Burgan Bank Demonstrates Financial Strength and Operational Resilience in 2025

Sustained profitability driven by diversified revenues, strong risk management, and a robust balance sheet

Sheikh Abdullah Nasser Al-Sabah
Chairman of Burgan. Bank

Mr. Tony Daher,
Group Chief Executive Officer
at Burgan Bank

Kuwait, 1 February 2026

Burgan Bank K.P.S.C. ("Burgan" or "the Bank") announced its financial results for the year ended 31 December 2025 (FY'25), reporting a resilient performance underpinned by disciplined strategy execution, diversified revenue streams, prudent risk management, and a robust balance sheet. The Bank's results were achieved amid a complex global and regional backdrop shaped by evolving economic conditions and ongoing geopolitical developments.

For FY'25, total revenues increased 17% y-o-y to KD 268 million, driven by strong growth across both interest and non-interest income streams. Net interest income rose 13% y-o-y to KD 178 million, supported by continued loan growth and stable net interest margins of 2.3%, reflecting effective balance sheet management in a changing interest-rate environment. Non-interest income grew 25% y-o-y to KD 90 million, driven by higher fee income, securities gains, and the successful integration and contribution of United Gulf Bank (UGB), including its key subsidiary, Kamco Investment Company K.S.C.P. (KAMCO Invest). This performance further strengthened revenue diversification and enhanced overall earnings quality.

Operating profit increased by 6% year-on-year to KD 105 million, supported by higher revenues, while net income for the year ended 31 December 2025 reached KD 47 million, broadly in line with the prior year, underscoring the stability of earnings and the resilience of the Bank's business model, even amid heightened market uncertainty.

Burgan continued on its growth trajectory in FY'25, with total assets reaching KD 9.1 billion, up 12% y-o-y, supported by broad-based growth across key markets. The Bank's flagship operations in Kuwait led the momentum, with assets rising 6% y-o-y to KD 6.9 billion. The loans portfolio expanded by 8% y-o-y to KD 4.8 billion, primarily supported by the Kuwait business and solid performance across key subsidiaries. Asset quality remained solid, with the non-performing loan (NPL) ratio stable at 1.9% and net NPLs, after collateral, at a low 0.4%, underscoring the conservative risk profile of the portfolio. NPL coverage remained prudent at 239%.

Customer deposits rose 11% y-o-y to KD 5.5 billion, reflecting growth across all entities but led by Kuwait operations. In Kuwait, the deposit base reached KD 4.1 billion, marking a robust 9% y-o-y increase. The deposit mix remained healthy, supported by high CASA balances that continue to underpin liquidity and cost-efficient funding.

The Bank maintained a strong liquidity and capital position throughout the year, with a Liquidity Coverage Ratio (LCR) of 186% and a Net Stable Funding Ratio (NSFR) of 112%, both comfortably above the regulatory minimum of 100%. Burgan's capital strength remained solid, with a Tier 1 ratio of 13.3%, and a total Capital Adequacy Ratio (CAR) of 16.8%, well above the respective regulatory minimums of 12.0%, and 14.0%. Together, these robust liquidity and capital metrics reflect prudent financial management, robust loss-absorbing capacity, and resilience, supporting strategic initiatives and long-term growth.

In recognition of the Bank's solid performance in 2025, Burgan's Board of Directors has proposed a cash dividend of 6 fils per share, along with a 5% bonus share issue for the full year ended 31 December 2025. These recommendations are subject to approval by shareholders at the upcoming Annual General Meeting and reflect the Board's commitment to delivering sustainable shareholder returns while maintaining the Bank's robust capital and liquidity position.

Commenting on the Bank's financial results, Burgan's Chairman, Sheikh Abdullah Nasser Al-Sabah, said that "Burgan's performance in 2025 reflects the strength of its financial foundations and the disciplined execution of its strategic plan, even amid a year of uncertainty and external challenges. The Bank's ability to maintain stability, preserve asset quality, and sustain profitability underscores the effectiveness of its governance framework and prudent risk management approach, while reaffirming the Bank's commitment to delivering long-term value for all stakeholders".

The Chairman further added that, "Our progress is anchored in balancing the strengthening of core operations in Kuwait, advancing our transformation agenda, investing in talent, and embedding sustainability and ESG practices across the business – ensuring resilience today while building a strong foundation for the future".

