



Earnings Flash Note  
Qatar Islamic Bank  
3Q 2023 / 9M 2023



## Qatar Islamic Bank (QIBK)

- > **Net profit increased 6.3% YoY to QR 1,099.9mn (+4.8% QoQ)** in 3Q23 as surge in net interest income was largely consumed by higher return to unrestricted investment account. For 9M23, net profit was up by 7.2% YoY to QR 3,055.2mn.
- > **Net interest income increased by 3.4% on YoY to QR992.6mn (-1.0% QoQ)** in 3Q23 driven by rise in income from financing activities (+35.8% YoY, +3.6% QoQ). Net interest margin (NIM) increased by ~10bps YoY (~-9bps sequentially) to ~2.33% in 3Q23 while NIM improved by 10bps YoY to ~2.34% in 9M23.
- > **Revenue was up by 28.2% YoY (+5.6% QoQ)** to QR2,870.1mn in 3Q23 largely due to higher income from financing. Revenue grew 24.1% YoY in 9M23.
- > **As of 3Q23-end, Loans & advances were QR121.8bn (+0.6% YoY, +1.9% QoQ)** while Customer deposits declined 1.1% YoY to QR121.5bn (-3.9% QoQ).
- > **As of 3Q23-end, the book value per share stood at QR 10.4 (9M22: QR 10.4).**

- > **The stock is currently trading at a TTM P/B multiple of 1.8x, lower than its 3Y historical average of 2.3x.** For now, we maintain our PT of QR 24.18/share and our accumulate rating.

### 3Q 2023 Earnings Performance

	3Q2023	3Q2022	YoY	2Q2023	QoQ
Net Interest Income	992.6	960.0	3.4%	1,002.7	-1.0%
Net Interest Margin %	2.33%	2.23%		2.42%	
Non-interest income	254.5	263.8	-3.5%	226.7	12.2%
Revenue	2,870.1	2,239.6	28.2%	2,718.5	5.6%
Cost/income ratio %	16.6%	18.2%		16.6%	
Net profit	1,099.9	1,034.9	6.3%	1,050.0	4.8%
Book value per ordinary share (QR)	10.4	9.5	10.1%	10.0	4.5%
Loans & advances	121,802.4	121,026.4	0.6%	119,568.1	1.9%
Customer Deposits	121,514.7	122,882.8	-1.1%	116,914.7	3.9%

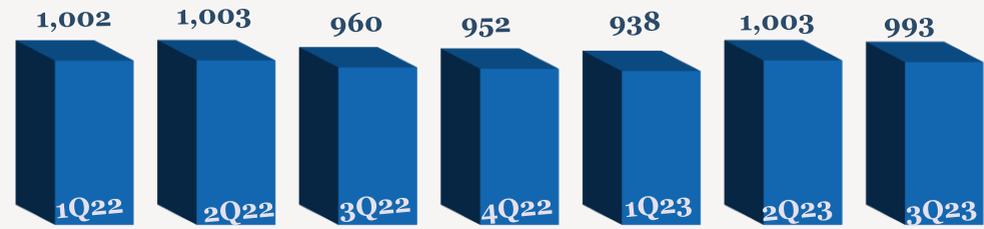
Note: Values are expressed in QR'mn unless explicitly stated

