



GROWING STRONGER

INTERIM FINANCIAL STATEMENTS

For the period ended 30 September 2026

Union Bank Posts LKR 1.7 Bn PBT in Nine Months of 2026

28 October 2026, Colombo, Sri Lanka

Union Bank sustained its growth momentum in the nine months ended 30 September 2026, recording strong improvements in profitability, core income and balance sheet growth.

Profit Before All Taxes (PBT) rose 48% year-on-year to LKR 1,744 Mn, while Profit After Tax (PAT) more than doubled to LKR 701 Mn, an increase of 104%.

Gross income grew 20% to LKR 15,803 Mn, while Net Interest Income (NII) increased 27% to LKR 5,039 Mn, supported by lending growth and a continued focus on core banking. Total operating income rose 9% to LKR 6,438 Mn, while operating expenses increased by 8% to LKR 4,974 Mn. Consequently, results from operating activities improved 49% to LKR 1,651 Mn.

The Bank's total assets grew 20% to LKR 207,087 Mn. Net loans and advances increased 25% to LKR 138,329 Mn, while customer deposits rose 16% to LKR 138,096 Mn. Gross loans and advances reached LKR 145,433 Mn, while the net Stage 3 loans ratio improved to 8.0%, reflecting better credit quality.

At Group level, total assets increased 22% to LKR 224,591 Mn. Group Profit Before All Taxes (PBT) rose 51% to LKR 2,061 Mn, while Profit After Tax (PAT) increased 108% to LKR 723 Mn. The Group's results include those of UB Finance PLC and National Asset Management Limited.

Commenting on the performance, Chairman Dinesh Weerakkody said, "The results for the first nine months of 2026 reflect the steady progress of Union Bank's transformation and the resilience of its core banking franchise in a challenging environment. We remain firmly focused on sustainable growth, sound risk management and long-term value creation for all stakeholders."

Director/Chief Executive Officer Dilshan Rodrigo added, "The strong growth in profitability, lending and deposits demonstrates the impact of disciplined execution across customer segments. We will continue to invest in products, distribution, digital capabilities and service excellence to build on this momentum."

INTERIM FINANCIAL STATEMENTS

STATEMENT OF PROFIT OR LOSS

Period ended 30 September 2026

	BANK						GROUP					
	For the nine months ended			For the quarter ended			For the nine months ended			For the quarter ended		
	30.09.2026 LKR '000	30.09.2025 LKR '000	Change %	30.09.2026 LKR '000	30.09.2025 LKR '000	Change %	30.09.2026 LKR '000	30.09.2025 LKR '000	Change %	30.09.2026 LKR '000	30.09.2025 LKR '000	Change %
Gross Income	15,802,529	13,199,632	20	5,662,774	4,704,114	20	18,478,604	15,183,134	22	6,636,878	5,396,622	23
Interest income	13,994,547	10,938,999	28	5,218,069	3,835,571	36	16,389,756	12,682,071	29	6,109,115	4,447,231	37
Less: Interest expenses	8,955,520	6,957,524	29	3,326,930	2,433,972	37	10,138,190	7,798,627	30	3,770,634	2,718,097	39
Net interest income	5,039,027	3,981,475	27	1,891,139	1,401,599	35	6,251,566	4,883,444	28	2,338,481	1,729,134	35
Fee and commission income	1,499,153	1,471,991	2	492,807	611,978	(19)	1,693,145	1,613,811	5	549,418	662,691	(17)
Less: Fee and commission expenses	409,274	338,082	21	134,509	127,865	5	409,274	372,836	10	134,509	139,642	(4)
Net fee and commission income	1,089,879	1,133,909	(4)	358,298	484,113	(26)	1,283,871	1,240,975	3	414,909	523,049	(21)
Net fair value gains / (losses) on:												
- financial assets at fair value through profit or loss	(109,545)	26,532	(513)	(36,717)	(27,931)	31	(108,709)	34,351	(416)	(36,980)	(25,533)	(45)
Net gains / (losses) on derecognition of financial assets:												
- at fair value through profit or loss	50,378	187,561	(73)	7,451	94,265	(92)	50,378	187,561	(73)	7,451	94,265	(92)
- at fair value through other comprehensive income	62,030	374,512	(83)	25,400	107,188	(76)	62,030	374,512	(83)	25,400	107,189	(76)
Net other operating income	305,966	200,037	53	(44,236)	83,043	(153)	392,004	290,828	35	(17,526)	110,779	(116)
Total operating income	6,437,735	5,904,026	9	2,201,335	2,142,277	3	7,931,140	7,011,671	13	2,731,735	2,538,883	8
Less: Impairment for loans and other losses	(187,662)	198,070	(195)	78,707	221,595	(64)	(56,515)	295,431	(119)	138,177	240,023	(42)
Net operating income	6,625,397	5,705,956	16	2,122,628	1,920,682	11	7,987,655	6,716,240	19	2,593,558	2,298,860	13
Less: Personnel expenses	2,098,787	2,002,730	5	708,050	665,919	6	2,558,437	2,370,864	8	873,185	798,114	9
Depreciation and amortisation	686,457	774,612	(11)	245,408	260,240	(6)	798,466	844,380	(5)	285,049	284,488	0
Other expenses	2,188,871	1,822,141	20	767,941	678,687	13	2,570,173	2,139,810	20	915,124	785,395	17
Total operating expenses	4,974,115	4,599,483	8	1,721,399	1,604,846	7	5,927,076	5,355,054	11	2,073,358	1,867,997	11
Results from operating activities	1,651,282	1,106,473	49	401,229	315,836	27	2,060,579	1,361,186	51	520,200	430,863	21
Share of profit of equity accounted investees, net of tax	92,974	71,681	30	22,006	28,158	(22)	-	-	-	-	-	-
Profit before Value Added Tax (VAT) & Social Security Contribution Levy (SSCL) on financial services	1,744,256	1,178,154	48	423,235	343,994	23	2,060,579	1,361,186	51	520,200	430,863	21
Less: VAT on financial services	559,096	456,574	22	172,915	144,022	20	696,684	553,709	26	220,517	180,521	22
Less: SSCL on financial services	53,636	63,413	(15)	-	20,003	(100)	66,967	75,922	(12)	-	25,072	(100)
Profit before tax	1,131,524	658,167	72	250,320	179,969	39	1,296,928	731,555	77	299,683	225,270	33
Less: Tax expenses	430,564	315,220	37	136,285	88,127	55	574,333	384,259	49	181,541	128,959	41
Profit after tax	700,960	342,947	104	114,035	91,842	24	722,595	347,296	108	118,142	96,311	23
Profit Attributable to:												
Equity holders of the parent	700,960	342,947	104	114,035	91,842	24	706,566	337,132	110	113,845	91,846	24
Non-controlling interest	-	-	-	-	-	-	16,029	10,164	58	4,297	4,465	(4)
Profit after tax	700,960	342,947	104	114,035	91,842	24	722,595	347,296	108	118,142	96,311	23
Earnings per share												
Earnings per share - Basic	0.65	0.32	104	0.11	0.08	24	0.65	0.31	110	0.11	0.08	24
Earnings per share - Diluted	0.65	0.32	104	0.11	0.08	24	0.65	0.31	110	0.11	0.08	24

* NM- "Not meaningful"

