

INTERIM FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2016

Citizens Development Business Finance PLC

No 123, Orabipasha Mawatha, Colombo 10



CITIZENS DEVELOPMENT BUSINESS FINANCE PLC -Interim Financial Statements

Statement of Profit or Loss and Other Comprehensive Income

	Company					
	For the Quarter ended 31st March			For the Year ended 31st March		
	2016 Rs.	2015 Rs.	Change %	2016 Rs.	2015 Rs.	Change %
Revenue	1,983,272,796	1,764,438,980	12%	7,486,004,737	6,907,077,362	8%
Interest Income	1,762,908,831	1,540,328,505	14%	6,647,024,326	6,251,533,117	6%
Less: Interest Expenses	949,632,118	791,982,760	20%	3,588,413,274	3,381,455,430	6%
Net Interest Income	813,276,713	748,345,745	9%	3,058,611,052	2,870,077,687	7%
Fees and Commission Income	47,345,513	45,708,408	4%	210,597,153	171,042,479	23%
Net Interest, Fee and Commission Income	860,622,226	794,054,153	8%	3,269,208,205	3,041,120,166	8%
Other Operating Income	173,018,452	178,402,067	-3%	628,383,258	484,501,766	30%
Total Operating Income	1,033,640,678	972,456,220	6%	3,897,591,463	3,525,621,932	11%
Less : Impairment charge on financial assets	91,275,254	173,276,223	-47%	399,389,388	680,943,423	-41%
Net Operating Income	942,365,424	799,179,997	18%	3,498,202,075	2,844,678,509	23%
Less:						
Personnel expenses	206,866,274	141,036,409	47%	745,240,108	601,721,927	24%
Premises, equipment and establishment expenses	242,366,308	234,225,518	3%	979,218,342	892,543,376	10%
Other expenses	80,179,295	87,913,199	-9%	350,568,816	306,361,521	14%
Total Operating Expenses	529,411,877	463,175,126	14%	2,075,027,266	1,800,626,824	15%
Operating Profit Before Value Added Tax(VAT) on financial service, Nation Building Tax (NBT) and crop Insurance Levy (CIL)	412,953,547	336,004,871	23%	1,423,174,809	1,044,051,685	36%
Less: VAT, NBT and CIL	49,109,267	27,628,064	78%	169,231,306	92,631,221	83%
Profit Before Tax	363,844,280	308,376,807	18%	1,253,943,503	951,420,464	32%
Income Tax Expense	39,978,315	71,608,160	-44%	248,790,365	249,686,559	0%
Profit for the Period	323,865,965	236,768,647	37%	1,005,153,138	701,733,905	43%
Profit attributable to:						
Equity holders of the Company	323,865,965	236,768,647	37%	1,005,153,138	701,733,905	43%
Non-controlling Interests	-	-	-	-	-	-
Profit for the Period	323,865,965	236,768,647	37%	1,005,153,138	701,733,905	43%
Other Comprehensive Income:						
Items that will never be reclassified to profit or loss						
Net Actuarial gains/(losses) on Defined Benefit plan	(1,008,356)	(18,672,676)	-95%	(14,465,131)	(27,065,583)	-47%
Expected return on plan asset	11,859,081	10,509,948	13%	11,859,081	10,509,949	13%
	10,850,725	(8,162,728)	-233%	(2,606,050)	(16,555,634)	-84%
Items that are or may be reclassified to profit or loss						
Net change in fair value of available for sale financial asset	53,900,438	176,475,600	-69%	(105,113,911)	164,518,800	-164%
Changes in revaluation surplus	42,600,000	38,307,978	11%	42,600,000	38,307,978	11%
	96,500,438	214,783,578	-55%	(62,513,911)	202,826,778	-131%
Other comprehensive income net of tax	107,351,163	206,620,850	-48%	(65,119,961)	186,271,144	-135%
Total Comprehensive Income	431,217,128	443,389,497	-3%	940,033,177	888,005,049	6%
Total Comprehensive Income Attributable to:						
Equity Holders of the Company	431,217,128	443,389,497	-3%	940,033,177	888,005,049	6%
Non-controlling interests	-	-	-	-	-	-
Total Comprehensive Income	431,217,128	443,389,497	-3%	940,033,177	888,005,049	6%
Earnings per share:						
Basic Earnings per Share	5.96	4.36		18.51	12.92	

Figures in brackets indicate deductions.

