

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

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, 2009.

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:

	The Group RM	The Company RM
Profit before tax	116,519,986	64,860,446
Income tax expense	<u>(32,856,965)</u>	<u>(7,050,900)</u>
Profit for the year	<u>83,663,021</u>	<u>57,809,546</u>
Attributable to:		
Equity holder of the Company	83,679,500	57,809,546
Minority interests	<u>(16,479)</u>	<u>-</u>
	<u>83,663,021</u>	<u>57,809,546</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.

DIVIDENDS

No dividend has been paid or declared by the Company since the end of the previous financial year. The directors also do not recommend the payment of any 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

The Company has not issued any new shares or 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 Lim Siong Eng - Managing Director

Dr Mohd Fowzi Mohd Razi

Kevin K. How

Datuk Hj Abdillah @ Abdullah B Hassan @ S Hassan

Datuk Haji Yusoff @ Hunter Bin Mohamed Kasim

Datuk Pengiran Hassanel Bin Pg Mohd Tahir (appointed on 15.3.2010)

In accordance with Article 83 of the Company's Articles of Association, Datuk 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, Dr. Mohd Fowzi Mohd Razi and Mr. Kevin K. How retire by rotation and, being eligible, offer themselves for re-election.

Datuk Pengiran Hassanel Bin Pg Mohd Tahir who was appointed to the Board since the last Annual General Meeting, retires under Article 93 of the Company's Articles of Association and, being eligible, offers himself 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.

Company No. 34638-W

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,

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

Report on the Financial Statements

We have audited the financial statements of Sabah Development Bank Berhad, which comprise the balance sheets of the Group and of the Company as of December 31, 2009, and the income statements, statements of changes in equity and cash flow statements of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 7 to 82.

Directors' Responsibility for the Financial Statements

The directors of the Company are responsible for the preparation and fair presentation of these financial statements in accordance with the Financial Reporting Standards and the Companies Act, 1965 in Malaysia. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit and to report our opinion to you, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility towards any other person for the contents of this report.

We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence that we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with the Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of December 31, 2009 and of their financial performance and cash flows for the year then ended.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report that:

- (a) in our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiary companies have been properly kept in accordance with the provisions of the Act;
- (b) we have considered the accounts 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 accounts that have been included in the financial statements of the Group;
- (c) we are satisfied that the accounts 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 financial statements of the Group, and we have received satisfactory information and explanations as required by us for these purposes; and
- (d) the auditors' reports on the accounts 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
Partner - 2451/04/11(J/PH)
Chartered Accountant

June 7, 2010

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

INCOME STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009

	Note	The Group		The Company	
		2009 RM	2008 RM	2009 RM	2008 RM
Interest income	4	133,092,766	109,527,449	134,665,318	138,295,668
Interest expense	5	<u>(76,508,427)</u>	<u>(79,999,829)</u>	<u>(74,920,030)</u>	<u>(79,743,863)</u>
Net interest income		56,584,339	29,527,620	59,745,288	58,551,805
Other operating income	6	100,126,613	111,654,753	52,378,705	32,620,611
Income from Islamic Banking business	44	<u>481,368</u>	<u>678,876</u>	<u>481,368</u>	<u>678,876</u>
Other operating expenses	7	<u>157,192,320</u> <u>(53,835,088)</u>	<u>141,861,249</u> <u>(68,714,517)</u>	<u>112,605,361</u> <u>(13,907,669)</u>	<u>91,851,292</u> <u>(14,608,959)</u>
Operating profit before allowance for losses		103,357,232	73,146,732	98,697,692	77,242,333
Allowance for losses on loans and financing	9	(37,968,419)	(5,336,960)	(37,968,419)	(5,336,960)
Write-back of allowance/ (Allowance) for diminution in value	10	<u>4,131,173</u>	<u>(5,810,602)</u>	<u>4,131,173</u>	<u>(5,810,602)</u>
Operating profit		69,519,986	61,999,170	64,860,446	66,094,771
Trade receivable recovered	19	47,000,000	-	-	-
Net credit arising from acquisition of an indirect subsidiary company	22	<u>-</u>	<u>114,268</u>	<u>-</u>	<u>-</u>
Profit before tax		116,519,986	62,113,438	64,860,446	66,094,771
Income tax expense	11	<u>(32,856,965)</u>	<u>(20,101,380)</u>	<u>(7,050,900)</u>	<u>(14,076,290)</u>
Profit for the year		<u>83,663,021</u>	<u>42,012,058</u>	<u>57,809,546</u>	<u>52,018,481</u>
Attributable to:					
Equity holder of the Company		83,679,500	42,011,931	57,809,546	52,018,481
Minority interests		<u>(16,479)</u>	<u>127</u>	<u>-</u>	<u>-</u>
		<u>83,663,021</u>	<u>42,012,058</u>	<u>57,809,546</u>	<u>52,018,481</u>
Earnings per share					
Basic (sen)	12	<u>19.46</u>	<u>9.77</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, 2009

