

Statement of Changes in Shareholders' Equity

for the year ended 31 December 2005

Bahraini Dinars	Notes	Share capital	Treasury shares	Statutory reserve	Investment Fair value reserve	Proposed Bonus shares	Proposed appropriations	Retained earnings	Total
As at 1 January 2004		2,640,000	(3,612)	526,267	969,418	360,000	308,000	160,310	4,960,383
Bonus shares issued during the year		360,000	–	–	–	(360,000)	–	–	–
Appropriations made during the year		–	–	–	–	–	(308,000)	–	(308,000)
Realised profit on sale of available-for-sale investments transferred to statement of income		–	–	–	(273,720)	–	–	–	(273,720)
Change in fair value of available-for-sale investments		–	–	–	1,380,891	–	–	–	1,380,891
Net profit for the year		–	–	–	–	–	–	919,537	919,537
Transfer to statutory reserve		–	–	91,954	–	–	–	(91,954)	–
Proposed appropriations	21	–	–	–	–	–	419,000	(419,000)	–
As at 31 December 2004		3,000,000	(3,612)	618,221	2,076,589	–	419,000	568,893	6,679,091
As at 1 January 2005		3,000,000	(3,612)	618,221	2,076,589	–	419,000	568,893	6,679,091
Appropriations made during the year		–	–	–	–	–	(419,000)	–	(419,000)
Realised profit on sale of available-for-sale investments transferred to statement of income	4	–	–	–	(819,716)	–	–	–	(819,716)
Change in fair value of available-for-sale investments	4	–	–	–	3,421,385	–	–	–	3,421,385
Net profit for the year		–	–	–	–	–	–	2,320,243	2,320,243
Transfer to statutory reserve		–	–	232,024	–	–	–	(232,024)	–
Proposed appropriations	21	–	–	–	–	150,000	793,822	(943,822)	–
As at 31 December 2005		3,000,000	(3,612)	850,245	4,678,258	150,000	793,822	1,713,290	11,182,003

The accounting policies on pages 16 to 18 and the notes on pages 19 to 31 form an integral part of these financial statements.