



STATE MORTGAGE & INVESTMENT BANK

Financial Statements For The Period Ended 30 September 2025

Fitch Rating BB (Ika) Stable

INCOME STATEMENT FOR THE PERIOD ENDED 30TH SEPTEMBER 2025

	From 01/01/2025 to 30/09/2025	From 01/01/2024 to 30/09/2024
Interest income	5,361	5,855
Interest expenses	(2,929)	(4,312)
Net interest income	2,432	1,543
Fee and commission income	268	110
Net fee and commission income	268	110
Net Fair Value Gains/(Losses) from FA at FVPL	119	307
Net other operating income (net)	25	2
Total operating income	2,844	1,962
Impairment Charges	(314)	(334)
Net operating income	2,530	1,628
Personnel expenses	(1,168)	(991)
Depreciation and amortization expenses	(90)	(28)
Other expenses	(442)	(397)
Operating profit/(loss) before VAT & SSCL	830	212
Value added tax (VAT) on financial services (18%)	(307)	(180)
Social Security Levy (2.5%)	(43)	(25)
Profit/(loss) before tax	480	7
Income Tax expenses	(307)	-
Profit/(loss) for the period	172	7

STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30TH SEPTEMBER 2025

	From 01/01/2025 to 30/09/2025	From 01/01/2024 to 30/09/2024
Profit/(loss) for the Period	172	7
Items that will be reclassified to income statement		
Gains and Losses on Re-Measuring Financial Assets	-	-
Items that will not be reclassified to income statement		
Re-measurement of post-employment benefit obligations	-	-
Deferred Tax effect on Actuarial Gains/Losses on defined benefit obligations	-	-
Total comprehensive income for the period	172	7

STATEMENT OF FINANCIAL POSITION AS AT 30TH SEPTEMBER 2025

	As at 30/09/2025	As at 31/12/2024
Assets		
Cash and cash equivalents	130	125
Placements with Banks	794	153
Financial Assets - AC	-	-
- Loans and Advanced	43,154	41,730
- Debt and Other Instruments	11,336	11,922
Financial Assets - FVOCI	5	5
Property, plant and equipment	437	504
Deferred tax assets	634	634
Other assets	616	596
Total assets	57,105	55,668
Liabilities		
Due to banks	-	-
Financial Liabilities at Amortised Cost		
- Due to Depositors	48,758	48,161
- Due to Debt Securities Holders	-	-
- Due to Other Borrowers	62	141
Employee Benefit Liability	756	678
Other Liabilities	1,940	1,269
Total liabilities	51,516	50,248
Equity		
Stated Capital/Assigned Capital	890	890
Statutory Reserve Fund	307	307
Retained Earnings	3,315	3,146
Other Reserves	1,078	1,078
Total equity	5,589	5,420
Total equity and liabilities	57,105	55,668

Certification:

These Financial Statements give a true and fair view of the state of affairs of the State Mortgage and Investment Bank as at 30 September 2025 and its profit for the year then ended.

Mr.K.L.N.A. Perera
Deputy General Manager (Corporate Planning & Branch Operation)

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,

Mr. Maheel P. Kuragama
Chairman

Mr. D.R.L. Wickramasinghe
Director

Mr.I.T.Asuramanna
General Manager / CEO

30th October 2025

STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30TH SEPTEMBER 2025

	From 01/01/2025 to 30/09/2025	From 01/01/2024 to 30/09/2024
Cash Flows from Operating Activities		
Interest Received	5,337	5,501
Interest Payments	(3,470)	(4,287)
Net commission receipts	268	110
Payments to Employees	(882)	(846)
VAT, DLR & NBT, ESC on financial services	(157)	(70)
Receipts from Other Operating Activities	3	2
Payments on Other Operating Activities	(368)	(397)
Operating profit before changes in Operating Assets & Liabilities	730	12
Financial assets at amortised cost - loans & advances	(1,595)	(1,883)
Other assets	(20)	(11)
Increase/ (Decrease) in Operating Liabilities		
Financial liabilities at amortised cost-due to depositors	1,136	(3,461)
Financial liabilities at amortised cost-due to other borrowers	(79)	(169)
Other liabilities	(62)	485
Net cash generated from operating activities before Income Tax	109	(5,027)
Gratuity Paid	(48)	(40)
Income Taxes Paid	-	-
Net Cash from Operating Activities	61	(5,067)
Cash flows from investing activities		
Dividend Received	22	-
Purchase of financial investments	-	-
Purchase of Property, Plant & Equipment	(23)	(215)
Proceeds from the sale and maturity of financial investments	(55)	5,269
Net cash (used in)/ from investing activities	(56)	5,054
Cash flows from financing activities		
Repayment of subordinated debt	-	-
Payments to Consolidated Fund	-	-
Net cash from financing activities	-	-
Net increase/(decrease) in cash & cash equivalents	5	(13)
Cash and cash equivalents at the beginning of the period	125	120
Cash and cash equivalents at the end of the period	130	107
Reconciliation of Cash and Cash Equivalents		
Cash and Short Term Funds	130	161
Borrowings from Banks (OD)	-	(54)
Cash and cash equivalents at the end of the period	130	107