	Note	The Group		The Company	
		2009 RM	2008 RM	2009 RM	2008 RM
ASSETS					
Cash and short-term funds	13	830,166,147	38,694,559	821,450,214	31,796,411
Deposits and placements with financial institutions	14	16,776,712	22,563,521	3,002,885	3,436,608
Securities held-for-trading	15	26,728,382	17,475,780	26,728,382	17,475,780
Securities available-for-sale	16	975,448	1,217,994	975,448	1,217,994
Securities held-to-maturity	17	67,235,641	76,500,306	67,235,641	76,500,306
Loans, advances and financing	18	1,624,706,006	1,399,973,992	2,072,577,960	1,849,125,270
Other assets	19	532,488,805	423,697,883	389,700,946	358,907,440
Non-current asset held for sale	20	50,997,799	50,997,799	50,997,799	50,997,799
Prepaid lease payments	21	8,517,084	8,634,333	1,971,560	1,997,599
Investment in subsidiary companies	22	-	-	3,820,002	3,220,002
Investment in associated company	23	1	1	1	1
Project expenditure	24	102,450,260	106,829,599	-	-
Property, plant and equipment	25	54,736,365	56,107,136	455,164	1,349,613
Amount due from associated company	27	-	-	-	-
Deferred tax assets	28	55,669,728	77,825,000	25,419,728	30,785,000
Total Assets		<u>3,371,448,378</u>	<u>2,280,517,903</u>	<u>3,464,335,730</u>	<u>2,426,809,823</u>

(Forward)

	Note	The Group		The Company	
		2009 RM	2008 RM	2009 RM	2008 RM
EQUITY AND LIABILITIES					
Liabilities					
Deposits from customers	29	1,335,025,006	653,071,823	1,335,877,839	653,071,823
Long-term borrowings	30	615,000,000	760,000,000	615,000,000	760,000,000
Short-term borrowings	31	857,000,000	403,717,295	857,000,000	375,000,000
Hire-purchase and finance lease payables	32	12,740	31,087	-	-
Other liabilities	33	98,446,776	78,537,729	100,781,951	141,418,262
Provisions	34	4,677,274	4,252,118	3,801,982	3,255,326
Deferred tax liabilities	35	30,602,469	33,886,759	-	-
Total Liabilities		<u>2,940,764,265</u>	<u>1,933,496,811</u>	<u>2,912,461,772</u>	<u>1,932,745,411</u>
Capital and Reserves					
Issued capital	36	430,000,000	430,000,000	430,000,000	430,000,000
Reserves	37	659,774	(83,019,726)	121,873,958	64,064,412
Equity attributable to equity holder of the Company		<u>430,659,774</u>	<u>346,980,274</u>	<u>551,873,958</u>	<u>494,064,412</u>
Minority interests		24,339	40,818	-	-
Total Equity		<u>430,684,113</u>	<u>347,021,092</u>	<u>551,873,958</u>	<u>494,064,412</u>
Total Equity and Liabilities		<u>3,371,448,378</u>	<u>2,280,517,903</u>	<u>3,464,335,730</u>	<u>2,426,809,823</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, 2009

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	General Reserve RM	Distributable Reserve Retained Earnings/ (Accumulated Losses) RM			
Balance as of January 1, 2008		430,000,000	50,000,000	93,230,000	(268,261,657)	304,968,343	40,691	305,009,034
Total recognised income and expense:								
Profit for the year		-	-	-	42,011,931	42,011,931	127	42,012,058
Balance as of December 31, 2008		430,000,000	50,000,000	93,230,000	(226,249,726)	346,980,274	40,818	347,021,092
Balance as of January 1, 2009		430,000,000	50,000,000	93,230,000	(226,249,726)	346,980,274	40,818	347,021,092
Total recognised income and expense:								
Profit for the year		-	-	-	83,679,500	83,679,500	(16,479)	83,663,021
Transfer to retained earnings	37	-	(50,000,000)	(93,230,000)	143,230,000	-	-	-
Balance as of December 31, 2009		430,000,000	-	-	659,774	430,659,774	24,339	430,684,113

