

**INTERIM FINANCIAL STATEMENTS**  
***FOR THE QUARTER ENDED JUNE 30, 2012***



**Citizens Development Business Finance PLC**  
No 18, Sri sangaraja Mawatha, Colombo 10

**CITIZENS DEVELOPMENT BUSINESS FINANCE PLC**  
**STATEMENT OF INCOME**

	COMPANY			GROUP		
	FOR THE QUATER ENDED			FOR THE QUATER ENDED		
	30/06/2012	30/06/2011	Variance	30/06/2012	30/06/2011	Variance
	Rs.	Rs.	%	Rs.	Rs.	%
<b>Income</b>	<b>891,692,091</b>	572,657,171	<b>56%</b>	<b>891,692,091</b>	572,697,121	<b>56%</b>
Interest Income	<b>826,858,924</b>	532,491,275	<b>55%</b>	<b>826,858,924</b>	532,491,275	<b>55%</b>
Less: Interest Expenses	<b>471,846,605</b>	272,878,386	<b>73%</b>	<b>471,846,605</b>	272,878,386	<b>73%</b>
<b>Net Interest Income</b>	<b>355,012,319</b>	259,612,889	<b>37%</b>	<b>355,012,319</b>	259,612,889	<b>37%</b>
Other Income	<b>64,833,167</b>	40,075,896	<b>62%</b>	<b>64,833,167</b>	40,205,846	<b>61%</b>
	<b>419,845,486</b>	299,688,785	<b>40%</b>	<b>419,845,486</b>	299,818,735	<b>40%</b>
<b>Less : Operating Expenses</b>						
Personnel Expenses	<b>90,774,690</b>	64,667,029	<b>40%</b>	<b>90,774,690</b>	64,667,029	<b>40%</b>
Premises, Equipment and Administration Expenses	<b>100,436,069</b>	79,548,539	<b>26%</b>	<b>100,436,069</b>	79,548,539	<b>26%</b>
Marketing and Business Promotion Expenses	<b>74,931,018</b>	52,440,392	<b>43%</b>	<b>74,931,018</b>	52,440,392	<b>43%</b>
Finance Charges	<b>1,598,460</b>	1,993,240	<b>-20%</b>	<b>1,598,460</b>	1,993,240	<b>-20%</b>
	<b>267,740,237</b>	198,649,200	<b>35%</b>	<b>267,740,237</b>	198,649,200	<b>35%</b>
<b>Profit before Loan Loss Provision</b>	<b>152,105,249</b>	101,039,585	<b>51%</b>	<b>152,105,249</b>	101,169,535	<b>50%</b>
Less - Provision for loan losses	<b>32,567,264</b>	7,950,000	<b>310%</b>	<b>32,567,264</b>	7,950,000	<b>310%</b>
<b>Profit Before VAT on Financial Services and Tax</b>	<b>119,537,985</b>	93,089,585	<b>28%</b>	<b>119,537,985</b>	93,219,535	<b>28%</b>
Less - VAT on Financial Services	<b>7,500,000</b>	6,986,038	<b>7%</b>	<b>7,500,000</b>	6,986,038	<b>7%</b>
<b>Profit Before Income Tax</b>	<b>112,037,985</b>	86,103,547	<b>30%</b>	<b>112,037,985</b>	86,233,497	<b>30%</b>
Less -Income Tax Expenses	<b>15,000,000</b>	6,028,814	<b>149%</b>	<b>15,000,000</b>	6,028,814	<b>149%</b>
<b>Net Profit for the period</b>	<b>97,037,985</b>	80,074,733	<b>21%</b>	<b>97,037,985</b>	80,204,683	<b>21%</b>
<b>Attributable to</b>						
Shareholders of the parent Company	<b>97,037,985</b>	80,074,733	<b>21%</b>	<b>97,037,985</b>	80,204,683	<b>21%</b>
Minority Interest	-	-		-	-	
<b>Net Profit for the period</b>	<b>97,037,985</b>	80,074,733	<b>21%</b>	<b>97,037,985</b>	80,204,683	<b>21%</b>
<b>Earnings Per Share (EPS)</b>	<b>1.87</b>	1.92		<b>1.87</b>	<b>1.92</b>	

Note :

Earnings per share for the previous periods presented have been restated to reflect the effect of rights issue.


