



Basel III - Minimum Disclosure Requirements under Pillar III

As at 31st March 2024

(Un-audited)

National Savings Bank

Market Discipline - Minimum Disclosure Requirements under Pillar III

Key Regulatory Ratios- Capital and Liquidity

Item	Bank		Group	
	31.03.2024	31.12.2023	31.03.2024	31.12.2023
Regulatory Capital(LKR '000)				
Common Equity Tier 1	50,594,999	48,539,426	62,028,265	59,238,806
Tier 1 Capital	55,594,999	53,539,426	67,028,265	64,238,806
Total Capital	62,968,083	60,998,920	74,335,825	71,634,169
Regulatory Capital Ratios(%)				
Common Equity Tier 1 Capital Ratio(Minimum Requirement : 7%)	16.323	15.329	19.502	18.391
Tier 1 Capital Ratio(Minimum Requirement : 8.5%)	17.936	16.908	21.074	19.943
Total Capital Ratio (Minimum Requirement : 12.5%)	20.315	19.263	23.372	22.239
Leverage Ratio(Minimum Requirement : 3%)	6.762	6.225	7.568	7.053
Regulatory Liquidity				
Statutory Liquid Assets(LKR'000)	884,377,707	810,782,666	N/A	N/A
Statutory Liquid Assets Ratio(Minimum equirement : 20%)				
Domestic Banking Unit (%)	59.17	54.99	N/A	N/A
Off-Shore Banking Unit (%)			N/A	N/A
Liquidity Coverage Ratio(%)-Rupee (Minimum Requirement : 100%)	308.33	299.20	N/A	N/A
Liquidity Coverage Ratio(%)-All Currency (Minimum Requirement: 100%)	304.70	293.71	N/A	N/A
NSFR (%)-(Minimum Requirement :100%)	183.12	180.49	N/A	N/A

Basel III Computation of Capital Ratios

(LKR '000)

Item	Bank		Group	
	31.03.2024	31.12.2023	31.03.2024	31.12.2023
Common Equity Tier 1 (CET1) Capital after Adjustments	50,594,999	48,539,426	62,028,265	59,238,806
Total Common Equity Tier 1 (CET1) Capital	67,507,737	67,507,737	71,877,712	71,108,806
Equity Capital (Stated capital) /Assigned capital	9,400,000	9,400,000	9,400,000	9,400,000
Reserve fund	5,369,172	5,369,172	5,464,218	5,464,218
Published Retained Earnings/(Accumulated Retained Losses)	9,057,105	9,057,105	13,254,720	12,485,813
Published Accumulated other comprehensive income (OCI)	589,575	589,575	666,898	666,898
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Unpublished current year's profit/(losses) and gains reflected in OCI	-	-	-	-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	16,912,737	18,968,309	9,849,447	11,869,998
Goodwill (net)	-	-	-	-
Intangible assets (net)	909,635	744,715	911,825	747,225
Revaluation losses of property, plant and equipment	46,140	51,023	46,140	51,023
Deferred tax assets (net)	3,526,419	5,885,288	3,526,419	5,885,288
Cash flow hedge reserve	-	-	-	-
Gains on sale related securitisation transactions	-	-	-	-
Defined benefit pension fund assets (Net)	2,230,673	2,230,673	2,230,673	2,230,673
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	2,939,640	2,776,029	3,134,391	2,955,791
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	6,732,448	6,752,800	-	-
Shortfall of the Capital in Financial Subsidiaries	527,783	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	
	31.03.2024	31.12.2023	31.03.2024	31.12.2023
Tier 2 Capital after Adjustments	7,373,084	7,459,494	7,307,561	7,395,363
Total Tier 2 Capital	7,373,084	7,459,494	7,390,674	7,478,325
Qualifying Tier 2 Capital Instruments	-	-	-	-
Revaluation gains	4,243,803	4,243,803	4,243,803	4,243,803
Loan Loss Provisions	3,129,281	3,215,691	3,146,870	3,234,522
Instruments issued by consolidated banking and financial subsidiaries of the bank and held by third parties	-	-	-	-
Total Adjustments to Tier 2 Capital	-	-	83,113	82,962
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	-	-	83,113	82,962
CET 1 Capital	50,594,999	48,539,426	62,028,265	59,238,806
Total Tier 1 Capital	55,594,999	53,539,426	67,028,265	64,238,806
Total Capital	62,968,083	60,998,920	74,335,825	71,634,169
Total Risk Weighted Assets(RWA)	309,957,632	316,656,440	318,059,596	322,111,226
RWAs for Credit Risk	250,342,448	257,255,264	251,749,612	258,761,746
RWAs for Market Risk	9,445,864	9,393,488	14,265,424	11,735,368
RWAs for Operational Risk	50,169,320	50,007,688	52,044,560	51,614,112
CET I Capital Ratio(Including Capital Conservation Buffer,Countercyclical Capital Buffer & Surcharge on D-SIBs)(%)	16.323	15.329	19.502	18.391
of which :Capital Conservation 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(%)	17.936	16.908	21.074	19.943
Total Capital Ratio(Including Capital Conservation Buffer,Countercyclical Capital Buffer & Surcharge on D-SIBs)(%)	20.315	19.263	23.372	22.239
of which :Capital Conservation 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	
	31.03.2024	31.12.2023	31.03.2024	31.12.2023
Tier I Capital	55,594,999	53,539,426	67,028,264	64,238,805
Total Exposures	822,136,297	860,118,126	885,667,082	910,855,706
On Balance Sheet Items(excluding Derivatives and Securities Financing Transactions,but including Collateral)	765,907,527	769,356,091	805,735,351	801,059,315
Derivative Exposures	18,815	20,140	18,815	20,140
Securities Financing Transaction Exposures	52,660,125	86,645,709	76,324,770	105,637,425
Other Off-Balance Sheet Exposures	3,549,830	4,096,187	3,588,146	4,138,826
Basel III Leverage Ratio(%) (Tier I/Total Exposure)	6.762%	6.225%	7.568%	7.053%

