

Ceybank Century Growth Fund

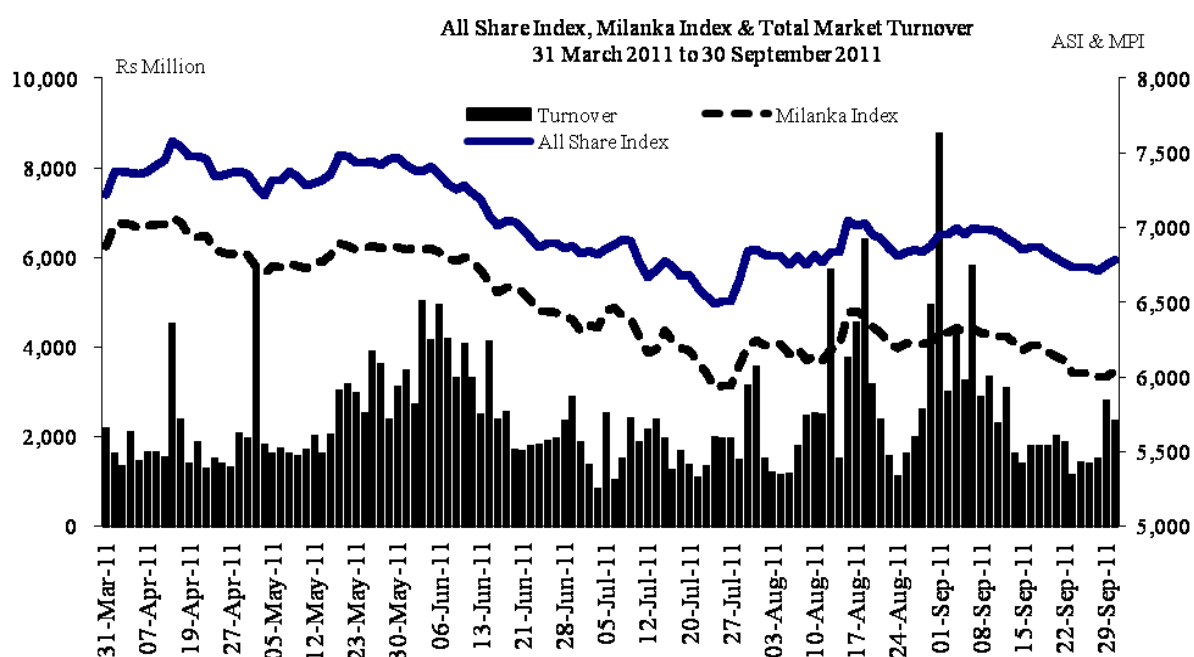
Manager's half yearly report for the period ended 30th September 2011

We have great pleasure in presenting the half yearly report of Ceybank Century Growth Fund for the 6 months ended 30th September 2011.

The continuous fall in the stock market resulted in the Net Asset Value per unit of your Fund depreciating by 15.36% during the period under review. The ASI and MPI depreciated 6.12% and 12.07% respectively during the same period.. The net asset value per unit amounted to Rs 62.74 as at 30th September 2011. Your Fund distributed a dividend of Rs 2.00 per unit to the unit holder as of 31st March 2011.

Capital Market Performance

The Colombo Bourse recorded a continuous drop during the period under review.



The Stock Market continued its downward movement which began in March, initially triggered by forced selling by Stockbrokers, who were intent on settling their credit based transactions ahead of the deadline of 31st March set by the Securities & Exchange commission of Sri Lanka (SEC). The reduced foreign interest due to the ongoing recessionary situation in the western world, resulting in a drop in foreign inflows too has had an impact on the market.

