

INTERIM FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31,MARCH 2015

Citizens Development Business Finance PLC

No 123, Orabi Pasha Mawatha, Colombo 10

Consolidated Statement of Comprehensive Income

	Company					
	For the Quarter ended 31st March			For the Year ended 31st March		
	2015 Rs.	2014 Rs.	Change %	2015 Rs.	2014 Audited Rs.	Change %
Income	1,703,106,416	1,570,047,756	8%	6,703,708,676	6,125,161,547	9%
Interest Income	1,540,328,505	1,607,808,711	-4%	6,251,533,117	5,895,603,537	6%
Less: Interest Expenses	791,982,760	951,631,795	-17%	3,381,455,430	3,553,402,757	-5%
Net Interest Income	748,345,745	656,176,916	14%	2,870,077,687	2,342,200,780	23%
Net fee and Commission Income	45,708,408	39,363,793	16%	171,042,479	159,708,801	7%
Net Interest, Fee and Commission Income	794,054,153	695,540,709	14%	3,041,120,166	2,501,909,581	22%
Other Operating Income	117,069,503	91,278,511	28%	281,133,080	238,252,468	18%
Total Operating Income	911,123,656	786,819,220	16%	3,322,253,246	2,740,162,049	21%
Less Impairment and net losses from liquidation of loans and receivable to customers	111,943,659	226,295,413	-51%	477,574,737	507,390,234	-6%
Net Operating Income	799,179,997	560,523,807	43%	2,844,678,509	2,232,771,815	27%
Less:						
Operating Expenses						
Staff Costs	141,036,409	119,292,942	18%	601,721,927	522,946,764	15%
Premises, Equipment and Establishment Expenses	234,225,519	184,086,702	27%	892,543,376	642,418,529	39%
Other Operating Expenses	87,913,199	55,132,313	59%	306,361,521	284,777,597	8%
	463,175,127	358,511,957	29%	1,800,626,824	1,450,142,890	24%
Operating Profit Before Value Added Tax	336,004,870	202,011,850	66%	1,044,051,685	782,628,925	33%
Less: Value Added Tax (vat) on Financial Services	27,628,065	13,292,681	108%	92,631,221	52,660,876	76%
Profit Before Taxation	308,376,805	188,719,169	63%	951,420,464	729,968,049	30%
Less: Income Tax Expense	71,608,160	56,342,828	27%	249,686,559	168,755,278	48%
Profit for the Period	236,768,645	132,376,341	79%	701,733,905	561,212,771	25%
Profit attributable to:						
Non-controlling Interests						
Total Equity attributable to equity holders of the parent	236,768,645	132,376,341	79%	701,733,905	561,212,771	25%
Profit for the Period	236,768,645	132,376,341	79%	701,733,905	561,212,771	25%
Other Comprehensive Income:						
Net gain/(loss) on re measuring of available for sale financial investment	176,475,600	33,840,000	422%	164,518,800	225,656,400	-27%
Changes in revaluation surplus	38,307,978	-	100%	38,307,978	-	100%
Net Actuarial gains/(losses) on Defined Benefit plans	(18,672,675)	(25,713,942)	-27%	(27,065,583)	(25,713,942)	5%
Expected Return on Plan Asset	10,509,949	-	100%	10,509,949	-	100%
Other comprehensive income for the period,	206,620,852	8,126,058	2443%	186,271,144	761,155,229	-76%
Total Comprehensive Income for the Period	443,389,497	140,502,399	216%	888,005,049	761,155,229	17%
Total Comprehensive Income Attributable to:						
Non-controlling interests						
Parent Company Shareholders	443,389,497	140,502,399	216%	888,005,049	761,155,229	17%
Total Comprehensive Income for the Period	443,389,497	140,502,399	216%	888,005,049	761,155,229	17%
Earnings per share:						
Basic Earnings per Share	4.36	2.44		12.92	10.33	