Basel III Computation of Liquidity Coverage Ratio (Bank)

Item	Amount (LKR '000)			
	31.03.2024		31.12.2023	
	Total Un-weighted value	Total weighted value	Total Un-weighted value	Total Weighted value
Total Stock of High-Quality Liquid Assets(HQLA)	859,320,188	858,914,796	788,932,254	788,514,204
Total Adjusted Level 1A Assets	860,211,059	860,211,059	789,711,440	789,711,440
Level 1 Assets	858,159,405	858,159,405	787,746,153	787,746,153
Total Adjusted Level 2A Assets	500,000	425,000	500,000	425,000
Level 2A Assets	500,000	425,000	500,000	425,000
Total Adjusted Level 2B Assets	660,783	330,392	686,100	343,050
Level 2B Assets	660,783	330,392	686,100	343,050
Total Cash Outflows	1,510,324,318	291,856,352	1,493,012,180	283,885,370
Deposits	1,221,977,027	122,197,703	1,212,597,820	121,259,782
Unsecured Wholesale Funding	254,156,222	165,163,597	241,474,027	158,369,494
Secured Funding Transactions	21,651,288	-	25,992,671	-
Undrawn Portion of Committed (Irrevocable)Facilities and Other Contingent Funding Obligations	11,759,335	3,717,104	12,363,356	3,671,788
Additional Requirements	780,446	780,446	584,307	584,307
Total Cash Inflows	20,421,168	9,970,689	40,224,812	15,417,697
Maturing Secured Lending Transactions Backed by Collateral	5,507,919	3,668,990	13,241,124	3,563,632
Committed Facilities	-	-	-	-
Other Inflows by Counterparty which are Maturing within 30Days	9,796,096	6,298,155	20,491,958	11,850,077
Operational Deposits	5,110,732	-	6,484,677	-
Other Cash Inflows	6,421	3,545	7,052	3,988
Liquidity Coverage Ratio(%)Stock of High Quality Liquid Assets/Total Net Cash Outflow over the Next 30 Calendar Days)*100		304.70		293.71

Computation of Net Stable Funding Ratio (Bank)

Item	Amount (LKR '000)	
	31.03.2024	31.12.2023
Total Available Stable Funding	1,136,361,116	1,130,807,499
Required Stable Funding – On Balance Sheet Assets	620,228,758	626,157,020
Required Stable Funding – Off Balance Sheet Items	337,268	366,395
Total Required Stable Funding	620,566,026	626,523,415
NSFR	183.12	180.49