### 9M 2023 Earnings Performance

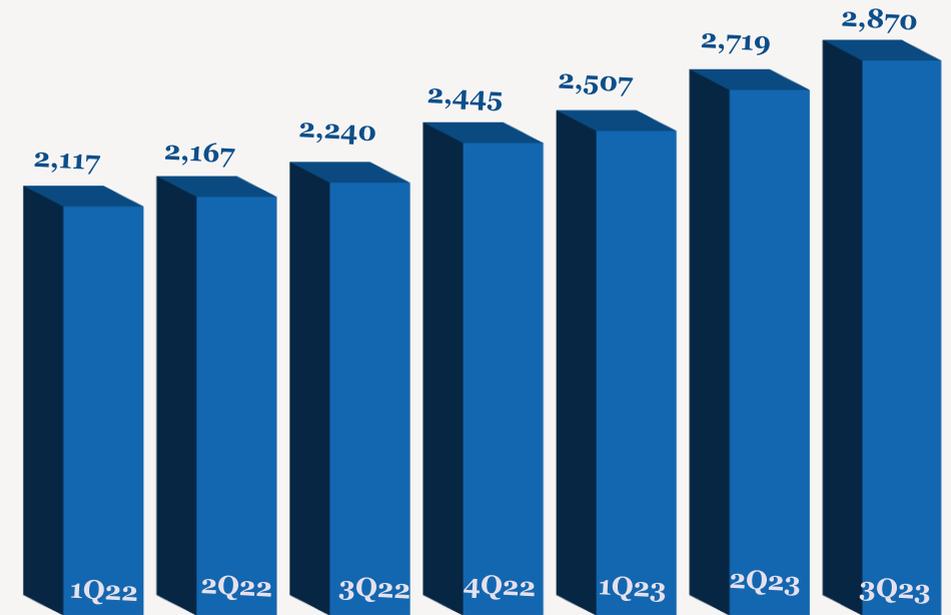
	9M2023	9M2022	YoY
Net Interest Income	2,933.6	2,964.5	-1.0%
Net Interest Margin %	2.34%	2.23%	
Non-interest income	729.7	787.0	-7.3%
Revenue	8,095.7	6,523.1	24.1%
Cost/income ratio %	17.3%	17.2%	
Net profit	3,055.2	2,850.2	7.2%
Book value per ordinary share (QR)	10.4	9.5	10.1%
Loans & advances	121,802.4	121,026.4	0.6%
Customer Deposits	121,514.7	122,882.8	-1.1%

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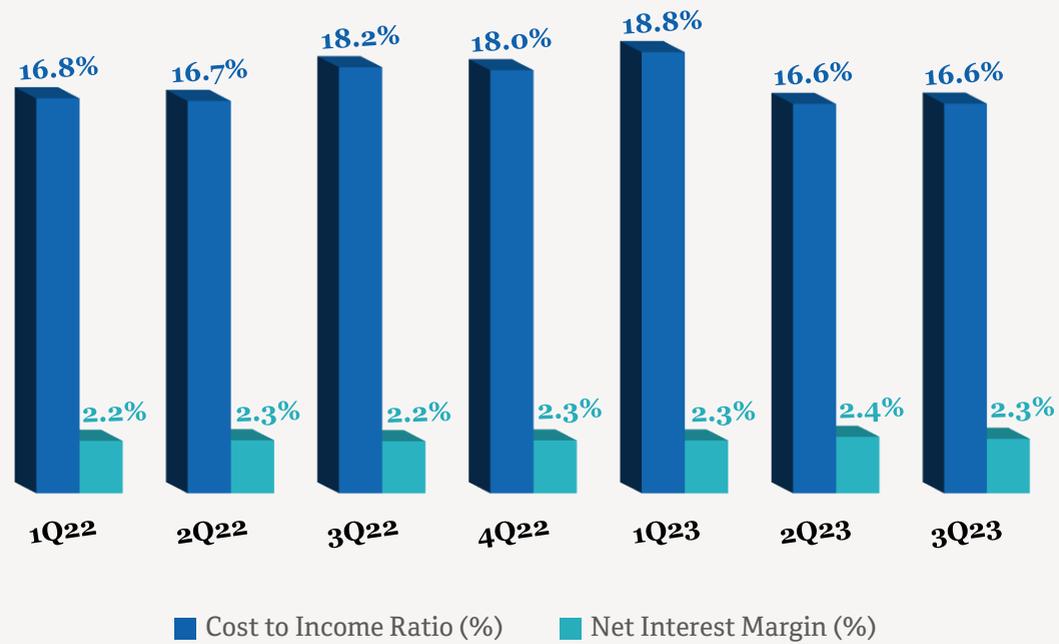
Quarterly Net Interest Income trend (QRmn)



Quarterly Revenue Trend (QRmn)