INTERIM FINANCIAL STATEMENTS

STATEMENT OF COMPREHENSIVE INCOME

Period ended 30 September 2026

	BANK						GROUP					
	For the nine months ended			For the quarter ended			For the nine months ended			For the quarter ended		
	30.09.2026 LKR '000	30.09.2025 LKR '000	Change %	30.09.2026 LKR '000	30.09.2025 LKR '000	Change %	30.09.2026 LKR '000	30.09.2025 LKR '000	Change %	30.09.2026 LKR '000	30.09.2025 LKR '000	Change %
Profit for the period	700,960	342,947	104	114,035	91,842	24	722,595	347,296	108	118,142	96,311	23
Other comprehensive income to be reclassified to profit or loss in subsequent periods:												
Net change in fair value during the period	(330,670)	57,328	(677)	(34,284)	(85,393)	60	(330,670)	57,328	(677)	(34,284)	(85,393)	60
Reclassification to the income statement	(252,538)	(242,912)	4	(38,510)	(80,590)	52	(252,538)	(242,912)	4	(38,510)	(80,590)	52
Less: Tax effect on above	174,963	55,675	214	21,839	49,795	(56)	174,963	55,675	(214)	21,839	49,795	(56)
Total items that will be reclassified to the Statement of Profit or Loss	(408,245)	(129,909)	(214)	(50,955)	(116,188)	56	(408,245)	(129,909)	(214)	(50,955)	(116,188)	56
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:												
Actuarial gains and losses on defined benefit plans	-	-	-	-	-	-	-	-	-	3,538	-	NM
Change in revaluation surplus	-	257,550	100	-	-	-	-	257,550	100	-	-	-
Revaluation gains/ (losses) on equity instruments at fair value through other comprehensive income	-	-	-	-	-	-	-	4,643	100	(13,739)	-	NM
Less: Tax effect on above	-	(77,265)	(100)	-	-	-	-	(77,265)	(100)	3,060	-	NM
Share of other comprehensive income of equity accounted investees, net of tax	351	4,176	92	(6,145)	-	-	-	-	-	-	-	-
Total items that will not be reclassified to the Statement of Profit or Loss	351	184,461	100	(6,145)	-	-	-	184,928	100	(7,141)	-	NM
Other comprehensive income for the period, net of tax	(407,894)	54,552	848	(57,100)	(116,188)	51	(408,245)	55,019	842	(58,096)	(116,188)	50
Total comprehensive income for the period, net of tax	293,066	397,499	(26)	56,935	(24,346)	334	314,350	402,315	(22)	60,046	(19,877)	402
Attributable to:												
Equity holders of the parent	293,066	397,499	(26)	56,935	(24,346)	334	298,671	391,684	(24)	56,744	(24,342)	333
Non-controlling interest	-	-	-	-	-	-	15,679	10,631	47	3,302	4,465	(26)
Total comprehensive income for the period, net of taxes	293,066	397,499	(26)	56,935	(24,346)	334	314,350	402,315	(22)	60,046	(19,877)	402

INTERIM FINANCIAL STATEMENTS**STATEMENT OF FINANCIAL POSITION**

As at 30 September 2026

	BANK			GROUP		
	30.09.2026	31.12.2025	Change	30.09.2026	31.12.2025	Change
	LKR '000	LKR '000	%	LKR '000	LKR '000	%
		Audited			Audited	
Assets						
Cash and cash equivalents	3,700,365	3,611,952	2	5,225,781	3,911,709	34
Balances with Central Bank of Sri Lanka	1,983,834	807,025	146	1,983,834	807,025	146
Placements with banks	6,954,075	1,865,906	273	6,955,453	1,865,906	273
Reverse repurchased agreements	-	370,074	(100)	191,452	370,074	(48)
Derivative financial instruments	12,571	101,354	(88)	12,571	101,354	(88)
Financial assets recognised through profit or loss - measured at fair value	6,948,721	6,127,879	13	7,068,441	6,245,426	13
Financial assets at amortised cost - loans and advances	138,329,130	110,786,384	25	154,738,401	123,661,943	25
Financial assets at amortised cost - debt and other instruments	15,798,348	16,093,548	(2)	16,493,106	16,771,211	(2)
Financial assets measured at fair value through other comprehensive income	21,860,091	23,385,583	(7)	21,908,838	23,420,591	(6)
Investments in real estate	-	-	-	18,355	24,958	(26)
Investments in subsidiaries	3,091,895	3,124,444	(1)	-	-	-
Goodwill and intangible assets	1,678,095	1,403,631	20	2,120,207	1,740,537	22
Property, plant and equipment and right of use assets	2,962,020	2,342,482	26	3,750,815	2,905,952	29
Deferred tax assets	917,380	814,344	13	958,357	863,205	11
Other assets	2,850,051	1,798,697	58	3,165,463	2,124,674	49
Total assets	207,086,576	172,633,303	20	224,591,074	184,814,565	22
Liabilities						
Due to banks	15,743,855	16,049,233	(2)	20,343,632	18,391,473	11
Derivative financial instruments	314,042	5,720	NM	314,042	5,720	NM
Repurchased agreements	25,054,445	14,409,249	74	25,054,445	14,409,249	74
Financial liabilities at amortised cost						
- due to customers	138,096,498	118,801,447	16	146,406,625	124,821,582	17
- due to debt security holders	3,091,418	-	NM	3,091,418	-	NM
- other borrowed funds	-	-	-	3,068,363	2,711,522	13
Current tax liabilities	385,522	520,470	(26)	475,613	601,352	(21)
Other liabilities	3,786,160	2,525,614	50	4,700,755	3,179,075	48
Total liabilities	186,471,940	152,311,733	22	203,454,893	164,119,973	24

INTERIM FINANCIAL STATEMENTS**STATEMENT OF FINANCIAL POSITION**

As at 30 September 2026

	BANK			GROUP		
	30.09.2026	31.12.2025	Change	30.09.2026	31.12.2025	Change
	LKR '000	LKR '000	%	LKR '000	LKR '000	%
		Audited			Audited	
Equity						
Stated capital	16,334,782	16,334,782	-	16,334,782	16,334,782	-
Share warrants	-	65,484	-	-	65,484	-
Statutory reserve fund	359,935	324,887	11	395,130	354,492	11
FVOCI reserve	(233,693)	174,552	(234)	(221,458)	186,787	(219)
Retained earnings	4,153,612	3,421,865	21	4,115,853	3,339,149	23
Regulatory Loss Allowance Reserve	-	-	-	-	38,702	(100)
Total equity attributable to equity holders of the bank	20,614,636	20,321,570	1	20,624,307	20,319,396	2
Non-controlling interests	-	-		511,874	375,196	36
Total equity	20,614,636	20,321,570	1	21,136,181	20,694,592	2
Total equity and liabilities	207,086,576	172,633,303	20	224,591,074	184,814,565	22
Contingent liabilities and commitments	47,339,187	45,750,370	3	47,336,986	45,760,816	3
Net asset value per share (LKR)	19.0	18.8		19.0	18.8	

Memorandum information

Number of Employees	1,054	1,140
Number of Branches	56	56

CERTIFICATION:

We, the undersigned, being the Chairman, Director/ Chief Executive Officer and Chief Financial Officer of Union Bank of Colombo PLC 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 financial statements of the Bank and the Group unless indicated as audited.
- (c) the above statements have been prepared in compliance with the requirements of the Companies Act No. 7 of 2007.

Sgd.

.....
Nandana Senevirathne
Chief Financial Officer

Sgd.

.....
Dilshan Rodrigo
Director / Chief Executive Officer

Sgd.

