

INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30TH SEPTEMBER 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 30th September			For the Half Year ended 30th September		
	2016 Rs.	2015 Rs.	Change %	2016 Rs.	2015 Rs.	Change %
Revenue	2,067,572,795	1,790,271,815	15%	4,101,567,370	3,534,526,917	16%
Interest Income	1,826,618,832	1,615,262,397	13%	3,628,547,241	3,180,180,629	14%
Less: Interest Expenses	1,125,876,133	857,695,464	31%	2,183,027,678	1,688,305,720	29%
Net Interest Income	700,742,699	757,566,933	-8%	1,445,519,563	1,491,874,909	-3%
Fees and Commission Income	53,560,606	52,673,862	2%	100,372,308	99,590,938	1%
Net Interest, Fee and Commission Income	754,303,305	810,240,794	-7%	1,545,891,871	1,591,465,848	-3%
Other Operating Income	187,393,357	122,335,557	53%	372,647,821	254,755,350	46%
Total Operating Income	941,696,662	932,576,351	1%	1,918,539,692	1,846,221,198	4%
Less : Impairment Charge on Financial Assets & Other Credit Losses	32,216,869	124,103,945	-74%	127,199,392	239,017,227	-47%
Net Operating Income	909,479,793	808,472,407	12%	1,791,340,300	1,607,203,971	11%
Less:						
Personnel Expenses	233,963,719	178,264,697	31%	448,422,506	346,300,094	29%
Premises, Equipment and Establishment Expenses	266,593,886	242,760,271	10%	513,266,079	485,068,282	6%
Other Expenses	82,130,261	85,718,994	-4%	168,721,381	164,462,315	3%
Total Operating Expenses	582,687,866	506,743,962	15%	1,130,409,965	995,830,691	14%
Operating Profit Before Value Added Tax (VAT) on Financial Service, Nation Building Tax (NBT) and Crop Insurance Levy (CIL)	326,791,927	301,728,445	8%	660,930,334	611,373,280	8%
Less: VAT, NBT and CIL	39,675,739	31,943,560	24%	96,510,062	71,562,265	35%
Profit Before Tax	287,116,188	269,784,885	6%	564,420,272	539,811,015	5%
Income Tax Expense	59,305,058	68,474,549	-13%	119,980,447	126,711,672	-5%
Profit for the Period	227,811,130	201,310,336	13%	444,439,825	413,099,342	8%
Profit Attributable to:						
Equity Holders of the Company	227,811,130	201,310,336	13%	444,439,825	413,099,342	8%
Non-Controlling Interests						
Profit for the Period	227,811,130	201,310,336	13%	444,439,825	413,099,342	8%
Other Comprehensive Income:						
Items that will never be Reclassified to Profit or Loss						
Net Actuarial Gains/(Losses) on Defined Benefit Plan	(4,485,591)	(4,485,591)	0%	(8,971,182)	(8,971,184)	0%
Items that are or may be Reclassified to Profit or Loss						
Net change in Fair Value of Available for Sale Financial Asset	(25,260,183)	(100,741,654)	-75%	(61,456,896)	(166,052,854)	-63%
Other Comprehensive Income	(29,745,774)	(105,227,245)	-72%	(70,428,078)	(175,024,038)	-60%
Total Comprehensive Income	198,065,356	96,083,091	106%	374,011,747	238,075,304	57%
Total Comprehensive Income Attributable to:						
Equity Holders of the Company	198,065,356	96,083,091	106%	374,011,747	238,075,304	57%
Non-Controlling Interests						
Total Comprehensive Income	198,065,356	96,083,091	106%	374,011,747	238,075,304	57%
Earnings per Share:						
Basic Earnings per Share	4.20	3.71		8.18	7.61	

Figures in brackets indicate deductions.

