

# INTERIM FINANCIAL STATEMENTS

*FOR THE YEAR ENDED MARCH 31, 2013*



**Citizens Development Business Finance PLC**

No 18, Sri Sangaraja Mawatha, Colombo 10

**Statement of Comprehensive Income**

	<b>Company</b>					
	For the Quarter ended 31st March			For the Year ended 31 March		
	2013 Rs.	2012 Rs.	Variance %	2013 Rs.	2012 Rs.	Variance %
<b>Income</b>	<b>1,203,859,808</b>	850,108,593	42%	<b>4,311,850,070</b>	2,877,978,004	50%
Interest income	1,167,716,707	749,879,375	56%	4,087,387,160	2,553,702,309	60%
Interest expenses	719,586,878	388,324,282	85%	2,386,570,259	1,305,679,428	83%
<b>Net interest income</b>	<b>448,129,829</b>	361,555,093	24%	<b>1,700,816,901</b>	1,248,022,881	36%
Fees and commission income	31,842,868	28,520,622	12%	119,915,360	223,169,474	-46%
Less :Fee and commission expense						
<b>Net fee and commission income</b>	<b>31,842,868</b>	28,520,622	12%	<b>119,915,360</b>	223,169,474	-46%
<b>Net interest, fee and commission income</b>	<b>479,972,697</b>	390,075,715	23%	<b>1,820,732,261</b>	1,471,192,355	24%
Net trading income						
Other operating income	4,300,233	71,708,596	-94%	104,547,550	101,106,221	3%
<b>Total operating income</b>	<b>484,272,930</b>	461,784,311	5%	<b>1,925,279,811</b>	1,572,298,576	22%
Less :Impairment charges for loans and other losses	3,184,504	6,617,058	-52%	128,788,119	(17,230,396)	-847%
<b>Net operating income</b>	<b>481,088,427</b>	455,167,253	6%	<b>1,796,491,692</b>	1,589,528,972	13%
<b>Less:</b>						
<b>Operating expenses</b>						
Staff costs	100,594,201	80,419,508	25%	386,860,347	293,098,247	32%
Premises, Equipment and establishment expenses	125,162,342	93,990,121	33%	446,264,760	347,968,357	28%
Other Operating Expenses	59,421,576	68,825,385	-14%	252,397,173	275,990,807	-9%
	285,178,120	243,235,014	17%	1,085,522,281	917,057,411	18%
<b>Operating profit before value added tax</b>	<b>195,910,307</b>	211,932,239	-8%	<b>710,969,412</b>	672,471,561	6%
Value added tax (vat) on financial services	12,693,658	3,330,059	281%	40,976,359	28,198,982	45%
<b>Profit before taxation</b>	<b>183,216,649</b>	208,602,180	-12%	<b>669,993,052</b>	644,272,579	4%
Income tax expense	39,311,656	(23,614,936)	-266%	135,118,484	13,839,677	876%
<b>Profit for the year</b>	<b>143,904,992</b>	232,217,116	-38%	<b>534,874,568</b>	630,432,902	-15%
<b>Profit attributable to:</b>						
Non-controlling interests						
Parent company shareholders	143,904,992	232,217,116		534,874,568	630,432,902	-15%
<b>Profit for the year</b>	<b>143,904,992</b>	232,217,116		<b>534,874,568</b>	630,432,902	-15%
<b>Other comprehensive income:</b>						
Exchange differences on translation of foreign operations:						
Actuarial (losses)/gains on retirement benefit obligations						
Share of other comprehensive income from associates						
Available-for-sale investments:						
Net valuation (losses)/gains taken to equity	101,125,200			105,750,000		
Reclassified to income statement						
Cash flow hedges:						
Net gains taken to equity						
Reclassified to income statement						
Changes in revaluation surplus	120,698,727			120,698,727		
Other comprehensive income for the year, net of taxation						
Taxation relating to components of other comprehensive income						
Other comprehensive income for the year, net of taxation	<b>221,823,927</b>			<b>226,448,727</b>		
<b>Total comprehensive income for the year</b>	<b>365,728,919</b>			<b>761,323,295</b>		
<b>Total comprehensive income attributable to:</b>						
Non-controlling interests						
Parent company shareholders	365,728,919			761,323,295		
<b>Total comprehensive income for the year</b>	<b>365,728,919</b>			<b>761,323,295</b>		
<b>Earnings per share:</b>						
<b>Basic earnings per ordinary share</b>	<b>2.78</b>	4.28		<b>9.98</b>	12.49	

Earning per share for the previous periods presented have been restated to reflect the effect of the Script Dividend issue.