CITIZENS DEVELOPMENT BUSINESS FINANCE PLC  
BALANCE SHEET AS AT

	COMPANY		GROUP	
	30/06/2012 Rs.	Audited 31/03/2012 Rs.	30/06/2012 Rs.	Audited 31/03/2012 Rs.
<b>Assets</b>				
Cash and Cash Equivalents	203,310,161	121,343,098	206,645,686	124,678,624
Investment in Government Securities	834,299,807	576,963,367	834,299,807	576,963,367
Deposits with Licensed Commercial Banks & Financial Institutions	1,086,901,233	490,589,920	1,086,901,233	490,589,920
Securities Purchase under Resale Agreements	189,586,338	326,000,000	189,586,338	326,000,000
Loans & Advances	3,589,515,739	3,307,640,589	3,589,515,739	3,307,640,589
Net Investments in Leases	7,711,928,062	7,095,726,690	7,711,928,062	7,095,726,690
Net Investments in Hiring Contracts	3,102,468,692	2,846,241,640	3,102,468,692	2,846,241,640
Investment Securities	453,046,000	459,193,600	453,046,000	459,193,600
Tax Recoverable	254,094,567	261,080,749	254,094,567	261,080,749
Trade and Other Receivables	653,653,025	354,744,904	653,653,025	354,744,104
Inventories	245,041,291	210,693,612	245,041,291	210,693,612
Investment in Subsidiaries	2,745,447	2,745,447	-	-
Investment Properties	20,197,977	20,197,977	20,197,977	20,197,977
Property, Plant and Equipment	489,270,646	470,979,957	489,270,646	470,979,957
<b>Total Assets</b>	<b>18,836,058,985</b>	<b>16,544,141,550</b>	<b>18,836,649,063</b>	<b>16,544,730,829</b>
<b>Liabilities</b>				
Deposits From Customers	12,863,364,316	11,388,775,587	12,863,364,316	11,388,775,587
Borrowings	1,663,168,514	1,730,205,633	1,663,168,514	1,730,205,633
Debentures	250,000,000	250,000,000	250,000,000	250,000,000
Retirement Benefit Obligations	33,322,455	28,606,687	33,322,455	28,606,687
Tax Payable	71,097,178	62,853,091	71,502,255	63,258,167
Other Liabilities	1,615,681,291	789,344,790	1,615,867,091	789,529,792
	<b>16,496,633,754</b>	<b>14,249,785,788</b>	<b>16,497,224,631</b>	<b>14,250,375,866</b>
<b>Shareholders' Funds</b>				
Stated Capital	1,114,960,915	1,114,960,915	1,114,960,915	1,114,960,915
Reserve Funds	278,736,884	278,736,884	278,736,884	278,736,884
Revaluation Reserve	12,066,286	12,066,286	12,066,286	12,066,286
Investment Fund Reserve	21,102,343	21,102,343	21,102,343	21,102,343
Accumulated Profit	912,558,803	867,489,334	912,558,004	867,488,535
<b>Shareholders' Funds</b>	<b>2,339,425,231</b>	<b>2,294,355,762</b>	<b>2,339,424,432</b>	<b>2,294,354,963</b>
Minority Interest	-	-	-	-
<b>Total Equity</b>	<b>2,339,425,231</b>	<b>2,294,355,762</b>	<b>2,339,424,432</b>	<b>2,294,354,963</b>
<b>Total Liabilities &amp; Equity</b>	<b>18,836,058,985</b>	<b>16,544,141,550</b>	<b>18,836,649,063</b>	<b>16,544,730,829</b>
<b>Net Assets Value per Ordinary Share</b>	<b>45.02</b>	<b>44.15</b>	<b>45.02</b>	<b>44.15</b>

Note

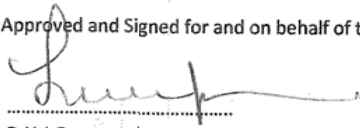
The above figures are subject to audit unless specified.

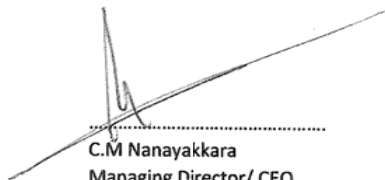
The Financial statements are in compliance with the requirements of the Companies Act No 7 of 2007.

  
Damith Tennakoon  
Director/CFO

The Board of Directors is responsible for the preparation and the presentation of these Financial Statements.

Approved and Signed for and on behalf of the Board.