Statement of Profit or Loss and Other Comprehensive Income

	Group					
	For the Quarter ended 31st March			For the Year ended 31st March		
	2016 Rs.	2015 Rs.	Change %	2016 Rs.	2015 Rs.	Change %
Revenue	2,000,370,722	1,783,508,252	12%	7,549,279,021	6,940,752,486	9%
Interest Income	1,777,084,610	1,559,755,488	14%	6,702,884,036	6,285,172,241	7%
Less: Interest Expenses	950,033,787	796,569,880	19%	3,591,419,119	3,389,183,278	6%
Net Interest Income	827,050,823	763,185,608	8%	3,111,464,917	2,895,988,963	7%
Fees and Commission Income	51,892,921	45,708,408	14%	215,144,560	171,042,479	26%
Net Interest, Fee and Commission Income	878,943,744	808,894,016	9%	3,326,609,477	3,067,031,442	8%
Other Operating Income	171,393,191	178,044,356	-4%	631,250,425	484,537,766	30%
Total Operating Income	1,050,336,935	986,938,372	6%	3,957,859,902	3,551,569,208	11%
Less :Impairment charge on financial assets	94,046,795	170,656,863	-45%	404,555,817	678,624,063	-40%
Net Operating Income	956,290,140	816,281,509	17%	3,553,304,085	2,872,945,145	24%
Less:						
Personnel expenses	209,386,929	137,666,922	52%	753,839,428	602,916,858	25%
Premises, equipment and establishment expenses	245,798,607	241,680,514	2%	991,812,457	900,793,282	10%
Other expenses	84,047,638	86,923,567	-3%	356,325,850	306,361,521	16%
Total Operating Expenses	539,233,174	466,271,003	16%	2,101,977,735	1,810,071,661	16%
Operating Profit Before Value Added Tax(VAT) on financial service, Nation Building Tax (NBT) and crop Insurance Levy (CIL)	417,056,966	350,010,506	19%	1,451,326,350	1,062,873,484	37%
Less: VAT, NBT and CIL	49,461,847	28,739,810	72%	172,859,238	94,622,484	83%
Profit Before Tax	367,595,119	321,270,696	14%	1,278,467,112	968,251,000	32%
Income Tax Expense	43,049,935	78,466,619	-45%	257,692,714	257,828,764	0%
Profit for the Period	324,545,184	242,804,077	34%	1,020,774,398	710,422,236	44%
Profit attributable to:						
Equity holders of the Company	324,443,843	242,155,165	34%	1,018,620,020	709,451,620	44%
Non-controlling Interests	101,341	648,912	-84%	2,154,378	970,615	122%
Profit for the Period	324,545,184	242,804,077	34%	1,020,774,398	710,422,235	44%
Other Comprehensive Income:						
Items that will never be reclassified to profit or loss						
Net Actuarial gains/(losses) on Defined Benefit plan	(881,734)	(18,594,126)	-95%	(14,338,509)	(26,987,033)	-47%
Expected return on plan asset	11,859,081	10,509,948	13%	11,859,081	10,509,949	13%
	10,977,347	(8,084,178)	-236%	(2,479,428)	(16,477,084)	-85%
Items that are or may be reclassified to profit or loss						
Net change in fair value of available for sale financial asset	54,486,868	176,475,600	-69%	(104,527,481)	164,518,800	-164%
Changes in revaluation surplus	42,600,000	38,307,978	11%	42,600,000	38,307,978	11%
	97,086,868	214,783,578	-55%	(61,927,481)	202,826,778	-131%
Other comprehensive income net of tax	108,064,215	206,699,400	-48%	(64,406,909)	186,349,694	-135%
Total Comprehensive Income	432,609,399	449,503,477	-4%	956,367,488	896,771,929	7%
Total Comprehensive Income Attributable to:						
Equity Holders of the Company	432,439,491	448,854,565	-4%	954,144,543	895,790,522	7%
Non-controlling interests	169,908	648,912	-74%	2,222,945	981,407	127%
Total Comprehensive Income	432,609,399	449,503,477	-4%	956,367,488	896,771,929	7%
Earnings per share:						
Basic Earnings per Share	5.98	4.46		18.76	13.06	

Figures in brackets indicate deductions.

