



Kencom House, Moi Avenue  
P.O. Box 48400 - 00100  
Nairobi, Kenya  
3270000/2852000/1000  
M: +254 711012000/  
734108200  
contactus@kcbgroup.com

Press Release

May 20, 2026

## **KCB Group Plc Posts KShs. 24.4 Billion in Q1 2026 Pre-tax Profit**

*Sustained momentum across subsidiaries, robust balance sheet management, and diversified revenue streams underpin strong quarter performance.*

---

KCB Group PLC recorded **KShs. 24.4 billion** in pre-tax profit for the first quarter ending March 31, 2026, representing a **15.3%** growth, compared to **KShs. 21.2 billion** a similar period last year, underscoring the resilience of the Group's diversified business model.

The improved performance, amid a difficult operating environment, was driven by an **8.5%** growth in total operating income to **KShs. 53.6 billion** which mostly streamed from growth in interest bearing assets offsetting decline in Net Interest Margin. The sustained rate cuts by regulators in the region saw a drop in asset yield across all our markets in the period under review.

The Group's balance sheet stood at **KShs. 2.3 trillion**, expanding **10.8%** on the back of increased customer activity across key business segments which pushed our customer deposits upwards by 15.7%

Excluding the impact of NBK which the Group divested from in May 2025, year on year growth pre-tax profit and operating income stood at 17% and 16% respectively.

Subsidiaries excluding KCB Bank Kenya maintained strong performance, with their profit before tax making up 29.5% of the overall Group earnings and 31.5% of the Group balance sheet. The three non-banking subsidiaries sustained their PBT contribution— KCB Bancassurance Intermediary (**KShs. 209M**), KCB Investment Bank (**KShs. 274M**) and KCB Asset Management (**KShs. 64M**).

Commentary: Group Chief Executive Officer, Paul Russo

*“Despite the challenging operating environment, we delivered solid growth driven by disciplined execution, continued investment in digital innovation, and our unwavering commitment to providing financing which catalyzes economic transformation across the region. We continued to optimize our regional footprint and scale to best serve our customers and create sustainable shareholder value,” said KCB Group CEO, Paul Russo. “While economic activity in East Africa remained resilient, we continued to see the impact of the Middle East conflict on economies, with a likely ripple effect of depressed credit demand, increased credit risk and lower remittance receipts, and on deposits,” he added.*

**KCB Group PLC**

**Directors:** Dr. J. K. Kinyua (Chairman); C. S. - National Treasury; L.M. Njiru; A. M. Mohamud; Ms. A. Pandit; Mrs. A. G. Lutukai; W. O. Asiko; Mrs. L. C. Mengich; P. R. Russo (Group CEO); L. K. Kiambi (Group Finance Director)

[kcbgroup.com](http://kcbgroup.com)

## Financial Highlights

- **Total Operating Costs** grew **7.3%**, to **KShs. 24.3 billion** on account of higher workforce expenses, scaled technology investments, and business expansion costs.
- **Non-Funded Income** grew **8.3%** to **KShs. 17 billion** supported by a growth in digital loans disbursed during the period and a rise in foreign exchange income as the Group continued to support businesses and households with credit to drive trade, investment, and working capital needs.
- On **asset quality**, the Group recorded improvements across all subsidiaries, pushing the **Non-Performing Loan (NPL) ratio downwards**, benefiting from both aggressive recovery efforts and a 9.1% expansion of the gross loan book. Effectively, NPL ratio closed at **16.6 % from 19.3%** while the **stock of NPL closed the period at KShs.217.8 billion from KShs.233.3 billion**.
- Additionally, the Group sustained its **prudence in provisioning** on the back of prevailing economic risks, **setting aside KShs4.9 billion** as provisions against potential loan losses, which increased both prudential and IFRS ratios.
- The Group's **balance sheet** expansion was driven by higher **customer deposits which** grew **16%** to **KShs. 1.7 trillion** attributable to sustained onboarding of new-to-bank customers for both corporate and retail businesses. The gross **loan book** stood at **KShs.1.32 trillion, up from KShs.1.21 trillion**, a similar period last year.
- The Group continued to deliver value for shareholders, posting a **Return on Equity of 21.5%**. **Total equity attributable to Group shareholders** grew by **18.5%** from **KShs. 297.1 billion to KShs. 352.2 billion**. Earnings per Share increased to KShs 22.18, up from KShs 20.03 in the same period last year, reflecting continued growth in shareholder value.
- The Group maintained **strong capital buffers** with all banking subsidiaries compliant with their respective local regulatory capital requirements. Group core capital as a proportion of total risk-weighted assets stood at **18.2%** against the statutory minimum of 10.5% while the total capital to risk-weighted assets was at **21.6%** against a regulatory minimum of 14.5%. The Group maintains a strong liquidity ratio of 51.1%, ensuring an agile balance sheet that enables it to capitalize on emerging opportunities while effectively responding to potential risks.

