



STATE BANK OF MAURITIUS LTD

UNAUDITED ABRIDGED INTERIM FINANCIAL REPORT

The unaudited abridged interim financial report covering the six months ended December 31, 2008 has been prepared in accordance with the Bank of Mauritius Guideline on Public Disclosure of Information and IAS 34 - Interim Financial Reporting. The interim financial report has been prepared using the same accounting policies as those adopted in the financial statements for the financial year ended June 30, 2008 and has been reviewed by the Bank's external auditors, whose report is attached.

Results

The Group posted a profit after tax of Rs 1,257.2M for the six months ended December 31, 2008 (2007: Rs 1,346.5M), with earnings per share of Rs 4.87 (2007: Rs 5.22). The net profit for the previous period included dividend of Rs 800.6M compared to Rs 280.2M in the current period. The impact of the expected reduction in dividend has currently been mitigated by higher operational income and improved cost efficiency during this period. Group operating income, excluding dividend income, thus grew by 16.5% while non interest expense and provision for credit impairment decreased by 17.9%.

Despite the challenging business environment, Group customer deposits and advances increased by over Rs3Bn respectively from June 2008 as new business opportunities continue to be captured both domestically and abroad. The Group has contained the net impaired asset ratio at below 0.5%, whilst maintaining strong capital and liquidity positions.

Prospects

As the global economic crisis unfolds, its impact on the local economy is expected to accentuate in the second half of the financial year. The Group remains vigilant and nonetheless continues to pursue judicious opportunities to build on its diverse asset portfolio, whilst managing its risks.

Dividend

In July 2008, a final dividend of Rs 2.55 per share was declared for the financial year ended June 30, 2008 and was paid in October 2008.

G.S. Ramdaursingh
Chairman

G. Dumbell
Director

S. Parianen
Acting Chief Executive

February 12, 2009

**REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION
TO THE BOARD OF DIRECTORS OF
STATE BANK OF MAURITIUS LTD "SBM"**

INTRODUCTION

We have reviewed the accompanying condensed unaudited interim balance sheets of the Group and of the Bank as at 31 December 2008 and the related condensed unaudited interim statements of income, changes in equity and cash flows for the six months then ended. The Board of Directors and management of SBM are responsible for the preparation and presentation of this interim financial information in accordance with the Bank of Mauritius Guideline on Public Disclosure of Information and International Financial Reporting Standards. Our responsibility is to express a conclusion on this interim financial information based on our review.

SCOPE OF REVIEW

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with the Bank of Mauritius Guideline on Public Disclosure of Information and International Financial Reporting Standards.