CITIZENS DEVELOPMENT BUSINESS FINANCE PLC -Interim Financial Statements

Statement of Profit or Loss and Other Comprehensive Income

	Group					
	For the Quarter ended 30th September			For the Half Year ended 30th September		
	2016 Rs.	2015 Rs.	Change %	2016 Rs.	2015 Rs.	Change %
Revenue	2,090,561,356	1,803,907,092	16%	4,141,797,605	3,563,885,247	16%
Interest Income	1,847,772,091	1,628,848,923	13%	3,664,174,740	3,209,436,208	14%
Less: Interest Expenses	1,126,620,664	857,962,465	31%	2,183,025,229	1,690,342,496	29%
Net Interest Income	721,151,427	770,886,458	-6%	1,481,149,511	1,519,093,712	-2%
Fees and Commission Income	56,630,212	52,673,862	8%	105,597,469	99,590,939	6%
Net Interest, Fee and Commission Income	777,781,639	823,560,320	-6%	1,586,746,980	1,618,684,651	-2%
Other Operating Income	185,908,018	122,384,307	52%	371,774,361	254,858,100	46%
Total Operating Income	963,689,657	945,944,627	2%	1,958,521,341	1,873,542,751	5%
Less : Impairment Charge on Financial Assets & Other Credit Losses	35,736,772	124,676,397	-71%	132,019,295	239,645,563	-45%
Net Operating Income	927,952,885	821,268,230	13%	1,826,502,046	1,633,897,188	12%
Less:						
Personnel Expenses	240,118,656	180,139,167	33%	459,946,699	350,120,815	31%
Premises, Equipment and Establishment Expenses	271,711,142	245,432,012	11%	522,506,089	489,243,479	7%
Other Expenses	86,158,008	85,755,879	0%	176,481,898	165,419,470	7%
Total Operating Expenses	597,987,806	511,327,058	17%	1,158,934,686	1,004,783,764	15%
Operating Profit Before Value Added Tax (VAT) on Financial Service, Nation Building Tax (NBT) and Crop Insurance Levy (CIL)	329,965,079	309,941,172	6%	667,567,360	629,113,424	6%
Less: VAT, NBT and CIL	40,112,677	33,068,330	21%	97,496,757	73,867,415	32%
Profit Before Tax	289,852,402	276,872,842	5%	570,070,603	555,246,009	3%
Income Tax Expense	60,605,856	70,434,548	-14%	122,363,019	131,043,757	-7%
Profit for the Period	229,246,546	206,438,294	11%	447,707,584	424,202,252	6%
Profit Attributable to:						
Equity Holders of the Company	228,965,568	205,733,713	11%	447,250,335	422,651,799	6%
Non-Controlling Interests	280,978	704,581	-60%	457,249	1,550,453	-71%
Profit for the Period	229,246,546	206,438,294	11%	447,707,584	424,202,252	6%
Other Comprehensive Income:						
Items that will never be Reclassified to Profit or Loss						
Net Actuarial Gains/(Losses) on Defined Benefit Plan	(4,485,591)	(4,485,591)	0%	(8,971,182)	(8,971,184)	0%
Items that are or may be Reclassified to Profit or Loss						
Net change in Fair Value of Available for Sale Financial Asset	(26,025,087)	(100,741,654)	-74%	(63,325,824)	(166,052,854)	-62%
Other Comprehensive Income	(30,510,678)	(105,227,245)	-71%	(72,297,006)	(175,024,038)	-59%
Total Comprehensive Income	198,735,868	101,211,049	96%	375,410,578	249,178,214	51%
Total Comprehensive Income Attributable to:						
Equity Holders of the Company	198,528,474	100,506,468	98%	375,133,121	247,627,761	51%
Non-Controlling Interests	207,395	704,581	-71%	277,458	1,550,453	-82%
Total Comprehensive Income	198,735,868	101,211,049	96%	375,410,578	249,178,214	51%
Earnings per Share:						
Basic Earnings per Share	4.22	3.79		8.24	7.78	

Figures in brackets indicate deductions.