.....
Dinesh Weerakkody
Chairman

Date: 28 October 2026

INTERIM FINANCIAL STATEMENTS

STATEMENT OF CHANGES IN EQUITY

As at 30 September 2026

BANK	Stated Capital LKR '000	Share Warrants LKR '000	Statutory Reserve Fund LKR '000	FVOCI Reserve LKR '000	Retained Earnings LKR '000	Revaluation Reserve LKR '000	ESOP Reserve LKR '000	Total Equity LKR '000
Balance as at 1 January 2025	16,334,782	65,484	292,152	333,875	2,771,202	-	42,863	19,840,358
Total comprehensive income for the period								
Net profit for the period	-	-	-	-	342,947	-	-	342,947
Other comprehensive Income	-	-	-	(129,909)	4,176	180,285	-	54,552
Total comprehensive Income	-	-	-	(129,909)	347,123	180,285	-	397,499
Transactions with equity holders, recognised directly in equity								
Share based payment expense	-	-	-	-	-	-	344	344
Transfers during the period	-	-	17,147	-	26,060	-	(43,207)	-
Balance as at 30 September 2025	16,334,782	65,484	309,299	203,966	3,144,385	180,285	-	20,238,201
Balance as at 1 January 2026	16,334,782	65,484	324,887	174,552	3,421,865	-	-	20,321,570
Total comprehensive income for the period								
Net profit for the period	-	-	-	-	700,960	-	-	700,960
Other comprehensive Income	-	-	-	(408,245)	351	-	-	(407,894)
Total comprehensive Income	-	-	-	(408,245)	701,311	-	-	293,066
Transactions with equity holders, recognised directly in equity								
Transfers during the period	-	(65,484)	35,048	-	30,436	-	-	-
Balance as at 30 September 2026	16,334,782	-	359,935	(233,693)	4,153,612	-	-	20,614,636

GROUP	Stated Capital LKR '000	Share Warrants LKR '000	Statutory Reserve Fund LKR '000	FVOCI Reserve LKR '000	Retained Earnings LKR '000	Revaluation Reserve LKR '000	ESOP Reserve LKR '000	Regulatory Loss Allowance Reserve LKR '000	Total LKR '000	Non-controlling Interest LKR '000	Total Equity LKR '000
Balance as at 1 January 2025	16,334,782	65,484	319,758	346,111	2,537,465	-	42,863	201,688	19,848,151	360,677	20,208,828
Total comprehensive income for the period											
Net profit for the period	-	-	-	-	337,132	-	-	-	337,132	10,164	347,296
Other comprehensive Income	-	-	-	(129,909)	4,176	180,285	-	-	54,552	467	55,019
Total comprehensive Income	-	-	-	(129,909)	341,308	180,285	-	-	391,684	10,631	402,315
Transactions with equity holders, recognised directly in equity											
Share based payment expense	-	-	-	-	-	-	344	-	344	-	344
Transfers during the period	-	-	19,147	-	24,060	-	(43,207)	-	-	-	-
Transfer to Regulatory Loss Allowance Reserve	-	-	-	-	151,246	-	-	(151,246)	-	-	-
Balance as at 30 September 2025	16,334,782	65,484	338,905	216,202	3,054,079	180,285	-	50,442	20,240,179	371,308	20,611,487
Balance as at 1 January 2026	16,334,782	65,484	354,492	186,787	3,339,149	-	-	38,702	20,319,396	375,196	20,694,592
Total comprehensive income for the period											
Net profit for the period	-	-	-	-	706,566	-	-	-	706,566	16,029	722,595
Other comprehensive Income	-	-	-	(408,245)	351	-	-	-	(407,894)	(351)	(408,245)
Total comprehensive Income	-	-	-	(408,245)	706,917	-	-	-	298,672	15,678	314,350
Transactions with equity holders, recognised directly in equity											
Subsidiary share dilution	-	-	-	-	6,239	-	-	-	6,239	121,000	127,239
Transfers during the period	-	(65,484)	40,638	-	24,846	-	-	-	-	-	-
Transfer to Regulatory Loss Allowance Reserve	-	-	-	-	38,702	-	-	(38,702)	-	-	-
Balance as at 30 September 2026	16,334,782	-	395,130	(221,458)	4,115,853	-	-	-	20,624,307	511,874	21,136,181

INTERIM FINANCIAL STATEMENTS

STATEMENT OF CASH FLOWS

Period ended 30 September 2026

	BANK		GROUP	
	30.09.2026 LKR '000	30.09.2025 LKR '000	30.09.2026 LKR '000	30.09.2025 LKR '000
Cash flow from operating activities				
Interest received	13,098,472	10,804,417	15,504,544	12,574,859
Fees and commission receipts	1,089,879	1,133,908	1,283,871	1,240,975
Interest paid	(8,247,961)	(6,593,875)	(8,145,710)	(7,409,021)
Receipts from Other operating activities	468,540	774,774	808,675	873,387
Payments on Other operating activities	(5,639,423)	(4,474,639)	(6,831,515)	(5,251,012)
Operating cash flow before changes in operating assets & liabilities	769,507	1,644,585	2,619,865	2,029,188
(Increase)/decrease in operating assets:				
Balance with Central Bank of Sri Lanka	(1,176,810)	(644,624)	(1,176,810)	(644,624)
Funds advanced to customers	(26,363,564)	(26,174,817)	(29,821,899)	(29,117,828)
Others	(1,051,347)	(474,372)	(1,034,186)	(604,740)
	(28,591,721)	(27,293,813)	(32,032,895)	(30,367,192)
Increase /(decrease) in operating liabilities:				
Due to other customers	17,043,036	9,223,637	19,433,564	9,357,329
Repurchased agreements	10,454,644	7,468,718	10,454,644	7,468,718
Other liabilities	1,191,177	912,430	1,228,523	1,036,119
	28,688,857	17,604,785	31,116,731	17,862,166
Net cash from/(used in) operating activities before income tax	866,643	(8,044,443)	1,703,701	(10,475,837)
Retirement benefit obligation paid	(39,239)	(65,040)	(43,114)	(70,993)
Income tax paid	(542,182)	(131,416)	(542,182)	(132,149)
Net cash from/ (used in) operating activities	285,222	(8,240,899)	1,118,405	(10,678,980)
Cash flow from/(used in) investing activities				
Net financial investment at fair value through profit or loss	(929,144)	(2,130,564)	(938,537)	(2,302,649)
Net financial assets at amortised cost - Debt and other instruments	139,020	3,300,828	121,924	3,413,285
Net financial investment at fair value through other comprehensive income	1,042,892	1,460,832	1,029,153	1,456,045
Net Proceeds from dilution / acquisition of a subsidiary	376,067	-	-	-
Net investment in real estates	-	-	-	(16,132)
Purchase of property & equipment	(205,257)	(160,474)	(428,830)	(265,173)
Purchase of intangible assets	(464,068)	(29,204)	(578,947)	(39,752)
Proceeds from sale of property & equipment	163	-	2,062	-
Net cash from/ (used in) investing activities	(40,327)	2,441,418	(793,175)	2,245,624
Cash flow from/(used in) financing activities				
Increase/(decrease) in borrowings	1,490,276	6,258,181	(2,113,868)	7,923,374
Proceeds from the issue of debentures	3,000,000	-	3,000,000	-
Net cash from/ (used in) financing activities	4,490,276	6,258,181	886,132	7,923,374
Net increase/(decrease) in cash and cash equivalents	4,735,171	458,700	1,211,362	(509,982)
Cash and cash equivalents at beginning of the year	5,847,932	5,224,670	6,147,348	5,603,664
Cash and cash equivalents at end of the period	10,583,103	5,683,370	7,358,710	5,093,682
Reconciliation of cash and cash equivalents				
Cash in hand and at banks	3,700,365	3,236,631	5,225,781	3,569,490
Reverse repurchased agreements	-	1,564,617	191,452	1,564,617
Placements with banks	6,953,062	953,724	6,954,440	953,641
Due to banks - Unfavorable balances with banks	(70,324)	(71,602)	(5,012,963)	(994,066)
	10,583,103	5,683,370	7,358,710	5,093,682