## Outlook: Group Chairman, Joseph Kinyua

*“The Group’s strong start to the year is a clear affirmation of the effectiveness of our long-term strategy, the resilience of our regional businesses, and the discipline with which we continue to execute our priorities. We remain confident in the Group’s ability to navigate evolving market dynamics while continuing to support economic growth, regional trade, and financial inclusion across our markets. The Middle East conflict presents a significant counterforce to global growth through its impact on commodity markets, inflation expectations and financial conditions”* said KCB Group Chairman, Dr. Joseph Kinyua.

## Latest Corporate Developments

- In January, KCB Foundation signed a deal with UNHCR formalizing a strategic partnership aimed at advancing financial inclusion, livelihoods, and long-term socio-economic opportunities for refugees and host communities across the region.
- In March, KCB Bank Kenya received approval for a \$96.9M (KShs. 12.5B) financing from the Green Climate Fund (GCF) and co-financing from the Bank, to accelerate green projects for Micro, Small and Medium Enterprises (MSMEs) and farmers and support Kenya's most vulnerable communities.
- KCB sponsored the 2026 WRC Safari Rally in March injecting KShs. 227 million into the iconic sporting showpiece. The Bank ran a Nationwide Consumer Promotion whose grand winner won a one-bedroom apartment at Tatu City, courtesy of Unity Homes, a partner.
- In April, KCB Bank Kenya signed an agreement with the Ministry of Education to drive sustainable learning institutions. The Bank has developed a concessional loan product to ensure that the schools are able to harness clean energy technologies to provide clean, affordable, and reliable power for lighting schools.
- KCB Group continued to top global, regional and local awards scene as the bank received several accolades. Key among this is Best Banking Group at the World Finance Banking Awards, 2026.
- KCB Bank Kenya has introduced KShs. 20 Flat Fee on Pesalink, with free transfers for amounts below KShs. 1,000, enabling customers to make everyday transfers at no cost. In line with the industry's "*Tuma Direct na 20/-*," campaign, the move is aimed at making real-time payments more affordable, and convenient for individuals and MSMEs using KCB Bank's mobile & internet banking channels.

**For further information, please contact Peter Mwaura Kimani, Head of Corporate & Stakeholder Relations; email: [pmkimani@kcbgroup.com](mailto:pmkimani@kcbgroup.com);**

## About KCB Group PLC

KCB Group Plc is East Africa's largest commercial Bank and was established in 1896. The Group is headquartered in Kenya, with the country serving as the lead market with the banking subsidiary KCB Bank Kenya. Over the years, the Bank has grown and spread its wings into Tanzania, South Sudan, Uganda, Rwanda, Burundi, and the Democratic Republic of Congo. Our subsidiaries KCB Bank Kenya and Trust Merchant Bank (TMB) also have representative offices in Ethiopia and Brussels, respectively. Additionally, KCB Group owns Riverbank Solutions, KCB Bancassurance Intermediary Limited, KCB Investment Bank, KCB Asset Management, KCB Foundation and Kencom House Limited as non-banking businesses. Today KCB has the largest branch network in the region with 450 branches, 1,249 ATMs and over 1.3 million merchants and agents offering banking services on a 24/7 basis in East Africa. This is complemented by mobile banking and internet banking services with 24-hour contact center services for our customers to get in touch with the Bank. KCB has a vast network of correspondent relationships totaling over 200 banks across the globe, and our customers are assured of a seamless facilitation of their international trade requirements wherever they are.

### **KCB Group PLC**

**Directors:** Dr. J. K. Kinyua (Chairman); C. S. - National Treasury; L.M. Njiru; A. M. Mohamud; Ms. A. Pandit; Mrs. A. G. Lutukai; W. O. Asiko; Mrs. L. C. Mengich; P. R. Russo (Group CEO); L. K. Kiambi (Group Finance Director)

**[kcbgroup.com](http://kcbgroup.com)**