

for the year ended 31 December 2004

CONSOLIDATED INCOME STATEMENT

	Note	2004 HK\$'000	2003 HK\$'000
Interest income		990,813	1,034,173
Interest expense		<u>(341,316)</u>	<u>(363,995)</u>
Net interest income		649,497	670,178
Other operating income	5	<u>268,053</u>	<u>213,840</u>
Operating income		917,550	884,018
Operating expenses	6	<u>(462,341)</u>	<u>(463,154)</u>
Operating profit before provisions and disposal of long-term assets		455,209	420,864
Charge for bad and doubtful debts		(51,175)	(62,803)
Net losses from disposal of property and equipment		(43)	(2,664)
Net gains from disposal of other securities and an associate	7	3,863	22,192
Provision for impairment loss in respect of other securities		<u>—</u>	<u>(7,809)</u>
Profit from operations		407,854	369,780
Share of results of jointly controlled entities		<u>11,319</u>	<u>(2,000)</u>
Profit from ordinary activities before taxation		419,173	367,780
Taxation	9	<u>(70,170)</u>	<u>(56,305)</u>
Net profit for the year		<u>349,003</u>	<u>311,475</u>
Dividends	10	<u>247,950</u>	<u>217,500</u>
Earnings per share, basic and diluted	11	<u>HK\$0.80</u>	<u>HK\$0.72</u>