



YOUR PARTNER IN PROGRESS

Interim Financial Statements

For the nine months ended 30th September 2024

FINANCIAL COMMENTARY FOR THE 9 MONTHS ENDED 30TH SEPTEMBER 2024

- Customer deposits cross Rs 1.6 Tn
- Contribution to Government revenue by way of taxes exceeds Rs 25 Bn for 9M
- Continues to maintains strong capital and liquidity levels
- Asset quality further strengthened with net stage 3 ratio at 3.32% and provision coverage ratio at 60%

HNB Group recorded a PAT of Rs 23.7 Bn growing by 26% YoY, while the Bank's Profit After Tax increased by 34% YoY to Rs 22.2 Bn for the nine months ended September 2024.

Decline in AWPLR by nearly 50% compared to last year and remaining at an average level of 10% for the first 9 months directly reflected in the loan yields as the loan book repriced at lower rates leading to a considerable 25% decline in Gross Interest Income for the period. The Interest Expense also recorded a 29% drop in line, supported by the strong growth in CASA deposits. The resultant NII for the period was recorded at Rs. 68.5 Bn, reflecting an 18% YoY contraction.

Bank's efforts to minimize the impact of interest rate volatility, resulted in a 10% YoY growth in Net Fee and Commission income despite trade income being relatively lower compared to the previous year with the normalizing of the trade tariff to pre-crisis levels. The growth in fee income was largely driven by higher cards and digital transactions in line with the efforts to drive a cashless economy.

The support extended to customers to revive their businesses, concerted efforts on collection and the overall improvement in economic activity enabled the Bank to record superior asset quality compared to the industry. The net stage 3 ratio improved to 3.32% while the stage 3 provision coverage ratio improved to 60.50%, during the quarter, compared to 4.09% and 56.08% recorded in 1H 2024. The total impairment charge for the nine months amounted to Rs 3.2 Bn, compared to Rs 32.4 Bn for the same period in 2023. The impairment charge for the previous period included an amount of Rs 25 Bn on account of Bank's investments in international sovereign bonds (ISBs). With the agreement on the external debt restructuring, in line with the industry practice, the Bank maintained its provision cover of 52% on the investments in ISBs. This together with the positive movement in stage-wise loans, led to a significant reduction in the impairment charge for the period.

As of 30th September 2024, the Bank's gross loans and advances which saw a drop in the first quarter recorded a net growth of Rs 91.1 Bn since, reaching Rs 1.1 Tn. The Bank's deposit base continued to grow significantly, reaching Rs 1.62 Tn, driven by a remarkable increase of Rs 79.9 Bn in LKR CASA over the nine months of 2024. This has elevated the LKR CASA ratio to 35.8% from 31.8% in December 2023.

HNB's Tier I and Total Capital Adequacy Ratios stood at 15.51% and 20.01% against the minimum statutory requirements of 9.5% and 13.5% respectively. The tier II ratio was further strengthened during the quarter, by the successful issuance of Basel III compliant subordinated debentures, amounting to Rs 12 Bn. HNB continued to maintain a strong liquidity position with an all currency Liquidity Coverage Ratio of 297.39%, against the minimum statutory requirements 100%.

HNB is rated A (Ika) by Fitch Ratings and was adjudged the "Sri Lanka's Best Bank" and "Sri Lanka's Best Bank for SMEs" by Euromoney Magazine in 2024. In addition, HNB was also recognized as the "Best Retail Bank in Sri Lanka" for the 14th occasion and "Best Automobile Financing for Asia Pacific" by the Asian Banker. HNB was ranked the Number 1 Company in Sri Lanka by Business Today in its Top 40 Businesses ranking for 2023-24. HNB was recognized as one of the Top 25 Corporates at the LMD Awards which was held honouring 25 most awarded Sri Lankan Corporates.

INCOME STATEMENT												
	BANK			BANK			GROUP			GROUP		
	For the 9 months ended 30th September			For the 3 months ended 30th September			For the 9 months ended 30th September			For the 3 months ended 30th September		
	2024	2023	Increase/ (Decrease)	2024	2023	Increase / (Decrease)	2024	2023	Increase / (Decrease)	2024	2023	Increase / (Decrease)
	Rs 000	Rs 000	%	Rs 000	Rs 000	%	Rs 000	Rs 000	%	Rs 000	Rs 000	%
Gross income	178,868,299	230,853,680	(23)	55,380,571	74,675,194	(26)	206,832,748	258,729,755	(20)	64,795,298	83,989,915	(23)
Interest income	165,956,172	220,680,537	(25)	51,328,187	69,448,469	(26)	179,208,505	236,358,019	(24)	55,284,718	74,381,119	(26)
Less : Interest expenses	97,494,241	137,456,176	(29)	28,484,456	45,549,523	(37)	100,681,528	142,908,808	(30)	29,344,041	47,196,456	(38)
Net interest income	68,461,931	83,224,361	(18)	22,843,731	23,898,946	(4)	78,526,977	93,449,211	(16)	25,940,677	27,184,663	(5)
Fee and commission income	13,289,209	12,021,950	11	4,642,160	3,828,843	21	14,493,288	12,772,099	13	5,028,102	4,053,502	24
Less: Fee and commission expenses	409,272	322,059	27	131,169	113,508	16	619,965	437,348	42	270,364	142,230	90
Net fee and commission income	12,879,937	11,699,891	10	4,510,991	3,715,335	21	13,873,323	12,334,751	12	4,757,738	3,911,272	22
Net interest, fee and commission income	81,341,868	94,924,252	(14)	27,354,722	27,614,281	(1)	92,400,300	105,783,962	(13)	30,698,415	31,095,935	(1)
Net gains / (losses) from trading	(4,083,062)	(9,963,262)	(59)	(3,401,163)	(1,323,658)	157	(3,958,247)	(9,893,536)	(60)	(3,402,607)	(1,294,167)	163
Net gain from financial investments at fair value through other comprehensive income	329,411	-	-	-	-	-	423,298	18,126	2,235	36,795	12,236	201
Net insurance premium income	-	-	-	-	-	-	13,214,469	11,033,781	20	4,698,146	3,885,208	21
Net other operating income	3,376,569	8,114,455	(58)	2,811,387	2,721,540	3	3,451,435	8,441,266	(59)	3,150,144	2,952,017	7
Total operating income	80,964,786	93,075,445	(13)	26,764,946	29,012,163	(8)	105,531,255	115,383,599	(9)	35,180,893	36,651,229	(4)
Less: Impairment charge for loans and other losses	3,245,165	32,371,178	(90)	1,757,638	4,119,429	(57)	4,273,070	33,836,303	(87)	1,823,316	4,345,697	(58)
Net operating income	77,719,621	60,704,267	28	25,007,308	24,892,734	-	101,258,185	81,547,296	24	33,357,577	32,305,532	3
Less : Operating expenses												
Personnel expenses	14,760,701	12,821,462	15	5,235,302	4,123,333	27	18,381,042	15,698,473	17	6,499,689	5,088,741	28
Depreciation and amortisation	2,254,811	2,026,772	11	728,391	694,139	5	2,821,488	2,525,509	12	904,094	859,784	5
Benefits, claims and underwriting expenditure	-	-	-	-	-	-	13,759,452	12,308,392	12	4,607,053	4,284,667	8
Other expenses	13,259,560	11,646,516	14	4,551,017	4,070,310	12	17,406,053	15,032,865	16	6,013,384	5,512,882	9
Total operating expenses	30,275,072	26,494,750	14	10,514,710	8,887,782	18	52,368,035	45,565,239	15	18,024,220	15,746,074	14
Operating profit before taxes on financial services	47,444,549	34,209,517	39	14,492,598	16,004,952	(9)	48,890,150	35,982,057	36	15,333,357	16,559,458	(7)
Less : Taxes on financial services	10,601,681	7,954,323	33	3,412,142	3,378,533	1	10,998,765	8,202,656	34	3,586,657	3,449,415	4
Operating profit after taxes on financial services	36,842,868	26,255,194	40	11,080,456	12,626,419	(12)	37,891,385	27,779,401	36	11,746,700	13,110,043	(10)
Share of profit of joint venture (net of income tax)	-	-	-	-	-	-	820,619	1,258,005	(35)	(43,123)	732,417	(106)
PROFIT BEFORE INCOME TAX	36,842,868	26,255,194	40	11,080,456	12,626,419	(12)	38,712,004	29,037,406	33	11,703,577	13,842,460	(15)
Less: Income tax expense	14,636,269	9,693,846	51	4,242,106	4,670,386	(9)	15,050,827	10,187,871	48	4,292,551	4,832,136	(11)
PROFIT FOR THE PERIOD	22,206,599	16,561,348	34	6,838,350	7,956,033	(14)	23,661,177	18,849,535	26	7,411,026	9,010,324	(18)
Profit attributable to:												
Equity holders of the Bank	22,206,599	16,561,348	34	6,838,350	7,956,033	(14)	22,999,707	18,330,943	25	7,221,648	8,874,397	(19)
Non-controlling interests	-	-	-	-	-	-	661,470	518,592	28	189,378	135,927	39
PROFIT FOR THE PERIOD	22,206,599	16,561,348	34	6,838,350	7,956,033	(14)	23,661,177	18,849,535	26	7,411,026	9,010,324	(18)
Earnings per share												
Basic earnings per ordinary share (Rs)	38.83	28.96	34	11.96	13.91	(14)	40.22	32.06	25	12.63	15.52	(19)
Diluted earnings per ordinary share (Rs)	38.83	28.96	34	11.96	13.91	(14)	40.22	32.06	25	12.63	15.52	(19)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	BANK			BANK			GROUP			GROUP		
	For the 9 months ended 30th September			For the 3 months ended 30th September			For the 9 months ended 30th September			For the 3 months ended 30th September		
	2024	2023	Increase / (Decrease)	2024	2023	Increase / (Decrease)	2024	2023	Increase / (Decrease)	2024	2023	Increase / (Decrease)
	Rs 000	Rs 000	%	Rs 000	Rs 000	%	Rs 000	Rs 000	%	Rs 000	Rs 000	%
PROFIT FOR THE PERIOD	22,206,599	16,561,348	34	6,838,350	7,956,033	(14)	23,661,177	18,849,535	26	7,411,026	9,010,324	(18)
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods												
Change in fair value of investments in equity instruments designated at fair value through other comprehensive income	82,982	3,830,811	(98)	(123,245)	2,563,720	(105)	82,982	3,833,153	(98)	(123,245)	2,563,721	(105)
Remeasurement of post-employment benefit obligations	-	-	-	-	-	-	(36,807)	38,648	(195)	-	-	-
Less: Tax expense relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-	11,042	(71,025)	116	-	-	-
Total other comprehensive income that will not be reclassified to profit or loss	82,982	3,830,811	(98)	(123,245)	2,563,720	(105)	57,217	3,800,776	(98)	(123,245)	2,563,721	(105)
Other comprehensive income that will be reclassified to profit or loss in subsequent periods												
Debt instruments at fair value through other comprehensive income :												
Net gains / (losses) on investments in debt instruments measured at fair value through other comprehensive income	1,947,470	3,474,528	(44)	(1,101,094)	3,474,523	(132)	1,609,002	4,629,123	(65)	(1,211,032)	4,109,448	(129)
Transfer to / (from) life policy holder reserve fund	-	-	-	-	-	-	(258,081)	(555,698)	(54)	42,663	(296,434)	114
Share of other comprehensive income of joint venture that will be reclassified to profit or loss	-	-	-	-	-	-	(374,359)	(251,565)	49	(156,609)	83,080	(289)
Less: Tax expense relating to items that will be reclassified to profit or loss	(584,241)	(1,042,358)	(44)	330,328	(1,042,358)	132	(565,502)	(1,147,290)	(51)	346,324	(1,094,426)	132
Total other comprehensive income that will be reclassified to profit or loss	1,363,229	2,432,170	(44)	(770,766)	2,432,165	(132)	411,060	2,674,570	(85)	(978,654)	2,801,668	(135)
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	1,446,211	6,262,981	(77)	(894,011)	4,995,885	(118)	468,277	6,475,346	(93)	(1,101,899)	5,365,389	(121)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	23,652,810	22,824,329	4	5,944,339	12,951,918	(54)	24,129,454	25,324,881	(5)	6,309,127	14,375,713	(56)
Total comprehensive income attributable to:												
Equity holders of the Bank	23,652,810	22,824,329	4	5,944,339	12,951,918	(54)	23,714,010	24,626,076	(4)	6,140,260	14,125,217	(57)
Non-controlling interests	-	-	-	-	-	-	415,444	698,805	(41)	168,867	250,496	(33)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	23,652,810	22,824,329	4	5,944,339	12,951,918	(54)	24,129,454	25,324,881	(5)	6,309,127	14,375,713	(56)