INTERIM FINANCIAL STATEMENTS**STATEMENT OF CASH FLOWS**

Period ended 30 September 2026

Reconciliation of liabilities arising from financing activities

For the period ended 30 September 2026	30 September 2026 LKR '000	Cash change - Cash flow LKR '000	Non cash change - Foreign exchange movement LKR '000	1 Jan 2026 LKR '000
BANK				
Due to banks	12,878,353	1,631,203	-	11,247,150
Proceeds from the issue of debentures	3,091,418	3,091,418	-	-
Less : Unfavorable balances with banks	(70,324)	(67,469)	-	(2,856)
Less : Interest payable	(245,469)	(164,876)	-	(80,593)
	15,653,978	4,490,276	-	11,163,702
GROUP				
Due to banks	17,478,130	3,888,739	-	13,589,391
Proceeds from the issue of debentures	3,091,418	3,091,418	-	-
Other borrowed funds	3,068,363	356,841	-	2,711,522
Less : Unfavorable balances with banks	(5,012,963)	(4,923,721)	-	(89,242)
Less : Interest payable	(1,848,319)	(1,527,146)	-	(321,173)
	16,776,629	886,132	-	15,890,498
For the period ended 30 September 2025	30 September 2025 LKR '000	Cash change - Cash flow LKR '000	Non cash change - Foreign exchange movement LKR '000	1 Jan 2025 LKR '000
BANK				
Due to banks	10,592,203	6,215,368	-	4,376,835
Less : Unfavorable balances with banks	(71,602)	136,489	-	(208,091)
Less : Interest payable	(107,412)	(93,676)	-	(13,736)
	10,413,189	6,258,181	-	4,155,008
GROUP				
Due to banks	11,514,668	6,918,668	-	4,596,000
Other borrowed funds	2,315,103	1,907,975	-	407,128
Less : Unfavorable balances with banks	(994,066)	(566,810)	-	(427,257)
Less : Interest payable	(351,897)	(336,459)	-	(15,438)
	12,483,806	7,923,374	-	4,560,433

EXPLANATORY NOTES

As at 30 September 2026

- 1 There are no changes to the accounting policies and methods of computation since the publication of the annual financial statements for the year 2025.
- 2 Net other operating income for the current period includes LKR 251 Mn arising from the sale of shares held by the Bank in its subsidiary, UB Finance PLC.
- 3 In accordance with the Statement of Alternative Treatment (SoAT) issued by the Institute of Chartered Accountants of Sri Lanka on the reclassification of the debt portfolio, the Bank has classified LKR 18,893 Mn of the debt portfolio from Fair Value through Other Comprehensive Income to Amortised Cost category on 30 June 2022 as holding these instruments in the fair value through other comprehensive income category was not commercially viable in the economic environment at that time. The cumulative losses from these instruments previously recognised in Other Comprehensive Income has been removed from equity and adjusted against the fair value of the financial asset at the reclassification date. Accordingly, the reclassified assets have been measured at the reclassification date as if they had always been measured at Amortised Cost. The cumulative losses and the fair value as at 30 September 2026 if the assets have continued to be measured at Fair Value through Other Comprehensive Income amounts to LKR 34 Mn and LKR 987 Mn respectively.
- 4 There are no material changes during the period in the composition of assets, liabilities and contingent liabilities. All known expenditure items have been provided for.
- 5 These Interim financial statements are presented in accordance with LKAS 34 - "Interim Financial Reporting" and provide the information as required in terms of Rule 7.4 of the Colombo Stock Exchange.
- 6 The Group financial statements comprises of consolidation of the financial statements of the Bank and its subsidiaries, National Asset Management Limited and UB Finance PLC.
- 7 Expected credit losses of credit facilities are assessed based on two approaches namely individual and collective assessments. The individually significant customers are assessed based on individual basis and staged based on the identified triggers. Collective assessment is based on probability of default, loss given default and the economic factor adjustments considering recent forecasts and projections. Further the bank has recorded management overlays where necessary to capture uncertainties in the economic conditions.
- 8 No material events have been taken place subsequent to the reporting period that require disclosures or/ and adjustment in the Financial Statements.

9 Information on Ordinary Shares

Market Value	30.09.2026 LKR	30.09.2025 LKR
Last traded price	11.60	15.60
Highest price for the quarter	13.00	16.20
Lowest price for the quarter	11.40	10.50

Classification: **Public**

INTERIM FINANCIAL STATEMENTS **NOTES TO THE FINANCIAL STATEMENTS**

As at 30 September 2026

10. ANALYSIS OF LOANS AND ADVANCES TO CUSTOMERS AND IMPAIRMENT

10.1 Product-wise Gross Loans and Advances to customers

	BANK		GROUP	
	30.09.2026 LKR '000	31.12.2025 LKR '000 Audited	30.09.2026 LKR '000	31.12.2025 LKR '000 Audited
Term loans	83,554,790	69,083,888	92,243,419	75,317,071
Overdrafts	15,602,175	12,520,820	15,431,877	12,520,820
Trade finance	6,660,763	7,222,043	6,660,763	7,222,043
Lease and hire purchase	6,407,273	5,286,584	11,147,989	10,229,849
Factoring	601,197	440,540	682,034	667,480
Pawning & Gold loans	12,551,087	6,029,849	16,354,939	8,356,585
Credit cards	4,218,696	3,897,160	4,218,696	3,897,160
Staff loans	1,728,945	1,236,951	1,806,751	1,279,012
By Product - Local Currency	131,324,926	105,717,837	148,546,468	119,490,023
Term loans	5,613,804	6,213,473	5,613,804	6,213,473
Overdrafts	603,042	590,326	603,042	590,326
Trade finance	7,891,695	5,529,603	7,891,695	5,529,603
By Product - Foreign Currency	14,108,541	12,333,401	14,108,541	12,333,402
Total Loans and Receivables	145,433,467	118,051,238	162,655,009	131,823,425

10.2 Stage-wise impairment on Loans and Advances to customers

	BANK		GROUP	
	30.09.2026 LKR '000	31.12.2025 LKR '000 Audited	30.09.2026 LKR '000	31.12.2025 LKR '000 Audited
Gross loans and advances (Note 10.1)	145,433,467	118,051,238	162,655,009	131,823,425
Less: Accumulated impairment under stage 1	(944,915)	(1,354,086)	(1,063,046)	(1,419,816)
Accumulated impairment under stage 2	(832,480)	(428,132)	(909,306)	(498,222)
Accumulated impairment under stage 3	(5,326,942)	(5,482,636)	(5,944,256)	(6,243,444)
Net value of loans and advances	138,329,130	110,786,384	154,738,401	123,661,943

