

ABOITIZ EQUITY VENTURES, INC. AND SUBSIDIARIES

## Consolidated Statements of Income

(Amounts in Thousands, Except Per Share Amounts)

	Years Ended December 31	
	2005	2004 (As restated, Notes 2 and 3)
<b>REVENUES</b>		
Sale of:		
Power and electricity (Note 22)	₱8,106,300	₱6,583,131
Goods	7,037,184	6,168,828
Freight – net	6,036,995	4,307,115
Passage	3,613,667	3,733,132
Service fees	1,402,563	1,459,255
Others	726,115	159,463
	26,922,824	22,410,924
<b>COSTS AND EXPENSES (Note 23)</b>		
Operating expenses	9,946,932	7,708,747
Cost of goods sold	6,020,658	5,393,761
Cost of purchased power	5,217,348	4,093,411
Overhead expenses	1,546,014	1,436,009
Terminal expenses	1,225,752	1,108,354
Depreciation of ships	824,070	860,053
	24,780,774	20,600,335
<b>GROSS PROFIT</b>		
	2,142,050	1,810,589
Share in net earnings of associates (Note 11)	2,155,343	1,532,131
Interest income	244,744	217,041
Interest expense (Notes 15, 17, 18, and 19)	(1,256,738)	(1,144,898)
Other income (Note 25)	400,663	821,467
<b>INCOME BEFORE INCOME TAX</b>	3,686,062	3,236,330
<b>PROVISION FOR INCOME TAX (Note 26)</b>	468,569	531,113
<b>NET INCOME</b>	₱3,217,493	₱2,705,217
<b>ATTRIBUTABLE TO:</b>		
Equity holders of the parent	₱3,159,132	₱2,542,887
Minority interests	58,361	162,330
	₱3,217,493	₱2,705,217
<b>EARNINGS PER SHARE (Note 32)</b>		
Basic, for income for the year attributable to ordinary equity holders of the parent	₱0.651	₱0.527
Diluted, for income for the year attributable to ordinary equity holders of the parent	₱0.651	₱0.527

See accompanying Notes to Consolidated Financial Statements.