Consolidated Statement of Comprehensive Income

	Group					
	For the Quarter ended 31st March			For the Year ended 31st March		
	2015 Rs.	2014 Rs.	Change %	2015 Rs.	2014 Audited Rs.	Change %
Income	1,720,451,513	1,570,047,756	10%	6,735,659,625	6,125,161,547	10%
Interest Income	1,558,031,313	1,607,808,711	-3%	6,283,448,066	5,895,603,537	7%
Less: Interest Expenses	794,845,704	951,631,795	-16%	3,387,459,102	3,553,402,757	-5%
Net Interest Income	763,185,609	656,176,916	16%	2,895,988,964	2,342,200,780	24%
Net fee and Commission Income	45,708,408	39,363,793	16%	171,042,479	159,708,801	7%
Net Interest, Fee and Commission Income	808,894,017	695,540,709	16%	3,067,031,443	2,501,909,581	23%
Other Operating Income	116,711,792	91,278,511	28%	281,169,080	238,252,468	18%
Total Operating Income	925,605,809	786,819,220	18%	3,348,200,523	2,740,162,049	22%
Less Impairment and Net losses from liquidation of Loans and Receivable to customers	109,324,300	226,295,413	-52%	475,255,378	507,390,234	-6%
Net Operating Income	816,281,509	560,523,807	46%	2,872,945,145	2,232,771,815	29%
Less:						
Operating Expenses						
Staff Costs	137,666,922	119,292,942	15%	602,916,858	522,946,764	15%
Premises, Equipment and Establishment Expenses	241,680,515	184,086,702	31%	900,793,282	642,518,529	40%
Other Operating Expenses	86,923,567	55,132,313	58%	306,361,521	284,777,597	8%
	466,271,004	358,511,957	30%	1,810,071,661	1,450,242,890	25%
Operating Profit Before Value Added Tax	350,010,505	202,011,850	73%	1,062,873,484	782,528,925	36%
Less: Value Added Tax (vat) on Financial Services	28,739,810	13,292,681	116%	94,622,484	52,660,876	80%
Profit Before Taxation	321,270,695	188,719,169	70%	968,251,000	729,868,049	33%
Less: Income Tax Expense	78,466,619	56,342,828	39%	257,828,764	168,755,278	53%
Profit for the Period	242,804,076	132,376,341	83%	710,422,236	561,112,771	27%
Profit attributable to:						
Non-controlling Interests	648,912	-	100%	970,615	-	100%
Total Equity attributable to equity holders of the parent	242,155,164	132,376,341	83%	709,451,621	561,112,771	26%
Profit for the Period	242,804,076	132,376,341	83%	710,422,236	561,112,771	27%
Other Comprehensive Income:						
Net gain/(loss) on re measuring of available for sale financial investment	176,475,600	33,840,000	422%	164,518,800	225,656,400	-27%
Changes in revaluation surplus	38,307,978	-	100%	38,307,978	-	100%
Net Actuarial gains/(losses) on Defined Benefit plans	(18,672,675)	(25,713,942)	-27%	(27,065,583)	(25,713,942)	5%
Expected Return on Plan Asset	10,509,949	-	100%	10,509,949	-	100%
Other comprehensive income for the period,	206,620,852	8,126,058	2443%	186,271,144	761,055,229	-76%
Total Comprehensive Income for the Period	449,424,928	140,502,399	220%	896,693,380	761,055,229	18%
Total Comprehensive Income Attributable to:						
Non-controlling interests	648,912	-	100%	970,615	-	100%
Parent Company Shareholders	448,776,016	140,502,399	219%	895,722,765	761,055,229	18%
Total Comprehensive Income for the Period	449,424,928	140,502,399	220%	896,693,380	761,055,229	18%
Earnings per share:	4.47	2.44		13.08	10.33	
Basic Earnings per Share						