CITIZENS DEVELOPMENT BUSINESS FINANCE PLC - Interim Financial Statements

Statement of Financial Position

As at	Company		Group	
	31-03-2016 Rs.	Audited 31-03-2015 Rs.	31-03-2016 Rs.	Audited 31-03-2015 Rs.
Assets				
Cash and Cash Equivalents	722,351,389	313,394,279	729,789,337	334,358,488
Financial Instruments held for Trading	121,963,136	56,220,230	121,963,136	56,220,230
Loans and Receivable to Banks	2,967,869,560	301,700,000	2,979,124,401	301,700,000
Deposits with licensed commercial banks	1,602,179,104	1,933,216,541	1,610,310,601	1,943,406,672
Loans and Advances to Customers	38,538,920,189	29,378,799,251	38,753,565,171	29,620,437,218
Investment Securities	3,272,075,270	3,140,348,599	3,305,826,584	3,146,426,620
Investment in Subsidiary	509,917,734	427,745,447	-	-
Investment Property	20,197,977	20,197,977	20,197,977	20,197,977
Property, Plant and Equipment	1,606,958,136	1,421,342,866	1,610,637,819	1,426,432,810
Intangible Assets	68,319,145	71,159,770	71,364,171	75,792,298
Goodwill on Consolidation	-	-	244,179,430	244,179,431
Other Assets	1,195,560,588	949,583,620	1,199,128,683	955,914,234
Total Assets	50,626,312,228	38,013,708,580	50,646,087,310	38,125,065,978
Liabilities				
Deposits From Customers	30,887,693,800	27,079,133,660	30,803,916,225	27,079,133,660
Debt Securities Issued	1,044,135,005	1,043,481,193	1,044,135,005	1,043,481,193
Other Interest bearing borrowings	11,301,685,401	3,780,763,484	11,309,582,401	3,838,570,678
Current Tax Liabilities	109,133,435	111,513,609	111,020,227	117,226,977
Deferred Tax Liabilities	479,764,584	282,079,149	481,839,851	283,654,115
Retirement Benefit Obligations	53,036,504	45,298,838	53,036,504	45,425,460
Other Liabilities	1,698,895,005	1,369,435,106	1,736,886,049	1,378,202,112
Total Liabilities	45,574,343,734	33,711,705,039	45,540,416,262	33,785,694,195
Equity				
Stated Capital	1,185,061,645	1,185,061,645	1,185,061,645	1,185,061,645
Reserves	1,802,100,577	1,663,583,860	1,803,892,583	1,664,062,266
Retained Earnings	2,064,806,272	1,453,358,036	2,086,228,841	1,460,464,302
Total equity attributable to equity holders of the company	5,051,968,494	4,302,003,541	5,075,183,069	4,309,588,213
Non-Controlling Interests	-	-	30,487,979	29,783,570
Total Equity	5,051,968,494	4,302,003,541	5,105,671,048	4,339,371,783
Total Equity and Liabilities	50,626,312,228	38,013,708,580	50,646,087,310	38,125,065,978
Net Assets Value per Share	93.03	79.22	93.46	79.36

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 and Finance Business Act No 42 of 2011.

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

30th May 2016

Colombo

CITIZENS DEVELOPMENT BUSINESS FINANCE PLC - Interim Financial Statements

Statement of Changes in Equity

Company

	Stated Capital Rs	Revaluation Reserve Rs	Available-for-sale reserve Rs	Investment Fund Account Rs	Statutory Reserve Fund Rs	Retained Earnings Rs	Total Rs
Balance as at 1st April 2014	1,185,061,645	132,765,013	689,690,925	87,745,449	497,954,363	983,696,718	3,576,914,113
Profit for the Period						701,733,905	701,733,905
Other comprehensive income for the Period							
Remeasurement of defined benefit liability(asset)							
Net actuarial gains/(losses)on Defined benefit plan expected return in plan asset						(27,065,583)	(27,065,583)
						10,509,949	10,509,949
Fair value reserve (available for sale financial assets)							
Net change in fair value			164,518,800				164,518,800
Surplus on Revaluation of lands		38,307,978					38,307,978
	1,185,061,645	171,072,991	854,209,725	87,745,449	497,954,363	1,668,874,989	4,464,919,162
Transactions with equity holders of the company							
Dividends to equity holders for year- 2013/2014						(162,915,621)	(162,915,621)
Net Transfers during the period				(87,745,449)	140,346,781	(52,601,332)	-
Balance as at 31st March 2015	1,185,061,645	171,072,991	854,209,725	-	638,301,144	1,453,358,036	4,302,003,541
Balance as at 1st April 2015	1,185,061,645	171,072,991	854,209,725	-	638,301,144	1,453,358,036	4,302,003,541
Profit for the Period						1,005,153,138	1,005,153,138
Other comprehensive income for the Period							
Remeasurement of defined benefit liability(asset)							
Net actuarial gains/(losses)on Defined benefit plan expected return in plan asset						(14,465,131)	(14,465,131)
						11,859,081	11,859,081
Fair value reserve (available for sale financial assets)							
Net change in fair value			(105,113,911)				(105,113,911)
Surplus on Revaluation of lands		42,600,000					42,600,000
	1,185,061,645	213,672,991	749,095,814	-	638,301,144	2,455,905,124	5,242,036,718
Transactions with equity holders of the company							
Dividends to equity holders for year- 2014/2015						(190,068,224)	(190,068,224)
Net Transfers during the period				-	201,030,628	(201,030,628)	-
Balance as at 31st March 2016	1,185,061,645	213,672,991	749,095,814	-	839,331,772	2,064,806,272	5,051,968,494

Figures in brackets indicate deductions.

