

Allied Bank Limited



**Investor Presentation
For The Nine Months Period Ended
September 30, 2015**

MAJOR HIGHLIGHTS

- **Profit Before and After Tax improved by 19% & 15% respectively excluding prior year tax impact over Sep'14. Including prior year tax charge PAT growth at 3%**
 - **Excluding impact of prior year tax charge, 9-months EPS comes to Rs.11.63. Including prior year tax charge EPS at Rs.10.36 (September'14: Rs.10.09).**
 - **NII up 35% - on account of volumetric growth & optimum earning assets/deposits mix**
 - **Net reversal in provision against advances of Rs.219 million (Q3 2014 reversal of Rs.75 million) excluding provision charge of Rs.685 million against exposure in BYCO Petroleum Limited in Q1 2015.**
 - **Higher Fee based and Forex Income off-setting lower Capital Gains**
 - **Limited private sector credit off-take and seasonal adjustment reduced advances by 2%**
 - **Due to lack of deployment avenues surplus liquidity diverted towards investments. Investments at Sep 30, 2015 reaching Rs.546 billion; growth of 27% over Dec'14**
 - **Deposits improved by 6% at September 30, 2015 as compared to December '14; while maintaining the market share of 8%**
 - **Despite expansion in footprint and underlying inflationary impacts operating expenditure growth managed at 7%**
-

Statement of Financial Position
Rs. in Million

	Unconsolidated				Consolidated			
	Q3 2015	2014	Diff.	% growth	Q3 2015	2014	Diff.	% growth
ASSETS								
Cash and Balances with Banks	58,213	44,159	14,055	32%	58,211	44,156	14,055	32%
Investments	545,839	428,791	117,048	27%	546,589	429,397	117,192	27%
Advances - net	298,629	306,014	(7,385)	-2%	298,683	306,058	(7,375)	-2%
Operating fixed assets	27,663	27,250	413	2%	27,684	27,271	413	2%
Other Assets	26,323	36,055	(9,732)	-27%	26,537	36,216	(9,678)	-27%
TOTAL ASSETS	956,667	842,269	114,397	14%	957,705	843,098	114,607	14%
LIABILITIES								
Deposits	705,963	667,878	38,086	7%	705,946	667,864	38,082	6%
Borrowings	131,432	66,096	65,336	99%	131,432	66,096	65,336	99%
Bills Payable	4,699	4,832	(132)	-3%	4,699	4,832	(132)	-3%
Sub-ordinated Loans	-	2,994	(2,994)	-100%	-	2,994	(2,994)	-100%
Other Liabilities	25,644	19,579	6,065	31%	25,862	19,747	6,116	31%
TOTAL LIABILITIES	867,738	761,379	106,360	14%	867,940	761,533	106,407	14%
NET ASSETS	88,928	80,890	8,038	10%	89,765	81,565	8,200	10%
EQUITY and RESERVES								
Share Capital	11,451	11,451	-	0%	11,451	11,451	-	0%
Reserves	56,272	50,603	5,669	11%	57,108	51,278	5,831	11%
Equity Tier I	67,723	62,054	5,669	9%	68,559	62,728	5,831	9%
Equity Tier II	88,929	80,890	8,039	10%	89,765	81,565	8,200	10%

