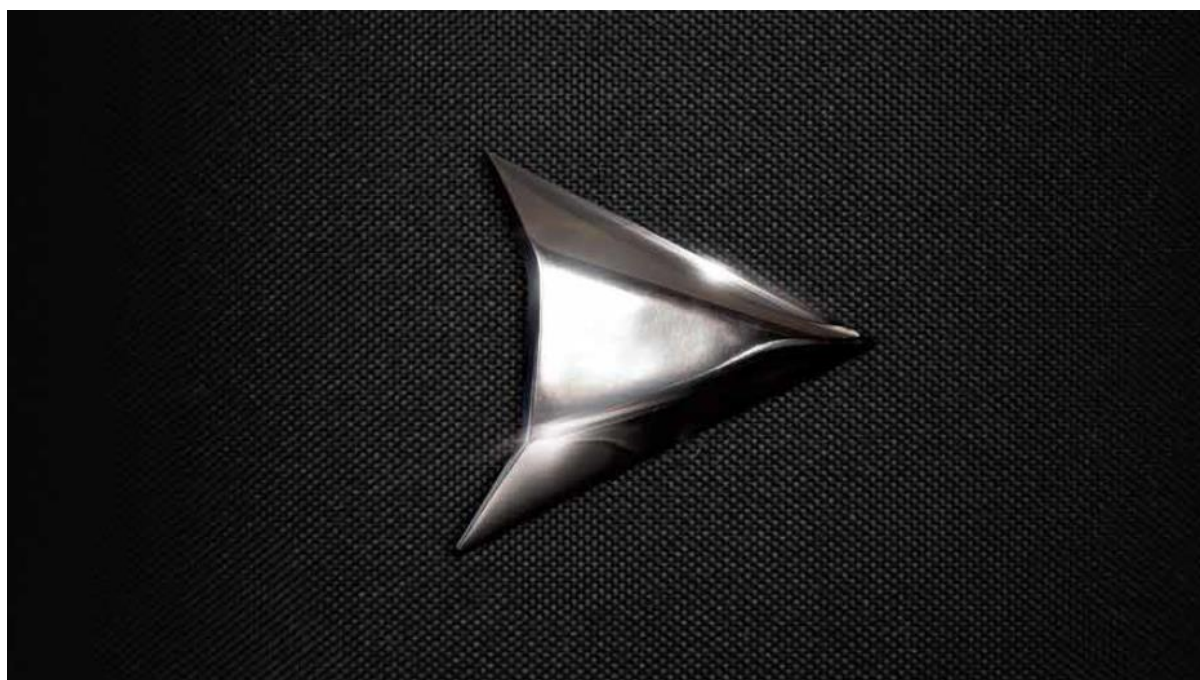




INTERIM FINANCIAL STATEMENTS

For the Nine Months Ended 30th September 2025



National Savings Bank Group Posts Strong 3Q 2025 Growth with 30% Surge in Profit Before Tax to Rs. 34.8 billion

- Total deposits increased to Rs 1.6 trillion
- Stage 3 loan ratio reduced to 2.63%
- Capital Adequacy ratio at 24%

National Savings Bank Group (NSB) reported a solid performance for the nine months ended 30 September 2025, delivering sharp improvements in profitability, margins and asset quality despite a moderating interest-rate environment. The state-owned savings giant recorded a Profit Before Tax (PBT) of Rs. 34.8 billion, up 30%, while Profit After Tax (PAT) surged 32% to Rs. 21.2 billion.

Chairman Dr. Harsha Cabral PC said the results highlight the Bank's ability to uphold its dual mandate of safeguarding national savings and supporting state financing, while maintaining strong profitability. General Manager/CEO Ms. Shashi Kandambi noted that disciplined balance-sheet management, improved margins and sustained investments in technology and staff contributed to the strong performance.

Strong growth in core earnings

Despite a slight moderation in total income due to lower market rates, core profitability strengthened significantly. A 15.8% reduction in interest expenses, driven by active liability management, led to an 16.8% increase in Net Interest Income (NII) to Rs. 64.4 billion. The Net Interest Margin improved to 4.71%. Furthermore, net fee and commission income grew by 26.3%, and other non-interest income rose by nearly 62.5%, contributing to a 18.4% expansion in total operating income compared to the same period last year.

Disciplined Cost Management and Improved Asset Quality Drive Profit Growth

Operating expenses increased due to wage adjustments and digital investments, but the cost-to-income ratio remained steady at 38.28%, demonstrating solid cost control. After absorbing financial service levies of Rs. 10.6 billion (VAT and SSCL) and an income tax expense of Rs. 13.6 billion that rose in line with higher earnings, NSB delivered a Profit After Tax (PAT) of Rs. 21.2 billion a strong year-on-year increase of over 32%.

