

Value Added Statement

For the year ended December 31, 2008

| | 2008 (Rs '000) | | 2007 (Rs '000) | |
|--|--------------------------|----------------|--------------------------|----------------|
| Interest earned and other operating Income | 34,237,747 | | 30,356,257 | |
| Direct cost of services | <u>(5,912,975)</u> | | <u>(4,814,921)</u> | |
| Value added by banking services | 28,324,772 | | 25,541,336 | |
| Non-Banking Income | 36,777 | | 13,032 | |
| Provision against non-performing assets | <u>(4,019,121)</u> | | <u>(3,061,308)</u> | |
| Value Added | <u>24,342,428</u> | | <u>22,493,060</u> | |
| Distributed as follows: | | | | |
| To employees | | | | |
| Remuneration, provident funds and other benefits | 6,906,851 | 28.37% | 6,164,192 | 27.40% |
| Pension Fund Reversal | <u>(5,399,319)</u> | <u>-22.18%</u> | <u>(5,769,564)</u> | <u>-25.65%</u> |
| | 1,507,532 | 6.19% | 394,628 | 1.75% |
| To government | | | | |
| Income Tax | 6,492,966 | 26.68% | 6,042,473 | 26.88% |
| To providers of capital | | | | |
| Dividends to shareholders | 7,853,461 | 32.26% | 7,853,484 | 34.92% |
| To expansion and growth | | | | |
| Depreciation | 815,205 | | 599,196 | |
| Amortization | 142,005 | | 191,201 | |
| Retained Earnings | <u>7,531,259</u> | | <u>7,412,078</u> | |
| | 8,488,469 | 34.87% | 8,202,475 | 36.47% |
| | <u>24,342,428</u> | 100% | <u>22,493,060</u> | 100% |