10.3 Movement of impairment during the period for Loans and Advances to customers

	Stage 1 LKR '000	Stage 2 LKR '000	Stage 3 LKR '000	Total LKR '000
BANK				
Opening balance as at 1 January 2026	1,354,086	428,132	5,482,636	7,264,854
Charge/(reversal) to Statement of Profit or Loss	(409,171)	404,348	(137,887)	(142,710)
Net write-off during the period	-	-	(17,807)	(17,807)
Closing Balance as at 30 September 2026	944,915	832,480	5,326,942	7,104,337
GROUP				
Opening balance as at 1 January 2026	1,419,816	498,222	6,243,444	8,161,482
Charge/(reversal) to Statement of Profit or Loss	(356,770)	411,084	(193,587)	(139,273)
Net write-off during the period	-	-	(105,601)	(105,601)
Closing Balance as at 30 September 2026	1,063,046	909,306	5,944,256	7,916,608
BANK - (Audited)				
Opening balance as at 1 January 2025	873,008	503,094	5,685,574	7,061,676
Charge/(reversal) to Statement of Profit or Loss	481,078	(74,962)	(74,600)	331,516
Net write-off during the year	-	-	(128,338)	(128,338)
Closing Balance as at 31 December 2025	1,354,086	428,132	5,482,636	7,264,854
GROUP - (Audited)				
Opening balance as at 1 January 2025	956,862	547,156	6,447,178	7,951,196
Charge/(reversal) to Statement of Profit or Loss	462,954	(48,934)	12,398	426,418
Net write-off during the year	-	-	(216,132)	(216,132)
Closing Balance as at 31 December 2025	1,419,816	498,222	6,243,444	8,161,482

11. ANALYSIS OF DUE TO CUSTOMERS

	BANK		GROUP	
	30.09.2026 LKR '000	31.12.2025 LKR '000 Audited	30.09.2026 LKR '000	31.12.2025 LKR '000 Audited
Local Currency Deposits				
Demand deposits	8,395,392	7,816,706	8,394,926	7,815,023
Savings deposits	17,147,441	16,577,923	17,184,048	15,505,519
Fixed deposits	84,911,456	73,793,266	93,185,442	80,887,488
Other deposits	838,938	1,277,806	838,938	1,277,806
Total	111,293,227	99,465,701	119,603,354	105,485,836
Foreign Currency Deposits				
Demand deposits	389,691	442,001	389,691	442,001
Savings deposits	4,497,391	4,175,972	4,497,391	4,175,972
Fixed deposits	21,916,189	14,717,773	21,916,189	14,717,773
Total	26,803,271	19,335,746	26,803,271	19,335,746
Total Deposits	138,096,498	118,801,447	146,406,625	124,821,582

INTERIM FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

As at 30 September 2026

12. ANALYSIS OF COMMITMENTS, CONTINGENCIES AND IMPAIRMENT

12.1 Product-wise Commitments and Contingencies

	BANK		GROUP	
	30.09.2026 LKR '000	31.12.2025 LKR '000 Audited	30.09.2026 LKR '000	31.12.2025 LKR '000 Audited
Undrawn loan commitments	13,583,944	13,689,598	13,581,743	13,689,599
Guarantees	7,404,095	7,048,424	7,404,095	7,048,424
Documentary credit	-	13,824	-	13,824
Forward contracts	11,928,615	10,808,906	11,928,615	10,819,351
Spot contracts	165,350	852,600	165,350	852,600
By Product - Local Currency	33,082,004	32,413,352	33,079,803	32,423,798
Undrawn loan commitments	3,275	791,184	3,275	791,184
Guarantees	4,437,972	4,146,079	4,437,972	4,146,079
Documentary credit	5,359,840	3,766,106	5,359,840	3,766,106
Forward contracts	1,858,163	1,149,216	1,858,163	1,149,216
Spot contracts	-	78,498	-	78,498
Acceptances	2,597,933	3,405,935	2,597,933	3,405,935
By Product - Foreign Currency	14,257,183	13,337,018	14,257,183	13,337,018
Commitments and Contingencies	47,339,187	45,750,370	47,336,986	45,760,816

12.2 Stage-wise impairment on Commitment and Contingencies

	BANK		GROUP	
	30.09.2026 LKR '000	31.12.2025 LKR '000 Audited	30.09.2026 LKR '000	31.12.2025 LKR '000 Audited
Gross Commitments and Contingencies (Note 12.1)	47,339,187	45,750,370	47,336,986	45,760,816
Less: Accumulated impairment under stage 1	(91,267)	(143,861)	(91,261)	(143,859)
Accumulated impairment under stage 2	(7,521)	(1,041)	(7,521)	(1,041)
Accumulated impairment under stage 3	-	-	-	-
Net value of commitments and contingencies	47,240,399	45,605,469	47,238,204	45,615,916

12.3 Movement of impairment during the period for Commitments and Contingencies

	Stage 1 LKR '000	Stage 2 LKR '000	Stage 3 LKR '000	Total LKR '000
BANK				
Opening balance as at 1 January 2026	143,861	1,041	-	144,902
Charge/(reversal) to Statement of Profit or Loss	(52,594)	6,480	-	(46,114)
Closing Balance as at 30 September 2026	91,267	7,521	-	98,788
GROUP				
Opening balance as at 1 January 2026	143,859	1,041	-	144,900
Charge/(reversal) to Statement of Profit or Loss	(52,598)	6,480	-	(46,118)
Closing Balance as at 30 September 2026	91,261	7,521	-	98,782
BANK - (Audited)				
Opening balance as at 1 January 2025	118,672	1,563	764	120,999
Charge/(reversal) to Statement of Profit or Loss	25,189	(522)	(764)	23,903
Closing Balance as at 31 December 2025	143,861	1,041	-	144,902
GROUP - (Audited)				
Opening balance as at 1 January 2025	116,608	1,563	764	118,935
Charge/(reversal) to Statement of Profit or Loss	27,251	(522)	(764)	25,965
Closing Balance as at 31 December 2025	143,859	1,041	-	144,900

	Corporate		SME		Retail		Treasury		Other		Other Group Companies		Total	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
For the period ended 30th September														
Net Interest Income	801,157	573,603	1,308,227	916,721	1,767,708	1,225,584	711,046	287,982	427,844	964,562	1,235,584	914,992	6,251,566	4,883,444
Other Income	287,814	259,571	448,154	291,108	397,690	610,212	20,414	735,230	244,541	3,847	280,961	228,259	1,679,574	2,128,227
Total Net Income	1,088,971	833,174	1,756,381	1,207,829	2,165,398	1,835,796	731,460	1,023,212	672,385	968,409	1,516,545	1,143,251	7,931,140	7,011,671
Less : Expenses including impairments	(229,955)	(235,424)	855,953	785,831	962,334	1,831,581	160,796	131,233	3,036,984	2,263,317	1,084,449	873,947	5,870,561	5,650,485
<i>Impairment</i>	<i>(366,321)</i>	<i>(335,467)</i>	<i>168,474</i>	<i>127,438</i>	<i>(84,611)</i>	<i>403,868</i>	-	-	<i>94,455</i>	<i>2,413</i>	<i>131,488</i>	<i>97,179</i>	<i>(56,515)</i>	<i>295,431</i>
<i>Depreciation & amortisation</i>	<i>663</i>	<i>662</i>	<i>1,848</i>	<i>1,140</i>	<i>17,432</i>	<i>19,205</i>	<i>937</i>	<i>979</i>	<i>665,576</i>	<i>752,626</i>	<i>112,010</i>	<i>69,768</i>	<i>798,466</i>	<i>844,380</i>
<i>Other expenses</i>	<i>135,703</i>	<i>99,381</i>	<i>685,631</i>	<i>657,253</i>	<i>1,029,513</i>	<i>1,408,508</i>	<i>159,859</i>	<i>130,254</i>	<i>2,276,953</i>	<i>1,508,278</i>	<i>840,951</i>	<i>707,000</i>	<i>5,128,610</i>	<i>4,510,674</i>
Segmental Results	1,318,926	1,068,598	900,428	421,998	1,203,064	4,215	570,664	891,979	(2,364,599)	(1,294,908)	432,096	269,304	2,060,579	1,361,186
Less: VAT and SSCL on Financial Services													763,651	629,631
Less: Taxation													574,333	384,259
Profit after Taxation													722,595	347,296
As at 30th September														
Other Information														
Segment Assets	40,871,112	41,095,631	49,539,013	38,722,280	52,527,159	32,229,426	50,504,921	50,336,330	-	-	21,135,672	13,137,737	214,577,877	175,521,403
Unallocated													10,013,197	7,425,294
Consolidated Total Assets													224,591,074	182,946,697
Segment Liabilities	20,367,340	13,319,192	21,266,068	22,415,076	94,918,870	78,071,773	35,404,457	31,295,097	-	-	26,321,789	12,968,862	198,278,525	158,070,000
Unallocated													5,181,368	4,265,210
Consolidated Total Liabilities													203,459,893	162,335,210
For the period ended 30th September														
Cash flow from operating activities	39,134	(1,024,550)	63,119	(1,485,261)	77,818	(2,257,469)	26,286	(1,258,238)	24,364	(1,190,847)	887,684	(3,462,615)	1,118,405	(10,678,980)
Cash flow from investing activities	(40,215)	(22,539)	(64,863)	(32,674)	(79,968)	(49,662)	225,755	2,603,416	(3,601)	337,194	(830,283)	(590,111)	(793,175)	2,245,624
Cash flow from financing activities	-	-	-	-	-	-	4,490,276	6,639,497	-	-	(3,604,144)	1,283,877	886,132	7,923,374