CITIZENS DEVELOPMENT BUSINESS FINANCE PLC - Interim Financial Statements

Statement of Changes in Equity

Group

	Stated Capital	Revaluation Reserve	Available-for-sale reserve	Investment Fund Account	Statutory Reserve Fund	Retained Earnings	Non-Controlling Interest	Total
	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs
Balance as at 1st April 2014	1,185,061,645	132,765,013	689,690,925	87,745,449	497,954,363	983,495,917		3,576,713,312
Profit for the Period						709,451,620	970,615	710,422,235
Other comprehensive income for the Period								
Remeasurement of defined benefit liability(asset)								
Net actuarial gains/(losses)on Defined benefit plan expected return in plan asset						(26,997,825)	10,792	(26,987,033)
						10,509,949		10,509,949
Fair value reserve (available for sale financial assets)								
Net change in fair value			164,518,800					164,518,800
Surplus on Revaluation of lands		38,307,978						38,307,978
	1,185,061,645	171,072,991	854,209,725	87,745,449	497,954,363	1,676,459,661	981,407	4,473,485,241
Transactions with equity holders of the company								
Dividends to equity holders for year- 2013/2014						(162,915,621)		(162,915,621)
Acquisition made during the year							28,802,163	28,802,163
Net Transfers during the period				(87,745,449)	140,825,187	(53,079,738)		
Balance as at 31st March 2015	1,185,061,645	171,072,991	854,209,725	-	638,779,550	1,460,464,302	29,783,570	4,339,371,783
Balance as at 1st April 2015	1,185,061,645	171,072,991	854,209,725	-	638,779,550	1,460,464,302	29,783,570	4,339,371,783
Profit for the Period						1,018,620,020	2,154,378	1,020,774,398
Other comprehensive income for the Period								
Remeasurement of defined benefit liability(asset)								
Net actuarial gains/(losses)on Defined benefit plan expected return in plan asset						(14,350,685)	12,176	(14,338,509)
						11,859,081		11,859,081
Fair value reserve (available for sale financial assets)								
Net change in fair value			(104,583,874)				56,393	(104,527,481)
Surplus on Revaluation of lands		42,600,000						42,600,000
	1,185,061,645	213,672,991	749,625,851	-	638,779,550	2,476,592,718	32,006,517	5,295,739,272
Transactions with equity holders of the company								
Dividends to equity holders for year- 2014/2015						(190,068,224)		(190,068,224)
Net Transfers during the period				-	201,814,191	(201,814,191)		
Change in non controlling interest						1,518,538	(1,518,538)	
Balance as at 31st March 2016	1,185,061,645	213,672,991	749,625,851	-	840,593,741	2,086,228,841	30,487,979	5,105,671,048

Figures in brackets indicate deductions.

