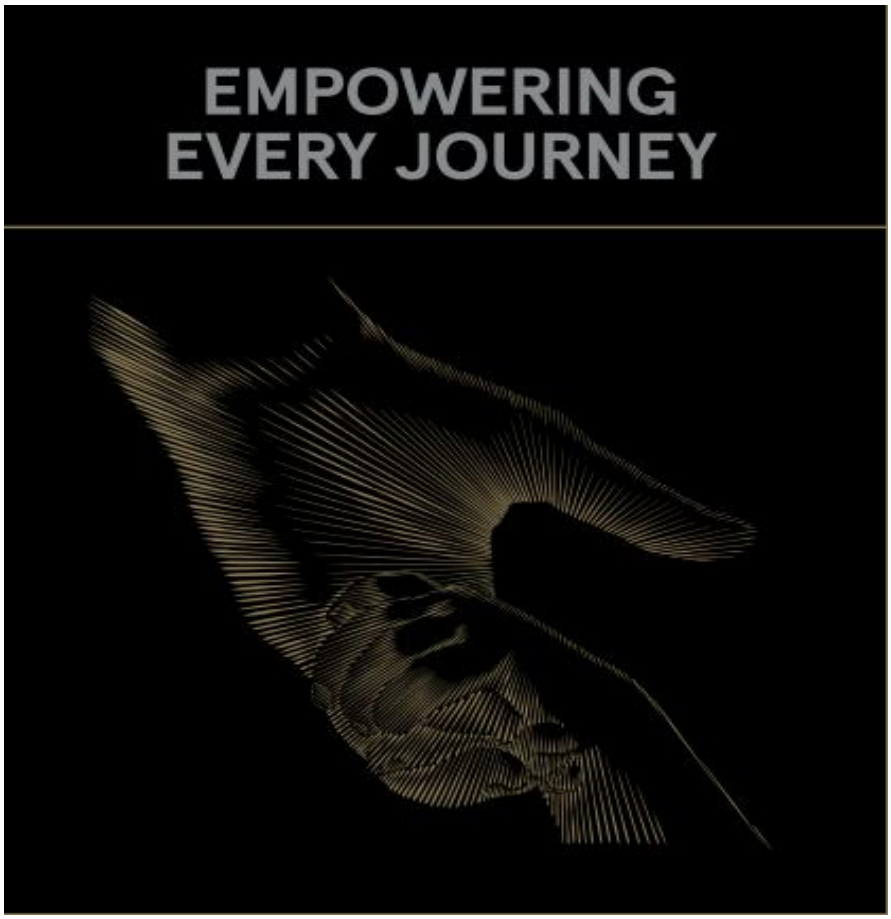
National Savings Bank

INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2026



NSB Group delivers Rs. 45.8bn operating profit in 9M 2026 as lending and core income strengthen

Group net interest income rises 7.4%; loan portfolio expands 11.3% to Rs. 613bn, while deposits reach Rs. 1.6tn, reinforcing the Bank's continued support for customers and the national economy.

National Savings Bank Group (NSB) sustained its core banking momentum during the first nine months of 2026, supported by stronger net interest income, strong growth in fee-based earnings and continued expansion in loans and advances. The Group's net interest income rose 7.4% to Rs. 69.1 billion, total operating income increased 3.6% to Rs. 71.2 billion and net operating income grew 5.4% to Rs. 75.3 billion. Group profit before tax amounted to Rs. 34.7 billion, broadly in line with Rs. 34.8 billion in the corresponding period of 2025, while profit after tax stood at Rs. 20.7 billion. Group total assets increased to Rs. 1.92 trillion and Group equity rose 8.7% to Rs. 139.05 billion.

The Bank reported total operating income of Rs. 69.8 billion for the period, an increase of 4.6% compared with Rs. 66.7 billion in the corresponding period of 2025. Net operating income increased by 6.4% to Rs. 73.9 billion from Rs. 69.4 billion a year ago, supported by a net impairment reversal of Rs. 4.1 billion arising from improved recoveries and asset quality.

Net interest income rose by 6.4% year-on-year to Rs. 67.3 billion, compared with Rs. 63.2 billion in the first nine months of 2025. Interest income increased 1.8% to Rs. 150.8 billion, while interest expenses declined 1.6% to Rs. 83.5 billion. The result reflects strict financial discipline, prudent balance-sheet management, and the Bank's continued focus on maintaining a sustainable funding and asset mix.

The Bank also achieved substantial growth in fee-based earnings. Fee and commission income rose 32.1% to Rs. 2.58 billion, and net fee and commission income increased by 34.2% to Rs. 2.21 billion, from Rs. 1.65 billion a year earlier. Net other operating income increased 53.2% to Rs. 924 million. These gains were partly offset by a net trading loss of Rs. 744 million, compared with a trading gain of Rs. 775 million in the previous year.

