

## Auditors Report



We have audited the accompanying balance sheet of Dashen Bank Share Company at 30 June 2008, the related profit and loss account and the statement of cash flows for the year then ended. These financial statements which have been prepared under the historical cost convention are the responsibility of the Directors of the Bank. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those 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 statement presentation.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud, irregularity or error. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the balance sheet at 30 June 2008, the related profit and loss account and the statement of cash flows for the year then ended read in conjunction with the notes forming part thereof, exhibit a true and fair statement of the affairs of Dashen Bank S.C., the results of its operations and its cash flows in conformity with generally accepted accounting principles consistently applied.

We have no comment to make on the report of your directors so far as it relates to these financial statements and pursuant to Article 375 of the 1960 Commercial Code of Ethiopia, recommend approval of the above-mentioned financial statements.

A.W. Thomas & Co.  
Chartered Certified Accountants  
(Auditors of the Dashen Bank S.C.)

Addis Ababa  
28 August 2008

## Balance Sheet

As At 30 JUNE 2008

	Notes		2007
<b>Assets</b>			
Cash and balances with other banks			
Cash on hand	3	268,239,923	150,166,259
Deposits with local commercial banks		45,708,057	13,080,857
Deposits with foreign banks		828,826,460	646,460,130
Deposit with National Bank of Ethiopia	4	<u>1,772,733,544</u>	<u>861,184,640</u>
		2,915,507,984	1,670,891,886
Investments	5	28,385,795	28,385,795
Items in course of collection from other banks	6	274,573,670	234,986,600
Loans and advances to customers	7	4,291,704,476	3,889,003,611
Other assets	8	235,823,833	120,366,856
Fixed assets	9	<u>93,848,772</u>	<u>97,279,472</u>
<b>TOTAL ASSETS</b>		<u>7,839,844,530</u>	<u>6,040,914,220</u>

## LIABILITIES

Customers' deposits			
Demand deposits		1,616,812,548	1,360,926,459
Saving deposits		3,841,932,645	2,842,853,597
Fixed deposits		<u>692,776,352</u>	<u>656,767,450</u>
		6,151,521,545	4,860,547,506
Margin held on letters of credit		153,347,720	145,500,202
Other liabilities	10	710,849,267	419,230,188
Provision for taxation	14	<u>93,516,341</u>	<u>71,164,202</u>
<b>TOTAL LIABILITIES</b>		<b><u>7,109,234,873</u></b>	<b><u>5,496,442,098</u></b>
<b>SHAREHOLDERS' FUNDS</b>			
Share capital	11	453,993,000	282,210,000
Legal reserve		196,737,990	136,973,606
General reserve	16	-	64,717,354
Retained earnings	17	<u>79,878,667</u>	<u>60,571,162</u>
		<u>730,609,657</u>	<u>544,472,122</u>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS</b>		<b><u>7,839,844,530</u></b>	<b><u>6,040,914,220</u></b>

## Income Statement

Income	Notes		2007
<b>Interest income</b>			
Loans and advances		403,530,085	299,345,467
Foreign deposits		<u>16,544,662</u>	<u>18,699,199</u>
Total interest income			420,074,747
<b>Interest expense</b>			
Interest paid on deposits			<u>(162,148,506)</u>
			257,926,241
Less: Provision for doubtful loans and advances			<u>(18,248,030)</u>
			239,678,211
<b>Other income</b>			
Service income	12	30,301,885	24,988,268
Letters of credit opening charges		12,524,910	9,848,581
Commissions		44,026,969	32,804,602
Gains on foreign exchange		147,838,133	85,363,666
Investment income	13	2,979,157	3,423,712
Sundry income	14	<u>12,082,357</u>	<u>10,280,175</u>
			249,753,411
<b>EXPENSES</b>			
Salaries and benefits		72,533,093	51,802,159
Rent		20,199,921	17,525,028
General and administrative	15	44,616,595	39,267,852
Depreciation		18,657,282	15,841,137
Directors' remuneration		707,876	698,769
Audit fee and expenses		<u>146,500</u>	<u>110,000</u>
			<u>(156,861,267)</u>
			<u>(125,244,945)</u>

