

People's Bank achieved 181.9 billion in Consolidated Gross Income during the First Half of 2024

Posted on



Sujeewa Rajapakse, Chairman, People's Bank and Clive Fonseka, CEO/GM, People's Bank.

People's Bank announced its financial results for the first half ended June 30, 2024. The Bank reported a total consolidated operating income of 44.6 billion and a post-tax profit of 3.2 billion. Excluding the impact of exceptional adjustments given greater prudence considering current macroeconomic circumstances, these figures on a normalized basis were otherwise 62.6 billion and 12.7 billion, respectively, reflecting a growth of 29.9 percent and 104.2 percent.

Consolidated net interest income rose to 35.0 billion rupees during the first half from 31.4 billion in 2023. On a normalized basis, excluding the impact of any exceptional items,

consolidated net interest margins improved to 3.2 percent from 2.1 percent during 2024, reflecting the reduced term deposit cost of funding. Consolidated net fees and commissions amount to 7.4 billion rupees, representing a 19.3 percent growth on a like-for-like basis. Total consolidated operating expenses amounted to 34.6 billion rupees.

Total consolidated customer deposits touched 2,885.6 billion rupees, and net loans amounted to 1,866.8 billion rupees. The impaired loan ratio also showed improvement relative to the end of 2023. Total consolidated assets reached 3,364.1 billion rupees at period end.

The Bank's total Tier I and Total Capital Adequacy Ratios were 11.5 percent and 15.9 percent, respectively, at June 30, 2024, while on a consolidated basis, they were 12.8 percent and 16.8 percent, respectively. The Bank's solvency levels continue to remain sound. Further efforts to bolster its regulatory capital, including for the purposes of additional contingency, are currently in process.

Sujeewa Rajapakse, Chairman of People's Bank, stated: "We are happy with the Bank's steadfast progress across various dimensions, notwithstanding the yet interim pressures associated with the yet-to-be-concluded debt restructuring initiatives of the Government of Sri Lanka. We remain optimistic that these pressures will and should abate soon, with the support of all key stakeholders. Despite these constraints, the Bank has once again showcased its exceptional strength and resilience, and it has further improved its capacity for growth across all core aspects of its operational metrics.

As we anticipate and navigate the complexities that exist in a recovering macroeconomic landscape, our focus remains on fostering innovation, enhancing collaboration, and driving advancement across every facet of our business. As always, we continue to play a leading role in the country's economic revitalization.

Our continued success is a direct reflection of the diligence, hard work, dedication, and commitment of all our employees, as well as our customers' unwavering trust and confidence. On behalf of the Board of Directors, I take the opportunity to extend my deepest gratitude to all stakeholders as we look forward to the future with greater hope and optimism."

Clive Fonseka, Chief Executive Officer/ General Manager, stated, "Amidst unforeseen challenges, our team has yet again exemplified its resilience, adaptability, and steadfast

commitment. The results from the year's first half illustrate our ability to advance despite the many difficulties.

By emphasizing operational efficiency, elevating the customer experience, and strategically investing in technology and talent, we have positioned ourselves for sustainable long-term growth.

As we proceed through the remainder of the year, our focus remains sharply aligned with our strategic priorities while navigating the prevailing challenges. We remain committed to fostering innovation, cultivating collaboration, and driving transformative change at every juncture, ensuring we maintain our leadership position within the industry.

We eagerly anticipate progressing with these objectives, propelled by renewed vigor and purpose!"