MCB Group

Results for the first quarter ended 30 September 2026
Earnings call

MCB GROUP - At a glance

Rs 12.7 bn	+ 11.7%
(Q1 FY26: Rs 11.4 bn)	
Operating Income	

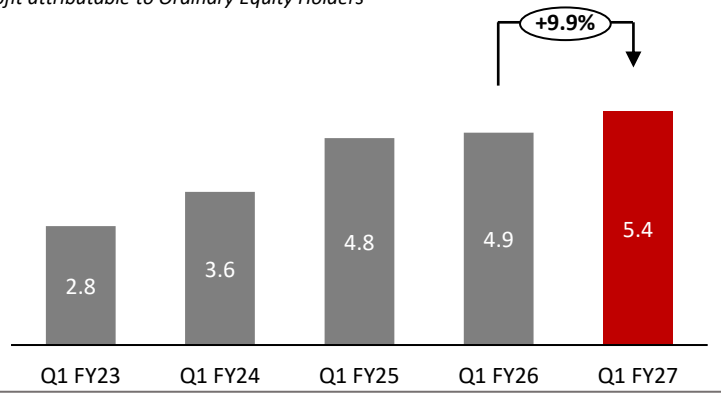
Rs 4.6 bn	+ 13.5%
(Q1 FY26: Rs 4.1 bn)	
Non-interest expense	

36.4%	+ 56 bps
(Q1 FY26: 35.9%)	
Cost-to-income	

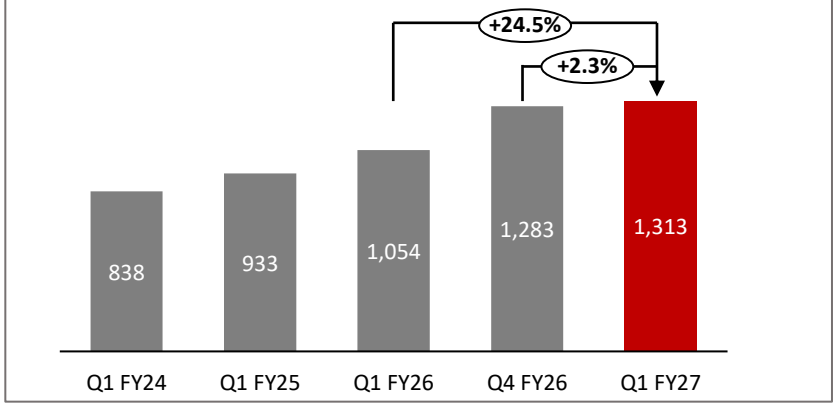
16.0%	-52 bps
(Q1 FY26: 16.5%)	
Return on Equity	

Steady Growth in Profit (Rs bn)

Profit attributable to Ordinary Equity Holders



Significant Growth in Total Assets (Rs bn)



63.8%	+ 713 bps
(Q1 FY26: 56.6%)	
Loans to Deposits Ratio*	

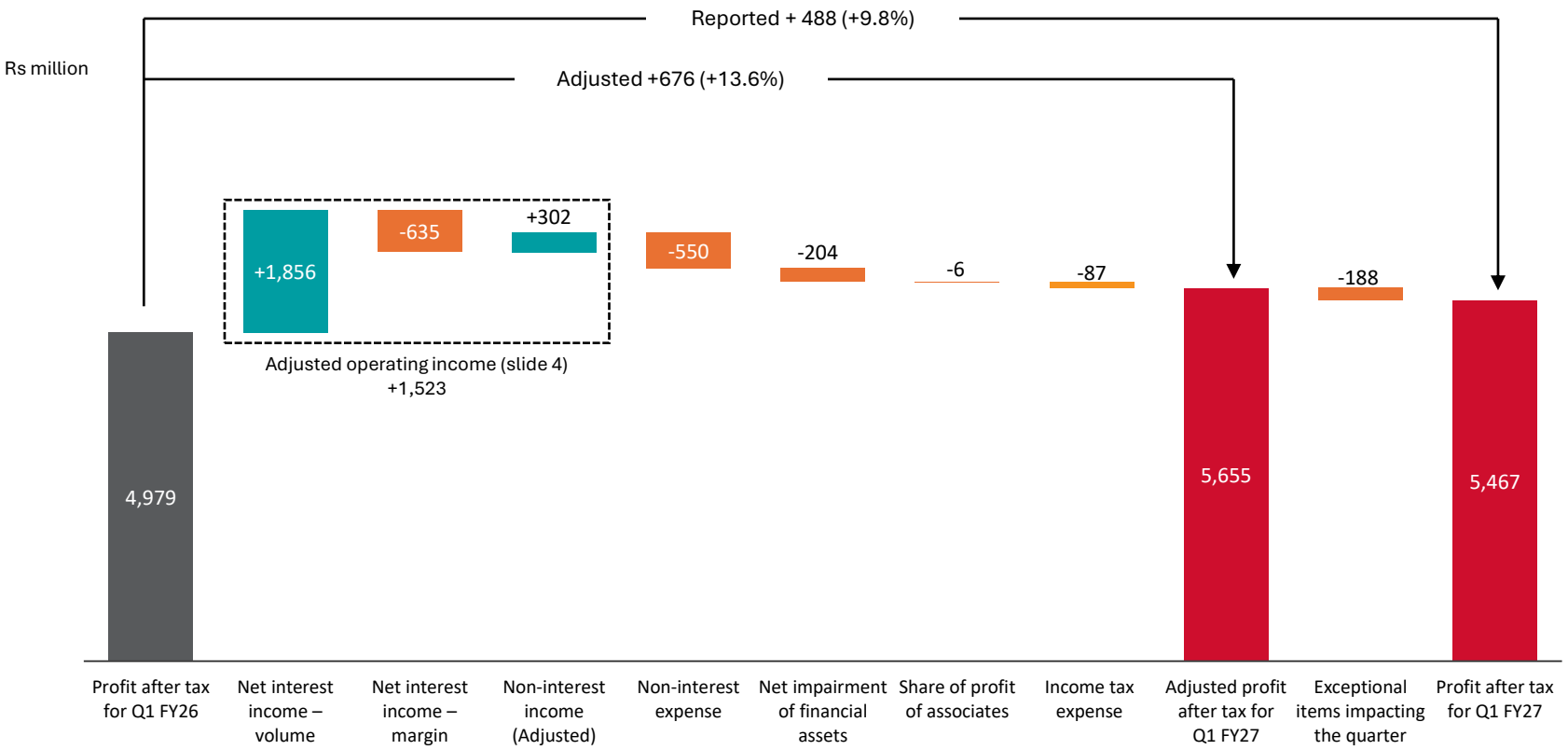
Rs 503.6 bn	+ 32.1%
(Q1 FY26: Rs 381.2 bn)	
Net Customer Loans	

