



Basel III - Minimum Disclosure Requirements under Pillar III

As at 30th September 2024

(Un-audited)

National Savings Bank

Market Discipline - Minimum Disclosure Requirements under Pillar III

Key Regulatory Ratios- Capital and Liquidity

Item	Bank		Group	
	30.09.2024	30.09.2023	30.09.2024	30.09.2023
Regulatory Capital(LKR '000)				
Common Equity Tier 1	48,326,326	39,889,349	59,773,037	47,884,250
Tier 1 Capital	53,326,326	44,889,349	64,773,037	52,884,250
Total Capital	60,873,948	52,383,389	72,245,220	59,988,551
Regulatory Capital Ratios(%)				
Common Equity Tier 1 Capital Ratio(Minimum Requirement : 7%)	16.309	12.377	19.583	14.506
Tier 1 Capital Ratio(Minimum Requirement : 8.5%)	17.996	13.928	21.221	16.021
Total Capital Ratio (Minimum Requirement : 12.5%)	20.543	16.254	23.669	18.173
Leverage Ratio(Minimum Requirement : 3%)	6.569	5.057	7.320	5.664
Regulatory Liquidity				
Liquidity Coverage Ratio(%)-Rupee (Minimum Requirement : 100%)	348.45	288.98	N/A	N/A
Liquidity Coverage Ratio(%)-All Currency (Minimum Requirement: 100%)	343.78	283.61	N/A	N/A
NSFR (%)-(Minimum Requirement :100%)	184.89	177.46	N/A	N/A

Basel III Computation of Capital Ratios

(LKR '000)

Item	Bank		Group	
	30.09.2024	30.09.2023	30.09.2024	30.09.2023
Common Equity Tier 1 (CET1) Capital after Adjustments	48,326,326	39,889,349	59,773,037	47,884,250
Total Common Equity Tier 1 (CET1) Capital	67,507,737	60,284,929	71,875,529	61,703,655
Equity Capital (Stated capital) /Assigned capital	9,400,000	9,400,000	9,400,000	9,400,000
Reserve fund	5,369,172	5,224,842	5,464,218	5,281,952
Published Retained Earnings/(Accumulated Retained Losses)	9,057,105	6,008,140	13,254,720	7,469,197
Published Accumulated other comprehensive income (OCI)	589,575	(3,439,938)	664,714	(3,539,371)
General and other disclosed reserves	43,091,885	43,091,885	43,091,877	43,091,877
Unpublished current year's profit/(losses) and gains reflected in OCI	-	-	-	-
Ordinary shares issued by consolidated banking and financial subsidiaries of the bank and held by third parties	-	-	-	-
Total Adjustments to CET1 Capital	19,181,410	20,395,578	12,102,489	13,819,404
Goodwill (net)	-	-	-	-
Intangible assets (net)	2,562,356	662,569	2,563,905	665,664
Revaluation losses of property, plant and equipment	46,140	32,902	46,140	32,902
Deferred tax assets (net)	3,479,405	7,660,630	3,479,405	7,664,309
Cash flow hedge reserve	-	-	-	-
Gains on sale related securitisation transactions	-	-	-	-
Defined benefit pension fund assets (Net)	2,230,673	2,365,392	2,230,673	2,365,392
Investments in the capital of banking and financial institutions where the bank does not own more than 10 per cent of the issued ordinary share capital of the entity	3,580,144	2,830,417	3,782,368	3,091,138
Significant investments in the capital of financial institutions where the bank owns more than 10 per cent of the issued ordinary share capital of the entity	6,754,910	6,843,670	-	-
Shortfall of the Capital in Financial Subsidiaries	527,783	-	-	-
Additional Tier 1 (AT1) Capital after Adjustments	5,000,000	5,000,000	5,000,000	5,000,000
Total Additional Tier 1 (AT1) Capital	5,000,000	5,000,000	5,000,000	5,000,000
Qualifying Additional Tier 1 Capital Instruments	5,000,000	5,000,000	5,000,000	5,000,000
Instruments issued by consolidated banking and financial subsidiaries of the bank and held by third parties	-	-	-	-
Total Adjustments to AT1 Capital	-	-	-	-
Investment in own shares	-	-	-	-

Basel III Computation of Capital Ratios

(LKR '000)