KEMP CHATTERIS DELOITTE

February 12, 2009



STATE BANK OF MAURITIUS LTD

UNAUDITED ABRIDGED FINANCIAL REPORT FOR THE SIX MONTHS ENDED 31 DECEMBER 2008

ABRIDGED BALANCE SHEETS AT 31 DECEMBER 2008

	-----GROUP-----			-----BANK-----		
	31-Dec 2008	31-Dec 2007	30-Jun 2008	31-Dec 2008	31-Dec 2007	30-Jun 2008
	MRs' 000	MRs' 000	MRs' 000	MRs' 000	MRs' 000	MRs' 000
ASSETS						
Cash and cash equivalents	8,623,028	10,416,301	8,122,014	8,565,281	8,921,803	6,705,492
Trading assets	711,427	90,348	136,801	711,467	90,348	136,801
Loans to and placements with banks	1,632,786	537,862	523,683	1,632,784	537,862	524,010
Loans and advances to customers	38,512,544	33,706,451	35,185,082	36,990,994	32,537,621	33,882,993
Investment securities	16,161,112	10,960,890	14,905,859	14,275,509	9,537,839	13,265,996
Property, plant and equipment	2,335,474	2,425,231	2,364,729	2,284,164	2,381,049	2,309,732
Intangible assets	126,410	237,797	196,070	134,357	248,280	202,388
Other assets	3,881,200	3,772,472	6,122,656	3,504,238	3,479,400	5,754,796
TOTAL ASSETS	71,983,981	62,147,352	67,556,894	68,098,794	57,734,202	62,782,208
LIABILITIES						
Deposits from banks	46,548	70,119	46,758	149,468	70,119	155,910
Deposits from customers	58,096,288	50,575,146	54,835,498	56,572,112	48,200,758	52,124,519
Other borrowed funds	904,859	202,085	366,807	1,048,655	426,956	505,937
Current tax liabilities	269,641	429,950	246,624	260,891	407,250	235,448
Deferred tax liabilities	165,925	213,714	199,227	165,580	213,711	198,982
Other liabilities	703,251	960,994	888,471	630,978	912,765	806,466
TOTAL LIABILITIES	60,186,512	52,452,008	56,583,385	58,827,684	50,231,559	54,027,262
Shareholders' Equity						
Share capital	303,740	303,740	303,740	303,740	303,740	303,740
Retained earnings	9,552,325	8,172,543	8,941,255	7,072,290	5,907,596	6,640,520
Other reserves	1,941,404	1,219,061	1,728,514	1,895,080	1,291,307	1,810,686
Total equity attributable to equity holders of the parent	11,797,469	9,695,344	10,973,509	9,271,110	7,502,643	8,754,946
TOTAL EQUITY AND LIABILITIES	71,983,981	62,147,352	67,556,894	68,098,794	57,734,202	62,782,208
US\$/MRs Mid Exchange Rate as at balance sheet date	31.71	28.05	27.15	31.71	28.05	27.15

STATE BANK OF MAURITIUS LTD

ABRIDGED BALANCE SHEETS AT 31 DECEMBER 2008

	GROUP			BANK		
	31-Dec 2008	31-Dec 2007	30-Jun 2008	31-Dec 2008	31-Dec 2007	30-Jun 2008
	MRs' 000	MRs' 000	MRs' 000	MRs' 000	MRs' 000	MRs' 000
MEMORANDUM ITEMS						
Acceptances, Guarantees, Letters of Credit, Endorsements, Other Obligations on Account of Customers and Spot Foreign Exchange Contracts	8,353,849	5,846,027	5,215,439	8,162,774	5,669,119	5,050,897
Credit Commitments	4,569,051	3,020,882	3,802,679	4,239,422	2,681,882	3,555,717
Inward Bills held for Collection	255,768	230,249	191,463	214,060	194,087	167,202
Outward Bills sent for Collection	323,145	298,396	322,755	282,893	282,566	302,214
	13,501,813	9,395,554	9,532,336	12,899,149	8,827,654	9,076,030