Rs 874.8 bn	+ 15.3%
(Q1 FY26: Rs 758.6 bn)	
Customer Deposits	

19.6%	-190 bps
(Q1 FY26: 21.5%)	
Capital Adequacy Ratio	

*Refers to net customer loans and advances (including corporate notes) to customer deposits

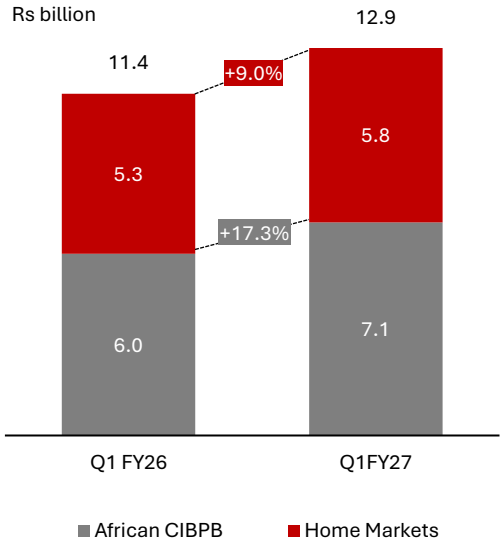
Profit after tax – Adjusted PAT up 13.6% (reported +9.8%), as strong NII volume growth more than offsets margin pressure



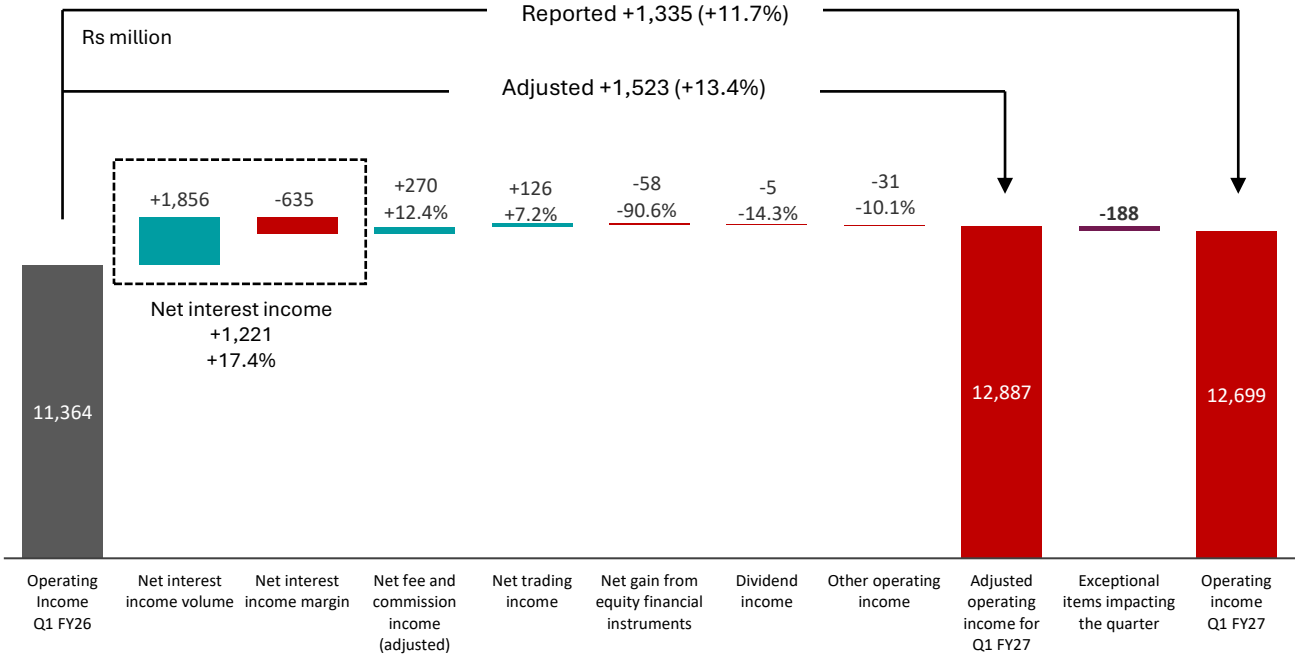
Exceptional items include a one-off loss in payment activities and past trade finance insurance costs booked in Q1 FY27

Operating income – Adjusted growth of 13.4%, led by net interest income, with both African CIBPB and Home Markets growing

Adjusted operating income by strategic pillars



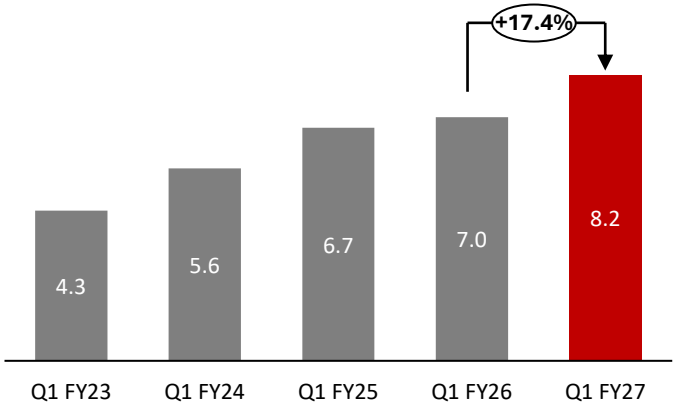
Drivers of operating income



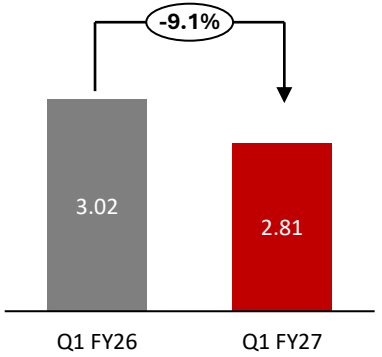
Net interest income margin impact of -Rs 635 million: mainly due to drop in SOFR (down by 66 bps) and higher FX funding costs, partly compensated by improved yields on MUR Treasury bills.