Burgan Bank's strong financial performance and credit profile were affirmed by leading international rating agencies, with the Bank maintaining its investment-grade ratings and stable outlooks. These include an 'A+' long-term foreign currency rating from Capital Intelligence, an 'A' issuer default rating from Fitch, a 'Baa1' long-term deposit rating from Moody's, and a 'BBB+' long-term credit rating from S&P Global, reflecting its sound financial position, strong capitalization, and prudent risk management.

Executing a Focused Growth Strategy Across Core and International Markets

In 2025, Burgan Bank advanced its refreshed strategic agenda, focusing on scaling its core franchise in Kuwait while pursuing selective, disciplined growth across international markets.

In Kuwait, Corporate Banking remained a key driver of performance, underpinned by broader portfolio diversification, reduced concentration risk, and deeper client engagement. The Bank strengthened existing relationships, expanded into emerging sectors, and onboarded new corporate clients, resulting in higher deposit volumes, enhanced connectivity, and increased cross-selling – further reinforcing Burgan Bank's role as a trusted financial partner to the business community. In Private Banking and Wealth Management, the Bank enhanced its advisory-led model for high-net-worth and ultra-high-net-worth clients, delivering tailored solutions, faster execution, and greater service integration. Retail Banking sustained strong momentum through targeted product innovation, disciplined credit growth, and service enhancements, supporting expansion in consumer lending and card portfolios while maintaining a consistently high standard of customer experience.

Across its international network, Burgan Bank maintained a disciplined, risk-aware approach to growth, emphasizing diversification, operational resilience, and efficiency. Despite a challenging external environment, the Bank's international franchises delivered steady progress, supporting sustainable performance and long-term value creation.

Commenting on this progress, Mr. Tony Daher, Group Chief Executive Officer of Burgan Bank, said: "In 2025, our focus was on scaling core operations in Kuwait while pursuing disciplined, selective growth internationally. By deepening client relationships, diversifying portfolios, and enhancing service offerings, we reinforced Burgan's foundations and delivered sustainable, long-term value across all markets."

Robust Funding Initiatives Support Growth Ambitions

Burgan Bank successfully issued a USD 500 million five-year senior unsecured bond under its USD 1.5 billion Euro Medium Term Note (EMTN) program through Burgan Senior SPC Limited. The bond carries a fixed coupon of 4.875% (115 basis points over US Treasuries) and attracted robust international demand, with the order book reaching approximately USD 1.9 billion – nearly four times the issue size. Investor participation was geographically diverse: 30% from the Middle East, 29% from the UK and Europe, 38% from Asia, and 3% from the US. The issuance strengthens the Bank's funding flexibility, enhances liquidity, broadens its investor base, and supports strategic growth ambitions across Kuwait and the wider region.

During the year, the Bank launched a USD 500 million Certificates of Deposit (CD) program, a new funding instrument designed to diversify sources and strengthen liquidity. The CDs were well received by institutional investors, and approximately USD 200 million remained outstanding at the end of FY'25, contributing to enhanced balance sheet efficiency and funding flexibility.

In addition, Burgan Bank increased its authorized capital by KD 200 million to KD 600 million, following approval from the Extraordinary General Assembly. This move supports future growth and ensures continued regulatory compliance.

Mr. Tony Daher, Group Chief Executive Officer, commented: "Our successful return to the international debt markets with a USD 500 million bond represents a key milestone for the year. Together with our other funding initiatives, this strengthens financial flexibility, optimizes funding costs in a highly competitive environment, and positions us to pursue growth opportunities across Kuwait and the region while creating sustainable value for our stakeholders."

Expanding Capabilities and Market Reach Across the GCC

Burgan Bank successfully completed the acquisition of United Gulf Bank (UGB) in Bahrain and fully integrated its operations during the year, delivering significant progress across integration and value-enhancement initiatives. These efforts included the recapitalization of UGB through, alongside a series of measures aimed at strengthening its financial position, revitalizing UGB as a standalone banking franchise, and enhancing shareholder value. In parallel, the partnership with KAMCO Investment Company (KAMCO) – of which UGB holds a 60% stake – has already delivered tangible results, while close collaboration with Burgan's Kuwait teams across private banking, retail, investment, and treasury continues to enhance client offerings. Collectively, these initiatives expand the Bank's GCC footprint, strengthen capabilities, unlock cross-selling opportunities, and generate new revenue streams, reinforcing Burgan Bank's commitment to regional growth and sustainable value creation.