This robust bottom-line performance was supported by a dramatic improvement in asset quality and an exceptionally fortified capital base. The Stage 3 impaired loan (NPL) ratio more than halved, falling sharply to 2.63% from 5.18% at the end of 2024. At the same time, the Stage 3 impairment coverage ratio increased to 59.36% (2024: 44.50%), underscoring the Bank's conservative provisioning stance and resilience against potential credit shocks. Concurrently, the Bank's capital buffers remained strong, with a Tier 1 Capital Ratio of 21.92% and a Total Capital Ratio of 23.89%, both well above regulatory requirements. This reinforced financial foundation directly translated into enhanced profitability, with key metrics showing significant improvement: the Return on Assets (before tax) rose to 2.54% from 1.63%, and the Return on Equity increased substantially to 24.67% from 18.15%, evidencing greater earnings generation.

Strengthened balance sheet and sound liquidity

NSB's total assets rose to Rs. 1.87 trillion, up 5.3% from end-2024, supported primarily by increased investments in government securities. Loans and advances stood at Rs. 519 billion, marginally lower due to selective lending efforts.

Customer deposits increased to Rs. 1.59 trillion, reaffirming strong depositor confidence. Liquidity remained a standout strength, with the Liquidity Coverage Ratio (LCR) exceeding 349% and the Net Stable Funding Ratio (NSFR) at 195%, all far above regulatory requirements.

Supporting the State and advancing national priorities

During the period, NSB contributed over Rs. 24.1 billion in taxes on financial services and income tax, reinforcing its role as a key supporter of public finance, in addition to the Bank's ongoing role as a major investor in government securities and a conduit for funding to key state-owned enterprises.

The Chairman, Dr Cabral noted that NSB will continue expanding access to financial services through its island-wide branch network and over 4,000 postal banking outlets. The General Manager/CEO, Ms Kandambi added that the strong 3Q performance provides a firm foundation for the Bank's continued focus on digital banking, sustainable growth and enhanced governance.

With stronger earnings, high liquidity, solid capital buffers and improving asset quality, NSB enters the final quarter of 2025 in a robust position. The Bank remains committed to its national mandate protecting public savings, supporting government funding needs and driving inclusive, sustainable financial progress across Sri Lanka.

INCOME STATEMENT
FOR THE NINE MONTHS ENDED 30TH SEPTEMBER

	Bank		Group	
	2025 Rs. '000	2024 Rs. '000	2025 Rs. '000	2024 Rs. '000
Income	151,952,137	157,790,713	156,079,335	161,746,991
Interest income	148,110,677	154,852,146	151,411,470	158,504,462
Interest expenses	(84,914,947)	(101,631,249)	(87,026,280)	(103,403,468)
Net interest income	63,195,730	53,220,897	64,385,190	55,100,994
Fee and commission income	1,951,688	1,565,793	1,953,079	1,571,503
Fee and commission expenses	(301,358)	(263,255)	(301,626)	(263,551)
Net fee and commission income	1,650,330	1,302,538	1,651,453	1,307,952
Net gains/(losses) from trading	774,961	738,600	1,297,426	1,023,754
Net fair value gains/(losses) on:				
financial assets at fair value through profit or loss	-	-	-	-
financial liabilities at fair value through profit or loss	-	-	-	-
Net gains/(losses) on derecognition of financial assets :				
at fair value through profit or loss	-	-	-	-
at amortised cost	-	-	-	-
at fair value through other comprehensive income	511,840	442,273	511,840	442,273
Net other operating income	602,971	191,901	905,520	204,999
Total operating income	66,735,832	55,896,209	68,751,429	58,079,972
Impairment charges	2,710,688	(24,704)	2,731,493	(5,892)
Net operating income	69,446,520	55,871,505	71,482,922	58,074,080
Personnel expenses	(18,003,616)	(15,842,553)	(18,103,608)	(16,135,922)
Depreciation and amortisation expenses	(1,685,613)	(1,160,378)	(1,697,070)	(1,171,233)
Other expenses	(6,177,129)	(5,238,963)	(6,328,043)	(5,347,921)
Operating profit/(loss) before VAT & SSCL on financial services	43,580,162	33,629,611	45,354,201	35,419,004
Value Added Tax (VAT) on financial services	(9,046,855)	(7,263,967)	(9,289,296)	(7,571,182)
Social Security Contribution Levy (SSCL) on financial services	(1,256,508)	(1,008,884)	(1,289,997)	(1,051,553)
Operating profit/(loss) after VAT & SSCL on financial services	33,276,799	25,356,760	34,774,908	26,796,269
Share of profits of associates and joint ventures	-	-	-	-
Profit/(loss) before tax	33,276,799	25,356,760	34,774,908	26,796,269
Income tax expenses	(13,167,886)	(10,175,126)	(13,574,298)	(10,712,839)
Profit/(loss) for the period	20,108,913	15,181,634	21,200,610	16,083,430
Profit attributable to:				
Equity holders of the Bank	20,108,913	15,181,634	21,200,610	16,083,430
Non-controlling interests	-	-	-	-
Earnings per share on profit				
Basic earnings per ordinary share (Rs.)	21.39	16.15	22.55	17.11
Diluted earnings per ordinary share (Rs.)	21.39	16.15	22.55	17.11

STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS ENDED 30TH SEPTEMBER

	Bank		Group	
	2025 Rs. '000	2024 Rs. '000	2025 Rs. '000	2024 Rs. '000
Profit/(Loss) for the period	20,108,913	15,181,634	21,200,610	16,083,430
Items that will be reclassified to Income Statement				
Exchange differences on translation of foreign operations	-	-	-	-
Net gains/(losses) on cash flow hedges	-	-	-	-
Net gains/(losses) on investments in debt instruments measured at fair value through other comprehensive income	-	-	-	-
Share of profits of associates and joint ventures	-	-	-	-
Debt instruments at fair value through other comprehensive Income	233,486	622,313	200,374	631,188
Net gains/(losses) on investment in debt instruments transferred to income statement	(511,840)	(442,273)	(511,840)	(442,273)
Deferred tax effect on the above	83,506	(54,012)	93,440	(56,674)
Total other comprehensive income to be reclassified to Income Statement	(194,848)	126,028	(218,026)	132,241
Items that will not to be reclassified to Income Statement				
Change in fair value on investments in equity instruments designated at fair value through other comprehensive income	1,515,402	602,511	1,251,784	637,101
Change in the fair value attributable to change in the Bank's own credit risk on financial liabilities designated at fair value through profit or loss	-	-	-	-
Re-measurement of post-employment benefit obligations	-	-	1,724	(3,120)
Deferred tax effect on the above	-	-	(1,502)	936
Re-measurement of post-employment benefit obligations (net of taxes)	-	-	222	(2,184)
Change in revaluation reserve	-	-	-	-
Deferred tax effect on the above	-	-	-	-
Changes in revaluation surplus (net of taxes)	-	-	-	-
Share of profits of associates and joint ventures	-	-	-	-
Total other comprehensive income not to be reclassified to Income Statement	1,515,402	602,511	1,252,006	634,917
Total other comprehensive income(OCI) for the period, net of taxes	1,320,554	728,539	1,033,980	767,158
Total comprehensive income for the period	21,429,467	15,910,173	22,234,590	16,850,588
Attributable to:				
Equity holders of the Bank	21,429,467	15,910,173	22,234,590	16,850,588
Non-controlling interests	-	-	-	-

Explanatory Notes :-

1. There are no changes to the accounting policies and methods of computation since the publication of annual accounts for the year 2024.
2. The comparable information is re-classified as wherever necessary to compare with the current year's classification in order to provide a better presentation.
3. Impairment Assessment
Individual impairment assessment were done for the customers who have exceeded the threshold limit. They were assessed individually based on their historical payment patterns, economic recession impact to their sectors and expected recovery of the sector, financial strength of the entity and other holistic factors. The portfolio level impairment assessment was carried out for the other borrowers. Based on the assessment some borrowers were moved from stage one to stage two and some borrowers were moved from stage two to stage three (due to expected cashflow impairment) despite of their past due status. The Bank closely monitors and considers the impact of economy to business operations and performance. In order to capture the expected losses from loans and advances due to prevalent economic conditions, the Bank adjusted the economic factor adjustment.

STATEMENT OF FINANCIAL POSITION

AS AT

	Bank		Group	
	30.09.2025 Rs. '000	31.12.2024 Rs. '000 (Audited)	30.09.2025 Rs. '000	31.12.2024 Rs. '000 (Audited)
Assets				
Cash and cash equivalents	9,309,830	8,358,742	9,362,311	8,544,416
Balances with central banks	157,711	357,054	157,761	357,117
Placements with banks	20,258,883	14,794,637	20,258,883	14,794,637
Derivative financial instruments	8,136	9,131	8,136	54,892
Financial assets recognized through profit or loss				
measured at fair value	12,384,424	21,086,781	57,179,091	46,749,528
designated at fair value	-	-	-	-
Financial assets at amortised cost				
Loans and advances	518,428,099	532,379,013	519,048,470	527,715,322
Debt and other instruments	1,137,279,853	1,039,034,572	1,140,559,528	1,048,965,769
Financial assets measured at fair value through other comprehensive income	47,898,535	53,469,178	52,811,252	55,306,512
Investments in subsidiaries	7,311,000	7,311,000	-	-
Investments in associates and joint ventures	-	-	-	-
Property, plant and equipment	17,264,662	17,415,792	18,402,209	18,556,112
Right of use assets	1,232,464	1,041,185	1,254,568	1,066,014
Investment properties	-	-	349,000	349,000
Goodwill and intangible assets	2,365,290	2,183,860	2,368,565	2,185,087
Deferred tax assets	5,026,157	4,995,021	5,026,157	4,995,021
Other assets	47,288,270	50,002,248	47,369,697	50,127,502
Total assets	1,826,213,314	1,752,438,214	1,874,155,628	1,779,766,929
Liabilities				
Due to banks	152,874	487,521	10,371,257	487,521
Derivative financial instruments	712	258,409	712	258,409
Financial liabilities recognized through profit or loss				
measured at fair value	-	-	-	-
designated at fair value through profit or loss	-	-	-	-
Financial liabilities at amortised cost				
due to depositors	1,591,924,665	1,556,270,863	1,592,325,905	1,556,681,918
due to debt securities holders	-	-	-	-
due to other borrowers	54,980,412	48,190,057	90,059,934	66,049,093
Lease liability	1,474,574	1,281,561	1,505,305	1,314,177
Debt securities issued	16,762,343	16,966,482	16,835,101	17,039,651
Retirement benefit obligations	19,318,710	17,489,868	19,333,451	17,597,407
Current tax liabilities	8,281,449	3,648,729	8,607,268	4,054,844
Deferred tax liabilities	-	-	51,744	61,869
Other provisions	-	-	-	-
Other liabilities	19,117,401	9,002,109	12,134,858	9,387,245
Due to subsidiaries	-	-	-	-
Total liabilities	1,712,013,140	1,653,595,599	1,751,225,535	1,672,932,134
Equity				
Stated capital/Assigned capital	9,400,000	9,400,000	9,400,000	9,400,000
Statutory reserve fund	6,097,055	5,694,877	6,233,926	5,810,742
OCI reserve	5,533,856	4,213,302	5,600,182	4,566,424
Retained earnings	42,172,070	28,462,305	48,317,212	33,771,814
Other reserves	50,997,193	51,072,131	53,378,773	53,285,815
Total shareholders' equity	114,200,174	98,842,615	122,930,093	106,834,795
Non-controlling interests	-	-	-	-
Total equity	114,200,174	98,842,615	122,930,093	106,834,795
Total equity and liabilities	1,826,213,314	1,752,438,214	1,874,155,628	1,779,766,929
Contingent liabilities and commitments	13,058,567	15,042,447	13,066,875	15,050,755