**Consolidated Statement of Comprehensive Income**

	<b>Group</b>					
	For the Quarter ended 31st March			For the Year ended 31 March		
	2013 Rs.	2012 Rs.	Variance %	2013 Rs.	2012 Rs.	Variance %
<b>Income</b>	<b>1,203,859,808</b>	850,108,593	42%	<b>4,311,850,070</b>	2,878,185,816	50%
Interest income	1,167,716,707	749,879,375	56%	4,087,387,160	2,553,702,309	60%
Interest expenses	719,586,878	388,324,282	85%	2,386,570,259	1,305,679,428	83%
<b>Net interest income</b>	<b>448,129,829</b>	361,555,093	24%	<b>1,700,816,901</b>	1,248,022,881	36%
Fees and commission income	31,842,868	28,520,622	12%	119,915,360	223,169,474	-46%
Less :Fee and commission expense	-	-	-	-	-	-
<b>Net fee and commission income</b>	<b>31,842,868</b>	28,520,622	12%	<b>119,915,360</b>	223,169,474	-46%
<b>Net interest, fee and commission income</b>	<b>479,972,697</b>	390,075,715	23%	<b>1,820,732,261</b>	1,471,192,355	24%
Net trading income	-	-	-	-	-	-
Other operating income	4,300,233	71,708,596	-94%	104,547,550	101,314,033	3%
<b>Total operating income</b>	<b>484,272,930</b>	461,784,311	5%	<b>1,925,279,811</b>	1,572,506,388	22%
Less :Impairment charges for loans and other losses	3,184,504	6,617,058	-52%	128,788,119	(17,230,396)	-847%
<b>Net operating income</b>	<b>481,088,426</b>	455,167,253	6%	<b>1,796,491,692</b>	1,589,736,784	13%
<b>Less:</b>						
<b>Operating expenses</b>						
Staff costs	100,594,201	80,419,508	25%	386,860,347	293,098,247	32%
Premises, Equipment and establishment expenses	125,162,342	91,902,370	36%	446,264,760	345,796,402	29%
Other Operating Expenses	59,521,576	68,825,385	-14%	252,497,173	275,990,807	-9%
	285,278,119	241,147,263	18%	1,085,622,280	914,885,456	19%
<b>Operating profit before value added tax</b>	<b>195,810,307</b>	214,019,990	-9%	<b>710,869,413</b>	674,851,328	5%
Value added tax (vat) on financial services	12,693,658	3,330,059	281%	40,976,359	28,198,982	45%
<b>Profit before taxation</b>	<b>183,116,649</b>	210,689,931	-13%	<b>669,893,053</b>	646,652,346	4%
Income tax expense	39,311,656	(23,577,114)	-267%	135,118,484	13,877,499	874%
<b>Profit for the year</b>	<b>143,804,993</b>	234,267,045	-39%	<b>534,774,569</b>	632,774,847	-15%
<b>Profit attributable to:</b>						
Non-controlling interests	-	-	-	-	-	-
Parent company shareholders	143,804,993	234,267,045	-	534,774,569	632,774,847	-15%
<b>Profit for the year</b>	<b>143,804,993</b>	234,267,045	-	<b>534,774,569</b>	632,774,847	-15%
<b>Other comprehensive income:</b>						
Exchange differences on translation of foreign operations:						
Actuarial (losses)/gains on retirement benefit obligations						
Share of other comprehensive income from associates						
Available-for-sale investments:						
Net valuation (losses)/gains taken to equity	101,125,200			105,750,000		
Reclassified to income statement						
Cash flow hedges:						
Net gains taken to equity						
Reclassified to income statement						
Changes in revaluation surplus	120,698,727			120,698,727		
Other comprehensive income for the year, net of taxation						
Taxation relating to components of other comprehensive income						
Other comprehensive income for the year, net of taxation	<b>221,823,927</b>			<b>226,448,727</b>		
<b>Total comprehensive income for the year</b>	<b>365,628,920</b>			<b>761,223,296</b>		
<b>Total comprehensive income attributable to:</b>						
Non-controlling interests	-			-		
Parent company shareholders	365,628,920			761,223,296		
<b>Total comprehensive income for the year</b>	<b>365,628,920</b>			<b>761,223,296</b>		
<b>Earnings per share:</b>						
<b>Basic earnings per ordinary share</b>	<b>2.78</b>	4.32		<b>9.98</b>	12.54	

Earning per share for the previous periods presented have been restated to reflect the effect of the Script Dividend issue.