Consolidated Statement of Financial Position

	Company		Group	
	31-03-2015 Rs.	31-03-2014 Audited Rs.	31-03-2015 Rs.	31-03-2014 Audited Rs.
Assets				
Cash and Cash Equivalents	313,394,279	462,555,296	334,358,488	465,890,822
Deposits in Commercial Banks	1,933,216,541	2,706,172,054	1,943,406,672	2,706,172,054
Financial Investments - Held for Trading	56,220,230		56,220,230	
Loans and Receivables to Customers	29,378,799,251	25,724,944,295	29,620,437,218	25,724,944,295
Financial Investments - Available for Sale	954,118,800	789,600,000	954,242,500	789,600,000
Financial Investments - Held - to- Maturity	2,186,229,799	1,834,691,042	2,192,184,120	1,834,691,042
Financial Investments - Loans and Receivable	301,700,000	227,999,991	301,700,000	227,999,991
Investment in Subsidiaries	427,745,447	2,745,447	-	-
Investment Property	20,197,977	20,197,977	20,197,977	20,197,977
Goodwill on Consolidation	-	-	244,179,431	-
Property, Plant and Equipment	1,421,342,866	1,004,470,809	1,426,432,810	1,004,470,809
Intangible Assets	71,159,770	77,783,761	75,792,298	77,783,761
Other Assets	949,583,619	917,381,613	955,914,233	917,380,813
Total Assets	38,013,708,579	33,768,542,285	38,125,065,977	33,769,131,564
Liabilities				
Due to Banks	2,166,968,620	1,471,953,259	2,200,445,100	1,471,953,259
Deposits From Customers	27,079,133,660	24,518,192,737	27,079,133,660	24,518,192,737
Debentures	1,043,481,193	1,172,332,835	1,043,481,193	1,172,332,835
Other Borrowings	1,613,794,864	1,670,052,391	1,638,304,864	1,670,052,391
Current Tax Liabilities	248,209,463	48,333,210	253,922,831	48,738,286
Deferred Tax Liabilities	145,383,295	145,383,295	146,958,261	145,383,295
Retirement Benefit Obligations	45,298,837	159,241,654	45,425,459	159,241,654
Other Liabilities	1,369,435,106	1,006,138,792	1,378,022,823	1,006,523,795
Total Liabilities	33,711,705,038	30,191,628,173	33,785,694,191	30,192,418,252
Equity				
Stated Capital	1,185,061,645	1,185,061,645	1,185,061,645	1,185,061,645
Statutory Reserve Fund	497,954,363	497,954,363	498,432,769	497,954,363
Revaluation Reserve	171,072,991	132,765,013	171,072,991	132,765,013
Investment Fund Account	-	87,745,449	-	87,745,449
Available for Sale Reserve	854,209,725	689,690,925	854,209,725	689,690,925
Retained Earnings	1,593,704,817	983,696,717	1,600,821,878	983,495,917
Total equity attributable to equity holders of the parent	4,302,003,541	3,576,914,112	4,309,599,008	3,576,713,312
Non-controlling Interests	-	-	29,772,778	-
Total Equity	4,302,003,541	3,576,914,112	4,339,371,786	3,576,713,312
Total Equity and Liabilities	38,013,708,579	33,768,542,285	38,125,065,977	33,769,131,564
Net Assets Value per Share	79.22	65.87	79.91	65.87

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

28th May 2015

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	Minority Interest Rs	Total Rs
Balance as at 1st April 2013	1,185,061,645	132,765,013	464,034,525	50,933,191	385,711,809	746,592,020		2,965,098,203
Profit for the Period 2013/14						561,212,771		561,212,771
Other comprehensive income for the Period 2013/14			225,656,400			(25,713,942)		199,942,458
Total comprehensive income for the year 2013/2014			225,656,400	-	-	535,498,829	-	761,155,229
Transactions with equity holders, recognized directly in equity contributions by and distributions to equity holders								
Final dividend for year- 2012/2013						(149,339,319)		(149,339,319)
Transfers during the period				36,812,258	112,242,554	(149,054,812)		-
Balance as at 31st March 2014	1,185,061,645	132,765,013	689,690,925	87,745,449	497,954,363	983,696,718	-	3,576,914,113
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 2014/15						701,733,905		701,733,905
Other comprehensive income for the year 2014/15		38,307,978	164,518,800			(16,555,634)		186,271,144
Total comprehensive income for the year 2014/2015		38,307,978	164,518,800			685,178,271		888,005,049
Transactions with equity holders, recognized directly in equity contributions by and distributions to equity holders								
Final dividend for year- 2013/2014						(162,915,621)		(162,915,621)
Transfer into/(out) from reserves				16,074,397		(16,074,397)		-
Transfer into/(out) from reserves				(103,819,846)		103,819,846		-
Balance as at 31st March 2015	1,185,061,645	171,072,991	854,209,725	-	497,954,363	1,593,704,817	-	4,302,003,541

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	Investment Fund Account Rs	Statutory Reserve Fund Rs	Retained Earnings Rs	Minority Interest Rs	Total Rs
Balance as at 1st April 2013	1,185,061,645	132,765,013	464,034,525	50,933,191	385,711,809	746,569,771		2,965,075,954
Profit for the Period 2013/14						561,112,771		561,112,771
Other comprehensive income for the Period 2013/14			225,656,400			(25,713,942)		199,942,458
Total comprehensive income for the year 2013/2014	-	-	225,656,400	-	-	535,398,829	-	761,055,229
Transactions with equity holders, recognized directly in equity contributions by and distributions to equity holders								
Final dividend for year- 2012/2013						(149,339,319)		(149,339,319)
Transfers during the period				36,812,258	112,242,554	(149,054,812)		-
Balance as at 31st March 2014	1,185,061,645	132,765,013	689,690,925	87,745,449	497,954,363	983,574,469	-	3,576,791,864
Balance as at 1st April 2014	1,185,061,645	132,765,013	689,690,925	87,745,449	497,954,363	983,574,469		3,576,791,864
Profit for the period 2014/15		38,307,978				709,451,621	970,615	748,730,214
Other comprehensive income for the Period 2014/15			164,518,800			(16,555,634)		147,963,166
Total comprehensive income for the year 2014/2015	-	38,307,978	164,518,800	-	-	692,895,987	970,615	896,693,380
Transactions with equity holders, recognized directly in equity contributions by and distributions to equity holders								
Reserves Attributable to Non Controlling Interest							28,802,164	28,802,164
Final dividend for year- 2013/2014						(162,915,621)		(162,915,621)
Transfer into/(out) from reserves				16,074,397	478,406	(16,552,803)		-
Transfer into/(out) from reserves				(103,819,846)		103,819,846		-
Balance as at 31st March 2015	1,185,061,645	171,072,991	854,209,725	-	498,432,769	1,600,821,878	29,772,778	4,339,371,787

