



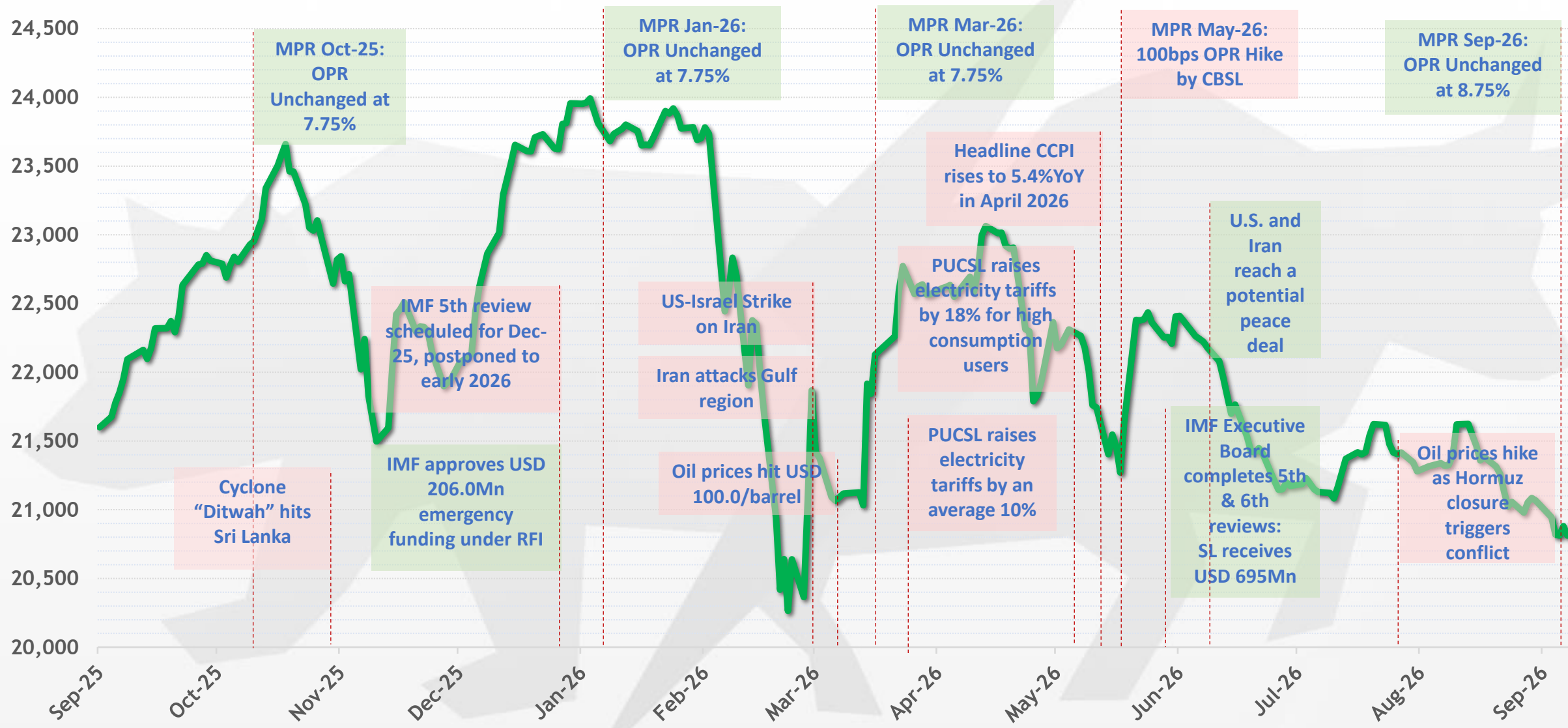
First Capital
A Janashakthi Group Company