**Consolidated Statement of Financial Position**

As at 31 March	Company		Group	
	2013 Rs.	Audited 2012 Rs.	2013 Rs.	Audited 2012 Rs.
<b>Assets</b>				
Cash and cash equivalents	205,326,279	121,343,098	208,661,805	124,678,624
Deposits in commercial banks	1,335,271,762	490,589,920	1,335,271,762	490,589,920
Loans and receivables to customers	19,450,586,882	13,249,608,919	19,450,586,882	13,249,608,919
Financial Investments - Available for sale	563,943,600	459,193,600	563,943,600	459,193,600
Financial Investments - Held - to- maturity	1,150,590,251	576,963,367	1,150,590,251	576,963,367
Financial Investments - Loans and receivable	140,164,014	326,000,000	140,164,014	326,000,000
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	657,717,807	470,979,957	657,717,807	470,979,957
Intangible Assets	69,115,379	-	69,115,379	-
Deferred tax assets	-	30,837,745	-	30,836,945
Other assets	894,673,429	795,681,520	894,672,629	795,681,520
<b>Total assets</b>	<b>24,490,332,827</b>	<b>16,544,141,550</b>	<b>24,490,922,106</b>	<b>16,544,730,829</b>
<b>Liabilities</b>				
Due to banks	592,523,886	97,262,273	592,523,886	97,262,273
Due to Other Customers	17,799,413,114	11,388,775,587	17,799,413,114	11,388,775,587
Debentures	259,378,311	250,000,000	259,378,311	250,000,000
Other borrowings	1,911,180,694	1,632,943,360	1,911,180,694	1,632,943,360
Current tax liabilities	101,126,244	62,853,091	101,531,321	63,258,167
Deferred tax liabilities	31,912,358	-	31,912,358	-
Retirement benefit obligations	64,256,877	28,606,687	64,256,877	28,606,687
Other liabilities	726,535,977	789,344,790	726,820,179	789,529,792
<b>Total liabilities</b>	<b>21,486,327,461</b>	<b>14,249,785,788</b>	<b>21,487,016,739</b>	<b>14,250,375,866</b>
<b>Equity</b>				
Stated capital	1,185,061,645	1,114,960,915	1,185,061,645	1,114,960,915
Reserve fund	385,711,798	278,736,884	385,711,798	278,736,884
Revaluation Reserve	132,765,013	12,066,286	132,765,013	12,066,286
Investment Fund Reserve	50,933,190	21,102,343	50,933,190	21,102,343
AFS Reserve	464,034,525	-	464,034,525	-
Retained Earnings	785,499,196	867,489,334	785,399,197	867,488,535
<b>Total parent company shareholders' equity</b>	<b>3,004,005,366</b>	<b>2,294,355,762</b>	<b>3,003,905,367</b>	<b>2,294,354,963</b>
Non-controlling interests				
<b>Total equity</b>	<b>3,004,005,366</b>	<b>2,294,355,762</b>	<b>3,003,905,367</b>	<b>2,294,354,963</b>
<b>Total equity and liabilities</b>	<b>24,490,332,827</b>	<b>16,544,141,550</b>	<b>24,490,922,106</b>	<b>16,544,730,829</b>
<b>Net Assets Value per Ordinary Share</b>	<b>55.32</b>	<b>44.15</b>	<b>55.32</b>	<b>44.15</b>

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.

Sgd.

**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

Sgd.

**D.H.J Gunawardena**

Chairman

Sgd.