CITIZENS DEVELOPMENT BUSINESS FINANCE PLC - Interim Financial Statements

Statement of Cash Flow

For the Period ended	Company		Group	
	31-03-2016 Rs.	31-03-2015 Rs.	31-03-2016 Rs.	31-03-2015 Rs.
Cash flow from Operating Activities				
Interest Receipts	6,611,990,360	6,297,268,127	6,667,797,606	6,329,183,076
Commission Receipts	181,146,278	172,003,223	185,623,075	172,003,223
Other Income Receipts	607,313,338	271,976,768	610,096,157	272,012,768
Interest Payments	(2,928,454,670)	(3,363,410,589)	(2,931,641,835)	(3,369,414,261)
Fee and Business Promotion Expenses	(114,494,976)	(68,182,557)	(115,502,869)	(68,182,557)
Employee Related Payments	(675,737,667)	(558,873,852)	(684,465,608)	(559,914,045)
Supplier Payments	(1,622,318,102)	(672,688,627)	(1,629,640,178)	(680,967,140)
Financial Expenses	(18,556,604)	(15,471,148)	(18,620,297)	(15,471,148)
Operating Profit before changes in Operating Assets	2,040,887,957	2,062,621,345	2,083,646,051	2,079,249,916
(Increase)/Decrease in Operating Assets				
Investments in Licensed Commercial Bank	329,548,862	772,955,513	329,548,862	833,830,968
Investments in Government Securities	(2,794,898,082)	(486,561,195)	(2,802,062,308)	(492,516,516)
Net Funds Advanced to Customers	(9,559,510,326)	(4,131,429,693)	(9,515,890,195)	(4,035,683,491)
Changes in Other Short Term Assets	(202,043,240)	4,118,216	(205,476,158)	7,950,250
Inventories	(14,482,853)	(83,015,976)	(14,482,853)	(83,015,976)
	(10,200,497,682)	(1,861,311,790)	(10,124,716,601)	(1,690,184,849)
Increase/(Decrease) in Operating Liabilities				
Borrowings	7,316,946,275	700,875,813	7,241,933,275	540,846,761
Deposits from Customers	3,353,230,990	2,480,778,103	3,268,900,599	2,480,778,103
	10,670,177,265	3,181,653,916	10,510,833,874	3,021,624,864
Net Cash Generated / (used in) from operating Activities	469,679,583	1,320,342,126	386,117,273	1,331,440,015
Gratuity paid / Contribution to Plan Assets	(61,764,784)	(179,784,827)	(61,764,784)	(179,784,827)
Taxation	(77,985,153)	(43,372,004)	(90,213,779)	(44,364,495)
	329,929,646	1,097,185,295	234,138,710	1,107,290,693
Cash Flow from Investing Activities				
Dividend Receipts	11,638,818	9,064,000	11,692,818	9,064,000
Investment in Subsidiary	(82,172,287)	(425,000,000)	-	(425,000,000)
Investment in debentures	-	5,102,199	-	5,102,199
Investment in government securities/quoted shares- Trading	(80,730,305)	-	(80,730,305)	-
Investment in quoted Shares - AFS	(71,589,518)	-	(76,589,518)	-
Purchase of Property, Plant & Equipment	(143,507,978)	(528,218,833)	(144,024,709)	(531,350,523)
Proceed from sale of Property, Plant and Equipment	27,751,834	122,851	27,751,834	122,851
Net Cash (used in)/ from Investing Activities	(338,609,436)	(938,929,783)	(261,899,880)	(942,061,473)
Cash Flow from Financing Activities				
Dividend Paid	(190,068,225)	(162,915,621)	(190,068,225)	(162,815,621)
Net change Debentures	-	(128,851,642)	-	(128,851,642)
Net Cash Inflows/ (out flows) from Financing Activities	(190,068,225)	(291,767,263)	(190,068,225)	(291,667,263)
Net Increase/(Decrease) In Cash & Cash Equivalents	(198,748,015)	(133,511,751)	(217,829,395)	(126,438,042)
Cash and Cash Equivalents at the beginning of the Year	65,575,108	199,086,859	86,360,031	202,422,385
Cash and Cash Equivalents at the end of the Year	(133,172,907)	65,575,108	(131,469,364)	75,984,343
Cash and Cash Equivalents at the beginning of the year				
Cash at Bank and In Hand	313,394,279	462,555,296	334,358,488	465,890,822
Bank Overdraft	(247,819,171)	(263,468,437)	(247,998,457)	(263,468,437)
	65,575,108	199,086,859	86,360,031	202,422,385
Cash and Cash Equivalents at the end of the year				
Cash at Bank and In Hand	722,351,389	313,394,279	729,789,337	321,425,914
Bank Overdraft	(855,524,296)	(247,819,171)	(861,258,701)	(245,441,571)
	(133,172,907)	65,575,108	(131,469,364)	75,984,343

*Figures in brackets indicate deductions.

CITIZENS DEVELOPMENT BUSINESS FINANCE PLC - Interim Financial Statements

Segmental Analysis

Company

	Lease & Stock out on Hire		Loans and Advances		Others		Total	
	31-03-2016 Rs.	31-03-2015 Rs.	31-03-2016 Rs.	31-03-2015 Rs.	31-03-2016 Rs.	31-03-2015 Rs.	31-03-2016 Rs.	31-03-2015 Rs.
Interest	5,339,932,963	4,777,799,469	876,074,166	950,516,665	431,017,197	523,216,983	6,647,024,326	6,251,533,117
Non Interest Income							838,980,411	655,544,245
Total Revenue	5,339,932,963	4,777,799,469	876,074,166	950,516,665	431,017,197	523,216,983	7,486,004,737	6,907,077,362
Segmental Results	5,339,932,963	4,777,799,469	876,074,166	950,516,665	431,017,197	523,216,983	7,486,004,737	6,907,077,362
Unallocated Expenses							6,232,061,235	5,752,288,212
Profit from Operations							1,253,943,503	951,420,464
Income Tax expenses							248,790,365	249,686,559
Profit for the Period							1,005,153,138	701,733,905
Segment Assets	31,047,902,461	21,326,482,054	6,335,136,600	5,141,793,492	5,112,941,229	1,437,263,448	42,495,980,290	33,799,945,591
Unallocated Assets							8,130,331,938	4,213,762,989
Total Assets							50,626,312,228	38,013,708,580