Accelerating Digital Transformation and Technology Enablement

Digital transformation remains a cornerstone of Burgan Bank’s strategy, with sustained investment in platforms that enhance transparency, efficiency, and the overall experience for customers and stakeholders. The Bank strengthened its corporate banking proposition through a digital trade finance solution, enabling clients to issue and amend Letters of Credit and Letters of Guarantee entirely online via TBS Online – reducing paperwork, accelerating turnaround times, and reinforcing Burgan’s role as a digitally empowered partner for corporates across Kuwait and the region.

Tailored for SMEs and mobile merchants, the Bank also introduced SoftPOS by KNET, a secure and flexible digital payment solution that allows merchants to accept card payments directly via Android smartphones, eliminating the need for traditional POS devices and supporting business growth.

In parallel, Burgan advanced its digital initiatives by deploying SAP solutions, including SuccessFactors, to drive operational efficiency, data-driven decision-making, and an enhanced employee experience. Demonstrating the strength of its digital infrastructure and IT governance, the Bank successfully renewed its ISO/IEC 20000-1:2018 certification, following an external audit validating the efficiency, scalability, and continuous improvement of its IT operations.

The Bank’s ongoing core banking platform upgrade, implemented in partnership with TCS, progressed as planned, enhancing operational resilience, streamlining processes, and elevating client experiences across retail, corporate, and private banking.

Burgan further strengthened stakeholder engagement through its Investor Relations mobile application on iOS and Android, providing real-time access to financial disclosures, reports, share performance, and corporate updates via a dedicated, best-practice digital channel.

Across its international footprint, the Bank’s digital platforms continued to achieve key milestones, with the ON platform in Turkey reaching 1.5 million customers since its launch in late 2021. An award-winning solution, ON has driven rapid adoption and high remote customer acquisition share, while Burgan also expanded digital banking services in Algeria and Tunisia, enhancing accessibility and delivering innovative, scalable solutions across the region.

“As we continue to modernize our operating model, our focus is on deploying technology where it delivers tangible impact – whether by simplifying processes, improving decision-making, or enabling better experiences for customers, investors, and employees,” said Mr. Tony Daher, Group Chief Executive Officer. He added that “Burgan’s digital agenda is driven by practical execution and strong governance, ensuring that innovation supports resilience, scalability, and long-term competitiveness.”

Elevating the Customer Journey Across All Segments and Offerings

Burgan Bank continued to elevate the customer journey across retail, corporate, and private banking segments by strengthening strategic partnerships and introducing advanced digital payment solutions. Among the Bank’s long-standing partnerships renewed during the year was its collaboration with Visa, the global leader in digital payments, reflecting Burgan's commitment to delivering secure, seamless, and innovative payment experiences.

On the customer experience front, Burgan became the first bank in Kuwait to adopt and roll out Visa Click to Pay, a biometrics-powered digital payment solution that enables faster, safer, and more convenient in-store and online transactions. By entering card details once at registration, customers can complete subsequent payments with a single tap and approve transactions using fingerprint or facial recognition technologies.

"As a Bank that is Driven by You, our focus remains on understanding our customers' evolving needs and translating them into practical, technology-enabled solutions," said Mr. Daher, highlighting "the Bank's commitment to delivering a differentiated and intuitive banking experience across all segments."

Investing in Human Capital to Build Future-Ready Capabilities

Human capital development remained a strategic priority for Burgan Bank throughout 2025, as the Bank continued to invest in building future-ready capabilities and empowering its people. Burgan advanced its human capital strategy through structured leadership and development programs, including Ro'ya, Empower Her, and specialized internal academies designed to support employee growth and leadership readiness.

The Bank reinforced this commitment by celebrating employees who completed advanced training programs, including executive education at Harvard Business School and certifications from the Kuwait Institute of Banking Studies, while continuing to nurture emerging leaders through its flagship Ro'ya program. Additional initiatives under Empower Her were launched to recognize and support the achievements of the Bank's female workforce.

Beyond its internal teams, Burgan extended its investment in talent development to the wider community by sponsoring Academy X, Kuwait's largest women-led tech empowerment initiative, in partnership with CODED Academy and Kuwait University, and by participating in major university career fairs. In Q3, the Bank launched Data Champion, a first-of-its-kind internal bootcamp developed with CODED, equipping selected employees with practical data analytics and storytelling skills through real-world banking case studies.

Internally, Burgan organized "Values Unlocked," an interactive Augmented Reality-based team-building experience reinforcing collaboration and culture, and concluded its platinum sponsorship of the fourth Watheefti national career fair, supporting national talent development and recruitment. The Bank also signed a strategic partnership with SAP to deploy the SuccessFactors human resources management system, strengthening its position as an employer of choice through a holistic, data-driven learning and development ecosystem.