Profit before tax amounted to Rs. 33.7 billion, an increase of 1.1% from Rs. 33.3 billion in the first nine months of 2025, while profit after tax stood at Rs. 20 billion, compared with Rs. 20.11 billion.

Despite these pressures, the Bank preserved a substantial earnings base and continued to invest in the people, systems and service capabilities required to improve operational resilience and the customer experience. Income tax for the period amounted to Rs. 13.7 billion, while VAT and the Social Security Contribution Levy on financial services together amounted to Rs. 10.9 billion. In addition, the Bank declared a dividend of Rs. 7.4 billion to the Government as its sole shareholder. Accordingly, NSB's total contribution to the Government through dividends, taxes and levies amounted to Rs. 32 billion for the nine months, underscoring the Bank's significant contribution to public finances and national development.

Commenting on the results, National Savings Bank Chairman Dr. Harsha Cabral, PC said: "Our nine-month results reflect the resilience of NSB's core business and the trust placed in the Bank by generations of Sri Lankans. While expanding lending and improving asset quality, we remain focused

on the prudent stewardship of public savings and on supporting productive economic activity, financial inclusion and national development."

NSB's total assets increased by 2.6% during the first nine months of the year to Rs. 1.88 trillion, from Rs. 1.83 trillion at end-December 2025. Loans and advances recorded a strong 11.3% expansion to Rs. 613.1 billion from Rs. 550.8 billion demonstrating the Bank's continued support for the financing needs of individuals, households and eligible institutional customers within its mandate.

Deposits, the principal source of funding for NSB, increased by 1.9% to Rs. 1.64 trillion from Rs. 1.61 trillion. The Bank's financial position remained sound, with total shareholders' equity increasing by 9.0% to Rs. 129.7 billion from Rs. 119.1 billion. Retained earnings rose by 14.7% to Rs. 53.41 billion, further strengthening the Bank's capacity to support future growth and absorb potential shocks.

General Manager/CEO of National Savings Bank, Mr. Rohana Bandara Weerakoon, said: "The growth we have achieved in lending, savings, foreign currency deposits and fee income shows the progress we are making in diversifying our business. We will continue to strengthen digital access, service quality, cost discipline and risk management while delivering on NSB's national mandate."

The Bank's profitability indicators continued to reflect the strength of its core banking activities, although higher operating expenses moderated overall returns. The Net Interest Margin (NIM) improved to 4.85% from 4.74% at the end of 2025. Return on Assets (ROA) remained broadly stable at 2.43%, compared with 2.48%, while Return on Equity (ROE) stood at 21.49%, compared with 25.08% at the end of 2025.

Asset quality continued to improve. The net Stage 3 loans ratio improved to 2.00% from 2.52%. At the same time, the Stage 3 impairment coverage ratio strengthened to 59.42% from 58.54%, reflecting improved coverage against Stage 3 loans.

NSB maintained capital buffers comfortably above the applicable regulatory minimum requirements. The Tier 1 capital ratio at 18.23% against a minimum of 8.5%, and the total capital ratio at 19.43%, well above the minimum requirement of 12.5%.

The Bank also maintained a strong liquidity and stable funding position. The all-currency liquidity coverage ratio stood at 307.17% substantially above the statutory minimum of 100%, reflecting the availability of sufficient high-quality liquid assets to meet short-term liquidity requirements. The net stable funding ratio stood at 195.60%, also comfortably above the regulatory minimum of 100%, demonstrating the stability of the Bank's longer-term funding profile.