CITIZENS DEVELOPMENT BUSINESS FINANCE PLC - Interim Financial Statements

Segmental Analysis

Group

	Lease & Stock out on Hire		Loans and Advances		Others		Total	
	31-03-2016 Rs.	31-03-2015 Rs.	31-03-2016 Rs.	31-03-2015 Rs.	31-03-2016 Rs.	31-03-2015 Rs.	31-03-2016 Rs.	31-03-2015 Rs.
Interest	5,357,735,121	4,769,534,857	911,141,449	1,175,653,831	434,007,466	339,983,553	6,702,884,036	6,285,172,241
Non Interest Income							846,394,985	452,211,559
Total Revenue	5,357,735,121	4,769,534,857	911,141,449	1,175,653,831	434,007,466	339,983,553	7,549,279,021	6,737,383,800
Segmental Results	5,357,735,121	3,593,885,448	911,141,449	698,932,007	434,007,466	418,387,157	7,549,279,021	6,737,383,800
Unallocated Expenses							6,270,811,909	5,769,132,801
Profit from Operations							1,278,467,112	968,250,999
Income Tax expenses							257,692,714	257,828,764
Profit for the Period							1,020,774,398	710,422,235
Segment Assets	31,181,866,002	22,864,581,327	6,415,818,041	6,604,217,924	5,209,243,891	5,341,485,370	42,806,927,934	34,810,284,621
Unallocated Assets							7,839,159,376	3,314,781,357
Total Assets							50,646,087,310	38,125,065,978

Shareholders' Information

Twenty Largest Shareholders as at 31st March 2016

Ordinary Voting Shares

No	NAME	SHAREHOLDING	(%)
1	CEYLINCO LIFE INSURANCE LIMITED	15,529,116	33.54%
2	JANASHAKTHI GENERAL INSURANCE LIMITED	2,387,947	5.16%
3	JANASHAKTHI INSURANCE PLC (POLICY HOLDERS)	2,314,961	5.00%
4	CEYLINCO INSURANCE PLC A/C NO 2 (GENERAL FUND)	1,853,287	4.00%
5	CITIZENS DEVELOPMENT BUSINESS FINANCE PLC A/C 02 (CDB EMPLOYEE GRATUITY FUND)	1,708,816	3.69%
6	PEOPLE'S LEASING & FINANCE PLC / MR.W.P.C.M.NANAYAKKARA	1,393,669	3.01%
7	THE FINANCE COMPANY PLC A/C NO 1	1,250,000	2.70%
8	MR.T.M.D.P.TENNAKON	858,258	1.85%
9	PEOPLE'S LEASING & FINANCE PLC/MR.S.V.MUNASINGHE	850,676	1.84%
10	MR.R.H.ABEYGOONEWARDENA/Ms.V.F.ABEYGOONEWARDENA	722,139	1.56%
11	ASIA MANAGEMENT CONSULTANCY (PRIVATE) LIMITED	706,622	1.53%
12	MR.W.W.K.M.WEERASOORIYA	482,803	1.04%
13	MR.H.M.L.M.B.HEENKENDA	452,260	0.98%
14	MR.E.KARTHIK	428,817	0.93%
15	MR.H.K.DASSANAYAKE	265,653	0.57%
16	MR.I.M.KOTIGALA	241,224	0.52%
17	MRS.N.D.KODAGODA	217,364	0.47%
18	MR.K.A.D.R.GUNASINGHE	216,167	0.47%
19	MR.P.V.R.S.ABEYSEKERA	215,833	0.47%
20	MR.A.A.S.KUMARA	206,167	0.45%
	Sub total of Top 20 Share Holders	32,301,779	69.77%
	Others	13,997,444	30.23%
	Total	46,299,223	100.00%

The percentage of shares held by the public as at 31st March 2016 is 50.22% (with 1969 public share holders)

Ordinary Non Voting Shares

No	NAME	SHAREHOLDING	(%)
1	DEUTSCHE BANK AG AS TRUSTEE FOR JB VANTAGE VALUE EQUITY FUND	1,182,093	14.77%
2	J.B. COCOSHELL (PVT) LTD	1,041,431	13.01%
3	MR.A.M.WEERASINGHE	614,454	7.67%
4	DEUTSCHE BANK AG AS TRUSTEE TO CANDOR GROWTH FUND	310,671	3.88%
5	ASKOLD (PRIVATE) LIMITED	240,000	3.00%
6	MR.M.J. FERNANDO	208,999	2.61%
6	MR.H.R.ESUFALLY	208,999	2.61%
8	E.W. BALASURIYA & CO. (PVT) LTD	204,413	2.55%
9	MR. M. A. H. ESUFALLY	160,000	2.00%
10	MR. G. H. I. JAFFERJEE	156,749	1.96%
11	NATIONAL INDUSTRIES GROUP (HOLDINGS) (S.A.K)	154,789	1.93%
12	MR.I.M.DABAH	154,499	1.93%
13	PAN ASIA BANKING CORPORATION PLC/S.R.FERNANDO	128,953	1.61%
14	WALDOCK MACKENZIE LTD/MR. H.M.S. ABDULHUSSEIN	115,028	1.44%
15	JAFFERJEE'S INVESTMENTS (PVT) LTD.	104,499	1.31%
15	GOLD INVESTMENT LIMITED	104,499	1.31%
15	MR.M.A.VALABHIJ	104,499	1.31%
18	COMMERCIAL BANK OF CEYLON PLC A/C NO. 04	101,965	1.27%
19	LAKDHANAVI LIMITED	100,000	1.25%
20	EAGLE PROPRIETARY INVESTMENTS LIMITED	95,398	1.19%
	Sub total of Top 20 Share Holders	5,491,938	68.60%
	Others	2,514,046	31.40%
	Total	8,005,984	100.00%

