

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

for the year ended 31 December 2006

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 2006		3,000,000	(3,612)	850,245	4,678,258	150,000	793,822	1,713,290	11,182,003
Bonus shares issued during the year		150,000	(112)	-	-	(150,000)	-	112	-
Appropriations made during the year		-	-	-	-	-	(793,822)	-	(793,822)
Realised fair value reserve on sale of available-for-sale investments transferred to statement of income	4	-	-	-	(3,401,290)	-	-	-	(3,401,290)
Unrealised fair value gains on available-for-sale investments	4	-	-	-	305,854	-	-	-	305,854
Net profit for the year		-	-	-	-	-	-	2,554,770	2,554,770
Transfer to statutory reserve		-	-	255,477	-	-	-	(255,477)	-
Proposed appropriations	19	-	-	-	-	157,500	844,000	(1,001,500)	-
As at 31 December 2006		3,150,000	(3,724)	1,105,722	1,582,822	157,500	844,000	3,011,195	9,847,515
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 fair value reserve on sale of available-for-sale investments transferred to statement of income	4	-	-	-	(819,716)	-	-	-	(819,716)
Unrealised fair value gains on 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	19	-	-	-	-	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.