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 31.03.2024					
	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	906,656,730	903,050	904,815,882	18,061	-	-
Claims on Foreign Sovereigns and their Central Banks	-	-	-	-	-	-
Claims on Public Sector Entities	199,216,003	323,970	166,247	-	166,247	100.0
Claims on Official Entities and Multilateral Dvelopment Banks	-	-	-	-	-	-
Claims on Banks Exposures	26,949,242	3,374,096	26,949,242	1,507,482	13,026,735	45.8
Claims on Financial Institutions	2,504,229	-	2,504,229	-	1,627,954	65.0
Claims on Corporates	2,041,281	-	2,041,281	-	998,151	48.9
Retail Claims	359,473,435	1,115,534	315,753,654	-	162,933,299	51.6
Claims Secured by Residential Property	67,871,128	140,035	67,871,128	70,017	24,224,889	35.7
Claims Secured by Commercial Real Estate	-	-	-	-	-	-
Non -Performing Assets(NPAs)	10,811,186	-	10,811,186	-	9,451,935	87.4
Higher Risk Categories	578,552	-	578,552	-	1,446,383	250.0
Cash Items and Other Assets	40,997,833	1,954,268	40,997,833	1,954,268	36,466,859	84.9
Total	1,617,099,619	7,810,953	1,372,489,234	3,549,830	250,342,448	18.2

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 31.03.2024					
	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	918,377,998	903,050	916,610,417	18,061	-	-
Claims on Foreign Sovereigns and their Central Banks	-	-	-	-	-	-
Claims on Public Sector Entities	199,216,167	323,970	166,411	-	166,411	100.0
Claims on Official Entities and Multilateral Dvelopment Banks	-	-	-	-	-	-
Claims on Banks Exposures	27,784,417	3,374,096	27,784,417	1,507,482	13,414,105	45.8
Claims on Financial Institutions	3,039,526	-	3,039,526	-	1,895,603	62.4
Claims on Corporates	2,047,196	-	2,047,196	-	1,004,065	49.0
Retail Claims	359,743,048	1,115,734	316,020,554	100	163,139,203	51.6
Claims Secured by Residential Property	68,155,106	140,068	68,155,106	70,034	24,508,884	35.9
Claims Secured by Commercial Real Estate	-	-	-	-	-	-
Non -Performing Assets(NPAs)	10,858,209	-	10,858,209	-	9,498,013	87.5
Higher Risk Categories	-	-	-	-	-	-
Cash Items and Other Assets	42,620,412	1,992,468	42,620,412	1,992,468	38,123,329	85.5
Total	1,631,842,079	7,849,387	1,387,302,248	3,588,146	251,749,612	18.1

Note:

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

Market Risk under Standardised Measurement Method (Bank)

Item	RWA Amount(LKR'000) as at 31.03.2024
(a)RWA for Interest Rate Risk	6,190,019
General Interest Rate Risk	6,190,019
(i)Net Long or Short Position	6,190,018.74
(ii)Horizontal Disallowance	-
(iii)Vertical Disallowance	-
(iv)Options	-
Specific Interest Rate Risk	-
(b)RWA for Equity	1,780,831
(i)General Equity Risk	984,500
(ii)Specific Equity Risk	796,330
(c)RWA for Foreign Exchange & Gold	1,475,018
Capital Charge for Market Risk{(a)+(b)+(c) } *CAR	1,180,733

Market Risk under Standardised Measurement Method (Group)

Item	RWA Amount(LKR'000) as at 31.03.2024
(a)RWA for Interest Rate Risk	11,026,879
General Interest Rate Risk	11,026,879
(i)Net Long or Short Position	11,026,879
(ii)Horizontal Disallowance	-
(iii)Vertical Disallowance	-
(iv)Options	-
Specific Interest Rate Risk	-
(b)RWA for Equity	1,763,528
(i)General Equity Risk	974,615
(ii)Specific Equity Risk	788,913
(c)RWA for Foreign Exchange & Gold	1,475,018
Capital Charge for Market Risk{(a)+(b)+(c) } *CAR	1,783,178

Operational Risk under Basic Indicator Approach (Bank)