STATEMENT OF FINANCIAL POSITION

	Bank		Group			
	As at	As at	Increase / (Decrease)	As at	As at	Increase / (Decrease)
	30.09.2024	31.12.2023 (Audited)		30.09.2024	31.12.2023 (Audited)	
	Rs 000	Rs 000	%	Rs 000	Rs 000	%
ASSETS						
Cash and cash equivalents	57,353,201	73,148,596	(22)	57,700,141	73,758,907	(22)
Placements with banks	27,331,397	55,991,134	(51)	33,970,662	61,836,382	(45)
Balances with Central Bank of Sri Lanka	10,931,491	12,234,361	(11)	10,931,491	12,234,361	(11)
Reverse repurchase agreements	-	-	-	2,430,232	1,830,461	33
Derivative financial instruments	485,023	452,193	7	485,023	452,193	7
Financial assets measured at fair value through profit or loss	470,196	115,641	307	1,219,552	801,065	52
Financial assets measured at amortised cost - loans and advances to customers	1,020,123,955	954,880,316	7	1,057,906,131	988,601,197	7
Financial assets measured at amortised cost - debt and other financial instruments	718,824,084	549,772,155	31	749,793,903	584,131,263	28
Financial assets measured at fair value through other comprehensive income	73,477,928	189,325,958	(61)	87,392,122	195,975,307	(55)
Investment in joint venture	755,000	755,000	-	4,921,048	4,474,789	10
Investment in subsidiaries	3,017,285	3,017,285	-	-	-	-
Investment properties	455,103	459,104	(1)	891,886	913,922	(2)
Property, plant and equipment	25,341,638	25,418,520	-	49,980,382	50,164,957	-
Right-of-use assets	4,664,507	5,081,338	(8)	2,321,098	2,473,450	(6)
Intangible assets and goodwill	1,386,574	1,560,099	(11)	1,885,628	2,009,896	(6)
Deferred tax assets	29,687,188	33,944,563	(13)	30,081,409	33,967,277	(11)
Other assets	25,396,297	28,096,221	(10)	31,202,482	33,414,983	(7)
Total assets	1,999,700,867	1,934,252,484	3	2,123,113,190	2,047,040,410	4
LIABILITIES						
Due to banks	8,194,296	9,019,582	(9)	8,202,343	9,019,582	(9)
Derivative financial instruments	2,708,072	1,365,523	98	2,708,072	1,365,523	98
Securities sold under repurchase agreements	68,015,403	61,793,694	10	68,015,403	61,793,694	10
Financial liabilities measured at amortised cost - due to depositors	1,620,613,906	1,579,780,228	3	1,652,109,463	1,609,153,685	3
Dividends payable	1,005,215	974,790	3	1,008,976	990,781	2
Financial liabilities measured at amortised cost - other borrowings	19,605,021	24,933,215	(21)	20,107,458	25,031,784	(20)
Debt securities issued	85,819	87,569	(2)	546,992	550,160	(1)
Current tax liabilities	16,596,028	23,953,823	(31)	17,437,422	24,707,679	(29)
Deferred tax liabilities	-	-	-	6,494,988	6,552,515	(1)
Insurance provision - life	-	-	-	37,943,001	30,975,260	22
Insurance provision - non life	-	-	-	4,600,423	4,694,303	(2)
Other provisions	10,002,735	9,079,375	10	10,330,157	9,697,283	7
Other liabilities	19,463,662	19,325,952	1	22,235,845	20,696,216	7
Subordinated term debts	27,355,520	18,961,556	44	30,237,127	22,255,164	36
Total liabilities	1,793,645,677	1,749,275,307	3	1,881,977,670	1,827,483,629	3

STATEMENT OF FINANCIAL POSITION						
	Bank			Group		
	As at	As at	Increase / (Decrease)	As at	As at	Increase / (Decrease)
	30.09.2024	31.12.2023 (Audited)		30.09.2024	31.12.2023 (Audited)	
Rs 000	Rs 000	%	Rs 000	Rs 000	%	
EQUITY						
Stated capital	42,858,227	40,955,116	5	42,858,227	40,955,116	5
Statutory reserve fund	10,410,000	10,410,000	-	10,410,000	10,410,000	-
Retained earnings	74,040,265	56,311,574	31	86,762,631	68,251,694	27
Other reserves	78,746,698	77,300,487	2	93,606,483	92,623,236	1
Total shareholders' equity	206,055,190	184,977,177	11	233,637,341	212,240,046	10
Non-controlling interests	-	-	-	7,498,179	7,316,735	2
Total equity	206,055,190	184,977,177	11	241,135,520	219,556,781	10
Total equity and liabilities	1,999,700,867	1,934,252,484	3	2,123,113,190	2,047,040,410	4
Contingent liabilities and commitments	871,562,135	883,033,112	(1)	871,562,135	883,033,112	(1)
Net assets value per ordinary share (Rs.)	360.35	323.49	11	408.58	371.17	10
Memorandum Information						
Number of Employees	5,546	5,492				
Number of Customer Centers	254	254				

CERTIFICATION

I certify that the above financial statements are in compliance with the requirements of the Companies Act No. 7 of 2007 and give a true and fair view of the state of affairs of Hatton National Bank PLC and the Group as at 30th September 2024 and its profit for the 9 months ended 30th September 2024.

Sgd.

Anuradhi Delage
Chief Financial Officer
13th November 2024

We the undersigned, being the Director and the Chairman of Hatton National Bank PLC certify jointly that :

- (a) the above statements have been prepared in compliance with the formats and definitions prescribed by the Central Bank of Sri Lanka;
- (b) the information contained in these statements have been extracted from the unaudited financial statements of the Bank, it's Joint Venture and Subsidiary Companies unless indicated as audited.

Sgd.

Devaka Cooray
Director
13th November 2024

Sgd.

