

# People's Bank achieves 43.7 billion rupees Pre-Tax Profit in nine months

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Prof Narada Fernando, Chairman, People's Bank and Clive Fonseka, CEO/GM, People's Bank.

People's Bank reported its strongest-ever financial results for the nine months ended September 30, 2025, reinforcing its position as Sri Lanka's most trusted and influential financial services provider, serving seven out of ten Sri Lankan's and originating one in five retail and business loans nationwide. The Bank's solo performance drove the record results, with People's Bank posting a standalone post-tax profit of 28.8 billion rupees, the highest nine-month profit in its history despite significant SOE-related impairments. Operating income rose 99.4 percent to 121.9 billion rupees, supported by strong core earnings. Net interest income nearly doubled to 103.9 billion rupees, lifting the net interest margin to four from 3.4 percent in December 2024. Net fees and commissions reached a record 12.2 billion rupees, reflecting robust customer activity and transaction volumes. The balance sheet expanded steadily, with solo assets reaching 3.6 trillion rupees, deposits 3.2

trillion rupees, and net loans 1.6 trillion rupees, reinforcing the Bank's role in national credit intermediation. Capital adequacy remained strong, with Tier I at 11.5 percent and Total Capital at 16 percent, even after prudential deductions. Liquidity stayed well above regulatory requirements, with a Rupee LCR of 287 percent.

The Bank's solo results underpinned its record performance, the Group also delivered strong consolidated results, with post-tax profit of 30.5 billion rupees and operating income of 139.5 billion rupees. Consolidated gross income rose to 312.8 billion rupees, and consolidated assets increased to 3.9 trillion rupees, demonstrating the Group's resilience and the underlying strength of its subsidiaries. Consolidated net interest margins improved to 4.3 percent, supported by prudent margin management and heightened operational efficiency. People's Bank continued to demonstrate leadership in digital transformation, recording 5.7 million digital onboardings and four million mobile banking app registrations by the end of September 2025. These results highlight rapid adoption of enhanced digital platforms and reinforce the Bank's position as Sri Lanka's most accessible and inclusive financial institution.

Professor Narada Fernando, Chairman, People's Bank, said: "We are pleased to present the third-quarter results for 2025, which reflect the Bank's sustained strength and resilience. The steady normalization of previously challenged areas demonstrates the depth of the progress made, positioning People's Bank to support the government's economic agenda while maintaining consistent and responsible profitability as a strong state institution. Despite ongoing macroeconomic complexities, we remain firmly committed to advancing our strategic priorities, driving innovation, and enhancing collaboration to deliver secure, seamless, and modern financial services to our customers. We remain committed to expanding financial inclusion so all Sri Lankans can benefit from the economic recovery. Guided by our vision to be the nation's leading financial services provider, we aim to set benchmarks in service excellence, innovation, and national development, while strengthening partnerships to support a more inclusive and resilient future."

Clive Fonseka, CEO/GM, stated: "I am proud to share that our third-quarter results mark the highest performance in our institution's history—an achievement that reflects the strength of our shared purpose and the dedication of our teams across the country. These results were delivered while the Bank was undergoing a robust business model transformation, shifting from a long-standing emphasis on state-sector financing toward competing more vigorously for private-sector business. This

strategic repositioning, supported by operational excellence, customer-centric transformation, and strategic digital investments, has strengthened our foundation and enhanced agility, enabling us to deliver greater value to customers and stakeholders.”