



# STATE MORTGAGE & INVESTMENT BANK

Financial Statements For The Period Ended 31 March 2025

LRA Issuer Rating [SL] BBB Stable

## INCOME STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2025

	From 01/01/2025 to 31/03/2025	From 01/01/2024 to 31/03/2024
Interest income	1,784	2,170
Interest expenses	(1,020)	(1,739)
<b>Net interest income</b>	<b>764</b>	<b>431</b>
Fee and commission income	60	38
<b>Net fee and commission income</b>	<b>60</b>	<b>38</b>
Net Fair Value Gains/(Losses) from FA at FVPL	42	123
Net other operating income (net)	1	-
<b>Total operating income</b>	<b>867</b>	<b>592</b>
Impairment Charges	(97)	(68)
<b>Net operating income</b>	<b>770</b>	<b>524</b>
Personnel expenses	(382)	(287)
Depreciation and amortization expenses	(29)	(8)
Other expenses	(124)	(117)
<b>Operating profit/(loss) before VAT &amp; SSCL</b>	<b>234</b>	<b>113</b>
Value added tax (VAT) on financial services (18%)	(96)	(59)
Social Security Levy (2.5%)	(13)	(8)
<b>Profit/(loss) before tax</b>	<b>124</b>	<b>46</b>
Income Tax expenses	(88)	-
<b>Profit/(loss) for the period</b>	<b>36</b>	<b>46</b>

## STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31ST MARCH 2025

	From 01/01/2025 to 31/03/2025	From 01/01/2024 to 31/03/2024
<b>Profit/(loss) for the Period</b>	<b>36</b>	<b>46</b>
<b>Items that will be reclassified to income statement</b>		
Gains and Losses on Re-Measuring Financial Assets	-	-
<b>Items that will not be reclassified to income statement</b>		
Re-measurement of post-employment benefit obligations	-	-
Deferred Tax effect on Actuarial Gains/Losses on defined benefit obligations	-	-
<b>Total comprehensive income for the period</b>	<b>36</b>	<b>46</b>

## STATEMENT OF FINANCIAL POSITION AS AT 31ST MARCH 2025

	As at 31/03/2025	As at 31/12/2024
<b>Assets</b>		
Cash and cash equivalents	358	125
Placements with Banks	256	153
Financial Assets - FVPL	-	-
Financial Assets - AC		
- Loans and Advanced	42,968	41,730
- Debt and Other Instruments	11,891	11,922
Financial Assets - FVOCI	5	5
Property, plant and equipment	484	504
Deferred tax assets	634	634
Other assets	614	596
<b>Total assets</b>	<b>57,209</b>	<b>55,668</b>
<b>Liabilities</b>		
Due to banks	-	-
Financial Liabilities at Amortised Cost		
- Due to Depositors	49,397	48,161
- Due to Debt Securities Holders	-	-
- Due to Other Borrowers	37	141
Employee Benefit Liability	691	678
Other Liabilities	1,631	1,269
<b>Total liabilities</b>	<b>51,756</b>	<b>50,248</b>
<b>Equity</b>		
Stated Capital/Assigned Capital	890	890
Statutory Reserve Fund	307	307
Retained Earnings	3,179	3,146
Other Reserves	1,078	1,078
<b>Total equity</b>	<b>5,453</b>	<b>5,420</b>
<b>Total equity and liabilities</b>	<b>57,209</b>	<b>55,668</b>

### Certification:

We, the undersigned, being the Chairman, being General Manager and Deputy General Manager (Finance) of State Mortgage and Investment Bank certify jointly 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 have been extracted from the unaudited draft financial statements of the bank.

The Board of Directors are responsible for the preparation and presentation of these financial statements.

These draft Financial Statements were approved by the Board of Directors and signed on their behalf.

Mr. Maheel P. Kuragama  
Chairman

Mr. I.T. Asuramanna  
General Manager / CEO

Mr. K.L.N.A. Perera  
Deputy General Manager (Finance)

29<sup>th</sup> April 2025

## STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31ST MARCH 2025

	From 01/01/2025 to 31/03/2025	From 01/01/2024 to 31/03/2024
<b>Cash Flows from Operating Activities</b>		
Interest Received	1,339	1,862
Interest Payments	(1,077)	(1,021)
Net commission receipts	60	38
Payments to Employees	(277)	(251)
VAT, DLR & NBT, ESC on financial services	(11)	(11)
Receipts from Other Operating Activities	1	-
Payments on Other Operating Activities	(124)	(117)

<b>Operating profit before changes in Operating Assets &amp; Liabilities</b>	<b>(90)</b>	<b>501</b>
Financial assets at amortised cost - loans & advances	(890)	(1,066)
Other assets	(19)	(407)
	<b>(908)</b>	<b>(1,473)</b>