CITIZENS DEVELOPMENT BUSINESS FINANCE PLC - Interim Financial Statements

Statement of Financial Position

As at	Company		Group	
	30-09-2016 Rs.	Audited 31-03-2016 Rs.	30-09-2016 Rs.	Audited 31-03-2016 Rs.
Assets				
Cash and Cash Equivalents	317,449,982	722,351,389	345,785,909	729,789,337
Financial Instruments held for Trading	131,236,264	121,963,136	131,236,264	121,963,136
Loans and Receivable to Banks	424,609,354	2,967,869,560	424,609,354	2,979,124,401
Deposits with Licensed Commercial Banks	1,803,520,847	1,602,179,104	1,803,520,846	1,610,310,601
Loans and Advances to Customers	39,918,332,923	38,538,920,189	40,249,475,856	38,753,565,171
Investment Securities	3,177,386,495	3,272,075,270	3,218,863,586	3,305,826,584
Investment in Subsidiary	509,917,733	509,917,734	-	-
Investment Property	20,197,977	20,197,977	20,197,977	20,197,977
Property, Plant and Equipment	1,553,953,705	1,606,958,136	1,559,142,271	1,610,637,819
Intangible Assets	61,898,876	68,319,145	61,898,876	71,364,171
Goodwill on Consolidation			244,179,431	244,179,431
Other Assets	1,509,867,503	1,195,560,588	1,510,021,139	1,199,128,682
Total Assets	49,428,371,659	50,626,312,228	49,568,931,509	50,646,087,310
Liabilities				
Deposits From Customers	29,363,858,173	30,887,693,800	29,363,858,171	30,803,916,225
Debt Securities Issued	2,117,415,205	1,044,135,005	2,117,415,204	1,044,135,005
Other Interest Bearing Borrowings	10,316,704,961	11,301,685,401	10,367,241,422	11,309,582,401
Current Tax Liabilities	209,657,459	109,133,435	211,842,642	111,020,227
Deferred Tax Liabilities	479,764,584	479,764,584	481,839,850	481,839,851
Retirement Benefit Obligations	87,518,378	53,036,495	87,518,378	53,036,495
Other Liabilities	1,617,540,883	1,698,895,014	1,648,378,107	1,736,886,058
Total Liabilities	44,192,459,643	45,574,343,734	44,278,093,774	45,540,416,262
Equity				
Stated Capital	1,185,061,645	1,185,061,645	1,185,061,645	1,185,061,645
Reserves	1,740,643,681	1,802,100,577	1,740,746,550	1,803,892,583
Retained Earnings	2,310,206,690	2,064,806,272	2,334,439,769	2,086,228,841
Total Equity Attributable to Equity Holders of the Company	5,235,912,016	5,051,968,494	5,260,247,964	5,075,183,069
Non-Controlling Interests			30,589,771	30,487,979
Total Equity	5,235,912,016	5,051,968,494	5,290,837,735	5,105,671,048
Total Equity and Liabilities	49,428,371,659	50,626,312,228	49,568,931,509	50,646,087,310
Net Assets Value per Share	96.42	93.03	96.86	93.46

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 / Deputy CEO

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

20th October 2016

Colombo

Sgd.

C.M Nanayakkara

Managing Director/ CEO

CITIZENS DEVELOPMENT BUSINESS FINANCE PLC - Interim Financial Statements

Statement of Changes in Equity

Company

	Stated Capital	Revaluation Reserve	Available-for-Sale Reserve	Statutory Reserve Fund	Retained Earnings	Total
	Rs	Rs	Rs	Rs	Rs	Rs
Balance as at 1st April 2015	1,185,061,645	171,072,990	854,209,725	638,301,144	1,453,358,036	4,302,003,540
Profit for the Period					413,099,342	413,099,342
Other Comprehensive Income for the Period						-
Remeasurement of Defined Benefit Liability/(Asset) Net Actuarial Gains/(Losses) on Defined Benefit Plan					(8,971,184)	(8,971,184)
Fair Value Reserve (Available for Sale Financial Assets) Net Change in Fair Value			(166,052,853)			(166,052,853)
	1,185,061,645	171,072,990	688,156,872	638,301,144	1,857,486,194	4,540,078,844
Transactions with Equity Holders of the Company						
Dividends to Equity Holders for Year- 2014/2015					(190,068,225)	(190,068,225)
Balance as at 30th September 2015	1,185,061,645	171,072,990	688,156,872	638,301,144	1,667,417,969	4,350,010,619
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
Profit for the Period					444,439,825	444,439,825
Other Comprehensive Income for the Period						-
Remeasurement of Defined Benefit Liability/(Asset) Net Actuarial Gains/(Losses) on Defined Benefit Plan					(8,971,182)	(8,971,182)
Fair Value Reserve (Available for Sale Financial Assets) Net Change in Fair Value			(61,456,896)			(61,456,896)
	1,185,061,645	213,672,991	687,638,918	839,331,772	2,500,274,915	5,425,980,241
Transactions with Equity Holders of the Company						
Dividends to Equity Holders for Year- 2015/2016					(190,068,225)	(190,068,225)
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

Figures in brackets indicate deductions.