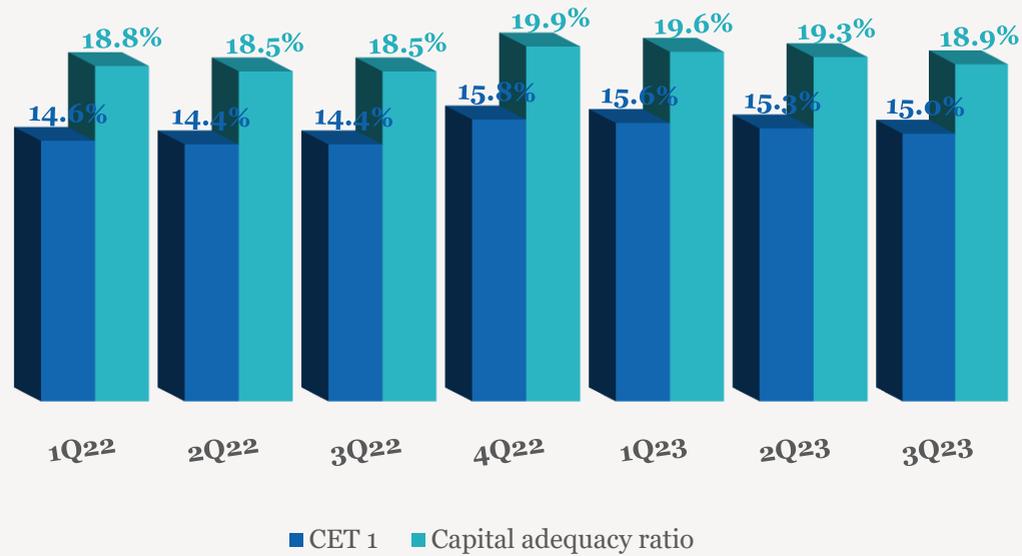
Cost-to-Income and MIN Ratios Trend



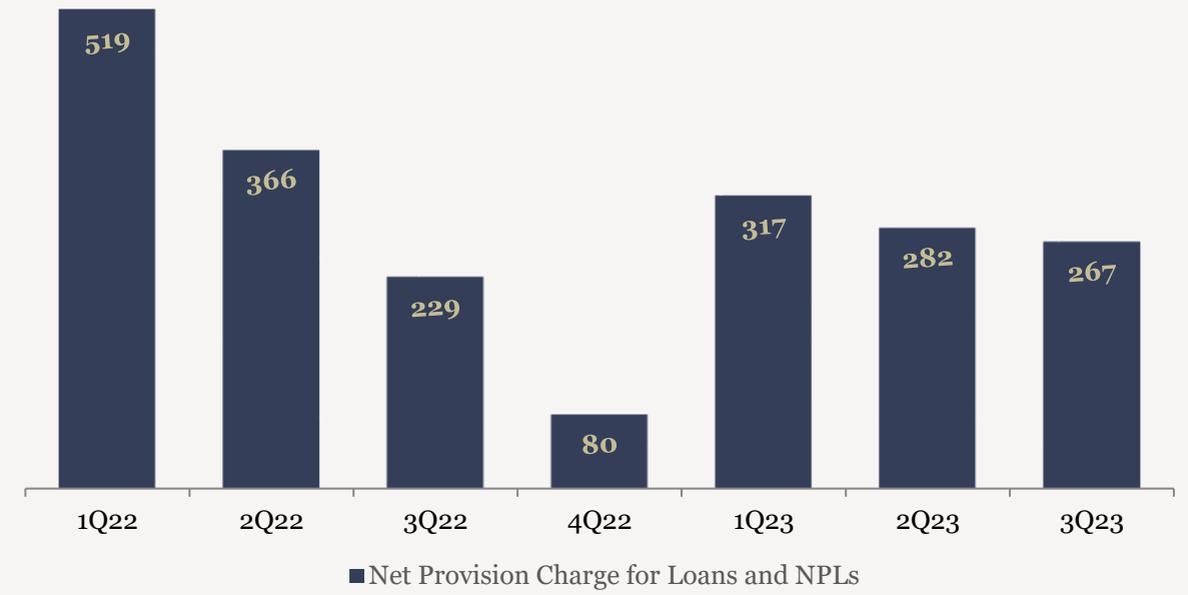
EPS (QR) Trend



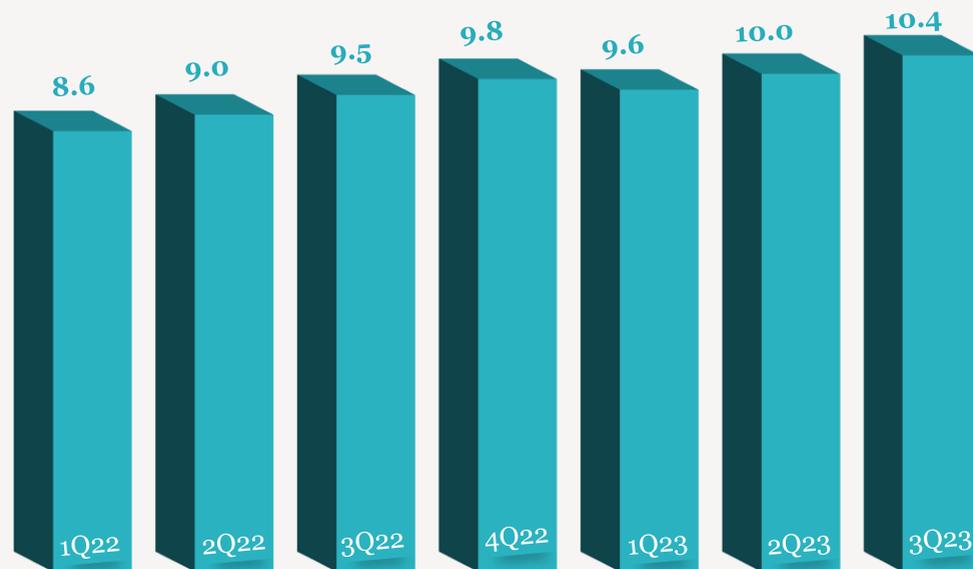
Capital Adequacy Ratio (%)