**PROFIT BEFORE PROVISION****FOR TAXATION**

Provision for taxation	16	332,570,355 <u>(93,515,285)</u>	259,147,659 <u>(71,159,443)</u>
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**NET PROFIT AFTER PROVISION****FOR TAXATION**

Transfer to legal reserve (25%)		<u>(59,763,768)</u>	<u>(46,997,054)</u>
Transfer to retained earnings		<u>179,291,302</u>	<u>(140,991,162)</u>

<b>Earnings per share</b>	<b>15</b>	<b>846</b>	<b>1,001</b>
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**Cash Flow Statement****For The Year Ended 30 June 2008****Notes****2007****Cash flows from operating activities**

Operating profit before provision for taxation		332,570,355	259,147,659
Adjustments for:			
Depreciation		18,657,282	15,841,137
Loss on disposal of fixed assets		121,213	247,687
Gain on disposal of fixed assets		(789,110)	(221,482)
Interest income from foreign deposits		<u>(16,544,662)</u>	<u>(18,699,199)</u>
Investment income		(2,979,157)	(3,423,712)
Prior year adjustment		<u>3,521</u>	<u>15,863</u>
		331,039,442	252,907,953
(Increase) in items in course of collection		26,491,252	(94,218,188)
(Increase) in other assets		(121,927,350)	(31,967,053)
(Increase) in loans and advances to customers		(402,700,865)	(808,740,363)
Increase in demand deposits		255,886,089	321,835,047
Increase in saving deposits		999,079,048	499,609,117
Increase in fixed deposits		36,008,902	347,500,287
Increase in margin held on letters of credit		7,847,518	9,107,717
Increase in other liabilities		<u>293,124,320</u>	<u>138,863,165</u>
		1,371,865,852	633,752,836
Income taxes paid		<u>(71,164,202)</u>	<u>(51,777,613)</u>
<b>Net cash inflow from operating activities</b>		<b><u>1,300,701,650</u></b>	<b><u>581,975,223</u></b>

**Cash flows from investing activities**

Purchase of fixed assets		(23,956,746)	(53,042,359)
Disposal of fixed assets		1,267,375	294,680
Investment		-	(584,000)
Returns from:			
Interest income received on surplus funds		16,544,662	18,699,199
Income from investment		<u>2,979,157</u>	<u>3,423,712</u>
<b>Net cash (used in) received from investing activities</b>		<b><u>(3,165,552)</u></b>	<b><u>(31,208,768)</u></b>

**Cash flows from financing activities**

Proceeds from issuance of share capital		2,500,000	46,020,000
Dividends paid		(55,000,000)	(75,000,000)
Directors bonus	19	<u>(420,000)</u>	<u>(420,000)</u>
<b>Net cash received from (used in) financing activities</b>		<b><u>(52,920,000)</u></b>	<b><u>(29,400,000)</u></b>

<b>Net increase in cash and cash equivalents</b>		1,244,616,098	521,006,060
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<b>Cash and cash equivalents, opening balance</b>		1,670,891,886	1,149,885,826
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<b>Cash and cash equivalents, closing balance</b>		<u>2,915,507,984</u>	<u>1,670,891,886</u>
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## Notes to the Financial Statements

### ESTABLISHMENT

The Bank is a privately owned company established in 1995 in accordance with the “Licensing and Supervision of Banking business proclamation No.84/1994” of Ethiopia to undertake commercial banking activities.

The bank obtained its license from the National Bank of Ethiopia on 20 September 1995 and started normal business activities on the first of January 1996. It operates through its head office in Addis Ababa and forty seven area banks established within and outside Addis Ababa, four Foreign Exchange Bureaux, four hundred nine Point of Sale (PoS) terminals and twenty Automatic Teller Machines (ATMs) installed at different places within and outside Addis Ababa.

### ACCOUNTING POLICIES

The significant accounting policies adopted by the bank are summarized hereunder:

(a) Accounting convention

These financial statements are prepared under the historical cost convention.

(b) Interest income and expenses

Interest income and interest expenses are accounted for on the accrual basis. However, no interest is accounted for unpaid past due loans and advances.

(c) Other income

All other income is accounted for at the time of completion of related banking transactions.

(d) Conversion of foreign currencies

(i) Foreign currencies denominated transactions are converted into Birr at the prevailing rates of exchange and realized foreign exchange gains or losses are reflected in the profit and loss account.