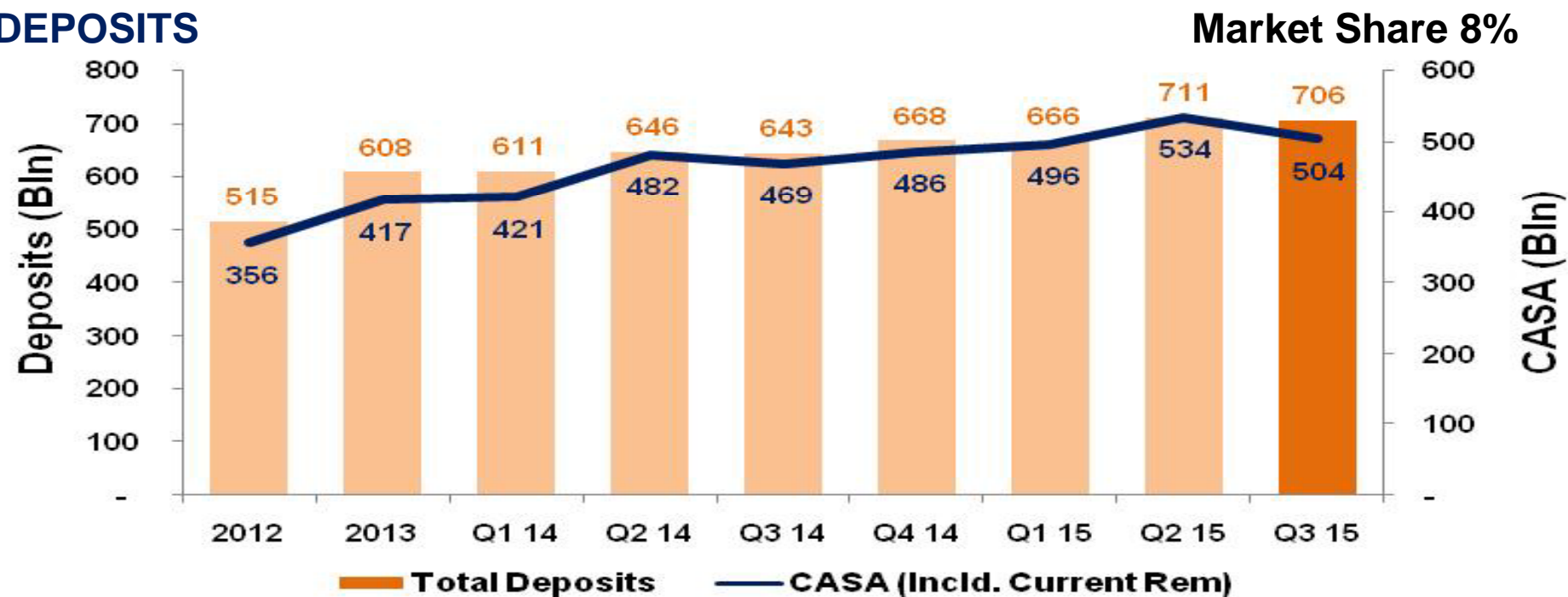
INVESTMENTS
Rs. in Million

	Q3 2015	Dec 2014	Diff.	% growth
Pakistan Investment Bonds	340,206	263,957	76,250	29%
Market Treasury Bills	141,252	115,321	25,931	22%
Listed and Unlisted Shares	25,036	22,769	2,268	10%
TFCs, Bonds, Sukuks and Mutual Funds	17,815	12,732	5,083	40%
Subsidiary	500	500	-	0%
Investments at Cost	524,809	415,279	109,530	26%
Prov. for diminution in value of investments	(973)	(977)	4	0%
Surplus on revaluation of securities	22,003	14,489	7,513	52%
Total Investments at market value	545,839	428,791	117,048	27%

Investments Composition

	Q2 2015	2014
Pakistan Investment Bonds	64.8%	63.6%
Market Treasury Bills	26.9%	27.8%
Listed and Unlisted Shares	4.8%	5.5%
TFCs, Bonds, Sukuks and Mutual Funds	3.4%	3.1%
Subsidiary	0.1%	0.1%
Investments at Cost	100%	100%

DEPOSITS



	Q3 2015 vs. Q2 2015	Q3 2015 vs. Q3 2014	2014 vs. 2013
ABL Growth	-1%	10%	9.8%
Industry Growth	-1%	12%	10.8%

Rs. In Billion	Q3 2015	2014	Growth vs 2014
Current	214	206	4%
Saving	290	280	4%
Term	202	182	11%
Total Deposits	706	668	6%