  
D.H.J. Gunawardena  
Chairman  
Colombo  
10th August 2012

  
C.M. Nanayakkara  
Managing Director/ CEO

**CITIZENS DEVELOPMENT BUSINESS FINANCE PLC**  
**STATEMENT OF CHANGES IN EQUITY**

**FOR THE QUARTER ENDED 30TH JUNE 2012**

<b>COMPANY</b>	<b>Stated Capital Rs</b>	<b>Revaluation Reserve Rs</b>	<b>Retained Earnings Rs</b>	<b>Reserve Fund Rs</b>	<b>Investment Fund Reserve Rs</b>	<b>Total Rs</b>
Balance as at April 01, 2011	396,850,480	15,082,857	457,586,665	152,650,304	3,012,215	1,025,182,521
Net Profit For the period			80,074,733			80,074,733
Transfer into/(out) from reserve			(3,381,306)		3,381,306	
<b>Balance as at June 30, 2011</b>	<b>396,850,480</b>	<b>15,082,857</b>	<b>534,280,092</b>	<b>152,650,304</b>	<b>6,393,521</b>	<b>1,105,257,254</b>
Balance as at April 01,2012	1,114,960,915	12,066,286	867,489,334	278,736,884	21,102,343	2,294,355,762
Net Profit For the period			97,037,985			97,037,985
Dividend 2011/2012			(51,968,516)			(51,968,516)
<b>Balance as at June 30, 2012</b>	<b>1,114,960,915</b>	<b>12,066,286</b>	<b>912,558,803</b>	<b>278,736,884</b>	<b>21,102,343</b>	<b>2,339,425,231</b>

<b>GROUP</b>	<b>Stated Capital Rs</b>	<b>Revaluation Reserve Rs</b>	<b>Retained Earnings Rs</b>	<b>Reserve Fund Rs</b>	<b>Investment Fund Reserve Rs</b>	<b>Total Rs</b>	<b>Minority Interest Rs</b>	<b>Total Equity Rs</b>
Balance as at April 01, 2011	396,850,480	15,082,857	455,243,921	152,650,304	3,012,215	1,022,839,777		1,022,839,777
Net Profit for the Period			80,204,683			80,204,683		80,204,683
Transfer into/(out) from reserve			(3,381,306)		3,381,306			
<b>Balance as at June 30, 2011</b>	<b>396,850,480</b>	<b>15,082,857</b>	<b>532,067,298</b>	<b>152,650,304</b>	<b>6,393,521</b>	<b>1,103,044,460</b>		<b>1,103,044,460</b>
Balance as at April 01, 2012	1,114,960,915	12,066,286	867,488,535	278,736,884	21,102,343	2,294,354,964		2,294,354,964
Net Profit for the Period			97,037,985			97,037,985		97,037,985
Dividend 2011/2012			(51,968,516)			(51,968,516)		(51,968,516)
<b>Balance as at June 30, 2012</b>	<b>1,114,960,915</b>	<b>12,066,286</b>	<b>912,558,004</b>	<b>278,736,884</b>	<b>21,102,343</b>	<b>2,339,424,433</b>		<b>2,339,424,434</b>

