

INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30TH SEPTEMBER 2017

Citizens Development Business Finance PLC

No 123, Orabipasha Mawatha, Colombo 10



Statement of Profit or Loss and Other Comprehensive Income

	Company					
	For the Quarter ended 30th September			For the Six Months ended 30th September		
	2017 Rs.	2016 Rs.	Change %	2017 Rs.	2016 Rs.	Change %
Revenue	2,831,836,344	2,067,572,795	37%	5,234,635,513	4,101,567,370	28%
Interest income	2,414,664,402	1,826,618,832	32%	4,529,983,192	3,628,547,241	25%
Interest expense	1,603,731,077	1,125,876,133	42%	3,001,457,017	2,183,027,678	37%
Net interest income	810,933,325	700,742,699	16%	1,528,526,175	1,445,519,563	6%
Net fee and commission income	114,358,596	53,560,606	114%	180,399,922	100,372,308	80%
Other operating income	302,813,346	187,393,357	62%	524,252,399	372,647,821	41%
Total operating income	1,228,105,267	941,696,662	30%	2,233,178,496	1,918,539,692	16%
Less : Impairment charges and other credit losses on financial assets	15,201,157	32,216,869	-53%	28,412,211	127,199,392	-78%
Net operating income	1,212,904,110	909,479,793	33%	2,204,766,285	1,791,340,300	23%
Less : Operating expenses						
Personnel expenses	277,684,485	233,963,719	19%	541,331,374	448,422,506	21%
Premises, equipment and establishment expenses	340,657,303	266,593,886	28%	637,920,721	513,266,079	24%
Other expenses	140,267,903	82,130,261	71%	243,594,719	168,721,381	44%
Total operating expenses	758,609,691	582,687,866	30%	1,422,846,814	1,130,409,966	26%
Operating profit before value added tax (VAT), nation building tax (NBT) on financial services and crop insurance levy (CIL)	454,294,419	326,791,927	39%	781,919,471	660,930,334	18%
Less : Value added tax and other taxes	68,500,000	39,675,739	73%	121,512,883	96,510,062	26%
Profit before tax	385,794,419	287,116,188	34%	660,406,588	564,420,272	17%
Less : Income tax expense	80,717,270	59,305,058	36%	144,190,455	119,980,447	20%
Profit for the period	305,077,149	227,811,130	34%	516,216,133	444,439,825	16%
Profit attributable to :						
Equity holders of the Company	305,077,149	227,811,130	34%	516,216,133	444,439,825	16%
Non-controlling interest	-	-	-	-	-	-
Profit for the period	305,077,149	227,811,130	34%	516,216,133	444,439,825	16%
Other comprehensive income (net of tax)						
Items that will not be reclassified to profit or loss						
Net actuarial gain/(loss) on defined benefit plan	(4,485,591)	(4,485,591)	0%	(8,971,182)	(8,971,182)	0%
Net change in revaluation surplus	-	-	-	-	-	-
	(4,485,591)	(4,485,591)	0%	(8,971,182)	(8,971,182)	0%
Items that are or may be reclassified to profit or loss						
Net gain/(loss) on available-for-sale financial assets	(130,534,841)	(25,260,183)	417%	(131,249,170)	(61,456,896)	114%
	(130,534,841)	(25,260,183)	417%	(131,249,170)	(61,456,896)	114%
Other comprehensive income (net of tax)	(135,020,432)	(29,745,774)	354%	(140,220,352)	(70,428,078)	99%
Total comprehensive income for the period	170,056,717	198,065,356	-14%	375,995,781	374,011,747	1%
Total comprehensive income attributable to :						
Equity holders of the Company	170,056,717	198,065,356	-14%	375,995,781	374,011,747	1%
Non-controlling interest	-	-	-	-	-	-
Total comprehensive income for the period	170,056,717	198,065,356	-14%	375,995,781	374,011,747	1%
Earnings per share						
Basic earnings per share	5.62	4.20		9.51	8.18	

Figures in brackets indicate deductions.