CITIZENS DEVELOPMENT BUSINESS FINANCE PLC - Interim Financial Statements

Statement of Changes in Equity

Group

	Stated Capital Rs	Revaluation Reserve Rs	Available-for-Sale Reserve Rs	Statutory Reserve Fund Rs	Retained Earnings Rs	Total Rs	Non- Controlling Interest Rs	Total Equity Rs
Balance as at 1st April 2015	1,185,061,645	171,072,990	854,209,725	638,779,551	1,460,464,302	4,309,588,213	29,783,570	4,339,371,783
Profit for the Period					422,651,799	422,651,799	1,550,453	424,202,252
Other Comprehensive Income for the Period								
Remeasurement of Defined Benefit Liability/(Asset) Net Actuarial Gains/(Losses) on Defined Benefit Plan					(8,971,184)	(8,971,184)		(8,971,184)
Fair Value Reserve (Available for Sale Financial Assets) Net Change in Fair Value			(166,052,854)			(166,052,854)		(166,052,854)
	1,185,061,645	171,072,990	688,156,871	638,779,551	1,874,144,917	4,557,215,974	31,334,023	4,588,549,997
Transactions with Equity Holders of the Group								
Dividends to Equity Holders for Year- 2014/2015					(190,068,225)	(190,068,225)		(190,068,225)
Net Transfers During the Period								
Balance as at 30th September 2015	1,185,061,645	171,072,990	688,156,871	638,779,551	1,684,076,692	4,367,147,749	31,334,023	4,398,481,772
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
Profit for the Period					447,250,335	447,250,335	457,249	447,707,584
Other Comprehensive Income for the Period								
Remeasurement of Defined Benefit Liability/(Asset) Net Actuarial Gains/(Losses) on Defined Benefit Plan					(8,971,182)	(8,971,182)		(8,971,182)
Fair Value Reserve (Available for Sale Financial Assets) Net Change in Fair Value			(63,146,033)			(63,146,033)	(179,791)	(63,325,824)
	1,185,061,645	213,672,991	686,479,818	840,593,741	2,524,507,994	5,450,316,189	30,765,437	5,481,081,626
Transactions with Equity Holders of the Group								
Dividend Paid During the Period					(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

Figures in brackets indicate deductions.

