

**SABAH DEVELOPMENT BANK BERHAD**

(Incorporated in Malaysia)

**DIRECTORS' REPORT**

The directors of **SABAH DEVELOPMENT BANK BERHAD** have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended December 31, 2006.

**PRINCIPAL ACTIVITIES**

The Company is principally involved in the provision of finance for development projects. The principal activities of the subsidiary companies are as disclosed in Note 22 to the financial statements.

There have been no significant changes in the nature of the principal activities of the Company and its subsidiary companies during the financial year.

**RESULTS OF OPERATIONS**

The results of the operations of the Group and of the Company for the financial year are as follows:

	<b>The Group RM</b>	<b>The Company RM</b>
<b>Profit before tax</b>	52,291,288	82,835,862
<b>Income tax expense</b>	<u>(15,896,748)</u>	<u>(23,913,640)</u>
<b>Profit for the year</b>	<u>36,394,540</u>	<u>58,922,222</u>
<b>Attributable to:</b>		
Equity holders of the Company	36,389,084	58,922,222
Minority interests	<u>5,456</u>	<u>-</u>
	<u>36,394,540</u>	<u>58,922,222</u>

In the opinion of the directors, the results of the operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature other than the changes in accounting policies as disclosed in Note 44 to the financial statements.

**DIVIDENDS**

A final dividend of 28.66 sen gross per ordinary share, less tax, amounting to RM65,000,000 proposed in respect of the previous financial year on the ordinary shares in issue in 2004 and dealt with in the 2004 directors' report was declared by the shareholder at the Annual General Meeting held on June 30, 2005 and paid by the Company during the financial year.

An interim dividend of 11.84 sen gross per ordinary share, less tax, amounting to RM32,400,000 in respect of the current financial year was declared by the directors during the financial year.

The directors do not recommend the payment of any final dividend in respect of the current financial year.

## **RESERVES AND PROVISIONS**

There were no material transfers to or from reserves or provisions during the financial year other than those disclosed in the financial statements.

## **ISSUE OF SHARES AND DEBENTURES**

As approved by the shareholder at the Extraordinary General Meeting held on December 28, 2006, the Company increased the authorised share capital from RM365,000,000 divided into 315,000,000 ordinary shares of RM1 each and 50,000,000 redeemable convertible non-cumulative preference shares of RM1 each to RM430,000,000 divided into 380,000,000 ordinary shares of RM1 each and 50,000,000 redeemable convertible non-cumulative preference shares of RM1 each by the creation of 65,000,000 new ordinary shares of RM1 each.

As approved by the directors on December 28, 2006, the issued and paid-up share capital of the Company was increased from RM365,000,000 divided into 315,000,000 ordinary shares of RM1 each and 50,000,000 redeemable convertible non-cumulative preference shares of RM1 each to RM430,000,000 divided into 380,000,000 ordinary shares of RM1 each and 50,000,000 redeemable convertible non-cumulative preference shares of RM1 each by an allotment of 65,000,000 ordinary shares of RM1 each at par for cash to the Sabah State Government for the purpose of increasing the working capital of the Company. The new ordinary shares issued rank pari passu with the then existing ordinary shares of the Company.

The Company has not issued any debentures during the financial year.

## **SHARE OPTIONS**

No options have been granted by the Company to any parties during the financial year to take up unissued shares of the Company.

No shares have been issued during the financial year by virtue of the exercise of any option to take up unissued shares of the Company. As of the end of the financial year, there were no unissued shares of the Company under options.

## **OTHER FINANCIAL INFORMATION**

Before the income statements and the balance sheets of the Group and of the Company were made out, the directors took reasonable steps:

- (a) to ascertain that proper action had been taken in relation to the writing off of bad debts and financing and the making of allowance for bad and doubtful debts and financing and had satisfied themselves that all known bad debts and financing had been written off and that adequate allowance had been made for bad and doubtful debts and financing; and
- (b) to ensure that any current assets which were unlikely to realise their book values in the ordinary course of business had been written down to their estimated realisable values.

