HNB records robust growth, reinforcing commitment to national economic progress



Nihal Jayawardena, Chairma, HNB.



Damith Pallewatte, MD and CEO, HNB.

HNB maintained its growth in the first half of 2025, with Group Profit After Tax (PAT) increasing by 42.5 percent to 23.16 billion rupees, and Bank PAT rising 37.9 percent to 21.19 billion rupees. Despite pressure on interest margins, Net Interest Income remained stable at 45.6 billion rupees. A 11.3 percent YoY decline in interest income due to lower rates was balanced by an 18.7 percent YoY drop in interest expenses, thanks to strategic efforts to enhance the CASA base.

Nihal Jayawardena, Chairman, HNB, stated, “I’m pleased to share our performance

for the first half of 2025, which reflects the unwavering commitment of our Hatna family and the enduring trust our valued customers continue to place in us.” He added that “completing the fourth review under the IMF’s extended fund facility reinforces macroeconomic stability. As a domestic systemically important bank, HNB remains a trusted partner in progress and is committed to fostering inclusive growth and uplifting communities nationwide.”

Net Fee and Commission Income grew by 19.7 percent YoY, driven by increased card usage and a surge in digital transactions. Exchange income rose to 2.8 billion rupees, recovering from a loss of 1.3 billion rupees in 2024, due to the depreciation of the Sri Lankan rupee. Asset quality improved with a favorable shift in the Stage three portfolio, reflected in an impairment reversal of 5.1 billion rupees, compared to a charge of 1.5 billion rupees last year. This led to a Net Stage 3 ratio improvement to 1.59 from 1.88 percent, while the Stage 3 coverage ratio remained strong at 74.88 percent.

Damith Pallewatte, Managing Director and CEO, HNB, stated that the bank’s first-half performance highlights its strength and strategic focus. HNB is committed to inclusive growth while advancing its digital transformation to enhance customer experience and operational efficiency. Key investments, including the TradeX platform for trade finance and an upgraded digital app featuring trilingual access and instant cash-backed loans, allow the bank to serve customers more effectively. Looking ahead, HNB aims to lead in digital innovation, strengthen customer relationships, and provide sustainable value to stakeholders.

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As of June 2025, the Group’s asset base exceeded 2.5 trillion rupees, achieving a 13.7 percent growth in six months, with net loans and advances increasing by 137.6 billion rupees and deposits growing by 160 billion rupees to reach 1.9 trillion rupees. HNB maintained strong capital buffers, with Tier I and Total Capital Adequacy Ratios at 18.42 percent and 22.46 percent, well above the required minimums of 9.5 and 13.5 percent. The Bank’s liquidity position remained robust,

with a Liquidity Coverage Ratio of 271.54 percent, significantly above the 100 percent regulatory threshold.