

INTERIM FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2012



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

CITIZENS DEVELOPMENT BUSINESS FINANCE PLC
STATEMENT OF INCOME

	COMPANY			COMPANY		
	FOR THE QUATER ENDED			FOR THE YEAR ENDED		
	3/31/2012	3/31/2011	Variance	3/31/2012	3/31/2011	Variance
Rs.	Rs.	%	Rs.	Rs.	%	
Income	850,108,593	734,117,009	16%	2,877,978,004	2,226,022,713	29%
Interest Income	749,879,375	489,208,503	53%	2,553,702,309	1,731,159,166	48%
Less: Interest Expenses	388,324,282	254,040,738	53%	1,305,679,428	912,786,452	43%
Net Interest Income	361,555,093	235,167,765	54%	1,248,022,881	818,372,714	53%
Other Income	100,229,218	244,908,506	-59%	324,275,695	494,863,547	-34%
	461,784,311	480,076,271	-4%	1,572,298,576	1,313,236,261	20%
Less : Operating Expenses						
Personnel Expenses	80,419,508	59,148,529	36%	293,098,247	214,693,324	37%
Premises, Equipment and Administration Expenses	93,990,121	64,228,094	46%	347,968,356	244,050,851	43%
Marketing and Business Promotion Expenses	65,479,315	38,276,580	71%	264,972,238	176,703,805	50%
Finance Charges	3,346,070	4,019,080	-17%	11,018,569	12,201,431	-10%
	243,235,012	165,672,283	47%	917,057,410	647,649,411	42%
Profit before Loan Loss Provision	218,549,299	314,403,988	-30%	655,241,166	665,586,850	-2%
Less - Provision for loan losses	6,617,058	73,276,195	-91%	(17,230,396)	80,276,195	-121%
Profit Before VAT on Financial Services and Tax	211,932,241	241,127,793	-12%	672,471,562	585,310,655	15%
Less - VAT on Financial Services	3,330,059	11,568,435	-71%	28,198,982	24,040,074	17%
Profit Before Income Tax	208,602,182	229,559,358	-9%	644,272,580	561,270,581	15%
Less -Income Tax Expenses	(23,614,936)	8,460,581	-379%	13,839,677	29,460,581	-53%
Net Profit for the period	232,217,118	221,098,777	5%	630,432,903	531,810,000	19%
Earnings Per Share (EPS)	4.47	5.30		13.10	12.75	

Note :

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

CITIZENS DEVELOPMENT BUSINESS FINANCE PLC
STATEMENT OF INCOME

	GROUP			GROUP		
	FOR THE QUARTER ENDED			FOR THE YEAR ENDED		
	3/31/2012	3/31/2011	Variance	3/31/2012	3/31/2011	Variance
	Rs.	Rs.	%	Rs.	Rs.	%
Income	850,108,592	734,262,149	16%	2,878,185,816	2,226,237,404	29%
Interest Income	749,879,375	489,215,463	53%	2,553,702,309	1,731,235,677	48%
Less: Interest Expenses	388,324,282	254,040,738	53%	1,305,679,428	912,786,452	43%
Net Interest Income	361,555,093	235,174,725	54%	1,248,022,881	818,449,225	52%
Other Income	100,229,217	245,046,686	-59%	324,483,507	495,001,727	-34%
	461,784,310	480,221,411	-4%	1,572,506,388	1,313,450,952	20%
Less : Operating Expenses						
Personnel Expenses	80,419,508	59,148,529	36%	293,098,247	214,693,324	37%
Premises, Equipment and Administration Expenses	91,902,370	64,313,094	43%	345,796,402	244,156,843	42%
Marketing and Business Promotion Expenses	65,479,315	38,276,580	71%	264,972,238	176,703,805	50%
Finance Charges	3,346,070	4,019,080	-17%	11,018,569	12,201,431	-10%
	241,147,261	165,757,283	45%	914,885,456	647,755,403	41%
Profit before Loan Loss Provision	220,637,048	314,464,128	-30%	657,620,932	665,695,549	-1%
Less -Provision for Loan Losses	6,617,058	76,647,000	-91%	(17,230,396)	83,647,000	-121%
Profit Before VAT on Financial Services and Tax	214,019,991	237,817,128	-10%	674,851,328	582,048,549	16%
Less -VAT on Financial Services	3,330,059	11,568,435	-71%	28,198,982	24,040,074	17%
Profit Before Income Tax	210,689,932	226,248,693	-7%	646,652,346	558,008,475	16%
Less - Income Tax Expenses	(23,577,114)	8,460,581	-379%	13,877,499	29,460,581	-53%
Net Profit for the period	234,267,044	217,788,112	8%	632,774,847	528,547,894	20%
Attributable to	234,267,044	217,788,112	8%	632,774,847	528,547,894	20%
Shareholders of the parent Company						
Minority Interest						
Net profit for the period	234,267,044	217,788,112	8%	632,774,847	528,547,894	20%
Earnings Per Share (EPS)	4.51	5.22		13.15	12.67	