CITIZENS DEVELOPMENT BUSINESS FINANCE PLC - Interim Financial Statements

Statement of Cash Flow

For the Period ended	Company		Group	
	31-03-2015 Rs.	31-03-2014 Rs.	31-03-2015 Rs.	31-03-2014 Rs.
Cash flow from Operating Activities				
Interest Receipts	6,297,268,127	5,786,355,711	6,329,183,076	5,786,355,711
Commission Receipts	172,003,223	165,333,038	172,003,223	165,333,038
Other Income Receipts	272,069,080	59,600,783	272,105,080	59,600,783
Interest Payments	(3,363,410,589)	(3,251,950,602)	(3,369,414,261)	(3,251,950,602)
Fee and Business Promotion Expenses	(68,182,557)	(64,973,151)	(68,182,557)	(64,973,151)
Employee Related Payments	(558,873,852)	(491,755,275)	(559,914,045)	(491,755,275)
Supplier Payments	(672,688,627)	(616,951,912)	(680,868,140)	(616,951,912)
Financial Expenses	(15,471,148)	(24,560,204)	(15,471,148)	(24,560,204)
Operating Profit before changes in Operating Assets	2,062,713,657	1,561,098,388	2,079,441,228	1,561,098,388
(Increase)/Decrease in Operating Assets				
Investments in Licensed Commercial Bank	772,955,513	(1,261,652,466)	833,830,968	(1,261,652,466)
Investments in Government Securities	(481,458,996)	(771,936,768)	(487,413,317)	(771,936,768)
Net Funds Advanced to Customers	(4,131,429,693)	(6,613,344,388)	(4,035,683,491)	(6,613,344,388)
Changes in Other Short Term Assets	(78,897,760)	(192,953,232)	7,950,250	(192,953,232)
Inventories		27,240,730	(83,015,976)	27,240,730
	(1,856,117,279)	(7,251,547,736)	(1,684,890,338)	(7,251,547,736)
Increase/(Decrease) in Operating Liabilities				
Borrowings	572,024,171	638,301,070	411,995,119	638,301,070
Deposits from Customers	2,480,778,103	6,445,567,918	2,480,778,103	6,445,567,918
	3,052,802,274	7,083,868,988	2,892,773,222	7,083,868,988
Net Cash Generated / (used in) from operating Activities	1,196,684,995	(167,678,748)	1,216,946,884	(167,678,748)
Gratuity paid / Contribution to Plan Assets	(179,784,827)	(827,877)	(179,784,827)	(827,877)
Taxation	(43,372,004)	1,062,256	(44,364,495)	1,062,256
	973,528,164	(167,444,369)	992,797,562	(167,444,369)
Cash Flow from Investing Activities				
Dividend Receipts	9,064,000	7,068,000	9,064,000	7,068,000
Investment in unquoted Shares	(425,000,000)	-	(425,000,000)	-
Purchase of Property, Plant & Equipment	(528,188,294)	(469,608,957)	(531,319,983)	(469,608,957)
Net Cash (used in)/ from Investing Activities	(944,124,294)	(458,009,707)	(956,319,983)	(458,009,707)
Cash Flow from Financing Activities				
Dividend Paid	(162,915,621)	(149,339,319)	(162,815,621)	(149,339,319)
Net Cash Inflows/ (out flows) from Financing Activities	(162,915,621)	(149,339,319)	(162,815,621)	(149,339,319)
Net Increase/(Decrease) In Cash & Cash Equivalents	(133,511,751)	138,161,129	(126,438,042)	138,161,129
Cash and Cash Equivalents at the beginning of the Year	199,086,859	60,925,730	202,422,385	64,261,256
Cash and Cash Equivalents at the end of the Year	65,575,108	199,086,859	75,984,343	202,422,385
Cash and Cash Equivalents at the beginning of the year				
Cash at Bank and In Hand	462,555,296	205,326,279	465,890,822	208,661,805
Bank Overdraft	(263,468,437)	(144,400,549)	(263,468,437)	(144,400,549)
	199,086,859	60,925,730	202,422,385	64,261,256
Cash and Cash Equivalents at the end of the year				
Cash at Bank and In Hand	313,394,279	462,555,296	321,425,914	465,890,822
Bank Overdraft	(247,819,171)	(263,468,437)	(245,441,571)	(263,468,437)
	65,575,108	199,086,859	75,984,343	202,422,385