Statement of Profit or Loss and Other Comprehensive Income

	Group					
	For the Quarter ended 30th September			For the Six Months ended 30th September		
	2017 Rs.	2016 Rs.	Change %	2017 Rs.	2016 Rs.	Change %
Revenue	2,898,526,985	2,090,310,321	39%	5,350,378,147	4,141,546,570	29%
Interest income	2,469,913,281	1,847,772,091	34%	4,629,373,553	3,664,174,740	26%
Interest expense	1,621,934,592	1,126,620,664	44%	3,030,363,211	2,183,025,229	39%
Net interest income	847,978,689	721,151,427	18%	1,599,010,342	1,481,149,511	8%
Net fee and commission income	125,439,782	56,630,212	122%	195,921,146	105,597,469	86%
Other operating income	303,173,922	185,908,018	63%	525,083,448	371,774,361	41%
Total operating income	1,276,592,393	963,689,657	32%	2,320,014,936	1,958,521,341	18%
Less : Impairment charges and other credit losses on financial assets	19,450,562	35,736,772	-46%	37,090,742	132,019,295	-72%
Net operating income	1,257,141,831	927,952,885	35%	2,282,924,194	1,826,502,046	25%
Less : Operating expenses						
Personnel expenses	286,800,538	240,118,656	19%	558,088,827	459,946,699	21%
Premises, equipment and establishment expenses	350,655,874	271,711,142	29%	656,410,912	522,506,089	26%
Other expenses	144,627,425	86,158,008	68%	252,558,116	176,481,898	43%
Total operating expenses	782,083,837	597,987,806	31%	1,467,057,855	1,158,934,686	27%
Operating profit before value added tax (VAT), nation building tax (NBT) on financial services and crop insurance levy (CIL)	475,057,994	329,965,079	44%	815,866,339	667,567,360	22%
Less : Value added tax and other taxes	72,313,028	40,112,677	80%	127,954,587	97,496,757	31%
Profit before tax	402,744,966	289,852,402	39%	687,911,752	570,070,603	21%
Less : Income tax expense	86,463,423	60,605,856	43%	153,144,663	122,363,019	25%
Profit for the period	316,281,543	229,246,546	38%	534,767,089	447,707,584	19%
Profit attributable to :						
Equity holders of the Company	315,203,680	228,965,568	38%	532,982,487	447,250,335	19%
Non-controlling interest	1,077,863	280,978	284%	1,784,602	457,249	290%
Profit for the period	316,281,543	229,246,546	38%	534,767,089	447,707,584	19%
Other comprehensive income (net of tax)						
Items that will not be reclassified to profit or loss						
Net actuarial gain/(loss) on defined benefit plan	(4,485,591)	(4,485,591)	0%	(8,971,182)	(8,971,182)	0%
Net change in revaluation surplus	-	-		-	-	
	(4,485,591)	(4,485,591)	0%	(8,971,182)	(8,971,182)	0%
Items that are or may be reclassified to profit or loss						
Net gain/(loss) on available-for-sale financial assets	(134,240,109)	(26,025,087)	416%	(134,756,618)	(63,325,824)	113%
	(134,240,109)	(26,025,087)	416%	(134,756,618)	(63,325,824)	113%
Other comprehensive income (net of tax)	(138,725,700)	(30,510,678)	355%	(143,727,800)	(72,297,006)	99%
Total comprehensive income for the period	177,555,843	198,735,868	-11%	391,039,289	375,410,578	4%
Total comprehensive income attributable to :						
Equity holders of the Company	176,834,427	198,528,474	-11%	389,592,103	375,133,120	4%
Non-controlling interest	721,416	207,395	248%	1,447,186	277,458	422%
Total comprehensive income for the period	177,555,843	198,735,868	-11%	391,039,289	375,410,578	4%
Earnings per share						
Basic earnings per share	5.80	4.22		9.81	8.24	

Figures in brackets indicate deductions.