INCOME STATEMENT
FOR THE NINE MONTHS ENDED 30 SEPTEMBER

	Bank			Group		
	2026 Rs. '000	2025 Rs. '000	Change (%)	2026 Rs. '000	2025 Rs. '000	Change (%)
Income	**153,688,414**	**151,952,137**	**1.1**	**158,448,318**	**156,079,335**	**1.5**
Interest income	150,791,297	148,110,677	1.8	155,991,110	151,411,470	3.0
Interest expenses	(83,523,752)	(84,914,947)	(1.6)	(86,845,969)	(87,026,280)	(0.2)
Net interest income	**67,267,545**	**63,195,730**	**6.4**	**69,145,141**	**64,385,190**	**7.4**
Fee and commission income	2,578,919	1,951,688	32.1	2,580,222	1,953,079	32.1
Fee and commission expenses	(364,827)	(301,358)	21.1	(365,122)	(301,626)	21.1
Net fee and commission income	**2,214,092**	**1,650,330**	**34.2**	**2,215,100**	**1,651,453**	**34.1**
Net gains/(losses) from trading	(743,945)	774,961	(196.0)	(1,330,794)	1,297,426	(202.6)
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	138,238	511,840	(73.0)	138,238	511,840	(73.0)
Net other operating income	923,905	602,971	53.2	1,069,542	905,520	18.1
Total operating income	**69,799,835**	**66,735,832**	**4.6**	**71,237,227**	**68,751,429**	**3.6**
Impairment (charges) / reversal	4,071,933	2,710,688	50.2	4,077,240	2,731,493	49.3
Net operating income	**73,871,768**	**69,446,520**	**6.4**	**75,314,467**	**71,482,922**	**5.4**
Personnel expenses	(20,954,167)	(18,003,616)	16.4	(21,050,345)	(18,103,608)	16.3
Depreciation and amortisation expenses	(1,721,903)	(1,685,613)	2.2	(1,732,872)	(1,697,070)	2.1
Other expenses	(6,616,754)	(6,177,129)	7.1	(6,713,211)	(6,328,043)	6.1
Operating profit/(loss) before VAT & SSCL on financial services	**44,578,944**	**43,580,162**	**2.3**	**45,818,039**	**45,354,201**	**1.0**
Value Added Tax (VAT) on financial services	(10,032,487)	(9,046,855)	10.9	(10,229,959)	(9,289,296)	10.1
Social Security Contribution Levy (SSCL) on financial services	(889,432)	(1,256,508)	(29.2)	(890,534)	(1,289,997)	(31.0)
Operating profit/(loss) after VAT & SSCL on financial services	**33,657,025**	**33,276,799**	**1.1**	**34,697,546**	**34,774,908**	**(0.2)**
Share of profits of associates and joint ventures	-	-	-	-	-	-
Profit/(loss) before tax	**33,657,025**	**33,276,799**	**1.1**	**34,697,546**	**34,774,908**	**(0.2)**
Income tax expenses	(13,665,430)	(13,167,886)	3.8	(14,004,528)	(13,574,298)	3.2
Profit/(loss) for the period	**19,991,595**	**20,108,913**	**(0.6)**	**20,693,018**	**21,200,610**	**(2.4)**
Profit attributable to:						
Equity holders of the Bank	19,991,595	20,108,913	(0.6)	20,693,018	21,200,610	(2.4)
Non-controlling interests	-	-	-	-	-	-
Earnings per share on profit						
Basic earnings per ordinary share (Rs.)	21.27	21.39	(0.6)	22.01	22.55	(2.4)
Diluted earnings per ordinary share (Rs.)	21.27	21.39	(0.6)	22.01	22.55	(2.4)

STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS ENDED 30 SEPTEMBER

	Bank			Group		
	2026 Rs. '000	2025 Rs. '000	Change (%)	2026 Rs. '000	2025 Rs. '000	Change (%)
Profit/(Loss) for the period	**19,991,595**	**20,108,913**	**(0.6)**	**20,693,018**	**21,200,610**	**(2.4)**
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	(1,627,460)	233,486	(797.0)	(1,905,533)	200,374	(1,051.0)
Net gains/(losses) on investment in debt instruments transferred to income statement	(138,238)	(511,840)	(73.0)	(138,238)	(511,840)	(73.0)
Deferred tax effect on the above	529,709	83,506	534.3	613,131	93,440	556.2
Total other comprehensive income to be reclassified to Income Statement	**(1,235,989)**	**(194,848)**	**534.3**	**(1,430,640)**	**(218,026)**	**556.2**
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	(632,664)	1,515,402	(141.7)	(633,667)	1,251,784	(150.6)
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	-	-	-	1,547	1,724	(10.3)
Deferred tax effect on the above	-	-	-	(464)	(1,502)	(69.1)
Re-measurement of post-employment benefit obligations (net of taxes)	-	-	-	1,083	222	387.8
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	**(632,664)**	**1,515,402**	**(141.7)**	**(632,584)**	**1,252,006**	**(150.5)**
Total other comprehensive income(OCI) for the period, net of taxes	**(1,868,653)**	**1,320,554**	**(241.5)**	**(2,063,224)**	**1,033,980**	**(299.5)**
Total comprehensive income for the period	**18,122,942**	**21,429,467**	**(15.4)**	**18,629,794**	**22,234,590**	**(16.2)**
Attributable to:						
Equity holders of the Bank	**18,122,942**	**21,429,467**	**(15.4)**	**18,629,794**	**22,234,590**	**(16.2)**
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 2025.
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		
	30.09.2026 Rs. '000	31.12.2025 Rs. '000 (Audited)	Change (%)	30.09.2026 Rs. '000	31.12.2025 Rs. '000 (Audited)	Change (%)
Assets						
Cash and cash equivalents	8,373,627	8,326,738	0.6	8,424,107	8,386,287	0.5
Balances with central banks	175,882	167,212	5.2	175,891	167,236	5.2
Placements with banks	28,736,310	24,181,317	18.8	28,736,310	24,181,317	18.8
Derivative financial instruments	16,211	68,813	(76.4)	28,469	83,979	(66.1)
Financial assets recognized through profit or loss						
measured at fair value	20,536,064	22,158,765	(7.3)	61,302,186	78,625,066	(22.0)
designated at fair value	-	-	-	-	-	-
Financial assets at amortised cost						
Loans and advances	613,109,135	550,828,369	11.3	610,404,375	550,639,060	10.9
Debt and other instruments	1,087,648,730	1,092,989,914	(0.5)	1,091,593,118	1,096,342,623	(0.4)
Financial assets measured at fair value through other comprehensive income	51,225,444	64,634,698	(20.7)	59,124,192	67,997,754	(13.0)
Investments in subsidiaries	7,311,000	7,311,000	-	-	-	-
Investments in associates and joint ventures	-	-	-	-	-	-
Property, plant and equipment	17,225,203	17,311,732	(0.5)	18,358,453	18,448,620	(0.5)
Right of use assets	1,112,588	1,244,252	(10.6)	1,133,838	1,265,447	(10.4)
Investment properties	-	-	-	349,000	349,000	-
Goodwill and intangible assets	2,258,402	2,380,283	(5.1)	2,261,315	2,383,250	(5.1)
Deferred tax assets	6,373,258	6,562,684	(2.9)	6,425,960	6,562,684	(2.1)
Other assets	34,643,164	32,855,655	5.4	34,678,412	32,906,100	5.4
Due from subsidiaries	2,188	2,751	(20.5)	-	-	-
Total assets	**1,878,747,206**	**1,831,024,183**	**2.6**	**1,922,995,626**	**1,888,338,423**	**1.8**
Liabilities						
Due to banks	71,069	80,972	(12.2)	2,571,692	80,972	3,076.0
Derivative financial instruments	102	13	684.6	102	13	684.6
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	1,639,090,124	1,608,490,322	1.9	1,639,414,748	1,608,891,967	1.9
due to debt securities holders	-	-	-	-	-	-
due to other borrowers	47,490,684	39,057,116	21.6	86,148,514	93,629,216	(8.0)
Lease liability	1,334,095	1,492,523	(10.6)	1,372,385	1,522,484	(9.9)
Debt securities issued	6,737,042	16,911,043	(60.2)	6,809,800	16,983,801	(59.9)
Retirement benefit obligations	18,673,004	19,922,794	(6.3)	18,693,480	19,941,644	(6.3)
Current tax liabilities	8,045,173	8,483,816	(5.2)	8,393,783	8,798,200	(4.6)
Deferred tax liabilities	-	-	-	42,537	73,495	(42.1)
Other provisions	-	-	-	-	-	-
Other liabilities	20,191,692	10,324,328	95.6	20,501,400	10,549,051	94.3
Due to subsidiaries	7,390,841	7,210,629	2.5	-	-	-
Total liabilities	**1,749,023,826**	**1,711,973,556**	**2.2**	**1,783,948,441**	**1,760,470,843**	**1.3**
Equity						
Stated capital/Assigned capital	9,400,000	9,400,000	-	9,400,000	9,400,000	-
Statutory reserve fund	6,641,124	6,241,292	6.4	6,795,277	6,364,888	6.8
OCI reserve	3,703,342	5,571,995	(33.5)	3,563,998	5,628,305	(36.7)
Retained earnings	53,410,679	46,545,531	14.7	60,311,627	52,797,100	14.2
Other reserves	56,568,235	51,291,809	10.3	58,976,283	53,677,287	9.9
Total shareholders' equity	129,723,380	119,050,627	9.0	139,047,185	127,867,580	8.7
Non-controlling interests	-	-	-	-	-	-
Total equity	**129,723,380**	**119,050,627**	**9.0**	**139,047,185**	**127,867,580**	**8.7**
Total equity and liabilities	**1,878,747,206**	**1,831,024,183**	**2.6**	**1,922,995,626**	**1,888,338,423**	**1.8**
Contingent liabilities and commitments	**18,656,389**	**12,653,943**	**47.4**	**18,657,889**	**12,655,443**	**47.4**
Memorandum Information						
Number of Employees	4,133	4,203				
Number of Branches	263	263				

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 2025	Stated Capital / Assigned Capital	Statutory Reserve Fund	Revaluation Reserve	OCI 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**

In Rupees Thousand

FOR THE NINE MONTHS ENDED 30TH SEPTEMBER 2026	Stated Capital / Assigned Capital	Statutory Reserve Fund	Revaluation Reserve	OCI Reserve	Retained Earnings	Other Reserve	Total Equity
Balance as at 1st January 2026	**9,400,000**	**6,241,292**	**7,943,186**	**5,571,995**	**46,545,531**	**43,348,623**	**119,050,627**
Total comprehensive income for the period							
Net profit for the period	-	-	-	-	19,991,595	-	19,991,595
Other comprehensive income net of tax	-	-	-	-	-	-	-
Net change in fair value of debt instrument of Fair Value through Other Comprehensive Income	-	-	-	(1,235,989)	-	-	(1,235,989)
Net change in fair value of equity instrument of Fair Value through Other Comprehensive Income	-	-	-	(632,664)	-	-	(632,664)
Net change in Revaluation Reserve	-	-	-	-	-	-	-
Total comprehensive income for the period	**-**	**-**	**-**	**(1,868,653)**	**19,991,595**	**-**	**18,122,942**
Transactions with equity holders, recognised directly in equity							
Transfers to unclaimed deposits reserve / issued share capital	-	-	-	-	-	(74,584)	(74,584)
Contribution to the consolidated fund-Dividend/Levy	-	-	-	-	(7,375,605)	-	(7,375,605)
Reclassification relevant to previous years	-	-	-	-	(5,351,010)	5,351,010	-
Transfers during the period	-	399,832	-	-	(399,832)	-	-
Total transactions with equity holders	**-**	**399,832**	**-**	**-**	**(13,126,447)**	**5,276,426**	**(7,450,189)**
Balance as at 30th September 2026	**9,400,000**	**6,641,124**	**7,943,186**	**3,703,342**	**53,410,679**	**48,625,049**	**129,723,380**