(ii) Year-end balances of foreign currencies on hand and with correspondent banks are converted into Birr at the mean of the buying and selling rates ruling at the balance sheet date.

DASHEN BANK S.C.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2008

(e) Provision for doubtful debts

The provision is maintained at a level adequate to cover possible losses. Management determines the adequacy of the provision based upon reviews of individual credits and other related factors, and pursuant to the Directives of the National Bank of Ethiopia.

(f) Fixed assets

Fixed assets are stated at cost, net of depreciation calculated on the following basis at their respective rates per annum.

i) Building is depreciated based on the straight-line method at a rate of 5% per annum.

ii) The following categories of business assets are depreciated based on the declining balance method:

Furniture and fixtures	20%
Office and other equipment	20%
Motor vehicles	20%
Computer hardware and software	25%

The depreciation base is the book value as recorded in the opening balance sheet of the tax period including assets acquired during the tax period and excluding net book value of assets disposed of.

#### ☛ CASH ON HAND

Local currency	240,980,409	139,308,450
Foreign currency	23,038,541	9,682,736
Travelers' cheques	3,172,773	<u>1,175,073</u>
Ethiopian Millennium commemorative coins	<u>1,048,200</u>	
	<u>268,239,923</u>	<u>150,166,259</u>

#### ☛ DEPOSIT WITH NATIONAL BANK OF ETHIOPIA

Statutory reserve balance	920,078,993	250,078,993
Payment and settlement account	<u>852,654,551</u>	<u>611,105,647</u>
	<u>1,772,733,544</u>	<u>861,184,640</u>

#### ☛ INVESTMENTS

		<u>2007</u>
Investment in Tana Building (i)	22,801,795	22,801,795
Investment in Nyala Insurance S.Co. (ii)	<u>5,584,000</u>	<u>5,584,000</u>
	<u>28,385,795</u>	<u>28,385,795</u>

(i) The Bank and Midroc Ethiopia PLC following their agreements on 5 October 2001 acquired jointly the Tana Department Store Building in Addis Ababa, as a result of a tender procedure instituted by the Commercial Bank of Ethiopia.

According to the terms of the agreement between the two joint venture parties:

a) The contributions for the acquisition are:

Midroc Ethiopia PLC	60%	34,202,693	34,202,693
Investment in Nyala Insurance S.Co.(ii)	40%	22,801,795	22,801,795
		<u>57,004,488</u>	<u>57,004,488</u>

b) Dashen Bank S.C. is appointed to manage and administer the affairs of the building.

c) The results of operations are to be shared pro-rata to the respective contributions.

(ii) The bank has 5,584 shares at par value of Birr 1,000 each in Nyala Insurance Share Company.

#### ☛ ITEMS IN COURSE OF COLLECTION FROM OTHER BANKS

Un-cleared local cheques	229,764,380	206,155,142
Outward bills purchased	1,342,844	3,137,448
Outward documentary bills purchased	19,370,059	25,690,632
MT/TT received-foreign	47,375	3,378
Western Union Money Transfer paid and outstanding	24,049,012	13,095,818
	<b><u>274,573,670</u></b>	<b><u>234,986,600</u></b>

## LOANS AND ADVANCES TO CUSTOMERS

		<u>2007</u>
Agriculture	162,016,125	147,260,219
Manufacturing	1,012,829,639	802,573,013
Domestic trade and services	969,349,846	713,141,465
Export	338,025,125	297,906,024
Import	516,411,835	457,598,660
Building and construction	801,434,024	872,891,344
Transport	368,830,219	462,268,977
Advances on letters of credits	98,459,236	93,546,501
Personal	1,242,892	820,997
Loans in litigation	82,528,751	92,258,145
Loans under re-activation	7,186,585	10,581,636
Staff housing loans	43,101,534	36,911,192
Less: Provision for doubtful debts and advances	(101,548,280)	(88,498,270)
Suspended interest account	<u>(8,163,055)</u>	<u>(10,256,292)</u>
	<b><u>4,291,704,476</u></b>	<b><u>3,889,003,611</u></b>

7.1 The Bank is a party to various legal proceedings in relation to loans and advances, the ultimate resolution of which is not expected to have a materially adverse effect on the financial position of the Bank or the results of its operations.