Net Interest Income (NII) – 26.5% average assets growth more than offset NIM compression

Net Interest Income (Rs bn)

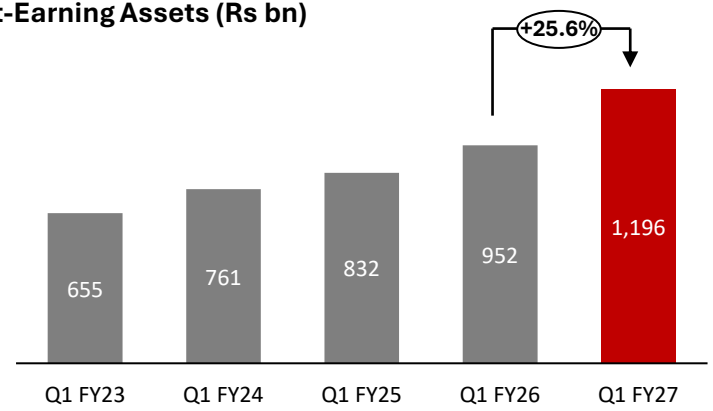


Net Interest Margin (%)

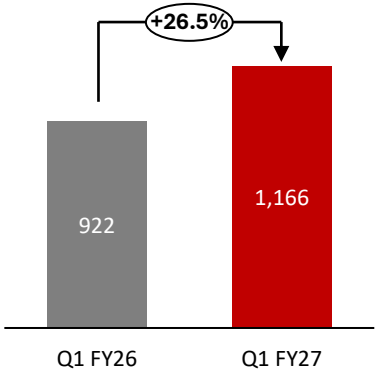


Net interest Margin: Net interest income as a % of average interest earning assets

Interest-Earning Assets (Rs bn)



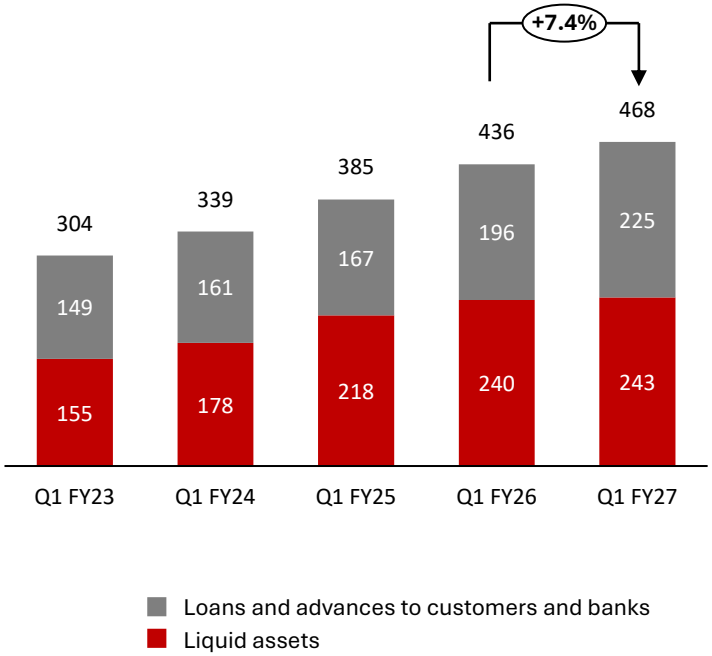
Average Interest-Earning Assets (Rs bn)



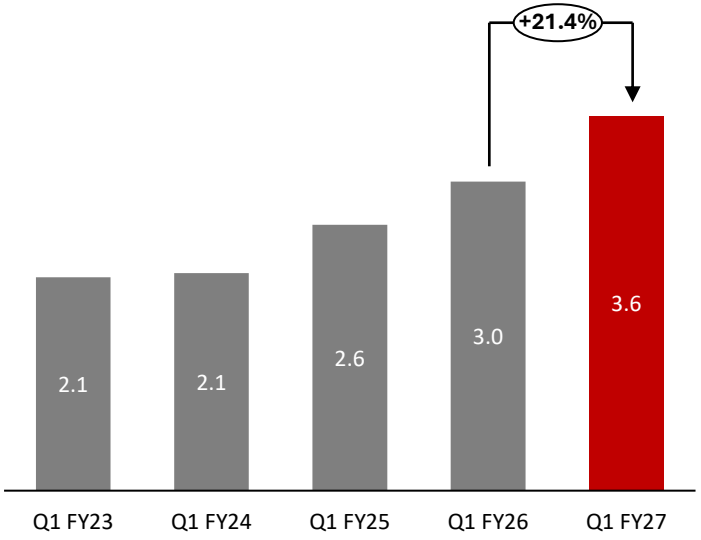
Figures reported are end-of-period balances

MUR NII – Increase driven by loan and liquid assets growth and reinvestment in govies at higher rates

MUR interest-earning assets(Rs bn)



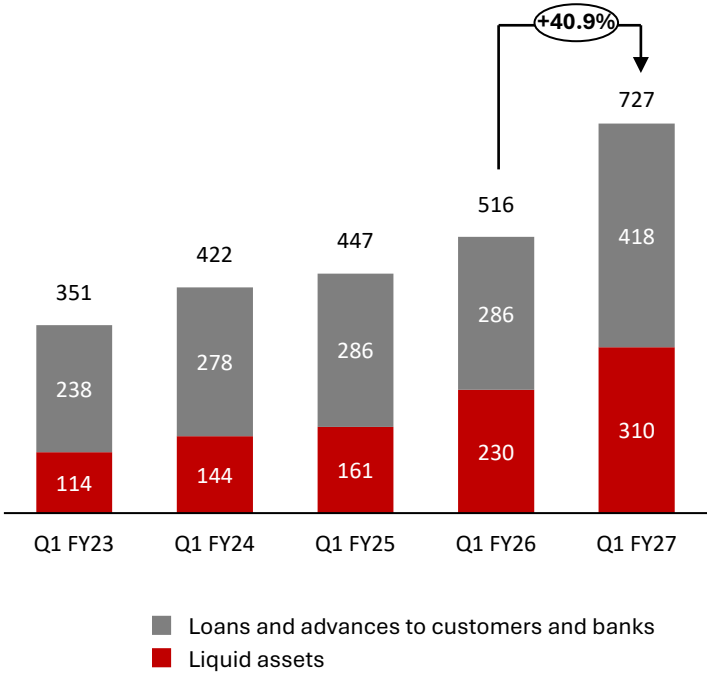
MUR net Interest Income (Rs bn)



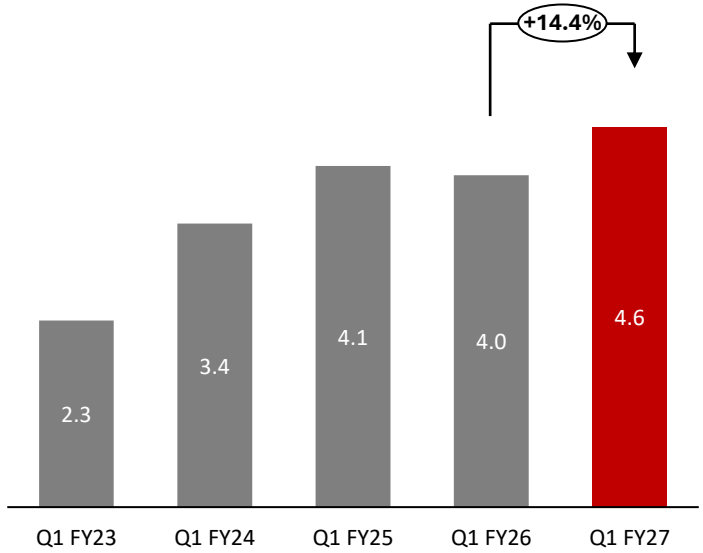
Figures reported are end of period balances. Average balance of interest-earning assets increased by 6.7% year on year.