G.S. Ramdaursingh
Chairman

G. Dumbell
Director

S. Parianen
Acting Chief Executive

February 12, 2009

STATE BANK OF MAURITIUS LTD

ABRIDGED STATEMENTS OF INCOME FOR THE PERIOD ENDED 31 DECEMBER 2008

	GROUP					BANK				
	Quarter ended 31-Dec 2008	Quarter ended 31-Dec 2007	Six Months ended 31-Dec 2008	Six Months ended 31-Dec 2007	Year ended 30-Jun 2008	Quarter ended 31-Dec 2008	Quarter ended 31-Dec 2007	Six Months ended 31-Dec 2008	Six Months ended 31-Dec 2007	Year ended 30-Jun 2008
	MRs' 000	MRs' 000	MRs' 000	MRs' 000	MRs' 000	MRs' 000	MRs' 000	MRs' 000	MRs' 000	MRs' 000
Interest income	1,404,715	1,381,453	2,779,767	2,661,639	5,328,702	1,332,385	1,299,033	2,634,560	2,506,478	5,016,977
Interest expense	(785,659)	(847,517)	(1,625,459)	(1,671,943)	(3,284,535)	(761,294)	(816,148)	(1,568,846)	(1,605,590)	(3,153,611)
Net interest income	619,056	533,936	1,154,308	989,696	2,044,167	571,091	482,885	1,065,714	900,888	1,863,366
Non interest income	540,882	1,108,397	944,554	1,371,987	2,056,238	513,440	1,056,699	795,932	1,296,866	1,948,441
Operating income	1,159,938	1,642,333	2,098,862	2,361,683	4,100,405	1,084,531	1,539,584	1,861,646	2,197,754	3,811,807
Non interest expense	(337,243)	(374,924)	(662,204)	(674,962)	(1,377,516)	(317,223)	(357,509)	(627,627)	(643,205)	(1,314,828)
Profit before provisions	822,695	1,267,409	1,436,658	1,686,721	2,722,889	767,308	1,182,075	1,234,019	1,554,549	2,496,979
Provision for credit impairment	(37,778)	(196,948)	(65,691)	(211,709)	(386,900)	(27,009)	(130,610)	(32,744)	(141,053)	(235,126)
Operating profit	784,917	1,070,461	1,370,967	1,475,012	2,335,989	740,299	1,051,465	1,201,275	1,413,496	2,261,853
Share of profit of associates	243	17,053	18,288	27,827	61,019	-	-	-	-	-
Profit before income tax	785,160	1,087,514	1,389,255	1,502,839	2,397,008	740,299	1,051,465	1,201,275	1,413,496	2,261,853
Income tax expense	(70,732)	(111,040)	(132,096)	(156,386)	(283,035)	(66,108)	(110,030)	(123,416)	(150,760)	(272,912)
Profit attributable to equity holders of the parent	714,428	976,474	1,257,159	1,346,453	2,113,973	674,191	941,435	1,077,859	1,262,736	1,988,941
Earnings per share (MRs)			4.87	5.22	8.19			4.17	4.89	7.70