Memorandum Information

Number of Employees	4,219	4,212
Number of Branches	262	262

Note: Amounts stated are in net of impairment and depreciation.



STATEMENT OF CHANGES IN EQUITY - BANK

In Rupees Thousand

FOR THE NINE MONTHS ENDED 30TH SEPTEMBER 2024	Stated Capital / Assigned Capital	Statutory Reserve Fund	Revaluation Reserve	OCI Reserve	Cash Flow Hedging Reserve	Retained Earnings	Other Reserve	Total Equity
Balance as at 1st January 2024	9,400,000	5,369,172	7,946,216	1,286,463	-	14,408,118	42,964,284	81,374,253
Total comprehensive income for the period								
Net profit for the period	-	-	-	-	-	15,181,634	-	15,181,634
Other comprehensive income net of tax	-	-	-	-	-	-	-	-
Net change in fair value of debt instrument of Fair Value through Other Comprehensive Income	-	-	-	126,028	-	-	-	126,028
Net change in fair value of equity instrument of Fair Value through Other Comprehensive Income	-	-	-	602,511	-	-	-	602,511
Net change in Revaluation Reserve	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	728,539	-	15,181,634	-	15,910,173
Transactions with equity holders, recognised directly in equity								
Transfers to unclaimed deposits reserve / issued share capital	-	-	-	-	-	-	(140,472)	(140,472)
Contribution to the consolidated fund-Dividend/Levy	-	-	-	-	-	-	-	-
Transfers during the period	-	306,700	-	-	-	(306,700)	-	-
Total transactions with equity holders	-	306,700	-	-	-	(306,700)	(140,472)	(140,472)
Balance as at 30th September 2024	9,400,000	5,675,872	7,946,216	2,015,002	-	29,283,052	42,823,812	97,143,954

In Rupees Thousand

FOR THE NINE MONTHS ENDED 30TH SEPTEMBER 2025	Stated Capital / Assigned Capital	Statutory Reserve Fund	Revaluation Reserve	OCI Reserve	Cash Flow Hedging Reserve	Retained Earnings	Other Reserve	Total Equity
Balance as at 1st January 2025	9,400,000	5,694,877	7,946,216	4,213,302	-	28,462,305	43,125,915	98,842,615
Total comprehensive income for the period								
Net profit for the period	-	-	-	-	-	20,108,913	-	20,108,913
Other comprehensive income net of tax	-	-	-	-	-	-	-	-
Net change in fair value of debt instrument of Fair Value through Other Comprehensive Income	-	-	-	(194,848)	-	-	-	(194,848)
Net change in fair value of equity instrument of Fair Value through Other Comprehensive Income	-	-	-	1,515,402	-	-	-	1,515,402
Net change in Revaluation Reserve	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	1,320,554	-	20,108,913	-	21,429,467
Transactions with equity holders, recognised directly in equity								
Transfers to unclaimed deposits reserve / issued share capital	-	-	-	-	-	-	(71,908)	(71,908)
Contribution to the consolidated fund-Dividend/Levy	-	-	-	-	-	(6,000,000)	-	(6,000,000)
Surplus/(reversals) on revaluation of property	-	-	(3,030)	-	-	3,030	-	-
Transfers during the period	-	402,178	-	-	-	(402,178)	-	-
Total transactions with equity holders	-	402,178	(3,030)	-	-	(6,399,148)	(71,908)	(6,071,908)
Balance as at 30th September 2025	9,400,000	6,097,055	7,943,186	5,533,856	-	42,172,070	43,054,007	114,200,174