CITIZENS DEVELOPMENT BUSINESS FINANCE PLC - Interim Financial Statements

Statement of Financial Position

As at	Company		Group	
	30-09-2017 Rs.	Audited 31-03-2017 Rs.	30-09-2017 Rs.	Audited 31-03-2017 Rs.
Assets				
Cash and cash equivalents	1,019,576,911	454,060,886	1,051,529,898	507,020,353
Financial instruments held-for-trading	217,673,036	163,041,242	217,673,036	163,041,242
Loans and receivables to banks	885,064,533	655,672,752	885,064,533	655,672,752
Deposits with licensed commercial banks	2,255,139,040	1,893,614,973	2,255,139,040	1,893,614,973
Loans and receivables to customers	50,315,862,420	43,189,010,000	50,870,383,650	43,605,197,173
Investment securities	3,836,812,725	3,563,432,005	3,922,149,347	3,637,044,991
Investment in subsidiaries	509,917,733	509,917,734	-	-
Investment property	20,197,977	20,197,977	20,197,977	20,197,977
Property, plant & equipment	1,884,702,645	1,839,091,339	1,912,682,959	1,841,767,912
Intangible assets	85,898,703	65,684,057	85,898,703	84,567,862
Goodwill on consolidation	-	-	244,179,431	244,179,431
Other assets	2,042,785,516	1,580,562,177	2,120,983,622	1,581,148,187
Total assets	63,073,631,239	53,934,285,142	63,585,882,196	54,233,452,853
Liabilities				
Deposits from customers	40,737,069,840	32,601,835,772	40,717,614,624	32,590,453,434
Debt securities issued	2,130,607,415	2,075,631,256	2,130,607,415	2,075,631,256
Other interest-bearing borrowings	10,834,798,184	10,957,016,763	11,077,799,689	11,117,537,538
Current tax liabilities	330,166,604	178,702,459	335,597,899	179,107,537
Deferred tax liabilities	628,721,154	628,721,153	639,986,723	638,986,722
Retirement benefit obligation	50,264,964	15,793,782	50,264,964	15,860,949
Other liabilities	1,934,911,022	1,235,419,457	2,118,117,978	1,300,953,577
Total liabilities	56,646,539,183	47,693,120,642	57,069,989,292	47,918,531,013
Equity				
Stated capital	1,185,061,645	1,185,061,645	1,185,061,645	1,185,061,645
Reserves	2,270,838,676	2,402,087,846	2,271,972,964	2,406,392,166
Retained earnings	2,971,191,735	2,654,015,009	3,024,629,155	2,690,686,075
Total equity attributable to equity holders of the Company	6,427,092,056	6,241,164,500	6,481,663,764	6,282,139,886
Non-controlling interest	-	-	34,229,140	32,781,954
Total equity	6,427,092,056	6,241,164,500	6,515,892,904	6,314,921,840
Total liabilities and equity	63,073,631,239	53,934,285,142	63,585,882,196	54,233,452,853
Net assets value per share	118.35	114.93	119.36	115.68

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

Deputy CEO/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

14th November 2017

Colombo

Sgd.

C.M. Nanayakkara

Managing Director/CEO

CITIZENS DEVELOPMENT BUSINESS FINANCE PLC - Interim Financial Statements

Statement of Changes in Equity

Company

	Stated Capital	Reserves			Retained Earnings	Total Equity
		Revaluation Reserve	Available-for-Sale Reserve	Statutory Reserve Fund		
		Rs.	Rs.	Rs.		
Balance as at 1st April 2016	1,185,061,645	213,672,991	749,095,814	839,331,772	2,064,806,272	5,051,968,494
Total comprehensive income for the period						
Profit for the period					444,439,825	444,439,825
Other comprehensive income for the period (net of tax)						
Remeasurement of defined benefit liability/(asset)					(8,971,182)	(8,971,182)
Net change in available-for-sale financial assets			(61,456,896)			(61,456,896)
Net change in revaluation surplus						-
Transactions with equity holders of the Company						
Dividends to equity holders					(190,068,225)	(190,068,225)
Net transfers during the period						-
Balance as at 30th September 2016	1,185,061,645	213,672,991	687,638,918	839,331,772	2,310,206,690	5,235,912,016
Balance as at 1st April 2017	1,185,061,645	541,743,991	819,709,093	1,040,634,762	2,654,015,009	6,241,164,500
Profit for the period					516,216,133	516,216,133
Other comprehensive income for the period (net of tax)						
Remeasurement of defined benefit liability/(asset)					(8,971,182)	(8,971,182)
Net change in available-for-sale financial assets			(131,249,170)			(131,249,170)
Net change in revaluation surplus						-
Transactions with equity holders of the Company						
Dividends to equity holders					(190,068,225)	(190,068,225)
Net transfers during the period						-
Balance as at 30th September 2017	1,185,061,645	541,743,991	688,459,923	1,040,634,762	2,971,191,735	6,427,092,056

Figures in brackets indicate deductions.