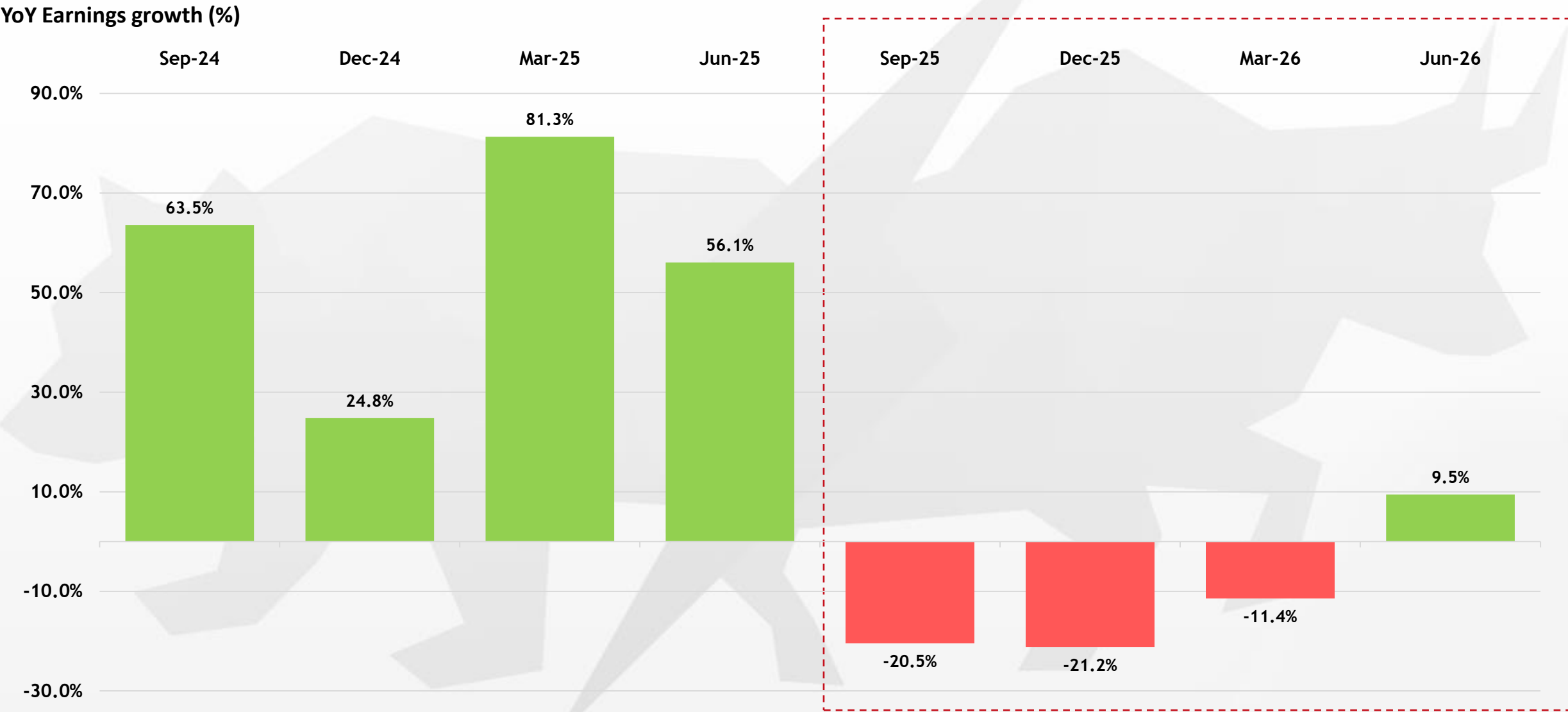
QUARTERLY RESULTS REVIEW

APR – JUN 2026



ASPI performance and key highlights from Sep-25 to Sep-26





Jun-26 quarter earnings grew by 9.5%YoY for 269 companies:

- ✓ Jun-26 quarter earnings rose 9.5%YoY, returning to growth after three consecutive quarters of contraction, although earnings eased 8.5%QoQ from the Mar-26 quarter. The YoY recovery was led by the Banks, Capital Goods and Telecommunications sectors, while the Retailing and Materials sectors also delivered solid gains. Food, Beverage & Tobacco earnings were broadly flat YoY but rebounded sharply QoQ, as CARS and BUKI returned to profitability following the one-off administrative fine at Goodhope Asia Holdings Ltd recorded in Mar-26. The improvement was partly offset by the Diversified Financials sector, where several primary dealers swung to losses, and by deeper losses in the Consumer Services sector during the seasonally weak tourism quarter.