<b>Increase/ (Decrease) in Operating Liabilities</b>		
Financial liabilities at amortised cost-due to depositors	1,291	657
Financial liabilities at amortised cost-due to other borrowers	(104)	-
Other liabilities	112	227

<b>Net cash generated from operating activities before Income Tax</b>	<b>301</b>	<b>(89)</b>
Taxes Paid	(29)	(22)
Income Taxes Paid	-	-

<b>Net Cash from Operating Activities</b>	<b>272</b>	<b>(111)</b>
---	------------	--------------

<b>Cash flows from investing activities</b>		
Dividend Received	-	-
Net Proceeds from Placement with banks	-	-
Purchase of Property, Plant & Equipment	(9)	(3)
Net Proceeds from the sale & maturity of financial investments	(29)	109

<b>Net cash (used in)/ from investing activities</b>	<b>(39)</b>	<b>106</b>
--	-------------	------------

<b>Cash flows from financing activities</b>		
Repayment of subordinated debt	-	-
Payments to Consolidated Fund	-	-
<b>Net cash from financing activities</b>	<b>-</b>	<b>-</b>

<b>Net increase/(decrease) in cash &amp; cash equivalents</b>	<b>234</b>	<b>(5)</b>
Cash and cash equivalents at the beginning of the period	125	120
<b>Cash and cash equivalents at the end of the period</b>	<b>358</b>	<b>115</b>

<b>Reconciliation of Cash and Cash Equivalents</b>		
Cash and Short Term Funds	358	125
Borrowings from Banks (OD)	-	(10)
<b>Cash and cash equivalents at the end of the period</b>	<b>358</b>	<b>115</b>

## Analysis of Financial Instruments by Measurement Basis - Bank - Current Year (31.03.2025)

	AC	FVPL	FVOCI	Total
<b>ASSETS</b>				
Cash and cash equivalents	358			<b>358</b>
Placements with banks	256			<b>256</b>
Loans and advances	46,013			<b>46,013</b>
Debt instruments	677			<b>677</b>
Reverse Repos	1,478			<b>1,478</b>
Treasury Bills	7,278			<b>7,278</b>
Treasury Bond	423			<b>423</b>
Unit Trusts		2,037		<b>2,037</b>
Unquoted Shares			5	<b>5</b>
<b>Total financial assets</b>	<b>56,482</b>	<b>2,037</b>	<b>5</b>	<b>58,524</b>

<b>LIABILITIES</b>		
Due to Banks	-	-
<b>Financial liabilities</b>		
- Due to depositors	49,397	<b>49,397</b>
- Due to debt security holders	-	-
- Due to other borrowers	37	<b>37</b>
<b>Total financial liabilities</b>	<b>49,434</b>	<b>49,434</b>

## Analysis of Financial Instruments by Measurement Basis - Bank Previous Year (31.12.2024)

	AC	FVPL	FVOCI	Total
<b>ASSETS</b>				
Cash and cash equivalents	125			<b>125</b>
Placements with banks	153			<b>153</b>
Loans and advances	44,667			<b>44,667</b>
Debt instruments	694			<b>694</b>
Reverse Repos	2,256			<b>2,256</b>
Treasury Bills	5,608			<b>5,608</b>
Treasury Bonds	423			<b>423</b>
Commercial Papers	-			-
Unit Trusts		2,943		<b>2,943</b>
Unquoted Shares			5	<b>5</b>
<b>Total financial assets</b>	<b>54,619</b>	<b>2,943</b>	<b>5</b>	<b>57,568</b>

<b>LIABILITIES</b>		
Due to Banks	-	-
<b>Financial liabilities</b>		
- Due to depositors	48,161	<b>48,161</b>
- Due to debt security holders	-	-
- Due to other borrowers	141	<b>141</b>
<b>Total financial liabilities</b>	<b>48,301</b>	<b>48,301</b>

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

Ratio Analysis as at 31/03/2025	31/03/2025	31/12/2024
---------------------------------	------------	------------

<b>Regulatory Capital Adequacy (LKR 'Mn)-Basel III</b>		
Common Equity Tire - 1	4,531	4,787
Tier - 1 Capital	4,531	4,787
Total Capital	4,143	4,787

<b>Regulatory Capital Ratios (%)</b>		
Common Equity Tire 1 Capital Ratio (Minimum Requirement 7%)	19.57	19.28
Tier 1 Capital Ratio (Minimum Req 8.5%)	19.57	19.28
Total Capital Ratio (Minimum Req 12.5%)	17.89	19.28
Basel III Leverage Ratio (Minimum Requirement 3%)	7.88	8.40

