NBP National Bank of Pakistan
نیشنل بینک آف پاکستان

Press Release
28.08.2026

Resilient 1H'26 Performance Amid Volatility: PAT at PKR 32.4 Bn

Karachi, 28 August 2026: The Board of Directors of National Bank of Pakistan "NBP" "the Bank" met on August 27, 2026, to approve the interim condensed financial statements for the half-year ended June 30, 2026. The Bank continued to demonstrate resilient financial performance and disciplined balance sheet management during the first half of 2026, navigating an evolving interest rate environment while maintaining strong liquidity, funding and capital positions.

The Bank delivered a resilient performance in the first half of 2026, posting a Profit Before Tax of PKR 67.3 Bn and a Profit After Tax of PKR 32.4 Bn, translating into Earnings Per Share of PKR 15.23 for the half year ended June 30, 2026.

Navigating a challenging environment for both the wider economy and the banking sector, NBP demonstrated the strength of its core franchise. Interest income was firmly supported by robust double-digit volumetric growth in investments, which expanded by 15.1%. This momentum was reinforced by a markedly stronger funding mix, with consistent growth in low-cost CASA deposits helping bring the overall cost of funds down considerably that cushioned the impact of tighter asset yields. As a result, the Bank generated gross interest income of PKR 361.7 Bn in 1H'26. Non-mark-up income also advanced, rising 3.8% year-on-year to PKR 27.6 Bn on the back of a strong showing across multiple streams. Foreign exchange income grew impressively to PKR 5.4 Bn from PKR 3.5 Bn, while dividend income surged 30% to PKR 4.1 Bn, underscoring the quality and diversification of the Bank's earnings base.

The Bank maintained a disciplined approach towards operating expenses, which increased by approximately 11% YoY to PKR 65.5 Bn, primarily reflecting targeted investments in digital capabilities and technology infrastructure to strengthen operating capacity, resilience and scalability. Proactive risk management remained a key strength, with recoveries against non-performing loans, and credit loss allowances recording a net reversal of PKR 5.3 Bn during 1H'26, compared to a charge of PKR 4.8 Bn in the corresponding period last year. Specific NPL provision coverage stood at 93% under applicable SBP regulations, while the Bank continues to maintain strong IFRS 9 Expected Credit Loss coverage.

The Bank's total assets increased by 10.9% during the first half of 2026 to PKR 7.8 Tn, compared to PKR 7.07 Tn as of December 31, 2025. Investments increased to PKR 5.67 Tn, with the portfolio strategically positioned towards shorter-maturity government securities, providing flexibility to capitalize on emerging repricing opportunities. Gross advances stood at PKR 1.58 Tn, compared to PKR 1.61 Tn at year-end 2025, with the 2.4% decline primarily reflecting seasonal factors in the Commercial and SME segments. Meanwhile, Islamic financing continued its growth trajectory, increasing by 27% during the first half to PKR 312.8 Bn.

Total deposits stood at PKR 4.2 Tn as of June 30, 2026. Current deposits of PKR 2.07 Tn represented 49.2% of total deposits, while the overall CASA base stood at PKR 3.53 Tn, translating into a CASA ratio of approximately 85%, compared to 80.7% at year-end 2025. The Bank's liquidity remained robust, with LCR of 198% and NSFR of 152%, both comfortably above the regulatory minimum of 100%.

Despite the impact of the significant dividend payout on eligible capital, NBP maintained a strong capital position. Risk Weighted Assets increased marginally by 1.0% to PKR 2.11 Tn. Total Capital Adequacy Ratio stood at 22.12%, while Tier-1 Capital Adequacy Ratio stood at 16.79%, compared to 26.21% and 19.65%, respectively, at year-end 2025. The leverage ratio stood at 3.62%, while other financial soundness indicators also remained strong.

The Federal Government has recently assigned Mr. Abdul Wahid Sethi, SEVP/CFO, additional acting charge of President / CEO Office, for an interim period of three months or till the appointment of a regular President/CEO, whichever is earlier. The Bank looks forward to the new leadership in further strengthening operational excellence, advancing its transformation agenda and enhancing value for customers, shareholders and other stakeholders.

Commenting on the performance of the Bank, Mr. Sethi expects the operating environment to gain further traction during the second half of 2026, supported by easing geopolitical tensions, improving business confidence and a gradual recovery in economic activity. This, in return, is expected to support a revival in credit demand, particularly across the Commercial and SME segments. With its strong liquidity and funding franchise, robust capital position and disciplined risk management framework, the Bank is well positioned to support and capitalize on this recovery. NBP will continue to pursue risk-calibrated asset growth and deepen customer relationships, with stronger advances and improving business activity expected to provide greater momentum to its core franchise through the year-end.

Financial Control Group
4th Floor, NBP Head Office.
I.I. Chundrigar Road, Karachi – 74000, Pakistan.
PABX: (92-21) 9922 0100 (50 Lines)
investor.relations@nbp.com.pk