CITIZENS DEVELOPMENT BUSINESS FINANCE PLC - Interim Financial Statements

Statement of Cash Flow

For the Period ended	Company		Group	
	30-09-2016 Rs.	30-09-2015 Rs.	30-09-2016 Rs.	30-09-2015 Rs.
Cash Flow from Operating Activities				
Interest Receipts	3,581,317,115	3,151,926,082	3,620,616,523	3,181,132,209
Commission Receipts	104,408,230	82,277,302	109,662,838	82,277,302
Other Income Receipts	348,824,819	118,598,986	347,951,300	119,791,852
Interest Payments	(2,170,213,501)	(1,388,444,596)	(2,173,013,962)	(1,391,772,318)
Fee and Business Promotion Expenses	(49,712,868)	(31,921,435)	(49,712,868)	(31,958,320)
Employee Related Payments	(422,911,814)	(331,290,490)	(433,691,928)	(335,052,369)
Supplier Payments	(422,803,280)	(23,877,998)	(440,155,472)	(30,171,693)
Financial Expenses	(8,339,786)	(5,787,085)	(8,485,541)	(5,809,299)
Operating Profit before changes in Operating Assets	960,568,915	1,571,480,766	973,170,890	1,588,437,364
(Increase)/Decrease in Operating Assets				
Investments in Licensed Commercial Bank	2,341,918,463	143,117,964	2,424,360,749	153,226,404
Investments in Government Securities	22,075,197	89,349,540	34,584,880	56,972,556
Net Funds Advanced to Customers	(1,459,381,999)	(5,525,413,380)	(1,611,395,424)	(5,468,946,405)
Changes in Other Short Term Assets	(324,444,950)	(122,863,744)	(324,711,250)	(118,319,470)
Inventories	326,632	(40,711,752)	326,632	(40,711,752)
	1,541,062,258	(3,885,040,606)	1,496,336,477	(3,829,341,303)
Increase/(Decrease) in Operating Liabilities				
Borrowings	(984,980,440)	2,982,911,358	(931,090,845)	2,935,685,544
Deposits from Customers	(1,536,649,805)	1,245,081,671	(1,518,010,343)	1,238,981,671
	(2,521,630,245)	4,227,993,029	(2,449,101,188)	4,174,667,215
Net Cash Generated / (Used in) from Operating Activities	(980,567,987)	342,952,423	(952,764,711)	345,325,912
Contribution to Plan Assets	-	(45,211,448)	-	(45,211,448)
Taxation	(19,456,423)	(18,110,194)	(23,192,653)	(26,335,447)
	(1,000,024,410)	279,630,781	(975,957,364)	273,779,017
Cash Flow from Investing Activities				
Dividend Receipts	20,643,262	11,340,000	21,078,639	11,394,000
Investment in Government Securities/Quoted Shares- Trading	(5,272,074)	-	(5,272,074)	-
Investment in Quoted Shares - AFS	11,156,682	-	11,156,682	-
Purchase of Property, Plant & Equipment	(49,260,072)	(210,154,946)	(49,446,108)	(210,154,946)
Proceed from Sale of Property, Plant and Equipment	11,025,000		11,025,000	
Net Cash (Used in)/ from Investing Activities	(11,707,203)	(198,814,946)	(11,457,865)	(198,760,946)
Cash Flow from Financing Activities				
Dividend Paid	(190,068,225)	(190,068,225)	(190,408,868)	(190,068,225)
Net Change in Debentures	1,073,280,200		1,073,280,200	
Net Cash Inflows/ (Outflows) from Financing Activities	883,211,975	(190,068,225)	882,871,332	(190,068,225)
Net Increase/(Decrease) In Cash & Cash Equivalents	(128,519,638)	(109,252,390)	(104,543,897)	(115,050,154)
Cash and Cash Equivalents at the Beginning of the Year	(133,172,907)	65,575,108	(131,469,364)	86,360,031
Cash and Cash Equivalents at the End of the Year	(261,692,545)	(43,677,282)	(236,013,261)	(28,690,123)
Cash and Cash Equivalents at the Beginning of the Year				
Cash at Bank and In Hand	722,351,389	313,394,279	729,789,337	334,358,488
Bank Overdraft	(855,524,296)	(247,819,171)	(861,258,701)	(247,998,457)
	(133,172,907)	65,575,108	(131,469,364)	86,360,031
Cash and Cash Equivalents at the End of the Year				
Cash at Bank and In Hand	317,449,982	353,143,855	345,785,910	368,131,014
Bank Overdraft	(579,142,527)	(396,821,137)	(581,799,171)	(396,821,137)
	(261,692,545)	(43,677,282)	(236,013,261)	(28,690,123)

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	
	30-09-2016 Rs.	30-09-2015 Rs.	30-09-2016 Rs.	30-09-2015 Rs.	30-09-2016 Rs.	30-09-2015 Rs.	30-09-2016 Rs.	30-09-2015 Rs.
Interest	2,823,814,980	2,492,503,641	606,601,837	478,960,061	198,130,425	208,716,927	3,628,547,241	3,180,180,629
Non Interest Income							473,020,129	354,346,289
Total Revenue	2,823,814,980	2,492,503,641	606,601,837	478,960,061	198,130,425	208,716,927	4,101,567,370	3,534,526,917
Segmental Results	2,823,814,980	2,492,503,641	606,601,837	478,960,061	198,130,425	208,716,927	4,101,567,370	3,534,526,917
Unallocated Expenses							3,537,147,098	2,994,715,903
Profit from Operations							564,420,272	539,811,014
Income Tax expenses							119,980,447	126,711,672
Profit for the Period							444,439,825	413,099,342
Segment Assets	31,134,219,518	28,310,092,897	8,784,113,405	5,352,912,491	4,535,222,503	5,191,547,855	44,453,555,425	38,854,553,243
Unallocated Assets							4,974,816,234	4,533,884,890
Total Assets							49,428,371,659	43,388,438,133