INCOME STATEMENT
Rs. in Million

	Unconsolidated - Nine months period				Consolidated - Nine months period			
	Sep-15	Sep-14	Inc./ (Dec.)	Growth	Sep-15	Sep-14	Inc./ (Dec.)	Growth
Mark-up/ interest Income	54,014	48,339	5,675	12%	54,016	48,340	5,676	12%
Mark-up/ interest Expensed	27,239	28,515	(1,276)	-4%	27,236	28,508	(1,272)	-4%
Net Mark-up/ interest Income	26,775	19,824	6,951	35%	26,780	19,832	6,948	35%
Capital Gain & Dividend	3,391	6,203	(2,812)	-45%	3,467	6,273	(2,806)	-45%
Fee based Income & Others	4,416	3,857	559	14%	4,747	4,092	655	16%
Non Mark-up/ Interest Income	7,807	10,060	(2,253)	-22%	8,214	10,365	(2,151)	-21%
Gross Income	34,582	29,884	4,698	16%	34,994	30,197	4,796	16%
Human Resource Cost	7,381	6,881	500	7%	7,521	7,018	503	7%
Other Operating Cost	6,103	5,751	352	6%	6,168	5,782	386	7%
Total Operating Cost	13,484	12,632	1	7%	13,688	12,800	888	7%
Operating Profit/(Loss)	21,098	17,252	3,846	22%	21,306	17,398	3,908	22%
Total Provisions	585	15	569	38	585	15	570	38.00
Profit Before Tax	20,513	17,236	3,277	19%	20,720	17,382	3,338	19%
Taxation - Current	7,191	5,680	1,511	27%	7,237	5,705	1,532	27%
PAT (excluding prior year tax impact)	13,322	11,556	1,766	15%	13,484	11,678	1,806	15%
Taxation - Prior Year	1,460	-	1,460	-	1,460	-	1,460	-
PAT (incl. prior year tax impact)	11,862	11,556	306	3%	12,023	11,678	346	3%

KEY RATIOS

	2015			2014			
	Sep	Jun	Mar	Dec	Sep	Jun	Mar
ROA (%)	1.8	1.7	2.0	1.9	2.0	1.8	1.7
ROE (Tier I) (%)	24.4	23.1	26.7	25.9	27.0	25.5	23.8
EPS Quarterly (Rs.)	3.9	2.8	3.7	3.0	3.9	3.4	2.8
EPS Annualized (Rs.)	13.8	12.8	14.7	13.1	13.5	12.4	11.3
Infection Ratio (%)	6.9	7.0	7.1	7.0	7.7	6.4	7.0
Coverage (%)	91.1	88.8	90.6	86.4	79.5	93.8	92.9
Capital Adequacy Ratio (%)	22.2	21.9	20.8	19.8	19.7	19.1	17.6

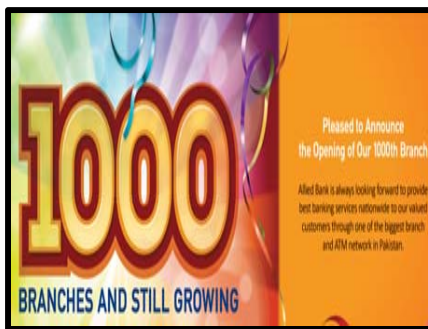
Excluding Prior Year Tax Impact:

ROA (%)	2.0	2.0	2.0	1.9	2.0	1.8	1.7
ROE (Tier I) (%)	27.4	27.7	26.7	25.9	27.0	25.5	23.8
EPS Quarterly (Rs.)	3.9	4.0	3.7	3.0	3.9	3.4	2.8
EPS Annualized (Rs.)	15.5	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	-	PACRA	Redeemed unsecured, listed and subordinated TCFs II of Rs.3,000 million after exercising call option. Rating of 'AA' (Double 'A') stands withdrawn.
Deposits	B3	Moody's	Positive outlook, driven by assessment of the bank's standalone credit strength.

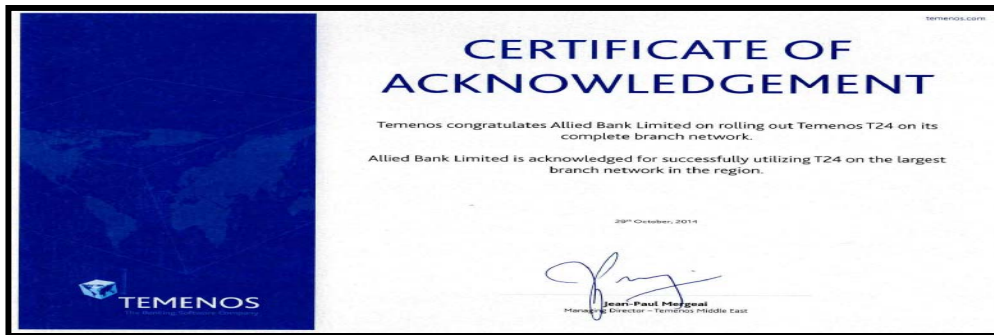
AWARDS & ACHIEVEMENTS



Best Bank of The Year – 2014



Employer of The Year – 2014



Best Corporate Finance House – 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
