



Basel III - Minimum Disclosure Requirements under Pillar III

As at 30th June 2024

(Un-audited)

National Savings Bank

Market Discipline - Minimum Disclosure Requirements under Pillar III

Key Regulatory Ratios- Capital and Liquidity

Item	Bank		Group	
	30.06.2024	30.06.2023	30.06.2024	30.06.2023
Regulatory Capital(LKR '000)				
Common Equity Tier 1	50,268,381	44,476,842	61,695,035	52,036,327
Tier 1 Capital	55,268,381	49,476,842	66,695,035	57,036,327
Total Capital	63,604,262	57,068,632	74,961,235	64,059,909
Regulatory Capital Ratios(%)				
Common Equity Tier 1 Capital Ratio(Minimum Requirement : 7%)	16.467	13.350	19.624	15.458
Tier 1 Capital Ratio(Minimum Requirement : 8.5%)	18.105	14.851	21.214	16.944
Total Capital Ratio (Minimum Requirement : 12.5%)	20.835	17.129	23.843	19.030
Leverage Ratio(Minimum Requirement : 3%)	6.625	6.037	7.461	6.681
Regulatory Liquidity				
Liquidity Coverage Ratio(%)-Rupee (Minimum Requirement : 100%)	318.64	254.75	N/A	N/A
Liquidity Coverage Ratio(%)-All Currency (Minimum Requirement: 100%)	314.37	258.92	N/A	N/A
NSFR (%)-(Minimum Requirement :100%)	184.18	172.19	N/A	N/A

Basel III Computation of Capital Ratios

(LKR '000)

Item	Bank		Group	
	30.06.2024	30.06.2023	30.06.2024	30.06.2023
Common Equity Tier 1 (CET1) Capital after Adjustments	50,268,381	44,476,842	61,695,035	52,036,327
Total Common Equity Tier 1 (CET1) Capital	67,507,737	62,054,991	71,877,712	63,477,365
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	(1,669,876)	666,898	(1,765,661)
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Unpublished current year's profit/(losses) and gains reflected in OCI	-	-	-	-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	17,239,354	17,578,147	10,182,676	11,441,037
Goodwill (net)	-	-	-	-
Intangible assets (net)	829,030	743,034	830,902	746,976
Revaluation losses of property, plant and equipment	46,140	32,902	46,140	32,902
Deferred tax assets (net)	3,579,140	5,760,031	3,579,140	6,175,986
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	3,290,908	1,878,541	3,495,823	2,119,782
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	6,735,682	6,798,249	-	-
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 (ATI) 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	
	30.06.2024	30.06.2023	30.06.2024	30.06.2023
Tier 2 Capital after Adjustments	8,335,881	7,591,791	8,266,200	7,023,582
Total Tier 2 Capital	8,335,881	7,591,791	8,350,753	7,606,403
Qualifying Tier 2 Capital Instruments	-	-	-	-
Revaluation gains	5,287,981	4,243,803	5,287,981	4,243,803
Loan Loss Provisions	3,047,900	3,347,987	3,062,772	3,362,600
Instruments issued by consolidated banking and financial subsidiaries of the bank and held by third parties	-	-	-	-
Total Adjustments to Tier 2 Capital	-	-	84,553	582,821
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	-	-	84,553	582,821
CET 1 Capital	50,268,381	44,476,842	61,695,035	52,036,327
Total Tier 1 Capital	55,268,381	49,476,842	66,695,035	57,036,327
Total Capital	63,604,262	57,068,632	74,961,235	64,059,909
Total Risk Weighted Assets(RWA)	305,270,650	333,162,025	314,392,487	336,621,888
RWAs for Credit Risk	243,831,978	267,838,977	245,021,767	269,007,976
RWAs for Market Risk	8,881,728	12,599,592	14,688,472	14,206,168
RWAs for Operational Risk	52,556,944	52,723,456	54,682,248	53,407,744
CET I Capital Ratio(Including Capital Conservation Buffer,Countercyclical Capital Buffer & Surcharge on D-SIBs(%))	16.467	13.350	19.624	15.458
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(%)	18.105	14.851	21.214	16.944
Total Capital Ratio(Including Capital Conservation Buffer,Countercyclical Capital Buffer & Surcharge on D-SIBs(%))	20.835	17.129	23.843	19.030
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	
	30.06.2024	30.06.2023	30.06.2024	30.06.2023
Tier I Capital	55,268,382	49,476,842	66,695,035	57,036,328
Total Exposures	834,243,149	819,511,643	893,936,730	853,745,230
On Balance Sheet Items(excluding Derivatives and Securities Financing Transactions,but including Collateral)	768,687,048	749,262,408	803,225,483	771,813,512
Derivative Exposures	57,409	10,955	57,409	10,955
Securities Financing Transaction Exposures	61,997,526	64,482,301	87,113,712	76,163,917
Other Off-Balance Sheet Exposures	3,501,166	5,755,979	3,540,125	5,756,847
Basel III Leverage Ratio%(Tier I/Total Exposure)	6.625%	6.037%	7.461%	6.681%