Note :

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

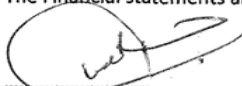
CITIZENS DEVELOPMENT BUSINESS FINANCE PLC
BALANCE SHEET AS AT

	COMPANY		GROUP	
	31.03.2012 Rs.	Audited 31/03/2011 Rs.	31.03.2012 Rs.	Audited 31/03/2011 Rs.
Assets				
Cash and Cash Equivalents	121,343,098	49,343,059	124,678,624	52,292,975
Investment in Government Securities	576,963,367	511,573,349	576,963,367	511,573,349
Deposits with Licensed Commercial Banks & Financial Institutions	490,589,920	263,094,355	490,589,920	263,094,355
Securities Purchase under Resale Agreements	326,000,000	187,379,059	326,000,000	187,379,059
Loans & Advances	3,307,640,589	1,824,790,687	3,307,640,589	1,824,790,687
Net Investments in Leases	7,095,726,690	4,732,503,045	7,095,726,690	4,732,503,045
Net Investments in Hiring Contracts	2,846,241,640	1,299,575,070	2,846,241,640	1,299,575,070
Investment Securities	459,193,600	412,600,000	459,193,600	412,600,000
Tax Recoverable	261,080,749	203,492,588	261,080,749	203,492,588
Trade and Other Receivables	354,744,904	323,220,322	354,744,104	323,220,322
Inventories	210,693,612	149,634,064	210,693,612	149,634,064
Investment in Subsidiaries	2,827,247	5,000,000	-	-
Investment Properties	20,197,977	20,197,977	20,197,977	20,197,977
Property, Plant and Equipment	470,979,957	237,821,921	470,979,957	237,821,921
Total Assets	16,544,223,350	10,220,225,494	16,544,730,829	10,218,175,411
Liabilities				
Deposits From Customers	11,388,775,587	7,488,743,205	11,388,775,587	7,488,743,205
Borrowings	1,730,205,633	735,077,881	1,730,205,633	735,077,881
Debentures	250,000,000	267,069,000	250,000,000	267,069,000
Retirement Benefit Obligations	28,606,687	20,676,229	28,606,687	20,676,229
Tax Payable	62,853,091	44,429,014	63,276,368	44,814,473
Other Liabilities	789,426,589	639,047,644	789,511,591	638,954,848
	14,249,867,587	9,195,042,972	14,250,375,866	9,195,335,636
Shareholders' Funds				
Stated Capital	1,114,960,915	396,850,480	1,114,960,915	396,850,480
Reserve Funds	278,736,724	152,650,304	278,736,724	152,650,304
Revaluation Reserve	12,066,285	15,082,857	12,066,285	15,082,857
Investment Fund Reserve	21,102,344	3,012,215	21,102,344	3,012,215
Accumulated Profit	867,489,495	457,586,665	867,488,695	455,243,919
Shareholders' Funds	2,294,355,763	1,025,182,521	2,294,354,963	1,022,839,775
Minority Interest	-	-	-	-
Total Equity	2,294,355,763	1,025,182,521	2,294,354,963	1,022,839,775
Total Liabilities & Equity	16,544,223,350	10,220,225,494	16,544,730,829	10,218,175,411
Net Assets Value per Ordinary Share	44.15	25.83	44.15	25.77

Note

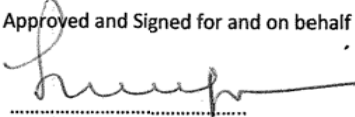
The above figures are subject to audit unless specified.

