

# Income Statement

For the year ended 31st December, 2003	Notes	BANK			GROUP		
		2003 (Rs. '000)	2002 (Rs. '000)	Change %	2003 (Rs. '000)	2002 (Rs. '000)	Change %
<b>INCOME</b>	1	<b>23,105,005</b>	23,975,961	(3.6)	<b>24,360,428</b>	24,601,371	(1.0)
Interest Income	2	19,865,230	21,377,927	(7.1)	21,061,483	22,001,731	(4.3)
Interest Expense	3	(10,102,445)	(13,645,413)	(26.0)	(10,699,564)	(13,984,953)	(23.5)
<b>NET INTEREST INCOME</b>		<b>9,762,785</b>	7,732,514	26.3	<b>10,361,919</b>	8,016,778	29.3
Other Income	4	3,239,775	2,598,034	24.7	3,298,945	2,599,640	26.9
<b>TOTAL INCOME</b>		<b>13,002,560</b>	10,330,548	25.9	<b>13,660,864</b>	10,616,418	28.7
<b>LESS: OPERATING EXPENSES</b>							
Personnel Costs	5	5,407,353	4,474,374	20.9	5,473,446	4,519,424	21.1
Provision for Staff Retirement Benefits	24	860,290	424,846	102.5	860,290	425,004	102.4
Premises, Equipment and Establishment Expenses		1,330,683	1,341,626	(0.8)	1,406,946	1,304,234	7.9
Fee & Commission Expenses		9,309	9,506	(2.1)	9,309	9,530	(2.3)
Other Overhead Expenses		1,515,457	1,984,603	(23.6)	1,633,801	2,074,466	(21.2)
		<b>(9,123,092)</b>	(8,234,955)	10.8	<b>(9,383,792)</b>	(8,332,659)	12.6
<b>Profit before loan losses and Provision for fall in value of Dealing securities / Others</b>		<b>3,879,467</b>	2,095,592	85.1	<b>4,277,072</b>	2,283,759	87.3
Less:							
Provision for Loan Losses / Write off		(2,288,007)	(1,399,572)	63.5	(2,486,610)	(1,504,604)	65.3
Provision for Fall in Value of Dealing Securities / Others		(36,116)	91,538	139.5	(59,017)	91,538	(164.5)
<b>OPERATING PROFITS</b>		<b>1,555,344</b>	787,558	97.5	<b>1,731,444</b>	870,692	98.9
Share of Associate Companies' Profit before Taxation		-	-	-	7,962	11,162	(28.7)
<b>PROFIT BEFORE TAXATION</b>		<b>1,555,344</b>	787,558	97.5	<b>1,739,406</b>	881,855	97.2
Taxation	6	-	218,099	-	-	216,363	-
<b>PROFIT AFTER TAXATION</b>		<b>1,555,344</b>	1,005,658	54.7	<b>1,739,406</b>	1,098,218	58.4
Less: Minority Interest	28	-	-	-	11,579	4,851	-
<b>PROFIT FOR THE YEAR</b>		<b>1,555,344</b>	1,005,658	54.7	<b>1,750,985</b>	1,103,069	58.7
<b>Earnings Per Share</b>							
Basic (Rs.)	7.1	1,555	1,006	54.6	1,739	1,098	58.4
Diluted (Rs.)	7.2	64	42	54.0	72	46	57.3

The Accounting Policies on pages 98 to 103 and Notes on pages 104 to 125 form an integral part of these Financial Statements.