People’s Bank records Pre-Tax Profit of 28 billion rupees in H1 2025



Prof. Narada Fernando, Chairman, People’s Bank.



Clive Fonseka, CEO and General Manager, People’s Bank.

People’s Bank reported operating income of 80.8 billion rupees and a post-tax profit of 18.2 billion rupees for the period ended June 30, 2025, despite significant impairment charges on state-owned enterprise exposures.

The Bank’s net interest income rose to 69.3 billion rupees during the period, reflecting the timely repricing of assets and liabilities in line with changing market interest rates. Consequently, net interest margins improved to four percent in 2025. Net fees and commissions reached eight billion rupees, recording a 16.8 percent

growth, the highest ever for the same period. Total operating expenses stood at 33.4 billion rupees. Customer deposits reached 3,125.3 billion rupees while net loans stood at 1,592.3 billion. Total assets rose to 3,571.8 billion rupees on a solo basis. As of June 30, 2025, the Bank’s Tier I and Total Capital Adequacy Ratios stood at 12 percent and 16.9 percent, respectively. On a consolidated basis, the ratios were 13.2 and 17.6 percent. These ratios reflect all prudential deductions, including those related to the sovereign-backed state-owned enterprise restructuring, which were fully accounted for, ensuring a conservative and prudent assessment.

At the end of 1H 2025, the group’s consolidated operating income was 91.8 billion rupees. Pre-tax and post-tax profits were 31.0 billion and 19.6 billion rupees, respectively. Total deposits reached 3,248.1 billion rupees, net loans grew to 1,785.6 billion rupees, and total assets amounted to 3,795.0 billion rupees by June 2025.

Professor Narada Fernando, Chairman of People’s Bank, stated that the bank achieved a record performance in the first half of the year, highlighting its strong position as an independent state institution. He emphasized the bank’s commitment to financial inclusion, supporting SMEs, and improving living standards for all Sri Lankans. Despite challenges in the macroeconomic environment, the bank is focused on strengthening private sector lending, fostering innovation, and empowering entrepreneurs to contribute to the broader economy. The goal is to be the leading financial services provider, known for excellence in customer service and contributions to national development.

Clive Fonseka, CEO/GM, People’s Bank, announced that the first half of 2025 marked the highest performance in the bank’s history. This success reflects the team’s dedication and strategic agility, especially amid challenging conditions. Notably, the bank reduced its exposure to State-Owned Enterprises (SOEs) from 42.8 percent at the end of 1H 2024 to 26.5 percent in 1H 2025. This strategic shift towards the private sector helped offset the decline in SOE business. Fonseka emphasized the bank’s commitment to its strategic priorities, stating that they will continue to navigate external challenges with resilience, innovation, and a focus on long-term stakeholder value.

Thushari Hewawasam, Acting Head of Finance and DGM – Commercial Credit, reported that as of June 2025, the Group’s asset base reached 3.8 trillion, a 9.3% growth in H1, driven by a 120.6 billion increase in net loans and a 300.2 billion rise in deposits. She noted that this performance reflects the Bank’s focus on operational efficiency, digital transformation, and customer-centric initiatives, strengthening its competitive position.

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