STATEMENT OF CHANGES IN EQUITY - GROUP

In Rupees Thousand

FOR THE NINE MONTHS ENDED 30TH SEPTEMBER 2025	Stated Capital / Assigned Capital	Statutory Reserve Fund	Revaluation Reserve	OCI 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**

In Rupees Thousand

FOR THE NINE MONTHS ENDED 30TH SEPTEMBER 2026	Stated Capital / Assigned Capital	Statutory Reserve Fund	Revaluation Reserve	OCI Reserve	Retained Earnings	Other Reserve	Total Equity
Balance as at 1st January 2026	**9,400,000**	**6,364,888**	**8,639,854**	**5,628,305**	**52,797,100**	**45,037,433**	**127,867,580**
Total comprehensive income for the period							
Net profit for the period	-	-	-	-	20,693,018	-	20,693,018
Other comprehensive income net of tax	-	-	-	-	1,083	-	1,083
Net change in fair value of debt instrument of Fair Value through Other Comprehensive Income	-	-	-	(1,430,640)	-	-	(1,430,640)
Net change in fair value of equity instrument of Fair Value through Other Comprehensive Income	-	-	-	(633,667)	-	-	(633,667)
Net change in Revaluation Reserve	-	-	-	-	-	-	-
Total comprehensive income for the period	**-**	**-**	**-**	**(2,064,307)**	**20,694,101**	**-**	**18,629,794**
Transactions with equity holders, recognised directly in equity							
Transfers to unclaimed deposits reserve / issued share capital	-	-	-	-	-	(74,584)	(74,584)
Contribution to the consolidated fund-Dividend/Levy	-	-	-	-	(7,375,605)	-	(7,375,605)
Reclassification relevant to previous years	-	-	-	-	(5,351,010)	5,351,010	-
Transfers during the period	-	430,389	-	-	(452,959)	22,570	-
Total transactions with equity holders	**-**	**430,389**	**-**	**-**	**(13,179,574)**	**5,298,996**	**(7,450,189)**
Balance as at 30th September 2026	**9,400,000**	**6,795,277**	**8,639,854**	**3,563,998**	**60,311,627**	**50,336,429**	**139,047,185**