Analysis of Financial Instruments by Measurement Basis - Bank - Current Year (30.09.2025)

	AC	FVPL	FVOCI	Total
ASSETS				
Cash and cash equivalents	130			130
Placements with banks	536			536
Loans and advances	46,405			46,405
Debt instruments	739			739
Reverse Repos	1,420			1,420
Treasury Bills	7,029			7,029
Treasury Bonds	323			323
Money Market Saving	257			257
Unit Trusts		1,828		1,828
Unquoted Shares			5	5
Total financial assets	56,839	1,828	5	58,672
LIABILITIES				
Due to Banks	-			-
Financial liabilities				
- Due to depositors	48,758			48,758
- Due to debt security holders	-			-
- Due to other borrowers	62			62
Total financial liabilities	48,820			48,820

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

	AC	FVPL	FVOCI	Total
ASSETS				
Cash and cash equivalents	125			125
Placements with banks	153			153
Loans and advances	44,667			44,667
Debt instruments	694			694
Reverse Repos	2,256			2,256
Treasury Bills	5,608			5,608
Treasury Bonds	423			423
Commercial Papers	-	2,943		2,943
Unit Trusts			5	5
Unquoted Shares				-
Total financial assets	54,619	2,943	5	57,568
LIABILITIES				
Due to Banks	-			-
Financial liabilities				
- Due to depositors	48,161			48,161
- Due to debt security holders	-			-
- Due to other borrowers	141			141
Total financial liabilities	48,301			48,301

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 30/09/2025

	30/09/2025	31/12/2024
Regulatory Capital Adequacy (LKR 'Mn)-Basel III		
Common Equity Tire - 1	4,531	4,787
Tire -1 Capital	4,130	4,787
Total Capital	4,130	4,787

Regulatory Capital Ratios (%)		
Common Equity Tire 1 Capital Ratio (Minimum Requirement 7%)	18.36	19.28
Tier 1 Capital Ratio (Minimum Req 8.5%)	16.74	19.28
Total Capital Ratio (Minimum Req 12.5%)	16.74	19.28
Basel III Leverage Ratio (Minimum Requirement 3%)	7.27	8.40

Regulatory Liquidity Requirement		
Liquidity Coverage Ratio (LCR) (Minimum req-100%)	112.82	104.79
Total Stock of High Quality Liquid Assets Rs.Mn	8,802	7,167
Net Stable Funding Ratio (Minimum req-100%)	105.00	108.00

Assets Quality		
Impaired Loan (stage 3) to Total Loan ratio %	37.00	33.00
impairment (stage 3) to stage 3 loans ratio %	14.32	14.10

Income & Profitability		
Interest Margin %	4.31	3.83
Return on Assets %	0.85	0.28
Return on Equity %	3.13	0.59
Cost to Income Ratio	70.81	84.32

Memorandum Information		
Credit Rating	BB	BBB
Number of Branches	25	25
Number of Employees	338	353

Certification:

We, the undersigned, being the Chief Executive Officer and the Chief Financial Officer of the Bank jointly certify that:

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

Mr.I.T.Asuramanna
General Manager / CEO

Mr.K.L.N.A. Perera
Deputy General Manager
(Corporate Planning & Branch Operation)

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30.09.2025

	Contributed Capital	Statutory Reserve	Capital Reserve	General Reserve	Title Indemnity Fund	Retained Earnings	AFS Reserve	Total
Balance as at 31/12/2023	890	307	393	683	1	3,180	-	5,454
Prior Period Adjustments						(34)		(34)
Net Profit / Loss for the Year						32		32
Other Comprehensive Income						(32)		(32)
Transfer During the Year								
Transfer to Consolidated Fund								
Balance as at 31/12/2024	890	307	393	683	1	3,146		5,420
Prior Year adjustments						(3)		(3)
Net Profit / Loss for the year						172		172
Deemed dividend Tax over Payment								
Other Comprehensive Income								
Transfer During the Year								
Transfer to Consolidated Fund								
Balance as at 30/09/2025	890	307	393	683	1	3,315	-	5,589

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