At the date of this report, the directors are not aware of any circumstances:

- (a) which would render the amount written off as bad debts and financing, or the amount of allowance for bad and doubtful debts and financing in the financial statements of the Group and of the Company inadequate to any substantial extent; or

- (b) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or
- (c) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or
- (d) not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements of the Group and of the Company misleading.

At the date of this report, there does not exist:

- (a) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liability of any other person; or
- (b) any contingent liability of the Group and of the Company which has arisen since the end of the financial year other than those arising in the ordinary course of business.

No contingent or other liability has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

In the opinion of the directors, no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of operations of the Group and of the Company for the succeeding financial year.

## **DIRECTORS**

The following directors served on the Board of the Company since the date of the last report:

Siau Wui Kee - Chairman  
Datuk Hj Abdillah @ Abdullah B Hassan @ S Hassan  
Dr. Mohamed Fowzi Hassan Bin Mohamed Razi  
Lim Siong Eng - Managing Director  
Kevin K. How  
Datuk Haji Yusoff @ Hunter Bin Mohamed Kasim (appointed on 15.6.2006)

In accordance with Article 83 of the Company's Articles of Association, Mr Lim Siong Eng, the Managing Director of the Company, is not subject to retirement by rotation.

In accordance with Article 93 of the Company's Articles of Association, Mr. Siau Wui Kee and Datuk Haji Yusoff @ Hunter Bin Mohamed Kasim retire by rotation and, being eligible, offer themselves for re-election.

**DIRECTORS' INTERESTS**

None of the directors held shares or had beneficial interest in the shares of the Company or in related companies during the financial year. Under the Company's Articles of Association, the directors are not required to hold any shares in the Company or in related companies.

**DIRECTORS' BENEFITS**

Since the end of the previous financial year, none of the directors of the Company has received or become entitled to receive any benefit (other than the benefit included in the aggregate amount of remunerations received or due and receivable by directors as disclosed in the financial statements or the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

During and at the end of the financial year, no arrangement subsisted to which the Company was a party whereby directors of the Company might acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

**HOLDING ENTITY**

The Company is wholly owned by the Sabah State Government.

**AUDITORS**

The auditors, Messrs. Deloitte KassimChan, have indicated their willingness to continue in office.

Signed on behalf of the Board  
in accordance with a resolution of the Directors,

\_\_\_\_\_  
**SIAU WUI KEE**

\_\_\_\_\_  
**KEVIN K. HOW**

Kota Kinabalu,

**REPORT OF THE AUDITORS TO THE MEMBER OF  
SABAH DEVELOPMENT BANK BERHAD**  
(Incorporated in Malaysia)

We have audited the accompanying balance sheets as of December 31, 2006 and the related statements of income, cash flows and changes in equity for the year then ended. These financial statements are the responsibility of the Company's directors. It is our responsibility to form an independent opinion, based on our audit, on these financial statements and to report our opinion to you, as a body, in accordance with Section 174 of the Companies Act, 1965 and for no other purpose. We do not assume responsibility towards any other person for the content of this report.

We conducted our audit in accordance with approved standards on auditing in Malaysia. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the directors, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion:

- (a) the abovementioned financial statements are properly drawn up in accordance with the provisions of the Companies Act, 1965 and the applicable Malaysian Accounting Standards Board approved accounting standards in Malaysia so as to give a true and fair view of:
  - (i) the state of affairs of the Group and of the Company as of December 31, 2006 and of the results and the cash flows of the Group and of the Company for the year ended on that date; and
  - (ii) the matters required by Section 169 of the Act to be dealt with in the financial statements and consolidated financial statements; and
- (b) the accounting and other records and the registers required by the Act to be kept by the Company and by the subsidiary companies of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.

(Forward)

We have considered the financial statements and auditors' reports of the subsidiary companies of which we have not acted as auditors as mentioned in Note 22 to the Financial Statements, being financial statements that have been included in the consolidated financial statements.

We are satisfied that the financial statements of the subsidiary companies that have been consolidated with the financial statements of the Company are in form and content appropriate and proper for the purposes of the preparation of the consolidated financial statements, and we have received satisfactory information and explanations as required by us for these purposes.