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	
	31-03-2015 Rs.	31-03-2014 Rs.	31-03-2015 Rs.	31-03-2014 Rs.	31-03-2015 Rs.	31-03-2014 Rs.	31-03-2015 Rs.	31-03-2014 Rs.
Interest	4,777,799,469	4,469,367,374	950,516,665	660,067,901	523,216,983	766,168,262	6,251,533,117	5,895,603,537
Non Interest Income							452,175,559	229,558,010
Total Revenue	4,777,799,469	4,469,367,374	950,516,665	660,067,901	523,216,983	766,168,262	6,703,708,676	6,125,161,547
Segmental Results	4,777,799,469	4,469,367,374	950,516,665	660,067,901	523,216,983	766,168,262	6,703,708,676	6,125,161,547
Unallocated Expenses							5,752,288,212	5,395,193,498
Profit from Operations							951,420,464	729,968,049
Income Tax expenses							249,686,559	168,755,278
Net Profit for the Period							701,733,905	561,212,771
Segment Assets	22,863,075,343	19,335,101,529	5,152,174,587	3,890,655,211	5,784,695,661	7,268,050,642	33,799,945,591	30,493,807,382
Unallocated Assets							4,213,762,988	3,274,734,903
Total Assets							38,013,708,579	33,768,542,285

CITIZENS DEVELOPMENT BUSINESS FINANCE PLC - Interim Financial Statements

Segmental Analysis

Group

	Lease & Stock out on Hire		Loans and Advances		Others		Total	
	31-03-2015 Rs.	31-03-2014 Rs.	31-03-2015 Rs.	31-03-2014 Rs.	31-03-2015 Rs.	31-03-2014 Rs.	31-03-2015 Rs.	31-03-2014 Rs.
Interest	4,804,280,851	4,469,367,374	952,771,298	660,067,901	526,395,917	766,168,262	6,283,448,066	5,895,603,537
Non Interest Income							452,211,559	229,558,010
Total Revenue	4,804,280,851	4,469,367,374	952,771,298	660,067,901	526,395,917	766,168,262	6,735,659,625	6,125,161,547
Segmental Results	4,804,280,851	4,469,367,374	952,771,298	660,067,901	526,395,917	766,168,262	6,735,659,625	6,125,161,547
Unallocated Expenses							5,767,408,625	5,395,193,498
Profit from Operations							968,251,000	729,968,049
Income Tax expenses							257,828,764	168,755,278
Net Profit for the Period							710,422,236	561,212,771
Segment Assets	22,955,236,968	19,335,101,529	5,326,753,735	3,890,655,211	5,800,840,113	7,268,050,642	34,082,830,816	30,493,807,382
Unallocated Assets							4,042,235,161	3,275,324,982
Total Assets							38,125,065,977	33,769,132,364