## OTHER ASSETS

National Trading Enterprise, outstanding deposit for rent	2,257,578	2,257,578
Stocks of		
- stationery and supplies	802,598	1,030,690
- passbooks, drafts and CPOs	472,240	987,616
- cheque books	958,523	1,373,883
- advertising materials	-	926
- fixed assets	3,584,078	4,012,359
- cleaning and sanitation	39,212	21,327
- entertainment supplies	1,122	869
- uniforms	56,361	93,528
- sundry materials	<u>25,541</u>	<u>20,719</u>
Debit card	520,357	898,171
Pin mailer	16,199	24,968
Prepayments	25,633,990	14,185,265
Staff advances	24,599,435	10,233,466
Western Union	204,214	191,140
Suspense account (National Bank of Ethiopia)	707,400	707,400
Other non-current assets (see below 1)	35,551,987	15,751,864

Sundry debtors (see below 2)	142,650,576	64,362,292
	238,081,411	116,154,061
Less: provision for doubtful receivable (National Trading Enterprise)	<u>(2,257,578)</u>	<u>(2,257,578)</u>
	<u>235,823,833</u>	113,896,483

2007

**Other non-current assets - above 1**

Constructions in progress *	2,681,199	8,130,686
Constructions in progress *	31,602,978	6,512,348
Cash collateral to VISA	1,058,903	899,923
Deposit for Multimedia Broad-band	194,907	194,907
Deposit for signboards and logo	<u>14,000</u>	<u>14,000</u>
	<u>35,551,987</u>	<u>15,751,864</u>

Unpaid capital commitments for constructions in progress at Head Office, Nazareth and Bedele sites amounted to approximately Birr 68,018,829.

**Sundry debtors - above 2**

Credit cards	11,468	31,002
Counterfeit cash notes holding (National Bank of Ethiopia)	8,334	80,600
Fraudulent acts and related court fees	972,587	702,250
Wrong payments and overdrawn accounts	115,966	124,763
Charge back	83,569	261,017
2% withholding tax	3,818	3,483
2% withholding tax (Tana Building)	87,945	88,612
Advance paid for construction	10,243,355	1,278,384
Payment card	393,088	596,942
Blocked balance for land lease of Head Office	4,000,000	4,000,000
Correspondent banks	255,424	5,390,555
Merchant control accounts	-	283
Area bank encashment	-	2,710
Local banks	124,207,434	49,704,988
Miscellaneous	2,267,588	2,096,703
	<u>142,650,576</u>	<u>64,362,292</u>

**FIXED ASSETS**

Cost	30/06/07	Additions	Adjustments/ Disposals	30/06/08
Premises	35,135,945		-	35,135,945
Furniture and fixtures	18,919,275	3,557,952	(606,768)	21,870,459
Office and other equipment	17,039,406	6,808,598	(12,648)	23,835,356
Computers hard and software	64,156,872	7,120,588	-	71,277,460
Motor vehicles	<u>29,970,966</u>	6,469,608	(2,376,269)	34,064,305
	<u>165,222,464</u>	<u>23,956,746</u>	<u>(2,995,685)</u>	<u>186,183,525</u>
<b>Accumulated depreciation</b>				
Premises	772,390	1,756,797	-	2,529,187

Furniture and fixtures	10,881,481	2,196,453	(472,436)	12,605,498
Office and other equipment	9,387,902	2,888,970	(7,429)	12,269,443
Computers hard and software	36,198,108	8,768,990	-	44,967,098
Motor vehicles	<u>18,833,797</u>	<u>3,046,072</u>	<u>(1,916,342)</u>	<u>19,963,527</u>
	<u>76,073,678</u>	<u>18,657,282</u>	<u>(2,396,207)</u>	<u>92,334,753</u>

**Net Book values**

Premises	34,363,555			32,606,758
Furniture and fixtures	8,037,794			9,264,961
Office and other equipment	7,651,504			11,565,913
Computers and software	27,958,764			26,310,362
Motor vehicles	<u>11,137,169</u>			<u>14,100,778</u>
	<u>89,148,786</u>			<u>93,848,772</u>

