

STATEMENT OF INCOME AND EXPENSES
 FOR THE YEARS ENDED DECEMBER 31, 2004 AND 2003
 (UA thousands – Note B)

	2004	Restated (Note B) 2003
OPERATIONAL INCOME & EXPENSES		
Income from loans		
Interest	300,500	315,052
Commitment charges	6,586	7,795
Statutory commission	3,428	2,608
Income from investments (Note I)	123,567	99,767
Total income from loans and investments	434,081	425,222
Borrowing expenses (Note N)		
Interest	(195,561)	(215,308)
Amortization of issuance costs	(3,287)	(4,284)
Provision for loan losses (Note J)	18,154	21,507
Net operational income	253,387	227,137
OTHER EXPENSES, net		
Administrative expenses (Note M)	37,084	45,136
Other income	(7,392)	(2,617)
Depreciation	6,417	5,571
Provision for equity investments	(3,457)	1,682
Sundry expenses	836	(968)
Total other expenses (net)	33,488	48,804
Operating income	219,899	178,333
Unrealized net loss on non-trading derivatives – IAS 39 adjustment (Notes B & N)	(112,525)	(81,647)
NET INCOME	107,374	96,686

The accompanying notes to the financial statements form part of this Statement.