Shareholders' Information

Twenty Largest Shareholders as at 31st March 2015

Ordinary Voting Shares

No	Name	Shareholding	Percentage
1	CEYLINCO INSURANCE PLC A/C NO 1 (LIFE FUND)	14,642,163	31.63%
2	CDB ESOP TRUST FUND (PRIVATE) LIMITED	12,500,000	27.00%
3	CEYLINCO INSURANCE PLC A/C NO 2 (GENERAL FUND)	1,853,287	4.00%
4	JANASHAKTHI GENERAL INSURANCE LIMITED	1,727,947	3.73%
5	CITIZENS DEVELOPMENT BUSINESS FINANCE PLC A/C 02 (CDB EMPLOYEE GRATUITY FUND)	1,300,000	2.81%
6	THE FINANCE COMPANY PLC A/C NO 1	1,250,000	2.70%
7	JANASHAKTHI PLC ACCOUNT NO. 1	1,019,251	2.20%
8	JANASHAKTHI INSURANCE PLC (POLICY HOLDERS)	883,166	1.91%
9	ASIA MANAGEMENT CONSULTANCY (PRIVATE) LIMITED	706,622	1.53%
10	E.W. BALASURIYA & CO. (PVT) LTD	535,103	1.16%
11	LIFE INSURANCE CORPORATION (LANKA) LTD	364,461	0.79%
12	LITTLE SMILE ORGANIC (PVT) LTD	266,500	0.58%
13	DEUTSCHE BANK AG AS TRUSTEE TO CANDOR GROWTH FUND	201,549	0.44%
14	MR.H.A.PIERIS	181,005	0.39%
15	MR.U.G. MADANAYAKE	175,000	0.38%
16	MR.R.H. ABEYGOONWARDENA /MRS. V.F. ABEYGOONWARDENA	160,349	0.35%
17	MR.S.V. MUNASINGHE	154,976	0.33%
18	EAST INDIA HOLDING (PVT) LTD	150,833	0.33%
19	PEOPLE'S LEASING & FINANCE PLC / MR.W.P.C.M.NANAYAKKARA	138,660	0.30%
20	DR.C.GUNASEKARA	131,700	0.28%
	Sub total of Top 20 Share Holders	38,342,572	82.81%
	Others	7,956,651	17.19%
	Total	46,299,223	100.00%

The percentage of shares held by the public as at 31st March 2015 is 35.89% (with 1924 public share holders)

Ordinary Non Voting Shares

No	Name	Shareholding	Percentage
1	DEUTSCHE BANK AG AS TRUSTEE FOR JB VANTAGE VALUE EQUITY FUND	1,192,833	14.90%
2	J.B. COCOSHELL (PVT) LTD	1,051,291	13.13%
3	CDB ESOP TRUST FUND (PRIVATE) LIMITED	562,499	7.03%
4	EAGLE PROPRIETARY INVESTMENTS LIMITED	319,109	3.99%
5	ASKOLD (PRIVATE) LIMITED	247,224	3.09%
6	MR. H. N. ESUFALLY	208,999	2.61%
7	MR.M.J. FERNANDO	208,999	2.61%
8	E.W. BALASURIYA & CO. (PVT) LTD	204,413	2.55%
9	DEUTSCHE BANK AG AS TRUSTEE TO CANDOR GROWTH FUND	179,108	2.24%
10	MR. M. A. H. ESUFALLY	160,000	2.00%
11	MR. G. H. I. JAFFERJEE	156,749	1.96%
12	MR. I. M. DABAH	154,499	1.93%
13	COMMERCIAL BANK OF CEYLON PLC/S.R.FERNANDO	128,953	1.61%
14	EAST INDIA HOLDING (PVT) LTD	123,938	1.55%
15	GOLD INVESTMENT LIMITED.	104,499	1.31%
16	MR. M.A.VALABJI	104,499	1.31%
17	JAFFERJEE INVESTMENTS (PVT) LTD	104,499	1.31%
18	COMMERCIAL BANK OF CEYLON PLC A/C NO. 04	101,965	1.27%
19	TRADING PARTNERS (PVT) LTD	100,000	1.25%
20	LIFE INSURANCE CORPORATION (LANKA) LTD	95,000	1.19%
	Sub total of Top 20 Share Holders	5,509,076	68.81%
	Others	2,496,908	31.19%
	Total	8,005,984	100.00%

The percentage of shares held by the public as at 31st March 2015 is 79.50% (with 1905 public share holders)

Directors' and Chief Executive Officer's Shareholding as at 31st March 2015

Ordinary Voting Shares

Name	Share Holding
Mr. P.A.J. Jayawardena	500
Mr. W.P.C.M. Nanayakkara	1,000
People's Leasing & Finance PLC/ Mr.W.P.C.M.Nanayakkara	138,660
Mr. T.M.D.P. Tennakoon	42,000
Assetline Leasing Company Ltd./ MR.T.M.D.P.Tennakoon	73,000
M. W.W.K.M. Weerasuriya (Resigned w.e.f 30th April 2015)	61,600
Mr. W.W.C.M. Weerasooriya / Mrs. R.C.T. Hennadige (Resigned w.e.f 30th April 2015)	5,000
Mr. R.H. Abeygoonewardena / Mrs. V.F. Abeygoonewardena	160,349
Mr. S.V. Munasinghe	154,976
Mr. D.H.J. Gunawardana	-
Mr. S.R. Abeynayake	-
Mr. R. Mohamed	-
Dr. A. Dharmasiri	-
Mr. D.A. De Silva	-
Total	637,085