(Forward)

The Company	Note	← Attributable to Equity Holder of the Company →				Total RM
		Issued Capital RM	Non-distributable Reserve - Capital Redemption Reserve RM	General Reserve RM	Distributable Reserve Retained Earnings/ (Accumulated Losses) RM	
Balance as of January 1, 2008		430,000,000	50,000,000	93,230,000	(131,184,069)	442,045,931
Total recognised income and expense:						
Profit for the year		-	-	-	52,018,481	52,018,481
Balance as of December 31, 2008		430,000,000	50,000,000	93,230,000	(79,165,588)	494,064,412
Balance as of January 1, 2009		430,000,000	50,000,000	93,230,000	(79,165,588)	494,064,412
Total recognised income and expense:						
Profit for the year		-	-	-	57,809,546	57,809,546
Transfer to retained earnings	37	-	(50,000,000)	(93,230,000)	143,230,000	-
Balance as of December 31, 2009		430,000,000	-	-	121,873,958	551,873,958

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

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

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2009

	The Group	
	2009	2008
	RM	RM
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES		
Profit for the year	83,663,021	42,012,058
Adjustments for:		
Allowance for losses on loans and financing	41,722,687	6,508,615
Tax expense recognised in profit or loss	32,856,965	20,101,380
Amortisation of project expenditure	4,454,359	26,718,000
Depreciation and amortisation expenses:		
Depreciation of property, plant and equipment	2,008,772	3,093,331
Amortisation of prepaid lease payments	117,249	98,952
Loss arising from sale/redemption of:		
Securities held-for-trading	977,005	1,914,159
Securities held-to-maturity	212,262	-
Provisions for retirement gratuities - net of write-back	653,242	324,611
Allowance for diminution in value of:		
Securities available-for-sale	242,546	-
Securities held-for-trading	-	5,810,602
Allowance for doubtful debts	53,427	-
Impairment of franchise fee	50,520	-
Bad debts written off	3,442	-
Loss on disposal of property, plant and equipment	6	7
Provision for capital work-in-progress reversed	-	404,060
Property, plant and equipment written off/expensed off	-	2,833
Write-back of allowance for diminution in value of securities held-for-trading	(4,373,719)	-
Gain arising from sale/redemption of:		
Securities held-for-trading	(1,316,469)	(595,811)
Securities held-to-maturity	-	(116,024)
Write-back of allowance for losses on loans and financing:		
Loan, advances and financing	(3,749,308)	(1,166,677)
Islamic banking business	(12,435)	(13,294)
Gross dividends from securities held-for-trading	(871,445)	(884,223)
Bad debts recovered	(4,960)	(4,978)
Gain on disposal of property, plant and equipment	(2,445)	(2,883)
Final distribution arising from liquidation of venture capital company	-	(114,609)
Net credit arising from acquisition of an indirect subsidiary company	-	(114,268)
	156,684,722	103,975,841

(Forward)

	The Group	
	2009	2008
	RM	RM
Movements In Working Capital		
(Increase)/Decrease in:		
Deposits and placements with financial institutions - restricted	(7,758)	(10,879)
Loans, advances and financing	(262,691,440)	(271,789,183)
Other assets	(122,746,042)	49,888,039
Increase/(Decrease) in:		
Deposits from customers	681,953,183	67,242,565
Other liabilities	19,909,047	(106,263,784)
Provisions	(121,500)	(253,865)
	<u>472,980,212</u>	<u>(157,211,266)</u>
Cash Generated From/(Used In) Operations		
Income tax paid	(22,990,525)	(11,141,206)
Retirement gratuities paid	(106,586)	(10,144)
Income tax refunded	22,870,700	1,534,812
	<u>472,753,801</u>	<u>(166,827,804)</u>
Net Cash From/(Used In) Operating Activities		
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES		
Proceeds from redemption of securities held-to-maturity	9,676,965	21,007,396
Proceeds from sale of securities:		
Held-for-trading	11,452,986	2,409,202
Available-for-sale	-	333,331
Dividends received from securities held-for-trading	856,460	884,223
Proceeds from disposal of property, plant and equipment	3,290	2,951
Net cash outflow from acquisition of an indirect subsidiary company (Note 22)	-	(6,041,101)
Purchase of securities:		
Held-for-trading	(15,992,405)	(2,488,846)
Held-to-maturity	(624,562)	(711,078)
Additions to property, plant and equipment	(638,852)	(429,753)
Additions to project expenditure	(75,020)	-
	<u>4,658,862</u>	<u>14,966,325</u>
Net Cash From Investing Activities		