Nihal Jayawardena
Chairman
13th November 2024

STATEMENT OF CHANGES IN EQUITY - BANK								
	Stated Capital		Statutory Reserve	Other Reserves			Total Equity	
	Voting Shares	Non-Voting Shares		Capital Reserve	Fair value Reserve	General Reserve		Retained Earnings
For the 9 months ended 30th September 2023	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000
Balance as at 1st January 2023	31,732,741	6,946,264	9,310,000	13,927,316	(1,395,906)	58,100,000	40,706,963	159,327,378
Total comprehensive income for the period								
Net profit for the period	-	-	-	-	-	-	16,561,348	16,561,348
Other comprehensive income for the period, net of tax	-	-	-	-	6,262,981	-	-	6,262,981
Total comprehensive income for the period	-	-	-	-	6,262,981	-	16,561,348	22,824,329
Transactions with equity holders, recognised directly in equity								
Contributions by and distributions to equity holders								
Dividends to equity holders								
Final dividend 2022 - Scrip	1,820,883	455,228	-	-	-	-	(2,677,777)	(401,666)
Total contributions by and distributions to equity holders	1,820,883	455,228	-	-	-	-	(2,677,777)	(401,666)
Transfer of /(subsequent settlement of) unclaimed dividends	-	-	-	-	-	-	21,855	21,855
Balance as at 30th September 2023	33,553,624	7,401,492	9,310,000	13,927,316	4,867,075	58,100,000	54,612,389	181,771,896
	Stated Capital		Statutory Reserve	Other Reserves			Total Equity	
	Voting Shares	Non-Voting Shares		Capital Reserve	Fair value Reserve	General Reserve		Retained Earnings
For the 9 months ended 30th September 2024	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000
Balance as at 1st January 2024	33,553,624	7,401,492	10,410,000	13,927,316	4,273,171	59,100,000	56,311,574	184,977,177
Total comprehensive income for the period								
Net profit for the period	-	-	-	-	-	-	22,206,599	22,206,599
Other comprehensive income for the period, net of tax	-	-	-	-	1,446,211	-	-	1,446,211
Total comprehensive income for the period	-	-	-	-	1,446,211	-	22,206,599	23,652,810
Transactions with equity holders, recognised directly in equity								
Contributions by and distributions to equity holders								
Dividends to equity holders								
Final dividend 2023 - Cash	-	-	-	-	-	-	(2,238,954)	(2,238,954)
Final dividend 2023 - Scrip	1,518,616	384,495	-	-	-	-	(2,238,954)	(335,843)
Total contributions by and distributions to equity holders	1,518,616	384,495	-	-	-	-	(4,477,908)	(2,574,797)
Balance as at 30th September 2024	35,072,240	7,785,987	10,410,000	13,927,316	5,719,382	59,100,000	74,040,265	206,055,190

STATEMENT OF CHANGES IN EQUITY - GROUP

	Stated Capital		Statutory Reserve	Other Reserves							Retained Earnings	Shareholders' Funds	Non Controlling Interests	Total Equity
	Voting Shares	Non-Voting Shares		Capital Reserve	General Reserve	Fair value Reserve	Life Policy Holder Reserve Fund	Restricted Regulatory Reserve	Exchange Equalization Reserve					
	Rs 000	Rs 000		Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000					
For the 9 months ended 30th September 2023	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	
Balance as at 1st January 2023	31,732,741	6,946,264	9,310,000	28,493,417	58,100,000	(1,182,630)	(1,347,731)	381,156	611,253	50,247,360	183,291,830	6,795,096	190,086,926	
Total comprehensive income for the period														
Net profit for the period	-	-	-	-	-	-	-	-	-	18,330,943	18,330,943	518,592	18,849,535	
Other comprehensive income for the period, net of tax	-	-	-	(25,056)	-	6,308,783	-	-	-	11,406	6,295,133	180,213	6,475,346	
Total comprehensive income for the period	-	-	-	(25,056)	-	6,308,783	-	-	-	18,342,349	24,626,076	698,805	25,324,881	
Transactions with equity holders, recognised directly in equity														
Contributions by and distributions to equity holders														
Dividends to equity holders														
Final dividend 2022 - Scrip	1,820,883	455,228	-	-	-	-	-	-	-	(2,677,777)	(401,666)	-	(401,666)	
Final dividend 2022 - Cash	-	-	-	-	-	-	-	-	-	-	-	(219,000)	(219,000)	
Total contributions by and distributions to equity holders	1,820,883	455,228	-	-	-	-	-	-	-	(2,677,777)	(401,666)	(219,000)	(620,666)	
Transfer from life policy holder reserve fund	-	-	-	-	-	-	555,698	-	-	-	555,698	-	555,698	
Transfer of / (subsequent settlement of) unclaimed dividends	-	-	-	-	-	-	-	-	-	21,855	21,855	-	21,855	
Balance as at 30th September 2023	33,553,624	7,401,492	9,310,000	28,468,361	58,100,000	5,126,153	(792,033)	381,156	611,253	65,933,787	208,093,793	7,274,901	215,368,694	

STATEMENT OF CHANGES IN EQUITY - GROUP

	Stated Capital		Statutory Reserve	Other Reserves							Retained Earnings	Shareholders' Funds	Non Controlling Interests	Total Equity
	Voting Shares	Non-Voting Shares		Capital Reserve	General Reserve	Fair value Reserve	Life Policy Holder Reserve Fund	Restricted Regulatory Reserve	Exchange Equalization Reserve					
	Rs 000	Rs 000		Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000					
For the 9 months ended 30th September 2024	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	
Balance as at 1st January 2024	33,553,624	7,401,492	10,410,000	28,493,417	59,100,000	4,069,473	10,983	381,156	568,207	68,251,694	212,240,046	7,316,735	219,556,781	
Total comprehensive income for the period														
Net profit for the period	-	-	-	-	-	-	-	-	-	22,999,707	22,999,707	661,470	23,661,177	
Other comprehensive income for the period, net of tax	-	-	-	-	-	725,166	-	-	-	(10,862)	714,304	(246,026)	468,278	
Total comprehensive income for the period	-	-	-	-	-	725,166	-	-	-	22,988,845	23,714,011	415,444	24,129,455	
Transactions with equity holders, recognised directly in equity														
Contributions by and distributions to equity holders														
Dividends to equity holders														
Final dividend 2023 - Cash	-	-	-	-	-	-	-	-	-	(2,238,954)	(2,238,954)	(234,000)	(2,472,954)	
Final dividend 2023 - Scrip	1,518,616	384,495	-	-	-	-	-	-	-	(2,238,954)	(335,843)	-	(335,843)	
Total contributions by and distributions to equity holders	1,518,616	384,495	-	-	-	-	-	-	-	(4,477,908)	(2,574,797)	(234,000)	(2,808,797)	
Transfer to life policy holder reserve fund	-	-	-	-	-	-	258,081	-	-	-	258,081	-	258,081	
Balance as at 30th September 2024	35,072,240	7,785,987	10,410,000	28,493,417	59,100,000	4,794,639	269,064	381,156	568,207	86,762,631	233,637,341	7,498,179	241,135,520	

STATEMENT OF CASH FLOWS				
For the 9 months ended 30th September	Bank		Group	
	2024	2023	2024	2023
	Rs 000	Rs 000	Rs 000	Rs 000
Cash flows from operating activities				
Interest receipts	146,268,838	219,020,656	159,521,172	234,672,002
Interest payments	(100,554,027)	(142,520,487)	(104,154,733)	(148,079,050)
Net commission receipts	12,823,411	11,676,287	13,816,797	12,319,648
Payments to employees	(13,620,962)	(11,336,789)	(17,241,303)	(14,487,621)
Taxes on financial services	(10,098,189)	(5,021,449)	(10,499,505)	(5,258,209)
Receipts from other operating activities	(8,559,412)	(4,441,564)	333,788	6,829,694
Payments for other operating activities	(13,920,226)	(11,138,934)	(24,952,310)	(21,053,941)
Operating profit before change in operating assets and liabilities	12,339,433	56,237,720	16,823,906	64,942,523
(Increase)/decrease in operating assets				
Balances with Central Bank of Sri Lanka	1,301,757	25,250,234	1,301,757	25,250,234
Financial assets measured at amortised cost - loans and advances to customers	(57,107,587)	41,607,020	(62,196,788)	45,774,578
Reverse repurchase agreements	-	(100,132)	(599,771)	47,322
Other assets	(305,191)	12,959,058	(784,508)	12,353,772
	(56,111,021)	79,716,180	(62,279,310)	83,425,906
Increase/(decrease) in operating liabilities				
Financial liabilities measured at amortised cost - due to depositors	65,813,278	96,368,720	67,935,378	92,467,071
Financial liabilities measured at amortised cost - other borrowings	(6,872,546)	61,693	(6,460,630)	(428,058)
Securities sold under repurchase agreements	6,402,383	21,356,916	6,402,383	21,356,916
Other liabilities	359,309	(2,603,941)	898,241	(1,577,354)
	65,702,424	115,183,388	68,775,372	111,818,575
Net cash generated from operating activities before income tax	21,930,836	251,137,288	23,319,968	260,187,004
Income tax paid	(18,195,803)	(22,188,974)	(18,905,295)	(22,746,427)
Net cash generated from operating activities	3,735,033	228,948,314	4,414,673	237,440,577
Cash flows from investing activities				
Purchase of property, plant and equipment	(1,085,025)	(1,657,963)	(1,192,392)	(1,879,133)
Proceeds from the sale of property, plant and equipment	1,315	7,688	21,902	11,303
Net proceeds from sale, maturity and purchase of financial investments	(55,427,987)	(211,594,139)	(54,323,929)	(216,575,437)
Net purchase of intangible assets	(260,993)	(571,381)	(393,872)	(586,976)
Dividends received from investment in subsidiaries	893,280	288,473	-	-
Dividends received from other investments	186,613	-	280,500	-
Net cash used in investing activities	(55,692,797)	(213,527,322)	(55,607,791)	(219,030,243)
Cash flows from financing activities				
Proceeds from the issue of subordinated debt	12,000,000	-	12,000,000	-
Repayment of subordinated debt/debt securities issued	(1,922,571)	(2,000,000)	(1,922,571)	(2,000,000)
Dividend paid to non controlling interest	-	-	(234,000)	(192,325)
Dividend paid to shareholders of the parent company	(2,574,797)	(25,324)	(2,574,797)	(25,324)
Net cash generated from / (used in) financing activities	7,502,632	(2,025,324)	7,268,632	(2,217,649)
Net increase / (decrease) in cash and cash equivalents	(44,455,132)	13,395,668	(43,924,486)	16,192,685
Cash and cash equivalents at the beginning of the period	129,139,730	134,609,909	135,595,289	138,801,744
Cash and cash equivalents at the end of the period	84,684,598	148,005,577	91,670,803	154,994,429
Cash and cash equivalents at the end of the period				
Cash and cash equivalents	57,353,201	90,659,300	57,700,141	90,993,844
Placements with banks	27,331,397	57,346,277	33,970,662	64,000,585
	84,684,598	148,005,577	91,670,803	154,994,429

ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS - BANK

As at 30th September 2024	Fair Value through Profit or Loss	Amortised Cost	Fair Value through Other Comprehensive Income	Total Carrying Amount
	Rs 000	Rs 000	Rs 000	Rs 000
Assets				
Cash and cash equivalents	-	57,353,201	-	57,353,201
Placements with banks	-	27,331,397	-	27,331,397
Balances with Central Bank of Sri Lanka	-	10,931,491	-	10,931,491
Reverse repurchase agreements	-	-	-	-
Derivative financial instruments	485,023	-	-	485,023
Financial assets measured at fair value through profit or loss	470,196	-	-	470,196
Financial assets measured at amortised cost - loans and advances to customers	-	1,020,123,955	-	1,020,123,955
Financial assets measured at amortised cost - debt and other financial instruments	-	718,824,084	-	718,824,084
Financial assets measured at fair value through other comprehensive income	-	-	73,477,928	73,477,928
Other financial assets	-	9,539,546	-	9,539,546
Total financial assets	955,219	1,844,103,674	73,477,928	1,918,536,821
Liabilities				
Due to banks	-	8,194,296	-	8,194,296
Derivative financial instruments	2,708,072	-	-	2,708,072
Securities sold under repurchase agreements	-	68,015,403	-	68,015,403
Financial liabilities measured at amortised cost - due to depositors	-	1,620,613,906	-	1,620,613,906
Dividends payable	-	1,005,215	-	1,005,215
Financial liabilities measured at amortised cost - other borrowings	-	19,605,021	-	19,605,021
Debt securities issued	-	85,819	-	85,819
Other financial liabilities	-	9,023	-	9,023
Subordinated term debts	-	27,355,520	-	27,355,520
Total financial liabilities	2,708,072	1,744,884,203	-	1,747,592,275

ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS - BANK

As at 31st December 2023 (Audited)	Fair Value through Profit or Loss	Amortised Cost	Fair Value through Other Comprehensive Income	Total Carrying Amount
	Rs 000	Rs 000	Rs 000	Rs 000
Assets				
Cash and cash equivalents	-	73,148,596	-	73,148,596
Placements with banks	-	55,991,134	-	55,991,134
Balances with Central Bank of Sri Lanka	-	12,234,361	-	12,234,361
Derivative financial instruments	452,193	-	-	452,193
Financial assets measured at fair value through profit or loss	115,641	-	-	115,641
Financial assets measured at amortised cost - loans and advances to customers	-	954,880,316	-	954,880,316
Financial assets measured at amortised cost - debt and other financial instruments	-	549,772,155	-	549,772,155
Financial assets measured at fair value through other comprehensive income	-	-	189,325,958	189,325,958
Other financial assets	-	11,029,182	-	11,029,182
Total financial assets	567,834	1,657,055,744	189,325,958	1,846,949,536
Liabilities				
Due to banks	-	9,019,582	-	9,019,582
Derivative financial instruments	1,365,523	-	-	1,365,523
Securities sold under repurchase agreements	-	61,793,694	-	61,793,694
Financial liabilities measured at amortised cost - due to depositors	-	1,579,780,228	-	1,579,780,228
Dividends payable	-	974,790	-	974,790
Financial liabilities measured at amortised cost - other borrowings	-	24,933,215	-	24,933,215
Debt securities issued	-	87,569	-	87,569
Other financial liabilities	-	7,224	-	7,224
Subordinated term debts	-	18,961,556	-	18,961,556
Total financial liabilities	1,365,523	1,695,557,858	-	1,696,923,381

ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS - GROUP

As at 30th September 2024	Fair Value through Profit or Loss	Amortised Cost	Fair Value through Other Comprehensive Income	Total Carrying Amount
	Rs 000	Rs 000	Rs 000	Rs 000
Assets				
Cash and cash equivalents	-	57,700,141	-	57,700,141
Placements with banks	-	33,970,662	-	33,970,662
Balances with Central Bank of Sri Lanka	-	10,931,491	-	10,931,491
Reverse repurchase agreements	-	2,430,232	-	2,430,232
Derivative financial instruments	485,023	-	-	485,023
Financial assets measured at fair value through profit or loss	1,219,552	-	-	1,219,552
Financial assets measured at amortised cost - loans and advances to customers	-	1,057,906,131	-	1,057,906,131
Financial assets measured at amortised cost - debt and other financial instruments	-	749,793,903	-	749,793,903
Financial assets measured at fair value through other comprehensive income	-	-	87,392,122	87,392,122
Other financial assets	-	13,237,392	-	13,237,392
Total financial assets	1,704,575	1,925,969,952	87,392,122	2,015,066,649
Liabilities				
Due to banks	-	8,202,343	-	8,202,343
Derivative financial instruments	2,708,072	-	-	2,708,072
Securities sold under repurchase agreements	-	68,015,403	-	68,015,403
Financial liabilities measured at amortised cost - due to depositors	-	1,652,109,463	-	1,652,109,463
Dividends payable	-	1,008,976	-	1,008,976
Financial liabilities measured at amortised cost - other borrowings	-	20,107,458	-	20,107,458
Debt securities issued	-	546,992	-	546,992
Other financial liabilities	-	3,962,320	-	3,962,320
Subordinated term debts	-	30,237,127	-	30,237,127
Total financial liabilities	2,708,072	1,784,190,082	-	1,786,898,154

ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS - GROUP

As at 31st December 2023 (Audited)	Fair Value through Profit or Loss	Amortised Cost	Fair Value through Other Comprehensive Income	Total Carrying Amount
	Rs 000	Rs 000	Rs 000	Rs 000
Assets				
Cash and cash equivalents	-	73,758,907	-	73,758,907
Placements with banks	-	61,836,382	-	61,836,382
Balances with Central Bank of Sri Lanka	-	12,234,361	-	12,234,361
Reverse repurchase agreements	-	1,830,461	-	1,830,461
Derivative financial instruments	452,193	-	-	452,193
Financial assets measured at fair value through profit or loss	801,065	-	-	801,065
Financial assets measured at amortised cost - loans and advances to customers	-	988,601,197	-	988,601,197
Financial assets measured at amortised cost - debt and other financial instruments	-	584,131,263	-	584,131,263
Financial assets measured at fair value through other comprehensive income	-	-	195,975,307	195,975,307
Other financial assets	-	14,269,396	-	14,269,396
Total financial assets	1,253,258	1,736,661,967	195,975,307	1,933,890,532
Liabilities				
Due to banks	-	9,019,582	-	9,019,582
Derivative financial instruments	1,365,523	-	-	1,365,523
Securities sold under repurchase agreements	-	61,793,694	-	61,793,694
Financial liabilities measured at amortised cost - due to depositors	-	1,609,153,685	-	1,609,153,685
Dividends payable	-	990,781	-	990,781
Financial liabilities measured at amortised cost - other borrowings	-	25,031,784	-	25,031,784
Debt securities issued	-	550,160	-	550,160
Other financial liabilities	-	2,869,423	-	2,869,423
Subordinated term debts	-	22,255,164	-	22,255,164
Total financial liabilities	1,365,523	1,731,664,273	-	1,733,029,796

EXPLANATORY NOTES

1. There are no changes in accounting policies and methods of computation since the publication of annual accounts for the year 2023.
2. There are no material changes during the period in the composition of assets, liabilities and contingent liabilities and use of funds raised through debentures. All known expenditure items have been provided for.
3. These interim financial statements are presented in accordance with Sri Lanka Accounting Standard (LKAS 34) "Interim Financial Reporting" and provide the information as required in terms of Rule 7.4 of the Colombo Stock Exchange.

4. ECL Assessment and computation

The Bank reassessed the Probabilities of Default (PD) used in collective impairment assessment as at 30th September 2024 and revised the weightages used for multiple economic scenarios. Further management overlays were also recognised in respect of exposures to specific industries where an elevated level of risk have been identified. The Bank has made adequate provisions for expected credit losses in the financial statements as at 30th September 2024 to ensure that the potential impact to its loan portfolio is adequately covered. The Board will continue to monitor the implications and make adjustments, if required.

5. Bank re-classified its debt securities portfolio measured at Fair Value Through Other Comprehensive Income category to Amortised Cost category with effect from 1st April 2022 in accordance with "Statement of Alternative Treatment (SoAT) on Reclassification of Debt Portfolio" issued by CA Sri Lanka. Accordingly, Treasury Bills, Treasury Bonds and International Sovereign Bond investments which were previously classified as financial assets measured at Fair Value Through Other Comprehensive Income (FVOCI) were re-classified as financial assets measured at amortised cost. There was no change to the effective interest rate used and interest revenue recognised in respect of the reclassified assets.