CITIZENS DEVELOPMENT BUSINESS FINANCE PLC - Interim Financial Statements

Segmental Analysis

Group

	Lease & Stock out on Hire		Loans and Advances		Others		Total	
	30-09-2016 Rs.	30-09-2015 Rs.	30-09-2016 Rs.	30-09-2015 Rs.	30-09-2016 Rs.	30-09-2015 Rs.	30-09-2016 Rs.	30-09-2015 Rs.
Interest	2,847,711,150	2,500,196,431	615,786,676	499,706,949	316,756,641	209,532,828	3,664,174,740	3,209,436,208
Non Interest Income							477,622,865	354,449,039
Total Revenue	2,847,711,150	2,500,196,431	615,786,676	499,706,949	316,756,641	209,532,828	4,141,797,605	3,563,885,247
Segmental Results	2,847,711,150	2,500,196,431	615,786,676	499,706,949	316,756,641	209,532,828	4,141,797,605	3,563,885,247
Unallocated Expenses							3,571,727,002	3,008,639,238
Profit from Operations							570,070,603	555,246,009
Income Tax expenses							122,363,019	131,043,757
Profit for the Period							447,707,584	424,202,252
Segment Assets	31,446,837,283	28,379,199,668	9,075,864,500	5,471,021,080	4,550,222,502	5,230,529,998	45,072,924,285	39,080,750,746
Unallocated Assets							4,496,007,224	4,379,970,167
Total Assets							49,568,931,509	43,460,720,913

CITIZENS DEVELOPMENT BUSINESS FINANCE PLC - Interim Financial Statements

Shareholders' Information

Twenty Largest Shareholders as at 30th September 2016

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	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	1,593,669	3.44%
7	SEYLAN BANK PLC/TENNAKON MUDIYANSELAGE DAMITH PRASANNA TENNAKON	935,258	2.02%
8	PEOPLE'S LEASING & FINANCE PLC/MR.S.V.MUNASINGHE	926,000	2.00%
9	CEYLINCO LIFE INSURANCE LIMITED ACCOUNT NO.3	900,000	1.94%
10	PEOPLES'S LEASING & FINANCE PLC/MR.R.H.ABEYGOONEWARDENA & Ms.V.F.ABEYGOONEWARDENA	843,318	1.82%
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	472,260	1.02%
14	MR.E.KARTHIK	428,817	0.93%
15	PEOPLE'S LEASING & FINANCE PLC/MRS.N.D.KODAGODA	362,496	0.78%
16	THE FINANCE COMPANY PLC A/C NO 1	350,000	0.76%
17	MR.H.K.DASSANAYAKE	265,653	0.57%
18	MR.I.M.KOTTIGALA	256,224	0.55%
19	MR.K.A.D.R.GUNASINGHE	216,167	0.47%
20	MR.P.V.R.S. ABEYSEKERA	215,833	0.47%
	Sub total of Top 20 Share Holders	32,749,247	70.73%
	Others	13,549,976	29.27%
	Total	46,299,223	100.00%

The percentage of shares held by the public as at 30th September 2016 is 47.24% (with 2,002 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	ASKOLD (PRIVATE) LIMITED	240,000	3.00%
5	MR.M.J. FERNANDO	208,999	2.61%
5	MR.H.N.ESUFALLY	208,999	2.61%
7	E.W. BALASURIYA & CO. (PVT) LTD	204,413	2.55%
8	MR. A.N. ESUFALLY	170,000	2.12%
9	MR. M.A.S.ESUFALLY	160,000	2.00%
10	MR. G. H. I. JAFFERJEE	156,749	1.96%
11	MR. I.M. DABAH	154,499	1.93%
12	WALDOCK MACKENZIE LTD/MR. H.M. ABDULHUSSEIN	153,304	1.91%
13	MR. Y.H.ABDULHUSSEIN	146,106	1.82%
14	PAN ASIA BANKING CORPORATION PLC/S.R.FERNANDO	129,153	1.61%
15	MRS. S.E. LOKHANDWALLA	119,869	1.50%
15	ESSAJEE CARIMJEE INSURANCE BROKERS (PVT) LTD	114,000	1.42%
15	JAFFERJEE INVESTMENTS (PVT) LTD.	104,499	1.31%
18	GOLD INVESTMENT LIMITED.	104,499	1.31%
19	MR.M.A.VALABHJI	104,499	1.31%
20	COMMERCIAL BANK OF CEYLON PLC A/C NO. 04	101,965	1.27%
	Sub total of Top 20 Share Holders	5,419,531	67.69%
	Others	2,586,453	32.31%
	Total	8,005,984	100.00%

The percentage of shares held by the public as at 30th September 2016 is 86.78% (with 1,845 public share holders)

