

**STATE PHARMACEUTICALS CORPORATION OF SRI LANKA**  
**INCOME STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 2008**

	Note	TOTAL OPERATIONS SPC	TOTAL OPERATIONS DHS	TOTAL OPERATIONS 2008	TOTAL OPERATIONS 2007( Restated)
<b>Revenue</b>		<b>2,934,243,968</b>	<b>9,306,330,446</b>	<b>12,240,574,414</b>	<b>11,437,058,723</b>
<b>Add</b>					
Transfer to Retail Shops		594,633,610	-	594,633,610	450,674,287
<b>Less</b>					
Cost of Sales/Direct Expenses	<b>1</b>	2,725,343,094	8,730,022,517	11,455,365,611	10,631,896,940
<b>Gross Profit/ Surplus</b>		<b>803,534,484</b>	<b>576,307,929</b>	<b>1,379,842,413</b>	<b>1,255,836,070</b>
<b>Add.</b>					
Provision for Unrealized Profit		1,539,865	-	1,539,865	(4,769,634)
Special Order Imports		16,949,276	-	16,949,276	25,196,736
Other Income	<b>2</b>	25,494,356		25,494,356	16,379,503
<b>Surplus</b>		<b>847,517,981</b>	<b>576,307,929</b>	<b>1,423,825,910</b>	<b>1,292,642,676</b>
<b>Less</b>					
Distribution Cost	<b>3</b>	134,678,358	83,854,715	218,533,072	91,219,689
Administrative Expenses	<b>3</b>	347,755,532	187,672,958	535,428,489	483,452,187
Other Operating Expenses	<b>3</b>	181,293	272,392	453,685	246,369
<b>Profit from Operations</b>		<b>364,902,798</b>	<b>304,507,864</b>	<b>669,410,663</b>	<b>717,724,430</b>
<b>Less</b>					
Finance Cost	<b>3</b>	2,732,426	217,534,151	220,266,577	280,752,963
<b>Profit Before Tax</b>		<b>362,170,372</b>	<b>86,973,713</b>	<b>449,144,085</b>	<b>436,971,467</b>
Treasury Levy		25,000,000	-	25,000,000	20,000,000
Income Tax Expenses	<b>4</b>	168,921,290	40,565,747	209,487,037	158,603,375
<b>Profit after Tax</b>		<b>168,249,083</b>	<b>46,407,966</b>	<b>214,657,048</b>	<b>258,368,092</b>

*By setting off surplus bank balances of 'SPC' operations against overdraft balances of 'DHS' operations, SPC operations have foregone interest income of Rs. 49,826,280/-*