Item	Bank		Group	
	30.09.2024	30.09.2023	30.09.2024	30.09.2023
Tier 2 Capital after Adjustments	7,547,622	7,494,040	7,472,182	7,104,301
Total Tier 2 Capital	8,179,654	7,494,040	8,191,427	7,553,440
Qualifying Tier 2 Capital Instruments	-	-	-	-
Revaluation gains	5,287,981	4,243,803	5,287,981	4,243,803
Loan Loss Provisions	2,891,673	3,250,236	2,903,447	3,309,637
Instruments issued by consolidated banking and financial subsidiaries of the bank and held by third parties	-	-	-	-
Total Adjustments to Tier 2 Capital	632,031	-	719,245	449,139
Investment in own shares	-	-	-	-
Investments in the capital of financial institutions and where the bank does not own more than 10 per cent of the issued capital carrying voting rights of the issuing entity	632,031	-	719,245	449,139
CET 1 Capital	48,326,326	39,889,349	59,773,037	47,884,250
Total Tier 1 Capital	53,326,326	44,889,349	64,773,037	52,884,250
Total Capital	60,873,948	52,383,389	72,245,220	59,988,551
Total Risk Weighted Assets(RWA)	296,323,837	322,287,161	305,230,459	330,098,708
RWAs for Credit Risk	231,333,833	260,018,903	232,275,734	264,770,941
RWAs for Market Risk	9,609,927	11,689,884	15,196,541	13,365,129
RWAs for Operational Risk	55,380,078	50,578,374	57,758,184	51,962,638
CET I Capital Ratio(Including Capital Conservation Buffer,Countercyclical Capital Buffer & Surcharge on D-SIBs)(%)	16.309	12.377	19.583	14.506
of which :Capital Consvration Buffer(%)	2.500	2.500	2.500	2.500
of which: Countercyclical Buffer(%)	0.000	0.000	0.000	0.000
of which:Capital Surcharge on D-SIBs(%)	0.000	0.000	0.000	0.000
Total Tier I Capital Ratio(%)	17.996	13.928	21.221	16.021
Total Capital Ratio(Including Capital Conservation Buffer,Countercyclical Capital Buffer & Surcharge on D-SIBs)(%)	20.543	16.254	23.669	18.173
of which :Capital Consvration Buffer(%)	2.500	2.500	2.500	2.500
of which: Countercyclical Buffer(%)	0.000	0.000	0.000	0.000
of which:Capital Surcharge on D-SIBs(%)	0.000	0.000	0.000	0.000

Computation of Leverage Ratio

(LKR '000)

Item	Bank		Group	
	30.09.2024	30.09.2023	30.09.2024	30.09.2023
Tier I Capital	53,326,326	44,889,348	64,773,038	52,884,250
Total Exposures	811,836,848	887,701,337	884,875,381	933,771,557
On Balance Sheet Items(excluding Derivatives and Securities Financing Transactions,but including Collateral)	764,148,876	778,024,289	802,625,318	808,472,826
Derivative Exposures	102,609	-	102,609	-
Securities Financing Transaction Exposures	44,041,838	105,767,971	78,603,463	121,388,788
Other Off-Balance Sheet Exposures	3,543,524	3,909,076	3,543,990	3,909,943
Basel III Leverage Ratio(%) (Tier I/Total Exposure)	6.569%	5.057%	7.320%	5.664%

Basel III Computation of Liquidity Coverage Ratio (Bank)