STATEMENT OF CHANGES IN EQUITY - GROUP

In Rupees Thousand

FOR THE NINE MONTHS ENDED 30TH SEPTEMBER 2024	Stated Capital / Assigned Capital	Statutory Reserve Fund	Revaluation Reserve	OCI Reserve	Cash Flow Hedging Reserve	Retained Earnings	Other Reserve	Total Equity
Balance as at 1st January 2024	9,400,000	5,464,218	8,642,884	1,433,850	-	18,605,719	44,241,756	87,788,427
Total comprehensive income for the period								
Net profit for the period	-	-	-	-	-	16,083,430	-	16,083,430
Other comprehensive income net of tax	-	-	-	-	-	(2,184)	-	(2,184)
Net change in fair value of debt instrument of Fair Value through Other Comprehensive Income	-	-	-	132,241	-	-	-	132,241
Net change in fair value of equity instrument of Fair Value through Other Comprehensive Income	-	-	-	637,101	-	-	-	637,101
Net change in Revaluation Reserve	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	769,342	-	16,081,246	-	16,850,588
Transactions with equity holders, recognised directly in equity								
Transfers to unclaimed deposits reserve / issued share capital	-	-	-	-	-	-	(140,472)	(140,472)
Contribution to the consolidated fund-Dividend/Levy	-	-	-	-	-	-	-	-
Transfers during the period	-	323,338	-	-	-	(465,598)	142,260	-
Total transactions with equity holders	-	323,338	-	-	-	(465,598)	1,788	(140,472)
Balance as at 30th September 2024	9,400,000	5,787,556	8,642,884	2,203,192	-	34,221,367	44,243,544	104,498,543

In Rupees Thousand

FOR THE NINE MONTHS ENDED 30TH SEPTEMBER 2025	Stated Capital / Assigned Capital	Statutory Reserve Fund	Revaluation Reserve	OCI Reserve	Cash Flow Hedging Reserve	Retained Earnings	Other Reserve	Total Equity
Balance as at 1st January 2025	9,400,000	5,810,742	8,642,884	4,566,424	-	33,771,814	44,642,931	106,834,795
Prior year Adjustments	-	-	-	-	-	(67,384)	-	(67,384)
Re- stated opening balance	9,400,000	5,810,742	8,642,884	4,566,424	-	33,704,430	44,642,931	106,767,411
Total comprehensive income for the period								
Net profit for the period	-	-	-	-	-	21,200,610	-	21,200,610
Other comprehensive income net of tax	-	-	-	-	-	222	-	222
Net change in fair value of debt instrument of Fair Value through Other Comprehensive Income	-	-	-	(218,026)	-	-	-	(218,026)
Net change in fair value of equity instrument of Fair Value through Other Comprehensive Income	-	-	-	1,251,784	-	-	-	1,251,784
Net change in Revaluation Reserve	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	1,033,758	-	21,200,832	-	22,234,590
Transactions with equity holders, recognised directly in equity								
Transfers to unclaimed deposits reserve / issued share capital	-	-	-	-	-	-	(71,908)	(71,908)
Contribution to the consolidated fund-Dividend/Levy	-	-	-	-	-	(6,000,000)	-	(6,000,000)
Surplus/(reversals) on revaluation of property	-	-	(3,030)	-	-	3,030	-	-
Transfers during the period	-	423,184	-	-	-	(591,080)	167,896	-
Total transactions with equity holders	-	423,184	(3,030)	-	-	(6,588,050)	95,988	(6,071,908)
Balance as at 30th September 2025	9,400,000	6,233,926	8,639,854	5,600,182	-	48,317,212	44,738,919	122,930,093