The percentage of shares held by the public as at 31st March 2016 is 86.78% (with 1824 public share holders)

Directors' and Chief Executive Officer's Shareholding as at 31st March 2016

Ordinary Voting Shares

Name	Share Holding
Mr. D.H.J. Gunawardana	-
Mr. W.P.C.M. Nanayakkara	1,000
People's Leasing & Finance PLC/Mr.W.P.C.M.Nanayakkara	1,393,669
Mr. S.R. Abeynayake	-
Mr. R. Mohamed	-
Mr. R.H. Abeygoonewardena / Mrs. V.F. Abeygoonewardena	722,139
Dr. A. Dharmasiri	-
Mr. D.A. De Silva	-
Mr. T.M.D.P. Tennakoon	858,258
Assetline Leasing Company Ltd./Mr.T.M.D.P.Tennakoon	132,515
Mr. P.A.J. Jayawardena	500
Mr. S.V. Munasinghe	-
People's Leasing & Finance PLC/Mr.S.V.Munasinghe	850,676
	3,958,757

Name	Share Holding
Mr. D.H.J. Gunawardana	-
Mr. W.P.C.M. Nanayakkara	44
Mr. S.R. Abeynayake	-
Mr. R. Mohamed	-
Mr. R.H. Abeygoonewardena / Mrs. V.F. Abeygoonewardena	7,579
Dr. A. Dharmasiri	-
Mr. D.A. De Silva	-
Mr. T.M.D.P. Tennakoon	7,262
Mr. P.A.J. Jayawardena	22
Mr. S.V. Munasinghe	-
	14,907

	Ordinary Voting Shares		Ordinary Non Voting Shares	
	31-03-2016	31-03-2015	31-03-2016	31-03-2015
Highest Price	99.00	104.90	80.00	88.00
Lowest Price	72.00	81.10	61.00	72.50
Last Traded	75.00	85.00	68.00	73.90

CITIZENS DEVELOPMENT BUSINESS FINANCE PLC - Interim Financial Statements

Explanatory Notes

- 1 The Company has used the same accounting policies and method of computing described in the annual report of the company for 2014/15 in the preparation of these interim financial statements.
- 2 All known expenses have been provided in these financial statements and management fees are not applicable to the company.
- 3 Group financial statements comprises the consolidation of the company and its subsidiary CDB Micro Finance Ltd and Unisons Capital Leasing Limited.
- 4 Company reclassified income received from early settlement of lending facilities from net impairment charge to other operating income to reflect more appropriate economic substance based on nature and function of the transaction.
- 5 Company subscribe to the rights issue of its subsidiary company Unisons Capital Leasing Limited and purchased 7,825,932 shares, increasing the holding percentage to 90.38%.
- 6 No of Shares as at 31st March 2016 is as follows.

Ordinary Voting Shares	46,299,223
Ordinary Non Voting Shares	8,005,984
- 7 During the period there were no material changes in the composition of assets, liabilities and contingent liabilities and there is no seasonality and cyclicity affecting the interim operation.
- 8 Since 31st March 2016, there were no material events other than the above, that require adjustment to or disclosure in these financial statements.
- 9 These financial statements are prepared in accordance with the Sri Lanka Accounting Standard - LKAS 34 " Interim Financial Reporting".

CITIZENS DEVELOPMENT BUSINESS FINANCE PLC - Interim Financial Statements

Information on Listed Debentures

Subordinated Listed Rated Unsecured Redeemable Debentures December 2013- December 2018

Market Price For the Quarter ended 31st March 2016

Debenture Type	Highest Price Rs.	Lowest Price Rs.	Last Traded Rs.
Type A	106.00	106.00	106.00
Type B		Not Traded	
Type C		Not Traded	

Interest Rates

Debenture Type	Interest Payment Frequency	Coupon Rate %	Annual Effective Rate %
Type A	Annually	16.00	16.00
Type B	Semi- annually	15.50	16.10
Type C	Quarterly	15.00	15.87

Interest Rates of Comparable Government Securities

5 Year Treasury Bond (Excluding 10% withholding Tax)	13.00%
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Current Yield & Yield to Maturity