The auditors' reports on the financial statements of the subsidiary companies were not subject to any qualification and did not include any comment made under Sub-section (3) of Section 174 of the Act.

**DELOITTE KASSIMCHAN**  
**AF 0080**  
**Chartered Accountants**

**TEO CHEW HIONG**  
**2451/04/09(J/PH)**  
**Partner**

June 11, 2007

**SABAH DEVELOPMENT BANK BERHAD**  
(Incorporated in Malaysia)  
**AND ITS SUBSIDIARY COMPANIES**

**INCOME STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2006**

	Note	The Group		The Company	
		2006 RM	2005 RM	2006 RM	2005 RM
Interest income	4	70,167,292	58,562,204	93,104,579	73,541,888
Interest expense	5	<u>(53,940,692)</u>	<u>(47,182,252)</u>	<u>(51,800,847)</u>	<u>(46,449,919)</u>
Net interest income		16,226,600	11,379,952	41,303,732	27,091,969
Other operating income	6	105,210,663	139,587,947	53,638,324	116,935,278
Income from Islamic Banking business	45	<u>1,124,625</u>	<u>444,138</u>	<u>1,124,625</u>	<u>444,138</u>
Other operating expenses	7	<u>122,561,888</u> <u>(68,129,414)</u>	<u>151,412,037</u> <u>(61,606,089)</u>	<u>96,066,681</u> <u>(11,270,205)</u>	<u>144,471,385</u> <u>(8,189,923)</u>
Operating profit before allowance for losses		54,432,474	89,805,948	84,796,476	136,281,462
Allowance for losses on loans and financing	9	(2,954,192)	(95,539,824)	(2,954,192)	(95,539,824)
Write-back of allowance/ (Allowance) for diminution in value	10	<u>993,578</u>	<u>(45,453,189)</u>	<u>993,578</u>	<u>(31,453,190)</u>
Operating profit/(loss)		52,471,860	(51,187,065)	82,835,862	9,288,448
Goodwill arising from acquisition of subsidiary company written off	22	(180,572)	-	-	-
Net credits arising from acquisition of subsidiary companies	11	<u>-</u>	<u>113,176,975</u>	<u>-</u>	<u>-</u>
Profit before tax		52,291,288	61,989,910	82,835,862	9,288,448
Income tax expense	12	<u>(15,896,748)</u>	<u>(17,845,772)</u>	<u>(23,913,640)</u>	<u>(3,390,000)</u>
Profit for the year		<u>36,394,540</u>	<u>44,144,138</u>	<u>58,922,222</u>	<u>5,898,448</u>
<b>Attributable to:</b>					
Equity holder of the Company		36,389,084	39,402,138	58,922,222	5,898,448
Minority interests		<u>5,456</u>	<u>4,742,000</u>	<u>-</u>	<u>-</u>
		<u>36,394,540</u>	<u>44,144,138</u>	<u>58,922,222</u>	<u>5,898,448</u>
<b>Earnings per share</b>					
<b>Basic (sen)</b>	13	<u>9.82</u>	<u>10.80</u>		

The accompanying Notes form an integral part of the Financial Statements.

**SABAH DEVELOPMENT BANK BERHAD**  
(Incorporated in Malaysia)  
**AND ITS SUBSIDIARY COMPANIES**

**BALANCE SHEETS**  
**AS OF DECEMBER 31, 2006**

	Note	The Group		The Company	
		2006 RM	2005 RM	2006 RM	2005 RM
<b>ASSETS</b>					
Cash and short-term funds	14	15,722,929	80,262,885	11,524,837	78,367,001
Securities purchased under resale agreements		82,650,000	2,800,000	82,650,000	2,800,000
Deposits and placements with financial institutions	15	16,473,778	67,810,911	12,200,000	52,352,782
Securities held-for-trading	16	19,247,264	17,190,079	19,247,264	17,190,079
Securities available-for-sale	17	7,976,152	7,226,293	7,976,152	7,226,293
Securities held-to-maturity	18	85,131,536	84,719,188	85,131,536	84,719,188
Loans, advances and financing	19	931,627,275	717,226,988	1,248,323,003	996,172,089
Other assets	20	451,161,219	364,596,377	204,568,134	159,515,033
Non-current asset held for sale	21	50,997,799	-	50,997,799	-
Investment in subsidiary companies	22	-	-	2,570,002	10,002
Investment in associated company	23	1	1	1	1
Project expenditure	24	160,265,599	187,513,088	-	-
Property, plant and equipment	25	21,225,013	63,451,866	5,277,852	56,310,911
Amount due from associated company	27	-	-	-	-
Deferred tax assets	28	83,959,000	107,930,000	36,919,000	60,890,000
<b>Total Assets</b>		<u>1,926,437,565</u>	<u>1,700,727,676</u>	<u>1,767,385,580</u>	<u>1,515,553,379</u>

