



STATE MORTGAGE & INVESTMENT BANK

Financial Statements For The Period Ended 31 March 2025

LRA Issuer Rating [SL] BBB Stable

INCOME STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2025

	Rs 'Mn	Rs 'Mn
	From 01/01/2025 to 31/03/2025	From 01/01/2024 to 31/03/2024
Interest income	1,784	2,170
Interest expenses	(1,020)	(1,739)
Net interest income	764	431
Fee and commission income	60	38
Net fee and commission income	60	38
Net Fair Value Gains/(Losses) from FA at FVPL	42	123
Net other operating income (net)	1	-
Total operating income	867	592
Impairment Charges	(97)	(68)
Net operating income	770	524
Personnel expenses	(382)	(287)
Depreciation and amortization expenses	(29)	(8)
Other expenses	(124)	(117)
Operating profit/(loss) before VAT & SSCL	234	113
Value added tax (VAT) on financial services (18%)	(96)	(59)
Social Security Levy (2.5%)	(13)	(8)
Profit/(loss) before tax	124	46
Income Tax expenses	(88)	-
Profit/(loss) for the period	36	46

STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31ST MARCH 2025

	Rs 'Mn	Rs 'Mn
	From 01/01/2025 to 31/03/2025	From 01/01/2024 to 31/03/2024
Profit/(loss) for the Period	36	46
Items that will be reclassified to income statement		
Gains and Losses on Re-Measuring Financial Assets	-	-
Items that will not be reclassified to income statement		
Re-measurement of post-employment benefit obligations	-	-
Deferred Tax effect on Actuarial Gains/Losses on defined benefit obligations	-	-
Total comprehensive income for the period	36	46

STATEMENT OF FINANCIAL POSITION AS AT 31ST MARCH 2025

	Rs 'Mn	Rs 'Mn
	As at 31/03/2025	As at 31/12/2024
Assets		
Cash and cash equivalents	358	125
Placements with Banks	256	153
Financial Assets - FVPL	-	-
Financial Assets - AC		
- Loans and Advanced	42,968	41,730
- Debt and Other Instruments	11,891	11,922
Financial Assets - FVOCI	5	5
Property, plant and equipment	484	504
Deferred tax assets	634	634
Other assets	614	596
Total assets	57,209	55,668
Liabilities		
Due to banks	-	-
Financial Liabilities at Amortised Cost		
- Due to Depositors	49,397	48,161
- Due to Debt Securities Holders	-	-
- Due to Other Borrowers	37	141
Employee Benefit Liability	691	678
Other Liabilities	1,631	1,269
Total liabilities	51,756	50,248
Equity		
Stated Capital/Assigned Capital	890	890
Statutory Reserve Fund	307	307
Retained Earnings	3,179	3,146
Other Reserves	1,078	1,078
Total equity	5,453	5,420
Total equity and liabilities	57,209	55,668

Certification:

We, the undersigned, being the Chairman, being General Manager and Deputy General Manager (Finance) of State Mortgage and Investment Bank certify jointly that,

(a) the above statements have been prepared in compliance with the format and definitions prescribed by the Central Bank of Sri Lanka.

(b) the information contained in these statements have been extracted from the unaudited draft financial statements of the bank.

The Board of Directors are responsible for the preparation and presentation of these financial statements.

These draft Financial Statements were approved by the Board of Directors and signed on their behalf.

Mr. Maheel P. Kuragama
Chairman

Mr. I.T. Asuramanna
General Manager / CEO

Mr. K.L.N.A. Perera
Deputy General Manager (Finance)