INFORMATION ON ORDINARY SHARES OF THE BANK

As at 30 September 2026

TOP 20 SHAREHOLDERS

	Name	No. of shares as at 30.09.2026	% holding
1	Culture Financial Holdings Ltd	767,558,888	70.84%
2	Vista Knowledge Pte Ltd	64,677,973	5.97%
3	Associated Electrical Corporation Ltd	28,446,137	2.63%
4	Sampath Bank PLC / Yaden Capital (Pvt)Ltd	25,881,430	2.39%
5	Mr. D.A.J. Warnakulasuriya	19,862,730	1.83%
6	Mr. C.P.A. Wijeyesekera	18,375,314	1.70%
7	Mrs. P. D. A. S Beruwalage	9,658,313	0.89%
8	Seylan Bank PLC /Sarath Kumara Wijekoon	9,270,176	0.86%
9	People's Leasing & Finance PLC/L.P. Hapangama	7,793,668	0.72%
10	Ashyaki Holdings (Pvt) Ltd	7,792,806	0.72%
11	Mr.S.P Khattar	7,323,365	0.68%
12	Mr. A.I.T.Hettiarachchi	3,848,735	0.36%
13	Ajita De Zoysa & Company Limited	3,110,183	0.29%
14	Sampath Bank PLC / Andaradeniya Estate (Pvt) Ltd	3,099,273	0.29%
15	Commercial Agencies (Ceylon) Ltd	2,973,748	0.27%
16	Seylan Bank PLC /A.P Jayasinghe	2,920,684	0.27%
17	Mr. P. Brahmanage	2,825,000	0.26%
18	Mrs. H.K.S.R Perera	2,800,000	0.26%
19	People's Leasing & Finance PLC/L.H.L.M.P Haradasa	2,623,500	0.24%
20	Mr. A. M Weerasinghe	2,009,220	0.19%
		992,851,143	91.66%
	Other shareholders	90,707,195	8.34%
	Total	1,083,558,338	100.00%

As at 30th September 2026

Number of shares in public holding	314,636,850
Number of public shareholders	27,767
Percentage of public holding	29.04%

Market capitalisation (LKR)	12,569,276,721
Float adjusted market capitalisation	3,649,791,159
Required minimum public holding percentage under option 4 of rule 7.13.1 (a) of the Listing Rules of Colombo Stock Exchange	10%

DIRECTORS' INDIVIDUAL HOLDING IN SHARES

Name	No. of shares held as at 30.09.2026
Mr. Dinesh Weerakkody	None
Mr. Nirvana Chaudhary	None
Mr. Dilshan Rodrigo	1,000,000
Mr. Sanjay Pokhrel	None
Dr. Dharmasri Kumaratunge	None
Mr. Mahesh Nanayakkara	None
Mr. Gyanendra Dhungana	None
Ms. Shaheeda Barrie	None
Mr. Anil Shah	None

The Minimum Public Holding of Union Bank of Colombo PLC as at 30th September 2026 complied with option 4 of rule 7.13.1 (a) of the Listing Rules of the Colombo Stock Exchange.

INTERIM FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

As at 30 September 2026

MEASUREMENT OF FINANCIAL INSTRUMENTS

Bank - As at 30 September 2026

	Fair Value through P&L LKR '000	Fair Value through OCI LKR '000	Amortised cost LKR '000	Total LKR '000
ASSETS				
Cash and cash equivalents	-	-	3,700,365	3,700,365
Balances with Central Bank of Sri Lanka	-	-	1,983,834	1,983,834
Placements with banks	-	-	6,954,075	6,954,075
Reverse repurchased agreements	-	-	-	-
Derivative financial instruments	12,571	-	-	12,571
Financial assets recognised through profit or loss - measured at fair value	6,948,721	-	-	6,948,721
Financial assets at amortised cost - loans and advances	-	-	138,329,130	138,329,130
Financial assets at amortised cost - debt and other instruments	-	-	15,798,348	15,798,348
Financial assets measured at fair value through other comprehensive income	-	21,860,091	-	21,860,091
Other financial assets	-	-	41,119	41,119
Total financial assets	6,961,292	21,860,091	166,806,871	195,628,254

	Fair Value through P&L LKR '000	Amortised cost LKR '000	Total LKR '000
LIABILITIES			
Due to banks	-	15,743,855	15,743,855
Derivative financial instruments	314,042	-	314,042
Repurchased agreements	-	25,054,445	25,054,445
Financial liabilities at amortised cost	-	-	-
- due to customers	-	138,096,498	138,096,498
- due to debt security holders	-	3,091,418	3,091,418
Other financial liabilities	-	2,419,872	2,419,872
Total financial liabilities	314,042	184,406,088	184,720,130

Bank - As at 31 December 2025 (Audited)

	Fair Value through P&L LKR '000	Fair Value through OCI LKR '000	Amortised cost LKR '000	Total LKR '000
ASSETS				
Cash and cash equivalents	-	-	3,611,952	3,611,952
Balances with Central Bank of Sri Lanka	-	-	807,025	807,025
Placements with banks	-	-	1,865,906	1,865,906
Reverse repurchased agreements	-	-	370,074	370,074
Derivative financial instruments	101,354	-	-	101,354
Financial assets recognised through profit or loss - measured at fair value	6,127,879	-	-	6,127,879
Financial assets at amortised cost - loans and advances	-	-	110,786,384	110,786,384
Financial assets at amortised cost - debt and other instruments	-	-	16,093,548	16,093,548
Financial investments at fair value through other comprehensive income	-	23,385,583	-	23,385,583
Other financial assets	-	-	61,370	61,370
Total financial assets	6,229,233	23,385,583	133,596,259	163,211,075