CASH FLOW STATEMENT
FOR THE NINE MONTHS ENDED 30 SEPTEMBER

	Bank		Group	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Cash flows from operating activities				
Interest receipts	147,395,462	144,531,158	152,525,908	147,596,431
Interest payments	(83,020,581)	(84,754,083)	(86,138,569)	(86,584,786)
Net commission receipts	2,214,092	1,650,330	2,215,100	1,651,453
Trading income	(184,641)	750,434	87,451	1,361,064
Payment to employees	(19,273,295)	(16,793,738)	(19,370,250)	(16,894,229)
VAT & SSCL on financial services	(10,293,078)	(9,819,986)	(10,413,145)	(10,101,063)
Receipts from other operating activities	354,810	384,289	498,065	690,164
Payment on other operating activities	(6,445,672)	(5,869,470)	(6,545,859)	(6,038,297)
Operating profit before change in operating assets & liabilities	**30,747,097**	**30,078,934**	**32,858,701**	**31,680,737**
(Increase) / decrease in operating assets				
Placement with banks	(4,552,909)	(5,466,977)	(4,552,909)	(5,466,977)
Derivative financial Instruments	(89)	257,697	2,819	303,458
Financial assets at FVPL	1,057,300	8,944,786	15,894,300	(9,837,451)
Financial assets at amortised cost – loans & advances	(56,229,552)	17,115,964	(53,734,799)	11,853,457
Financial assets at amortised cost - debt & other Instruments	5,467,452	(88,084,352)	4,790,647	(88,941,110)
Proceeds from the sale and maturity of financial investments	-	-	-	-
Other assets	(906,237)	2,005,398	(900,159)	2,044,640
	(55,164,035)	(65,227,484)	(38,500,101)	(90,043,983)
Increase / (decrease) in operating liabilities				
Due to banks	-	-	2,499,184	10,213,135
Derivative financial Instruments	89	(257,697)	89	(257,697)
Financial liabilities at amortised cost – due to depositors	31,153,956	38,547,421	31,077,058	38,538,234
Financial liabilities at amortised cost – due to debt securities holders	-	-	-	-
Financial liabilities at amortised cost – due to other borrowers	8,749,256	5,134,106	(7,368,103)	22,078,581
Debt securities issued	(10,016,000)	-	(10,016,000)	(293)
Other liabilities	(746,995)	2,154,157	(904,718)	1,927,710
	29,140,306	45,577,987	15,287,510	72,499,670
Net cash generated from operating activities before income tax	**4,723,368**	**10,429,437**	**9,646,110**	**14,136,424**
Income tax paid	(13,292,236)	(8,430,288)	(13,595,817)	(8,985,065)
Net cash (used in)/from operating activities	**(8,568,868)**	**1,999,149**	**(3,949,707)**	**5,151,359**
Cash flows from investing activities				
Purchase of property, plant and equipment	(648,678)	(502,125)	(648,949)	(508,135)
Proceeds from the sale of property, plant and equipment	1,337	4,595	3,718	4,825
Net (increase)/decrease in finance instruments at fair value through other comprehensive income	11,158,217	6,513,368	6,528,361	3,237,037
Net purchase/ improvement to investment properties	-	-	-	-
Proceeds from the sale and maturity of financial investments	-	-	-	-
Net purchase of intangible assets	(561,872)	(479,905)	(562,372)	(483,092)
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	**9,949,004**	**5,535,933**	**5,320,758**	**2,250,635**
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	(1,314,704)	(1,449,023)	(1,314,704)	(1,449,141)
Contribution to consolidated fund-dividend/levy	-	(5,000,000)	-	(5,000,000)
Net cash (used in)/from financing activities	**(1,314,704)**	**(6,449,023)**	**(1,314,704)**	**(6,449,141)**
Net increase/(decrease) in cash & cash equivalents	**65,432**	**1,086,059**	**56,347**	**952,853**
Cash and cash equivalents at the beginning of the year	8,413,169	8,228,822	8,472,742	8,414,559
Exchange difference in respect of cash & cash equivalents	-	-	-	-
Cash and cash equivalents at the end of the period	**8,478,601**	**9,314,881**	**8,529,089**	**9,367,412**

ANALYSIS OF FINANCIAL INSTRUMENTS ON MEASUREMENT BASIS

a. Bank - as at 30.09.2026

In Rupees Thousand	AC	FVPL	FVOCI	Total
ASSETS				
Cash and cash equivalents	8,373,627	-	-	8,373,627
Balances with central banks	175,882	-	-	175,882
Placements with banks	28,736,310	-	-	28,736,310
Derivative financial instruments	-	16,211	-	16,211
Loans and advances	613,109,135	-	-	613,109,135
Debt instruments	1,087,648,730	18,915,096	44,574,079	1,151,137,905
Equity instruments	-	1,620,968	6,651,365	8,272,333
Total financial assets	**1,738,043,684**	**20,552,275**	**51,225,444**	**1,809,821,403**

In Rupees Thousand	AC	FVPL	Total
LIABILITIES			
Due to banks	71,069	-	71,069
Derivative financial instruments	-	102	102
Financial liabilities			
- due to depositors	1,639,090,124	-	1,639,090,124
- due to debt securities holders	-	-	-
- due to other borrowers	47,490,684	-	47,490,684
Debt securities issued	6,737,042	-	6,737,042
Total financial liabilities	**1,693,388,919**	**102**	**1,693,389,021**

b. Bank - as at 31.12.2025 - (Audited)

In Rupees Thousand	AC	FVPL	FVOCI	Total
ASSETS				
Cash and cash equivalents	8,326,738	-	-	8,326,738
Balances with central banks	167,212	-	-	167,212
Placements with banks	24,181,317	-	-	24,181,317
Derivative financial instruments	-	68,813	-	68,813
Loans and advances	550,828,369	-	-	550,828,369
Debt instruments	1,092,989,914	20,855,082	57,442,616	1,171,287,612
Equity instruments	-	1,303,683	7,192,082	8,495,765
Total financial assets	**1,676,493,550**	**22,227,578**	**64,634,698**	**1,763,355,826**

In Rupees Thousand	AC	FVPL	Total
LIABILITIES			
Due to banks	80,972	-	80,972
Derivative financial instruments	-	13	13
Financial liabilities			
- due to depositors	1,608,490,322	-	1,608,490,322
- due to debt securities holders	-	-	-
- due to other borrowers	39,057,116	-	39,057,116
Debt securities issued	16,911,043	-	16,911,043
Total financial liabilities	**1,664,539,453**	**13**	**1,664,539,466**