**OTHER LIABILITIES**

Outstanding transfers	139,952,859	99,231,119
CPOs and certified cheques issued	163,753,171	82,565,888
Exchange payable to National Bank of Ethiopia	21,697,215	13,508,830
MTs/TTs payable	35,239,636	15,890,551
Blocked current and saving accounts	17,285,500	7,344,212
Demand drafts payable	390,100	213,110
Accrued interest payable on fixed deposits	17,455,101	12,261,394
Accrued leave pay	7,324,242	4,433,551
Bonus payable	8,146,528	5,673,740
Accruals	3,382,344	8,478,896
Taxes	2,256,763	1,490,277
Unearned revenue	4,014,523	1,753,198
Special reserve, Article 28 of Proclamation 84/1994	22,742,422	15,532,101
Tana Department Store building	5,255,389	5,623,279
Payment and settlement account	123,174,078	69,520,661
Special clearance	130,043,213	68,373,685
Loan accounts	-	1,417,372
ATM rejected note control	26,120	1,295
Sundries (see below)	<u>8,710,063</u>	<u>6,747,256</u>
	<u>710,849,267</u>	<u>419,230,188</u>

**Sundries**

National Motors Corporation	126,500	126,500
Office rent payable	303,382	303,382
Payable to correspondent banks	2,081,875	4,295,699
Retention on construction work	1,967,891	1,112,016
Agent commission on credit cards	8,906	18,084
Payable to Midroc Ethiopia PLC	52,767	53,167
Federal Inland Revenue Authority cost sharing	1,195	4,629
Deposit for guarantees	1,045,903	-
Adjustment and refund account	980	3,552
Payable to shareholders	450,897	-
Adjustment and refund account	2,669,767	-
	<u>8,710,063</u>	<u>5,917,029</u>

**SHARE CAPITAL**

Authorized capital 1,000,000 Ordinary Shares of  
Birr 1,000 each

1,000,000,000300,000,000

Paid-up capital 282,210 Ordinary shares of Birr 1,000 each	<u>453,993,000</u>	<u>282,210,000</u>
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The bank declared a share dividend of Birr 169,283,000 and issued an additional share capital of Birr 2,500,000 at the 11th extraordinary shareholders' meeting on 22 April 2008. \

#### ▶ SERVICE INCOME

Service charges - foreign	27,942,784	22,620,528
Service charges - local	2,359,101	2,367,740
	<u>30,301,885</u>	<u>24,988,268</u>

#### ▶ INVESTMENT INCOME

Tana Building	1,694,306	1,540,686
Nyala Insurance S.C.	1,284,851	1,878,334
Treasury bills	-	4,692
	<u>2,979,157</u>	<u>3,423,712</u>

#### ▶ SUNDRY INCOME

Telecommunications	7,419,914	6,654,958
Postage	224,604	259,361
Estimation fees	338,117	271,184
Correspondent bank charges	157,480	587
Legal fees	7,345	5,071
Miscellaneous	<u>3,934,897</u>	<u>3,089,014</u>
	<u>12,082,357</u>	<u>10,280,175</u>

#### ▶ GENERAL AND ADMINISTRATIVE EXPENSES

Stationery and printing	4,262,486	2,824,452
Telecommunications	9,665,782	5,018,504
Postage	227,737	230,897
Advertisements	4,795,724	4,997,349
Correspondent and bank charges	440,293	493,329
Entertainment	428,906	315,822
Insurance	1,148,651	891,701
Fuel and lubricants	1,654,761	1,210,354
Perdiems	1,171,255	880,322

Representation allowance	954,876	875,051
Transport	811,080	673,459
Water and light	1,078,400	837,142
Special reserve, Article 28 of Proclamation 84/1994	7,210,321	5,400,000
Maintenance and repairs	2,352,694	1,781,632
Donations and contributions	25,000	1,279,000
Professional fees	2,552,920	2,104,215
SWIFT and bank charges	510,205	345,119
Computer supplies	1,457,378	138,050
VISA charge	1,177,678	491,260
POS reimbursement charge	34,960	46,252
Fixed assets	379,131	121,957
Sundries	<u>2,276,357</u>	<u>3,556,113</u>
	<u>44,616,595</u>	<u>39,267,852</u>

