 | 154 | 3% |
| Advances - net | 350,545 | 330,231 | 20,314 | 3,343 | 3,150 | 194 | 6% |
| Operating fixed assets | 33,026 | 32,757 | 269 | 315 | 312 | 3 | 1% |
| Other Assets | 27,732 | 32,365 | (4,633) | 264 | 309 | (44) | -14% |
| TOTAL ASSETS | 1,092,844 | 1,069,614 | 23,230 | 10,423 | 10,202 | 222 | 2% |
| LIABILITIES | | | | | | | |
| Deposits | 810,221 | 805,111 | 5,110 | 7,728 | 7,679 | 49 | 1% |
| Borrowings | 144,091 | 126,369 | 17,722 | 1,374 | 1,205 | 169 | 14% |
| Bills Payable | 6,415 | 9,849 | (3,434) | 61 | 94 | (33) | -35% |
| Other Liabilities | 30,612 | 27,612 | 3,001 | 292 | 263 | 29 | 11% |
| TOTAL LIABILITIES | 991,339 | 968,941 | 22,399 | 9,455 | 9,241 | 214 | 2% |
| NET ASSETS | 101,506 | 100,674 | 832 | 968 | 960 | 8 | 1% |
| EQUITY and RESERVES | | | | | | | |
| Share Capital | 11,451 | 11,451 | - | 109 | 109 | - | 0% |
| Reserves | 64,643 | 63,024 | 1,619 | 617 | 601 | 15 | 3% |
| Equity Tier I | 76,094 | 74,474 | 1,619 | 726 | 710 | 15 | 2% |
| Equity Tier II | 101,506 | 100,674 | 832 | 968 | 960 | 8 | 1% |

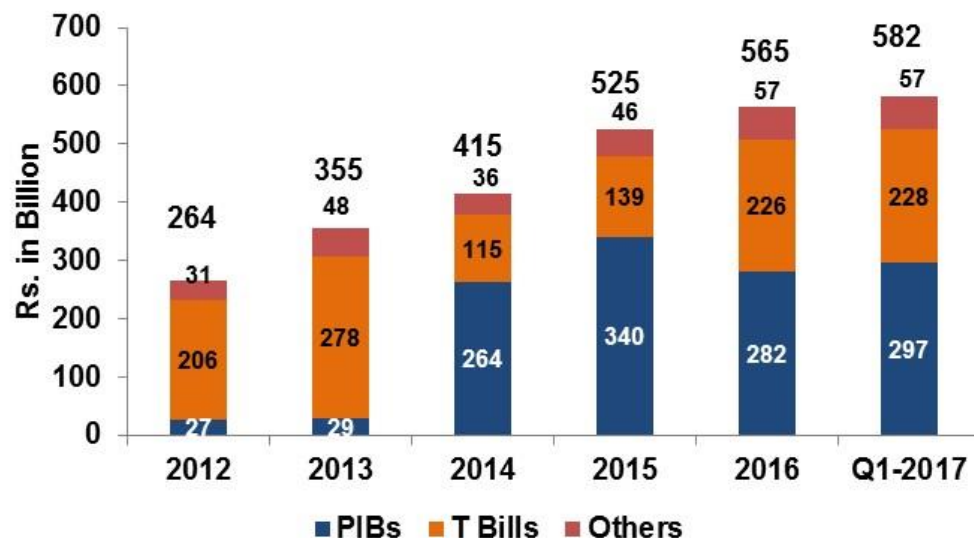
Statement of Financial Position – Consolidated

| ASSETS | Rs. in Million | | | US\$ in Million | | | Growth |
|---|------------------|------------------|---------------|-----------------|---------------|------------|-----------|
| | Mar-17 | Dec-15 | Var. | Mar-17 | Dec-15 | Var. | |
| Cash and Balances with Banks & Lending to FIs | 75,522 | 84,396 | (8,874) | 720 | 805 | (85) | -11% |
| Investments | 607,161 | 590,925 | 16,236 | 5,791 | 5,636 | 155 | 3% |
| Advances - net | 350,598 | 330,272 | 20,326 | 3,344 | 3,150 | 194 | 6% |
| Operating fixed assets | 33,052 | 32,783 | 269 | 315 | 313 | 3 | 1% |
| Other Assets | 28,043 | 32,668 | (4,625) | 267 | 312 | (44) | -14% |
| TOTAL ASSETS | 1,094,376 | 1,071,044 | 23,332 | 10,438 | 10,215 | 223 | 2% |
| LIABILITIES | | | | | | | |
| Deposits | 810,209 | 805,090 | 5,119 | 7,727 | 7,679 | 49 | 1% |
| Borrowings | 144,091 | 126,369 | 17,722 | 1,374 | 1,205 | 169 | 14% |
| Bills Payable | 6,415 | 9,849 | (3,434) | 61 | 94 | (33) | -35% |
| Other Liabilities | 30,943 | 27,921 | 3,022 | 295 | 266 | 29 | 11% |
| TOTAL LIABILITIES | 991,658 | 969,229 | 22,429 | 9,458 | 9,244 | 214 | 2% |
| NET ASSETS | 102,718 | 101,815 | 903 | 980 | 971 | 9 | 1% |
| EQUITY and RESERVES | | | | | | | |
| Share Capital | 11,451 | 11,451 | - | 109 | 109 | - | 0% |
| Reserves | 65,856 | 64,165 | 1,691 | 628 | 612 | 16 | 3% |
| Equity Tier I | 77,307 | 75,616 | 1,691 | 737 | 721 | 16 | 2% |
| Equity Tier II | 102,718 | 101,815 | 903 | 980 | 971 | 9 | 1% |