CITIZENS DEVELOPMENT BUSINESS FINANCE PLC

Cash Flow Statement

FOR THE THREE MONTHS PERIOD ENDED	Company		Group	
	30-06-2012 Rs.	30-06-2011 Rs.	30-06-2012 Rs.	30-06-2011 Rs.
<b>Cash Flow from Operating Activities</b>				
Interest Receipts	958,160,564	516,416,431	958,160,564	516,416,431
Commission Receipts	21,215,140	18,743,079	21,215,140	18,743,079
Other Income	38,878,023	35,703,855	38,878,023	35,833,806
Interest Payments	(314,012,031)	(227,732,889)	(314,012,031)	(227,732,889)
Fees and Business Promotion Expenses	(28,983,181)	(52,440,392)	(28,983,181)	(52,440,392)
Employees Related Payments	(85,974,690)	(64,320,731)	(85,974,690)	(64,320,731)
Suppliers Payment	(87,432,932)	(80,408,633)	(87,432,932)	(80,408,633)
Financial Expenses	(1,598,460)	(1,993,240)	(1,598,460)	(1,993,240)
<b>Operating Profit/ (Loss) Before Changes in Operating Assets</b>	<b>500,252,433</b>	<b>143,967,480</b>	<b>500,252,433</b>	<b>144,097,431</b>
<b>(Increase)/ Decrease in Operating Assets</b>				
Investments Licensed Commercial banks and other Financial Institutions	(596,311,313)	28,000,001	(596,311,313)	28,000,001
Investment in Government Securities	(120,922,778)	91,575,100	(120,922,778)	91,575,100
Net Funds Advance to Customers	(1,171,768,788)	(977,209,614)	(1,171,768,788)	(977,209,614)
Other Short Term Assets	(75,540,898)	44,073,535	(75,540,900)	43,943,584
Inventories	(67,821,101)	(62,155,196)	(67,821,101)	(62,155,196)
<b>Increase/ (Decrease) in Operating Liabilities</b>	<b>(1,532,112,444)</b>	<b>(731,748,694)</b>	<b>(1,532,112,446)</b>	<b>(731,748,694)</b>
Borrowings	(67,037,119)	(62,785,829)	(67,037,119)	(62,785,829)
Deposits from customers	1,474,588,729	807,801,743	1,474,588,729	807,801,743
	<b>1,407,551,611</b>	<b>745,015,914</b>	<b>1,407,551,611</b>	<b>745,015,914</b>
Cash (used in)/generated from Operations	(124,560,833)	13,267,220	(124,560,835)	13,267,220
Gratuity paid	(84,232)	-	(84,232)	-
Value Added Tax	15,671,070	(10,692,091)	15,671,070	(10,692,091)
Economic Service Charge	(12,841,533)	(8,876,150)	(12,841,533)	(8,876,150)
Tax Paid				-
	<b>(121,815,530)</b>	<b>(6,301,021)</b>	<b>(121,815,531)</b>	<b>(6,301,021)</b>

FOR THE THREE MONTHS PERIOD ENDED	Company		Group	
	30-06-2012 Rs.	30-06-2011 Rs.	30-06-2012 Rs.	30-06-2011 Rs.
<b>Cash Flow from Investing Activities</b>				
Dividend receipts	3,684,000	-	3,684,000	-
Purchase of Property, Plant & Equipment	(36,692,039)	(60,353,520)	(36,692,039)	(60,353,520)
Net Cash Inflows/( Outflows) Investing Activities	<b>(33,008,039)</b>	<b>(60,353,520)</b>	<b>(33,008,039)</b>	<b>(60,353,520)</b>
<b>Cash Flow from Financing Activities</b>				
Redemption of Debentures	-	(5,645,083)	-	(5,645,083)
Net Cash Inflow (out flows) from Financing Activities	-	<b>(5,645,083)</b>	-	<b>(5,645,083)</b>
Net Increase/(Decrease) In Cash & Cash Equivalents	(154,823,569)	(72,299,624)	(154,823,570)	(72,299,624)
Cash & Cash Equivalents at the beginning of the Year	(48,733,659)	(149,932,205)	(45,398,133)	(149,932,205)
Cash & Cash Equivalents at the end of the Year	<b>(203,557,228)</b>	<b>(222,231,829)</b>	<b>(200,221,703)</b>	<b>(222,231,829)</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>				
Cash at Bank and In Hand	121,343,098	49,343,058	124,678,624	49,343,058
Bank Overdraft	(170,076,757)	(199,275,263)	(170,076,757)	(199,275,263)
	<b>(48,733,659)</b>	<b>(149,932,205)</b>	<b>(45,398,133)</b>	<b>(149,932,205)</b>
<b>Cash and Cash Equivalents at the end of the year</b>				
Cash at Bank and In Hand	203,310,161	60,731,720	206,645,686	60,731,720
Bank Overdraft	(406,867,389)	(282,963,549)	(406,867,389)	(282,963,549)
	<b>(203,557,228)</b>	<b>(222,231,829)</b>	<b>(200,221,703)</b>	<b>(222,231,829)</b>

\* Figures in brackets indicates deductions

**CITIZENS DEVELOPMENT BUSINESS FINANCE PLC**  
**EXPLANATORY NOTES**

- 1) The Interim Financial Statement of the company has been prepared on the basis of the same accounting policies and methods applied for the year ended March 31, 2012 and are in compliance with Sri Lanka Accounting Standard 35 - Interim Financial Reporting. Previous year figures and Phrases have been re-arranged wherever necessary to conform to the current Presentation.  
The Institute of Chartered Accountants of Sri Lanka had issued a new volume of Sri Lanka Accounting Standards which have become applicable for financial periods beginning on or after January 01, 2012. These Sri Lanka Accounting Standards comprise of Accounting Standards prefixed both SLFRS (corresponding to IFRS) and LKAS (corresponding to IAS).

