NBB maintains 10% dividends and reports 16% growth in attributable profit for the second quarter ended 30 June 2026

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Hala Ali Husain Yateem, Chairperson


Usman Ahmed, Group Chief Executive Officer

Second quarter

National Bank of Bahrain B.S.C. (NBB) has reported a net profit attributable to shareholders of BHD 22.5 million (USD 59.7 million) for the second quarter ended 30 June 2026, representing a record second quarter profit and 16% increase from BHD 19.4 million (USD 51.5 million) reported in the second quarter of 2025. The strong growth was driven primarily by higher net interest income, underscoring the resilience of the Group's balance sheet and the strength of its core banking business.

Earnings per share increased to 10 fils (USD 3 cents) for the second quarter of 2026, compared to 9 fils (USD 2 cents) in 2025.

During the quarter, the Group reported a total comprehensive income attributable to NBB's shareholders of BHD 37.3 million (USD 98.9 million) compared to BHD 13.9 million (USD 36.9 million) in the same period of 2025, representing a growth of 168%. The increase was primarily driven by favourable mark-to-market movements in the bond portfolio during the second quarter, as market conditions stabilised following the geopolitical-related volatility experienced in the first quarter.

Year-to-date

NBB reported a net profit attributable to shareholders of BHD 43.1 million (USD 114.3 million) for the six months ended 30 June 2026 compared to BHD 47.5 million (USD 126.0 million) in the same period in 2025. The reported profit was 9% lower than the prior year, which included a one-off gain of BHD 7.7 million (BHD 9.7 million before non-controlling interest deduction) from the sale of an investment property in NBB's subsidiary, Bahrain Islamic Bank, and lower merger-related expenses. On a normalised basis, excluding significant one-off items, the attributable profit increased by 10% compared with BHD 39.0 million (USD 103.4 million) in the corresponding period of 2025, reflecting the strength of the Group's underlying operating performance.

Earnings per share of 19 fils (USD 5 cents) for the period is lower than 21 fils (6 cents) in the same period of 2025, or 2 fils higher than the normalised 2025 earnings per share of 17 fils (5 cents)

Total comprehensive income attributable to NBB's shareholders for the six-month period decreased by 29% to BHD 24.3 million (USD 64.5 million) compared with 34.3 million (USD 91.0 million) in 2025. The decrease is attributable to the negative mark-to-market movements of the debt portfolio resulting from the geopolitical situation.

Balance sheet

The Group's total equity attributable to shareholders stood at BHD 550.6 million (USD 1,460.5 million) as of 30 June 2026, a reduction of 6% compared to BHD 585.0 million (USD 1,551.7 million) as of 31 December 2025. The movement primarily reflects the distribution of BHD 56.4 million in year-end cash dividends for 2025, approved by shareholders at the Annual General Meeting during the first quarter, underscoring the Group's continued commitment to delivering strong and sustainable shareholder returns. Equity was also impacted by temporary negative mark-to-market movements in the bond portfolio arising from geopolitical-related market volatility.

The Group's total assets increased by 2% during the period to BHD 6,372.1 million (USD 16,902.1 million) compared to BHD 6,276.6 million (USD 16,648.8 million) recorded on 31 December 2025. The increase was mainly due to loans and advances registering a growth of 6% from December 2025, accompanied with a 12% increase in customer deposits.

Interim dividends

Following the Group's strong performance, the Board of Directors proposed to maintain an interim cash dividend of 10% of share nominal value, amounting to BHD 22.6 million and equivalent to 10 fils per share. The payment is subject to regulatory approval.

Commentary

On the occasion, Mrs. Hala Ali Husain Yateem, Chairperson of NBB, said: "The second quarter of 2026 demonstrated the resilience and stability of NBB. Against a backdrop of heightened regional geopolitical uncertainty and significant volatility across global financial markets, the Group delivered a 16% increase in attributable profit, reflecting the strength of our diversified business model, disciplined risk management and the confidence our customers continue to place in us.

These results reaffirm NBB's ability to continue supporting Bahrain's economy while consistently delivering sustainable value to our shareholders. They also demonstrate the strength of the Bank's balance sheet, prudent capital management and the quality of our underlying earnings, all of which have enabled the Board to declare an interim cash dividend of 10%.

Throughout this period, our priorities remained on safeguarding our customers, protecting the Bank's financial strength, supporting our employees and ensuring uninterrupted service despite a challenging regional operating environment. The professionalism and dedication of our people once again demonstrated the resilience of our institution.

Beyond our financial performance, we continued investing in the future of Bahrain through initiatives that develop national talent, expand opportunities for young people and strengthen our contribution to the communities we serve. During the quarter, NBB was also recognised as Bahrain's Best Retail Bank by both Euromoney and the MEED MENA Banking Excellence Awards, reflecting our continued commitment to delivering an exceptional banking experience.

While geopolitical developments continue to create uncertainty across the region, NBB enters the second half of the year from a position of strength. Our strategy remains unchanged: maintaining disciplined growth, preserving a strong balance sheet, managing risk prudently and creating sustainable long-term value for our shareholders while continuing to support the Kingdom of Bahrain and its economic aspirations."

Usman Ahmed, Group Chief Executive Officer of NBB, commented: "NBB registered a growth of 31% in operating profit during the second quarter of 2026, a reflection of the Group's sustained momentum across its regional business and the effectiveness of its client-focused banking strategy. The growth was also supported by a solid expansion of the Group's balance sheet, with total assets increasing by 2% from the year-end levels, loans and advances rising by 6%, and customer deposits growing by 12%.

During the second quarter, we also announced 124 employee promotions across the Group, demonstrating our continuous investment in our talent. Furthermore, our standing in the Kingdom's significant capital market initiatives was reaffirmed as we served as Joint Lead Manager and Bookrunner in the issuance of Bahrain's USD 1 billion, 10-year international bond – a transaction that reflects the enduring confidence investors place in Bahrain's economic direction. We also launched UK property finance solutions for our international clients, extending the scope of what NBB can deliver beyond its home market. For the remainder of the year, our focus remains on client service excellence and disciplined delivery across every geography and business of the Group."

We would like to inform our shareholders that the reviewed condensed consolidated financial statements and the press release are available on the Bahrain Bourse website.

National Bank of Bahrain B.S.C. shares are traded on Bahrain Bourse under the trading code: NBB.