CITIZENS DEVELOPMENT BUSINESS FINANCE PLC - Interim Financial Statements

Statement of Changes in Equity

Group

	Reserves				Retained Earnings	Shareholders' Equity	Non-Controlling Interest	Total Equity
	Stated Capital	Revaluation Reserve	Available-for-sale Reserve	Statutory Reserve Fund				
	Rs.	Rs.	Rs.	Rs.				
Balance as at 1st April 2016	1,185,061,645	213,672,991	749,625,851	840,593,741	2,086,228,841	5,075,183,069	30,487,979	5,105,671,048
Total comprehensive income for the period								
Profit for the period					447,250,335	447,250,335	457,249	447,707,584
Other comprehensive income for the period (net of tax)								
Remeasurement of defined benefit liability/(asset)					(8,971,182)	(8,971,182)		(8,971,182)
Net change in available-for-sale financial assets			(63,146,033)			(63,146,033)	(179,791)	(63,325,824)
Net change in revaluation surplus								
Transactions with equity holders of the Company								
Dividends to equity holders					(190,068,225)	(190,068,225)	(175,666)	(190,243,891)
Net transfers during the period								
Balance as at 30th September 2016	1,185,061,645	213,672,991	686,479,818	840,593,741	2,334,439,769	5,260,247,964	30,589,771	5,290,837,735
Balance as at 1st April 2017	1,185,061,645	541,743,991	821,740,455	1,042,907,720	2,690,686,075	6,282,139,886	32,781,954	6,314,921,840
Total comprehensive income for the period								
Profit for the period					532,982,487	532,982,487	1,784,602	534,767,089
Other comprehensive income for the period (net of tax)								
Remeasurement of defined benefit liability/(asset)					(8,971,182)	(8,971,182)		(8,971,182)
Net change in available-for-sale financial assets			(134,419,202)			(134,419,202)	(337,416)	(134,756,618)
Net change in revaluation surplus								
Transactions with equity holders of the Company								
Dividends to equity holders					(190,068,225)	(190,068,225)		(190,068,225)
Net transfers during the period								
Balance as at 30th September 2017	1,185,061,645	541,743,991	687,321,253	1,042,907,720	3,024,629,155	6,481,663,764	34,229,140	6,515,892,904

Figures in brackets indicate deductions.