CASH FLOW STATEMENT
FOR THE NINE MONTHS ENDED 30TH SEPTEMBER

	Bank		Group	
	2025 Rs.'000	2024 Rs.'000	2025 Rs.'000	2024 Rs.'000
Cash flows from operating activities				
Interest receipts	144,531,158	163,192,825	147,596,431	166,751,709
Interest payments	(84,754,083)	(114,665,892)	(86,584,786)	(116,197,969)
Net commission receipts	1,650,330	1,302,538	1,651,453	1,307,952
Trading income	750,434	1,099,539	1,361,064	1,538,022
Payment to employees	(16,793,738)	(14,376,297)	(16,894,229)	(14,666,779)
VAT & SSCL on financial services	(9,819,986)	(7,188,598)	(10,101,063)	(7,545,311)
Receipts from other operating activities	384,289	184,022	690,164	197,120
Payment on other operating activities	(5,869,470)	(4,392,155)	(6,038,297)	(4,400,264)
Operating profit before change in operating assets & liabilities	30,078,934	25,155,982	31,680,737	26,984,480
(Increase) / decrease in operating assets				
Placement with banks	(5,466,977)	5,654,879	(5,466,977)	6,620,660
Derivative financial Instruments	257,697	(7,929)	303,458	2,378
Financial assets at FVPL	8,944,786	(8,244,831)	(9,837,451)	(12,977,768)
Financial assets at amortised cost – loans & advances	17,115,964	15,660,122	11,853,457	9,886,305
Financial assets at amortised cost - debt & other Instruments	(88,084,352)	(69,838,725)	(88,941,110)	(70,367,067)
Proceeds from the sale and maturity of financial investments	-	-	-	-
Other assets	2,005,398	6,410,360	2,044,640	6,396,329
	(65,227,484)	(50,366,124)	(90,043,983)	(60,439,163)
Increase / (decrease) in operating liabilities				
Due to banks	-	(8,750,000)	10,213,135	(15,135,067)
Derivative financial Instruments	(257,697)	24,811	(257,697)	25,576
Financial liabilities at amortised cost – due to depositors	38,547,421	37,545,984	38,538,234	37,537,729
Financial liabilities at amortised cost – due to debt securities holders	-	-	-	-
Financial liabilities at amortised cost – due to other borrowers	5,134,106	(25,936,498)	22,078,581	(9,854,015)
Debt securities issued	-	(6,323,000)	(293)	(6,323,000)
Other liabilities	2,154,157	(3,162,815)	1,927,710	(3,112,701)
	45,577,987	(6,601,518)	72,499,670	3,138,522
Net cash generated from operating activities before income tax	10,429,437	(31,811,660)	14,136,424	(30,316,161)
Income tax paid	(8,430,288)	(447,000)	(8,985,065)	(906,968)
Net cash (used in)/from operating activities	1,999,149	(32,258,660)	5,151,359	(31,223,129)
Cash flows from investing activities				
Purchase of property, plant and equipment	(502,125)	(465,706)	(508,135)	(468,641)
Proceeds from the sale of property, plant and equipment	4,595	6,812	4,825	6,812
Net (increase)/decrease in finance instruments at fair value through other comprehensive income	6,513,368	36,597,576	3,237,037	35,667,780
Net purchase/ improvement to investment properties	-	-	-	-
Proceeds from the sale and maturity of financial investments	-	-	-	-
Net purchase of intangible assets	(479,905)	(348,654)	(483,092)	(348,654)
Net cash flow from acquisition of investment in subsidiaries and associates	-	-	-	-
Dividends received from investment in subsidiaries and associates	-	-	-	-
Net cash (used in)/from investing activities	5,535,933	35,790,028	2,250,635	34,857,297
Cash flows from financing activities				
Net proceeds from the issue of ordinary share capital	-	-	-	-
Net proceeds from the issue of subordinated debt	-	-	-	-
Repayment of subordinated debt	-	-	-	-
Interest paid on subordinated debt	(1,449,023)	(2,934,372)	(1,449,141)	(2,934,372)
Contribution to consolidated fund-dividend/levy	(5,000,000)	-	(5,000,000)	-
Net cash (used in)/from financing activities	(6,449,023)	(2,934,372)	(6,449,141)	(2,934,372)
Net increase/(decrease) in cash & cash equivalents	1,086,059	596,996	952,853	699,796
Cash and cash equivalents at the beginning of the year	8,228,822	9,564,741	8,414,559	9,603,169
Exchange difference in respect of cash & cash equivalents	-	-	-	-
Cash and cash equivalents at the end of the period	9,314,881	10,161,737	9,367,412	10,302,965

ANALYSIS OF LOANS & ADVANCES AND IMPAIRMENT

In Rupees Thousand	Bank		Group	
	As at 30.09.2025	As at 31.12.2024 (Audited)	As at 30.09.2025	As at 31.12.2024 (Audited)
Product-wise Gross loans and advances				
By product - Domestic currency				
Lease rental and hire purchase receivable	-	-	-	25,911
Term loans	356,808,320	380,863,516	358,233,488	382,389,974
Pawning	143,306,255	119,692,775	143,306,284	119,692,803
Other loans				
Loan to Government	-	-	-	-
Securities purchased under resale agreements	23,625,799	40,930,913	23,863,670	35,762,112
Staff loans	16,673,742	16,307,926	16,954,435	16,648,714
Sub Total	540,414,116	557,795,130	542,357,877	554,519,514
By product - Foreign currency				
Term loans	3,607,364	3,518,569	3,607,364	3,518,569
Gross loans & advances	544,021,480	561,313,699	545,965,241	558,038,083
Less: Accumulated impairment under stage 1	(4,024,239)	(4,700,749)	(4,026,827)	(4,703,623)
Accumulated impairment under stage 2	(1,626,373)	(2,129,055)	(1,628,366)	(2,133,932)
Accumulated impairment under stage 3	(19,942,769)	(22,104,882)	(21,261,578)	(23,485,206)
Net value of loans & advances	518,428,099	532,379,013	519,048,470	527,715,322
Movement of Impairment during the period				
Under Stage 1				
Opening balance	4,700,749	4,426,656	4,703,623	4,435,168
Charge/(Write back) to Income Statement	(676,510)	274,093	(676,796)	268,455
Closing balance at	4,024,239	4,700,749	4,026,827	4,703,623
Under Stage 2				
Opening balance	2,129,055	3,501,809	2,133,932	3,525,267
Charge/(Write back) to Income Statement	(502,682)	(1,372,754)	(505,566)	(1,391,335)
Closing balance at	1,626,373	2,129,055	1,628,366	2,133,932
Under Stage 3				
Opening balance	22,104,882	14,448,907	23,485,206	15,826,569
Charge/(Write back) to Income Statement	(2,124,686)	7,698,282	(2,142,317)	7,710,325
Write-off during the period	(37,427)	(42,307)	(73,559)	(42,307)
Other movements	-	-	(7,752)	(9,381)
Closing balance at	19,942,769	22,104,882	21,261,578	23,485,206
Total Impairment	25,593,381	28,934,686	26,916,771	30,322,761