**C.M Nanayakkara**

Managing Director/ CEO

Colombo

31st May 2013

**Statement of Changes in Equity - Company**

	Stated Capital	Revaluation Reserve	Available-for-sale reserve	Investment Fund reserve	Reserve Fund	Retained Earnings	Minority Interest	Total
	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs
Balance as at 1st April 2011	396,850,480	15,082,857		3,012,215	152,650,304	457,586,665	-	1,025,182,521
Shares Issued	718,110,435							718,110,435
Profit for the year 2011/2012						630,432,902		630,432,902
Final dividends for year 2011/2012						(79,370,096)		(79,370,096)
Transfer into/(out) from reserves		(3,016,571)		18,090,128	126,086,580	(141,160,137)		-
<b>Balance as at 31st March 2012</b>	<b>1,114,960,915</b>	<b>12,066,286</b>	<b>-</b>	<b>21,102,343</b>	<b>278,736,884</b>	<b>867,489,334</b>	<b>-</b>	<b>2,294,355,762</b>
Impact of SLFRS/LKAS Adoption			358,284,525			(350,137,656)		8,146,869
<b>Balance as at 01 April 2012</b>	<b>1,114,960,915</b>	<b>12,066,286</b>	<b>358,284,525</b>	<b>21,102,344</b>	<b>278,736,884</b>	<b>517,351,678</b>	<b>-</b>	<b>2,302,502,631</b>
Profit for the year 2012/2013						534,874,568		534,874,568
Other comprehensive income for the year 2012/2013		120,698,727	105,750,000					226,448,727
<b>Total comprehensive income for the year 2012/2013</b>	<b>-</b>	<b>120,698,727</b>	<b>105,750,000</b>	<b>-</b>	<b>-</b>	<b>534,874,568</b>	<b>-</b>	<b>761,323,295</b>
<b>Transactions with equity holders, recognized directly in equity</b>								
<b>Contributions by and distributions to equity holders</b>								
Final dividends - 2012/2013								
Scrip	70,100,730					(70,100,730)		-
Cash						(59,820,560)		(59,820,560)
<b>Total contributions by and distributions to equity holders</b>	<b>70,100,730</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>129,921,290</b>	<b>-</b>	<b>59,820,560</b>
Revaluation Surplus								
Transfers during the year 2012/2013				29,830,847	106,974,914	(136,805,760)		-
<b>Balance as at 31st March 2013</b>	<b>1,185,061,645</b>	<b>132,765,013</b>	<b>464,034,525</b>	<b>50,933,190</b>	<b>385,711,798</b>	<b>785,499,196</b>	<b>-</b>	<b>3,004,005,366</b>

**Consolidated Statement of Changes in Equity - Group**

	Stated Capital	Revaluation Reserve	Available-for-sale reserve	Investment Fund reserve	Reserve Fund	Retained Earnings	Minority Interest	Total
Balance as at 1st April 2011	396,850,480	15,082,857		3,012,215	152,650,304	455,243,921	-	1,022,839,777
Shares Issued	718,110,435							718,110,435
Profit for the year 2011/2012						632,774,847		632,774,847
Final dividends for year 2011/2012						(79,370,096)		(79,370,096)
Transfer into/(out) from reserves		(3,016,571)		18,090,128	126,086,580	(141,160,137)		-
<b>Balance as at 31st March 2012</b>	<b>1,114,960,915</b>	<b>12,066,286</b>	<b>-</b>	<b>21,102,343</b>	<b>278,736,884</b>	<b>867,488,535</b>	<b>-</b>	<b>2,294,354,963</b>
Impact of SLFRS/LKAS Adoption			358,284,525			(350,136,857)		8,147,668
<b>Balance as at 01 Apr 2012</b>	<b>1,114,960,915</b>	<b>12,066,286</b>	<b>358,284,525</b>	<b>21,102,344</b>	<b>278,736,884</b>	<b>517,351,678</b>	<b>-</b>	<b>2,302,502,631</b>
Profit for the year 2012/2013						534,774,569		534,774,569
Other comprehensive income for the year 2012/2013		120,698,727	105,750,000					226,448,727
<b>Total comprehensive income for the year 2012/2013</b>	<b>-</b>	<b>120,698,727</b>	<b>105,750,000</b>	<b>-</b>	<b>-</b>	<b>534,774,569</b>	<b>-</b>	<b>761,223,296</b>
<b>Transactions with equity holders, recognized directly in equity</b>								
<b>Contributions by and distributions to equity holders</b>								
Final dividends -2012/2013								
Scrip	70,100,730					(70,100,730)		-
Cash						(59,820,560)		(59,820,560)
<b>Total contributions by and distributions to equity holders</b>	<b>70,100,730</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>129,921,290</b>	<b>-</b>	<b>59,820,560</b>
Revaluation Surplus								
Transfers during the year 2012/2013				29,830,847	106,974,914	(136,805,760)		-
<b>Balance as at 31st March 2013</b>	<b>1,185,061,645</b>	<b>132,765,013</b>	<b>464,034,525</b>	<b>50,933,190</b>	<b>385,711,798</b>	<b>785,399,197</b>	<b>-</b>	<b>3,003,905,367</b>