#### PROVISION FOR TAXATION

Profit before provision for taxation		332,570,355	<u>259,147,659</u>
Add: Depreciation as per bank's policy	18,657,282		15,841,137
Representation allowance in excess of			
10% of salary	-		87,720
Donations and contributions	5,000		47,000
Loss on disposal of fixed asset	121,213		247,687
Entertainment	428,906		315,822
Prior period adjustment	<u>3,521</u>		<u>15,863</u>
		<u>19,215,922</u>	<u>16,555,229</u>
Less: Interest on treasury bills			4,692
Gain on disposal of fixed asset	789,110		221,482

## Depreciation for tax purpose pursuant to

Proc. No. 286/2002	19,005,941	16,321,943
Interest on foreign deposit	16,544,662	18,699,199
Dividend earned on shares	1,284,851	1,878,334
Bad debts written off against provision held before June 2002	<u>5,198,020</u>	<u>4,479,766</u>
	(42,822,584)	(41,605,416)
Taxable profit	<u>308,963,693</u>	<u>234,097,472</u>
Taxation		
(a)@ 30%((308,963,693)	92,689,108	70,229,242
(b)@ 5% (16,544,662) *	<u>827,233</u>	<u>934,960</u>
Provision for taxation	93,516,341	71,164,202
Prior year adjustment (Note 19)	<u>(1,056)</u>	<u>(4,759)</u>
Charge to profit and loss account	<u>93,515,285</u>	<u>71,159,443</u>

\* Profit tax is computed at the rate of 5% on interest earned on deposit with foreign banks as per Income Tax Proclamation No. 286/2002, Article 36, Sub Article 1.

### 📌 EARNINGS PER SHARE

Earnings per share for the year are calculated on the basis of the average number of shares outstanding during the year.

### 📌 GENERAL RESERVE

Balance, 1 July 2007	64,717,354	64,709,026
Add: transfer from retained earning	-	8,328
Less: Transfer to paid up capital	(64,700,000)	-
Transfer to retained earnings	<u>(17,354)</u>	-
	-	<u>64,717,354</u>

### 📌 RETAINED EARNINGS

Balance, 1 July 2007	60,571,162	75,000,000
Add: Transfer from profit and loss account	179,291,302	140,991,162
Prior year adjustment	<u>17,354</u>	-
(Net tax of Br. 1,056)	2,465	11,104
	239,882,283	216,002,266

Less: Dividend paid (2007)	(55,000,000)	<u>(75,000,000)</u>
Directors Bonus paid (2008)	(420,000)	<u>(420,000)</u>
Transfer to Legal Reserve (2007)	(616)	<u>(2,776)</u>
Transfer to General Reserve (2007)	-	<u>(8,328)</u>
Transfer to paid up capital (2008)	<u>(104,583,000)</u>	<u>(80,000,000)</u>
	<u>(160,003,616)</u>	<u>(155,431,104)</u>
	<u>79,878,667</u>	<u>60,571,162</u>

## MEMORANDUM ITEMS

### (a) Contingent and memorandum assets

Interest on loans and advances initiation	33,724,636	33,338,618
Interest on loans and advances under re-activation	954,512	373,881
Outward bills for collection	2,284,786	2,603,703
Inward bills for collection	106,558,473	24,292,887
	<b><u>143,522,407</u></b>	<b><u>60,609,089</u></b>

### (b) Contingent and memorandum liabilities

Guarantees issued to customers	402,112,786	251,979,088
Letters of credit	530,290,516	-
Less: Margin held on letters of credit	(153,347,720)	(145,500,202)
	<u>376,942,796</u>	<u>274,775,665</u>
	<b><u>779,055,582</u></b>	<b><u>526,754,753</u></b>

(c) The un-utilized balances of overdraft facilities granted to customers as at 30 June 2008 amounted to Birr 434,326,000. It was Birr 260,588,000 in 2007.

## EMPLOYEE'S BENEFITS SCHEMES

Regarding the provident fund scheme, the Bank contributes 15% of basic salary while employees contribute 7%. These contributions are held for each individual in saving accounts of the Bank. All other employees' benefits are in accordance with the Labour Proclamation No. 377/2003 and Labour Amendment Proclamation No. 494/2006. Eligible staff also benefit from Housing Loan.

## COMPARATIVE FIGURES

Some accounts comparative figures have been reclassified.