ANALYSIS OF DEPOSITS

In Rupees Thousand	Bank		Group	
	As at 30.09.2025	As at 31.12.2024 (Audited)	As at 30.09.2025	As at 31.12.2024 (Audited)
By product - Domestic currency				
Demand deposits (current accounts)	-	-	-	-
Savings deposits	323,188,505	296,756,417	323,273,845	296,848,996
Fixed deposits	1,239,729,253	1,233,892,594	1,240,045,153	1,234,211,070
Sub total	1,562,917,758	1,530,649,011	1,563,318,998	1,531,060,066
By product - Foreign currency				
Demand deposits (current accounts)	-	-	-	-
Savings deposits	6,612,361	5,788,396	6,612,361	5,788,396
Fixed deposits	22,394,546	19,833,456	22,394,546	19,833,456
Sub total	29,006,907	25,621,852	29,006,907	25,621,852
Total	1,591,924,665	1,556,270,863	1,592,325,905	1,556,681,918

ANALYSIS OF CONTINGENT LIABILITIES AND COMMITMENTS

In Rupees Thousand	Bank		Group	
	As at 30.09.2025	As at 31.12.2024 (Audited)	As at 30.09.2025	As at 31.12.2024 (Audited)
By product – Domestic currency				
Undrawn credit facilities	2,565,404	3,459,333	2,565,404	3,459,333
Documentary credit	127,799	-	127,799	-
Bank guarantees	1,444,610	990,116	1,444,610	990,116
Forward exchange contracts	6,858,675	8,331,516	6,858,675	8,331,516
Other Commitments	159,696	25,519	168,004	33,827
Sub total	11,156,184	12,806,484	11,164,492	12,814,792
By product – Foreign currency				
Undrawn credit facilities	-	-	-	-
Documentary credit	-	-	-	-
Bank guarantees	314,922	305,652	314,922	305,652
Forward exchange contracts	453,808	292,875	453,808	292,875
Other Commitments	1,133,653	1,637,436	1,133,653	1,637,436
Sub total	1,902,383	2,235,963	1,902,383	2,235,963
Grand Total	13,058,567	15,042,447	13,066,875	15,050,755

ANALYSIS OF FINANCIAL INSTRUMENTS ON MEASUREMENT BASIS
a. Bank - as at 30.09.2025

In Rupees Thousand	AC	FVPL	FVOCI	Total
ASSETS				
Cash and cash equivalents	9,309,830	-	-	9,309,830
Balances with central banks	157,711	-	-	157,711
Placements with banks	20,258,883	-	-	20,258,883
Derivative financial instruments	-	8,136	-	8,136
Loans and advances	518,428,099	-	-	518,428,099
Debt instruments	1,137,279,853	11,031,368	40,814,300	1,189,125,521
Equity instruments	-	1,353,056	7,084,235	8,437,291
Total financial assets	1,685,434,376	12,392,560	47,898,535	1,745,725,471

In Rupees Thousand	AC	FVPL	Total
LIABILITIES			
Due to banks	152,874	-	152,874
Derivative financial instruments	-	712	712
Financial liabilities			
- due to depositors	1,591,924,665	-	1,591,924,665
- due to debt securities holders	-	-	-
- due to other borrowers	54,980,412	-	54,980,412
Debt securities issued	16,762,343	-	16,762,343
Total financial liabilities	1,663,820,294	712	1,663,821,006

b. Bank - as at 31.12.2024 - (Audited)

In Rupees Thousand	AC	FVPL	FVOCI	Total
ASSETS				
Cash and cash equivalents	8,358,742	-	-	8,358,742
Balances with central banks	357,054	-	-	357,054
Placements with banks	14,794,637	-	-	14,794,637
Derivative financial instruments	-	9,131	-	9,131
Loans and advances	532,379,013	-	-	532,379,013
Debt instruments	1,039,034,572	20,874,049	47,900,345	1,107,808,966
Equity instruments	-	212,732	5,568,833	5,781,565
Total financial assets	1,594,924,018	21,095,912	53,469,178	1,669,489,108

In Rupees Thousand	AC	FVPL	Total
LIABILITIES			
Due to banks	487,521	-	487,521
Derivative financial instruments	-	258,409	258,409
Financial liabilities			
- due to depositors	1,556,270,863	-	1,556,270,863
- due to debt securities holders	-	-	-
- due to other borrowers	48,190,057	-	48,190,057
Debt securities issued	16,966,482	-	16,966,482
Total financial liabilities	1,621,914,923	258,409	1,622,173,332

AC - Financial assets / liabilities measured at amortised cost

FVPL - Financial assets / liabilities measured at fair value through profit or loss

FVOCI - Financial assets measured at fair value through other comprehensive income

ANALYSIS OF FINANCIAL INSTRUMENTS ON MEASUREMENT BASIS
c. Group - as at 30.09.2025

In Rupees Thousand	AC	FVPL	FVOCI	Total
ASSETS				
Cash and cash equivalents	9,362,311	-	-	9,362,311
Balances with central banks	157,761	-	-	157,761
Placements with banks	20,258,883	-	-	20,258,883
Derivative financial instruments	-	8,136	-	8,136
Loans and advances	519,048,470	-	-	519,048,470
Debt instruments	1,140,559,528	55,826,035	45,716,060	1,242,101,623
Equity instruments	-	1,353,056	7,095,192	8,448,248
Total financial assets	1,689,386,953	57,187,227	52,811,252	1,799,385,432