CITIZENS DEVELOPMENT BUSINESS FINANCE PLC - Interim Financial Statements

Statement of Cash Flow

For the period ended	Company		Group	
	30-09-2017 Rs.	30-09-2016 Rs.	30-09-2017 Rs.	30-09-2016 Rs.
Cash flow from operating activities				
Interest receipts	4,455,434,287	3,581,317,115	4,554,824,649	3,620,616,523
Commission receipts	145,487,906	104,408,230	148,736,137	109,662,838
Other income receipts	502,583,817	348,824,819	503,414,867	347,951,300
Interest payments	(2,833,621,138)	(2,170,213,501)	(2,861,678,386)	(2,173,013,962)
Fee and business promotion expenses	(80,903,927)	(49,712,868)	(80,903,927)	(49,712,868)
Employee related payments	(515,831,374)	(422,911,814)	(531,739,517)	(433,691,928)
Supplier payments	(513,995,776)	(422,803,280)	(541,278,296)	(440,155,472)
Financial expenses	(9,983,503)	(8,339,786)	(10,119,764)	(8,485,541)
Operating profit before changes in operating assets	1,149,170,292	960,568,915	1,181,255,763	973,170,890
(Increase)/Decrease in operating assets				
Investments in licensed commercial banks and other financial institutions	(590,915,848)	2,341,918,463	(590,915,848)	2,424,360,749
Investments in Government securities	(247,986,035)	22,075,197	(283,940,856)	34,584,880
Net funds advanced to customers	(7,080,715,726)	(1,459,381,999)	(7,277,358,578)	(1,611,395,424)
Changes in other short-term assets	(434,992,917)	(324,444,950)	(499,559,674)	(324,711,250)
Inventories	7,391,784	326,632	7,391,784	326,632
	(8,347,218,742)	1,541,062,258	(8,644,383,172)	1,496,336,477
Increase/(Decrease) in operating liabilities				
Borrowings	(122,218,578)	(984,980,440)	142,782,485	(931,090,845)
Deposits from customers	7,967,398,189	(1,536,649,805)	7,967,398,189	(1,518,010,343)
	7,845,179,611	(2,521,630,245)	8,110,180,674	(2,449,101,188)
Net Cash Generated / (used in) from operating activities	647,131,161	(980,567,987)	647,053,265	(952,764,711)
Taxation	(34,933,103)	(19,456,423)	(47,088,955)	(23,192,653)
	612,198,058	(1,000,024,410)	599,964,310	(975,957,364)
Cash flow from investing activities				
Dividend receipts	18,235,257	20,643,262	18,953,357	21,078,636
Investment in Government securities/quoted shares- Trading	(53,608,659)	(5,272,074)	(53,608,659)	(5,272,074)
Investment in quoted shares - AFS	(26,109,014)	11,156,681	(26,109,014)	11,156,681
Purchase of property, plant & equipment	(186,006,936)	(49,260,072)	(195,324,191)	(49,446,108)
Proceed from sale of property, plant & equipment	2,700,000	11,025,000	2,700,000	11,025,000
Net cash (used in)/ from investing activities	(244,789,352)	(11,707,203)	(253,388,507)	(11,457,865)
Cash flow from financing activities				
Dividend paid	(190,068,225)	(190,068,225)	(190,068,225)	(190,408,868)
Net change debentures	54,976,159	1,073,280,200	54,976,159	1,073,280,200
Net cash inflows/ (out flows) from financing activities	(135,092,066)	883,211,975	(135,092,066)	882,871,332
Net increase/(decrease) in cash and cash equivalents	232,316,640	(128,519,638)	211,483,737	(104,543,897)
Cash and cash equivalents at the beginning of the period	245,626,908	(133,172,907)	296,179,527	(131,469,364)
Cash and cash equivalents at the end of the period	477,943,548	(261,692,545)	507,663,264	(236,013,261)
Cash and cash equivalents at the beginning of the period				
Cash at bank and in hand	454,060,886	722,351,389	507,020,353	729,789,337
Bank overdraft	(208,433,978)	(855,524,296)	(210,840,826)	(861,258,701)
	245,626,908	(133,172,907)	296,179,527	(131,469,364)
Cash and cash equivalents at the end of the period				
Cash at bank and in hand	1,019,576,911	317,449,982	1,051,529,898	345,785,910
Bank overdraft	(541,633,363)	(579,142,527)	(543,866,634)	(581,799,171)
	477,943,548	(261,692,545)	507,663,264	(236,013,261)

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	
	30-09-2017 Rs.	30-09-2016 Rs.	30-09-2017 Rs.	30-09-2016 Rs.	30-09-2017 Rs.	30-09-2016 Rs.	30-09-2017 Rs.	30-09-2016 Rs.
Interest	3,185,522,813	2,823,814,980	1,079,449,527	606,601,837	265,010,852	198,130,425	4,529,983,192	3,628,547,241
Non interest income							704,652,321	473,020,129
Segment revenue	3,185,522,813	2,823,814,980	1,079,449,527	606,601,837	265,010,852	198,130,425	5,234,635,513	4,101,567,370
Total revenue	3,185,522,813	2,823,814,980	1,079,449,527	606,601,837	265,010,852	198,130,425	5,234,635,513	4,101,567,370
Unallocated expenses							4,574,228,925	3,537,147,098
Profit from operations							660,406,588	564,420,272
Income tax expense							144,190,455	119,980,447
Profit for the period							516,216,133	444,439,825
Segment assets	35,203,913,253	31,134,219,518	15,111,949,167	8,784,113,405	6,047,942,695	4,535,222,503	56,363,805,115	44,453,555,425
Unallocated assets							6,709,826,124	4,974,816,234
Total assets							63,073,631,239	49,428,371,659