FCY NII – Increase driven in growth in interest-earning assets despite lower margins

FCY interest-earning assets(Rs bn)



FCY net Interest Income (Rs bn)

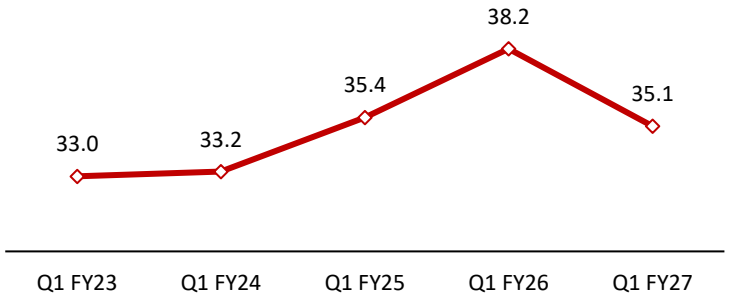


Figures reported are end of period balances. Average balance of interest-earning assets increased by 47.6% year on year.

Non-interest income - Growth driven by higher trading income and net fees and commissions

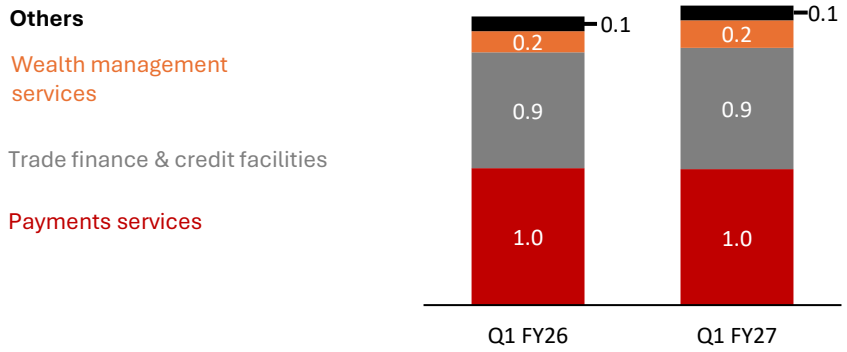
Non-Interest Income *(Figures in Rs bn)*	Q1 FY26	Q1 FY27	%Δ Y-o-Y
Net Fee and Commission Income	2.2	2.3	3.8%
Net trading income	1.8	1.9	7.2%
Other Income	0.4	0.3	-23.1%
Total Non-Interest Income	**4.3**	**4.5**	**2.6%**

Non-interest income to operating income ratio (%)



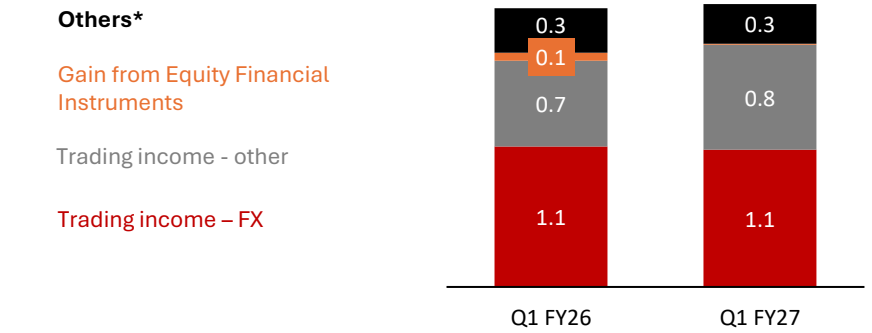
Adjusting for non-recurring items, the ratio works out to 36.5%

Net fee and commission income (Rs bn)



Figures may not add up due to rounding

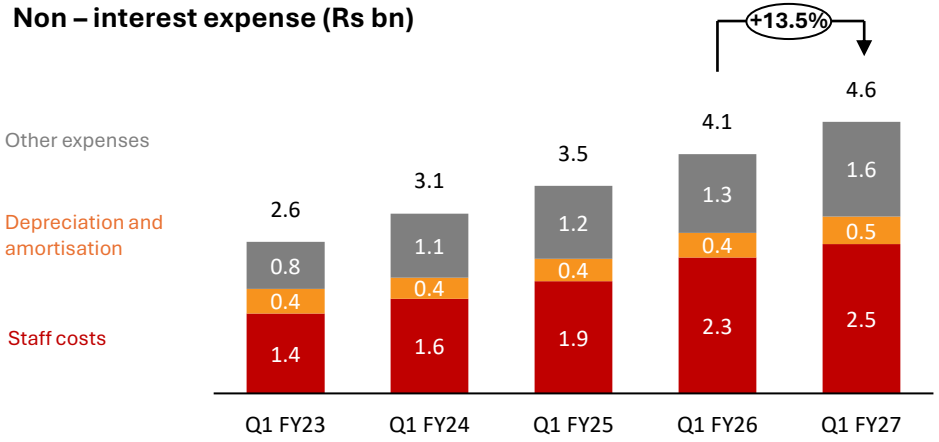
Net trading and other income (Rs bn)



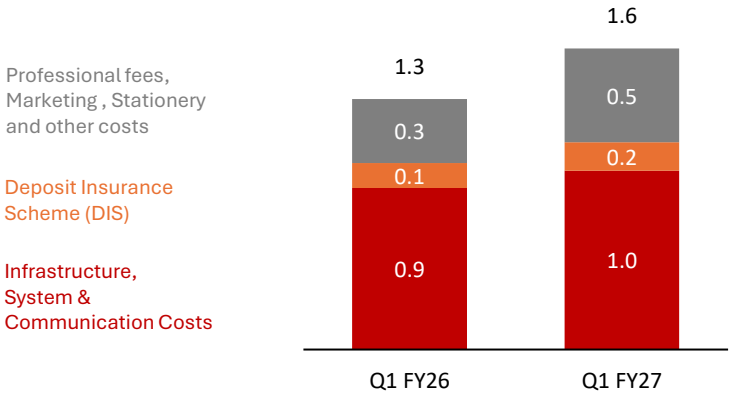
** Includes dividend income and other operating income*

Non-interest expense growth reflects both business expansion and deliberate investment in future capabilities