CITIZENS DEVELOPMENT BUSINESS FINANCE PLC - Interim Financial Statements

Directors' and Chief Executive Officer's Shareholding as at 30th September 2016

Ordinary Voting Shares

Name	Share Holding
Mr. D.H.J. Gunawardana	-
Mr. W.P.C.M. Nanayakkara	1,000
Peoples Leasing & Finance PLC/Mr.W.P.C.M.Nanayakkara	1,593,669
Mr. S.R. Abeynayake	-
Mr. R. Mohamed	-
Mr. R.H. Abeygoonewardena / Mrs. V.F. Abeygoonewardena	4,403
Peoples Leasing & Finance PLC/Mr.R.H. & Mrs.V.F.Abeygoonewardena	843,318
Prof. A. Dharmasiri	-
Mr. D.A. De Silva	-
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
Peoples Leasing & Finance PLC/Mr.S.V.Munasinghe	926,000
Ms. U.R. Seneviratne	-
	4,436,663

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. & Mrs.V.F.Abeygoonewardena	5,447
Prof. A. Dharmasiri	-
Mr. D.A. De Silva	-
Seylan Bank PLC/T.M.D.P. Tennakoon	7,262
Mr. P.A.J. Jayawardena	22
Mr. S.V. Munasinghe	-
Ms. U.R. Seneviratne	-
	14,907

	Ordinary Voting Shares		Ordinary Non Voting Shares	
	30-09-2016	30-09-2015	30-09-2016	30-09-2015
Highest Price	83.50	116.80	79.90	102.50
Lowest Price	75.00	97.50	70.00	83.20
Last Traded	80.00	97.90	76.00	85.00

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 2015/16 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 subsidiaries CDB Micro Finance Limited and Unisons Capital Leasing Limited.
- 4 No of Shares as at 30th September 2016 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 2016, there were no material events other than the above, that require adjustment to or disclosure in these financial statements.
- 7 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 2016

Subordinated Listed Rated Unsecured Redeemable Debentures December 2013- December 2018

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

Guaranteed Listed Rated Unsecured Redeemable Debentures June 2016-June 2021

Debenture Type	Highest Price Rs.	Lowest Price Rs.	Last Traded Rs.
Type A	102.53	99.96	102.53
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)	11.76%
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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	16.87%	18.75%
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	12.73%	13.09%
Type B		Not Traded

Debt Equity Ratio	137%
Quick Asset Ratio (Times)	0.72
Interest Cover (Times)	1.26

CITIZENS DEVELOPMENT BUSINESS FINANCE PLC - Interim Financial Statements

Selected Performance Indicators

Indicator	Company	
	As at 30-09-2016	As at 31-03-2016
Asset Quality (Rs. 000)		
Gross Non- Performing Accommodations **	1,494,868	1,412,121
Gross Non- Performing Accommodations Ratio, %	3.7%	3.6%
Net Non- Performing Accommodations Ratio, %	1.7%	1.6%
Liquidity (Rs. 000)		
Required Minimum amount of Liquid Assets	3,302,365	3,403,962
Available amount of Liquid Assets	4,208,963	6,664,229
Required Minimum amount of Government Securities	2,250,269	2,068,234
Available amount of Government Securities	2,516,832	5,115,654
Capital Adequacy		
Core Capital (Tier 1 Capital)	5,022,240	4,838,296
Total Capital Base	6,028,431	4,845,213
Core Capital to Risk Weighted Assets ratio (Minimum 5%)*	11.8%	11.7%
Total Capital to Risk Weighted Assets ratio (Minimum 10%)*	14.1%	11.7%
Capital Funds to total Deposit Liabilities ratio (Minimum 10%)*	22.4%	15.7%
Profitability		
Net Interest Margin (Annualized %)	5.78%	6.90%
Return on Average Assets- After Tax (Annualized %)	1.78%	2.27%
Return on Average Equity- After Tax (Annualized %)	17.3%	21.5%
Memorandum information		
Number of Employees	1,318	1,167
Number of branches	57	50
Number of service centers	11	11
Number of pawning centers	1	1

* Including current year unaudited profit

** Net of Interest In Suspense

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), MCMI(UK)*
Independent Non Executive Director

Mr. D.A.De Silva *B. Sc.(Hons), ACMA, CGMA*
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 / Deputy CEO

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

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
Habib 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
Union Bank PLC



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