In Rupees Thousand	AC	FVPL	Total
LIABILITIES			
Due to banks	10,371,257	-	10,371,257
Derivative financial instruments	-	712	712
Financial liabilities			
- due to depositors	1,592,325,905	-	1,592,325,905
- due to debt securities holders	-	-	-
- due to other borrowers	90,059,934	-	90,059,934
Debt securities issued	16,835,101	-	16,835,101
Total financial liabilities	1,709,592,197	712	1,709,592,909

d. Group - as at 31.12.2024 - (Audited)

In Rupees Thousand	AC	FVPL	FVOCI	Total
ASSETS				
Cash and cash equivalents	8,544,416	-	-	8,544,416
Balances with central banks	357,117	-	-	357,117
Placements with banks	14,794,637	-	-	14,794,637
Derivative financial instruments	-	54,892	-	54,892
Loans and advances	527,715,322	-	-	527,715,322
Debt instruments	1,048,965,769	46,536,796	49,366,765	1,144,869,330
Equity instruments	-	212,732	5,939,747	6,152,479
Total financial assets	1,600,377,261	46,804,420	55,306,512	1,702,488,193

In Rupees Thousand	AC	FVPL	Total
LIABILITIES			
Due to banks	487,521	-	487,521
Derivative financial instruments	-	258,409	258,409
Financial liabilities			
- due to depositors	1,556,681,918	-	1,556,681,918
- due to debt securities holders	-	-	-
- due to other borrowers	66,049,093	-	66,049,093
Debt securities issued	17,039,651	-	17,039,651
Total financial liabilities	1,640,258,183	258,409	1,640,516,592

AC - Financial assets / liabilities measured at amortised cost

FVPL - Financial assets / liabilities measured at fair value through profit or loss

FVOCI - Financial assets measured at fair value through other comprehensive income

SELECTED PERFORMANCE INDICATORS / KEY FINANCIAL DATA (BASED ON REGULATORY REPORTING)

Item	Bank		Group	
	As at 30.09.2025	As at 31.12.2024	As at 30.09.2025	As at 31.12.2024
Regulatory Capital Adequacy (LKR in Millions)				
Common Equity Tier 1	54,560	63,454	66,874	75,395
Tier 1 Capital	59,560	68,454	71,874	80,395
Total Regulatory Capital	66,108	75,660	78,343	87,519
Regulatory Capital Ratios (%)				
Common Equity Tier 1 Capital (%) (Minimum Requirement - 7%)	17.513	21.707	20.395	25.032
Tier 1 Capital Ratio (%) (Minimum Requirement - 8.5%)	19.118	23.418	21.920	26.692
Total Capital Ratio (%) (Minimum Requirement - 12.5%)	21.220	25.883	23.892	29.058
Basel III Leverage Ratio (Minimum Requirement - 3.00%)	6.53	8.00	7.07	8.85
Regulatory Liquidity Requirement				
Liquidity Coverage Ratio (%) - (Minimum Requirement - 100%)				
Rupee (%)	356.36	351.33	NR	NR
All Currency (%)	349.52	344.55	NR	NR
Net Stable Funding Ratio (%) - (Minimum Requirement - 100%)	195.09	193.53	NR	NR
Assets Quality				
Impaired Loans (Stage 3) to Total Loans, Ratio (%)*	2.63	5.18	NR	NR
Impairment (Stage 3) to Stage 3 Loans, Ratio (%)*	59.36	44.50	NR	NR
Income and Profitability				
Net Interest Margin (%)	4.72	4.23	4.71	4.31
Return on Assets (before tax) (%)	2.49	1.54	2.54	1.63
Return on Equity (%)	25.24	18.07	24.67	18.15
Cost to Income Ratio (%)	39.03	38.72	38.28	38.04
Memorandum Information				
Credit Rating (LRA)	AAA	AAA	NR	NR
Number of Employees	4,219	4,212	4,240	4,331
Number of Branches	262	262	265	265

* Including undrawn portion of credit

Note : NR - Not Relevant

CERTIFICATION :

I certify that the above Financial Statements give a true and fair view of the State of Affairs of the Bank and its subsidiaries as at 30th September 2025 and the profits for the period then ended.

sgd. **Ajith Akmeemana**

Deputy General Manager (Finance, Planning & MIS) / CFO

We, the undersigned, being the Chairman and the General Manager / Chief Executive Officer of National Savings Bank jointly certify that:-

(a) The above statements have been prepared in compliance with the format and definitions prescribed by the Central Bank of Sri Lanka;

(b) The information contained in these statements has been extracted from the unaudited Financial Statements of the Bank and its subsidiary companies, unless indicated as audited.

sgd. **Dr. Harsha Cabral, PC**
Chairman

sgd. **Shashi Kandambi**
General Manager/CEO

Colombo, Sri Lanka
20 November 2025