CITIZENS DEVELOPMENT BUSINESS FINANCE PLC - Interim Financial Statements

Segmental Analysis

Group

	Lease & Stock out on Hire		Loans and Advances		Others		Total	
	30-09-2017 Rs.	30-09-2016 Rs.	30-09-2017 Rs.	30-09-2016 Rs.	30-09-2017 Rs.	30-09-2016 Rs.	30-09-2017 Rs.	30-09-2016 Rs.
Interest	3,271,521,393	2,847,711,150	1,082,141,863	615,786,676	275,710,297	200,676,914	4,629,373,553	3,664,174,740
Non interest income							721,004,594	477,622,865
Segment revenue	3,271,521,393	2,847,711,150	1,082,141,863	615,786,676	275,710,297	200,676,914	5,350,378,147	4,141,797,605
Total revenue	3,271,521,393	2,847,711,150	1,082,141,863	615,786,676	275,710,297	200,676,914	5,350,378,147	4,141,797,605
Unallocated expenses							4,662,466,395	3,571,727,002
Profit from operations							687,911,752	570,070,603
Income tax expense							153,144,663	122,363,019
Profit for the period							534,767,089	447,707,584
Segment assets	35,807,744,496	31,446,837,283	15,128,776,442	9,075,864,500	6,150,693,244	4,550,222,502	57,087,214,182	45,072,924,285
Unallocated assets							6,498,668,014	4,496,007,224
Total assets							63,585,882,196	49,568,931,509

CITIZENS DEVELOPMENT BUSINESS FINANCE PLC - Interim Financial Statements

Shareholders' Information

Twenty Largest Shareholders as at 30th September 2017

Ordinary Voting Shares

No	NAME	SHAREHOLDING	(%)
1	CEYLINCO LIFE INSURANCE LIMITED ACCOUNT NO.1	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 GENERAL INSURANCE LIMITED	1,853,287	4.00%
5	PEOPLE'S LEASING & FINANCE PLC / MR.W.P.C.M.NANAYAKKARA	1,789,725	3.87%
6	CITIZENS DEVELOPMENT BUSINESS FINANCE PLC A/C 02 (CDB EMPLOYEE GRATUITY FUND)	1,708,816	3.69%
7	ASIA MANAGEMENT CONSULTANCY (PRIVATE) LIMITED	1,255,059	2.71%
8	PEOPLE'S LEASING & FINANCE PLC/MR.S.V.MUNASINGHE	1,000,100	2.16%
9	SEYLAN BANK PLC/TENNAKOOON MUDIYANSELAGE DAMITH PRASANNA TENNAKOOON	935,258	2.02%
10	PEOPLES'S LEASING & FINANCE PLC/ MR. R.H. & MRS. V.F. ABEYGOONEWARDENA	917,837	1.98%
11	CEYLINCO LIFE INSURANCE LIMITED ACCOUNT NO.3	900,000	1.94%
12	MR.WARNAKULA WEERASOORIYA KINGSLY MALCOM	487,803	1.05%
13	MR. HEENKENDA MUDIYANSELAGE LUCKSRI MADURANGA BANDARA	472,260	1.02%
14	MR. KARTHIK ELANGO VAN	429,500	0.93%
15	PEOPLE'S LEASING & FINANCE PLC/MRS.N.D.KODAGODA	392,496	0.85%
16	THE FINANCE COMPANY PLC A/C NO 1	350,000	0.76%
17	MR. HASITHA KAUSHALYA DASSANAYAKE	285,653	0.62%
18	MR.ISANKA MADHAWA KOTIGALA	256,224	0.55%
19	PEOPLE'S LEASING & FINANCE PLC/MR.M.N.M.IMDAAD	247,782	0.54%
20	MR.KURUPPU ARACHCHIGE DON RANJITH GUNASINGHE	227,167	0.49%
	Sub total of Top 20 Share Holders	33,740,991	72.88%
	Others	12,558,232	27.12%
	Total	46,299,223	100.00%

The percentage of shares held by the public as at 30th September 2017 is 46.49% (with 2,133 public share holders)