(Forward)

	Note	The Group		The Company	
		2006 RM	2005 RM	2006 RM	2005 RM
<b>EQUITY AND LIABILITIES</b>					
<b>Liabilities</b>					
Deposits from customers	29	560,191,013	539,983,503	560,191,013	539,983,503
Long-term borrowings	30	600,000,000	100,000,000	600,000,000	100,000,000
Short-term borrowings - unsecured	31	200,000,000	545,000,000	200,000,000	545,000,000
Hire-purchase and finance lease payables	32	104,111	240,770	-	-
Other liabilities	33	153,272,562	161,237,848	59,366,784	74,601,063
Provisions	34	10,676,389	12,332,569	2,669,317	2,332,569
Deferred tax liabilities	35	45,466,095	54,220,131	-	-
<b>Total Liabilities</b>		<u>1,569,710,170</u>	<u>1,413,014,821</u>	<u>1,422,227,114</u>	<u>1,261,917,135</u>
<b>Capital and Reserves</b>					
Issued capital	36	430,000,000	365,000,000	430,000,000	365,000,000
Reserves	37	(73,298,061)	(77,287,145)	(84,841,534)	(111,363,756)
<b>Equity attributable to equity holder of the Company</b>		<u>356,701,939</u>	<u>287,712,855</u>	<u>345,158,466</u>	<u>253,636,244</u>
Minority interests		25,456	-	-	-
<b>Total Equity</b>		<u>356,727,395</u>	<u>287,712,855</u>	<u>345,158,466</u>	<u>253,636,244</u>
<b>Total Equity and Liabilities</b>		<u><u>1,926,437,565</u></u>	<u><u>1,700,727,676</u></u>	<u><u>1,767,385,580</u></u>	<u><u>1,515,553,379</u></u>

The accompanying Notes form an integral part of the Financial Statements.

**SABAH DEVELOPMENT BANK BERHAD**  
(Incorporated in Malaysia)  
**AND ITS SUBSIDIARY COMPANIES**

**STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED DECEMBER 31, 2006**

The Group	Note	← Attributable to Equity Holder of the Company →				Total RM	Minority Interests RM	Total RM
		Issued Capital RM	Non-distributable Reserve - Capital Redemption Reserve RM	Distributable Reserve - General Reserve RM	Accumulated Losses RM			
<b>Balance as of January 1, 2005</b>		365,000,000	50,000,000	93,230,000	(194,919,283)	313,310,717	-	313,310,717
Total recognised income and expense:								
Profit for the year		-	-	-	39,402,138	39,402,138	4,742,000	44,144,138
Minority interests in the disposal of shares in a subsidiary company		-	-	-	-	-	(4,742,000)	(4,742,000)
Dividend	38	-	-	-	(65,000,000)	(65,000,000)	-	(65,000,000)
<b>Balance as of December 31, 2005</b>		<b>365,000,000</b>	<b>50,000,000</b>	<b>93,230,000</b>	<b>(220,517,145)</b>	<b>287,712,855</b>	<b>-</b>	<b>287,712,855</b>

(Forward)