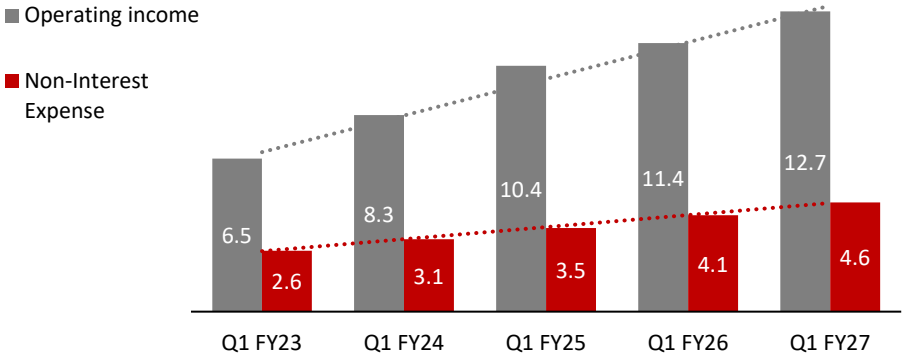
Non – interest expense (Rs bn)



Other expenses (Rs bn)

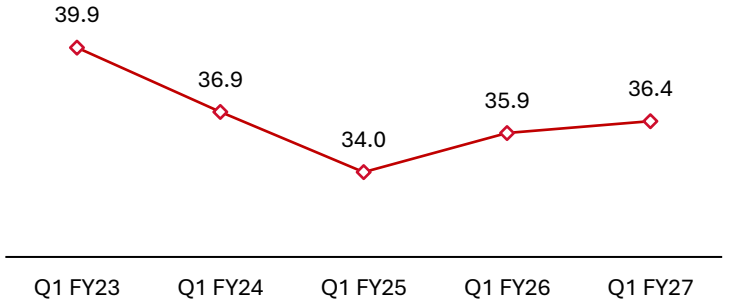


Evolution of income and expenses (Rs bn)



Figures may not add up due to rounding

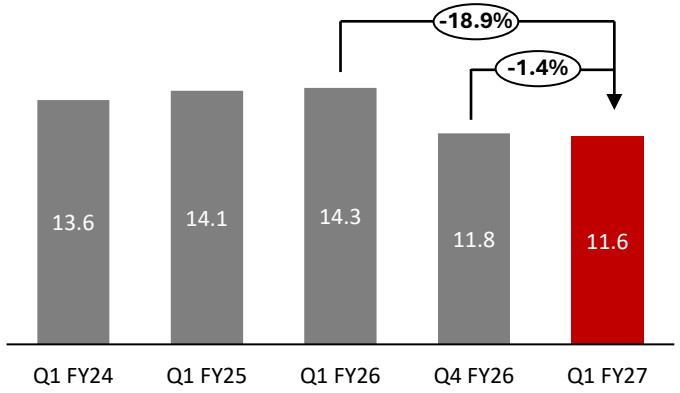
Cost-to-Income Ratio (%)



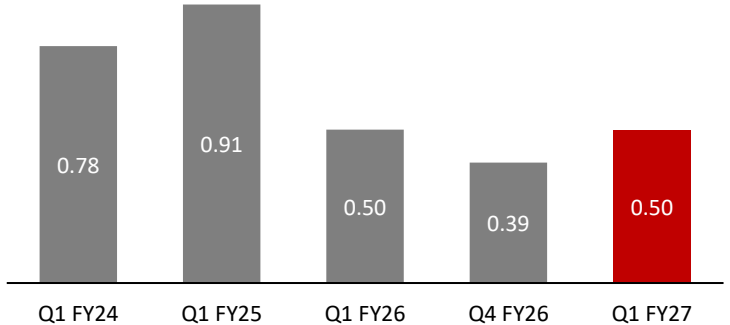
Adjusting for non-recurring items, the ratio works out to 35.9%

Asset quality – Gross NPL improved to 1.8% while cost of risk remained stable at 50 bps

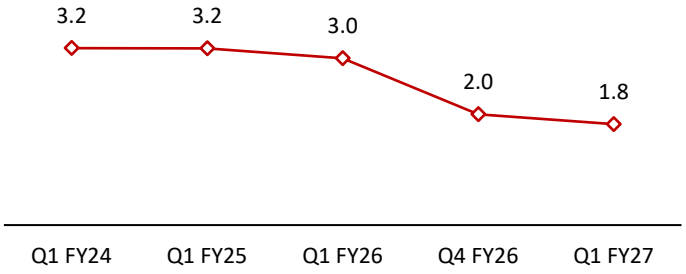
Non-performing loans and advances (Rs bn)



Cost of Risk (%)

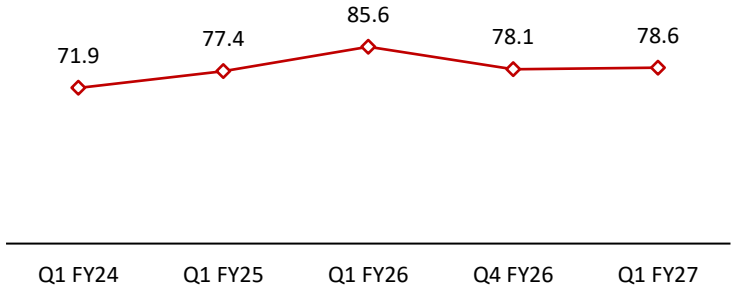


Gross NPL ratio



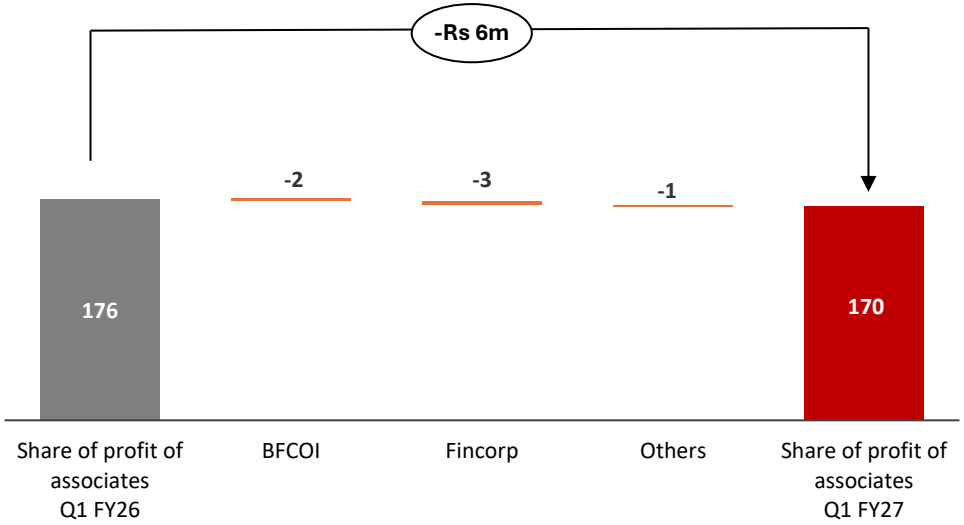
NPL: Non-performing loans and corporate notes as a % of gross loans and corporate notes