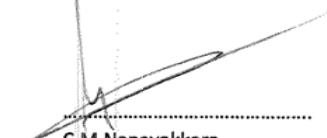
The Financial statements are in compliance with the requirements of the Companies Act No 7 of 2007.


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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.


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D.H.J. Gunawardena
Chairman
Colombo
29 th May 2012


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C.M. Nanayakkara
Managing Director/ CEO

CITIZENS DEVELOPMENT BUSINESS FINANCE PLC
STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST MARCH

COMPANY	Stated Capital Rs	Revaluation Reserve Rs	Retained Earnings Rs	Reserve Fund Rs	Investment Fund Reserve Rs	Total Rs
Balance as at April 01, 2010	396,850,480	15,082,857	54,993,404	46,288,304		513,215,045
Net Profit For the period			531,810,000			531,810,000
Dividend Paid			(19,842,524)			(19,842,524)
Transfer From Reserves			(109,374,215)	106,362,000	3,012,215	-
Balance as at March 31, 2011	396,850,480	15,082,857	457,586,665	152,650,304	3,012,215	1,025,182,521
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
Issue of Shares	718,110,435					718,110,435
Net Profit For the period			630,432,903			630,432,903
Dividend Paid			(79,370,096)			(79,370,096)
Transfer into/(out) from reserve		(3,016,572)	(141,159,977)	126,086,420	18,090,129	-
Balance as at March 31, 2012	1,114,960,915	12,066,285	867,489,495	278,736,724	21,102,344	2,294,355,763

GROUP	Stated Capital Rs	Revaluation Reserve Rs	Retained Earnings Rs	Reserve Fund Rs	Investment Fund Reserve Rs	Total Rs	Minority Interest Rs	Total Equity Rs
Balance as at April 01, 2010	396,850,480	15,082,857	55,912,766	46,288,304	-	514,134,407		514,134,407
Net Profit for the Period			528,547,894			528,547,894		528,547,894
Dividend Paid			(19,842,524)			(19,842,524)		(19,842,524)
Transfer into/(out) from reserve			(109,374,215)	106,362,000	3,012,215	-		-
Balance as at March 31, 2011	396,850,480	15,082,857	455,243,921	152,650,304	3,012,215	1,022,839,775		1,022,839,775
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
Right Issue	718,110,435					718,110,435		718,110,435
Net Profit for the Period			632,774,847			632,774,847		632,774,847
Dividend Paid			(79,370,096)			(79,370,096)		(79,370,096)
Transfer into/(out) from reserve		(3,016,572)	(141,159,977)	126,086,420	18,090,129	-		-
Balance as at March 31, 2012	1,114,960,915	12,066,285	867,488,695	278,736,724	21,102,344	2,294,354,963		2,294,354,963