The Company is required to prepare interim financial statements in accordance with LKAS 34 – Interim Financial Reporting. However, the Institute of Chartered Accountants of Sri Lanka has decided to allow Companies to prepare interim financial statements during the first financial year commencing on or after January 01, 2012 in accordance with Sri Lanka Accounting Standards that existed immediately prior to that date (SLASs) with disclosures on impact to the Statement of Comprehensive Income for the period and Net assets based on SLFRS/LKAS. If determination of that impact is impracticable, the Companies are required to disclose that fact.

The Company has quantified the impact to the Statement of Comprehensive Income for the period (before taxes) and Net asset based on the new Sri Lanka Accounting Standards and as the impact is shown below.

**Impact (before taxes) of application of Sri Lanka Financial Reporting Standards (SLFRS/LKAS)**

Area of impact	Description	Profit for the period as per the Statement three months ended 30th June 2012 (Rs. '000)	Statement of other Comprehensive Income for three months ended 30th June 2012. (Rs. '000)	Net Assets as at 30th June 2012. (Rs. '000)
Impairment of Loans and Advances	Time-based CBSL provision is replaced with collective and specific impairment. All individually significant loans and advances with objective evidences are individually tested while other loans and advances are tested collectively for impairment. For the purpose of SLFRS Reporting suspension of interest is no longer applicable and the interest is continued to recognise on the impaired loan balances based on the Effective Interest Rate method (EIR method).	System development for the computation of impairment is in progress		
Measurement of staff loans at fair value	All staff loans are recognised initially at fair value. Subsequent interest recognition is based on EIR method. Day 1 difference (ie. The difference between the transaction amount and the fair value difference between the transaction amount and the fair value determined based on market	No significant impact	No impact	No significant impact
Measurement of customer deposits, Securitization loans and borrowings at effective interest rate	Interest expense is recognised based on EIR method and not based on straight line method as done under previously applicable SLASs.	Increase by 582	No impact	Increase by 15,765
Differed processing fees income	Processing fees on Loans and advances should be amortized over the period of the loan	No significant impact	No impact	No significant impact
Marked to market investment categorized as Available for Sale securities	AS per the SLAS, quoted equity investment has been classified as current investment and change in market value included in income statement. When adapting LKAS/SLFRS the company classified these equity investment as available for sale and change in fair value included in other comprehensive income	Increase by 6,148	Decrease by 6,148	No impact

The impact from the application of LKAS 32 – Financial Instruments – Presentation and LKAS 39 – Financial Instruments – Recognition & Measurement has been incorporated in the above analysis. The Company is in the process of assessing the impact from the other standards.

The above figures are provisional and subject to the review by auditors.

The tax impact on the above adjustments relating to the adoption of SLFRS/LKAS has not been considered in computing the adjusted comprehensive income for the 3 months ended 30th June 2012 and the adjusted net assets as at 30th June 2012.

- 2) All known Expenses have been provided in these Financial Statements and Management Fees are not applicable to the Company
- 3) (a) The Company declared a dividend of Rs. 2.50 per share for both Voting & Non Voting Ordinary shares aggregating to a sum of Rs. 129,921,290 as the first and final dividend for the financial year ended 31st March 2012 and which was approved by the Shareholders at the Annual General Meeting held on 28th June 2012.
- (b) The aforesaid dividend was in the form of Rs.1/- per share as a cash dividend and Rs.1.50 as a scrip dividend to be satisfied by the issue of non voting ordinary shares each valued at Rs. 30/- per share and which was paid on 10th July 2012.
- 4) Mr. P.N.C Gomes, Non executive Director resigned from the Board of Directors with effect from 28th June 2012.
- 5) Mr. Razik Mohamed appointed as an Independent Non Executive Director with effect from 1st July 2012.
- 6) During the period there were no material changes in the composition of assets, liabilities and contingent liabilities.
- 7) Group Financial statements comprises the consolidation of the company and its subsidiary CDB Micro Finance Ltd.
- 8) No of Shares as at 30 June 2012 is as follows.
- |                            |            |
|----------------------------|------------|
| Ordinary Voting Shares     | 46,299,223 |
| Ordinary Non Voting Shares | 5,669,293  |
- 9) There were no material events that took place other than above since March 31,2012, that require adjustment to or disclosure in these Financial Statements.