STATE BANK OF MAURITIUS LTD
STATEMENTS OF CHANGES IN EQUITY
FOR THE PERIOD ENDED DECEMBER 31, 2008

	Share Capital MRs' 000	Treasury Shares MRs' 000	Reserve arising on Share Buy Back MRs' 000	Statutory Reserve MRs' 000	Revenue Reserve MRs' 000	Investment Fluctuation Reserve MRs' 000	Net Unrealised Investment Fair Value Reserve MRs' 000	Net Property Revaluation Reserve MRs' 000	Net Translation Reserve MRs' 000	Net Other Reserve MRs' 000	Total Equity MRs' 000
GROUP											
At 1 July 2007	303,740	(2,333,286)	236,071	437,466	7,357,333	72,139	2,036,500	1,072,730	264,358	68,330	9,515,381
Changes in equity for the period											
Realisation of revaluation surplus of property	-	-	-	-	11,228	-	-	(11,228)	-	-	-
Decrease in value of available-for-sale investments	-	-	-	-	-	-	(321,373)	-	-	-	(321,373)
Translation difference	-	-	-	-	-	-	-	-	(302,941)	-	(302,941)
Net income recognised directly in equity	-	-	-	-	11,228	-	(321,373)	(11,228)	(302,941)	-	(624,314)
Profit for the period	-	-	-	-	1,346,453	-	-	-	-	-	1,346,453
Total recognised income and expense for the period	-	-	-	-	1,357,681	-	(321,373)	(11,228)	(302,941)	-	722,139
Dividend	-	-	-	-	(542,176)	-	-	-	-	-	(542,176)
Transfer	-	-	-	295	(295)	-	-	-	-	-	-
At 31 December 2007	303,740	(2,333,286)	236,071	437,761	8,172,543	72,139	1,715,127	1,061,502	(38,583)	68,330	9,695,344
At 1 July 2007	303,740	(2,333,286)	236,071	437,466	7,357,333	72,139	2,036,500	1,072,730	264,358	68,330	9,515,381
Changes in equity for the year											
Realisation of revaluation surplus of property	-	-	-	-	26,275	-	-	(26,275)	-	-	-
Effect of change in deferred tax rate on revaluation surplus of property	-	-	-	-	-	-	-	(9,238)	-	-	(9,238)
Increase in value of available-for-sale investments	-	-	-	-	-	-	348,944	-	-	-	348,944
Translation difference	-	-	-	-	-	-	-	-	(467,861)	-	(467,861)
Share of increase in reserves of associates	-	-	-	-	-	-	-	-	-	14,486	14,486
Net income recognised directly in equity	-	-	-	-	26,275	-	348,944	(35,513)	(467,861)	14,486	(113,669)
Profit for the year	-	-	-	-	2,113,973	-	-	-	-	-	2,113,973
Total recognised income and expense for the year	-	-	-	-	2,140,248	-	348,944	(35,513)	(467,861)	14,486	2,000,304
Dividend	-	-	-	-	(542,176)	-	-	-	-	-	(542,176)
Transfer	-	-	-	51,167	(14,150)	(37,017)	-	-	-	-	-
At 30 June 2008	303,740	(2,333,286)	236,071	488,633	8,941,255	35,122	2,385,444	1,037,217	(203,503)	82,816	10,973,509
At 1 July 2008	303,740	(2,333,286)	236,071	488,633	8,941,255	35,122	2,385,444	1,037,217	(203,503)	82,816	10,973,509
Changes in equity for the period											
Realisation of revaluation surplus of property	-	-	-	-	12,268	-	-	(12,268)	-	-	-
Decrease in value of available-for-sale investments	-	-	-	-	-	-	(48,637)	-	-	-	(48,637)
Translation difference	-	-	-	-	-	-	-	-	286,673	-	286,673
Share of decrease in reserves of associates	-	-	-	-	-	-	-	-	-	(12,878)	(12,878)
Net income recognised directly in equity	-	-	-	-	12,268	-	(48,637)	(12,268)	286,673	(12,878)	225,158
Profit for the period	-	-	-	-	1,257,159	-	-	-	-	-	1,257,159
Total recognised income and expense for the period	-	-	-	-	1,269,427	-	(48,637)	(12,268)	286,673	(12,878)	1,482,317
Dividend	-	-	-	-	(658,357)	-	-	-	-	-	(658,357)
At 31 December 2008	303,740	(2,333,286)	236,071	488,633	9,552,325	35,122	2,336,807	1,024,949	83,170	69,938	11,797,469