"Our investment in human capital is deliberate and outcome-driven. We focus on developing capabilities that directly support our strategy – whether in leadership, digital skills, or specialist expertise – so our people are prepared to operate effectively in an increasingly complex banking environment," said Mr. Daher.

Advancing ESG Commitments and Creating Lasting Community Impact

Burgan Bank continues to integrate Environmental, Social, and Governance (ESG) principles across its operations, risk management, and capital allocation, ensuring sustainability is a core driver of long-term performance and growth. Inclusion in the FTSE4Good Index underscores the Bank's strong ESG credentials and alignment with globally recognized standards for responsible business practices.

On the environmental front, Burgan has made significant progress in advancing decarbonization, improving energy efficiency, promoting sustainable procurement, and reducing its overall environmental footprint. The Bank has also integrated climate-related risks into its credit decision-making framework, reflecting a forward-looking approach to environmental stewardship and supporting Kuwait's broader sustainability ambitions. Additional initiatives include enhanced waste management, resource efficiency programs, and the adoption of sustainable operational practices across branches and offices.

The Bank's social initiatives focused on empowering employees, advancing financial inclusion, and strengthening customer protection. Throughout the year, the Bank strengthened its community engagement and inclusive health awareness efforts, supporting diverse segments of the community – including youth, women, entrepreneurs, and others – through the organization and participation in a wide range of workshops, seminars, on-ground activations, and community events.

From a governance perspective, ESG metrics are embedded into executive performance scorecards, ethical and anti-corruption controls have been strengthened, and cyber resilience and operational continuity are maintained through internationally certified frameworks.

Together, these efforts reflect Burgan Bank's commitment to responsible, disciplined growth, operational excellence, and delivering lasting value for stakeholders across economic cycles.

Mr. Tony Daher, Group Chief Executive Officer, said: "Sustainability is at the heart of how we operate, manage risk, and create long-term value. By advancing our environmental initiatives, strengthening social programs, and embedding ESG principles across governance and decision-making, we are ensuring Burgan Bank grows responsibly and delivers meaningful impact for our employees, clients, and the wider community."

Driving Market Leadership and Shaping Industry Dialogue

Throughout 2025, Burgan Bank continued to reinforce its leadership position within Kuwait's financial sector by actively contributing to market dialogue, innovation, and ecosystem development. During the year, Burgan Bank and Kamco Invest co-hosted the second edition of the Burgan–Kamco Invest Investment Conference under the theme "Exploring Trends: Ideas That Move Markets." The conference convened regional and international experts, institutional investors, and high-net-worth individuals to exchange insights on global economic developments, capital markets, and investment opportunities.

The Bank's commitment to advancing industry growth also extended to supporting innovation and entrepreneurship. Burgan concluded its strategic sponsorship of NEXUS 2025, introducing Kuwait's first-of-its-kind Investathon, a financial simulation designed to enhance financial literacy, investment readiness, and strategic thinking among youth and aspiring entrepreneurs.

Commenting on this approach, the Chairman noted that the Bank's leadership role goes beyond financial performance, emphasizing Burgan's responsibility to contribute to market development, knowledge sharing, and the long-term sustainability of Kuwait's financial ecosystem.

An Award-Winning Milestone Year for the Bank

Burgan Bank's performance and institutional progress in 2025 were recognized through multiple regional and international accolades. These included the Elite Quality Recognition Award from J.P. Morgan Chase, the Brandon Hall Gold Award of Excellence for Best Learning Strategy, recognition by The Legal 500 with senior executives named to the GC Powerlist Kuwait 2025, the "Best Client Service" Award at the MEED MENA Banking Excellence Awards 2025, and the Digital Transformation Excellence Award at SAP Business Suite Innovation Day.

On a national level, Burgan was recognized by the Public Authority of Manpower as one of Kuwait's most distinguished organizations for its outstanding achievements in Kuwaitization, reaching 84% in 2025, among the highest rates in the banking sector.

In conclusion, the Chairman reaffirmed that Burgan Bank moves into 2026 from a position of strength, supported by the momentum generated over the past year and the disciplined execution of its strategy. He added that the launch of Burgan's refreshed and expanded brand at the start of this new year reflects the Bank's readiness for its next stage of growth, reinforcing its presence in the market while remaining anchored in strong fundamentals, prudent governance, and a clear long-term vision.