**CITIZENS DEVELOPMENT BUSINESS FINANCE PLC**  
**SEGMENTAL ANALYSIS (COMPANY)**

	Lease & Stock out on Hire		Loans		Pawning		Others		Total	
	30/06/2012 Rs.	30/06/2011 Rs.	30/06/2012 Rs.	30/06/2011 Rs.	30/06/2012 Rs.	30/06/2011 Rs.	30/06/2012 Rs.	30/06/2011 Rs.	30/06/2012 Rs.	30/06/2011 Rs.
Interest	606,018,750	393,705,768	73,209,943	48,991,584	23,101,149	9,385,335	124,529,082	80,408,588	826,858,924	532,491,275
Non Interest Income	-	-	-	-	-	-	70,980,767	56,995,896	70,980,767	56,995,896
Mark to market value adjustment on Quoted Shares			-	-	-	-	(6,147,600)	(16,920,000)	(6,147,600)	(16,920,000)
Total Revenue	606,018,750	393,705,768	73,209,943	48,991,584	23,101,149	9,385,335	189,362,249	120,484,483	891,692,091	572,567,171
Segmental Results	606,018,750	393,705,768	73,209,943	48,991,584	23,101,149	9,385,335	189,362,249	120,484,483	891,692,091	572,567,171
Unallocated Expenses									(779,654,105)	(486,463,624)
Profit from Operations									112,037,985	86,103,547
Income Tax expenses									(15,000,000)	(6,028,814)
Net Profit for the Period									97,037,985	80,074,733
Segment Assets	10,814,396,754	6,609,869,350	1,818,917,491	1,377,879,859	712,760,878	289,420,298	1,057,837,370	555,835,080	14,403,912,493	8,833,004,586
Unallocated Assets									4,432,146,493	2,326,633,046
Total Assets									18,836,058,985	11,159,637,633

**SEGMENTAL ANALYSIS (GROUP)**

	Lease & Stock out on Hire		Loans		Pawning		Others		Total	
	30/06/2012 Rs.	30/06/2011 Rs.	30/06/2012 Rs.	30/06/2011 Rs.	30/06/2012 Rs.	30/06/2011 Rs.	30/06/2012 Rs.	30/06/2011 Rs.	30/06/2012 Rs.	30/06/2011 Rs.
Interest	606,018,750	393,705,768	73,209,943	48,991,584	23,101,149	9,385,335	124,529,082	80,408,588	826,858,924	532,491,275
Non Interest Income	-	-	-	-	-	-	70,980,767	57,125,846	70,980,767	57,125,846
Mark to market value adjustment on Quoted Shares			-	-	-	-	(6,147,600)	(16,920,000)	(6,147,600)	(16,920,000)
Total Revenue	606,018,750	393,705,768	73,209,943	48,991,584	23,101,149	9,385,335	189,362,249	120,614,434	891,692,091	572,697,121
Segmental Results	606,018,750	393,705,768	73,209,943	48,991,584	23,101,149	9,385,335	189,362,249	120,614,434	891,692,091	572,697,121
Unallocated Expenses									(779,654,105)	(486,463,624)
Profit from Operations									112,037,985	86,233,497
Income Tax expenses									(15,000,000)	(6,028,814)
Net Profit for the Period									97,037,985	80,204,683
Segment Assets	10,814,396,754	6,609,869,350	1,818,917,491	1,377,879,859	712,760,878	289,420,298	1,057,837,370	555,835,080	14,403,912,493	8,833,004,587
Unallocated Assets									4,432,146,493	2,324,582,163
Total Assets									18,836,058,985	11,157,586,750