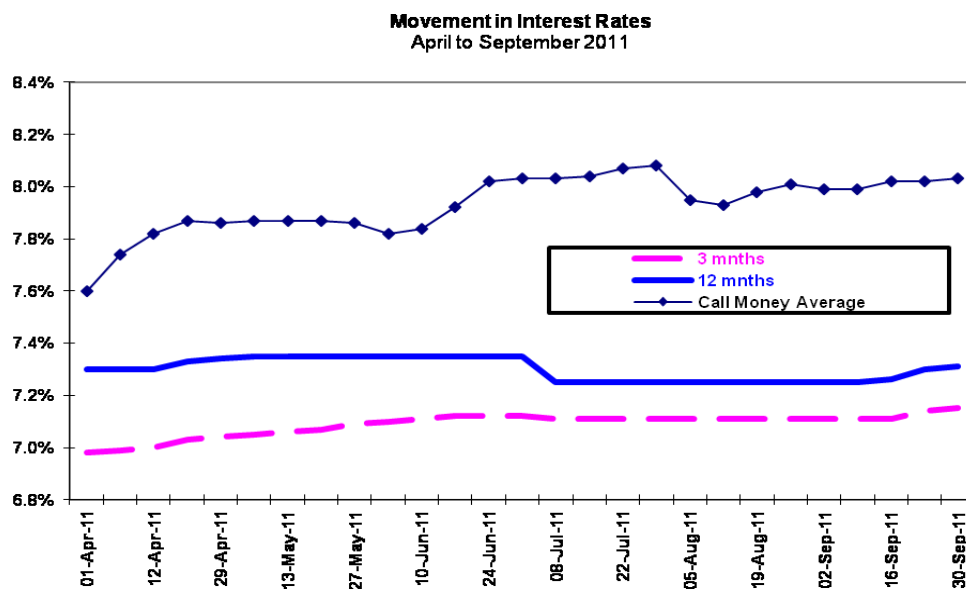
The Initial Public offers (IPOs), which were expected to add momentum to the market, performed below expectations as some Initial offerings began trading at substantial discounts to the IPO price further dampening investor sentiment.

The ASI closed at 6,783.55 and MPI at 6,045.11 down by 442 and 829 points respectively for the six month period ended 30th September 2011.

The Country's foreign reserve position remained stable. Gross official reserves stood at US\$ 8,051 million as at end August 2011. During the period under review, the Government issued US\$ 1.0 billion 10 year sovereign bond which was subscribed mainly by foreign investors. The Government also received US\$ 218 mln from the IMF, being the seventh tranche of the IMF Stand By Agreement available for Sri Lanka. The country has so far received US \$ 1,700 mln of US\$ 2,600 mln approved by the IMF.

The Exchange rate (Rs/US\$) which was at Rs. 110.46 on 31st March 2011 appreciated until July 2011, touching highs of 109.50 before reversing direction. The Rupee was quoted at Rs 110.23 as at 30th September 2011.

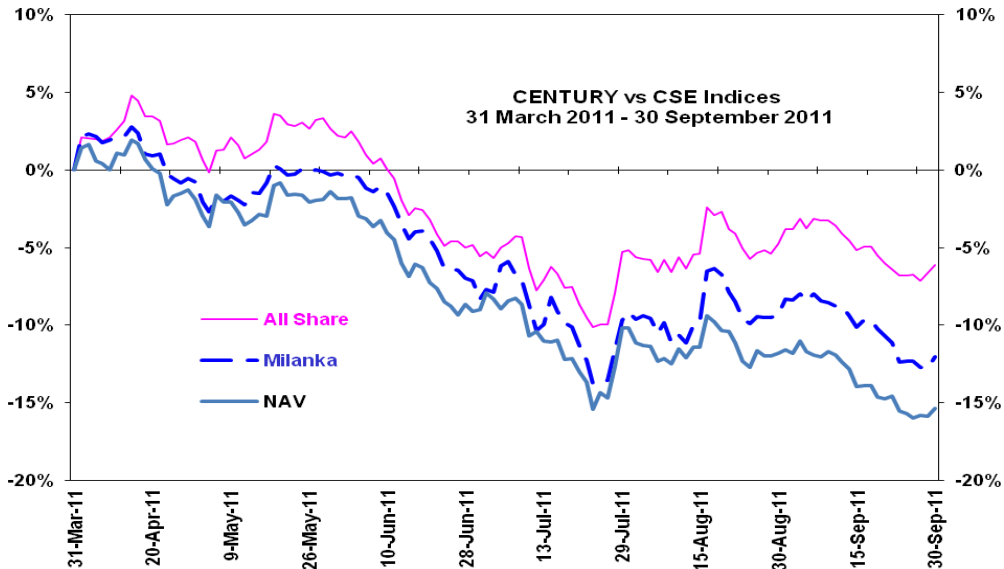
The Sri Lankan economy recorded a GDP growth of 8.2% (YOY) for the second quarter of 2011. Although the Agriculture sector lagged at (1.9%) strong performances by the Industry sector (9.4%) and Services (8.8%) compensated to drive growth.



Average Annual Inflation measured by the CCPI moved up from 6.2% in March 2011 to 7.2% in September 2011. Market Interest rates remained mostly unchanged during the period as market liquidity decreased. The 12 month Treasury bill yields dropped marginally from 7.33% in March to 7.31% as at end September 2011. Overnight call money remained within a thin band of 7.75% and 8.25% p.a.. Central Bank Repo and Reverse repo rates were unchanged during the period under review. The current repo rate is at 7.00% and the Reverse repo rate at 8.50%.