The Group	Note	← Attributable to Equity Holder of the Company →					Minority Interests RM	Total RM
		Issued Capital RM	Non-distributable Reserve - Capital Redemption Reserve RM	Distributable Reserve - General Reserve RM	Accumulated Losses RM	Total RM		
<b>Balance as of January 1, 2006</b>		365,000,000	50,000,000	93,230,000	(220,517,145)	287,712,855	-	287,712,855
Total recognised income and expense:								
Profit for the year		-	-		36,389,084	36,389,084	5,456	36,394,540
Issue of shares	36	65,000,000	-	-	-	65,000,000	-	65,000,000
Minority shareholders' subscription of shares in a subsidiary company		-	-	-	-	-	20,000	20,000
Dividend	38				(32,400,000)	(32,400,000)	-	(32,400,000)
<b>Balance as of December 31, 2006</b>		<u>430,000,000</u>	<u>50,000,000</u>	<u>93,230,000</u>	<u>(216,528,061)</u>	<u>356,701,939</u>	<u>25,456</u>	<u>356,727,395</u>

(Forward)



**SABAH DEVELOPMENT BANK BERHAD**  
(Incorporated in Malaysia)  
**AND ITS SUBSIDIARY COMPANIES**

**CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED DECEMBER 31, 2006**

	<b>The Group</b>	
	<b>2006</b>	<b>2005</b>
	<b>RM</b>	<b>RM</b>
<b>CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES</b>		
Profit for the year	36,394,540	44,144,138
Adjustments for:		
Amortisation of project expenditure	27,247,489	27,258,090
Tax expense recognised in profit or loss	20,410,519	17,845,772
Allowance for bad and doubtful debts and financing	18,541,696	96,807,278
Provisions for:		
Rectification works	2,630,000	3,000,000
Structural repair	2,400,000	-
Retirement gratuities - net of write-back	355,140	218,643
Foreseeable losses	-	3,000,000
Allowance for diminution in value of:		
Securities held-for-trading	2,073,612	16,407,706
Securities available-for-sale	-	1,797,118
Securities held-to-maturity	-	13,248,366
Depreciation of property, plant and equipment	1,379,712	594,921
Goodwill arising from acquisition of subsidiary company written off	180,572	-
Property, plant and equipment written off	1,816	1,815
Bad debts written off	-	41,378
Bad debts and financing written off	-	2,039
Write-down of investment property	-	14,000,000
Net credits arising from acquisition of subsidiary companies	-	(113,176,975)
Write-back of allowance for bad and doubtful debts and financing:		
Loan, advances and financing	(15,486,542)	(1,229,599)
Islamic banking business	(135,932)	(4,420)
Write-back of allowance for diminution in value of:		
Securities held-for-trading	(2,304,031)	-
Securities available-for-sale	(763,159)	-
Gross dividends from securities held-for-trading	(335,400)	(350,366)
Gain on disposal of:		
Property, plant and equipment	(146,401)	(48,036)
Properties held for resale	(78,100)	(228,723)
Bad debts and financing recovered	(100,962)	(39,894)
Gain arising from sale/redemption of:		
Securities held-for-trading	(18,076)	(37,721)
Securities available-for-sale	(57,600)	(2,995,000)
	92,188,893	120,256,530

(Forward)

	<b>The Group</b>	
	<b>2006</b>	<b>2005</b>
	<b>RM</b>	<b>RM</b>
Movements in Working Capital		
(Increase)/Decrease in:		
Securities purchased under resale agreements	(79,850,000)	3,070,000
Deposits and placements with financial institutions - restricted	232,923	(1,415,866)
Securities held-for-trading	(587,145)	(3,918,766)
Loans, advances and financing	(217,218,547)	(11,068,625)
Other assets	(76,231,655)	(30,641,111)
Increase/(Decrease) in:		
Deposits from customers	20,207,510	25,947,459
Short-term borrowings	(345,000,000)	150,000,000
Other liabilities	21,289,817	(90,245,343)
Provisions	(7,022,928)	-
Cash Generated From/(Used In) Operations	(591,991,132)	161,984,278
Income tax paid	(12,948,216)	(7,114,738)
Retirement gratuities paid	(18,392)	(37,279)
Income tax refunded	57,360	-
Net Cash From/(Used In) Operating Activities	<u>(604,900,380)</u>	<u>154,832,261</u>
<b>CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES</b>		
Proceeds from redemption of securities held-to-maturity	1,514,411	4,242,429
Proceeds from disposal of:		
Properties held for resale	660,000	490,000
Property, plant and equipment	147,989	49,087
Proceeds from sale of securities:		
Held-for-trading	18,076	37,721
Available-for-sale	137,600	-
Held-to-maturity	-	1,995,000
Dividends received from securities held-for-trading	272,505	294,356
Net cash received from acquisition of subsidiary company (Note 22)	50,481	-
Proceeds from disposal of subsidiary company	20,000	-
Project expenditure arising from business combination fair value adjustment	-	30,000,000
Additions to property, plant and equipment*	(10,144,589)	(2,300,180)
Purchase of securities held-to-maturity	(3,233,080)	(806,298)
Franchise fee paid	(50,520)	-
Acquisition of subsidiary companies (Note 22)	-	(57,940,773)
Net Cash Used In Investing Activities	<u>(10,607,127)</u>	<u>(23,938,658)</u>