29th April 2025

STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31ST MARCH 2025

	Rs 'Mn	Rs 'Mn
	From 01/01/2025 to 31/03/2025	From 01/01/2024 to 31/03/2024
Cash Flows from Operating Activities		
Interest Received	1,339	1,862
Interest Payments	(1,077)	(1,021)
Net commission receipts	60	38
Payments to Employees	(277)	(251)
VAT, DLR & NBT, ESC on financial services	(11)	(11)
Receipts from Other Operating Activities	1	-
Payments on Other Operating Activities	(124)	(117)
Operating profit before changes in Operating Assets & Liabilities	(90)	501
Financial assets at amortised cost - loans & advances	(890)	(1,066)
Other assets	(19)	(407)
Increase/ (Decrease) in Operating Liabilities	(908)	(1,473)
Financial liabilities at amortised cost-due to depositors	1,291	657
Financial liabilities at amortised cost-due to other borrowers	(104)	-
Other liabilities	112	227
Net cash generated from operating activities before Income Tax	301	(89)
Taxes Paid	(29)	(22)
Income Taxes Paid	-	-
Net Cash from Operating Activities	272	(111)
Cash flows from investing activities		
Dividend Received	-	-
Net Proceeds from Placement with banks	-	-
Purchase of Property, Plant & Equipment	(9)	(3)
Net Proceeds from the sale & maturity of financial investments	(29)	109
Net cash (used in)/ from investing activities	(39)	106
Cash flows from financing activities		
Repayment of subordinated debt	-	-
Payments to Consolidated Fund	-	-
Net cash from financing activities	-	-
Net increase/(decrease) in cash & cash equivalents	234	(5)
Cash and cash equivalents at the beginning of the period	125	120
Cash and cash equivalents at the end of the period	358	115
Reconciliation of Cash and Cash Equivalents		
Cash and Short Term Funds	358	125
Borrowings from Banks (OD)	-	(10)
Cash and cash equivalents at the end of the period	358	115

Analysis of Financial Instruments by Measurement Basis - Bank - Current Year (31.03.2025)

	AC	FVPL	FVOCI	Total
ASSETS				
Cash and cash equivalents	358	-	-	358
Placements with banks	256	-	-	256
Loans and advances	46,013	-	-	46,013
Debt instruments	677	-	-	677
Reverse Repos	1,478	-	-	1,478
Treasury Bills	7,278	-	-	7,278
Treasury Bond	423	-	-	423
Unit Trusts	-	2,037	-	2,037
Unquoted Shares	-	-	5	5
Total financial assets	56,482	2,037	5	58,524

LIABILITIES

Due to Banks	-	-
Financial liabilities		
- Due to depositors	49,397	49,397
- Due to debt security holders	-	-
- Due to other borrowers	37	37
Total financial liabilities	49,434	49,434

Analysis of Financial Instruments by Measurement Basis - Bank Previous Year (31.12.2024)

	AC	FVPL	FVOCI	Total
ASSETS				
Cash and cash equivalents	125	-	-	125
Placements with banks	153	-	-	153
Loans and advances	44,667	-	-	44,667
Debt instruments	694	-	-	694
Reverse Repos	2,256	-	-	2,256
Treasury Bills	5,608	-	-	5,608
Treasury Bonds	423	-	-	423
Commercial Papers	-	-	-	-
Unit Trusts	-	2,943	-	2,943
Unquoted Shares	-	-	5	5
Total financial assets	54,619	2,943	5	57,568

LIABILITIES

Due to Banks	-	-
Financial liabilities		
- Due to depositors	48,161	48,161
- Due to debt security holders	-	-
- Due to other borrowers	141	141
Total financial liabilities	48,301	48,301

AC - Financial assets/liabilities measured at amortised cost
FVPL - Financial assets/liabilities measured at fair value through profit or loss
FVOCI - Financial assets measured at fair value through other comprehensive income

Ratio Analysis as at 31/03/2025

	31/03/2025	31/12/2024
Regulatory Capital Adequacy (LKR 'Mn)-Basel III		
Common Equity Tire - 1	4,531	4,787
Tier - 1 Capital	4,531	4,787
Total Capital	4,143	4,787
Regulatory Capital Ratios (%)		
Common Equity Tire 1 Capital Ratio (Minimum Requirement 7%)	19.57	19.28
Tier 1 Capital Ratio (Minimum Req 8.5%)	19.57	19.28
Total Capital Ratio (Minimum Req 12.5%)	17.89	19.28
Basel III Leverage Ratio (Minimum Requirement 3%)	7.88	8.40