CITIZENS DEVELOPMENT BUSINESS FINANCE PLC

Cash Flow Statement

FOR THE YEAR PERIOD ENDED	Company		Group	
	31-03-2012 Rs.	31-03-2011 Rs.	31-03-2012 Rs.	31-03-2011 Rs.
Cash Flow from Operating Activities				
Interest Receipts	2,482,918,527	1,719,254,184	2,482,918,527	1,719,468,875
Commission Receipts	100,828,279	76,680,227	100,828,279	76,680,227
Other Income	167,366,224	106,930,633	167,366,224	106,930,633
Interest Payments	(1,133,092,754)	(851,371,171)	(1,133,092,754)	(851,371,171)
Fees and Business Promotion Expenses	(139,646,678)	(157,113,085)	(139,646,678)	(157,467,947)
Employees Related Payments	(284,613,609)	(195,427,212)	(284,613,609)	(195,427,212)
Suppliers Payment	(485,920,954)	(238,256,294)	(485,920,954)	(238,256,294)
Financial Expenses	(11,018,569)	(12,201,431)	(11,018,569)	(12,201,431)
Operating Profit/ (Loss) Before Changes in Operating Assets	696,820,465	448,495,851	696,820,465	448,355,680
(Increase)/ Decrease in Operating Assets				
Investments Licensed Commercial banks and other Financial Institutions	(228,398,863)	(156,323,234)	(228,398,863)	(156,323,234)
Investment in Government Securities	(204,010,959)	38,388,834	(204,010,959)	38,388,834
Net Funds Advance to Customers	(5,358,018,163)	(2,877,842,892)	(5,358,018,163)	(2,877,168,218)
Repossessed Stock	-	-	-	-
Other Short Term Assets	45,119,248	(162,831,399)	45,504,856	(160,718,379)
Inventories	(78,551,110)	52,508,081	(78,551,110)	52,508,081
Increase/ (Decrease) in Operating Liabilities	(5,127,039,382)	(2,657,604,759)	(5,126,653,774)	(2,654,957,236)
Borrowings	995,127,752	(19,968,321)	995,127,752	(19,968,321)
Deposits from customers	3,900,032,381	2,650,867,209	3,900,032,381	2,650,867,209
	4,895,160,133	2,630,898,888	4,895,160,133	2,630,898,888
Cash (used in)/generated from Operations	(204,574,653)	(26,705,871)	(204,189,044)	(24,058,348)
Gratuity paid	(554,180)	-	(554,180)	-
Value Added Tax	(14,574,574)	(99,862,738)	(14,574,574)	(99,862,738)
Economic Service Charge	(12,175,842)	(22,144,973)	(12,175,842)	(22,144,973)
Tax Paid	-	-	-	-
	(231,879,250)	(148,713,582)	(231,493,641)	(146,066,059)

FOR THE YEAR PERIOD ENDED	Company		Group	
	31-03-2012 Rs.	31-03-2011 Rs.	31-03-2012 Rs.	31-03-2011 Rs.
Cash Flow from Investing Activities				
Investment Property	-	-	-	-
Dividend receipts	3,102,000	2,580,235	3,102,000	2,580,235
Investment in Unquoted Shares	-	-	-	-
Investment in Quoted Shares	-	-	-	-
Investment in Debentures	-	-	-	-
Purchase of Property, Plant & Equipment	(300,475,003)	(76,475,134)	(300,475,003)	(76,475,134)
Proceeds from sale of Property, Plant & Equipment	8,779,460	5,976,874	8,779,460	5,976,874
Net Cash Inflows/(Outflows) Investing Activities	(288,593,543)	(67,918,025)	(288,593,543)	(67,918,025)
Cash Flow from Financing Activities				
Issue of Shares	718,110,435	-	718,110,435	-
Unalloyed Share Collection	-	-	-	-
Dividend Paid	(79,370,096)	(19,842,524)	(79,370,096)	(19,842,524)
Redemption of Debentures	(17,069,000)	193,189,000	(17,069,000)	193,189,000
Borrowing during the period	-	-	-	-
Repayment of Borrowings	-	-	-	-
Net Cash Inflow (out flows) from Financing Activities	621,671,339	173,346,476	621,671,339	173,346,476
Net Increase/(Decrease) In Cash & Cash Equivalents	101,198,546	(43,285,131)	101,584,155	(40,637,608)
Cash & Cash Equivalents at the beginning of the Year	(149,932,205)	(106,647,073)	(146,982,288)	(106,344,680)
Cash & Cash Equivalents at the end of the Year	(48,733,659)	(149,932,204)	(45,398,133)	(146,982,288)
Cash and Cash Equivalents at the beginning of the year				
Cash at Bank and In Hand	49,343,058	7,165,259	52,292,975	7,467,653
Bank Overdraft	(199,275,263)	(113,812,333)	(199,275,263)	(113,812,333)
	(149,932,205)	(106,647,074)	(146,982,288)	(106,344,680)
Cash and Cash Equivalents at the end of the year				
Cash at Bank and In Hand	121,343,098	49,343,058	124,678,624	52,292,975
Bank Overdraft	(170,076,757)	(199,275,263)	(170,076,757)	(199,275,263)
	(48,733,659)	(149,932,205)	(45,398,133)	(146,982,288)

