## Pakistan Banks

## HBL PA: 4QCY23 EPS clocked in at PKR10.1 - Below expectation

Habib Bank Limited has announced its annual result today, wherein bank posted consolidated PAT of PKR57.7bn (EPS: PKR39.3) vs. PKR34.3bn (EPS: PKR23.2) reported in SPLY, up by $69 \%$ YoY. The increase is mainly driven by 46\% YoY jump in NII during the year.
\& Markup income clocked in at PKR202bn in 4QCY23 vs. PKR190bn in 3QCY23, up by 6\% QoQ. Similarly, markup expense recorded an increase

## HBL (PKR mn)

Net Interest Income Non Markup Income Operating Expenses Provisions/(Reversals) Profit before tax Taxation Profit after tax EPS DPS
Effective tax rate of $9 \%$ QoQ. Resultantly, NII for the quarter inched up by $\sim 1 \%$ QoQ.
\& Non Funded Income clocked in at PKR20.3bn compared to PKR13.0bn in preceding quarter. The jump is mainly attributable to higher fee \& FX income.
\& The bank has recorded provision of PKR5.8bn in 4QCY23, taking total provision for the year to PKR13.2bn.
\& Operating expense increased by $\sim 7 \%$ QoQ, however, cost to income ratio fell to $56.3 \%$ vs. $57.9 \%$ in 3QCY23.

1 Effective tax rate for the quarter clocked in at $\sim 49 \%$ vs. $50 \%$ in SPLY.
\& Along with result company has announced final cash dividend of PKR4.0/sh, taking total DPS for CY23 to PKR9.75/sh

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- Discounted cash flow (DCF)
- Relative Valuation (P/E, P/Bv, P/S etc.)
- Equity \& Asset return based methodologies (EVA, Residual Income etc.)

Frequently Used Acronyms

| Frequently |  |  |
| :--- | :--- | :---: |
| TP | Target Price | DCF |
| FCFE | Free Cash Flows to Equity | FCFF |
| SOTP | Sum of the Parts | P/E |
| P/S | Price to Sales | EVA |
| EPS | Earnings per Share | DPS |
| ROE | Return on Equity | ROA |

SOTP

EPS
ROE

Free Cash Flows to Equity FCFF
Sum of the Parts P/E
Earnings per Share DPS
Return on Equity

Discounted Cash Flows
Free Cash Flows to Firm Price to Earnings ratio Economic Valued Added Dividend per Share
Return on Assets

CAGR

Free Cash Flows Dividend Discount Model
Price to Book ratio Book Value per Share Dividend Yield Compounded Annual Growth Rate

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