Key sectors that strengthened quarterly earnings in Jun-26:

1. **Banks (+28.1%YoY):** Banking sector earnings grew 28.1%YoY and 31.9%QoQ, with all 13 banks remaining profitable. NTB and SAMP were the key contributors, with earnings rising 133.4%YoY and 64.6%YoY respectively, while NDB and COMB also posted solid growth.
2. **Capital Goods (+232.4%YoY):** Sector earnings more than tripled YoY, driven by HAYL and SPEN, while JKH and DOCK turned profitable from losses in Jun-25. BRWN and SHL continued to record sizeable losses, limiting the sector's overall profitability.

Key sectors that depleted quarterly earnings in Jun-26:

1. **Diversified Financials (-30.0%YoY):** Sector earnings declined 30.0%YoY and 33.4%QoQ in Jun-26. The contraction was concentrated in the primary dealers CALT, CALH and FCT, and in CFVF, which swung to losses amid pressure on fixed income portfolios as market yields rose following CBSL's 100bps policy rate hike in May-26. GUAR and CINV also recorded sharply lower earnings. In contrast, leading lenders such as LOLC, LFIN, CFIN, VFIN and HNBF continued to post YoY earnings growth.
2. **Consumer Durables & Apparel (-150.2%YoY):** The sector swung to a loss of LKR 1.0Bn in Jun-26 from a profit of LKR 2.0Bn a year earlier, as GREG, TAP and TJL all moved into loss-making territory and MGT reported a sharp earnings decline. Only HEXP and DPL improved their earnings YoY.