Fund Performance

The net asset value per unit of your Fund reduced by 15.36% during the half year period under review. The total net assets stood at Rs. 1,259.59 million as at 30th September 2011.

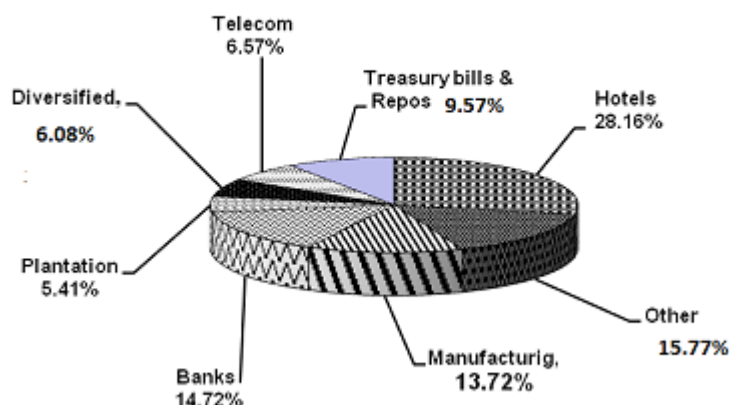


The Gross income of the Fund increased by 40% to Rs 18.77 million from Rs 13.40 million in the previous year due to an increase in dividend income. Net Income after taxation increased marginally to Rs 4.58 million from Rs.4.57 million.

The Fund realized Rs 76.12 million as capital gains from sale of equity during the period, an increase of 80% from the Rs 42.30 million recorded in the previous period. This was despite the market dropping continuously. The market value of the portfolio was Rs 1,259.59 million as at 30th September 2011 down from Rs 1,502 million in March 2011.

The Fund is fully invested as at 30th September 2011, maintaining a relatively high level of equity exposure in line with the growth objective of the Fund and market expectations. We will continue to make changes in the Asset allocation and take capital gains at the appropriate time and realign the portfolio in a manner that is compatible with our view and market expectations.

Asset Allocation



Your Fund investments are diversified across fundamentally strong companies with a medium to long term outlook, in Hotel, Manufacturing, Plantations, Banking, Telecommunication and Diversified sectors as depicted in the chart. These stocks are expected to perform well in the medium term adding further value to your units.

Future Outlook

The outlook for the Sri Lankan economy is expected to be positive, with growth expected from development of infrastructure and from the tourism sector. We expect the economy to grow by around 7.5% for 2011.

The continued challenge would be to attract new foreign investments, which has been below expectations. The widening trade gap is also a matter of concern. Western markets that absorb our exports face recessions and the government policy of defending the Rupee has reduced the competitiveness of our exports.

Inflation while moving up during the period remains relatively low. Interest rates however have been under pressure with the market rates edging up slowly.

We expect the stock market to grow at a sustainable level with some companies generating attractive levels growth. We intend positioning your Fund which is invested in the market to take advantage of this growth, adding value to your investment.

K L Hewage
Chairman

30th September 2011

**CEYBANK CENTURY GROWTH FUND
MANAGER'S HALF-YEARLY REPORT**

STATEMENT OF TOTAL RETURN

[All amounts in Sri Lanka Rupees Millions]

	Six months ended 30 Sept	
	2011	2010
	Rs	Rs
Gross income	18.77	13.40
Expenses	(13.91)	(8.83)
Net income before taxation	4.86	4.57
Taxation	(0.28)	0.00
	4.58	4.57
Net income after taxation		
Net realised gains on sale of investments	76.12	42.30
Net unrealised appreciation / (depreciation)- on valuation of investments at market value	(324.54)	542.43
Net gains on investments	(248.42)	584.72
Total earnings	(243.85)	589.30
Equalisation		
Received on units created	137.48	482.60
Deducted on units redeemed	(135.41)	(105.54)
	2.07	377.06
Total return	(241.78)	966.36
Distributions		
Dividends Paid	Nil	Nil
Net increase in unitholders' funds	(241.78)	966.36

STATEMENT OF MOVEMENT IN UNITHOLDERS' FUNDS

	Six months ended 30 Sept	
	2011	2010
	Rs	Rs
Net assets at the beginning of the period	1,501.95	669.73
Movement due to sale and repurchase of units		
Received on creation of units	15.04	65.11
Paid on cancellation of units	(15.61)	(16.46)
	(0.57)	48.65
Net increase in unitholders' funds	(241.78)	966.36
Net assets at the end of the period.	1,259.59	1,684.73

**CEYBANK CENTURY GROWTH FUND
MANAGER'S HALF-YEARLY REPORT**

BALANCE SHEET

[All amounts in Sri Lanka Rupees Millions]