Ordinary Non Voting Shares

No	NAME	SHAREHOLDING	(%)
1	DEUTSCHE BANK AG AS TRUSTEE FOR JB VANTAGE VALUE EQUITY FUND	1,336,592	16.69%
2	J.B. COCOSHELL (PVT) LTD	1,041,431	13.01%
3	MR.AMARAKOON MUDIYANSELAGE WEERASINGHE	614,454	7.67%
4	ASKOLD (PRIVATE) LIMITED	240,000	3.00%
5	WALDOCK MACKENZIE LTD/MR. H.M. ABDULHUSSEIN	237,382	2.97%
6	MR.HUSEIN NURUDDIN ESUFALLY	208,999	2.61%
6	MR MALIK JOSEPH FERNANDO	208,999	2.61%
8	E.W. BALASURIYA & CO. (PVT) LTD	204,413	2.55%
9	MR.YUSUF HUSSEINALLY ABDULHUSSEIN	161,884	2.02%
10	MR.ABBASALLY NURUDDIN ESUFALLY	160,000	2.00%
10	MR.MURTAZAALI ABIDHUSSEN HASSANALY ESUFALLY	160,000	2.00%
12	MR.GULZAR HUSSEIN IBRAHIM JAFFERJEE	156,749	1.96%
13	MISS RUKAIYA HUSSEINALLY ABDULHUSSEIN	144,507	1.80%
14	SEYLAN BANK PLC/S.R. FERNANDO	129,153	1.61%
15	ESSAJEE CARIMJEE INSURANCE BROKERS (PVT) LTD	116,300	1.45%
16	JAFFERJEE INVESTMENTS (PVT) LTD.	104,499	1.31%
16	GOLD INVESTMENT LIMITED.	104,499	1.31%
16	MR. MUKESH ABHAYKUMAR VALABHJI	104,499	1.31%
19	COMMERCIAL BANK OF CEYLON PLC A/C NO. 04	101,965	1.27%
20	LAKDHANAVI LIMITED	100,000	1.25%
	Sub total of Top 20 Share Holders	5,636,325	70.40%
	Others	2,369,659	29.60%
	Total	8,005,984	100.00%

The percentage of shares held by the public as at 30th September 2017 is 86.78% (with 1,837 public share holders)

CITIZENS DEVELOPMENT BUSINESS FINANCE PLC - Interim Financial Statements

Directors' and Chief Executive Officer's Shareholding as at 30th September 2017

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	1,789,725
Mr. S.R. Abeynayake	-
Mr. R. Mohamed	-
Mr. R.H. Abeygoonewardena / Mrs. V.F. Abeygoonewardena	4,403
PEOPLES LEASING & FINANCE PLC/MR.R.H. ABEYGOONEWARDENA & MRS.V.F.ABEYGOONEWARDENA	917,837
Dr. A. Dharmasiri	-
Mr. D.A. De Silva	-
Mr. T.M.D.P. Tennakoon	-
ASSETLINE LEASING COMPANY LTD/MR.T.M.D.P.TENNAKOON	132,515
SEYLAN BANK PLC/T.M.D.P. TENNAKOON	935,258
Mr. P.A.J. Jayawardena	500
Mr. S.V. Munasinghe	-
PEOPLE'S LEASING & FINANCE PLC/MR.S.V.MUNASINGHE	1,000,100
Ms. U.R. Seneviratne	-
Mr. S.P.P. Amaraturunge	-
	4,781,338

Ordinary Non Voting Shares

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	2,132
Peoples Leasing & Finance PLC /Mr.R.H.Abeygoonewardena & Mrs.V.F.Abeygoonewardena	5,447
Dr. A. Dharmasiri	-
Mr. D.A. De Silva	-
Mr. T.M.D.P. Tennakoon	-
Seylan Bank PLC/Tennakoon Mudiyanseleage Damith Prasanna Tennakoon	7,262
Mr. P.A.J. Jayawardena	22
Mr. S.V. Munasinghe	-
Ms. U.R. Seneviratne	-
Mr. S.P.P. Amaraturunge	-
	14,907

	Ordinary Voting Shares		Ordinary Non Voting Shares	
	30-09-2017	30-09-2016	30-09-2017	30-09-2016
Highest Price	78.80	83.50	62.00	79.90
Lowest Price	60.10	75.00	54.00	70.00
Last Traded	61.00	80.00	55.80	76.00

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 2016/17 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.

Group financial statements comprises the consolidation of the Company and its subsidiaries CDB Micro Finance Limited and Unisons Capital Leasing Limited.

- 4 No of Shares as at 30th September 2017 is as follows.

Ordinary Voting Shares	46,299,223
Ordinary Non Voting Shares	8,005,984

- 5 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.
- 6 Since 30th September 2017, there were no material events other than the above, that require adjustment to or disclosure in these financial statements.

These financial statements are prepared in accordance with the Sri Lanka Accounting Standard - LKAS 34 " Interim Financial Reporting".