Market Earnings Sector Summary – Jun 2026



Results Update

Jun 2026

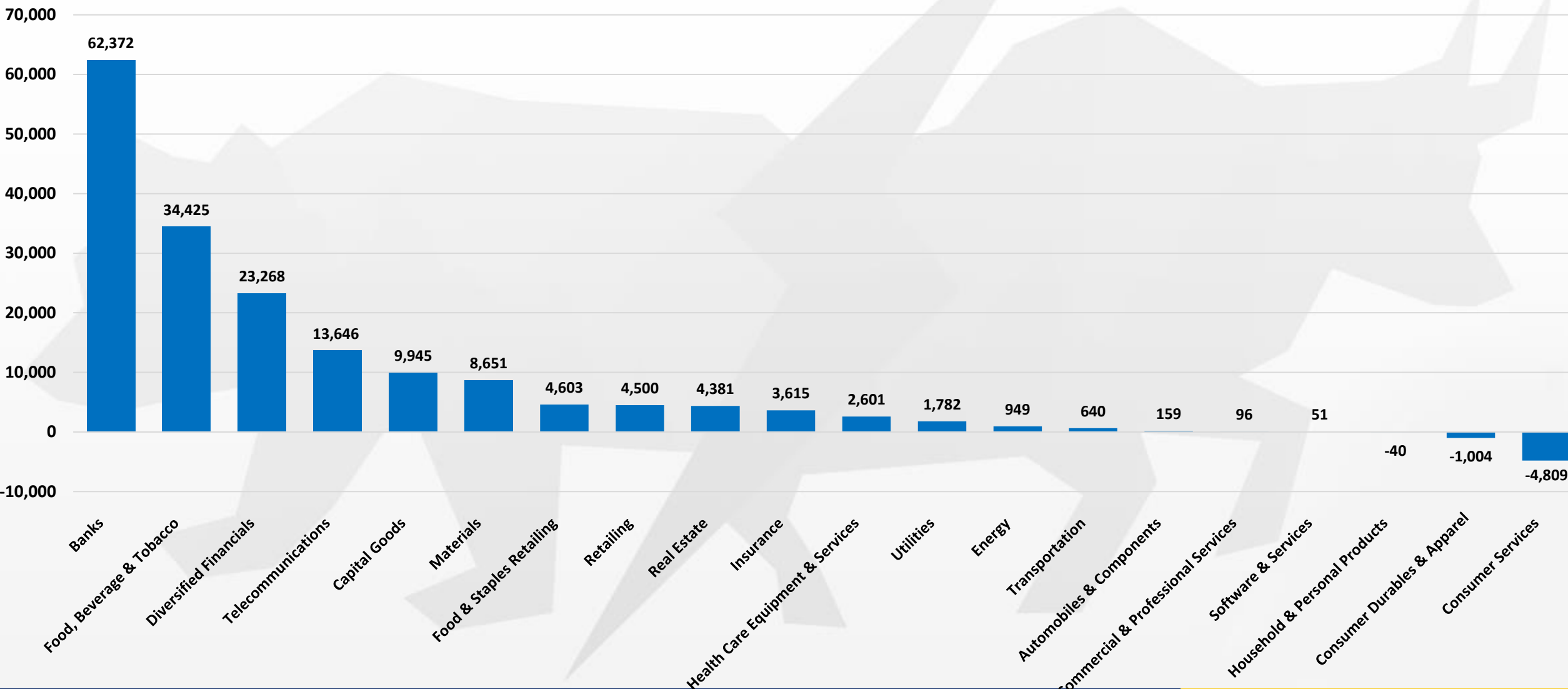
Tuesday, October 20, 2026



Sector	Quarter Earnings LKR 'Mn					4 Qtr Trailing	
	1QFY27	1QFY26	YoY%	4QFY26	QoQ%	PER (x)	PBV (x)
	2Q2026	2Q2025	YoY%	1Q2026	QoQ%		
Consumer Durables & Apparel Earnings	(1,004)	1,999	-150.2%	(344)	-191.4%	4.5x	1.6x
Retailing Sector Earnings	4,500	1,982	127.0%	7,696	-41.5%	8.3x	1.6x
Consumer Services Sector Earnings	(4,809)	(2,599)	-85.0%	7,700	-162.5%	63.7x	0.9x
Automobiles & Components Sector Earnings	159	(56)	384.4%	170	-6.7%	11.6x	0.8x
Food, Beverage & Tobacco Sector Earnings	34,425	34,704	-0.8%	14,664	134.8%	15.6x	1.9x
Food & Staples Retailing Sector Earnings	4,603	3,866	19.0%	4,468	3.0%	14.7x	3.5x
Household & Personal Products Sector Earnings	(40)	68	-159.0%	55	-173.8%	42.8x	1.1x
Energy Sector Earnings	949	2,005	-52.6%	1,566	-39.4%	13.1x	0.9x
Diversified Financials Sector Earnings	23,268	33,245	-30.0%	34,942	-33.4%	6.4x	0.8x