<b>Regulatory Liquidity Requirement</b>		
Liquidity Coverage Ratio (LCR) (Minimum req-100%)	127.57	104.79
Total Stock of High Quality Liquid Assets Rs.Mn	9,423	7,167
Net Stable Funding Ratio (Minimum req-100%)	111.00	108.00

<b>Assets Quality</b>		
Impaired Loan (stage 3) to Total Loan ratio %	36.00	33.00
impairment (stage 3) to stage 3 loans ratio %	13.70	14.10

<b>Income &amp; Profitability</b>		
Interest Margin %	1.35	3.83
Return on Assets %	0.67	0.28
Return on Equity %	0.22	0.59
Cost to Income Ratio	73.04	84.32

<b>Memorandum Information</b>		
Credit Rating	BBB	BBB
Number of Branches	25	25
Number of Employees	340	353

## STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31.03.2025

	Contributed Capital	Statutory Reserve	Capital Reserve	General Reserve	Title Indemnity Fund	Retained Earnings	AFS Reserve	Total
<b>Balance as at 31/12/2023</b>	<b>890</b>	<b>307</b>	<b>393</b>	<b>683</b>	<b>1</b>	<b>3,180</b>		<b>5,454</b>
Prior Period Adjustments								
Net Profit for the Year						32		<b>32</b>
Other Comprehensive Income						(32)		<b>(32)</b>
Transfer During the Year						(34)		<b>(34)</b>
Transfer to Consolidated Fund								
<b>Balance as at 31/12/2024</b>	<b>890</b>	<b>307</b>	<b>393</b>	<b>683</b>	<b>1</b>	<b>3,146</b>		<b>5,420</b>
Prior Year adjustments						(3)		<b>(3)</b>
Net Profit for the year						36		<b>36</b>
Deemed dividend Tax over Payment								
Other Comprehensive Income								
Transfer During the Year								
Transfer to Consolidated Fund								
<b>Balance as at 31/03/2025</b>	<b>890</b>	<b>307</b>	<b>393</b>	<b>683</b>	<b>1</b>	<b>3,179</b>		<b>5,453</b>

Hotline 1922

e mail-gm@smib.lk

web-www.smib.lk

State Mortgage & Investment Bank, No.269, Galle Road, Colombo 03, Sri Lanka.

## Analysis of amount due to depositors

	31.03.2025	31.12.2024
<b>By Product</b>		
Savings deposits	3,757	3,574
Fixed deposits	45,363	44,319
Other deposits (Schemes)	277	267
<b>Total</b>	<b>49,397</b>	<b>48,161</b>

## a. Product wise Gross Loans and Advances

	31.03.2025	31.12.2024
Mortgage	9,901	10,881
EPF	15,661	13,939
Vehicle	-	-
Staff loans	152	150
Personal Loans	17,133	17,669
Others	3,530	2,404
Less- Allowance for Day 1 Difference - Staff Loan	(365)	(365)
<b>Gross Total</b>	<b>46,013</b>	<b>44,678</b>

## b. Stage wise impairment on loans and advances

	31.03.2025	31.12.2024
<b>Gross loans and advances</b>	<b>46,013</b>	<b>44,678</b>
Stage 1	24,616	24,539
Stage 2	4,653	5,401
Stage 3	16,744	14,738
<b>(Less): Accumulated impairment under:</b>	<b>3,034</b>	<b>2,937</b>
Stage 1	404	403
Stage 2	335	456
Stage 3	2,294	2,078
<b>Net Loans and Advances</b>	<b>42,979</b>	<b>41,741</b>
Less- First day impact of Moratorium Loans	11	11
<b>Net Loans and Advances</b>	<b>42,968</b>	<b>41,730</b>

## c. Movements in impairment during the Period

	31.03.2025	31.12.2024
<b>Stage 1</b>		
Opening balance as at 01/01/2025	403	428
Charge/ (Write back) to income Statement	2	(25)
Write-off during the year	-	-
<b>Closing balance at 31/03/2025</b>	<b>405</b>	<b>403</b>
<b>Stage 2</b>		
Opening balance as at 01/01/2025	456	431
Charge/ (Write back) to income Statement	(121)	25
Write-off during the year	-	-
<b>Closing balance at 31/03/2025</b>	<b>335</b>	<b>456</b>
<b>Stage 3</b>		
Opening balance as at 01/01/2025	2,078	1,530
Charge/ (Write back) to income Statement	216	548
Write-off during the year	-	-
<b>Closing balance at 31/03/2025</b>	<b>2,294</b>	<b>2,078</b>
<b>Total</b>	<b>3,034</b>	<b>2,937</b>