(Forward)

	Note	The Group	
		2009	2008
		RM	RM
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES			
Proceeds from:			
Short-term borrowings		642,000,000	39,824,889
Long-term borrowings		-	100,000,000
Repayment of:			
Short-term borrowings		(185,513,466)	-
Long-term borrowings		(145,000,000)	-
Hire-purchase and finance lease payables		(18,347)	(17,344)
		<u>311,468,187</u>	<u>139,807,545</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS			
		788,880,850	(12,053,934)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR			
		<u>56,851,029</u>	<u>68,904,963</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR			
	40	<u>845,731,879</u>	<u>56,851,029</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, 2009

	The Company	
	2009	2008
	RM	RM
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES		
Profit for the year	57,809,546	52,018,481
Adjustments for:		
Allowance for losses on loans and financing	41,722,687	6,508,615
Tax expense recognised in profit or loss	7,050,900	14,076,290
Depreciation and amortisation expenses:		
Property, plant and equipment	966,910	1,058,177
Prepaid lease payments	26,039	26,039
Loss arising from sale/redemption of:		
Securities held-for-trading	977,005	1,914,159
Securities held-to-maturity	212,262	-
Provision for retirement gratuities - net of write-back	653,242	324,611
Allowance for diminution in value of:		
Securities available-for-sale	242,546	-
Securities held-for-trading	-	5,810,602
Bad debts written off	3,442	-
Loss on disposal of property, plant and equipment	6	7
Tax-exempt dividend from subsidiary company	(40,000,000)	(22,000,000)
Write-back of allowance for diminution in value of securities held-for-trading	(4,373,719)	-
Gain arising from sale/redemption of securities:		
Held-for-trading	(1,316,469)	(595,811)
Held-to-maturity	-	(116,024)
Write-back of allowance for losses on loans and financing:		
Loan, advances and financing	(3,749,308)	(1,166,677)
Islamic banking business	(12,435)	(13,294)
Gross dividend from securities held-for-trading	(871,445)	(884,223)
Bad debts recovered	(4,960)	(4,978)
Gain on disposal of property, plant and equipment	(1,711)	(2,883)
Final distribution arising from liquidation of venture capital company	-	(114,609)
	59,334,538	56,838,482
Movements In Working Capital		
Increase in:		
Loans, advances and financing	(261,412,116)	(301,318,434)
Other assets	(2,453,973)	12,311,790

(Forward)

	Note	The Company	
		2009 RM	2008 RM
Increase/(Decrease) in:			
Deposits from customers		682,806,016	67,242,565
Other liabilities		(40,636,311)	(31,963,871)
Cash Generated From/(Used In) Operations		437,638,154	(196,889,468)
Retirement gratuities paid		(106,586)	(10,144)
Income tax paid		(9,000,000)	-
Income tax refunded		18,989,824	38,145
Net Cash From/(Used In) Operating Activities		447,521,392	(196,861,467)
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES			
Proceeds from redemption of securities held-to-maturity		9,676,965	21,007,396
Proceeds from sale of:			
Securities held-for-trading		11,452,986	2,409,200
Securities available-for-sale		-	333,332
Dividends received from securities held-for-trading		856,460	884,223
Proceeds from disposal of property, plant and equipment		1,790	2,951
Purchase of:			
Securities held-for-trading		(15,992,405)	(2,488,846)
Securities held-to-maturity		(624,562)	(711,078)
Increase in investment in subsidiary company		(600,000)	(300,000)
Additions to property, plant and equipment		(72,546)	(121,195)
Net Cash From Investing Activities		4,698,688	21,015,983
CASH FLOWS FROM FINANCING ACTIVITY			
Proceeds from:			
Short-term borrowings		540,000,000	54,000,000
Long-term borrowings		-	100,000,000
Repayment of:			
Long-term borrowings		(145,000,000)	-
Short-term borrowings		(58,000,000)	-
Net Cash From Financing Activity		337,000,000	154,000,000
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		789,220,080	(21,845,484)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		35,233,019	57,078,503
CASH AND CASH EQUIVALENTS AT END OF YEAR	40	824,453,099	35,233,019

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