	As at 30th Sept	
	2011 Rs	2010 Rs
Investments		
Equity investments	1,138.96	1,400.40
Fixed income investments	Nil	Nil
	1,138.96	1,400.40
Debtors		
Accrued income	1.24	0.54
Other receivables	5.77	1.77
Repurchase agreements	120.15	284.52
Cash and bank balances	2.51	10.76
	129.68	297.59
Creditors: amounts falling due within one year		
Amount payable on redemption	2.63	0.38
Purchases awaiting settlement	6.09	12.75
Accrued expenses	2.22	2.29
Tax payable on Capital Gains	(1.88)	(2.16)
	9.05	13.26
Net current assets	120.63	284.33
Net assets	1,259.59	1,684.73
Capital account		
Unit capital	384.00	503.07
Net realised Gains	454.17	386.44
Net unrealised appreciation / (depreciation)	389.11	767.35
	1,227.28	1,656.86
Income account	32.31	27.88
	1,259.59	1,684.73

CEYBANK CENTURY GROWTH FUND
MANAGER'S HALF-YEARLY REPORT

PORTFOLIO STATEMENT

[All amounts in Sri Lanka Rupees Millions]

EQUITY INVESTMENT	No.of Shares	Market value Rs. Mns	% of Assets 2011	% of Assets 2010
Banks , Finance and Insurance				
Hatton National Bank PLC - Non Voting	682,100	62.82	4.98	
Sampath Bank PLC	278,890	60.83	4.82	
National Development Bank PLC	10,200	1.41	0.11	
Commercial Bank PLC - Non Voting	425,108	33.58	2.66	
HNB Assurannce PLC	435,266	26.77	2.12	
	1,831,564	185.41	14.69	11.57
Beverage , Food and Tobacco				
Raigam Wayamba Salterns PLC				
	-		-	0.04
Chemicals & Pharmaceuticals				
Chemical Industries(Colombo) PLC	329,200	42.79	3.39	
Heycarb PLC	44,800	7.16	0.57	
	374,000	49.95	3.96	2.62
Construction and Engineering				
Colombo Dockyard PLC	5,370	1.40	0.11	
	5,370	1.40	0.11	0.09
Diversified Holdings				
John Keells Holdings PLC	327,283	67.39	5.34	
Vallibel One PLC	176,700	4.81	0.38	
Sunshine Holding PLC	117,300	4.46	0.35	
	621,283	76.65	6.07	4.83

Footwear and Textiles

Kuruwita Textile Mills PLC	81,500	3.02	0.24	
	81,500	3.02	0.24	0.18

Hotels and Travels

Amaya Leisure PLC	1,164,072	122.11	9.68	
Asian Hotels and Properties PLC	1,019,500	91.25	7.23	
Taj Lanka Hotels PLC	148,400	6.84	0.54	
Aitken Spence Hotel Holdings PLC	1,354,255	96.97	7.68	
Trans Asia Hotels PLC	444,400	37.55	2.98	
	4,130,627	354.71	28.11	30.99

Manufacturing

Royal Ceramics Lanka PLC	792,040	104.95	8.32	
Tokyo Cement Co (Lanka) PLC -Non Voting.	688,172	25.53	2.02	
Lanka Walltile PLC	399,358	42.37	3.36	
	1,879,570	172.85	13.70	12.78

Plantations

Namunukula Plantations PLC	222,900	21.18	1.68	
Kalani Valley Plantations PLC	419,100	46.94	3.72	
	642,000	68.11	5.40	7.65

Power & Energy

Lanka IOC PLC	2,301,000	42.11	3.34	
Laugfs Gas PLC - Voting	54,800	2.23	0.18	
Laugfs Gas PLC - Non Voting	18,200	0.49	0.04	
	2,374,000	44.83	3.55	2.00

Information Technology

PC House PLC				
	-	-	-	0.02

Telecommunication

Dialog Axiata PLC	3,956,570	33.24	2.63	
Sri Lanka Telecom PLC	1,024,700	49.49	3.92	
	4,981,270	82.73	6.55	5.09

Trading

Singer (Sri Lanka) PLC	502,200	67.40	5.34	
	502,200	67.40	5.34	3.00

Land & Property

CT Land Development PLC	1,074,700	32.56	2.58	
	1,074,700	32.56	2.58	1.71

Total Equity Investments

[Cost of equity - Rs.749.85 Million]

	18,498,084	1,138.96	90.24	82.56
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CASH AND CASH EQUIVALENTS

Repurchase Agreements	120.15	120.61	9.56	16.81
Balances at Bank	2.51	2.51	0.20	0.63
	122.66	123.12	9.76	17.44
	755.72	1,262.08	100.00	100.00