Basel III Computation of Liquidity Coverage Ratio (Bank)

Item	Amount (LKR '000)			
	30.06.2024		30.06.2023	
	Total Un-weighted value	Total weighted value	Total Un-weighted value	Total Weighted value
Total Stock of High-Quality Liquid Assets(HQLA)	870,440,215	870,130,976	788,932,254	788,514,204
Total Adjusted Level 1A Assets	870,005,175	870,005,175	789,711,440	789,711,440
Level 1 Assets	869,821,738	869,821,738	787,746,153	787,746,153
Total Adjusted Level 2A Assets	-	-	500,000	425,000
Level 2A Assets	-	-	500,000	425,000
Total Adjusted Level 2B Assets	618,477	309,238	686,100	343,050
Level 2B Assets	618,477	309,238	686,100	343,050
Total Cash Outflows	1,502,536,680	291,006,182	1,493,012,180	283,885,370
Deposits	1,233,509,830	123,350,983	1,212,597,820	121,259,782
Unsecured Wholesale Funding	248,416,651	160,793,097	241,474,027	158,369,494
Secured Funding Transactions	10,058,311	-	25,992,671	-
Undrawn Portion of Committed (Irrevocable)Facilities and Other Contingent Funding Obligations	6,921,476	3,234,061	12,363,356	3,671,788
Additional Requirements	3,630,413	3,630,413	584,307	584,307
Total Cash Inflows	32,915,742	14,175,325	40,224,812	15,417,697
Maturing Secured Lending Transactions Backed by Collateral	11,813,755	4,078,675	13,241,124	3,563,632
Committed Facilities	-	-	-	-
Other Inflows by Counterparty which are Maturing within 30Days	16,955,167	10,068,649	20,491,958	11,850,077
Operational Deposits	4,115,838	-	6,484,677	-
Other Cash Inflows	30,983	28,001	7,052	3,988
Liquidity Coverage Ratio(%)Stock of High Quality Liquid Assets/Total Net Cash Outflow over the Next 30 Calendar Days)*100		314.32		293.71

Computation of Net Stable Funding Ratio (Bank)