(Forward)

	<b>Note</b>	<b>The Group</b>	
		<b>2006 RM</b>	<b>2005 RM</b>
<b>CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES</b>			
Proceeds from/(Repayment of) long-term borrowings		500,000,000	(170,000,000)
Issue of shares		65,000,000	-
Dividend paid		(65,000,000)	-
Repayment of hire-purchase and finance lease payables		(125,133)	(117,286)
Leasing and hire-purchase interest paid		<u>(11,526)</u>	<u>(19,731)</u>
Net Cash From/(Used In) Financing Activities		<u>499,863,341</u>	<u>(170,137,017)</u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>		(115,644,166)	(39,243,414)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>		<u>146,657,930</u>	<u>185,901,344</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	40	<u>31,013,764</u>	<u>146,657,930</u>

\*Additions to property, plant and equipment consist of the following:

	<b>The Group</b>	
	<b>2006 RM</b>	<b>2005 RM</b>
Payment by cash	10,144,589	2,300,180
Hire-purchase/finance lease	<u>-</u>	<u>85,000</u>
	<u>10,144,589</u>	<u>2,385,180</u>

The accompanying Notes form an integral part of the Financial Statements.

**SABAH DEVELOPMENT BANK BERHAD**  
(Incorporated in Malaysia)  
**AND ITS SUBSIDIARY COMPANIES**

**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED DECEMBER 31, 2006**

	<b>The Company</b>	
	<b>2006</b>	<b>2005</b>
	<b>RM</b>	<b>RM</b>
<b>CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES</b>		
Profit for the year	58,922,222	5,898,448
Adjustments for:		
Tax expense recognised in profit or loss	23,913,640	3,390,000
Allowance for bad and doubtful debts and financing	18,541,696	96,807,278
Allowance for diminution in value of:		
Securities held-for-trading	2,073,612	16,407,706
Securities available-for-sale	-	1,797,118
Securities held-to-maturity	-	13,248,366
Depreciation of property, plant and equipment	919,423	232,226
Provision for retirement gratuities - net of write-back	355,140	218,643
Bad debts and financing written off	-	2,039
Gross dividend from:		
Subsidiary company	(45,000,000)	(108,000,000)
Securities held-for-trading	(335,400)	(350,366)
Write-back of allowance for bad and doubtful debts and financing:		
Loan, advances and financing	(15,486,542)	(1,229,599)
Islamic banking business	(135,932)	(4,420)
Write-back of allowance for diminution in value of:		
Securities held-for-trading	(2,304,031)	-
Securities available-for-sale	(763,159)	-
Bad debts and financing recovered	(100,962)	(39,894)
Gain on disposal of property, plant and equipment	(87,774)	(47,337)
Gain arising from sale/redemption of securities:		
Held-for-trading	(18,076)	(37,721)
Available-for-sale	(57,600)	(2,995,000)
	40,436,257	25,297,487
<b>Movements In Working Capital</b>		
(Increase)/Decrease in:		
Securities purchased under resale agreements	(79,850,000)	3,070,000
Securities held-for-trading	(587,145)	(3,918,766)
Loans, advances and financing	(254,969,174)	(159,395,779)
Other assets	9,794	(1,294)

(Forward)

