

## NBP Declares Highest-Ever Net Profit of PKR 85.9 Bn A Record 350% Final Cash Dividend

**Karachi, February 25, 2026** – The Board of Directors of National Bank of Pakistan (“NBP” or “the Bank”) convened yesterday on February 24, 2026, to approve the audited annual financial statements for the year ended December 31, 2025.

Amid strong macro recovery, NBP delivered an exceptional year of financial performance in 2025 as it reported its highest-ever net profit of PKR 85.9 Bn and announced its highest-ever 350% cash dividend per share translating into a massive PKR 75 Bn of total payout. The Bank posted a pre-tax profit of PKR 178.9 Bn, a remarkable 216% increase over 2024 (PKR 56.7 Bn). This robust result reflects the Bank's strategic agility in a normalizing interest rate environment, sharp reduction in cost of funds to 8.8%, disciplined balance-sheet management, and prudent risk controls.

Net mark-up/interest income surged 45.4% YoY to PKR 248.5 Bn (2024: PKR 170.9 Bn), driven by faster deposit repricing, an improved funding mix, and resilient margins despite declining policy rates. The Bank's cost of funds improved markedly to 8.8% (from 15.8% in 2024), reflecting effective liability management and benefiting from monetary easing, which more than offset lower yields on investments (13.0% vs. 19.3%) and advances (11.1% vs. 15.4%). This dynamic expanded net interest margins, with positive rate variances contributing significantly to the growth. Non-mark-up/non-interest income remained stable at PKR 63.2 Bn (2024: PKR 65.4 Bn), with higher foreign exchange and fee income offsetting normalized investment gains. Total income grew 31.9% YoY to PKR 311.7 Bn, underscoring diversified revenue resilience.

Operating expenses declined significantly to PKR 124.8 Bn (from PKR 177.4 Bn in 2024), aided by the absence of non-recurring charges and ongoing cost optimization. Pre-provision profit soared 217% to PKR 186.9 Bn. Net credit loss allowances stood at PKR 8.0 Bn, reflecting stable asset quality and benefits from sovereign rating improvements (CCC to B-). After-tax profit climbed 220% to PKR 85.9 Bn, translating into earnings per share (EPS) of Rs. 40.4 (2024: Rs. 12.6).

Building on prudent profit retention since 2017 to fortify the balance sheet, NBP's strengthened position now enables sustainable shareholder returns. The Board has recommended a final cash dividend of Rs. 35 per share (350%) for the year ended December 31, 2025, subject to approval at the forthcoming 77<sup>th</sup> Annual General Meeting. This very significant payout reflects confidence in earnings sustainability as well as optimising the capital of the Bank without compromising on its role as a Domestic Systemically Important Bank. The extraordinary 10X increase in market valuation over the past two years to ~\$2.0 Bn is a powerful endorsement of the management's strategy and the confidence investors place in NBP's future.

Investor confidence remained elevated in 2025. Standard & Poor's continued to rank NBP among top-performing Asia Pacific banks. Market capitalization grew substantially, reflecting strong returns and positioning NBP as a key beneficiary of Pakistan's economic stabilization.

The full IFRS 9 adoption enhanced risk transparency. Total eligible capital rose to PKR 543.7 Bn, with Risk Weighted Assets at PKR 2.0 trillion. Capital Adequacy Ratio stood at 26.21% (2024: 27.80%), CET-1 at 20.21%, leverage ratio at 4.36%, Liquidity Coverage Ratio at 213%, and Net Stable Funding Ratio at 171% – all well above regulatory thresholds.

On the balance sheet, total assets expanded to PKR 7,066.9 Bn (+4.8% YoY). Investments (net) grew to PKR 4,922.1 Bn (+6.7%), while net advances moderated to PKR 1,338.1 Bn (-4.8%), reflecting cautious lending amid muted credit demand. Deposits surged 14.6% YoY to PKR 4,429.3 Bn, with a strong CASA ratio of 81.3%. Borrowings declined 12.8% to PKR 1,689.7 Bn, enhancing self-funded stability. Net assets rose 16.3% to PKR 531.4 Bn, yielding book value of Rs. 249.8 per share .

Stage-3 (credit impaired) loans declined 17.2% to PKR 223.0 Bn, with specific credit loss allowances of PKR 211.0 Bn with a coverage ratio of 94.6%. The Bank maintains further precautionary credit loss allowances of PKR 57 Bn against expected credit shocks.

Islamic banking accelerated exponentially during 2025. NBP Aitemaad's total assets nearly doubled 95.5% YoY to PKR 651.9 Bn, with earning assets up 84% to PKR 555 Bn and deposits up 80.6% to PKR 558.9 Bn. Operating income rose 81.1% to PKR 19.4 Bn, delivering pre-tax profit of PKR 13.7 Bn (+117.1%). The network grew with 100 new Islamic Banking Windows (total 350) and branches (total 312), reaching 662 touchpoints countrywide. Aligned with SBP's 2027 Shariah transition mandate, the Board-approved Shariah Transition Plan is progressing.

Over three years, shareholders' net assets have soared from PKR 300.8 Bn at beginning of 2023 to PKR 531.4 Bn, absorbing pension obligations, dividends, and precautionary provisions while enhancing shareholder value.

NBP continues to be one of the most sustainable public sector enterprises in Pakistan. In 2025, the Bank contributed PKR 93.0 Bn in income taxes. Additionally, out of the PKR 85.9 Bn profit after tax recorded in 2025, the Bank has proposed a dividend distribution, of which the GoP/SBP will receive an amount of ~ PKR 57.0 Bn.

National Bank of Pakistan is the largest public sector commercial bank in Pakistan, playing a pivotal role in financial inclusion, priority sector lending, and economic development. Commenting on the results, Mr. Rehmat Ali Hasnie, President & CEO, said: "2025 marked a transformative year for NBP, with record profitability driven by macro stabilization, cost efficiencies, and diversified growth while continuing to serve the nation as one of the largest contributors to the public exchequer. Our role transcends banking as we remain a committed partner in Pakistan's economic progress, supporting SMEs, agriculture, rural communities, and inclusive finance. With a fortified balance sheet and strategic momentum, NBP is well-positioned for sustainable growth ahead. This achievement reflects the dedication of our team and the trust of our stakeholders, living true to our tagline: *Ek Azm, Ek Pehchan – National Bank Aur Pakistan.*"

For more information, contact:

**Financial Control Group**

4<sup>th</sup> Floor, NBP Head Office.

PABX: (92-21) 9922 0100 (50 Lines)

Email: [investor.relations@nbp.com.pk](mailto:investor.relations@nbp.com.pk)

Website: [www.nbp.com.pk](http://www.nbp.com.pk)