	Fair Value through P&L LKR '000	Amortised cost LKR '000	Total LKR '000
LIABILITIES			
Due to banks	-	16,049,233	16,049,233
Derivative financial instruments	5,720	-	5,720
Repurchased agreements	-	14,409,249	14,409,249
- due to customers	-	118,801,447	118,801,447
Other financial liabilities	-	1,356,502	1,356,502
Total financial liabilities	5,720	150,616,431	150,622,151

INTERIM FINANCIAL STATEMENTS
NOTES TO THE FINANCIAL STATEMENTS

As at 30 September 2026

MEASUREMENT OF FINANCIAL INSTRUMENTS**Group - As at 30 September 2026**

	Fair Value through P&L LKR '000	Fair Value through OCI LKR '000	Amortised Cost LKR '000	Total LKR '000
ASSETS				
Cash and cash equivalents	-	-	5,225,781	5,225,781
Balances with Central Bank of Sri Lanka	-	-	1,983,834	1,983,834
Placements with banks	-	-	6,955,453	6,955,453
Reverse repurchased agreements	-	-	191,452	191,452
Derivative financial instruments	12,571	-	-	12,571
Financial assets recognised through profit or loss - measured at fair value	7,068,441	-	-	7,068,441
Financial assets at amortised cost - loans and advances	-	-	154,738,401	154,738,401
Financial assets at amortised cost - debt and other instruments	-	-	16,493,106	16,493,106
Financial assets measured at fair value through other comprehensive income	-	21,908,838	-	21,908,838
Other financial assets	-	-	66,339	66,339
Total financial assets	7,081,011	21,908,838	185,654,366	214,644,216

	Fair Value through P&L LKR '000	Amortised Cost LKR '000	Total LKR '000
LIABILITIES			
Due to banks	-	20,343,632	20,343,632
Derivative financial instruments	314,042	-	314,042
Repurchased agreements	-	25,054,445	25,054,445
Financial liabilities at amortised cost	-	-	-
- due to customers	-	146,406,625	146,406,625
- due to debt security holders	-	3,091,418	3,091,418
- other borrowed funds	-	3,068,363	3,068,363
Other financial liabilities	-	3,092,825	3,092,825
Total financial liabilities	314,042	201,057,308	201,371,350

Group - As at 31 December 2025 (Audited)

	Fair Value through P&L LKR '000	Fair Value through OCI LKR '000	Amortised Cost LKR '000	Total LKR '000
ASSETS				
Cash and cash equivalents	-	-	3,911,709	3,911,709
Balances with Central Bank of Sri Lanka	-	-	807,025	807,025
Placements with banks	-	-	1,865,906	1,865,906
Reverse repurchased agreements	-	-	370,074	370,074
Derivative financial instruments	101,354	-	-	101,354
Financial assets recognised through profit or loss - measured at fair value	6,245,426	-	-	6,245,426
Financial assets at amortised cost - loans and advances	-	-	123,661,943	123,661,943
Financial assets at amortised cost - debt and other instruments	-	-	16,771,211	16,771,211
Financial assets measured at fair value through other comprehensive income	-	23,420,591	-	23,420,591
Other financial assets	-	-	73,589	73,589
Total financial assets	6,346,780	23,420,591	147,461,457	177,228,828

	Fair Value through P&L LKR '000	Amortised Cost LKR '000	Total LKR '000
LIABILITIES			
Due to banks	-	18,391,473	18,391,473
Derivative financial instruments	5,720	-	5,720
Repurchased agreements	-	14,409,249	14,409,249
- due to customers	-	124,821,582	124,821,582
- other borrowed funds	-	2,711,522	2,711,522
Other financial liabilities	-	1,897,509	1,897,509
Total financial liabilities	5,720	162,231,335	162,237,055

INTERIM FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

As at 30 September 2026

FAIR VALUE OF ASSETS AND LIABILITIES

All financial assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, as described below;

Fair values are determined according to the following hierarchy:

Level 1 – quoted market price (unadjusted): financial instruments with quoted prices in active markets.

Level 2 – valuation technique using observable inputs: financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments are valued using models where all significant inputs are observable.

Level 3 – valuation technique with significant unobservable inputs: This category includes all instruments valued using valuation techniques where one or more significant inputs are unobservable.

The following table provides an analysis of assets and liabilities measured at fair value as at the reporting date, by the level in the fair value hierarchy into which the fair value measurement is categorised. These amounts were based on the values recognised in the Statement of Financial Position:

Assets and liabilities recorded at fair value

Bank - As at 30 September 2026

	Level 1 LKR '000	Level 2 LKR '000	Level 3 LKR '000	Total LKR '000
Financial assets measured at fair value				
Derivative financial instruments	-	12,571	-	12,571
Financial assets recognised through profit or loss - measured at fair value	6,948,721	-	-	6,948,721
Financial assets measured at fair value through other comprehensive income	21,857,561	-	2,530	21,860,091
Total financial assets	28,806,282	12,571	2,530	28,821,383
Financial liabilities measured at fair value				
Derivative financial instruments	-	314,042	-	314,042
Total financial liabilities	-	314,042	-	314,042

Bank - As at 31 December 2025 (Audited)

	Level 1 LKR '000	Level 2 LKR '000	Level 3 LKR '000	Total LKR '000
Financial assets measured at fair value				
Derivative financial instruments	-	101,354	-	101,354
Financial assets recognised through profit or loss - measured at fair value	6,127,879	-	-	6,127,879
Financial assets measured at fair value through other comprehensive income	23,383,053	-	2,530	23,385,583
Total financial assets	29,510,932	101,354	2,530	29,614,816
Financial liabilities measured at fair value				
Derivative financial instruments	-	5,720	-	5,720
Total financial liabilities	-	5,720	-	5,720

Group - As at 30 September 2026

	Level 1 LKR '000	Level 2 LKR '000	Level 3 LKR '000	Total LKR '000
Financial assets measured at fair value				
Derivative financial instruments	-	12,571	-	12,571
Financial assets recognised through profit or loss - measured at fair value	7,068,441	-	-	7,068,441
Financial assets measured at fair value through other comprehensive income	21,857,561	-	51,277	21,908,838
Total financial assets	28,926,002	12,571	51,277	28,989,850
Financial liabilities measured at fair value				
Derivative financial instruments	-	314,042	-	314,042
Total financial liabilities	-	314,042	-	314,042

Group - As at 31 December 2025 (Audited)

	Level 1 LKR '000	Level 2 LKR '000	Level 3 LKR '000	Total LKR '000
Financial assets measured at fair value				
Derivative financial instruments	-	101,354	-	101,354
Financial assets recognised through profit or loss - measured at fair value	6,245,426	-	-	6,245,426
Financial assets measured at fair value through other comprehensive income	23,383,053	-	37,538	23,420,591
Total financial assets	29,628,479	101,354	37,538	29,767,372
Financial liabilities measured at fair value				
Derivative financial instruments	-	5,720	-	5,720
Total financial liabilities	-	5,720	-	5,720

INTERIM FINANCIAL STATEMENTS
NOTES TO THE FINANCIAL STATEMENTS

As at 30 September 2026

FAIR VALUE OF ASSETS AND LIABILITIES**Fair value of financial assets and liabilities not carried at fair value****Bank - As at 30 September 2026**

