**1st Quarterly report, 2024, for Western Alliance Bancorp (WAL) Date:** May 11 2024

Percentage change in Sales from year ago quarter -10.4%

Percentage change in Earnings per Share from year ago quarter -50.2%

Is company meeting our target sales & earnings estimates? **No**

Pre-tax Profit on sales trend? (up, even, down) **DOWN**

Return on equity trends? (up, even, down) **DOWN**

Debt? (up, even, down) **DOWN**Return on AVG Assets **DOWN**

Current PE is 9.6

Where does it fall in my estimated High/low range of PE's? **Slightly under midpoint**

Signature PE =\_**9.45**\_\_\_\_\_\_\_\_

Club cost basis for this stock is **$39.1562**. Current price is $62.48 (5/11/24)

**Current fair value**:

**My SSG Total Return** is 11.2% Projected Average Return is 4.1%

**What will drive future growth?**

May 06

First quarter 2024 earnings: Revenues exceed analysts expectations while EPS lags behind  
First quarter 2024 results:  
EPS: US$1.61 (up from US$1.29 in 1Q 2023).  
Revenue: US$713.6m (up 34% from 1Q 2023).  
Net income: US$174.2m (up 25% from 1Q 2023).  
Profit margin: 24% (down from 26% in 1Q 2023). The decrease in margin was driven by higher expenses.  
Revenue exceeded analyst estimates by 3.2%. Earnings per share (EPS) missed analyst estimates by 1.9%.  
Revenue is forecast to grow 11% p.a. on average during the next 3 years, compared to a 6.1% growth forecast for the Banks industry in the US.  
Over the last 3 years on average, earnings per share has fallen by 1% per year but the company’s share price has fallen by 16% per year, which means it is performing significantly worse than earnings.  
On Oct 4th, Wells Fargo analyst, Timur Braziler named WAL as one of his 4 top picks when he took over coverage of the Regional Banking sector.

CEO commentary:

“Western Alliance continued to execute its balance sheet repositioning strategy and produced strengthening profitability in the third quarter, highlighted by net interest income growth and net interest margin expansion, while maintaining stable asset quality. Deposit momentum continued to improve liquidity levels and demonstrates the vibrancy of the franchise,” said Kenneth A. Vecchione, President and Chief Executive Officer. “Quarterly deposit growth of $3.2 billion lowered our HFI loan-to-deposit ratio to 91%, with total insured and collateralized deposits representing 82% of deposits and available liquidity coverage of 293% of uninsured deposits. We achieved net income of $216.6 million and earnings per share of $1.97 for the third quarter 2023, which resulted in a return on tangible common equity1 of 17.3%. Tangible book value per share1 climbed 1.3% quarterly to $43.66, or 17.5% year-over-year, with a CET1 ratio of 10.6%.”

* + **Recommend**: X Hold or, Challenge w/better \_\_, Sell\_\_\_