	31/03/2025	31/12/2024
Regulatory Liquidity Requirement		
Liquidity Coverage Ratio (LCR) (Minimum req-100%)	127.57	104.79
Total Stock of High Quality Liquid Assets Rs.Mn	9,423	7,167
Net Stable Funding Ratio (Minimum req-100%)	111.00	108.00

	31/03/2025	31/12/2024
Assets Quality		
Impaired Loan (stage 3) to Total Loan ratio %	36.00	33.00
impairment (stage 3) to stage 3 loans ratio %	13.70	14.10

	31/03/2025	31/12/2024
Income & Profitability		
Interest Margin %	1.35	3.83
Return on Assets %	0.67	0.28
Return on Equity %	0.22	0.59
Cost to Income Ratio	73.04	84.32
Memorandum Information		
Credit Rating	BBB	BBB
Number of Branches	25	25
Number of Employees	340	353

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31.03.2025

	Contributed Capital	Statutory Reserve	Capital Reserve	General Reserve	Title Indemnity Fund	Retained Earnings	AFS Reserve	Total
Balance as at 31/12/2023	890	307	393	683	1	3,180	-	5,454
Prior Period Adjustments	-	-	-	-	-	-	-	-
Net Profit for the Year	-	-	-	-	-	32	-	32
Other Comprehensive Income	-	-	-	-	-	(32)	-	(32)
Transfer During the Year	-	-	-	-	-	(34)	-	(34)
Transfer to Consolidated Fund	-	-	-	-	-	-	-	-
Balance as at 31/12/2024	890	307	393	683	1	3,146	-	5,420
Prior Year adjustments	-	-	-	-	-	(3)	-	(3)
Net Profit for the year	-	-	-	-	-	36	-	36
Deemed dividend Tax over Payment	-	-	-	-	-	-	-	-
Other Comprehensive Income	-	-	-	-	-	-	-	-
Transfer During the Year	-	-	-	-	-	-	-	-
Transfer to Consolidated Fund	-	-	-	-	-	-	-	-
Balance as at 31/03/2025	890	307	393	683	1	3,179	-	5,453

Analysis of amount due to depositors

	Rs. 'Mn	Rs. 'Mn
	31.03.2025	31.12.2024
By Product		
Savings deposits	3,757	3,574
Fixed deposits	45,363	44,319
Other deposits (Schemes)	277	267
Total	49,397	48,161

a. Product wise Gross Loans and Advances

	Rs. 'Mn	Rs. 'Mn
	31.03.2025	31.12.2024
Mortgage	9,901	10,881
EPF	15,661	13,939
Vehicle	-	-
Staff loans	152	150
Personal Loans	17,133	17,669
Others	3,530	2,404
Less- Allowance for Day 1 Difference - Staff Loan	(365)	(365)
Gross Total	46,013	44,678

b. Stage wise impairment on loans and advances

	Rs. 'Mn	Rs. 'Mn
	31.03.2025	31.12.2024
Gross loans and advances	46,013	44,678
Stage 1	24,616	24,539
Stage 2	4,653	5,401
Stage 3	16,744	14,738
(Less): Accumulated impairment under:	3,034	2,937
Stage 1	404	403
Stage 2	335	456
Stage 3	2,294	2,078
Net Loans and Advances	42,979	41,741

Less- First day impact of Moratorium Loans 11 11

Net Loans and Advances 42,968 41,730

c. Movements in impairment during the Period

	31.03.2025	31.12.2024
Stage 1		
Opening balance as at 01/01/2025	403	428
Charge/ (Write back) to income Statement	2	(25)
Write-off during the year	-	-
Closing balance at 31/03/2025	405	403
Stage 2		
Opening balance as at 01/01/2025	456	431
Charge/ (Write back) to income Statement	(121)	25
Write-off during the year	-	-
Closing balance at 31/03/2025	335	456
Stage 3		
Opening balance as at 01/01/2025	2,078	1,530
Charge/ (Write back) to income Statement	216	548
Write-off during the year	-	-
Closing balance at 31/03/2025	2,294	2,078
Total	3,034	2,937