Ordinary Non Voting Shares

Name	Share Holding
Mr. P.A.J. Jayawardena	22
Mr. W.P.C.M. Nanayakkara	44
Mr. T.M.D.P. Tennakoon	7,262
Mr. W.W.K.M. Weerasuriya (Resigned w.e.f 30th April 2015)	1,209
Mr. R.H. Abeygoonewardena	7,579
Mr. S.V. Munasinghe	9,411
Mr. S.R. Abeynayake	-
Mr. R. Mohamed	-
Dr. A. Dharmasiri	-
Mr. D.A. De Silva	-
Mr. D.H.J. Gunawardana	-
TOTAL	25,527

Market Value of the Shares

	Ordinary Voting Shares		Ordinary Non Voting Shares	
	31-03-2015	31-03-2014	31-03-2015	31-03-2014
Highest Price	104.90	52.00	88.00	44.80
Lowest Price	81.10	42.00	72.50	30.10
Last Traded	85.00	46.00	73.90	37.50

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 2013/14 in the preparation of these interim financial statements except for Accounting Policy described below.

The group measures goodwill as the fair value of the consideration transferred including the recognised amount of any non controlling interest in the acquiree, less the net recognised amount of the identifiable assets acquired and liabilities assumed, measured as at the acquisition date as required by the Sri Lanka Accounting standard - SLFRS 3, Business Combinations. The goodwill will be reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

Non controlling interests are presented separately in the consolidated statement of comprehensive income and within equity in the consolidated statement of Financial Position, separate from the parent shareholders equity. Any losses applicable to the Non-controlling Interests are allocated against the interests of the Non-controlling Interest even if this results in a deficit balance.

The financial statements of the company's subsidiaries are prepared for the same reporting year using consistent Accounting policies.

- 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 Ltd and Laugfs Capital Limited.
- 4 No of Shares as at 31st March 2015 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 other than the above and there is no seasonality and cyclicity affecting the interim operation.
- 6 Since 31st March 2015, 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".

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 2015

Debenture Type	Highest Price	Lowest Price	Last Traded
	Rs.	Rs.	Rs.
Type A		Not Traded	
Type B		Not Traded	
Type C	110.00	110.00	110.00

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)	9.07%
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Current Yield & Yield to Maturity

Debenture Type	Current Yield	Yield to Maturity
	%	%
Type A		Not Traded
Type B		Not Traded
Type C	14.07%	13.60%

Ratios

Debt to Equity Ratio	66%
Quick Asset Ratio (Times)	0.82
Interest Cover (Times)	1.39

Selected Performance Indicators

Indicator	Company	
	As at 31-03-2015	As at 31-03-2014
Asset Quality (Rs. 000)		
Gross Non- Performing Accommodations,	1,727,617	1,349,493
Gross Non- Performing Accommodations Ratio, %	5.78%	5.19%
Net Non- Performing Accommodations Ratio, %	3.19%	2.73%
Liquidity (Rs. 000)		
Required Minimum amount of Liquid Assets	2,977,502	2,570,757
Available amount of Liquid Assets	4,262,267	4,545,811
Required Minimum amount of Government Securities	1,679,439	1,184,013
Available amount of Government Securities	2,322,464	1,887,200
Capital Adequacy		
Core Capital (Tier 1 Capital)	3,276,721	3,356,403
Total Capital Base	4,176,951	4,256,633
Core Capital to Risk Weighted Assets ratio (Minimum 5%)*	10.14%	12.61%
Total Capital to Risk Weighted Assets ratio (Minimum 10%)*	12.92%	16.00%
Capital Funds to total Deposit Liabilities ratio (Minimum 10%)*	15.42%	17.36%
Profitability		
Interest Margin	8.00%	8.05%
Return on Average Assets-Before Tax	2.65%	2.51%
Return on Average Equity- After Tax	17.81%	17.16%
Memorandum information		
Number of Employees	1,129	1,122
Number of branches	47	47
Number of service centers	11	11
Number of pawning centers	1	1

* Including current year unaudited profit

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

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.Abeyagoonewardena *FCMA(UK), ACMA(Sri), MCPM, CGMA*
Executive Director / Chief Operating Officer

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

Dr. A. Dharmasri *B.Sc.Eng., MBA(Sri J), PhD(Sri J), MCM(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

Mr. W.W.K.M.Weerasooriya *B.Com (Sp) (Resigned w.e.f 30th April 2015)*
Executive Director

Registered address of Head Office

No 123, Orabi Pasha 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

BBB/P2 (RAM)

Bankers

Bank of Ceylon
Commercial Bank of Ceylon PLC
Deutsche Bank
Hatton National Bank PLC
Nations Trust Bank PLC
National Development 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

CDB grows PAT an impressive 25% to Rs 701 Mn in FY 2014 / 15

A financial entity that has always worked on the solid ethos of enriching people's lives through enabling access to financial services and thereby, ensuring empowerment, once again proved its mettle by recording impressive financial performance for 2014/15. Citizens Development Business Finance PLC (CDB) posted a noteworthy 25% growth in Profit After Tax to notch Rs 701 Mn as profit, as detailed by interim results released to the Colombo Stock Exchange.