Item	Amount (LKR '000)			
	30.09.2024		30.09.2023	
	Total Un-weighted value	Total weighted value	Total Un-weighted value	Total Weighted value
Total Stock of High-Quality Liquid Assets(HQLA)	899,250,038	898,736,327	754,705,782	753,515,779
Total Adjusted Level 1A Assets	899,058,321	899,058,321	753,011,584	753,011,584
Level 1 Assets	898,222,615	898,222,615	751,975,776	751,975,776
Total Adjusted Level 2A Assets	-	-	500,000	425,000
Level 2A Assets	-	-	500,000	425,000
Total Adjusted Level 2B Assets	1,027,424	513,712	2,230,006	1,115,003
Level 2B Assets	1,027,424	513,712	2,230,006	1,115,003
Total Cash Outflows	1,506,088,215	271,488,585	1,472,747,991	278,608,401
Deposits	1,265,286,690	126,528,669	1,214,679,398	121,467,940
Unsecured Wholesale Funding	214,463,971	137,114,011	231,289,233	152,616,286
Secured Funding Transactions	15,011,570	-	11,448,219	-
Undrawn Portion of Committed (Irrevocable)Facilities and Other Contingent Funding Obligations	6,708,772	3,228,695	14,711,677	3,904,712
Additional Requirements	4,617,210	4,617,210	619,464	619,464
Total Cash Inflows	22,950,065	10,061,759	28,300,141	12,924,508
Maturing Secured Lending Transactions Backed by Collateral	11,966,208	5,516,848	6,147,073	4,548,364
Committed Facilities	-	-	-	-
Other Inflows by Counterparty which are Maturing within 30Days	6,554,463	4,535,535	15,265,175	8,373,102
Operational Deposits	4,420,017	-	6,881,811	-
Other Cash Inflows	9,377	9,377	6,083	3,041
Liquidity Coverage Ratio(%)Stock of High Quality Liquid Assets/Total Net Cash Outflow over the Next 30 Calendar Days)*100		343.78		283.61

Computation of Net Stable Funding Ratio (Bank)

Item	Amount (LKR '000)	
	30.09.2024	30.09.2023
Total Available Stable Funding	1,136,768,169	1,134,877,063
Required Stable Funding – On Balance Sheet Assets	614,294,365	639,203,924
Required Stable Funding – Off Balance Sheet Items	552,551	309,671
Total Required Stable Funding	614,846,916	639,513,594
NSFR	184.89	177.46

Main Features of Regulatory Capital Instruments

Description of the Capital Instrument	
Issuer	National Savings Bank
Unique Identifier	
Governing Law(s) of the Instrument	Sri Lanka
Original Date of Issance	27th October 2020
Par Value of Instrument	100
Perpetual or Dated	Perpetual
Original Maturity Date	-
Amount Recognised in Regulatory Capital (Rs'000)	5,000,000
Accounting Classification(Euity/Liability)	Liability
Issuer Call subject to Prior Supervisory Approval	
Optional Call Date ,Contingent Call Dates and Redemption Amount(LKR'000)	N/A
Subsequent Call Dates	N/A
Coupons/Dividends	
Fixed or Floating Dividend/Coupon	Floating/Fixed
Coupon Rate and any Related Index	Six (06) Months Treasury Bill Rate +1.50%/9.25%(Fixed)
Non-Cumulative or Cumulative	Non-Cumulative
Convertible or Non -Convertible	
If Convertible, Conversion Trigger(s)	N/A
If Convertible, Fully or Partially	N/A
If Convertible, Mandatory or Optional	N/A
If Convertible, Conversion Rate	N/A

Credit Risk under Standardised Approach (Bank)
Credit Risk Exposures and Credit Risk Mitigation(CRM) Effects

Item	Amount (LKR '000) as at 30.09.2024					
	Exposures before Credit Conversion Factor(CCF)and CRM		Exposures Post CCF and CRM		RWA and RWA Density(%)	
	On Balance Sheet Amount	Off Balance Sheet Amount	On Balance Sheet Amount	Off Balance Sheet Amount	RWA	RWA Density (*)
Claims on Central Government and CBSL	943,365,744	3,051,500	936,912,943	61,030	-	-
Claims on Foreign Sovereigns and their Central Banks	-	-	-	-	-	-
Claims on Public Sector Entities	190,870,990	323,970	113,695	-	113,695	100.0
Claims on Official Entities and Multilateral Dvelopment Banks	-	-	-	-	-	-
Claims on Banks Exposures	21,082,432	5,704,863	21,082,432	1,074,097	9,730,528	43.9
Claims on Financial Institutions	3,343,054	1,000,000	3,343,054	500,000	2,547,255	66.3
Claims on Corporates	256,781	-	256,781	-	256,781	100.0
Retail Claims	355,588,647	906,850	311,235,132	-	149,223,239	47.9
Claims Secured by Residential Property	65,327,369	124,569	65,327,369	62,284	23,602,592	36.1
Claims Secured by Commercial Real Estate	-	-	-	-	-	-
Non -Performing Assets(NPAs)	11,258,086	-	11,258,086	-	10,372,468	92.1
Higher Risk Categories	556,090	-	556,090	-	1,390,227	250.0
Cash Items and Other Assets	37,801,060	1,846,111	37,801,060	1,846,111	34,097,048	86.0
Total	1,629,450,253	12,957,863	1,387,886,641	3,543,524	231,333,833	16.6

Note:

(*) RWA Density - Total RWA/Exposures post CCF and CRM.