Debenture Type	Current Yield %	Yield to Maturity %
Type A	15.72%	15.03%
Type B		Not Traded
Type C		Not Traded

Ratios

Debt Equity Ratio	152%
Quick Asset Ratio (Times)	0.78
Interest Cover (Times)	1.35

Selected Performance Indicators

Indicator	Company	
	As at 31-03-2016	As at 31-03-2015
Asset Quality (Rs. 000)		
Gross Non- Performing Accommodations,	1,412,121	1,727,617
Gross Non- Performing Accommodations Ratio, %	3.6%	5.8%
Net Non- Performing Accommodations Ratio, %	1.6%	3.2%
Liquidity (Rs. 000)		
Required Minimum amount of Liquid Assets	3,403,962	2,977,502
Available amount of Liquid Assets	6,664,229	4,262,267
Required Minimum amount of Government Securities	2,068,234	1,679,439
Available amount of Government Securities	5,115,654	2,322,464
Capital Adequacy		
Core Capital (Tier 1 Capital)	4,838,296	4,130,931
Total Capital Base	4,845,213	5,031,161
Core Capital to Risk Weighted Assets ratio (Minimum 5%)*	11.7%	12.8%
Total Capital to Risk Weighted Assets ratio (Minimum 10%)*	11.7%	15.6%
Capital Funds to total Deposit Liabilities ratio (Minimum 10%)*	15.7%	18.6%
Profitability		
Net Interest Margin (Annualized %)	6.90%	8.00%
Return on Average Assets- After Tax (Annualized %)	2.27%	1.95%
Return on Average Equity- After Tax (Annualized %)	21.5%	17.8%
Memorandum information		
Number of Employees	1,167	1,136
Number of branches	50	47
Number of service centers	11	11
Number of pawning centers	1	1

* Including current year unaudited profit

CITIZENS DEVELOPMENT BUSINESS FINANCE PLC - Interim Financial Statements

Corporate Information

Name of the Company

Citizens Development Business Finance PLC

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 under the Finance Business Act No 42 of 2011.

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

Approved Credit Agency Under the

Mortgage Act No 06 of 1949
Trust Receipt Ordinance No 12 of 1947

Date of Incorporation

07th September 1995

Registration Number

PB 232 PQ

Accounting Year

March 31

Board of Directors

Mr. D.H.J.Gunawardena *FCMA (UK), CGMA*
Chairman / Non Executive Director

Mr. W.P.C.M.Nanayakkara *B.Sc(Mgt), FCMA(UK),MBA(Sri J), CGMA*
Managing Director / Chief Executive Officer/ Executive Director

Mr. R.H.Abeygoonewardena *FCMA(UK), ACMA(Sri), MCPM, CGMA*
Executive Director / Chief Operating Officer

Mr. S.R.Abeynayake *MBA(Sri J), FCA, FCMA*
Non Executive Director

Prof. A. Dharmasri *B.Sc.Eng., MBA(Sri J),PhD(Sri J), MCFI(UK)*
Independent Non Executive Director

Mr. D.A.De Silva *B. Sc.(Hons), ACMA, CGMA*
Independent Non Executive Director

Mr. P.A.J.Jayawardena *LUTCF(USA), CIAM,CMFA*
Non Executive Director

Mr. Razik Mohamed *ACA*
Independent Non Executive Director (Senior Director)

Mr. S.V.Munasinghe
Executive Director / Chief Credit and Marketing Officer

Mr. T.M.D.P. Tennakoon *FCMA(UK), CGMA*
Executive Director / Chief Financial Officer

Registered Address of Head Office

No 123, Orabipasha Mawatha,
Colombo 10
Sri Lanka
Tel 0094117388388
Fax 0094112429888
E mail cdb@cdb.lk
Web www.cdb.lk

Company Secretary

S.S.P Corporate Services (Private) Ltd
101, Inner Flower Road,
Colombo 03
Sri Lanka
Tel 0094112573894, 0094112576871
Fax 0094112573609
E mail sspsec@slt.net.lk

Company Auditors

KPMG
(Chartered Accountants)
32 A, Sir Mohamed Macan Marker Mawatha,
Colombo 03
Sri Lanka
Tel 0094115426426

Lawyers of the Company

Nithya Partners
No 97A, Galle Road,
Colombo 03.
Sri Lanka

Credit Rating

[SL]BBB

Bankers

Bank of Ceylon
Commercial Bank of Ceylon PLC
Deutsche Bank
Hatton National Bank PLC
National Development Bank PLC
Nations Trust Bank PLC
Pan Asia Banking Corporation
People's Bank
Sampath Bank PLC
Seylan Bank PLC



Citizens Development Business Finance PLC
No. 123, Orabipasha Mawatha, Colombo 10, Sri Lanka
WWW.cdb.lk