**Cash Flow Statement**

For the year ended	Company		Group	
	31-03-2013 Rs.	31-03-2012 Rs.	31-03-2013 Rs.	31-03-2012 Rs.
<b>Cash Flow from Operating Activities</b>				
Interest Receipts	4,154,193,935	2,482,918,527	4,154,193,935	2,482,918,527
Commission Receipts	114,708,002	100,828,279	114,708,002	100,828,279
Other Income	106,833,228	167,366,224	106,833,228	167,366,224
Interest Payments	(2,070,883,097)	(1,133,092,754)	(2,070,883,097)	(1,133,092,754)
Fees and Business Promotion Expenses	(62,884,584)	(139,646,678)	(62,884,584)	(139,646,678)
Employees Related Payments	(343,678,781)	(284,613,609)	(343,678,781)	(284,613,609)
Suppliers Payment	(154,777,607)	(485,920,954)	(154,777,607)	(485,920,954)
Financial Expenses	(17,148,050)	(11,018,569)	(17,148,050)	(11,018,569)
<b>Operating Profit/ (Loss) Before Changes in Operating Assets</b>	<b>1,726,363,045</b>	<b>696,820,466</b>	<b>1,726,363,045</b>	<b>696,820,466</b>
<b>(Increase)/ Decrease in Operating Assets</b>				
Investments Licensed Commercial banks and other Financial Institutions	(832,681,347)	(228,398,863)	(832,681,347)	(228,398,863)
Investment in Government Securities	(374,632,094)	(204,010,959)	(374,632,094)	(204,010,959)
Net Funds Advance to Customers	(6,169,188,965)	(5,358,018,163)	(6,169,188,965)	(5,358,018,163)
Other Short Term Assets	(174,615,468)	45,119,248	(174,615,468)	45,504,856
Inventories	(212,632,452)	(78,551,110)	(212,632,452)	(78,551,110)
<b>Increase/ (Decrease) in Operating Liabilities</b>	<b>(7,763,750,326)</b>	<b>(5,127,039,381)</b>	<b>(7,763,750,326)</b>	<b>(5,126,653,773)</b>
Borrowings	586,438,656	995,127,752	586,438,656	995,127,752
Deposits from customers	5,808,594,701	3,900,032,381	5,808,594,701	3,900,032,381
	<b>6,395,033,357</b>	<b>4,895,160,133</b>	<b>6,395,033,357</b>	<b>4,895,160,133</b>
Cash (used in)/generated from Operations	357,646,077	(204,574,653)	357,646,077	(204,189,044)
Gratuity paid	(493,460)	(554,180)	(493,460)	(554,180)
Value Added Tax	4,783,409	(14,574,574)	4,783,409	(14,574,574)
Economic Service Charge	26,555,471	(12,175,842)	26,555,471	(12,175,842)
	<b>388,491,497</b>	<b>(231,879,249)</b>	<b>388,491,497</b>	<b>(231,493,640)</b>
<b>Cash Flow from Investing Activities</b>				
Dividend receipts	3,684,000	3,102,000	3,684,000	3,102,000
Net Investment in Debentures	(4,000,000)		(4,000,000)	
Purchase of Property, Plant & Equipment	(220,615,191)	(300,475,003)	(220,615,191)	(300,475,003)
Proceeds from sale of Property, Plant & Equipment	1,919,643	8,779,460	1,919,643	8,779,460
<b>Net Cash Inflows/( Outflows) Investing Activities</b>	<b>(219,011,549)</b>	<b>(288,593,543)</b>	<b>(219,011,549)</b>	<b>(288,593,543)</b>
<b>Cash Flow from Financing Activities</b>				
Issue of Shares	-	718,110,435	-	718,110,435
Dividend Paid	(59,820,560)	(79,370,096)	(59,820,560)	(79,370,096)
Redemption of Debentures	-	(17,069,000)	-	(17,069,000)
Borrowing during the period	-		-	
<b>Net Cash Inflow (out flows) from Financing Activities</b>	<b>(59,820,560)</b>	<b>621,671,339</b>	<b>(59,820,560)</b>	<b>621,671,339</b>
<b>Net Increase/(Decrease) In Cash &amp; Cash Equivalents</b>	<b>109,659,389</b>	<b>101,198,546</b>	<b>109,659,389</b>	<b>101,198,546</b>
<b>Cash &amp; Cash Equivalents at the beginning of the Year</b>	<b>(48,733,659)</b>	<b>(149,932,205)</b>	<b>(45,398,133)</b>	<b>(146,982,288)</b>
<b>Cash &amp; Cash Equivalents at the end of the Year</b>	<b>60,925,730</b>	<b>(48,733,659)</b>	<b>64,261,256</b>	<b>(45,783,742)</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	121,343,098	52,292,975
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>(48,733,659)</b>	<b>(146,982,288)</b>
<b>Cash and Cash Equivalents at the end of the year</b>				
Cash at Bank and In Hand	205,326,279	121,343,098	208,661,805	124,678,624
Bank Overdraft	(144,400,549)	(170,076,757)	(144,400,549)	(170,076,757)
	<b>60,925,730</b>	<b>(48,733,659)</b>	<b>64,261,256</b>	<b>(45,398,133)</b>