Credit Risk under Standardised Approach (Group)
Credit Risk Exposures and Credit Risk Mitigation(CRM) Effects

Item	Amount (LKR '000) as at 30.09.2024					
	Exposures before Credit Conversion Factor(CCF)and CRM		Exposures Post CCF and CRM		RWA and RWA Density(%)	
	On Balance Sheet Amount	Off Balance Sheet Amount	On Balance Sheet Amount	Off Balance Sheet Amount	RWA	RWA Density (*)
Claims on Central Government and CBSL	955,581,759	3,051,500	944,613,244	61,030	-	-
Claims on Foreign Sovereigns and their Central Banks	-	-	-	-	-	-
Claims on Public Sector Entities	190,871,154	323,970	113,859	-	113,859	100.0
Claims on Official Entities and Multilateral Dvelopment Banks	-	-	-	-	-	-
Claims on Banks Exposures	21,265,477	5,704,863	21,265,477	1,074,097	9,781,016	43.8
Claims on Financial Institutions	3,697,218	1,000,000	3,697,218	500,000	2,724,337	64.9
Claims on Corporates	262,597	-	262,597	-	262,597	100.0
Retail Claims	355,886,857	907,050	311,530,866	100	149,455,777	48.0
Claims Secured by Residential Property	65,524,038	125,302	65,524,038	62,651	23,799,628	36.3
Claims Secured by Commercial Real Estate	-	-	-	-	-	-
Non -Performing Assets(NPAs)	11,303,953	-	11,303,953	-	10,418,002	92.2
Higher Risk Categories	-	-	-	-	-	-
Cash Items and Other Assets	39,428,963	1,846,111	39,428,963	1,846,111	35,720,518	86.5
Total	1,643,822,016	12,958,796	1,397,740,215	3,543,990	232,275,737	16.6

Note:

(*) RWA Density - Total RWA/Exposures post CCF and CRM.

Market Risk under Standardised Measurement Method (Bank)

Item	RWA Amount(LKR'000) as at 30.09.2024
(a)RWA for Interest Rate Risk	5,662,776
General Interest Rate Risk	5,662,776
(i)Net Long or Short Position	5,662,775.80
(ii)Horizontal Disallowance	-
(iii)Vertical Disallowance	-
(iv)Options	-
Specific Interest Rate Risk	-
(b)RWA for Equity	2,818,697
(i)General Equity Risk	1,505,892
(ii)Specific Equity Risk	1,312,805
(c)RWA for Foreign Exchange & Gold	1,128,454
Capital Charge for Market Risk{(a)+(b)+(c) } *CAR	1,201,241

Market Risk under Standardised Measurement Method (Group)

Item	RWA Amount(LKR'000) as at 30.09.2024
(a)RWA for Interest Rate Risk	11,245,905
General Interest Rate Risk	11,245,905
(i)Net Long or Short Position	11,245,905
(ii)Horizontal Disallowance	-
(iii)Vertical Disallowance	-
(iv)Options	-
Specific Interest Rate Risk	-
(b)RWA for Equity	2,822,187
(i)General Equity Risk	1,507,874
(ii)Specific Equity Risk	1,314,313
(c)RWA for Foreign Exchange & Gold	1,128,454
Capital Charge for Market Risk{(a)+(b)+(c) } *CAR	1,899,568

Operational Risk under Basic Indicator Approach (Bank)

Capital Charge	Capital Charge Factor	Gross Income (LKR'000) as at 30.09.2024			LKR'000
		1st Year	2nd Year	3rd Year	
The Basic Indicator Approach	15%	46,635,809	23,980,391	67,833,995	
Capital Charge					6,922,510
Risk Weighted Amount for Operational Risk					55,380,078

Operational Risk under Basic Indicator Approach (Group)

Capital Charge	Capital Charge Factor	Gross Income (LKR'000) as at 30.09.2024			LKR'000
		1st Year	2nd Year	3rd Year	
The Basic Indicator Approach	15%	44,947,212	28,482,780	70,965,463	
Capital Charge					7,219,773
Risk Weighted Amount for Operational Risk					57,758,182

