

# CONSOLIDATED INCOME STATEMENT

	<i>Note</i>	<b>2003</b> <b>HK\$'000</b>	<b>2002</b> <b>HK\$'000</b> <b>(restated)</b>
Interest income		<b>1,034,173</b>	<b>1,248,660</b>
Interest expense		<u><b>(363,995)</b></u>	<u><b>(499,289)</b></u>
Net interest income		<b>670,178</b>	<b>749,371</b>
Other operating income	5	<u><b>213,840</b></u>	<u><b>200,846</b></u>
Operating income		<b>884,018</b>	<b>950,217</b>
Operating expenses	6	<u><b>(463,154)</b></u>	<u><b>(439,261)</b></u>
Operating profit before provisions and disposal of long-term assets		<b>420,864</b>	<b>510,956</b>
Charge for bad and doubtful debts		<b>(62,803)</b>	<b>(129,027)</b>
Net losses from disposal of property and equipment		<b>(2,664)</b>	<b>(231)</b>
Gains less losses from disposal of other securities		<b>22,192</b>	<b>–</b>
Provision for diminution in value of other investments		<u><b>(7,809)</b></u>	<u><b>–</b></u>
Profit from operations		<b>369,780</b>	<b>381,698</b>
Share of results of jointly controlled entities		<u><b>(2,000)</b></u>	<u><b>(9,510)</b></u>
Profit from ordinary activities before taxation		<b>367,780</b>	<b>372,188</b>
Taxation	8	<u><b>(56,305)</b></u>	<u><b>(60,777)</b></u>
Net profit for the year		<u><u><b>311,475</b></u></u>	<u><u><b>311,411</b></u></u>
Dividends	9	<u><u><b>217,500</b></u></u>	<u><u><b>217,500</b></u></u>
Earnings per share, basic and diluted	10	<u><u><b>HK\$0.72</b></u></u>	<u><u><b>HK\$0.72</b></u></u>