INVESTMENTS

| | |
|--|----------------|
| Pakistan Investment Bonds | 297,128 |
| Market Treasury Bills | 228,053 |
| Listed and Unlisted Shares | 26,179 |
| TFCs, Bonds, Sukuks and Mutual Funds | 30,275 |
| Subsidiary | 500 |
| Investments at Cost | 582,134 |
| Prov. for dimin. in value of investments | (2,697) |
| Surplus on revaluation of securities | 26,582 |
| Total Investments at market value | 606,019 |

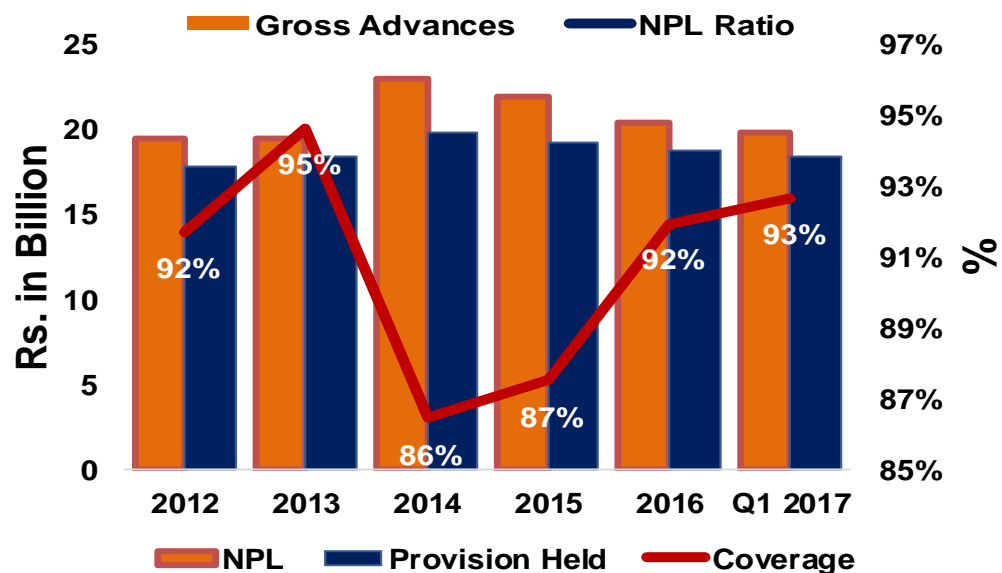
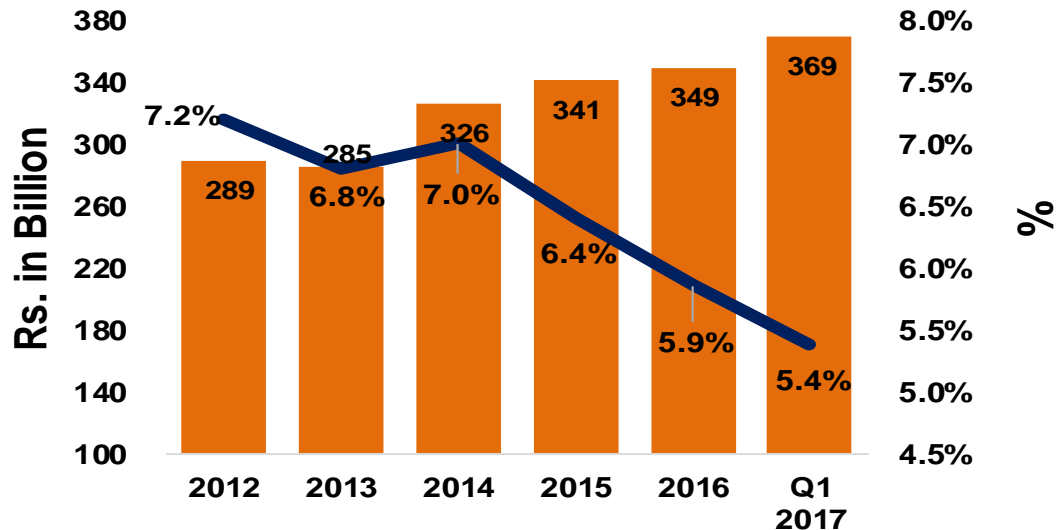
| | <i>Rs. in Million</i> | | | <i>Composition</i> | | |
|--|-----------------------|----------------|---------------|--------------------|-------------|-------------|
| | Mar-17 | Dec-16 | Var. | Growth | Mar-17 | Dec-16 |
| Pakistan Investment Bonds | 297,128 | 281,631 | 15,497 | 6% | 51% | 50% |
| Market Treasury Bills | 228,053 | 226,220 | 1,833 | 1% | 39% | 40% |
| Listed and Unlisted Shares | 26,179 | 26,134 | 46 | 0.2% | 4% | 5% |
| TFCs, Bonds, Sukuks and Mutual Funds | 30,275 | 30,303 | (28) | 0% | 5% | 5% |
| Subsidiary | 500 | 500 | - | 0% | 0% | 0% |
| Investments at Cost | 582,134 | 564,787 | 17,347 | 3% | 100% | 100% |
| Prov. for dimin. in value of investments | (2,697) | (2,697) | - | 0% | | |
| Surplus on revaluation of securities | 26,582 | 27,774 | (1,192) | -4% | | |
| Total Investments at market value | 606,019 | 589,865 | 16,155 | 3% | | |