STATE BANK OF MAURITIUS LTD
STATEMENTS OF CHANGES IN EQUITY
FOR THE PERIOD ENDED DECEMBER 31, 2008

	Share Capital	Treasury Shares	Statutory Reserve	Revenue Reserve	Investment Fluctuation Reserve	Net Unrealised Investment Fair Value Reserve	Net Property Revaluation Reserve	Net Translation Reserve	Total Equity
	MRs' 000	MRs' 000	MRs' 000	MRs' 000	MRs' 000	MRs' 000	MRs' 000	MRs' 000	MRs' 000
BANK									
At 1 July 2007	303,740	(2,333,286)	393,796	5,175,808	72,139	2,185,756	1,072,730	269,952	7,140,635
Changes in equity for the period									
Realisation of revaluation surplus of property	-	-	-	11,228	-	-	(11,228)	-	-
Decrease in value of available-for-sale investments	-	-	-	-	-	(261,965)	-	-	(261,965)
Translation difference	-	-	-	-	-	-	-	(96,587)	(96,587)
Net income recognised directly in equity	-	-	-	11,228	-	(261,965)	(11,228)	(96,587)	(358,552)
Profit for the period	-	-	-	1,262,736	-	-	-	-	1,262,736
Total recognised income and expense for the period	-	-	-	1,273,964	-	(261,965)	(11,228)	(96,587)	904,184
Dividend	-	-	-	(542,176)	-	-	-	-	(542,176)
At 31 December 2007	303,740	(2,333,286)	393,796	5,907,596	72,139	1,923,791	1,061,502	173,365	7,502,643
At 1 July 2007	303,740	(2,333,286)	393,796	5,175,808	72,139	2,185,756	1,072,730	269,952	7,140,635
Changes in equity for the year									
Deferred tax on increase in revaluation surplus of property	-	-	-	26,275	-	-	(26,275)	-	-
Effect of change in deferred tax rate on revaluation surplus of property	-	-	-	-	-	-	(9,238)	-	(9,238)
Increase in value of available-for-sale investments	-	-	-	-	-	398,229	-	-	398,229
Translation difference	-	-	-	-	-	-	-	(221,445)	(221,445)
Net income recognised directly in equity	-	-	-	26,275	-	398,229	(35,513)	(221,445)	167,546
Profit for the year	-	-	-	1,988,941	-	-	-	-	1,988,941
Total recognised income and expense for the year	-	-	-	2,015,216	-	398,229	(35,513)	(221,445)	2,156,487
Dividend	-	-	-	(542,176)	-	-	-	-	(542,176)
Transfer	-	-	45,345	(8,328)	(37,017)	-	-	-	-
At 30 June 2008	303,740	(2,333,286)	439,141	6,640,520	35,122	2,583,985	1,037,217	48,507	8,754,946
At 1 July 2008	303,740	(2,333,286)	439,141	6,640,520	35,122	2,583,985	1,037,217	48,507	8,754,946
Changes in equity for the period									
Realisation of revaluation surplus of property	-	-	-	12,268	-	-	(12,268)	-	-
Increase in value of available-for-sale investments	-	-	-	-	-	64,823	-	-	64,823
Translation difference	-	-	-	-	-	-	-	31,839	31,839
Net income recognised directly in equity	-	-	-	12,268	-	64,823	(12,268)	31,839	96,662
Profit for the period	-	-	-	1,077,859	-	-	-	-	1,077,859
Total recognised income and expense for the period	-	-	-	1,090,127	-	64,823	(12,268)	31,839	1,174,521
Dividend	-	-	-	(658,357)	-	-	-	-	(658,357)
At 31 December 2008	303,740	(2,333,286)	439,141	7,072,290	35,122	2,648,808	1,024,949	80,346	9,271,110

STATE BANK OF MAURITIUS LTD

ABRIDGED CASH FLOW STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2008

	-----GROUP-----			-----BANK-----		
	31-Dec 2008 MRs' 000	31-Dec 2007 MRs' 000	30-Jun 2008 MRs' 000	31-Dec 2008 MRs' 000	31-Dec 2007 MRs' 000	30-Jun 2008 MRs' 000
Net cash provided by / (used in) operating activities	1,662,742	(144,173)	569,720	2,788,480	79,897	769,433
Net cash used in financing activities	(120,305)	(1,322,279)	(1,157,556)	(115,638)	(1,393,689)	(1,314,709)
Net cash (used in) / from investing activities	(1,041,423)	372,508	(2,800,395)	(813,053)	336,276	(2,648,551)
Net change in cash and cash equivalents	501,014	(1,093,944)	(3,388,231)	1,859,789	(977,516)	(3,193,827)
Cash and cash equivalents at beginning of period	8,122,014	11,510,245	11,510,245	6,705,492	9,899,319	9,899,319
Cash and cash equivalents at end of period	8,623,028	10,416,301	8,122,014	8,565,281	8,921,803	6,705,492

Copies of the interim report are available to the public free of charge at the registered office of the Company, State Bank Tower, 1 Queen Elizabeth II Avenue, Place D'Armes, Port Louis and can be viewed on our website: www.sbmonline.com.

The statement of direct and indirect interests of officers of the Company in the capital of the Company and its subsidiaries may also be obtained free of charge upon request at the registered office of the Bank.

The Communiqué is issued pursuant to Listing Rule 12.20 and Securities Act 2005.

The Board of Directors of State Bank of Mauritius Ltd accepts full responsibility for the accuracy of the information contained in this Communiqué.

By Order of the Board

C. APPADOO
COMPANY SECRETARY

February 12, 2009

The financial information, including the report on review of interim financial information, has been extracted from the unaudited abridged interim financial information for the six months ended 31 December 2008.