MCB Delivers Resilient Half-Year Performance, Declares a Second Interim Cash Dividend of 90%

[Lahore: August 06, 2026] MCB Bank Limited is pleased to announce its financial results for the half year ended June 30, 2026, reflecting resilient performance supported by strong fundamentals, disciplined execution, and balance sheet strength amid a challenging macroeconomic environment.

The Board of Directors of MCB Bank, under the Chairmanship of Mian Mohammad Mansha, reviewed and approved the Bank’s financial statements for the half year ended June 30, 2026. The Board of Directors declared a second interim cash dividend of Rs. 9.00 per share (90%), taking the cumulative cash dividend for 2026 to Rs. 18.00 per share (180%). The consistent dividend payout underscores the Bank's strong capital position, prudent financial management, and unwavering commitment to delivering long term value to its shareholders.

MCB reported a Profit Before Tax (PBT) of Rs. 55.1 billion and a Profit After Tax (PAT) of Rs. 26.5 billion, translating into Earnings Per Share (EPS) of Rs. 22.34. On a consolidated basis, PBT and PAT stood at Rs. 58.8 billion and Rs. 28.1 billion, respectively.

Total income for the half year stood at Rs. 93.9 billion, reflecting a 6% year-on-year increase. The improvement was primarily driven by net markup income, which rose to Rs. 75.3 billion (H1'25: Rs. 71.3 billion), supported by a higher low-cost deposit base and effective yield optimization despite the relatively lower average policy rate compared to last year.

Non-markup income rose to Rs. 18.7 billion (H1'25: Rs. 17.5 billion) representing a 7% year-on-year increase. Fee and commission income increased by 21% year-on-year to Rs. 11.9 billion, supported by sustained momentum in the Bank's digital banking franchise and higher transaction volumes. Within this segment, card-related income increased by 13%, branch banking fee income rose by 5% on the back of improved customer engagement and cross-selling initiatives, while consumer banking fee income recorded a robust 27% increase, reflecting higher customer activity and greater uptake of consumer financing products. Foreign exchange income and dividend income further contributed Rs. 4.1 billion and Rs. 2.1 billion respectively to the non-markup income base.

Operating expenses increased by 9% year-on-year, reflecting continued investment in technology, human capital, and brand development to strengthen the Bank's long-term growth platform. Despite these investments, the Bank maintained a healthy cost-to-income ratio of 39.20%, underscoring disciplined cost management while continuing to enhance operational efficiency.

On the balance sheet side, total assets of the Bank increased to Rs. 3.430 trillion (YE’25: Rs. 3.247 trillion). Gross Advances registered growth of Rs. 67 billion (9%), reflecting improved credit uptake. The investment portfolio stood at Rs. 2.067 trillion (YE’25: Rs. 1.947 trillion).

Asset quality remained satisfactory, with non-performing loans (NPLs) reported at Rs. 50.3 billion. The infection and coverage ratios improved to 6.26% and 93.13%, respectively. The Bank continues to focus on proactive management of its delinquent portfolio through targeted recovery efforts, timely resolution of non-performing exposures, and disciplined measures to contain credit losses.

Total deposits of the Bank stood at Rs. 2.604 trillion, with the current account mix improving to 55% (YE’25: 54%), reinforcing the Bank’s strength in low-cost deposit mobilization. This favorable mix, along with the lower interest rate environment, reduced the domestic cost of deposits to 4.43% (H1’25: 5.23%). The Bank reported Return on Assets (ROA) of 1.59% and Return on Equity (ROE) of 21.49%.

MCB Bank maintained its position as one of the leading players in the home remittance market, with a market share of 10.38%, processing USD 2.27 billion in remittance inflows during the period. Leveraging its extensive branch footprint and expanding digital channels, the Bank continued to support the State Bank of Pakistan’s financial inclusion and formal remittance initiatives, contributing meaningfully to foreign exchange inflows and overall economic stability.

The Bank’s capital and liquidity positions remained robust, with the Capital Adequacy Ratio (CAR) standing at 19.65% and the Common Equity Tier-1 (CET1) ratio at 14.93%, well above minimum regulatory requirements. Liquidity buffers remained strong, reflected in a Liquidity Coverage Ratio (LCR) of 233.41% and a Net Stable Funding Ratio (NSFR) of 161.14%.

MCB’s credit ratings were reaffirmed by the Pakistan Credit Rating Agency (PACRA) at ‘AAA’ for long-term and ‘A1+’ for short-term through its notification dated June 23, 2026.

MCB Bank operates one of the largest branch networks in Pakistan on a consolidated basis, with over 1,700 branches and continues to rank among the top capitalized banking stocks traded on the Pakistan Stock Exchange.

Looking ahead, the Bank remains well-positioned to deliver sustainable growth, supported by a strong capital base, ample liquidity, diversified revenue streams, and disciplined risk management, while continuing to focus on operational efficiency and customer-centric innovation.