البنك العربي الافريقي الدولي
arab african international bank

H1-2026 EARNINGS RELEASE

Financial Results for the First Half Ended 30 June 2026

Arab African International Bank Reports First Half Net Profit of $ 202.8 Million.

AAIB continued to deliver a strong performance during H1 2026, recording its highest first-half net profit over the past five years of USD 202.8 million, a 27% increase compared with the first half of 2025, while annualized ROAE reached 13.5% compared to 11.5% in H1 2025. The Bank also maintained a strong balance-sheet momentum, with corporate and retail loans growing by 16% compared to December 2025, which reflected an 18% growth on the Net interest income level.

H1 2026 Key Financial Highlights

Resilient performance with continued business momentum

As the bank optimizes its balance sheet throughout 2026, with focus on expanding its core business, it managed to deliver strong revenue growth of 15% increase year-over-year to reach USD 398.4 million.

- **Net Interest Income** recorded robust growth of 18% year-over-year to USD 346.2 million, primarily driven by continued growth across loans and deposits, as the bank continues to manage its balance sheet efficiently, while streamlining its asset base.
- **Net Interest Margin** expanded year-over-year to record 4.2%, on the back of a balanced approach between balance sheet growth and pricing alignment under the prevailing interest rate environment.
- **Non-Interest Income** maintained same level, due to a slight drop in fees and commissions income on the back of regional dynamics coupled with increased competition in trade finance, which was offset by a significant increase in other operating income to reach a net banking income of USD 398.4 million, up 15%.
- **Operating Expenses** increased by USD 10.3 million, up 11% year-over-year to USD 105.8 million, reflecting the impact of inflationary pressures, higher planned expenditure and continued investment in technology and strategic initiatives aimed at enhancing operational efficiency, and driving sustainable growth. Nevertheless, the cost-to-income ratio improved to

26.6% from 27.6% in H1 2025, reflecting disciplined cost management and resilient revenue generation.

- **Expected Credit Losses** significantly improved year-over-year, driven by material recoveries, in line with AAIB's comprehensive portfolio re-alignment plans to improve asset quality since 2024. Hence, the NPL ratio improved to 1.2% from 2.1% in December 2025, underscoring the continued strength and resilience of the bank's loan portfolio and prudent credit risk management.
- **Net Profit** recorded a nominal growth of 27% year-over-year to USD 202.8 million, supported by the combination of revenue growth, improved operating efficiency, continued balance-sheet optimization, and prudent risk management.
- **Annualized ROAE** reached 13.5% vs 11.5% in H1 2025, on the back of improving quality and efficiency of earnings.
- **The Capital Adequacy ratio** stood at 18.3%, well above regulatory requirements of 12.75%, underscoring the bank's strong capital base.

Balance-sheet momentum supported earnings

- Customer loans reached USD 5.8 billion, a nominal increase of USD 792 million, up 16% compared to December 2025, driven by a growth of 16% in both corporate loans standing at USD 5.1 billion, and retail loans recording USD 754 million as of June 2026.
- Customer deposits reached USD 15 billion, reflecting a nominal growth of USD 621 million, up 4% compared to December 2025, driven by a 6% growth in retail deposits recording USD 6.6 billion, and a 3% growth in corporate deposits recording USD 8.4 billion as of June 2026.
- Total assets increased by USD 1 billion, up 5% compared to December 2025 reaching USD 21.1 billion.

Going into H2 2026, the Bank will continue to navigate through global economic uncertainties, with focus on optimizing its balance sheet, streamlining its assets, while prudently managing risks and delivering double digit USD returns to shareholders.

Financial Disclosures

The following financial disclosures provide the underlying financial and operating information reflecting AAIB's H1 2026 performance, including income statement, balance sheet, key financial ratios.

Separate Income statement

In USD Mn.	H1'25	H1'26	YoY Growth%
Net Interest Income	293.5	346.2	18%
Non-Interest Income	52.8	52.2	-1%
Net Banking Income	346.3	398.4	**15%**
Expenses	(95.5)	(105.8)	11%
Gross Operating Income	250.8	292.6	**17%**
Provisions	(14.8)	3.2	-121%
Net Profit Before Tax	236.1	295.7	**25%**
Taxes	(75.9)	(92.9)	22%
Net Profit	160.2	202.8	**27%**
EPS (dollar / share)	1.45	1.84	27%

Separate Balance Sheet Items

In USD Mn.	Dec-25*	Jun-26*	Δ	Nominal Growth%
Gross Loans	5,043	5,834	792	16%
Customer Deposits	14,396	15,017	621	4%
Financial Investments	6,552	7,388	836	13%
Total Assets	20,015	21,051	1,036	5%
Shareholder's Equity	2,965	3,041	76	3%

** EGP/USD Foreign exchange rate of 47.67 as of December 2025, and 49.23 as of June 2026.*

H1 2026 Key Financial Ratios

	H1 2026	Comparative
Profitability & Efficiency		
Return on Average Equity (ROAE)	13.5%	11.5% H1 2025
Return on Average Assets (ROAA)	2.0%	1.7% H1 2025
Net Interest Margin (NIM)	4.2%	+ 40 bps YoY
Cost-to-income	26.6%	27.6% H1 2025
Capital & Liquidity		
Capital Adequacy ratio	18.3%	CBE Requirement 12.75%
NSFR	178.12%	Basel III requirement 100%
LCR	419.86%	Basel III requirement 100%
Asset Quality		
NPL ratio	1.2%	2.1% Dec. 2025
Loan-to-deposit ratio	38.9%	35.0% Dec. 2025

Latest AAIB Awards in 2026

- Best Bank for Large Corporates in Egypt 2026 by Euromoney
- Best Retail Bank - Egypt 2026 at MENA Banking Excellence Awards by MEED
- Best Customer Experience in Banking, Excellence in Corporate Financing Solutions, and Best CSR Initiative in Banking in Egypt 2026 by World Business Outlook
- Best Sustainable Bank, and Best Investment Bank in Egypt by World Economic Magazine

About AAIB

Arab African International Bank was established by special law in 1964, becoming Egypt's first multi-national bank. AAIB has evolved into a fully-fledged regional banking institution with an extensive portfolio of innovative services and diversified range of banking products, and solutions tailored to meet the diverse needs of both individual and corporate clients. Arab African International Bank provides retail, corporate banking and investment banking services in Its Head office and a network of 103 branches in the Arab Republic of Egypt with tangible presence in United Arab Emirates.

AAIB Financial Group comprises several subsidiaries including leasing, Assets Management, Securities brokerage, and Mortgage Finance.