* Figures in brackets indicates deductions

CITIZENS DEVELOPMENT BUSINESS FINANCE PLC
EXPLANATORY NOTES

- 1) There were no changes in the Accounting Policies and Method of Computing since the publication of Financial Statements In the Annual Report -2010/2011.
- 2) These interim financial statements are presented in accordance with LKAS-34 "Interim Financial Reporting" and information has been provided as required in terms of rule 7.4 of the Colombo Stock Exchange
- 3) All known Expenses have been provided in these Financial Statements and Management Fees are not applicable to the Company
- 4) Mr. H.P.G.V Gunawardana, Non executive Director resigned from the Board of Directors with effect from 01st February 2012.
Dr. Ajantha Darmasiri appointed to the Board of directors with effect from 1st February 2012 as a Independent Non Executive Director.
- 5) Mr. Dave Antony De Silva appointed as an Independent Non Executive Director with effect from 1st January 2012.
- 6) Mr. S.R Abeynayake appointed to the Board of Directors with effect from 01st January 2012 as an Non Executive Director.
- 7) During the period there were no material changes in the composition of assets, liabilities and contingent liabilities.
- 8) Group Financial statements comprises the consolidation of the company and its subsidiary CDB Micro Finance Ltd.
- 9) No of Shares as at 31 March 2012 is as follows.

Ordinary Voting Shares	46,299,223
Ordinary Non Voting Shares	5,669,293
- 10) 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 (GROUP)

	Lease & Stock out on Hire		Loans		Pawning		Others		Total	
	3/31/2012 Rs.	3/31/2011 Rs.	3/31/2012 Rs.	3/31/2011 Rs.	3/31/2012 Rs.	3/31/2011 Rs.	3/31/2012 Rs.	3/31/2011 Rs.	3/31/2012 Rs.	3/31/2011 Rs.
Interest	1,880,075,207	1,262,873,334	228,246,656	150,681,998	65,970,230	8,580,821	379,410,216	309,099,523	2,553,702,309	1,731,235,677
Non Interest Income	-	-	-	-	-	-	277,889,907	183,310,802	277,889,907	183,310,802
Mark to market value adjustment on Quoted Shares			-		-		46,593,600	311,690,925	46,593,600	311,690,925
Total Revenue	1,880,075,207	1,262,873,334	228,246,656	150,681,998	65,970,230	8,580,821	703,893,723	804,101,250	2,878,185,816	2,226,237,404
Segmental Results	1,880,075,207	1,262,873,334	228,246,656	150,681,998	65,970,230	8,580,821	703,893,723	804,101,250	2,878,185,816	2,226,237,404
Unallocated Expenses		-		-		-			(2,231,533,470)	(1,668,228,929)
Profit from Operations		-		-		-			646,652,345	558,008,475
Income Tax expenses		-		-		-			(13,877,499)	(29,460,581)
Net Profit for the Period		-		-		-			632,774,847	528,547,894
Segment Assets	9,941,968,330	6,031,004,285	1,770,685,665	1,162,901,983	578,139,325	171,903,600	958,815,600	489,985,103	13,249,608,919	7,855,794,970
Unallocated Assets		-		-		-		-	3,295,121,910	2,361,306,611
Total Assets		-		-		-		-	16,544,730,829	10,217,101,582