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 30.09.2026

In Rupees Thousand	AC	FVPL	FVOCI	Total
ASSETS				
Cash and cash equivalents	8,424,107	-	-	8,424,107
Balances with central banks	175,891	-	-	175,891
Placements with banks	28,736,310	-	-	28,736,310
Derivative financial instruments	-	28,469	-	28,469
Loans and advances	610,404,375	-	-	610,404,375
Debt instruments	1,091,593,118	59,681,218	52,463,038	1,203,737,374
Equity instruments	-	1,620,968	6,661,154	8,282,122
Total financial assets	**1,739,333,801**	**61,330,655**	**59,124,192**	**1,859,788,648**

In Rupees Thousand	AC	FVPL	Total
LIABILITIES			
Due to banks	2,571,692	-	2,571,692
Derivative financial instruments	-	102	102
Financial liabilities			
- due to depositors	1,639,414,748	-	1,639,414,748
- due to debt securities holders	-	-	-
- due to other borrowers	86,148,514	-	86,148,514
Debt securities issued	6,809,800	-	6,809,800
Total financial liabilities	**1,734,944,754**	**102**	**1,734,944,856**

d. Group - as at 31.12.2025 - (Audited)

In Rupees Thousand	AC	FVPL	FVOCI	Total
ASSETS				
Cash and cash equivalents	8,386,287	-	-	8,386,287
Balances with central banks	167,236	-	-	167,236
Placements with banks	24,181,317	-	-	24,181,317
Derivative financial instruments	-	83,979	-	83,979
Loans and advances	550,639,060	-	-	550,639,060
Debt instruments	1,096,342,623	77,321,383	60,794,901	1,234,458,907
Equity instruments	-	1,303,683	7,202,853	8,506,536
Total financial assets	**1,679,716,523**	**78,709,045**	**67,997,754**	**1,826,423,322**

In Rupees Thousand	AC	FVPL	Total
LIABILITIES			
Due to banks	80,972	-	80,972
Derivative financial instruments	-	13	13
Financial liabilities			
- due to depositors	1,608,891,967	-	1,608,891,967
- due to debt securities holders	-	-	-
- due to other borrowers	93,629,216	-	93,629,216
Debt securities issued	16,983,801	-	16,983,801
Total financial liabilities	**1,719,585,956**	**13**	**1,719,585,969**

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 LOANS & ADVANCES AND IMPAIRMENT

In Rupees Thousand	Bank		Group	
	As at 30.09.2026	As at 31.12.2025 (Audited)	As at 30.09.2026	As at 31.12.2025 (Audited)
Product-wise Gross loans and advances				
By product - Domestic currency				
Lease rental and hire purchase receivable	-	-	-	-
Term loans	379,378,495	353,249,944	380,485,631	354,584,345
Pawning	208,390,152	155,376,418	208,390,220	155,376,446
Other loans				
Loan to Government	-	-	-	-
Securities purchased under resale agreements	28,781,420	50,416,574	25,994,268	49,870,040
Staff loans	18,059,141	17,432,546	18,132,711	17,708,028
Sub Total	**634,609,208**	**576,475,482**	**633,002,830**	**577,538,859**
By product - Foreign currency				
Term loans	3,861,812	3,675,074	3,861,812	3,675,074
Gross loans & advances	**638,471,020**	**580,150,556**	**636,864,642**	**581,213,933**
Less: Accumulated impairment under stage 1	(3,127,275)	(5,118,887)	(3,127,276)	(5,120,508)
Accumulated impairment under stage 2	(3,991,258)	(4,543,720)	(3,991,261)	(4,546,322)
Accumulated impairment under stage 3	(18,243,352)	(19,659,580)	(19,341,730)	(20,908,043)
Net value of loans & advances	**613,109,135**	**550,828,369**	**610,404,375**	**550,639,060**
Movement of Impairment during the period				
Under Stage 1				
Opening balance	5,118,887	4,700,749	5,120,508	4,703,623
Charge/(Write back) to Income Statement	(1,992,895)	418,138	(1,993,232)	416,885
Other movements	1,283	-	-	-
Closing balance at	**3,127,275**	**5,118,887**	**3,127,276**	**5,120,508**
Under Stage 2				
Opening balance	4,543,720	2,129,055	4,546,322	2,133,932
Charge/(Write back) to Income Statement	(555,298)	2,414,665	(555,061)	2,412,390
Other movements	2,836	-	-	-
Closing balance at	**3,991,258**	**4,543,720**	**3,991,261**	**4,546,322**
Under Stage 3				
Opening balance	19,659,580	22,104,882	20,908,043	23,485,206
Charge/(Write back) to Income Statement	(1,522,880)	(2,387,428)	(1,527,938)	(2,449,291)
Write-off during the period	(56,746)	(57,874)	(56,902)	(103,731)
Other movements	163,398	-	18,527	(24,141)
Closing balance at	**18,243,352**	**19,659,580**	**19,341,730**	**20,908,043**
Total Impairment	**25,361,885**	**29,322,187**	**26,460,267**	**30,574,873**

