

STATEMENT OF INCOME
for the year ended 31 December 2006

	Note	2006 Bahraini Dinars	2005 Bahraini Dinars
Gross premiums	21	9,035,554	7,110,995
Reinsurance ceded		(5,603,388)	(4,529,045)
Retained premiums		3,432,166	2,581,950
Adjustment in unearned premiums		(367,152)	(226,213)
Net premiums earned	21	3,065,014	2,355,737
Gross claims paid		(2,769,715)	(2,714,337)
Claims recovered from re-insurers		1,382,769	1,399,805
Outstanding claims adjustment – gross		(771,253)	(723,518)
Outstanding claims adjustment- re-insurance recoveries		32,294	280,454
Net claims incurred	21	(2,125,905)	(1,757,596)
Management expenses	16	(421,172)	(395,427)
Net commission income		512,763	566,410
		91,591	170,983
Underwriting profit for the year	21	1,030,700	769,124
Investment income	17	2,074,633	2,081,077
Other income/ (expenses)	18	27,409	(26,865)
Total investment and other income		2,102,042	2,054,212
General and administrative expenses	16	(577,972)	(503,093)
Net profit for the year		2,554,770	2,320,243
Earnings per share	20	81.2 fils	73.7 fils

Hussain Ali Sajwani
Chairman

Adel Hassan Ali Alaali
Deputy Chairman

Yahya E. Nooruddin
General Manager

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