Information on Listed Debentures

Market Price For the Quarter ended 30th September 2017

Subordinated Listed Rated Unsecured Redeemable Debentures December 2013- December 2018

Debenture Type	Highest Price Rs.	Lowest Price Rs.	Last Traded Rs.
Type A		Not Traded	
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

Guaranteed Listed Rated Unsecured Redeemable Debentures June 2016-June 2021

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

Interest Rates

Debenture Type	Interest Payment Frequency	Coupon Rate %	Annual Effective Rate %
Type A	Semi- annually	12.75	13.16
Type B	Semi- annually	06 months net Treasury Bill rate plus 1.50%	

* **Type B** will have a ceiling of 15% (AER 15.56%) and a floor of 10% (AER 10.25%)

Interest Rates of Comparable Government Securities

5 Year Treasury Bond (Excluding 10% withholding Tax)	10.09%
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Current Yield & Yield to Maturity

Subordinated Listed Rated Unsecured Redeemable Debentures December 2013- December 2018

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

Guaranteed Listed Rated Unsecured Redeemable Debentures June 2016-June 2021

Debenture Type	Current Yield %	Yield to Maturity %
Type A		Not Traded
Type B		Not Traded

Debt Equity Ratio	125%
Quick Asset Ratio (Times)	0.66
Interest Cover (Times)	1.24

CITIZENS DEVELOPMENT BUSINESS FINANCE PLC - Interim Financial Statements

Utilization of Funds Raised Via Capital Market

Objective Number	Objective as per Prospectus	Amount allocated as per Prospectus in LKR	Proposed date of utilization as per Prospectus	Amount allocated from proceeds in LKR (A)	% of total proceeds	Amounts utilized in LKR (B)	% of utilization against allocation (B/A)	Clarification if not fully utilized including where the funds are invested (eg: whether lent to related party/s etc)
1	To expand the leasing portfolio	LKR 1 BN	Within the 06 months from date of cash receipt	LKR 1 BN	100%	LKR 1 BN	100%	N/A
2	Improve the Tier II Capital base thus, increasing the Capital Adequacy Ratio (CAR)		With effect from the closure of issue					
3	Reduce the Assets and Liability mismatch		Within 12 months from date of cash receipt					

CITIZENS DEVELOPMENT BUSINESS FINANCE PLC - Interim Financial Statements

Selected Performance Indicators

Indicator	Company	
	As at 30-09-2017	As at 31-03-2017
Asset Quality (Rs. 000)		
Gross Non- Performing Accommodations **	1,652,640	1,347,155
Gross Non- Performing Accommodations Ratio %	3.25%	3.08%
Net Non- Performing Accommodations Ratio %	1.73%	1.05%
Liquidity (Rs. 000)		
Required Minimum Amount of Liquid Assets	4,282,750	3,648,520
Available Amount of Liquid Assets	5,902,023	4,650,390
Required Minimum Amount of Government Securities	2,468,228	2,250,269
Available Amount of Government Securities	3,531,141	2,945,424
Capital Adequacy		
Core Capital (Tier 1 Capital)	5,885,349	5,699,421
Total Capital Base	6,522,128	6,527,801
Core Capital to Risk Weighted Assets Ratio (Minimum 5%)*	11.00%	12.32%
Total Capital to Risk Weighted Assets Ratio (Minimum 10%)*	12.19%	14.12%
Capital Funds to Total Deposit Liabilities Ratio (Minimum 10%)*	17.29%	21.65%
Profitability		
Net Interest Margin (Annualized %)	5.23%	5.52%
Return on Average Assets- After Tax (Annualized %)	1.76%	1.93%
Return on Average Equity- After Tax (Annualized %)	16.30%	17.83%
Memorandum information		
Number of Employees	1,518	1,439
Number of Branches	57	57
Number of Service Centers	11	11
Number of Pawning Centers	1	1

* Including current year unaudited profit

** Net of Interest In Suspense

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. Razik Mohamed *ACA*
Independent Non Executive Director

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

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

Prof. S.P.P.Amaratunge *B.A. (Econ) (Sp) (SJP); M.A. Econ (Colombo);*
M.Sc.Econ. of Rural Dev. (Saga, Japan); Ph.D. (Kogoshima, Japan)
Independent Non Executive Director

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

Ms. U. R. Seneviratne *LLB*
Independent Non Executive Director

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

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

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

Mr. D.A.De Silva *B. Sc.(Hons), ACMA, CGMA*
Executive Director / Business Operations

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@sltnet.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
People's Bank
Sampath Bank PLC
Seylan Bank PLC



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