

SABAH DEVELOPMENT BANK BERHAD

(Incorporated in Malaysia)

STATEMENT BY DIRECTORS

The directors of **SABAH DEVELOPMENT BANK BERHAD** state that, in their opinion, the accompanying balance sheets and the related statements of income, cash flows and changes in equity are drawn up in accordance with the provisions of the Companies Act, 1965 and the applicable MASB approved accounting standards in Malaysia so as to give a true and fair view of the state of affairs of the Group and of the Company as of December 31, 2008 and of the results of their businesses and the cash flows of the Group and of the Company for the year ended on that date.

Signed in accordance with a resolution of the Directors,

SIAU WUI KEE

KEVIN K. HOW

Kota Kinabalu,

**DECLARATION BY THE DIRECTOR PRIMARILY RESPONSIBLE FOR
THE FINANCIAL MANAGEMENT OF THE COMPANY**

I, **DATUK LIM SIONG ENG**, the director primarily responsible for the financial management of **SABAH DEVELOPMENT BANK BERHAD**, do solemnly and sincerely declare that the accompanying balance sheets and the related statements of income, cash flows and changes in equity are, in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

DATUK LIM SIONG ENG

Subscribed and solemnly declared by the
abovenamed **DATUK LIM SIONG ENG** at
KOTA KINABALU in the State of **SABAH**
this day of , 2009.

Before me,

COMMISSIONER FOR OATHS

SABAH DEVELOPMENT BANK BERHAD

(Incorporated in Malaysia)

**SCHEDULE OF OVERHEAD EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2008**

	The Company	
	2008	2007
	RM	RM
Salaries, allowances and bonus	4,766,689	4,493,443
Loss arising from sale of securities held-for-trading	1,914,159	188,590
Directors' remunerations	1,324,460	1,211,957
Staff benefits	1,234,836	1,010,357
Depreciation and amortisation expenses:		
Depreciation of property, plant and equipment	1,058,177	1,045,020
Amortisation of prepaid lease payments	26,039	26,039
Legal and professional fees	809,058	620,797
Commitment fees and other charges	644,976	929,311
Rental of premises payable to:		
Sabah State Government	452,768	452,768
Others	14,570	14,620
Staff training	329,253	222,707
Provision for retirement gratuities - net of write-back	324,611	320,629
Insurance	300,065	248,737
Repairs and maintenance	157,365	158,130
Motor vehicle expenses	140,064	135,904
Travelling and accommodation	127,416	64,005
Directors' expenses	115,521	84,590
Management fee	104,924	75,800
Realised loss on foreign exchange	98,679	69,121
Stationery and supplies	85,505	79,249
Advertisement	82,350	16,396
Telephone, facsimile and postage	80,039	79,064
Membership dues	79,943	58,666
Business development and public relations	61,200	71,417
Audit fee	55,000	55,000
Computer systems development	52,324	14,440
Quit rent	39,706	39,706
Utilities	38,738	39,587
Bank charges	25,243	24,763
Newspapers and periodicals	12,044	12,177
Donations	3,544	3,135
Loss on disposal of property, plant and equipment	7	60
Miscellaneous	49,686	41,610
	<u>14,608,959</u>	<u>11,907,795</u>
Total	<u>14,608,959</u>	<u>11,907,795</u>

This statement has been included for management use only and does not form part of the audited statutory financial statements of the Company.

Company No. 34638-W

SABAH DEVELOPMENT BANK BERHAD
(Company No. 34638-W)
(Incorporated in Malaysia)
AND ITS SUBSIDIARY COMPANIES

FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008
(In Ringgit Malaysia)

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

FINANCIAL STATEMENTS

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