



HNB delivers strong nine month performance



Damith Pallewatte, MD/CEO, HNB.



Sanjay Wijemanne, COO, HNB.

Amid shifting economic dynamics, Hatton National Bank (HNB) recorded strong financial performance for the nine months ended September 2026, with Group Profit After Tax (PAT) reaching 33.6 billion rupees and the Bank recording a PAT of 33 billion rupees.

Balance sheet expansion was a key contributor to the Bank’s performance, with Gross Advances increasing by 313.5 billion rupees, representing a Year-to-Date (YTD) growth of 20.7 percent. Deposits grew by 251.7 billion rupees, reflecting a 12.8 percent YTD increase. Despite the higher interest rate environment, the Bank maintained a healthy CASA ratio of 32 percent, supporting a balanced funding mix.

Net Interest Income (NII) increased by 23.6 percent Year-on-Year (YoY) to 85.5 billion rupees, while Net Interest Margin (NIM) stood at 4.5 percent. Strong lending momentum contributed to a 19.7 percent increase in interest income, while interest expenses rose by 16.6 percent.

Net Fee and Commission Income recorded a 25.4 percent YoY increase to 20.6

billion rupees, supported by higher card and digital transactions, increased trade finance activity, and growth in leasing and other services. Exchange-related income also improved during the period.

Total Operating Income increased by 22.9 percent YoY to 112.7 billion rupees, while Total Operating Expenses rose by 13.6 percent, partly reflecting investments in strategic transformation initiatives. The cost-to-income ratio remained at 36.1 percent. Strong revenue growth and cost discipline contributed to a 28.8 percent YoY increase in Pre-impairment Operating Profit to 71.9 billion rupees.

The Bank recorded impairment provisions of 5.3 billion rupees, compared to an impairment reversal of 7.5 billion rupees during the corresponding period of 2025. The Net Stage 3 ratio stood at 1.09 percent, while Stage 3 Coverage reached 73.46 percent, reflecting continued attention to credit risk management.

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Damith Pallewatte, Managing Director/Chief Executive Officer, HNB, stated, “As the domestic economy continued to adjust to evolving economic conditions, HNB delivered a strong financial performance for the nine months ended September 2026. We continued to see healthy growth in both lending and deposits, while maintaining a balanced funding mix and a sound CASA position. As we expanded our business, we remained measured in our approach to impairment provisioning, while maintaining strong capital and liquidity positions.”

He further emphasized the Bank’s ongoing transformation through its OneHNB approach, which aims to integrate capabilities to deliver seamless customer solutions while strengthening digital services, infrastructure, operations, and governance.

“Our ambition is to make HNB a stronger, more agile and future-ready institution, delivering sustainable growth and long-term value for all our stakeholders,” Pallewatte added.

The Bank’s total assets reached 2.69 trillion rupees as at September 2026,

representing YTD growth of 12.7 percent. Gross loans and advances stood at 1.82 trillion rupees, while deposits reached 2.21 trillion rupees. HNB maintained sound capital and liquidity positions, with a Tier I Capital Adequacy Ratio of 14.26 percent, Total Capital Adequacy Ratio of 16.59 percent and All Currency Liquidity Coverage Ratio of 165.32 percent, providing sufficient headroom for future growth while remaining comfortably within regulatory requirements.