**Segmental Analysis - Company**

	Lease & Stock out on Hire		Loans		Pawning		Others		Total	
	31-03-2013 Rs.	31-03-2012 Rs.	31-03-2013 Rs.	31-03-2012 Rs.	31-03-2013 Rs.	31-03-2012 Rs.	31-03-2013 Rs.	31-03-2012 Rs.	31-03-2013 Rs.	31-03-2012 Rs.
Interest	3,152,715,660	1,880,075,207	554,936,222	228,246,656	150,716,294	65,970,230	237,179,921	379,410,216	4,095,548,097	2,553,702,309
Non Interest Income									224,462,909	277,682,095
Total Revenue	3,152,715,660	1,880,075,207	554,936,222	228,246,656	150,716,294	65,970,230	237,179,921	379,410,216	4,320,011,007	2,831,384,404
Segmental Results	3,152,715,660	1,880,075,207	554,936,222	228,246,656	150,716,294	65,970,230	237,179,921	379,410,216	4,320,011,007	2,831,384,404
Unallocated Expenses									3,641,857,017	2,233,705,425
Profit from Operations									678,153,989	597,678,979
Income Tax expenses									135,118,484	13,839,677
Net Profit for the Period									543,035,505	583,839,302
Segment Assets	14,621,658,524	9,941,968,330	3,763,661,021	1,657,348,563	1,065,267,338	578,139,325	2,626,026,026	1,072,152,701	22,076,612,908	13,249,608,919
Unallocated Assets									2,413,719,919	3,294,532,631
Total Assets									24,490,332,827	16,544,141,550



**Segmental Analysis - Group**

	Lease & Stock out on Hire		Loans		Pawning		Others		Total	
	31-03-2013 Rs.	31-03-2012 Rs.	31-03-2013 Rs.	31-03-2012 Rs.	31-03-2013 Rs.	31-03-2012 Rs.	31-03-2013 Rs.	31-03-2012 Rs.	31-03-2013 Rs.	31-03-2012 Rs.
Interest	3,152,715,660	1,880,075,207	554,936,222	228,246,656	150,716,294	65,970,230	237,179,921	379,410,216	4,095,548,097	2,553,702,309
Non Interest Income									224,462,909	277,682,095
Total Revenue	3,152,715,660	1,880,075,207	554,936,222	228,246,656	150,716,294	65,970,230	237,179,921	379,410,216	4,320,011,007	2,831,384,404
Segmental Results	3,152,715,660	1,880,075,207	554,936,222	228,246,656	150,716,294	65,970,230	237,179,921	379,410,216	4,320,011,007	2,831,384,404
Unallocated Expenses									3,641,957,016	2,233,705,425
Profit from Operations									678,053,990	597,678,979
Income Tax expenses									135,118,484	13,839,677
Net Profit for the Period									542,935,506	583,839,302
Segment Assets	14,621,658,524	9,941,968,330	3,763,661,021	1,657,348,563	1,065,267,338	578,139,325	2,626,026,026	1,072,152,701	22,076,612,908	13,249,608,919
Unallocated Assets									2,414,309,198	3,295,121,910
Total Assets									24,490,922,106	16,544,730,829