Had these investments continued to be carried at fair value though other comprehensive income, the fair value of the remaining portfolio as at 30th September 2024 would have amounted to Rs 10.9 Bn and would have resulted in the recognition of a fair value loss of Rs 605 Mn (net of tax) in other comprehensive income during the period.

6. Where required, figures on the audited annual financial statements have been reclassified to conform to Central Bank of Sri Lanka publication requirements.

7. Reporting entity

The Bank does not have an identifiable parent of its own. Hatton National Bank PLC is the ultimate parent of the Group. The consolidated financial statements of the Bank cover the Bank and its subsidiaries, HNB Assurance PLC, Sithma Development (Pvt) Ltd, HNB Finance PLC & the Group's interest in Joint Venture Acuity Partners (Pvt) Ltd.

8. Utilization of funds raised via capital markets

8.1 Utilization of funds raised from debenture issue 2024

Objective Number	Objective as per Prospectus	Amount allocated as per Prospectus	Proposed date of utilization as per Prospectus	Amount allocated from proceeds	% of total proceeds	Amount utilized	% of utilisation against allocation (B/A)	Clarification if not fully utilized including where the funds are invested
1	To strengthen the Tier 2 capital base of the Bank in line with the BASEL III accord	Rs 12 Bn	27. 08. 2024	Rs 12 Bn	100%	Rs 12 Bn	100%	Fully utilised
2	To facilitate future expansion of business activities of the Bank	Rs 12 Bn	27. 08. 2025	Rs 12 Bn	100%	Rs 1.2 Bn	10%	Partially utilised

9. The Funds raised via Capital market in previous years

The funds raised through debentures were fully utilized for the objectives mentioned in the prospectuses.

10. Retirement of Directors

- a) Mr Pilippu Hewa Osman Chandrawansa, Independent / Non Executive director of the Bank, retired from the office of Director w.e.f 11th September 2024.
- b) Mr Antonio Jonathan Alles, Managing Director/Chief Executive Officer of the Bank, retired from the services of the Bank as well as from the Board of the Bank w.e.f 23rd August 2024.

11. There are no material events that took place after the balance sheet date which require adjustment or disclosure in the financial statements.

SEGMENT REPORTING																				
	Corporate		Retail		SME		Micro		Treasury		Real Estate		Insurance		NBFI*		Eliminations / Unallocated		Consolidated	
For the 9 months ended 30th September	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000
Net interest income	13,177,512	15,978,476	27,893,377	38,497,189	11,390,944	13,708,704	1,488,951	671,375	15,664,098	16,866,543	110,618	226,046	5,523,543	5,326,442	3,993,976	4,213,387	(716,042)	(2,038,951)	78,526,977	93,449,211
Foreign exchange income	1,765,377	2,837,381	1,056,057	448,284	520,520	681,069	12,541	2,812	5,020,520	(1,867,919)	-	-	-	-	-	-	(7,064,739)	(4,643,144)	1,310,276	(2,541,517)
Net fee and commission income	3,382,679	4,619,207	6,843,261	5,599,440	2,613,420	3,406,790	222,246	171,730	8,574	22,241	-	317,453	201,899	698,532	432,961	(212,842)	(2,119,517)	13,873,323	12,334,751	
Other operating income	-	-	-	-	-	-	-	-	181,672	165,062	802,730	809,080	13,722,789	11,401,032	971,590	611,486	(3,858,102)	(845,506)	11,820,679	12,141,154
Total operating income	18,325,568	23,435,064	35,792,695	44,544,913	14,524,884	17,796,563	1,723,738	845,917	20,874,864	15,185,927	913,348	1,035,126	19,563,785	16,929,373	5,664,098	5,257,834	(11,851,725)	(9,647,118)	105,531,255	115,383,599
Impairment charge for loans and other losses	830,926	2,498,332	(28,560)	1,502,204	(246,086)	2,398,690	(7,864)	14,873	2,696,749	26,006,114	-	-	1,083	(34,506)	1,026,822	1,499,631	-	(49,035)	4,273,070	33,836,303
Net operating income	17,494,642	20,936,732	35,821,255	43,042,709	14,770,970	15,397,873	1,731,602	831,044	18,178,115	(10,820,187)	913,348	1,035,126	19,562,702	16,963,879	4,637,276	3,758,203	(11,851,725)	(9,598,083)	101,258,185	81,547,296
Profit from operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	37,891,385	27,779,401
Share of profit of joint venture	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	820,619	1,258,005
Income tax expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(15,050,827)	(10,187,871)
Non - controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(661,470)	(518,592)
Net Profit for the period attributable to equity holders of the parent	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	22,999,707	18,330,943
As at 30th September	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000
Segment assets	559,250,235	461,666,655	276,522,100	265,203,730	173,053,427	200,444,649	30,101,307	21,966,056	728,627,695	706,981,249	11,295,917	11,481,736	58,894,645	48,825,469	51,658,389	48,973,220	228,788,427	199,803,494	2,118,192,142	1,965,346,258
Investment in joint venture	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,921,048	4,656,795	4,921,048	4,656,795
Total assets	559,250,235	461,666,655	276,522,100	265,203,730	173,053,427	200,444,649	30,101,307	21,966,056	728,627,695	706,981,249	11,295,917	11,481,736	58,894,645	48,825,469	51,658,389	48,973,220	233,709,475	204,460,289	2,123,113,190	1,970,003,053
Segment liabilities	267,821,668	252,286,025	1,006,246,381	910,129,629	286,027,800	281,655,676	32,293,558	21,297,446	85,319,227	56,151,310	11,295,917	11,481,736	58,894,645	48,825,469	51,658,389	48,973,220	323,555,605	339,202,542	2,123,113,190	1,970,003,053
Total liabilities	267,821,668	252,286,025	1,006,246,381	910,129,629	286,027,800	281,655,676	32,293,558	21,297,446	85,319,227	56,151,310	11,295,917	11,481,736	58,894,645	48,825,469	51,658,389	48,973,220	323,555,605	339,202,542	2,123,113,190	1,970,003,053
For the 9 months ended 30th September	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000
Information on cash flows																				
Cash flows from operating activities	(22,914,717)	72,052,047	83,566,329	135,819,527	10,925,417	69,855,951	2,976,525	6,042,269	7,226,661	52,607,513	385,577	439,524	1,884,564	1,262,934	187,511	3,001,573	(79,823,194)	(103,640,761)	4,414,673	237,440,577
Cash flows from investing activities	-	-	-	-	-	-	-	-	(55,427,987)	(211,594,139)	-	-	(1,067,672)	(538,970)	(982,174)	(642,297)	1,870,042	(6,254,837)	(55,607,791)	(219,030,243)
Cash flows from financing activities	-	-	-	-	-	-	-	-	-	(6,694)	-	-	(701,719)	(690,013)	(617,467)	(1,250,860)	8,594,512	(276,776)	7,268,632	(2,217,649)
Net cash flow generated / (used in) during the period	(22,914,717)	72,052,047	83,566,329	135,819,527	10,925,417	69,855,951	2,976,525	6,042,269	(48,201,326)	(158,986,626)	378,883	439,524	115,173	33,951	(1,412,130)	1,108,416	(69,358,640)	(110,172,374)	(43,924,486)	16,192,685
Capital expenditure																				
- Property, plant and equipment	-	-	-	-	-	-	-	-	-	-	-	-	46,196	175,386	61,171	45,784	1,085,025	1,657,963	1,192,392	1,879,133
- Intangible assets	-	-	-	-	-	-	-	-	-	-	-	-	94,638	6,447	38,241	9,148	260,993	571,381	393,872	586,976
Total Capital Expenditure	-	-	-	-	-	-	-	-	-	-	-	-	140,834	181,833	99,412	54,932	1,346,018	2,229,344	1,586,264	2,466,109
* Business of HNB Finance PLC.																				

SELECTED PERFORMANCE INDICATORS (AS PER REGULATORY REPORTING)

	As at	As at	As at	As at
	30.09.2024	31.12.2023	30.09.2024	31.12.2023
	Bank		Group	
BASEL III				
Regulatory Capital				
Common Equity Tier 1. Rs. Mn	144,946	126,927	172,553	148,882
Tier 1 Capital. Rs. Mn	144,946	126,927	172,553	148,882
Total Capital. Rs. Mn	186,973	159,255	215,235	181,877
Regulatory Capital Ratios				
Common Equity Tier 1 Capital Ratio (Minimum Requirement - 2024 - 8.00%: 2023 - 8.00%)	15.51%	13.66%	16.72%	14.70%
Tier 1 Capital Ratio (Minimum Requirement - 2024 - 9.50%: 2023 - 9.50%)	15.51%	13.66%	16.72%	14.70%
Total Capital Ratio (Minimum Requirement 2024 - 13.50%: 2023 - 13.50%)	20.01%	17.13%	20.86%	17.95%
Leverage Ratio (Minimum Requirement- 3.00%)	6.24%	5.61%	7.04%	6.27%
Assets Quality (Quality of Loan Portfolio)				
Impaired Loans (Stage 3) Ratio, %	3.32%	3.76%		
Impairment (Stage 3) to Stage 3 loans Ratio, %	60.50%	57.49%		
Profitability (Annualised)				
Interest Margin, %	4.66%	5.66%		
Return on Assets (before Tax), %	2.51%	1.77%		
Return on Equity, %	15.15%	11.59%		
Regulatory Liquidity				
Statutory Liquid Assets, Rs. Mn				
Domestic Banking unit	N/A	742,281		
Off-Shore Banking Unit	N/A	59,674		
Consolidated (Bank)	N/A	784,704		
Statutory Liquid Assets Ratio (Minimum requirement 20%)				
Domestic Banking unit	N/A	46.53%		
Off-Shore Banking Unit	N/A	34.06%		
Consolidated (Bank)	N/A	48.17%		
Total Stock of High-Quality Liquid Assets, Rs. Mn	694,768	662,094		
Liquidity Coverage Ratio (%) - Rupee	313.84%	387.17%		
(Minimum Requirement - 2024 - 100%, 2023 - 100%)				
Liquidity Coverage Ratio (%) - All Currency	297.39%	445.92%		
(Minimum Requirement - 2024 - 100%, 2023 - 100%)				
Net Stable Funding Ratio (Minimum Requirement - 2024 - 100%, 2023 - 100%)	149.38%	150.19%		