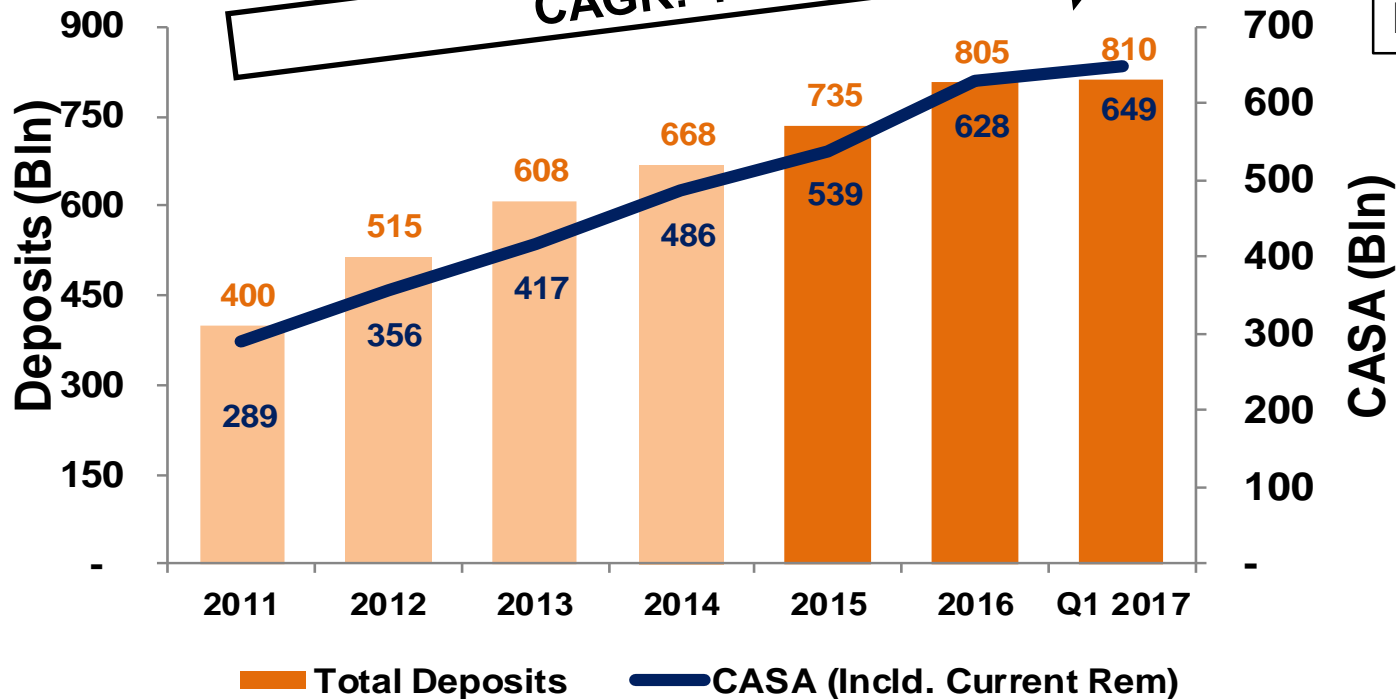
ADVANCES & ASSET QUALITY

Market Share: 6.5%

- Gross Advances at Rs.369 billion
- NPLs at Rs.19.8 billion (↓0.3%)
- NPL ratio 5.4% (↓0.5%) (Industry Dec'16: 10.1%)
- NPL coverage 92.6% (↑0.5%) (Industry Dec'16: 85.0%)
- Power, Cement, Food, Commodity and Textile remained key sectors.
- ADR at Mar'17: 45.5% (↑2.1%)



DEPOSITS



| Rs. In Billion | Mar-17 | Dec-16 | Growth |
|-----------------------|------------|------------|-----------|
| Current | 249 | 254 | -2% |
| Saving | 400 | 374 | 7% |
| Term | 161 | 177 | -9% |
| Total Deposits | 810 | 805 | 1% |

INCOME STATEMENT – Standalone

| | <i>Rs. in Million</i> | | | <i>US\$ in Million</i> | | | Growth |
|------------------------------|-----------------------|---------------|-------------|------------------------|---------------|-------------|---------------|
| | Mar-17 | Mar-16 | Var. | Mar-17 | Mar-16 | Var. | |
| Mark-up/ interest Income | 15,746 | 17,103 | (1,357) | 150 | 163 | (13) | -8% |
| Mark-up/ interest Expensed | 7,747 | 8,605 | (858) | 74 | 82 | (8) | -10% |
| Net Mark-up/ interest Income | 7,999 | 8,498 | (499) | 76 | 81 | (5) | -6% |
| Capital Gain & Dividend | 720 | 2,391 | (1,671) | 7 | 23 | (16) | -70% |
| Fee based Income & Others | 1,350 | 1,398 | (48) | 13 | 13 | (0) | -3% |
| Non Mark-up/ Interest Income | 2,070 | 3,789 | (1,719) | 20 | 36 | (16) | -45% |
| Gross Income | 10,069 | 12,287 | (2,218) | 96 | 117 | (21) | -18% |
| Human Resource Cost | 2,685 | 2,508 | 177 | 26 | 24 | 2 | 7% |
| Other Operating Cost | 2,217 | 2,116 | 101 | 21 | 20 | 1 | 5% |
| Total Operating Cost | 4,902 | 4,624 | 278 | 47 | 44 | 3 | 6% |
| Operating Profit/(Loss) | 5,167 | 7,663 | (2,496) | 49 | 73 | (24) | -33% |