Capital Charge	Capital Charge Factor	Gross Income (LKR'000) as at 31.03.2024			LKR'000
		1st Year	2nd Year	3rd Year	
The Basic Indicator Approach	15%	60,808,476	25,208,806	39,406,027	
Capital Charge					6,271,165
Risk Weighted Amount for Operational Risk					50,169,320

Operational Risk under Basic Indicator Approach (Group)

Capital Charge	Capital Charge Factor	Gross Income (LKR'000) as at 31.03.2024			LKR'000
		1st Year	2nd Year	3rd Year	
The Basic Indicator Approach	15%	60,254,881	25,578,982	44,277,546	
Capital Charge					6,505,571
Risk Weighted Amount for Operational Risk					52,044,560

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

Item	Amount (LKR'000) as at 31.03.2024				
	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	1,681,946,071	1,681,946,071	1,365,680,436	55,315,768	260,949,868
Cash and cash equivalents	11,405,959	11,405,959	11,387,433	18,526	-
Balances with Central Bank	192,320	192,320	192,320	-	-
Placements with banks	21,306,138	21,306,138	21,306,138	-	-
Derivative financial instruments	668	668	-	-	668
Financial assets recognized through profit or loss measured at fair value/Other Financial Assets Held for Trading	15,575,148	15,575,148	-	15,255,318	319,829
Financial assets designated at fair value through profit or loss	-	-	-	-	-
Financial assets at amortised cost	-	-	-	-	-
Loans and Advances	-	-	-	-	-
Loans and receivables to banks	1,234,911	1,234,911	402,187	-	832,724
Loans and receivables to other customers	514,568,997	514,568,997	270,791,336	-	243,777,661
Debt and other instruments/Financial Investments Held to Maturity	972,295,151	972,295,151	972,295,151	-	-
Financial assets measured at fair value through OCI/Financial Investments Available for Sale	42,695,966	42,695,966	34,232	40,041,924	2,619,811
Investments in subsidiaries	7,311,000	7,311,000	578,552	-	6,732,448
Investments in associates and joint ventures	-	-	-	-	-
Property, Plant and Equipment	17,506,930	17,506,930	17,506,930	-	-
Investment properties	-	-	-	-	-
Intangible assets	909,635	909,635	-	-	909,635
Deferred tax assets	3,526,419	3,526,419	-	-	3,526,419
Other assets	73,416,829	73,416,829	71,186,157	-	2,230,673
Liabilities	1,596,688,985	1,596,688,985	-	-	-
Due to banks	4,639,843	4,639,843	-	-	-
Derivative financial instruments	2,200	2,200	-	-	-
Financial liabilities recognized through profit	-	-	-	-	-
Financial liabilities at amortised cost:	-	-	-	-	-
- Due to depositors	1,496,430,355	1,496,430,355	-	-	-
- due to debt securities holders	-	-	-	-	-
- due to other borrowers	40,663,849	40,663,849	-	-	-
Debt securities issued	18,290,898	18,290,898	-	-	-
Retirement benefit obligations	18,731,278	18,731,278	-	-	-
Current tax liabilities	48,933	48,933	-	-	-
Deferred tax liabilities	-	-	-	-	-
Other Provisions	-	-	-	-	-
Other liabilities	12,623,955	12,623,955	-	-	-
Due to Subsidiaries	-	-	-	-	-
Subordinated Term Debt	5,257,673	5,257,673	-	-	-
Off Balance Sheet Liabilities	8,263,643	8,263,643	6,695,419	-	1,568,224
Guarantees	1,065,585	1,065,585	-	-	1,065,585
Performance Bonds	-	-	-	-	-
Letters of Credit	502,640	502,640	-	-	502,640
Other Contingent Items	1,277,146	1,277,146	1,277,146	-	-
Undrawn Loan Commitments	3,464,005	3,464,005	3,464,005	-	-
Other Commitments	1,954,268	1,954,268	1,954,268	-	-
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	17,694,411	17,694,411	-	-	-
Accumulated Other Comprehensive Income	1,877,672	1,877,672	-	-	-
Other Reserves	56,285,003	56,285,003	-	-	-
Total Shareholders' Equity	85,257,086	85,257,086	-	-	-