

Flash Note

Thursday, April 23, 2026

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Commercial Banks

MCB Bank Limited (MCB)

Earnings: MCB Bank Limited (MCB) announced its financial result for the first quarter of the year 2026. As per the financial result, the Bank reported unconsolidated earnings of PKR 12.8bn (PKR 10.8/share) during 1QCY26 compared to PKR 13.8bn (PKR 11.7/share) last year, down by -7%/y/y and -2%/q/q.

Dividend/Payout: The Bank announced a cash dividend of PKR 9.0/share along with the result.

Operating Performance: During the 1QCY26 period under review, the Bank's net-interest income grew by +9%/y/y recording at PKR 38.2bn while non-interest income declined by -8%/y/y to PKR 8.5bn. As a result, MCB's total revenue clocked in at PKR 46.7bn (up by +5%/y/y). Moreover, the Bank recorded operating expenses of PKR 19.1bn (up by +8%/y/y), leading the bank's cost/income ratio at 41% (1QCY25: 40%). The bank booked a provision charge of PKR 0.9bn during 1QCY26 compared to a provision reversal of PKR 2.5bn in the same period last year. The tax charge for this quarter came at PKR 13.9bn (effective tax rate of 52% against 53% in 1QCY25).

Exhibit: Financial Highlights Mcb Bank Limited (MCB)					
Latest result published for 1Q/26					
Period (PKRbn)	1Q'/26	1Q'/25	4Q'/25	CY'25	CY'24
Net Interest Income	38.2	35.2	36.8	145.6	149.1
Fee Income	5.9	5.3	5.3	19.3	21.2
Treasury Income	2.5	3.8	4.4	15.9	15.8
Non-Interest Income	8.5	9.2	9.8	35.8	37.4
Total Revenue	46.7	44.4	46.6	181.4	186.5
Op. Exp.	(19.1)	(17.6)	(18.3)	(71.2)	(63.8)
Provision charge	(0.9)	2.5	(0.3)	5.3	(4.3)
Profit Before Tax	26.7	29.3	28.0	115.5	118.4
Tax	(13.9)	(15.5)	(14.9)	(61.3)	(60.8)
Profit After tax	12.8	13.8	13.1	54.2	57.6
EPS	10.8	11.7	11.1	45.7	48.6
DPS	9.0	9.0	9.0	36.0	36.0

Source: Company accounts, IGI Research. No. of shares: 1185.1mn

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- Justified Price to Book
- Residual Income (RI)
- Relative Valuation (Price to Earning, Price to Sales, Price to Book)

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