| Total Provisions | (384) | 288 | (672) | (4) | 3 | (6) | -233% |
| Profit Before Tax | 5,551 | 7,375 | (1,824) | 53 | 70 | (17) | -25% |
| Taxation | 1,949 | 2,587 | (638) | 19 | 25 | (6) | -25% |
| Profit After Tax | 3,602 | 4,788 | (1,186) | 34 | 46 | (11) | -25% |

INCOME STATEMENT – Consolidated

| | <i>Rs. in Million</i> | | | <i>US\$ in Million</i> | | | Growth |
|------------------------------|-----------------------|---------------|-------------|------------------------|---------------|-------------|---------------|
| | Mar-17 | Mar-16 | Var. | Mar-17 | Mar-16 | Var. | |
| Mark-up/ interest Income | 15,747 | 17,104 | (1,357) | 150 | 163 | (13) | -8% |
| Mark-up/ interest Expensed | 7,747 | 8,603 | (856) | 74 | 82 | (8) | -10% |
| Net Mark-up/ interest Income | 8,000 | 8,501 | (501) | 76 | 81 | (5) | -6% |
| Capital Gain & Dividend | 751 | 2,409 | (1,658) | 7 | 23 | (16) | -69% |
| Fee based Income & Others | 1,497 | 1,503 | (6) | 14 | 14 | (0) | 0% |
| Non Mark-up/ Interest Income | 2,248 | 3,912 | (1,664) | 21 | 37 | (16) | -43% |
| Gross Income | 10,248 | 12,413 | (2,165) | 98 | 118 | (21) | -17% |
| Human Resource Cost | 2,717 | 2,558 | 158 | 26 | 24 | 2 | 6% |
| Other Operating Cost | 2,270 | 2,154 | 115 | 22 | 21 | 1 | 5% |
| Total Operating Cost | 4,987 | 4,713 | 274 | 48 | 45 | 3 | 6% |
| Operating Profit/(Loss) | 5,261 | 7,700 | (2,439) | 50 | 73 | (23) | -32% |
| Total Provisions | (385) | 288 | (673) | (4) | 3 | (6) | -234% |
| Profit Before Tax | 5,646 | 7,412 | (1,766) | 54 | 71 | (17) | -24% |
| Taxation | 1,974 | 2,597 | (623) | 19 | 25 | (6) | -24% |
| Profit After Tax | 3,672 | 4,815 | (1,143) | 35 | 46 | (11) | -24% |