Banks Sector Earnings	62,372	48,690	28.1%	47,302	31.9%	4.7x	0.7x
Insurance Sector Earnings	3,615	4,775	-24.3%	4,347	-16.8%	8.1x	1.0x
Health Care Equipment & Services Sector Earnings	2,601	2,816	-7.6%	2,570	1.2%	9.3x	1.4x
Capital Goods Sector Earnings	9,945	2,992	232.4%	32,074	-69.0%	15.7x	1.0x
Commercial & Professional Services Sector Earnings	96	(187)	151.7%	(668)	114.4%	0.0x	1.1x
Transportation Sector Earnings	640	437	46.4%	699	-8.4%	21.3x	10.3x
Materials Sector Earnings	8,651	6,008	44.0%	9,543	-9.4%	10.4x	1.5x
Real Estate Sector Earnings	4,381	4,307	1.7%	6,719	-34.8%	9.0x	1.1x
Software & Services Sector Earnings	51	(36)	242.8%	(8)	731.8%	0.0x	5.2x
Telecommunications Sector Earnings	13,646	7,340	85.9%	12,251	11.4%	12.4x	2.8x
Utilities Sector Earnings	1,782	1,809	-1.5%	577	208.7%	18.0x	1.9x
Market Valuations						10.0x	1.2x
Market Earnings - Jun 2026	169,832	154,167	10%	186,322	-9%	269	
Market Earnings - Mar 2026	186,322	210,282	-11%	184,008	1%	271	