The upward trajectory in performance continues as CDB's Balance Sheet showcases growth of 13% standing at Rs 38.01 Bn, the Loan Book detailing an incline of 14% displayed at Rs 29.38 Bn and the Deposits & Savings portfolio growing by 10% to be notched at Rs 27.07 Bn. Net Assets is recorded at Rs 4.30 Bn reflecting a growth of 20%. Revenue recorded a growth of 9%, commendable given the low interest backdrop experienced, while Net Interest Income also moved upwards by 23% to stand at Rs 2.87 Bn.

Profit Before VAT on Financial Services, Crop Insurance Levy, Nation Building Tax and Income Tax surpassed a milestone of Rs 1 Bn, showcased at a historic Rs 1.04 Bn, reflecting a growth of 33%. Despite an increase of 48% in Income Tax, the Company showcased an impressive Rs 701 Mn in Profit After Tax.

Earnings Per Share recorded a figure of Rs 12.92, while Net Asset Value Per Share is detailed at Rs 79.22. Having always been a company that has remained well above par in its compliance culture, Capital Adequacy Ratios for both Tier I and Tier II remained well above the regulatory requirement of 5% and 10% respectively. Tier I is now at 10.14%, while Tier II is at 12.92%. Liquidity Ratio is posted at 14.66%, compared to the required 10%, which once again is above the regulatory directive. The liquidity position has been further strengthened by CDB's regular cash flow and income generating assets including the asset backed loan book representing 90% of balance sheet assets. Non-Performing Loans (NPL) stood at 5.78% and 3.19% on gross and net basis respectively.

Having moved into its own corporate headquarters at No 123, Orabipasha Mawatha, Colombo 10, CDB continued to etch its presence as a formidable player in the financial services industry. Aligned with the directives instituted within the Financial Sector Consolidation Programme, CDB acquired 86.26% stake in Laugfs Capital Ltd, a specialized leasing Company during the period under review.

Continuing to collate accolades and kudos for not only its prowess in the financial services industry, but also for the progressive compliance culture and people oriented strategies it espouses, CDB has been recognised by professional organisations both in Sri Lanka and abroad on various platforms. The Company's annual report won a Platinum Award at the Vision Awards conducted by the League of American Communication Professionals (LACP) making it the best in-house report in the Asia Pacific Region, 42nd among the Top 100 annual reports globally and 17th among the Top 80 in the Asia Pacific Region. In addition, this Annual Report also gained a

Silver Award for integrated reporting at the CA Annual Report Awards organised by the Institute of Chartered Accountants of Sri Lanka. Silver awards were conferred on CDB at the SLITAD People Development Awards 2014 and HRM Awards 2014 and a Bronze Award for Service Brand of the Year at 13th SLIM Brand Excellence Awards.

With sustainable development being a deep rooted commitment in its entire corporate philosophy, CDB continued its flagship social responsibility programme of empowering young people through education and IT literacy. A contemporary IT laboratory was presented to Kadaya Motte Sinhala Vidyalaya in Puttlam and 58 scholarships to children from low income families who excelled in the Grade 5 Scholarship Examination and GCE Ordinary Level Examination were awarded under the CDB Sisudhiri scholarship scheme. Believing strongly that environmental conservation and preservation remains in the hands of future generations, an environmental awareness programme was conducted for students of seven schools in the Galle district in the Kanneliya Forest under CDB Mihikathata Adaren Programme.

CDB's business model continues to evolve and remains strategically crafted to encompass multiple dynamics that compliment each other. With financial inclusion being a priority given its status as a net lender to the rural economy, urban funding and rural lending, adding access to finance for the base of pyramid markets has enabled CDB to play a vital role in rural economic development. However, competing with well established banking leaders in deposit and savings mobilization and lending to focused market segments to augment its value proposition, strongly positions CDB to continue performing consistently. Having constructed a solid foundation of stability and strength, CDB is undoubtedly poised to contribute effectively towards national development.