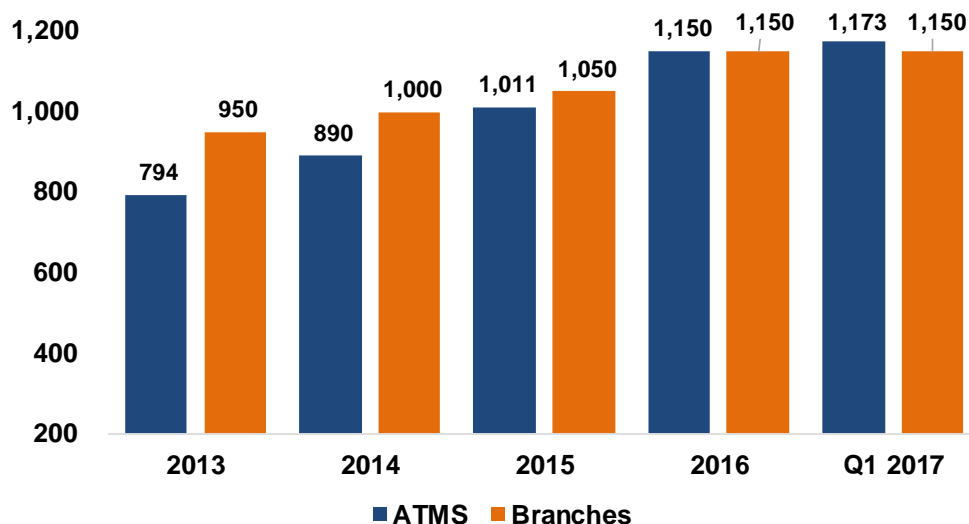
Key Ratios

ROA (%)
 ROE (Tier I) (%)
 Capital Adequacy Ratio (%)

| 2017 | 2016 | | | |
|------|------|------|------|------|
| | Q4 | Q3 | Q2 | Q1 |
| 1.3 | 1.4 | 1.6 | 1.7 | 1.9 |
| 19.1 | 20.3 | 23.0 | 24.5 | 27.6 |
| 22.3 | 20.8 | 21.9 | 21.3 | 20.9 |

Channels

| | Mar-17 | Mar-16 | Growth |
|----------------|--------|--------|--------|
| Total Branches | 1,150 | 1,050 | 100 |
| Conventional | 1,073 | 1,023 | 50 |
| Islamic | 77 | 27 | 50 |
| Total ATMs | 1,173 | 1,015 | 158 |
| On-site | 956 | 848 | 108 |
| Off-Site | 217 | 167 | 50 |



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. |
| Deposits | B3 | Moody's | Positive outlook, driven by assessment of the bank's standalone credit strength. |

Stock Market Data

| | |
|---|---------------------|
| Pakistan Stock Exchange Code | ABL |
| Bloomberg Code | ABL PA |
| Shares Outstanding (mln) | 1,145.07 |
| Market Capitalization (Rs. bln) | 136.50 |
| Market Capitalization (US\$ mln) | 1,307.38 |
| Current Stock Price* | 94.00 |
| 12M High/Low | 122.0/ 82.83 |

*Stock Price as of March 31, 2017

AWARDS & ACHIEVEMENTS



THE ASIAN BANKER®
STRATEGIC BUSINESS INTELLIGENCE FOR THE FINANCIAL SERVICES COMMUNITY

“Strongest Bank by Balance Sheet – 2015”

Corporate
Excellence
Awards



Corporate Excellence Award 2016 by
Management Association of Pakistan

CERTIFICATE OF
ACKNOWLEDGEMENT

Temenos congratulates Allied Bank Limited on rolling out Temenos T24 on its complete branch network.
Allied Bank Limited is acknowledged for successfully utilizing T24 on the largest branch network in the region.

2017 October 2017



Ghaffar Habib
Managing Director - Central Middle East

TEMENOS



Best Emerging Bank in
Islamic Finance – CIIT



Best Corporate & Institutional Bank –
Domestic, Pakistan 2016



Best Loan House, Pakistan 2016

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