Differences between Accounting and Regulatory Scopes and Mapping Financial Statement Categories with Regulatory Risk Categories - Bank Only

Item	Amount (LKR'000) as at 30.09.2024				
	a Carrying Values as Reported in Published Financial Statements	b Carrying Values under Scope of Regulatory Reporting	c Subject to Credit Risk Framework	d Subject to Market Risk Framework	e Not Subject to Capital Requirements or Subject to Deduction from Capital
Assets	1,692,525,929	1,692,525,929	1,383,002,473	48,716,509	260,806,946
Cash and cash equivalents	10,057,788	10,057,788	10,021,489	36,299	-
Balances with Central Bank	312,015	312,015	312,015	-	-
Placements with banks	16,200,307	16,200,307	16,200,307	-	-
Derivative financial instruments	5,729	5,729	-	-	5,729
Financial assets recognized through profit or loss measured at fair value/Other Financial Assets Held for Trading	26,306,770	26,306,770	-	25,861,358	445,411
Financial assets designated at fair value through profit or loss	-	-	-	-	-
Financial assets at amortised cost	-	-	-	-	-
Loans and Advances	-	-	-	-	-
Loans and receivables to banks	1,212,705	1,212,705	-	-	1,212,705
Loans and receivables to other customers	507,704,722	507,704,722	267,355,728	-	240,348,993
Debt and other instruments/Financial Investments Held to Maturity	1,007,129,458	1,007,129,458	1,006,497,426	-	632,031
Financial assets measured at fair value through OCI/Financial Investments Available for Sale	25,978,196	25,978,196	24,611	22,818,852	3,134,733
Investments in subsidiaries	7,311,000	7,311,000	556,090	-	6,754,910
Investments in associates and joint ventures	-	-	-	-	-
Property, Plant and Equipment	17,477,610	17,477,610	17,477,610	-	-
Investment properties	-	-	-	-	-
Intangible assets	2,562,356	2,562,356	-	-	2,562,356
Deferred tax assets	3,479,405	3,479,405	-	-	3,479,405
Other assets	66,787,869	66,787,869	64,557,196	-	2,230,673
Liabilities	1,595,381,975	1,595,381,975	-	-	-
Due to banks	208,708	208,708	-	-	-
Derivative financial instruments	25,012	25,012	-	-	-
Financial liabilities recognized through profit	-	-	-	-	-
Financial liabilities at amortised cost:	-	-	-	-	-
- Due to depositors	1,505,518,391	1,505,518,391	-	-	-
- due to debt securities holders	-	-	-	-	-
- due to other borrowers	34,832,697	34,832,697	-	-	-
Debt securities issued	11,560,895	11,560,895	-	-	-
Retirement benefit obligations	18,130,920	18,130,920	-	-	-
Current tax liabilities	7,138,249	7,138,249	-	-	-
Deferred tax liabilities	-	-	-	-	-
Other Provisions	-	-	-	-	-
Other liabilities	12,718,734	12,718,734	-	-	-
Due to Subsidiaries	-	-	-	-	-
Subordinated Term Debt	5,248,369	5,248,369	-	-	-
Off Balance Sheet Liabilities	13,410,553	13,410,553	12,051,013	-	1,359,540
Guarantees	906,850	906,850	-	-	906,850
Performance Bonds	-	-	-	-	-
Letters of Credit	452,690	452,690	-	-	452,690
Other Contingent Items	6,756,363	6,756,363	6,756,363	-	-
Undrawn Loan Commitments	3,448,539	3,448,539	3,448,539	-	-
Other Commitments	1,846,111	1,846,111	1,846,111	-	-
Shareholders' Equity	9,400,000	9,400,000	-	-	-
Equity Capital(Stated Capital)/Assigned Capital	-	-	-	-	-
of which Amount Eligible for CET 1	9,400,000	9,400,000	-	-	-
of which Amount Eligible for AT 1	-	-	-	-	-
Retained Earnings	29,283,052	29,283,052	-	-	-
Accumulated Other Comprehensive Income	2,015,003	2,015,003	-	-	-
Other Reserves	56,445,900	56,445,900	-	-	-
Total Shareholders' Equity	97,143,954	97,143,954	-	-	-