Item	Amount (LKR '000)	
	30.06.2024	30.06.2023
Total Available Stable Funding	1,129,872,887	1,130,807,499
Required Stable Funding – On Balance Sheet Assets	613,106,187	626,157,020
Required Stable Funding – Off Balance Sheet Items	350,394	366,395
Total Required Stable Funding	613,456,581	626,523,415
NSFR	184.18	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 30.06.2024					
	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	920,653,633	-	911,404,972	-	-	-
Claims on Foreign Sovereigns and their Central Banks	-	-	-	-	-	-
Claims on Public Sector Entities	198,256,301	323,970	142,437	-	142,437	100.0
Claims on Official Entities and Multilateral Dvelopment Banks	-	-	-	-	-	-
Claims on Banks Exposures	25,385,599	3,598,765	25,385,599	1,031,975	12,036,740	45.6
Claims on Financial Institutions	2,577,003	1,000,000	2,577,003	500,000	2,176,045	70.7
Claims on Corporates	781,793	-	781,793	-	362,751	46.4
Retail Claims	356,791,659	1,107,131	312,530,842	-	155,563,771	49.8
Claims Secured by Residential Property	66,316,309	136,991	66,316,309	68,496	23,887,058	36.0
Claims Secured by Commercial Real Estate	-	-	-	-	-	-
Non -Performing Assets(NPAs)	11,726,336	-	11,726,336	-	10,989,184	93.7
Higher Risk Categories	575,318	-	575,318	-	1,438,298	250.0
Cash Items and Other Assets	40,870,799	1,900,694	40,870,799	1,900,694	37,235,696	87.1
Total	1,623,934,749	8,067,551	1,372,311,409	3,501,166	243,831,978	17.7

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 30.06.2024					
	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	927,887,715	-	918,681,008	-	-	-
Claims on Foreign Sovereigns and their Central Banks	-	-	-	-	-	-
Claims on Public Sector Entities	198,256,465	323,970	142,602	-	142,602	100.0
Claims on Official Entities and Multilateral Dvelopment Banks	-	-	-	-	-	-
Claims on Banks Exposures	26,198,907	3,598,765	26,198,907	1,031,975	12,215,316	44.9
Claims on Financial Institutions	3,123,379	1,000,000	3,123,379	500,000	2,449,233	67.6
Claims on Corporates	787,725	-	787,725	-	368,684	46.8
Retail Claims	357,051,001	1,107,331	312,787,535	100	155,762,104	49.8
Claims Secured by Residential Property	66,576,634	137,024	66,576,634	68,512	24,147,399	36.2
Claims Secured by Commercial Real Estate	-	-	-	-	-	-
Non -Performing Assets(NPAs)	11,772,641	-	11,772,641	-	11,034,375	93.7
Higher Risk Categories	-	-	-	-	-	-
Cash Items and Other Assets	42,501,433	1,939,537	42,501,433	1,939,537	38,902,054	87.5
Total	1,634,155,901	8,106,627	1,382,571,864	3,540,125	245,021,765	17.7

Note:

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

Market Risk under Standardised Measurement Method (Bank)

Item	RWA Amount(LKR'000) as at 30.06.2024
(a)RWA for Interest Rate Risk	5,399,914
General Interest Rate Risk	5,399,914
(i)Net Long or Short Position	5,399,914.24
(ii)Horizontal Disallowance	-
(iii)Vertical Disallowance	-
(iv)Options	-
Specific Interest Rate Risk	-
(b)RWA for Equity	2,303,125
(i)General Equity Risk	1,250,523
(ii)Specific Equity Risk	1,052,602
(c)RWA for Foreign Exchange & Gold	1,178,694
Capital Charge for Market Risk{(a)+(b)+(c) } *CAR	1,110,217

Market Risk under Standardised Measurement Method (Group)

Item	RWA Amount(LKR'000) as at 30.06.2024
(a)RWA for Interest Rate Risk	11,219,378
General Interest Rate Risk	11,219,378
(i)Net Long or Short Position	11,219,378
(ii)Horizontal Disallowance	-
(iii)Vertical Disallowance	-
(iv)Options	-
Specific Interest Rate Risk	-
(b)RWA for Equity	2,290,396
(i)General Equity Risk	1,243,279
(ii)Specific Equity Risk	1,047,117
(c)RWA for Foreign Exchange & Gold	1,178,694
Capital Charge for Market Risk{(a)+(b)+(c) } *CAR	1,836,059

Operational Risk under Basic Indicator Approach (Bank)

Capital Charge	Capital Charge Factor	Gross Income (LKR'000) as at 30.06.2024			LKR'000
		1st Year	2nd Year	3rd Year	
The Basic Indicator Approach	15%	58,416,360	19,289,051	53,686,943	
Capital Charge					6,569,618
Risk Weighted Amount for Operational Risk					52,556,944