CITIZENS DEVELOPMENT BUSINESS FINANCE PLC
Twenty Largest Share Holders as at 31st March 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. Senthilvel	1,775,000	3.83%
5	Perpetual Capital (Pvt) Ltd	1,518,300	3.28%
6	TFC Homes (Pvt) Ltd	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	Mr. J.A.Leanage	346,099	0.75%
11	Premium Brands (Pvt) Ltd	243,833	0.53%
12	Mr. L M S H Alnaqib	200,700	0.43%
13	Seylan Bank PLC /Dr. T. Senthilvel	196,700	0.42%
14	Mr. W S R Fernando	137,900	0.30%
15	Captain M.A.L Ratnayake	137,100	0.30%
16	Dr. C Gunasekara	131,700	0.28%
17	Pan Asia Banking Corporation PLC/ Mr. S.M.P.L. Jayaratne	125,000	0.27%
18	Rev. J N Fernando	125,000	0.27%
19	Mr. A M Subramaniam & S Rgulan	122,500	0.26%
20	W.M.N . Dabarera	118,942	0.26%
	Sub total of Top 20 Share Holders	37,018,445	79.95%
	Others	9,280,778	20.05%
	Total	46,299,223	100.00%

The percentage of shares held by the public as at 31 March 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.D P J Jayamaha	292,700	5.16%
4	Seylan Bank PLC/Radheesh Evan Sellamullu	278,351	4.91%
5	Mr.J A Leanage	265,780	4.69%
6	Mr.J H Leanage	250,300	4.42%
7	Ceylinco Insurance PLC A/c No 2(General Fund)	226,933	4.00%
8	Mr. H N Esufally	200,000	3.53%
9	Mr. M.J. Fernando	200,000	3.53%
10	Captain M.A.L Ratnayake	184,000	3.25%
11	Mr.D R J Leanage	180,100	3.18%
12	Commercial Bank of Ceylon PLC/ R.E. Sellamuttu	162,200	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	4,044,114	71.32%
	Others	1,625,179	28.68%
	Total	5,669,293	100%

The percentage of shares held by the public as at 31 March 2012 is 99.23%

CITIZENS DEVELOPMENT BUSINESS FINANCE PLC

Directors' and Chief Executive Officer's Share holding as at 31st March 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.P N C Gomes	-	-
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.P N C Gomes	-	-
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 Quarter ended 31st March 2012

Market Value of the Shares

	Ordinary Voting Shares		Ordinary Non Voting Shares	
	3/31/2012	3/31/2011	3/31/2012	3/31/2011
Highest Price	68.00	165.00	68.00	-
Lowest Price	39.00	44.50	41.20	-
Last Traded	40.50	81.20	54.00	-

CITIZENS DEVELOPMENT BUSINESS FINANCE PLC
SELECTED PERFORMANCE INDICATORS

Indicator	Company		Group	
	As at 3/31/2012	As at 31/03/2011	As at 12/31/2012	As at 31/03/2011
Asset Quality (Rs. 000)				
Total Accommodations (Net of Interest in Suspense)	13,457,125	8,146,053	13,460,871	8,149,799
Net total Accommodations (Net of Provision for Bad and Doubtful Debts & Interest in Suspense)	13,231,043	7,855,794	13,231,043	7,855,794
Non-performing Accommodations(Net of Interest in Suspense)	224,907	290,068	224,907	290,068
Liquidity (Rs. 000)				
Required Minimum amount of Liquid Assets	1,142,699	748,874	1,142,699	748,874
Available amount of Liquid Assets	1,514,896	1,011,389	1,518,232	1,014,339
Required Minimum amount of Government Securities	463,347	233,411	463,347	233,411
Available amount of Government Securities	902,963	698,952	902,963	698,952
Capital Adequacy				
Core Capital to Risk Weighted Assets ratio (Minimum 5%)*	16.79%	11.75%	16.76%	11.72%
Total Capital to Risk Weighted Assets ratio (Minimum 10%)*	17.03%	12.56%	17.00%	12.53%
Capital Funds to total Deposit Liabilities ratio (Minimum 10%)	20.15%	13.69%	20.15%	13.66%
Profitability				
Return on Average Assets(%) (Annualized)	4.7%	6.3%	4.7%	6.3%
Return on Average Equity(%) (Annualized)	38.0%	69.1%	38.2%	68.8%