**CITIZENS DEVELOPMENT BUSINESS FINANCE PLC**  
**Twenty Largest Share Holders as at 30 June 2012**

**Ordinary Voting Shares**

No	Name	Shareholding	Percentage
1	Ceylinco Insurance PLC -A/C No 1 (Life Fund) Division	14,642,163	31.63%
2	CDB ESOP Trust Fund (Pvt) Ltd	12,500,000	27.00%
3	Ceylinco Insurance PLC A/c NO: 2 (General Fund)	1,853,287	4.00%
4	National development Bank PLC/Dr. T. Senthilverl	1,775,000	3.83%
5	Perpetual Capital (Pvt) Ltd	1,518,300	3.28%
6	The Finance Company PLC	1,250,000	2.70%
7	Asia Management Consultancy (Pvt) Ltd	706,622	1.53%
8	Mr. D.Kotthoff	471,099	1.02%
9	Little Smile Organic (Pvt) Ltd	416,500	0.90%
10	Premium Brands (Pvt) Ltd	243,833	0.53%
11	Mr. J.A.Leanage	198,000	0.43%
12	Seylan Bank PLC /Dr. T. Senthilverl	196,700	0.42%
13	Mr. L M S H Alnaqib	190,550	0.41%
14	Mr. W S R Fernando	137,900	0.30%
15	Captain M.A.L Ratnayake	137,432	0.30%
16	Dr. C Gunasekara	131,700	0.28%
17	Rev. J N Fernando	125,000	0.27%
18	Pan Asia Banking Corporation PLC/ Mr. S.M.P.L. Jayaratne	125,000	0.27%
19	Mr. S M Sangani	122,700	0.27%
20	Mr. A M Subramanium & S Rgulan	122,500	0.26%
	<b>Sub total of Top 20 Share Holders</b>	<b>36,864,286</b>	<b>79.62%</b>
	Others	9,434,937	20.38%
	<b>Total</b>	<b>46,299,223</b>	<b>100.00%</b>

The percentage of shares held by the public as at 30 June 2012 is 36.94%

**Ordinary Non Voting Shares**

No	Name	Shareholding	Percentage
1	J.B.Cocoshell (Pvt) Ltd	532,600	9.39%
2	Seylan Bank PLC / HVA Lanka Exports (Pvt) Ltd.	372,150	6.56%
3	Mr.J A Leanage	294,303	5.19%
4	Mr.D P J Jayamaha	292,700	5.16%
5	Seylan Bank PLC/Radheesh Evan Sellamullu	276,444	4.88%
6	Ceylinco Insurance PLC A/c No 2(General Fund)	226,933	4.00%
7	Captain M.A.L Ratnayake	209,523	3.70%
8	Mr. M.J. Fernando	200,000	3.53%
9	Mr. H N Esufally	200,000	3.53%
10	Mr.J H Leanage	190,700	3.36%
11	Mr.D R J Leanage	180,100	3.18%
12	Commercial Bank of Ceylon PLC/ R.E. Sellamuttu	162,199	2.86%
13	Mr.G H I Jafferjee	150,000	2.65%
14	Mr.J R Fernando	149,000	2.63%
15	Mr. I.M.Dabah	100,000	1.76%
16	Mr.H A Abdulhussain	100,000	1.76%
17	Mr.M A Valabji	100,000	1.76%
18	Mr. M.A.H Esufally	100,000	1.76%
19	Jafferjees Investments (Pvt) Ltd	100,000	1.76%
20	Gold Investments Limited	100,000	1.76%
	Sub total of Top 20 Share Holders	4,036,652	71.20%
	Others	1,632,641	28.80%
	<b>Total</b>	<b>5,669,293</b>	<b>100%</b>

The percentage of shares held by the public as at 30 June 2012 is 99.23%

**CITIZENS DEVELOPMENT BUSINESS FINANCE PLC**  
**Directors' and Chief Executive Officer's Share holding as at 30 June 2012.**

**Ordinary Voting Shares**

Name	Share Holding	Percentage
Mr.D H J Gunawardena - Chairman	-	-
Mr.C M Nanayakkara -MD/CEO	29,660	0.064%
Mr.R H Abeygoonewardena	31,500	0.068%
Mr.T M D P Tennakoon	42,000	0.091%
Mr. P A J Jayawardena	500	0.001%
Mr.W W K M Weerasooriya	7,000	0.015%
Mr. S R Abeynayake	-	-
Dr A Dharmasiri	-	-
Mr. D A De Silva	-	-
Mr.S V Munasinghe	40,000	0.086%

**Ordinary Non Voting Shares**

Name	Share Holding	Percentage
Mr.D H J Gunawardena - Chairman	-	-
Mr.C M Nanayakkara - MD/CEO	26,420	0.466%
Mr.R H Abeygoonewardena	3,857	0.068%
Mr.T M D P Tennakoon	5,142	0.091%
Mr. P A J Jayawardena	-	-
Mr.W W K M Weerasooriya	857	0.015%
Mr. S R Abeynayake	-	-
Dr A Dharmasiri	-	-
Mr. D A De Silva	-	-
Mr.S V Munasinghe	7,285	0.128%

