

Income Statement US \$

For the year ended 31st December,	BANK			GROUP		
	2004	2003	Growth	2004	2003	Growth
	US \$ '000	US \$ '000	%	US \$ '000	US \$ '000	%
INCOME	215,763	238,811	(9.7)	231,755	251,787	(8.0)
Interest Income	185,862	205,325	(9.5)	201,741	217,690	(7.3)
Interest Expense	(90,382)	(104,418)	(13.4)	(96,959)	(110,590)	(12.3)
NET INTEREST INCOME	95,480	100,907	(5.4)	104,782	107,100	(2.2)
Foreign Exchange Gain	4,727	4,349	8.7	4,727	4,349	8.7
Fees and Commission	16,029	16,168	(0.9)	16,140	16,214	(0.5)
Capital Gain on Treasury Bills and Bonds	6,660	9,824	(32.2)	6,660	9,824	(32.2)
Other Income	2,486	3,144	(21.0)	2,487	3,711	(33.0)
OPERATING INCOME	125,381	134,393	(6.7)	134,796	141,198	(4.5)
LESS: OPERATING EXPENSES						
Personnel Costs	58,084	61,187	(5.1)	59,022	56,573	4.3
Provision for Staff Retirement Benefits	11,641	8,892	30.9	11,641	8,892	30.9
Premises, Equipment and Establishment Expenses	15,147	13,754	10.1	15,667	14,542	7.7
Fee and Commission Expenses	107	96	11.6	107	96	11.6
Other Overhead Expenses	13,945	10,366	34.5	16,146	16,887	(4.4)
	(98,923)	(94,296)	4.9	(102,583)	(96,990)	5.8
Profit before Loan Loss Provisions and Provision for Fall in Value of Dealing Securities / others	26,458	40,098	(34.0)	32,213	44,207	(27.1)
Less: Provision for Loan Losses/write off	193	(23,649)	(100.8)	(3,682)	(25,701)	(85.7)
Provision for fall in value of Dealing securities / others	(2,097)	(373)	461.8	(2,097)	(610)	243.8
OPERATING PROFIT	24,554	16,076	52.7	26,434	17,896	47.7
Share of Associate Companies' Profit /Loss Before Taxation	-	-	-	101	82	22.6
PROFIT ON ORDINARY ACTIVITIES BEFORE TAX	24,554	16,076	52.7	26,535	17,978	47.6
Taxation on ordinary activities	(3,599)	-	-	(3,613)	-	-
PROFIT ON ORDINARY ACTIVITIES AFTER TAX	20,955	16,076	30.3	22,922	17,978	27.5
Less: Extra Ordinary Items						
Tsunami Disaster Relief	(430)	-	-	(430)	-	-
Provision for Tsunami Losses	(6,072)	-	-	(6,072)	-	-
PROFIT AFTER EXTRA ORDINARY ITEMS	14,453	16,076	(10.1)	16,421	17,978	(8.7)
Less: Minority Interest	-	-	-	(0.29)	120	(100.2)
PROFIT FOR THE YEAR	14,453	16,076	(10.1)	16,421	18,098	(9.3)
Less: Special Levy to Treasury	(955)	-	-	(955)	-	-
RETAINED PROFIT FOR THE YEAR	13,499	16,076	(16.0)	15,466	18,098	(14.5)

Exchange Rate 1 US\$ was Rs. 104.75 as at 31.12.2004 (Rs. 96.75 as at 31.12.2003)

The Income Statement and the Balance Sheet given on pages 22 and 23 are solely for the convenience of shareholders, investors, bankers and other users of Financial Statements.