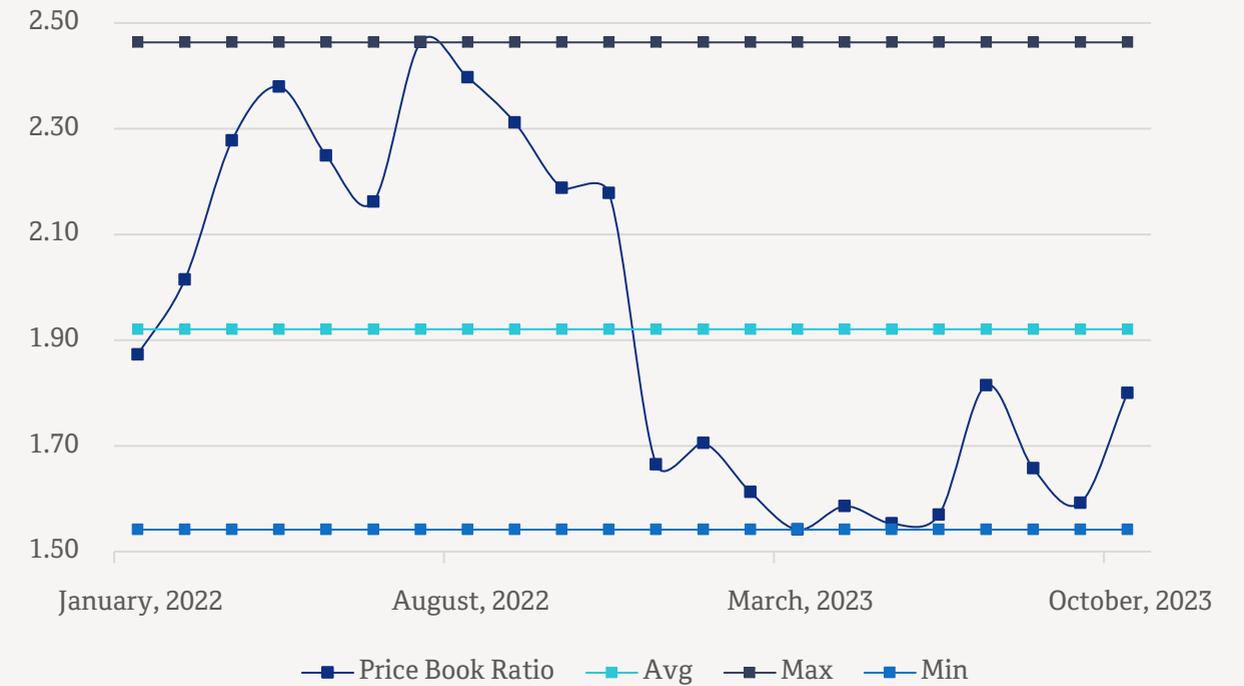
Net Provision for Loan Loss (QRmn)



Book Value Per Share



P/B Multiple Band (x)



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