Specific provision coverage ratio (%)



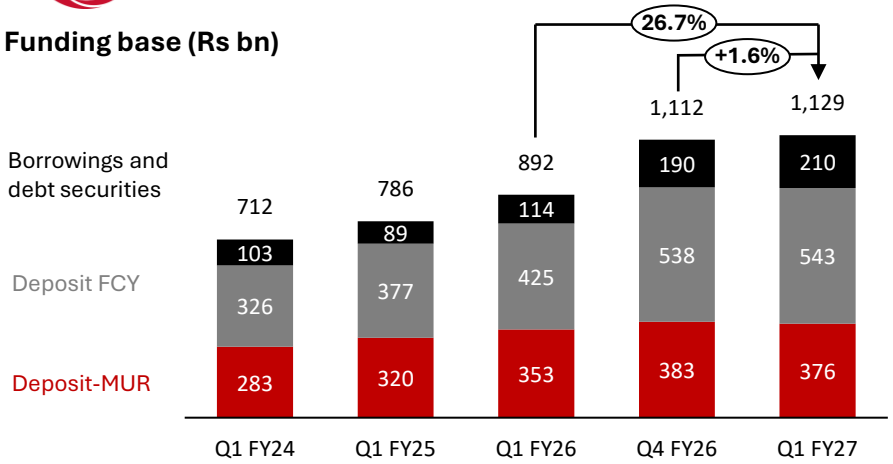
Specific Provision Coverage Ratio: Stage 3 provision on loans and corporate notes as % of stage 3 gross loans and corporate notes

Associates – Decrease explained by lower contributions from PAD and BFCOI

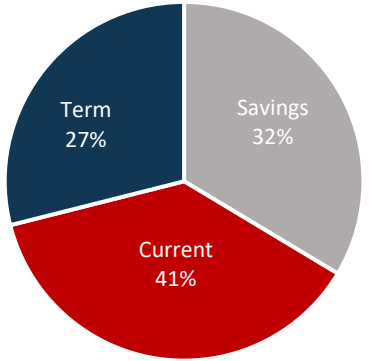


Funding and liquidity – Growth in funding base driven by higher deposits and additional borrowings

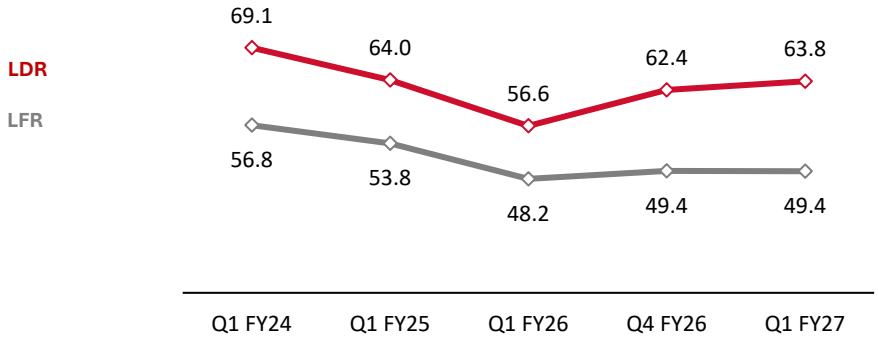
Funding base (Rs bn)



Deposit mix (%) – Q1 FY 27

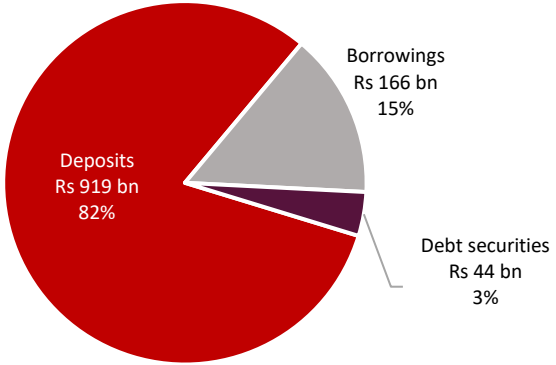


Liquidity ratios (%)



LDR and LFR stand for loan-to-deposit and loan-to-funding base ratio respectively

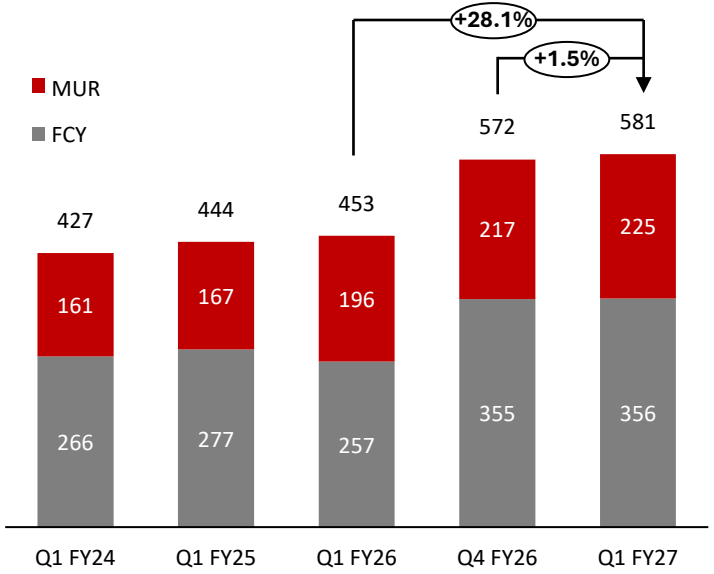
Funding base composition (%) – Q1 FY27



Borrowings include repos used for treasury management

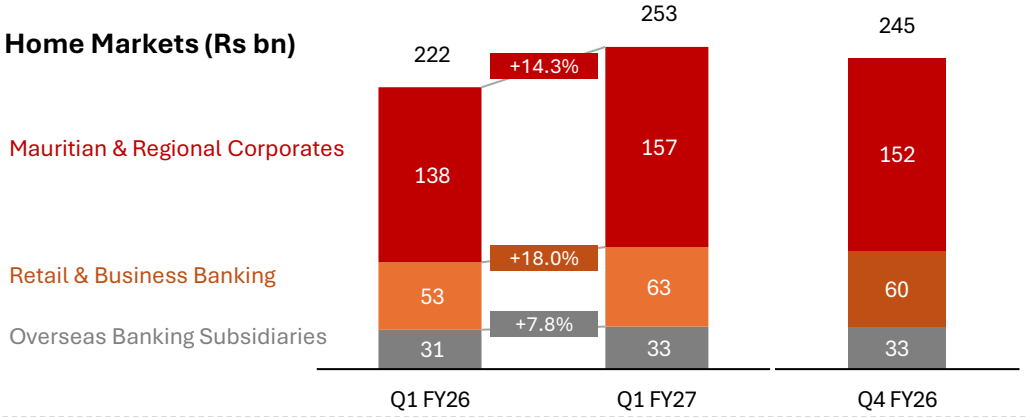
Gross loans and advances – Growth recorded across both Group's strategic pillars