N/A - Not Applicable

***CBSL has discontinued the requirement to maintain the Statutory Liquid Assets Ratio w.e.f 15th June 2024**

LISTED DEBENTURE INFORMATION

Quarter ended 30th September	Market Value				Last traded price		Interest Yield as at Last Trade Done		
	2024		2023		2024	2023	Quarter ended 30th September	2024	2023
	Highest Rs.	Lowest Rs.	Highest Rs.	Lowest Rs.	Rs.	Rs.		%	%
HNB DEBENTURES 2006							HNB DEBENTURES 2006		
18 year Fixed Rate (11.25% p.a.)	N/A	N/A	N/T	N/T	N/A	N/T	18 year Fixed Rate (11.25% p.a.)	N/A	N/T
HNB DEBENTURES 2014							HNB DEBENTURES 2014		
10 year Fixed Rate (8.33% p.a.)	N/T	N/T	N/T	N/T	N/T	N/T	10 year Fixed Rate (8.33% p.a.)	N/T	N/T
HNB DEBENTURES 2019							HNB DEBENTURES 2019		
5 year Fixed Rate (12.30% p.a.)	N/T	N/T	N/T	N/T	N/T	N/T	5 year Fixed Rate (12.30% p.a.)	N/T	N/T
7 year Fixed Rate (12.80% p.a.)	N/T	N/T	N/T	N/T	N/T	N/T	7 year Fixed Rate (12.80% p.a.)	N/T	N/T
HNB DEBENTURES 2021							HNB DEBENTURES 2021		
10 year Fixed Rate (9.50% p.a.)	N/T	N/T	N/T	N/T	N/T	N/T	10 year Fixed Rate (9.50% p.a.)	N/T	N/T
HNB DEBENTURES 2024							HNB DEBENTURES 2024		
5 year Fixed Rate (13.00% p.a.)	N/T	N/T	N/A	N/A	N/T	N/A	5 year Fixed Rate (13.00% p.a.)	N/T	N/A
5 year Fixed Rate (12.60% p.a.)	N/T	N/T	N/A	N/A	N/T	N/A	5 year Fixed Rate (12.60% p.a.)	N/T	N/A
7 year Fixed Rate (13.25% p.a.)	N/T	N/T	N/A	N/A	N/T	N/A	7 year Fixed Rate (13.25% p.a.)	N/T	N/A
10 year Fixed Rate (13.50% p.a.)	N/T	N/T	N/A	N/A	N/T	N/A	10 year Fixed Rate (13.50% p.a.)	N/T	N/A
N/T – Not Traded as at 30th September, N/A – Not Applicable as at 30th September							N/T – Not Traded as at 30th September, N/A – Not Applicable as at 30th September		
Yield to Maturity of Last Trade Done (% p.a)									
RATIOS OF DEBT									
		30.09.2024	31.12.2023						
Debt Equity Ratio (%)		19.43	19.55						
		30.09.2024	30.09.2023						
Interest Cover (Times)		15.13	8.78						
		30.09.2024	30.09.2023						
Yield of Comparable Govt. Security for the following HNB Debentures (% p.a.)									
2006 series 18 year maturity		N/A	15.16						
2014 series 10 year maturity		9.93	15.52						
2019 series 5 year maturity		9.81	15.63						
2019 series 7 year maturity		10.84	15.28						
2021 series 10 year maturity		12.98	13.33						
2024 series 5 year maturity		12.82	N/A						
2024 series 5 year maturity		12.82	N/A						
2024 series 7 year maturity		12.98	N/A						
2024 series 10 year maturity		13.45	N/A						
Quarter ended 30th September									
		2024	2023						
		%	%						
HNB DEBENTURES 2006									
18 year Fixed Rate (11.25% p.a.)		N/A	N/T						
HNB DEBENTURES 2014									
10 year Fixed Rate (8.33% p.a.)		N/T	N/T						
HNB DEBENTURES 2019									
5 year Fixed Rate (12.30% p.a.)		N/T	N/T						
7 year Fixed Rate (12.80% p.a.)		N/T	N/T						
HNB DEBENTURES 2021									
10 year Fixed Rate (9.50% p.a.)		N/T	N/T						
HNB DEBENTURES 2024									
5 year Fixed Rate (13.00% p.a.)		N/T	N/A						
5 year Fixed Rate (12.60% p.a.)		N/T	N/A						
7 year Fixed Rate (13.25% p.a.)		N/T	N/A						
10 year Fixed Rate (13.50% p.a.)		N/T	N/A						
N/T – Not Traded as at 30th September, N/A – Not Applicable									

SHARE INFORMATION

As at	30-Sep-24	31-Dec-23
Number of Shares		
Voting	455,968,474	446,651,811
Non-voting	115,852,722	113,086,576
Last Traded Price per share		
Voting	204.75	169.25
Non-voting	165.50	140.00

For the Quarter Ended	30-Sep-24	30-Sep-23
Highest price per share		
Voting	206.50	203.50
Non-voting	170.00	169.75
Lowest price per share		
Voting	153.50	150.00
Non-voting	127.00	110.50

PUBLIC SHAREHOLDING PERCENTAGE

	30-Sep-24	
	Number	%
Number of shareholders representing the public holding (Voting)	8,450	69% approx.
Number of shareholders representing the public holding (Non Voting)	11,016	99% approx.
Compliant under Option 1 - Float Adjusted Market Capitalization	Rs. 64.42 Bn	

DIRECTORS' AND CHIEF EXECUTIVE OFFICER'S SHAREHOLDING

	Number of shares	
	30-Sep-24	31-Dec-23
1. Mr. K. V. N. Jayawardene PC	-	-
2. Mr. P. G. D. B. Pallewatte (Appointed as Acting Chief Executive Officer on 06.04.2024)	-	N/A
3. Mr. A.J. Alles (Former MD/CEO - Retired w.e.f. 23.08.2024)	N/A	140,353
4. Mr. W.M.M.D. Ratnayake	-	-
5. Mr. M.P.D.Cooray	9,491	9,265
6. Mr. D.P.N.Rodrigo (Resigned w.e.f. 12.01.2024)	N/A	27,275
7. Mr. P.H.O. Chandrawansa (Retired w.e.f. 11.09.2024)	N/A	-
8. Mr. P.R. Saldin	3,505	3,422
9. Mr. K. A. K. P. Gunawardena	-	-
10. Mr. G. B. R. P. Gunawardana	26,261	25,653
11. Dr. T.K.D.A.P Samarasinghe	-	-
12. Mr. M. N. R. Fernando (Appointed as Director on 02.04.2024)	-	N/A
13. Mr. S. Renganathan (Appointed as Director on 02.04.2024)	-	N/A
14. Mr. S. K. Shah (Appointed as Director on 10.05.2024)	-	N/A

**20 MAJOR SHAREHOLDERS (VOTING) OF HNB PLC
AS AT 30TH SEPTEMBER 2024**

	Name	No. of Shares	% on voting capital
1.	BROWNS INVESTMENTS PLC (CONSISTING OF SAMPATH BANK PLC/ BROWNS INVESTMENTS PLC & BROWNS INVESTMENTS PLC ACCOUNTS)	45,529,714	9.99
2.	EMPLOYEE'S PROVIDENT FUND	44,443,363	9.75
3.	SRI LANKA INSURANCE CORPORATION LTD-LIFE FUND	37,696,270	8.27
4.	MILFORD EXPORTS (CEYLON) (PVT) LIMITED	36,055,836	* 7.91
5.	STASSEN EXPORTS (PVT) LIMITED	31,252,000	* 6.85
6.	SONETTO HOLDINGS LIMITED	22,410,383	4.91
7.	SRI LANKA INSURANCE CORPORATION LTD-GENERAL FUND	19,366,354	4.25
8.	CITIBANK NEWYORK S/A NORGES BANK ACCOUNT 2	17,184,380	3.77
9.	DISTILLERIES COMPANY OF SRI LANKA PLC	13,982,540	* 3.07
10.	DON AND DON HOLDINGS (PRIVATE) LIMITED (CONSISTING OF PEOPLE'S LEASING & FINANCE PLC / DON AND DON HOLDINGS (PRIVATE) LIMITED & DON AND DON HOLDINGS (PRIVATE) LIMITED)	13,911,137	3.05
11.	NATIONAL SAVINGS BANK	13,343,212	2.93
12.	MR. D.N.N. LOKUGE	9,482,309	2.08
13.	STANDARD CHARTERED BANK SINGAPORE S/A HL BANK SINGAPORE BRANCH	8,558,121	1.88
14.	FIRST CAPITAL HOLDINGS PLC	7,600,000	1.67
15.	FINCO HOLDINGS (PRIVATE) LIMITED	7,269,905	1.59
16.	SIMONAS TRUST SERVICE PVT LTD	4,640,728	1.02
17.	MR. Y.S.H.R.S. SILVA	4,501,000	0.99
18.	GALLE FACE CAPITAL PARTNERS PLC	3,272,298	0.72
19.	EMPLOYEES TRUST FUND BOARD	3,133,136	0.69
20.	MR. S.E. CAPTAIN	3,032,931	0.67

*Pursuant to the provisions of the Banking Act Directions No. 1 of 2007, the total collective voting rights in the Bank, of Milford Exports (Ceylon) Limited, Stassen Exports Limited and Distilleries Company of Sri Lanka (who collectively hold 17.83% of the voting shares of the Bank) are limited to 10% of the total voting rights of the Bank with effect from 15th March 2012 as the voting rights in excess of such percentage is deemed invalid from that date.