* Including current year unaudited profit

CONSISTENT PERFORMANCE AT CDB SHOWCASES STABILITY, SOUNDNESS

PAT RS 630 MN FOR FY2011/12

Continuing the sustained growth momentum showcased by Citizens Development Business Finance PLC (CDB) in the past, the Company recorded exceptional all-round financial performance during FY2011/12 as per the interim results released to the Colombo Stock Exchange. Profit-after-tax is posted at an exemplary Rs. 630 million, reflecting a growth of 19 per cent compared to the corresponding financial year. Core business bottom-line results for the year and Q4 excluding mark to market gains showed remarkable growth figures of 158 per cent and 540 per cent respectively. Top line grew by 29 per cent surpassing the Rs. 2.8 billion mark. CDB's net interest income gained 53 percent to Rs.1,248 Mn during the period under review. Earnings per share (EPS) is recorded at an impressive Rs.13.10.

The Balance Sheet saw growth of 61.88 per cent, primarily fueled by a loan book growth of 68.66 per cent to reach Rs13.2 Bn, while the deposit portfolio increased by 52.08 per cent to stand at Rs 11.39 Bn. Total assets are detailed at Rs 16.5 Bn as at the year end. The year end Capital Adequacy Ratio now stands well above the required regulatory requirement of 10 per cent, showcased at 17.03 per cent, while capital funds recorded strength, at a comfortable level of Rs.2.29 Bn. Asset quality remained strong, recording a gross NPL ratio of 1.67 per cent and a net NPL ratio of 0.37 per cent, far outperforming industry average and thus, being benchmarked among best in the industry. Statutory liquidity ratio at 13.30 per cent is well above the regulatory requirement of 10 per cent and augmented with 89 percent of balance sheet assets in regular interest and cash flow generating assets including the asset backed loan portfolio. CDB enjoys an impressively strong liquidity position. The net asset value per share is at Rs.44.15 as at the year end.

The CDB Board of Directors has proposed a first and final dividend of Rs.2.50/= per share, comprising cash and script, subject to required approval by the shareholders and the CSE.

CDB's Managing Director/Chief Executive Officer Mahesh Nanayakkara stated that the results vindicate the business model adopted by CDB, demonstrating the tremendous potential in rural and urban sectors and the Company's ability to respond to changing and emerging market

conditions. “Our strong branch network standing at a strong completely networked forty is continuing to expand strategically. Our product portfolio and technology platform has remained apace with this expansion and upgrading drive, catering to the diverse and burgeoning needs of our clientele. Last year, CDB was adjudged the winner in the Specialized Banking and Financial Services Sector category at the National Business Excellence Awards (NBEA) 2011 organized by the National Chamber of Commerce and recognized at the Annual Report Awards competition of the Institute of Chartered Accountants with a bronze award in the Finance Company category. CDB’s credit rating also has been upgraded to BBB/P2 by RAM Ratings during the year, while the CDB brand is ranked among the fifty Most Valuable Listed Brands in the country by Brand Finance, positioned among the top five brands in non-banking financial institutions. This assuredly places us in a position of sound financial stability, showcasing that our fundamentals are strong, while governance, ethics and principles are uncompromising. The impressive financial results this year simply underscore that we are on the right path, have instituted apt strategies and possess the right systems and processes to take the Company forward.”

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 (Appointed with effect from 01 January 2012)

Managing Director/Chief Executive Officer

Mr. C.M. Nanayakkara

Directors

Mr. R. H Abeygoonewardana
Mr. S.R. Abeynayake (Appointed with effect from 01 January 2012)
Dr. Ajantha Dharmasiri (Appointed with effect from 01 February 2012)
Mr. P.N.C. Gomes
Mr. P.A.J. Jayawardena
Mr. S.V Munasinghe
Mr. Dave Anthony De Silva (Appointed with effect from 01 January 2012)
Mr. T.M.D.P Tennakoon
Mr. W.W.K.M Weerasuriya

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