Gross customer loans and advances (Rs bn)

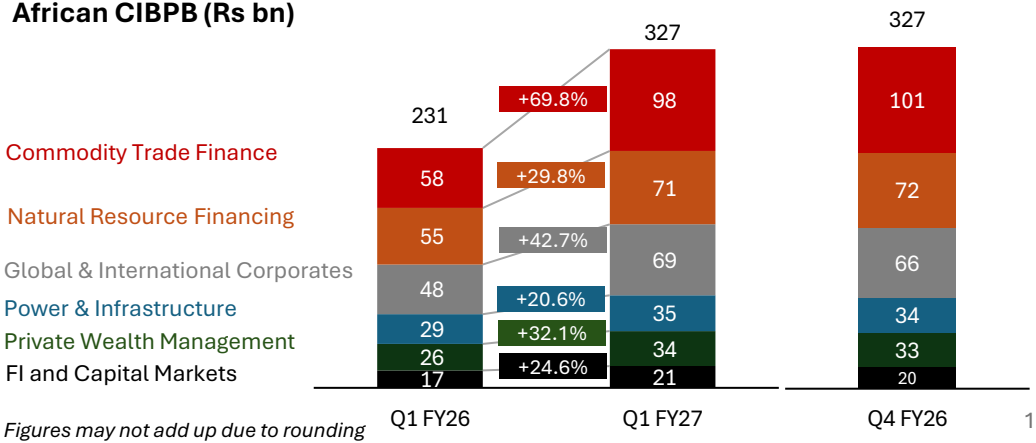


Gross customer loans and advances includes corporate notes

Home Markets (Rs bn)



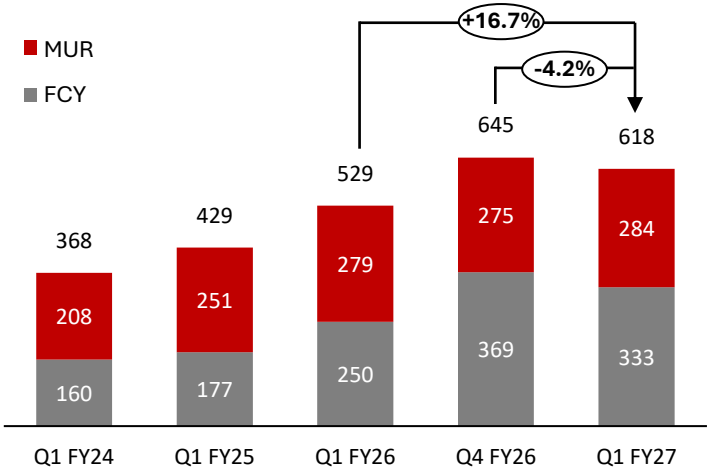
African CIBPB (Rs bn)



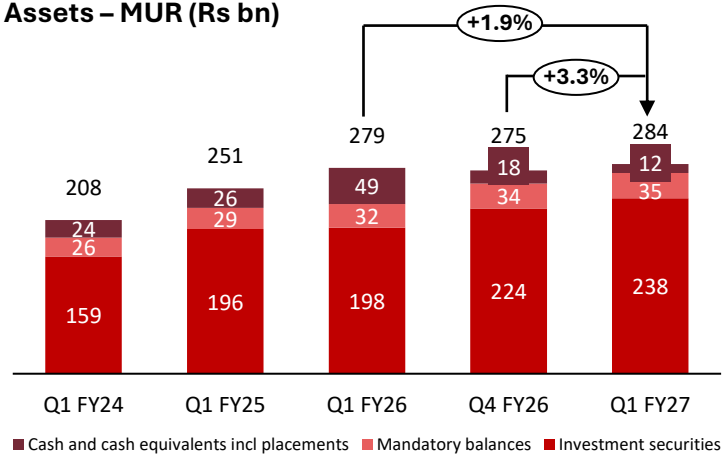
Figures may not add up due to rounding

Liquid assets – Excess liquidity in FCY deployed in short-term treasury bills and balances with banks

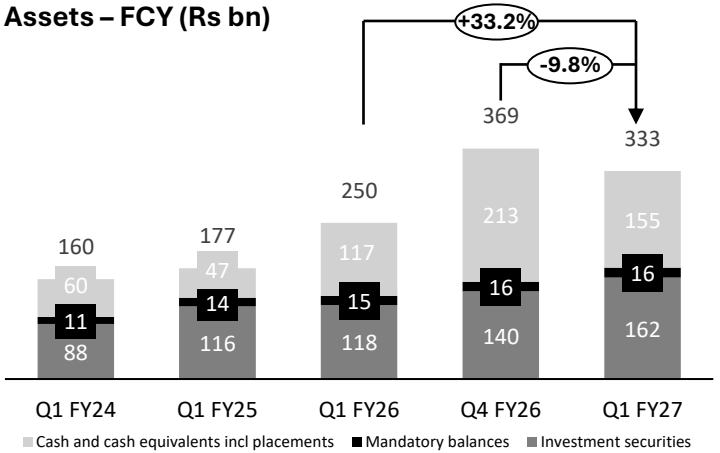
Total liquid assets (Rs bn)



Liquid Assets – MUR (Rs bn)



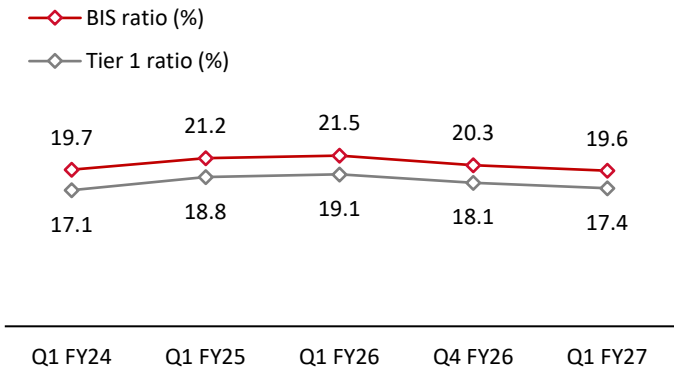
Liquid Assets – FCY (Rs bn)