**20 MAJOR SHAREHOLDERS (NON-VOTING) OF HNB PLC
AS AT 30TH SEPTEMBER 2024**

	Name	No. of Shares	% on non voting capital
1.	BROWNS INVESTMENTS PLC (CONSISTING OF SAMPATH BANK PLC/BROWNS INVESTMENTS PLC & BROWNS INVESTMENTS PLC ACCOUNTS)	53,140,789	45.87
2.	ACUITY PARTNERS (PVT) LIMITED/MR.ELAYATHAMBY THAVAGNANASOORIYAM / MR.ELAYATHAMBY THAVAGNANASUNDARAM	5,393,023	4.66
3.	AKBAR BROTHERS PVT LTD A/C NO 1	5,096,874	4.40
4.	EMPLOYEES TRUST FUND BOARD	1,597,031	1.38
5.	PEOPLE'S LEASING & FINANCE PLC/MR. I.D.R. PERERA	925,169	0.80
6.	HATTON NATIONAL BANK PLC A/C NO 2	833,694	0.72
7.	SABOOR CHATOOR (PVT) LTD	824,000	0.71
8.	MR. S.E. CAPTAIN	802,244	0.69
9.	MR. E. CHATOOR	755,000	0.65
10.	INVENCO CAPITAL PRIVATE LIMITED	722,776	0.62
11.	E.W. BALASURIYA & CO. (PVT) LTD ACC NO 01	578,704	0.50
12.	MR. J.D. BANDARANAYAKE / DR. V. BANDARANAYAKE (J) / MISS I. BANDARANAYAKE (J)	523,960	0.45
13.	MR. J.D. BANDARANAYAKE / MISS N. BANDARANAYAKE (J) / DR. V. BANDARANAYAKE (J)	523,852	0.45
14.	SENKADAGALA FINANCE PLC / E.THAWAGNANASUNDARAM	500,450	0.43
15.	MR. Y.H. ABDULHUSSEIN	497,597	0.43
16.	MISS R.H. ABDULHUSSEIN	491,900	0.42
17.	MR. M.J. FERNANDO (DECEASED)	474,289	0.41
18.	DR. R.D. BANDARANAIKE / MRS. A.D. BANDARANAIKE (J)	448,373	0.39
19.	DFCC BANK PLC A/C 1	427,330	0.37
20.	LANKA SYNTHETIC FIBRE CO LTD	422,039	0.36

ANALYSIS OF LOANS & ADVANCES AND IMPAIRMENT				
As at	BANK		GROUP	
	30.09.2024	31.12.2023	30.09.2024	31.12.2023
	Rs 000	Rs 000	Rs 000	Rs 000
1) Gross loans and advances to customers	1,106,558,932	1,041,990,203	1,150,843,012	1,081,186,166
Less : Accumulated impairment under stage 1	12,905,758	10,653,265	15,010,087	12,960,050
Accumulated impairment under stage 2	6,102,660	10,333,747	6,438,251	10,659,837
Accumulated impairment under stage 3	67,426,559	66,122,875	71,488,543	68,965,082
Net loans and advances to customers	1,020,123,955	954,880,316	1,057,906,131	988,601,197
Product-wise Gross loans and advances to customers				
By product-Domestic Currency				
Overdrafts	125,030,102	119,040,237	124,612,297	118,568,179
Bills of exchange	226,388	285,863	226,388	285,863
Commercial papers	228,351	185,812	228,351	185,812
Credit Cards	18,969,847	17,009,417	18,969,847	17,009,417
Trust receipts	25,963,922	24,082,806	25,963,922	24,082,806
Packing credit loans	9,691,376	8,585,425	9,691,376	8,585,425
Staff loans	20,205,987	16,050,668	20,514,762	16,523,156
Term loans	543,004,020	507,630,305	562,979,712	528,057,671
Lease rentals receivable	79,653,206	70,025,243	96,109,955	83,902,281
Housing loans	53,990,908	49,795,600	53,990,908	49,795,600
Pawning advances	76,744,448	73,339,142	84,705,117	78,230,271
Sub total	953,708,555	886,030,518	997,992,635	925,226,481
By product-Foreign Currency				
Overdrafts	4,445,596	5,393,812	4,445,596	5,393,812
Bills of exchange	1,049,278	1,049,918	1,049,278	1,049,918
Trust receipts	1,744,738	4,317,835	1,744,738	4,317,835
Packing credit loans	24,643,050	24,427,884	24,643,050	24,427,884
Term loans	119,263,118	118,311,370	119,263,118	118,311,370
Lease rentals receivable	212,168	330,260	212,168	330,260
Housing loans	1,492,429	2,128,606	1,492,429	2,128,606
Sub total	152,850,377	155,959,685	152,850,377	155,959,685
Total	1,106,558,932	1,041,990,203	1,150,843,012	1,081,186,166
Movements in stage-wise impairment of loans & advances during the period				
	BANK			
	Stage 1	Stage 2	Stage 3	Total
	Rs 000	Rs 000	Rs 000	Rs 000
Opening balance as at 1st January 2023	12,477,377	16,235,373	58,527,652	87,240,402
Net impairment charge for the period	748,612	(5,185,893)	8,942,494	4,505,213
Write-offs during the period	-	-	(1,038,539)	(1,038,539)
Effect of exchange rate fluctuations	(128,927)	(151,400)	(1,835,693)	(2,116,020)
Closing balance as at 30th September 2023	13,097,062	10,898,080	64,595,914	88,591,056
Opening balance as at 1st January 2024	10,653,265	10,333,747	66,122,875	87,109,887
Net impairment charge for the period	2,343,654	(4,096,749)	2,417,543	664,448
Write-offs during the period	-	-	(128,097)	(128,097)
Effect of exchange rate fluctuations	(91,161)	(134,338)	(985,762)	(1,211,261)
Closing balance as at 30th September 2024	12,905,758	6,102,660	67,426,559	86,434,977
	GROUP			
	Stage 1	Stage 2	Stage 3	Total
	Rs 000	Rs 000	Rs 000	Rs 000
Opening balance as at 1st January 2023	14,914,751	16,799,238	61,267,133	92,981,122
Net impairment charge for the period	118,451	(5,291,628)	11,173,951	6,000,774
Write-offs during the period	-	-	(1,038,539)	(1,038,539)
Effect of exchange rate fluctuations	(128,927)	(151,400)	(1,835,693)	(2,116,020)
Closing balance as at 30th September 2023	14,904,275	11,356,210	69,566,852	95,827,337
Opening balance as at 1st January 2024	12,960,050	10,659,837	68,965,082	92,584,969
Net impairment charge for the period	2,141,198	(4,087,248)	3,637,320	1,691,270
Write-offs during the period	-	-	(128,097)	(128,097)
Effect of exchange rate fluctuations	(91,161)	(134,338)	(985,762)	(1,211,261)
Closing balance as at 30th September 2024	15,010,087	6,438,251	71,488,543	92,936,881

ANALYSIS OF COMMITMENTS, CONTINGENCIES AND IMPAIRMENT				
As at	BANK		GROUP	
	30.09.2024	31.12.2023	30.09.2024	31.12.2023
	Rs 000	Rs 000	Rs 000	Rs 000
2) Gross commitments and contingencies	871,562,135	883,033,112	871,562,135	883,033,112
Less : Accumulated impairment under stage 1	2,720,797	3,026,254	2,720,797	3,026,254
Accumulated impairment under stage 2	199,704	347,953	199,704	347,953
Accumulated impairment under stage 3	1,119,385	1,265,662	1,119,385	1,265,662
	867,522,249	878,393,243	867,522,249	878,393,243
Product-wise commitments and contingencies				
By Product - Domestic Currency				
Documentary credit	840,760	580,268	840,760	580,268
Guarantees	64,857,240	57,810,230	64,857,240	57,810,230
Acceptances	60,644	7,002	60,644	7,002
Bills for collection	669,935	437,148	669,935	437,148
Forward exchange contracts				
Forward exchange sales	-	-	-	-
Forward exchange purchases	-	-	-	-
Cheques sent on clearing	7,739,794	5,693,029	7,739,794	5,693,029
Undrawn credit lines	334,453,070	397,126,442	334,453,070	397,126,442
Sub total	408,621,443	461,654,119	408,621,443	461,654,119
By Product - Foreign Currency				
Documentary credit	27,695,455	26,384,606	27,695,455	26,384,606
Guarantees	21,029,195	57,117,506	21,029,195	57,117,506
Acceptances	11,291,330	11,263,526	11,291,330	11,263,526
Bills for collection	28,891,716	26,748,753	28,891,716	26,748,753
Forward exchange contracts				
Forward exchange sales	68,946,110	31,440,180	68,946,110	31,440,180
Forward exchange purchases	170,663,595	122,106,261	170,663,595	122,106,261
Cheques sent on clearing	80,379	19,103	80,379	19,103
Undrawn credit lines	134,342,912	146,299,058	134,342,912	146,299,058
Sub total	462,940,692	421,378,993	462,940,692	421,378,993
Total	871,562,135	883,033,112	871,562,135	883,033,112
Movements in stage-wise impairment of commitments and contingencies during the period				
	BANK / GROUP			
	Stage 1	Stage 2	Stage 3	Total
	Rs 000	Rs 000	Rs 000	Rs 000
Opening balance as at 1st January 2023	2,567,514	517,350	1,325,651	4,410,515
Net impairment charge for the period	1,064,839	240,612	(8,396)	1,297,055
Closing balance as at 30th September 2023	3,632,353	757,962	1,317,255	5,707,570
Opening balance as at 1st January 2024	3,026,254	347,953	1,265,662	4,639,869
Net impairment charge for the period	(305,457)	(148,249)	(146,277)	(599,983)
Closing balance as at 30th September 2024	2,720,797	199,704	1,119,385	4,039,886