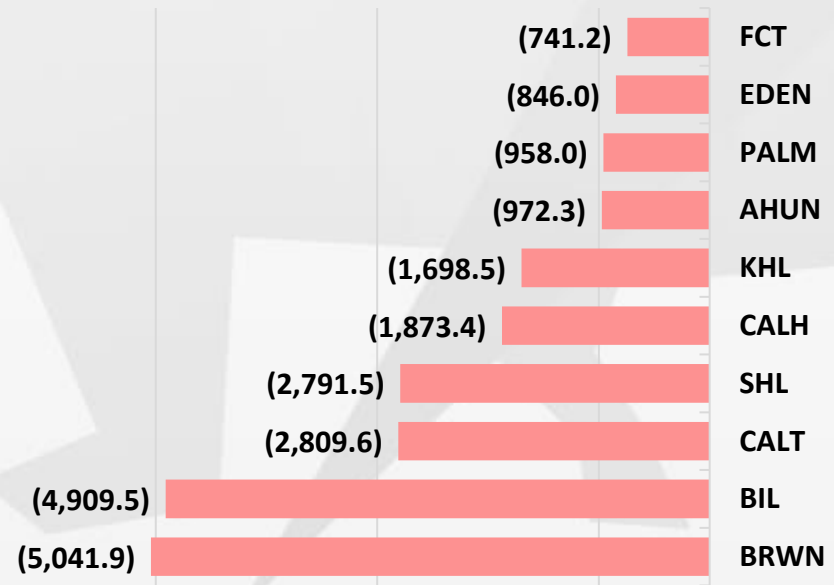
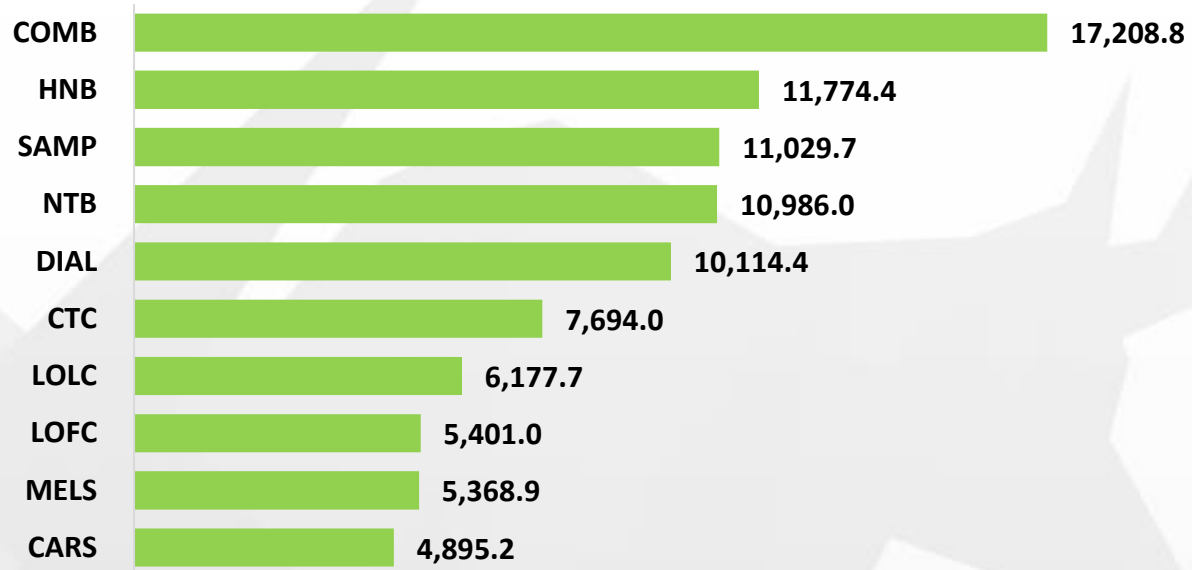
Earnings for majority of the sectors recorded gains, whilst only three sectors made losses