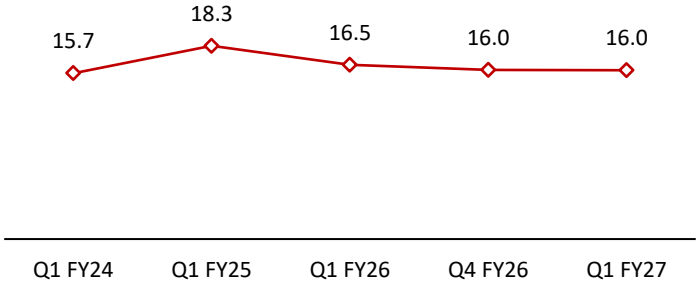
Figures may not add up due to rounding

Capital adequacy and ROE – strong capital generation supports continued deployment into growth

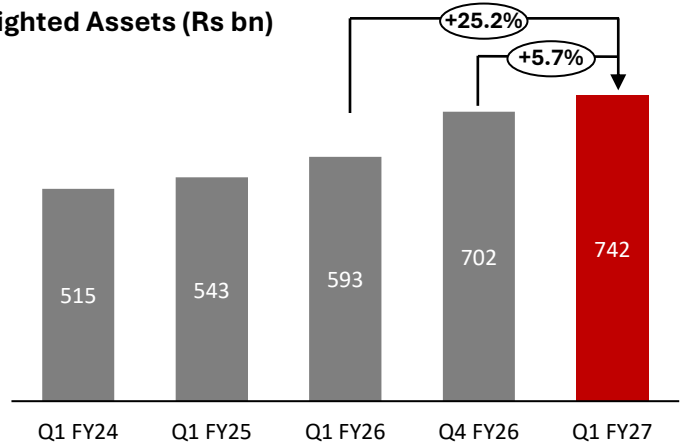
Capital Adequacy Ratio (%)



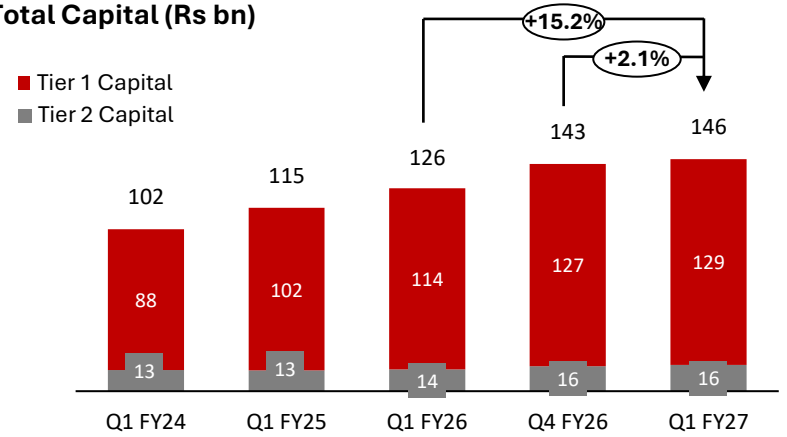
Return on Equity (%)



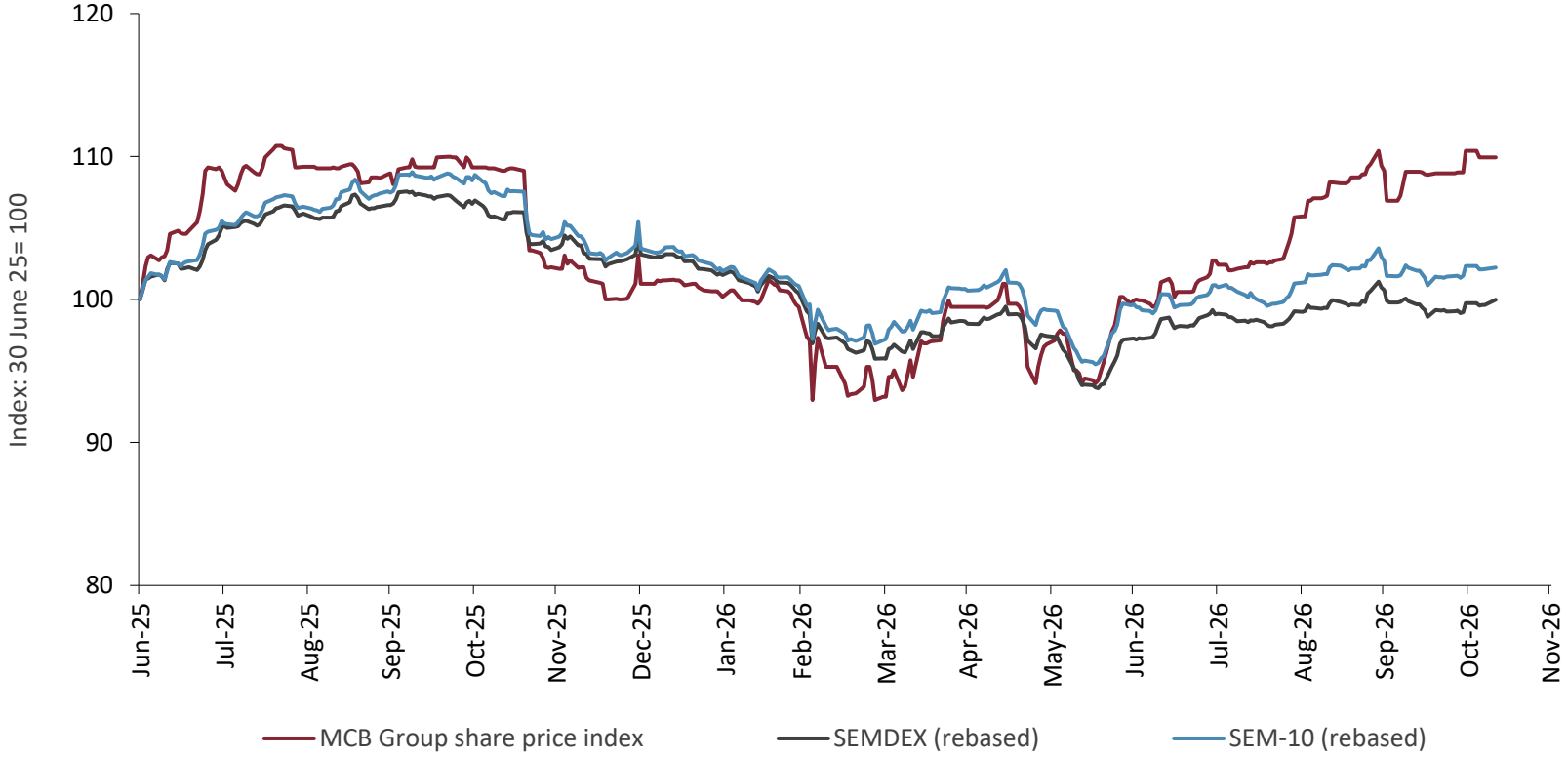
Risk-Weighted Assets (Rs bn)



Total Capital (Rs bn)



MCB Group share price evolution





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