**Share Information for the Three Months ended 30 June 2012**

**Market Value of the Shares**

	Ordinary Voting Shares		Ordinary Non Voting Shares	
	30/06/2012	30/06/2011	30/06/2012	30/06/2011
Highest Price	41.20	109.00	57.80	-
Lowest Price	29.00	76.00	36.20	-
Last Traded	36.60	81.00	41.70	-

**CITIZENS DEVELOPMENT BUSINESS FINANCE PLC**  
**SELECTED PERFORMANCE INDICATORS**

Indicator	Company		Group	
	As at 30/06/2012	As at 31/03/2012	As at 30/06/2012	As at 31/03/2012
<b>Asset Quality (Rs. 000)</b>				
Total Accommodations (Net of Interest in Suspense)	14,628,895	13,457,125	14,632,641	13,460,871
Net total Accommodations (Net of Provision for Bad and Doubtful Debts & Interest in Suspense)	14,370,439	13,249,609	14,370,439	13,249,609
Non-performing Accommodations(Net of Interest in Suspense)	278,567	224,907	278,567	224,907
<b>Liquidity (Rs. 000)</b>				
Required Minimum amount of Liquid Assets	1,296,627	1,142,699	1,296,627	1,142,699
Available amount of Liquid Assets	2,314,097	1,515,794	2,317,433	1,518,232
Required Minimum amount of Government Securities	719,566	463,347	719,566	463,347
Available amount of Government Securities	1,023,886	902,963	1,023,886	902,963
<b>Capital Adequacy</b>				
Core Capital to Risk Weighted Assets ratio (Minimum 5%)*	15.55%	16.79%	15.55%	16.79%
Total Capital to Risk Weighted Assets ratio (Minimum 10%)*	15.76%	17.03%	15.76%	17.03%
Capital Funds to total Deposit Liabilities ratio (Minimum 10%)	18.19%	19.91%	18.19%	19.91%
<b>Profitability</b>				
Return on Average Assets(%) (Annualized)	2.2%	4.7%	2.2%	4.7%
Return on Average Equity(%) (Annualized)	16.8%	38.0%	16.8%	38.2%

\* Including current year unaudited profit

## Corporate Information

### Name of the Company

Citizens Development Business Finance PLC

### Registered Office

No 18, Sri Sangaraja Mawatha,

Colombo 10

Tel : 011 7388388

Fax : 011 2429888

E mail : cdb@cdb.lk

Web : www.cdb.lk

### Incorporation & Legal Form

A Public Quoted Company incorporated in Sri Lanka under the provisions of the Companies ACT No 17 of 1982 and re-registered under the companies Act No 7 of 2007.

The company is licensed by the monetary board of the Central Bank of Sri Lanka under the Finance Business Act No 42 of 2011

The company is registered under the Finance Leasing Act No 56 of 2000.

### Date of Incorporation

7 th September 1995.

### Company Registration Number

PB - 232 PQ

### Board of Directors

#### Chairman

Mr . D.H.J. Gunawardana -FCMA (UK)

#### Managing Director/Chief Executive Officer

Mr. C.M. Nanayakkara - B.Sc (Mgt),FCMA (UK),MBA (Sri J)

#### Directors

Mr. R. H Abeygoonewardana - ACMA(UK), ACMA (Sri),MCPM

Mr. S.R. Abeynayake - MBA (Sri J),FCA,FCMA

Dr. A.S Dharmasiri - B.Sc. Eng(Moratuwa),C. Eng.,MBA(Sri J),PhD(Sri J),MCM(I)(UK)

Mr. P.A.J. Jayawardena - LUTCF(USA),CIAM,CMFA

Mr. Razik Mohamed - ACA (Appointed with effect from 01 July 2012)

Mr. S.V Munasinghe

Mr. D.A De Silva - B.Sc(Hons),ACMA(UK)

Mr. T.M.D.P Tennakoon -ACMA(UK)

Mr. W.W.K.M Weerasuriya -B.Com.(Sp.)

### Company Secretary

S.S.P Corporate Services ( Private) Ltd

101, Inner Flower Road,

Colombo 03

### Company Auditors

KPMG

( Chartered Accountants)

32 A, Sir Mohamed Macan Marker Mawatha,

Colombo 03

### Lawyers of the Company

Nithya Partners

No 97A, Galle Road,

Colombo 03.

### Bankers of the Company

Seylan Bank PLC

People's Bank

Hatton National Bank PLC

Bank of Ceylon

Commercial Bank of Ceylon PLC

Sampath Bank PLC

Nations Trust Bank PLC

Deutsche Bank