	Fair Value				Carrying Value LKR '000
	Level 1 LKR '000	Level 2 LKR '000	Level 3 LKR '000	Total Value LKR '000	
Financial assets					
Financial assets at amortised cost - loans and advances	-	143,645,734	-	143,645,734	145,433,467
Financial assets at amortised cost - debt and other instruments	15,525,432	-	-	15,525,432	15,798,348
Total	15,525,432	143,645,734	-	159,171,166	161,231,815
Financial liabilities					
Due to Banks & Other Borrowed funds	-	15,724,663	-	15,724,663	15,743,855
Financial liabilities at amortised cost	-	-	-	-	-
- due to debt security holders	-	3,043,650	-	3,043,650	3,091,418
- due to customers	-	107,581,037	-	107,581,037	107,666,583
Total	-	126,349,350	-	126,349,350	126,501,856

Bank - As at 31 December 2025 (Audited)

	Fair Value				Carrying Value LKR '000
	Level 1 LKR '000	Level 2 LKR '000	Level 3 LKR '000	Total Value LKR '000	
Financial assets					
Financial assets at amortised cost - loans and advances	-	87,285,436	-	87,285,436	118,051,238
Financial assets at amortised cost - debt and other instruments	16,366,705	-	-	16,366,705	16,093,548
Total	16,366,705	87,285,436	-	103,652,141	134,144,786
Financial liabilities					
Due to Banks	-	7,996,693	-	7,996,693	16,049,233
Due to customers	-	77,728,425	-	77,728,425	89,788,845
Total	-	85,725,118	-	85,725,118	105,838,078

Group - As at 30 September 2026

	Fair Value				Carrying Value LKR '000
	Level 1 LKR '000	Level 2 LKR '000	Level 3 LKR '000	Total Value LKR '000	
Financial assets					
Financial assets at amortised cost - loans and advances	-	159,919,794	-	159,919,794	162,655,009
Financial assets at amortised cost - debt and other instruments	16,232,137	-	-	16,232,137	16,493,106
Total	16,232,137	159,919,794	-	176,151,931	179,148,115
Financial liabilities					
Due to Banks	-	18,468,858	-	18,468,858	20,343,632
Financial liabilities at amortised cost	-	-	-	-	-
- due to debt security holders	-	3,043,650	-	3,043,650	3,091,418
- due to customers	-	115,713,572	-	115,713,572	115,940,569
Other borrowed funds	-	1,916,428	-	1,916,428	3,068,363
Total	-	139,142,508	-	139,142,508	142,443,982

Group - As at 31 December 2025 (Audited)

	Fair Value				Carrying Value LKR '000
	Level 1 LKR '000	Level 2 LKR '000	Level 3 LKR '000	Total Value LKR '000	
Financial assets					
Financial assets at amortised cost - loans and advances	-	100,445,555	-	100,445,555	131,823,425
Financial assets at amortised cost - debt and other instruments	17,047,396	-	-	17,047,396	16,771,211
Total	17,047,396	100,445,555	-	117,492,951	148,594,636
Financial liabilities					
Due to Banks	-	16,309,383	-	16,309,383	18,391,473
Due to customers	-	86,143,774	-	86,143,774	96,883,067
Other borrowed funds	-	1,964,292	-	1,964,292	2,711,522
Total	-	104,417,449	-	104,417,449	117,986,062

For financial assets and financial liabilities that have short term maturity, it is assumed that carrying amounts approximates their fair value. This assumption is applied for following assets and liabilities which are short-term maturity or re-price to current market rates.

Assets	Liabilities
► Cash and cash equivalents	► Repurchased agreements
► Balances with Central Bank of Sri Lanka	► Savings and demand deposits in "Financial liabilities at amortised cost - Due to customers"
► Placements with banks	► Other financial liabilities
► Reverse repurchased agreements	
► Other financial assets	

INFORMATION ON DEBENTURES

Issued in 2026	Interest Payment Frequency	Type of Interest	Coupon rate	Effective rate	Interest Rates of Comparable Government Securities	Market Values (LKR)			Other Ratios as at date of last trade		LKR' 000
						Highest	Lowest	Quarter End	Interest yield %	Yield to Maturity %	
2026/2031 Type A - Public/Listed	Annual	Fixed	13.00%	13.00%	11.28%	Not traded during the period			N/A	N/A	1,150,000
2026/2031 Type B - Public/Listed	Semi Annual	Fixed	12.50%	12.89%	11.28%	Not traded during the period			N/A	N/A	513,290
2026/2031 Type C - Public/Listed	Semi Annual	Floating	Note 1		9.37%	Not traded during the period			N/A	N/A	1,336,710

Note 1

Floating rate is equivalent to the 182 days gross Treasury Bill rate plus 400 bps

N/A - Not Applicable

SELECTED PERFORMANCE INDICATORS

Item	BANK		GROUP	
	30.09.2026	31.12.2025	30.09.2026	31.12.2025
Regulatory Capital Adequacy - LKR '000				
Common Equity Tier 1	14,991,926	15,160,188	17,549,999	17,750,551
Tier 1 Capital	14,991,926	15,160,188	17,549,999	17,750,551
Total Regulatory Capital	19,148,109	16,490,037	21,862,720	19,178,794
Regulatory Capital Ratios (%)				
Common Equity Tier 1 Capital Ratio (Minimum Requirement as per Basel III - 7%)	10.1%	12.2%	11.0%	13.2%
Tier 1 Capital Ratio (Minimum Requirement as per Basel III - 8.5%)	10.1%	12.2%	11.0%	13.2%
Total Capital Ratio (Minimum Requirement as per Basel III - 12.5%)	12.9%	13.2%	13.7%	14.3%
Basel III Leverage Ratio (Minimum Requirement - 3%)	5.8%	7.2%	6.3%	7.9%
Regulatory Liquidity				
Liquidity Coverage Ratio (%), Rupee (Minimum Requirement - 100%)	113.6%	160.3%		
Liquidity Coverage Ratio (%), All Currency (Minimum Requirement - 100%)	137.7%	153.8%		
Net Stable Funding Ratio (%) (Minimum Requirement - 100%)	120.4%	128.3%		
Assets Quality (Quality of Loan Portfolio)				
Impaired Loans (Stage 3) to Total Loans, Ratio (%) - Net	8.0%	8.1%		
Impaired Loans (Stage 3) to Total Loans, Ratio (%) - Gross	12.4%	13.8%		
Impairment (Stage 3) to Stage 3 Loans, Ratio (%)	29.6%	33.8%		
Profitability				
Net Interest Margin, %	3.5%	3.5%		
Return on Assets (Before Tax), %	0.8%	1.2%		
Return on Equity (After Tax), %	4.6%	3.3%		
Cost to Income Ratio, %	77.3%	73.4%		
Debt Security - Related Ratios				
Debt to Equity Ratio (%)	39.5%	24.8%		
Interest Cover (Times)	3.8	10.7		
Memorandum Information				
Credit Rating	BBB-(lka)	BBB-(lka)		
Number of Employees	1,054	1,140		
Number of Branches	56	56		

Name of Company

Union Bank of Colombo PLC

Legal Form

A Public Limited Liability Company incorporated in Sri Lanka under the Companies Act No. 17 of 1982.

Re-registered under the Companies Act No. 7 of 2007. Listed as a public quoted Company at the Colombo Stock Exchange.

A Licensed Commercial Bank under the Banking Act No. 30 of 1988.

Date of Incorporation

February 2nd, 1995

Company Registration Number

PB 676 PQ

Accounting Year-end

December-31

Subsidiary Companies

National Asset Management Ltd

UB Finance PLC

Tax Payer Identity Number (TIN)

134005610

VAT Registration Number

134005610-7000

Credit Rating

Fitch : BBB- (lka) (Negative watch)

Registered Office & Principal Place of Business

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Auditor

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