

Income Statements

for the year ended 31 December 2006

| | Note | Group | | Company | |
|--|------|--------------|--------------|--------------|--------------|
| | | 2006 R000 | 2005 R000 | 2006 R000 | 2005 R000 |
| Insurance premium revenue | | 3,910,639 | 3,509,671 | 3,431,870 | 3,049,769 |
| Insurance premium ceded to reinsurers | | 735,513 | 646,274 | 508,863 | 439,584 |
| Net insurance premium | | 3,175,126 | 2,863,397 | 2,923,007 | 2,610,185 |
| Change in provision for unearned premium | | (114,622) | (126,187) | (37,838) | (22,677) |
| Reinsurers' share of change in provision for unearned premium | | 55,043 | 74,902 | 23,776 | 17,927 |
| Net insurance premium revenue | 11 | 3,115,547 | 2,812,112 | 2,908,945 | 2,605,435 |
| Reinsurance commission earned | | 138,032 | 116,617 | 93,964 | 75,750 |
| Other income – fee income | | 10,602 | 4,224 | – | – |
| Pension fund surplus | 8.1 | 230,764 | – | 230,764 | – |
| Investment income | 18 | 202,224 | 136,033 | 163,822 | 111,554 |
| Net fair value (loss)/gain on assets held at fair value through income | 19 | (18,962) | 53,297 | (18,962) | 51,841 |
| Net realised gains on financial assets – available-for-sale | 20 | 71,334 | 164,152 | 71,250 | 161,527 |
| Net income | | 3,749,541 | 3,286,435 | 3,449,783 | 3,006,107 |
| Insurance claims | | | | | |
| Gross insurance claims paid | 21 | 2,513,901 | 2,178,084 | 2,288,209 | 1,957,248 |
| Reinsurers' share of claims paid | | (323,881) | (338,875) | (236,331) | (257,313) |
| Change in gross provision for outstanding claims | | 160,905 | 86,058 | 150,958 | 63,053 |
| Reinsurers' portion of change in provision for outstanding claims | | (94,083) | (22,897) | (90,369) | (6,407) |
| Net insurance claims | | 2,256,842 | 1,902,370 | 2,112,467 | 1,756,581 |
| Expenses | | | | | |
| Gross acquisition costs | | 609,307 | 542,299 | 532,720 | 480,839 |
| Administrative and other operating expenses | | 447,250 | 327,786 | 423,022 | 294,695 |
| Investment expenses | | 3,594 | 5,368 | 3,594 | 5,368 |
| Expenses | | 1,060,151 | 875,453 | 959,336 | 780,902 |
| Profit before tax | 22 | 432,548 | 508,612 | 377,980 | 468,624 |
| Income tax expense | 23 | 105,666 | 118,388 | 90,330 | 102,270 |
| