

# Statement of income

for the year ended 31 December 2007

	Notes	2007 Bahraini Dinars	2006 Bahraini Dinars
<b>Gross premiums</b>	24	<b>9,860,283</b>	9,035,554
<b>Reinsurance ceded</b>		<b>(5,682,846)</b>	(5,603,388)
Retained premiums		4,177,437	3,432,166
Adjustment in unearned premiums		(441,744)	(367,152)
<b>Net premiums earned</b>	24	<b>3,735,693</b>	3,065,014
<b>Gross claims paid</b>		<b>(3,724,474)</b>	(2,769,715)
Claims recovered from re-insurers		1,472,064	1,382,769
Outstanding claims adjustment – gross		(75,163)	(771,253)
Outstanding claims adjustment- re-insurance recoveries		(23,268)	32,294
<b>Net claims incurred</b>	24	<b>(2,350,841)</b>	(2,125,905)
Management expenses	19	(471,927)	(421,172)
Net commission income	24	527,067	512,763
		55,140	91,591
<b>Underwriting profit for the year</b>	24	<b>1,439,992</b>	1,030,700
Investment income	20	2,519,923	2,085,674
Other (expenses) / income	21	(7,479)	16,368
<b>Total investment and other income</b>		<b>2,512,444</b>	2,102,042
General and administrative expenses	19	(650,466)	(577,972)
<b>Net profit for the year</b>		<b>3,301,970</b>	2,554,770
<b>Earnings per share</b>	23	<b><u>99.91 fils</u></b>	<u>77.30 fils</u>

Hussain Ali Sajwani  
Chairman

Adel Hassan 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.