

CSFB.2025-2026/488

January 29, 2026

BSE Limited
Listing Compliance
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai 400 001
Maharashtra

National Stock Exchange of India Limited
The Listing Department,
Exchange Plaza,
Bandra Kurla Complex,
Mumbai - 400 051
Maharashtra

Scrip Code: 544120, 951995 & 953739**Symbol: CAPITALSFB**

Sub: Press Release on Un- audited Financial Results of Capital Small Finance Bank Limited for the Quarter ended on December 31, 2025

Ref: Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

In continuation to outcome of board meeting held on January 29, 2026 regarding un - audited financial results of Capital Small Finance Bank Limited ("the Bank") for the period ended on December 31, 2025, we submit herewith the Press Release on the same.

The Press Release may also be accessed on the website of the Bank at the link:
<https://www.capital.bank.in/investors/financial-results>

This is for your information and records.

Thanking You,

For and on behalf of
Capital Small Finance Bank Limited

Amit Sharma
Company Secretary and Compliance Officer
Membership No. F10888

Encl as above

Capital Small Finance Bank Limited

Regd. & Head Off.: 'MIDAS Corporate Park', 3rd Floor, 37, G.T. Road, Jalandhar-144 001, INDIA
Tel.: 0181-5051111, 5052222 | Fax : 0181-5053333 | e-mail : mail@capitalbank.co.in | www.capitalbank.co.in
 www.facebook.com/capitalbankindia | CIN : L65110PB1999PLC022634

Press Release

Seeds of Growth - Roots of Trust

CAPITAL SMALL FINANCE BANK LIMITED Q3 FY26 RESULTS

- **Advances up 19.8% and Deposits up 18.5% YoY**
- **CASA improves to 35.9% from 33.9% a quarter back**
- **Disbursement for the quarter rose 24.7% YoY to ₹919 crore YoY**
- **Net Interest Income up 11.4%, Non-Interest Income rose 46.1% and gross revenue up 17.9%, YoY during the quarter**
- **POPOP growth of 20%* YoY and PAT growth of 12.6%* YoY. With exceptional item, PPOP & PAT growth of 9% and 1% respectively YoY**
- **ROA at 1.3%*/1.2%**

**excluding one time charge in Q3/9M FY26 of Rs. 5.13 cr. related to past employee services, consequent to New Labour Code implementation*

Mumbai / Jalandhar, January 29, 2026: Capital Small Finance Bank Limited today announced its unaudited financial results for the quarter and nine months ended December 31, 2025 (Q3FY26 and 9MFY26), delivering steady growth across advances and deposits, sustained profitability, and stable asset quality. The performance reflects the Bank's relationship-led retail banking model and continued focus on secured lending to the middle-income segment.

Mr. Sarjit Singh Samra, Managing Director & CEO, Capital Small Finance Bank, said:

"The quarter ended December 31, 2025 reflected steady balance sheet expansion and stable operating metrics, underscoring the strength of our relationship-led banking model. Gross advances grew to ₹8,164 crores, registering a 19.8% year-on-year increase, driven by sustained traction across MSME and LAP portfolio. Deposits stood at ₹9,931 crores, up 18.5% year-on-year, with a healthy CASA ratio of 35.9%, highlighting the resilience and granularity of our retail liability franchise.

Disbursements during the quarter rose to ₹919 crores, supported by consistent demand across secured lending products. Asset quality remained stable, with gross and net NPA stood at 2.68% and 1.35% respectively, improving sequentially by 2 bps and 3 bps respectively, reflecting prudent underwriting, strong collections, and our continued focus on secured lending. Net interest margin remained stable at 4.0%, while profit after tax stood at ₹34 crores, despite an exceptional one-time cost impact during the quarter on New Labour Code implementation related to past employee services. Excluding this one-off impact, Operating profit before provisions has grown by 20.0% and PAT have grown by 12.6% Y-o-Y, highlighting the underlying strength of our core earnings.

Looking ahead, as the sector continues to balance growth with asset quality, we are witnessing steady demand for retail and MSME credit, particularly in secured and cash-flow-linked products. We are confident in our ability to support incremental credit growth and our focus remains on strengthening core franchise, improving balance sheet efficiency, and expanding our presence in contiguous geographies in a calibrated manner. Supported by strong capital adequacy and a stable operating environment, we are well positioned to sustain consistent growth while maintaining asset quality and profitability."

