

Interim Consolidated Statement of Income

(unaudited)

| For the three months ended (\$ in thousands) | June 30 2004 | March 31 2004 | June 30 2003 |
|--|------------------|------------------|------------------|
| Interest income | | | |
| Loans | \$ 158,719 | \$ 167,130 | \$ 177,607 |
| Securities | 4,114 | 4,810 | 6,037 |
| Deposits with banks | 4,607 | 5,606 | 6,104 |
| | <u>167,440</u> | <u>177,546</u> | <u>189,748</u> |
| Interest expense | | | |
| Deposits | 73,226 | 79,998 | 88,568 |
| Subordinated debentures | 873 | 673 | 672 |
| | <u>74,099</u> | <u>80,671</u> | <u>89,240</u> |
| Net interest income | 93,341 | 96,875 | 100,508 |
| Provision for (recovery of) credit losses | (9,829) | (12,894) | 23,128 |
| Net interest income after provision for (recovery of) credit losses | 103,170 | 109,769 | 77,380 |
| Other income | | | |
| Service charges | 12,950 | 14,120 | 12,938 |
| Credit fees | 8,446 | 4,985 | 8,538 |
| Commission and other | 5,098 | 4,324 | 2,812 |
| Card fees | 4,121 | 3,689 | 3,177 |
| Foreign exchange | 1,376 | 1,568 | 1,558 |
| | <u>31,991</u> | <u>28,686</u> | <u>29,023</u> |
| Net interest and other income | 135,161 | 138,455 | 106,403 |
| Non-interest expenses | | | |
| Salaries and employee benefits <i>(Note 5)</i> | 48,675 | 43,950 | 42,902 |
| Premises and equipment, including amortization | 12,572 | 15,672 | 11,945 |
| Communications and electronic processing | 13,910 | 14,182 | 13,041 |
| Other | 15,176 | 10,519 | 13,508 |
| | <u>90,333</u> | <u>84,323</u> | <u>81,396</u> |
| Net income | \$ 44,828 | \$ 54,132 | \$ 25,007 |