Operational Risk under Basic Indicator Approach (Group)

Capital Charge	Capital Charge Factor	Gross Income (LKR'000) as at 30.06.2024			LKR'000
		1st Year	2nd Year	3rd Year	
The Basic Indicator Approach	15%	56,793,747	21,789,996	58,121,877	
Capital Charge					6,835,281
Risk Weighted Amount for Operational Risk					54,682,248

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

Item	Amount (LKR'000) as at 30.06.2024				
	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	1,691,548,397	1,691,548,397	1,365,731,847	57,502,759	268,313,791
Cash and cash equivalents	9,448,748	9,448,748	9,433,078	15,669	-
Balances with Central Bank	272,015	272,015	272,015	-	-
Placements with banks	21,113,670	21,113,670	21,113,670	-	-
Derivative financial instruments	25,019	25,019	-	-	25,019
Financial assets recognized through profit or loss measured at fair value/Other Financial Assets Held for Trading	28,249,146	28,249,146	-	27,998,909	250,236
Financial assets designated at fair value through profit or loss	-	-	-	-	-
Financial assets at amortised cost	-	-	-	-	-
Loans and Advances	-	-	-	-	-
Loans and receivables to banks	2,761,943	2,761,943	(1,778)	-	2,763,720
Loans and receivables to other customers	512,108,875	512,108,875	263,249,255	-	248,859,620
Debt and other instruments/Financial Investments Held to Maturity	986,749,390	986,749,390	986,749,390	-	-
Financial assets measured at fair value through OCI/Financial Investments Available for Sale	32,560,011	32,560,011	31,160	29,488,180	3,040,671
Investments in subsidiaries	7,311,000	7,311,000	575,318	-	6,735,682
Investments in associates and joint ventures	-	-	-	-	-
Property, Plant and Equipment	17,196,566	17,196,566	17,196,566	-	-
Investment properties	-	-	-	-	-
Intangible assets	829,030	829,030	-	-	829,030
Deferred tax assets	3,579,140	3,579,140	-	-	3,579,140
Other assets	69,343,846	69,343,846	67,113,173	-	2,230,673
Liabilities	1,600,559,269	1,600,559,269	-	-	-
Due to banks	161,841	161,841	-	-	-
Derivative financial instruments	181	181	-	-	-
Financial liabilities recognized through profit	-	-	-	-	-
Financial liabilities at amortised cost:	-	-	-	-	-
- Due to depositors	1,494,870,394	1,494,870,394	-	-	-
- due to debt securities holders	-	-	-	-	-
- due to other borrowers	48,236,518	48,236,518	-	-	-
Debt securities issued	18,855,333	18,855,333	-	-	-
Retirement benefit obligations	17,490,101	17,490,101	-	-	-
Current tax liabilities	3,673,354	3,673,354	-	-	-
Deferred tax liabilities	-	-	-	-	-
Other Provisions	-	-	-	-	-
Other liabilities	12,168,719	12,168,719	-	-	-
Due to Subsidiaries	-	-	-	-	-
Subordinated Term Debt	5,102,828	5,102,828	-	-	-
Off Balance Sheet Liabilities	8,520,241	8,520,241	6,960,420	-	1,559,821
Guarantees	1,059,678	1,059,678	-	-	1,059,678
Performance Bonds	-	-	-	-	-
Letters of Credit	500,143	500,143	-	-	500,143
Other Contingent Items	1,598,765	1,598,765	1,598,765	-	-
Undrawn Loan Commitments	3,460,961	3,460,961	3,460,961	-	-
Other Commitments	1,900,694	1,900,694	1,900,694	-	-
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	23,053,390	23,053,390	-	-	-
Accumulated Other Comprehensive Income	2,181,287	2,181,287	-	-	-
Other Reserves	56,354,452	56,354,452	-	-	-
Total Shareholders' Equity	90,989,128	90,989,128	-	-	-