ANALYSIS OF DEPOSITS				
	BANK		GROUP	
As at	30.09.2024	31.12.2023	30.09.2024	31.12.2023
	Rs 000	Rs 000	Rs 000	Rs 000
3) Due to Customers - By product				
By product-Domestic Currency				
Current account deposits	83,591,658	80,159,961	82,501,731	77,321,011
Savings deposits	383,415,082	306,935,107	385,343,020	309,557,436
Time deposits	835,356,969	829,767,550	866,506,736	859,941,918
Certificates of deposit	277,337	270,265	277,337	270,265
Margin deposits	1,775,386	1,400,071	1,775,386	1,400,071
Sub total	1,304,416,432	1,218,532,954	1,336,404,210	1,248,490,701
By product- Foreign Currency				
Current account deposits	7,920,476	10,951,886	7,920,476	10,951,886
Savings deposits	66,312,579	74,540,101	66,292,392	74,481,751
Time deposits	241,869,308	275,561,340	241,397,274	275,035,400
Margin deposits	95,111	193,947	95,111	193,947
Sub total	316,197,474	361,247,274	315,705,253	360,662,984
Total	1,620,613,906	1,579,780,228	1,652,109,463	1,609,153,685

FAIR VALUE DISCLOSURE OF FINANCIAL INSTRUMENTS

Fair value Disclosure of Financial Instruments

The Group measures the fair values of financial instruments using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

Level 1: Fair value measurement using unadjusted quoted market price

When available, the fair values of financial instruments are determined using quoted market prices (unadjusted) in active markets for identical instruments. A market is regarded as active if quoted prices are readily and regularly available and represent actual and regularly occurring market transactions on an arm's length basis. Accordingly, the fair values of treasury bills and bonds have been derived using the market yields and market prices published by Central Bank of Sri Lanka while fair value of quoted equity securities and Sri Lanka Sovereign Bonds have been valued using the quoted market prices as at the reporting date

Level 2: Fair value measurement using significant observable inputs

In the absence of an active market for a financial instrument, the fair value is determined using quoted market prices in active markets for similar instruments or quoted prices for identical or similar instruments in markets that are considered less than active or other valuation techniques in which all significant inputs are directly or indirectly observable from market data. The spot and forward premiums available as at the reporting date have been used to estimate the fair value of derivative financial instruments while the fair value of unquoted units have been measured using manager's selling prices. The fair values of financial assets and financial liabilities carried at amortised cost have been estimated by comparing the interest rates when they were first recognised with the current market rates of similar instruments.

Level 3: Fair value measurement using significant unobservable inputs

Financial instruments for which the valuation technique includes inputs that are not observable and the unobservable inputs have a significant effect on the instrument's valuation.

There are no material changes in the fair value of financial assets categorised under Level 3 compared to the values reported as at 31st December 2023. The Group has not changed the valuation models and assumptions used to measure the fair values of Level 3 financial instruments during the period ended 30th September 2024.

FINANCIAL ASSETS & LIABILITIES MEASURED AT FAIR VALUE - FAIR VALUE HIERARCHY

As at 30th September 2024	Bank				Group			
	Level 1 Rs 000	Level 2 Rs 000	Level 3 Rs 000	Total Rs 000	Level 1 Rs 000	Level 2 Rs 000	Level 3 Rs 000	Total Rs 000
Financial assets measured at fair value								
Derivative financial instruments	-	485,023	-	485,023	-	485,023	-	485,023
Financial assets measured at fair value through profit or loss	470,196	-	-	470,196	933,682	285,870	-	1,219,552
Financial assets measured at fair value through other comprehensive income	72,483,054	810,694	184,180	73,477,928	86,391,769	810,694	189,659	87,392,122
Total financial assets measured at fair value	72,953,250	1,295,717	184,180	74,433,147	87,325,451	1,581,587	189,659	89,096,697
Financial liabilities measured at fair value								
Derivative financial instruments	-	2,708,072	-	2,708,072	-	2,708,072	-	2,708,072
Total financial assets measured at fair value	-	2,708,072	-	2,708,072	-	2,708,072	-	2,708,072

As at 31st December 2023	Bank				Group			
	Level 1 Rs 000	Level 2 Rs 000	Level 3 Rs 000	Total Rs 000	Level 1 Rs 000	Level 2 Rs 000	Level 3 Rs 000	Total Rs 000
Financial assets measured at fair value								
Derivative financial instruments	-	452,193	-	452,193	-	452,193	-	452,193
Financial assets measured at fair value through profit or loss	115,641	-	-	115,641	333,439	467,626	-	801,065
Financial assets measured at fair value through other comprehensive income	188,598,823	694,100	33,035	189,325,958	195,242,692	694,100	38,515	195,975,307
Total financial assets measured at fair value	188,714,464	1,146,293	33,035	189,893,792	195,576,131	1,613,919	38,515	197,228,565
Financial liabilities measured at fair value								
Derivative financial instruments	-	1,365,523	-	1,365,523	-	1,365,523	-	1,365,523
Total financial assets measured at fair value	-	1,365,523	-	1,365,523	-	1,365,523	-	1,365,523

FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES CARRIED AT AMORTISED COST

As at 30th September 2024	Bank					Group				
	Carrying Value Rs 000	Fair Value			Total Rs 000	Carrying Value Rs 000	Fair Value			Total Rs 000
		Level 1 Rs 000	Level 2 Rs 000	Level 3 Rs 000			Level 1 Rs 000	Level 2 Rs 000	Level 3 Rs 000	
Financial Assets										
Financial assets measured at amortised cost										
Loans and advances to customers	1,020,123,955	-	1,027,811,365	-	1,027,811,365	1,057,906,131	-	1,060,585,231	-	1,060,585,231
Debt and other financial instruments	718,824,084	689,292,587	7,710,674	-	697,003,261	749,793,903	710,234,958	19,197,596	-	729,432,554
Total financial assets measured at amortised cost	1,738,948,039	689,292,587	1,035,522,039	-	1,724,814,626	1,807,700,034	710,234,958	1,079,782,827	-	1,790,017,785
Financial Liabilities										
Financial liabilities measured at amortised cost										
Due to depositors	1,620,613,906	-	1,638,975,581	-	1,638,975,581	1,652,109,463	-	1,670,634,360	-	1,670,634,360
Other borrowings	19,605,021	-	19,605,021	-	19,605,021	20,107,458	-	18,754,972	-	18,754,972
Debt securities issued	85,819	-	94,959	-	94,959	546,992	-	556,132	-	556,132
Subordinated term debts	27,355,520	-	25,719,718	-	25,719,718	30,237,127	-	30,103,761	-	30,103,761
Total financial liabilities measured at amortised cost	1,667,660,266	-	1,684,395,279	-	1,684,395,279	1,703,001,040	-	1,720,049,225	-	1,720,049,225

As at 31st December 2023	Bank					Group				
	Carrying Value Rs 000	Fair Value			Total Rs 000	Carrying Value Rs 000	Fair Value			Total Rs 000
		Level 1 Rs 000	Level 2 Rs 000	Level 3 Rs 000			Level 1 Rs 000	Level 2 Rs 000	Level 3 Rs 000	
Financial Assets										
Financial assets measured at amortised cost										
Loans and advances to customers	954,880,316	-	949,550,566	-	949,550,566	988,601,197	-	989,517,180	-	989,517,180
Debt and other financial instruments	549,772,155	493,293,433	10,603,890	-	503,897,323	584,131,263	493,293,433	16,808,956	-	510,102,389
Total financial assets measured at amortised cost	1,504,652,471	493,293,433	960,154,456	-	1,453,447,889	1,572,732,460	493,293,433	1,006,326,136	-	1,499,619,569
Financial Liabilities										
Financial liabilities measured at amortised cost										
Due to depositors	1,579,780,228	-	1,596,246,417	-	1,596,246,417	1,609,153,685	-	1,624,937,437	-	1,624,937,437
Other borrowings	24,933,215	-	24,933,215	-	24,933,215	25,031,784	-	25,031,784	-	25,031,784
Debt securities issued	87,569	-	87,569	-	87,569	550,160	-	544,007	-	544,007
Subordinated term debts	18,961,556	-	17,977,991	-	17,977,991	22,255,164	-	21,121,727	-	21,121,727
Total financial liabilities measured at amortised cost	1,623,762,568	-	1,639,245,192	-	1,639,245,192	1,656,990,793	-	1,671,634,955	-	1,671,634,955