Sector-wise breakdown of earnings (LKR Mn)



Top 10 Profit- and Loss-making companies in 2Q2026/1QFY27

Earnings growth was primarily driven by the Banking sector, with COMB, HNB, SAMP and NTB taking the top four profit positions. Losses were concentrated in BRWN, BIL and SHL, the primary dealers CALT and CALH, and leisure counters during the off-peak tourism quarter.



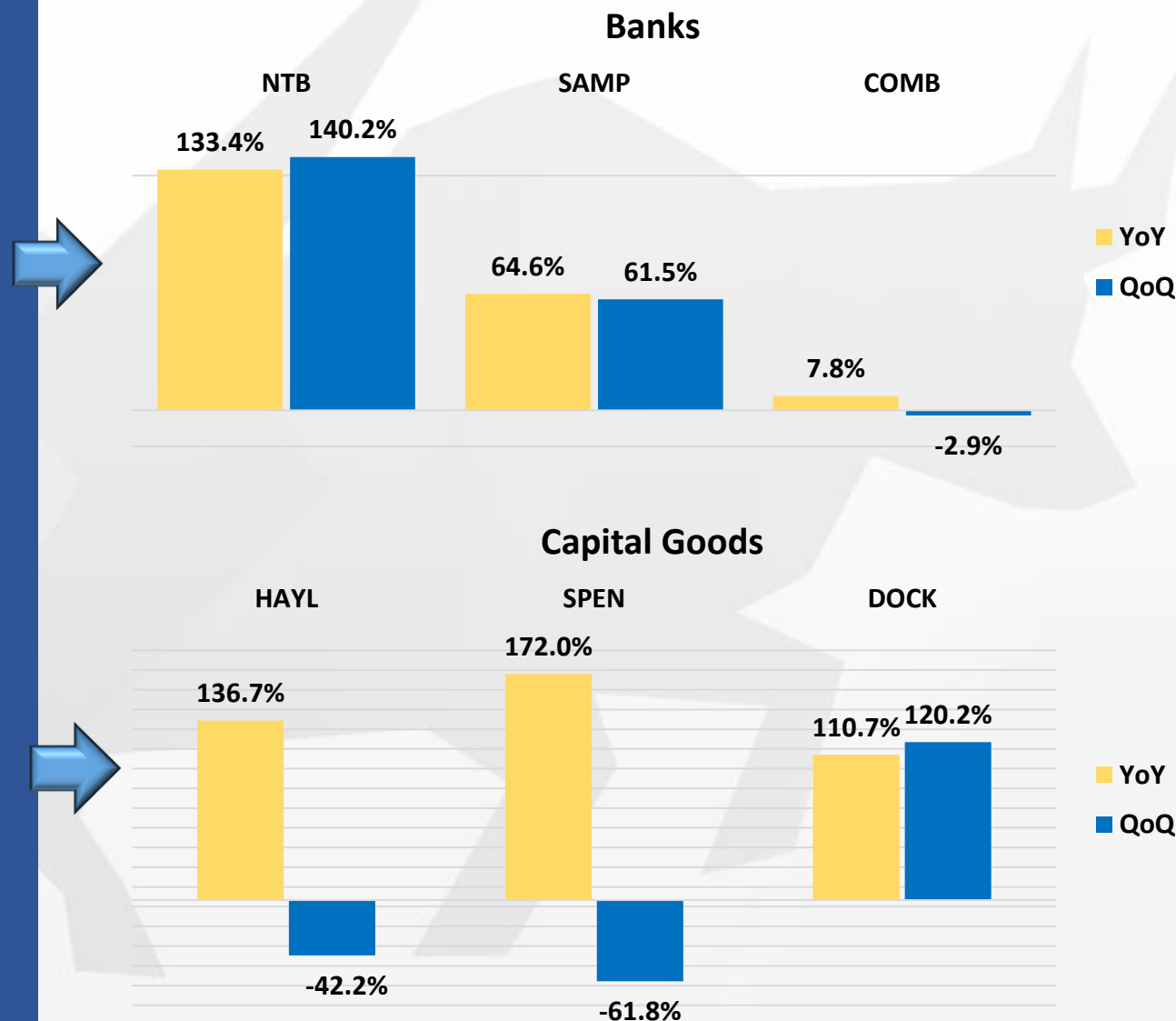
*LKR Mn

Earnings insight – Sector wise

The **Banking sector** was the largest contributor to earnings growth in Jun-26, with sector earnings rising 28.1%YoY and 31.9%QoQ to LKR 62.3Bn, and all 13 listed banks remaining profitable. NTB led the expansion, with earnings more than doubling (+133.4%YoY) to LKR 11.0Bn (vs. LKR 4.7Bn in Jun-25). SAMP followed with earnings growth of 64.6%YoY to LKR 11.0Bn, while COMB remained the largest profit-maker in the market at LKR 17.2Bn (+7.8%YoY). NDB (+55.9%YoY), SEYB and PABC also contributed positively, partly offset by lower earnings at DFCC and SDB.

The **Capital Goods sector** posted earnings growth of 232.4%YoY to LKR 9.9Bn in Jun-26, although earnings eased 69.0%QoQ from a strong Mar-26 quarter. HAYL was the key contributor, with earnings rising 136.7%YoY to LKR 3.6Bn, while SPEN grew earnings 172.0%YoY to LKR 1.5Bn. DOCK and JKH turned profitable from losses in Jun-25, and VONE, AEL and RCL recorded YoY earnings growth of 41.9%, 77.9% and 56.1% respectively. However, BRWN and SHL continued to report sizeable losses of LKR 5.0Bn and LKR 2.8Bn, limiting the sector's overall profitability.