## Shareholders' Information

### Twenty Largest Shareholders as at 31 March 2013

#### Ordinary Voting Shares

No	Name	Shareholding	Percentage
1	Ceylinco Insurance PLC- A/C No 1 (Life Fund)	14,642,163	31.63%
2	CDB ESOP Trust Fund (Private) Limited	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.Senthilveri	1,775,000	3.83%
5	Perpetual Capital (Private) Limited	1,602,245	3.46%
6	The Finance Company PLC A/C No 1	1,250,000	2.70%
7	Asia Management Consultancy (Private) Limited	706,622	1.53%
8	Mr. D. Kotthoff	469,189	1.01%
9	Little Smile Organic (Pvt) Ltd	416,500	0.90%
10	MAS Capital (Private) Limited	289,492	0.63%
11	E.W. Balasuriya & Co. (Pvt) Ltd	250,738	0.54%
12	East India Holding (Pvt) Ltd	243,833	0.53%
13	Seylan Bank PLC/Dr. T.Senthilveri	196,700	0.42%
14	Mr. K. Sabaratnam	145,850	0.32%
15	Mr. W. S. R. Fernando	137,900	0.30%
16	Dr. C. Gunasekara	131,700	0.28%
17	Pan Asia Banking Coporation PLC/Mr.S.M.P.L.Jayarathne	125,000	0.27%
18	Rev. J. N. Fernando	125,000	0.27%
19	Mr. A. M. Subramaniam & Mr. S. Ragulan	122,500	0.26%
20	Mrs. W. M. N. Dabarera	118,942	0.26%
<b>Sub total of Top 20 Share Holders</b>		<b>37,102,661</b>	<b>80.14%</b>
Others		9,196,562	19.86%
<b>Total</b>		<b>46,299,223</b>	<b>100.00%</b>

The percentage of shares held by the public as at 31st March 2013 is 36.94%

#### Ordinary Non Voting Shares

No	Name	Shareholding	Percentage
1	JB Cocoshell (Pvt) Ltd	1,031,291	12.88%
2	CDB ESOP Trust Fund (Private) Limited	562,499	7.03%
3	Deutsche Bank AG as Trustee for JB Vantage Value Equity Fund	481,053	6.01%
4	Seylan Bank PLC/HVA Lanka Exports (Private) Limited	388,896	4.86%
5	Ceylinco Insurance PLC A/C No 2 (General Fund)	320,541	4.00%
6	Commercial Bank of Ceylon PLC/R.E.Sellamuttu	246,580	3.08%
7	Mr. H. N. Esufally	208,999	2.61%
8	Mr. M. J. Fernando	208,999	2.61%
9	Mr. J. A. Leanage	200,326	2.50%
10	Mr. S. Prabagar	198,800	2.48%
11	Mr. G. H. I. Jafferjee	156,749	1.96%
12	Commercial Bank of Ceylon PLC A/C No. 04	123,950	1.55%
13	Mr. S. R. Fernando	120,000	1.50%
14	Askold (Private) Limited	117,949	1.47%
15	Captain M. A. L. Ratnayake	116,845	1.46%
16	Jafferjees Investments (Pvt) Ltd.	104,499	1.31%
17	Mr. M. A. Valabji	104,499	1.31%
18	Gold Investment Limited.	104,499	1.31%
19	Gulf Crown Investments Limited	104,499	1.31%
20	Mr. I. M. Dabah	104,499	1.31%
<b>Sub total of Top 20 Share Holders</b>		<b>5,005,972</b>	<b>62.55%</b>
Others		3,000,012	37.45%
<b>Total</b>		<b>8,005,984</b>	<b>100%</b>

The percentage of shares held by the public as at 31st March 2013 is 86.44%

**Directors' and Chief Executive Officer's Shareholding as at 31st March 2013**

**Ordinary Voting Shares**

Name	Share Holding	Percentage
Mr.D H J Gunawardena - Chairman	-	0.000%
Mr.W P 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	-	0.000%
Mr.Razik Mohamed	-	0.000%
Dr.A Dharmasiri	-	0.000%
Mr.D A De Silva	-	0.000%
Mr.S V Munasinghe	40,000	0.086%
	<b>150,660</b>	<b>0.325%</b>