ANALYSIS OF DEPOSITS

In Rupees Thousand	Bank		Group	
	As at 30.09.2026	As at 31.12.2025 (Audited)	As at 30.09.2026	As at 31.12.2025 (Audited)
By product - Domestic currency				
Demand deposits (current accounts)	-	-	-	-
Savings deposits	346,819,060	331,380,061	346,823,770	331,461,740
Fixed deposits	1,254,102,224	1,244,028,105	1,254,422,138	1,244,348,071
Sub total	**1,600,921,284**	**1,575,408,166**	**1,601,245,908**	**1,575,809,811**
By product - Foreign currency				
Demand deposits (current accounts)	-	-	-	-
Savings deposits	6,364,980	6,588,840	6,364,980	6,588,840
Fixed deposits	31,803,860	26,493,316	31,803,860	26,493,316
Sub total	**38,168,840**	**33,082,156**	**38,168,840**	**33,082,156**
Total	**1,639,090,124**	**1,608,490,322**	**1,639,414,748**	**1,608,891,967**

ANALYSIS OF CONTINGENT LIABILITIES AND COMMITMENTS

In Rupees Thousand	Bank		Group	
	As at 30.09.2026	As at 31.12.2025 (Audited)	As at 30.09.2026	As at 31.12.2025 (Audited)
By product – Domestic currency				
Undrawn credit facilities	9,168,014	2,648,208	9,168,014	2,648,208
Documentary credit	-	-	-	-
Bank guarantees	1,556,205	1,467,204	1,556,205	1,467,204
Forward exchange contracts	6,739,400	6,173,400	6,739,400	6,173,400
Other Commitments	77,788	989,579	79,288	991,079
Sub total	**17,541,407**	**11,278,391**	**17,542,907**	**11,279,891**
By product – Foreign currency				
Undrawn credit facilities	-	-	-	-
Documentary credit	35,275	65,792	35,275	65,792
Bank guarantees	-	-	-	-
Forward exchange contracts	405,967	315,263	405,967	315,263
Other Commitments	673,740	994,497	673,740	994,497
Sub total	**1,114,982**	**1,375,552**	**1,114,982**	**1,375,552**
Grand Total	**18,656,389**	**12,653,943**	**18,657,889**	**12,655,443**

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

Item	Bank		Group	
	As at 30.09.2026	As at 31.12.2025	As at 30.09.2026	As at 31.12.2025
Regulatory Capital Adequacy (LKR in Millions)				
Common Equity Tier 1	68,692	78,053	81,376	90,980
Tier 1 Capital	73,692	83,053	86,376	95,980
Total Regulatory Capital	78,554	89,487	91,256	102,327
Regulatory Capital Ratios (%)				
Common Equity Tier 1 Capital (%)(Minimum Requirement - 7%)	16.993	23.400	19.476	25.847
Tier 1 Capital Ratio (%) (Minimum Requirement - 8.5%)	18.230	24.899	20.673	27.268
Total Capital Ratio (%) (Minimum Requirement - 12.5%)	19.433	26.827	21.840	29.071
Basel III Leverage Ratio (Minimum Requirement - 3.00%)	7.93	9.34	8.42	9.48
Regulatory Liquidity Requirement				
Liquidity Coverage Ratio (%) - (Minimum Requirement - 100%)				
Rupee (%)	317.11	360.39	NR	NR
All Currency (%)	307.17	349.15	NR	NR
Net Stable Funding Ratio (%) - (Minimum Requirement - 100%)	195.60	206.44	NR	NR
Assets Quality				
Impaired Loans (Stage 3) to Total Loans, Ratio - Gross (%)*	4.93	6.07	NR	NR
Impaired Loans (Stage 3) to Total Loans, Ratio - Net (%)*	2.00	2.52	NR	NR
Impairment (Stage 3) to Stage 3 Loans, Ratio (%)*	59.42	58.54	NR	NR
Income and Profitability				
Net Interest Margin (%)	4.85	4.74	4.85	4.71
Return on Assets (before tax) (%)	2.43	2.48	2.43	2.51
Return on Equity (%)	21.49	25.08	20.73	24.00
Cost to Income Ratio (%)	42.27	34.30	41.70	33.84
Memorandum Information				
Credit Rating (LRA)	AAA	AAA	NR	NR
Number of Employees	4,133	4,203	4,154	4,224
Number of Branches	263	263	267	267

* Including undrawn portion of credit

Note : NR - Not Relevant

CERTIFICATION :

I, the undersigned, being the Deputy General Manager ((Finance, Planning & MIS) / CFO) of National Savings Bank 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. **Ajith Akmeemana**
Deputy General Manager (Finance, Planning & MIS) / CFO

The Board of Directors is responsible for the preparation and presentation of these Financial Statements.

Approved and signed for and on behalf of the Board.

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

sgd. **Rohana Bandara Weerakoon**
General Manager / CEO

Colombo, Sri Lanka
18 November 2026