Counters with the most significant growth in earnings



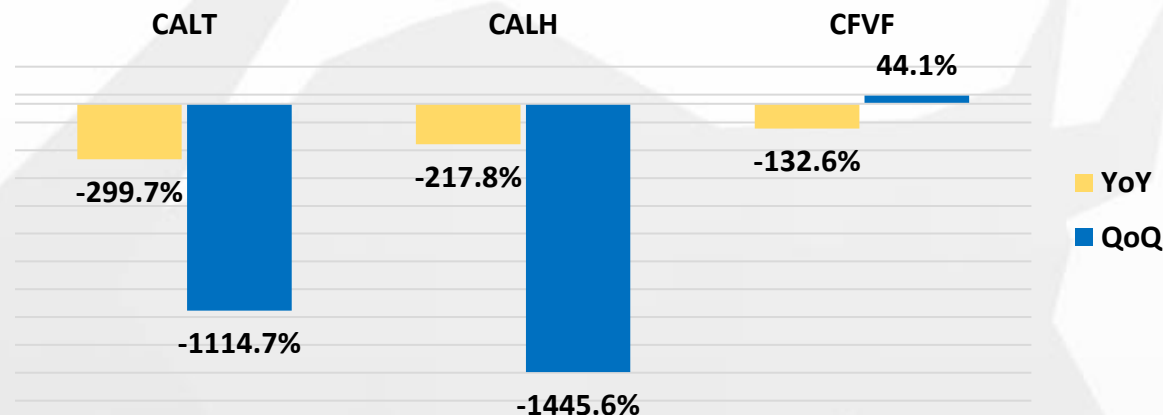
Earnings insight – Sector wise

The **Diversified Financials** sector reported a 30.0%YoY and 33.4%QoQ decline in earnings in Jun-26, making it the largest drag on aggregate market earnings. The weakness was concentrated in the fixed income-focused companies: CALT and CALH swung to losses of LKR 2.8Bn and LKR 1.9Bn respectively (vs. profits of LKR 1.4Bn and LKR 1.6Bn in Jun-25), while CFVF and FCT also reported losses, reflecting mark-to-market pressure on government securities portfolios as yields moved higher following CBSL's 100bps policy rate hike in May-26 as well as oil driven uncertainties. GUAR and CINV compounded the weakness, with earnings declines of 70.9%YoY and 74.8%YoY respectively. In contrast, lending-focused companies remained resilient, with LOLC, LFIN, CFIN, VFIN, HNBF and ACAP all recording YoY earnings growth.

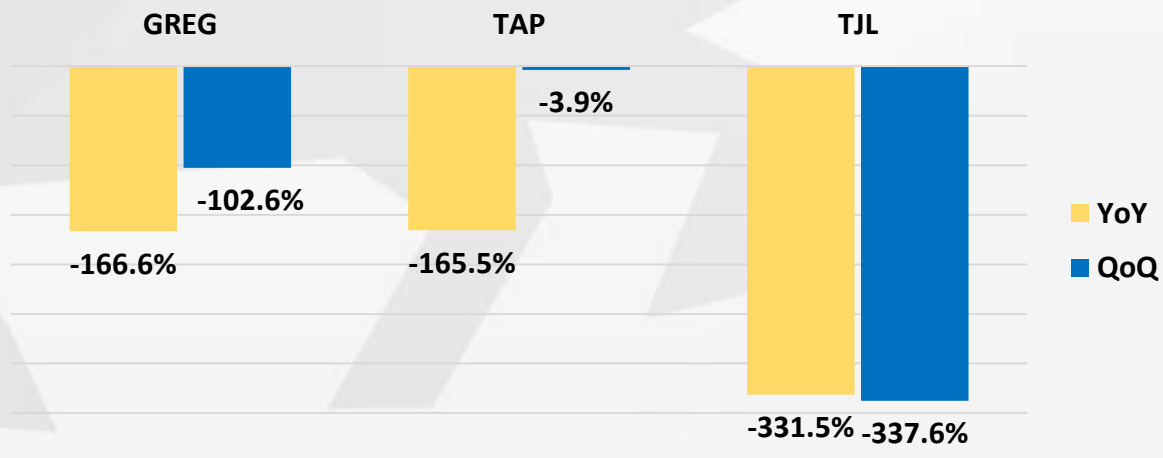
The **Consumer Durables & Apparel** sector swung to a loss of LKR 1.0Bn in Jun-26 compared to a profit of LKR 2.0Bn in Jun-25, reflecting a 150.2%YoY decline. GREG and TAP were the largest drags, swinging to losses of LKR 449.0Mn and LKR 395.1Mn respectively, from combined profits of LKR 1.3Bn a year earlier. TJL also slipped into a loss of LKR 479.9Mn (vs. profits of LKR 207.3Mn in Jun-25 and LKR 201.9Mn in Mar-26), while MGT's earnings declined 57.1%YoY. On a positive note, HEXP grew earnings 51.9%YoY and DPL narrowed its losses.

Counters with the most significant decline in earnings

Diversified Financials



Consumer Durables & Apparel



Thank you!

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MANAGING RISKS"*



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