**Ordinary Non Voting Shares**

Name	Share Holding	Percentage
Mr.D H J Gunawardena - Chairman	-	0.000%
Mr.W P C M Nanayakkara - MD/CEO	28,941	0.361%
Mr.R H Abeygoonewardena	5,447	0.068%
Mr.T M D P Tennakoon	7,262	0.091%
Mr.P A J Jayawardena	22	0.000%
Mr.W W K M Weerasooriya	1,209	0.015%
Mr.S R Abeynayake	-	0.000%
Mr.Razik Mohamed	-	0.000%
Dr.A Dharmasiri	-	0.000%
Mr.D A De Silva	-	0.000%
Mr.S V Munasinghe	9,411	0.118%
	<b>52,292</b>	<b>0.653%</b>

**Market Value of the Shares**

	Ordinary Voting Shares		Ordinary Non Voting Shares	
	31-03-2013	31-03-2012	31-03-2013	31-03-2012
Highest Price	44.90	68.00	33.90	68.00
Lowest Price	39.00	39.00	27.00	41.20
Last Traded	40.10	40.50	29.10	54.00

## Explanatory Notes

- 1 The Institute of Chartered Accountants of Sri Lanka has issued a new volume of Sri Lanka Accounting Standards which have become applicable for financial periods beginning on or after 1st January 2012. However in accordance with the ruling issued by the Institute of Chartered Accountants of Sri Lanka on “Comparative figures in the interim financial statements”, we have adopted option 3 as given in such ruling whereby these interim financial statements were prepared in accordance with the Sri Lanka Accounting Standards (LKAS/SLFRS) existed after 01st January 2012, while presenting the comparative figures based on the accounting standards existed immediately prior to 01 January 2012.
- 2 Company have used he same accounting policies described in the annual report of the company for 2011/12 in preparation of these interim financial statements except for those a change required due to adoption to SLFRS/LKAS.
- 3 All known Expenses have been provided in these Financial Statements and Management Fees are not applicable to the Company
- 4 During the period there were no material changes in the composition of assets, liabilities and contingent liabilities.
- 5 Group Financial statements comprises the consolidation of the company and its subsidiary CDB Micro Finance Ltd.
- 6 No of Shares as at 31 March 2013 is as follows.

Ordinary Voting Shares	46,299,223
Ordinary Non Voting Shares	8,005,984
- 7 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.

**Selected Performance Indicators**

Indicator	Company		Group	
	As at 31-03-2013	As at 31-03-2012	As at 31-03-2013	As at 31-03-2012
<b>Asset Quality (Rs. 000)</b>				
Total Accommodations (Net of Interest in Suspense)	19,544,134	13,457,125	19,547,880	13,460,871
Net total Accommodations (Net of Provision for Bad and Doubtful Debts & Interest in Suspense)	19,388,865	13,249,609	19,388,865	13,249,609
Non-performing Accommodations(Net of Interest in Suspense)	431,949	224,907	431,949	224,907
<b>Liquidity (Rs. 000)</b>				
Required Minimum amount of Liquid Assets	1,737,529	1,142,699	1,737,529	1,142,699
Available amount of Liquid Assets	2,519,142	1,515,794	2,519,142	1,518,232
Required Minimum amount of Government Securities	719,566	463,347	719,566	463,347
Available amount of Government Securities	1,218,127	902,963	1,218,127	902,963
<b>Capital Adequacy</b>				
Core Capital to Risk Weighted Assets ratio (Minimum 5%)*	14.43%	16.79%	14.43%	16.79%
Total Capital to Risk Weighted Assets ratio (Minimum 10%)*	14.43%	17.03%	14.43%	17.03%
Capital Funds to total Deposit Liabilities ratio (Minimum 10%)	16.65%	19.91%	16.65%	19.91%
<b>Profitability</b>				
Return on Average Assets(%) (Annualized)	3.12%	4.71%	3.12%	4.73%
Return on Average Equity(%) (Annualized)	24.23%	37.98%	24.23%	38.15%

\* Including current year unaudited profit

Based on prudential guidelines issued by Central Bank of Sri Lanka

## 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. Gunawardena -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),MCMI(UK)  
Mr. P.A.J. Jayawardena - LUTCF(USA),CIAM,CMFA  
Mr. Razik Mohamed - ACA  
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

Bank of Ceylon  
Commercial Bank of Ceylon PLC  
Deutsche Bank  
Hatton National Bank PLC  
Nations Trust Bank PLC  
People's Bank  
Sampath Bank PLC  
Seylan Bank PLC