Differentiated Bank Focused on Middle Income Segment | Quarter Update

Capital Small Finance Bank 

Advances

YoY^A 19.8%

Quarterly Update

- Growth of 20% YoY basis and 3% QoQ basis
- 25% growth in disbursement ₹919 cr (₹737 cr in Q3FY25)
- The disbursement spread across the sectors & growth driver for the quarter is MSME/business segment (QoQ 10%) and LAP (QoQ 3%)
- Yield on advances remained stable during quarter at 11.0% during Q3FY26 & Q2FY26

Key Aspects

- Focus on middle income customer segment and emphasis on primary banking relationship (ATS of ₹17.8 lacs)
- Diversified loan book (mix across Agriculture, Mortgage, Business Loans/MSME, Corporate loans and Consumption loans) with ZERO direct micro finance exposure (99% being secured loans)

₹1,148 CAGR 23%
FY16 7.1x 9MFY26

Asset Quality (%)

Quarterly Update

- Gross NPA and Net NPA improved to 2.68% and 1.35% (2.70% and 1.38% in Q2FY26) respectively
- Credit cost continued to remain stable at 0.20% during Q3FY26 & Q2FY26 (calculated as % to avg assets)

Key Aspects

- Strong underwriting capabilities, visibility of borrower cash-flow, primary banking approach; key contributor to low credit cost
- One of the lowest write-offs in the Banking industry with zero NPA sell-off

GNPA - 2.68%
NNPA - 1.35%

Deposit

YoY^A 18.5%

Quarterly Update

- Growth of 18% YoY basis and 7% QoQ basis
- CASA increased to 36% (34% Q2FY26)
- Deposit cost has started showing decline trend, 5.86% Q3FY26 against 5.92% in Q2FY26

Key Aspects

- Retail focused liability franchise (retail deposit share of 90%+)
- High Rollover ratio of 90%+ depicting a stable deposit base
- Optimized saving bank rate w.e.f. Nov 01, 2025.

₹1,814 CAGR 19%
FY16 5.5x 9MFY26

Profitability

YoY^A 12.6%*

Quarterly Update

- PPOP growth of 20%* YoY basis and PAT growth of 13%* YoY basis
- NII growth of 11% and Non-Interest Income growth of 46%, on YoY basis
- CI ratio reduced to 60.9%* Q3FY26 (vs 61.7% Q2FY26)

With exceptional item, PPOP and PAT growth of 9% and 1% respectively, on YoY basis

Key Aspects

- Demonstrated a sustained improvements in return metrics
- Effectively managed yields and interest spread across interest rate cycles. Going forward, targeting NIM expansion supported by decline in deposit cost on repricing, coupled with accelerating the CD ratio.

₹14 CAGR 28%
FY16 9.4x PAT ₹132
FY25

CAGR (FY2016-FY25) | *YoY Q3FY26 vs Q3FY25

₹ in crores

*excluding one time charge in Q3/9MFY26 of Rs. 5.13 cr related to post employee services, consequent to New Labour Code implementation (referred as exceptional item)

Numbers have been rounded off wherever applicable

For detailed results, click <https://www.capital.bank.in/investors/financial-results>

About Capital Small Finance Bank

Capital Small Finance Bank (CAPITAL SFB) is a bank headquartered at Jalandhar, Punjab, India. Capital Small Finance Bank Limited started operations as India's 1st Small Finance Bank on April 24, 2016 after conversion from Capital Local Area Bank. Prior to conversion to a Small Finance Bank, Capital Local Area Bank was operating as India's largest local area bank since January 14, 2000. The Bank is presently having 205 branches spread over 5 states and 2 Union Territories. The core strategy of the Bank is to build a retail franchise steered by customer first approach, diversified & secured lending in well-defined niche catering to middle income group segment with special emphasis on rural and semi-urban areas.

For more details, please reach us at publicrelations@capitalbank.co.in

For media queries:

Contact Adfactors PR: capital@adfactorspr.com

Sukanya Meta

Sukanya.meta@adfactorspr.com

9674106049

Akshay Advani

Akshay.advani@adfactorspr.com

9930722770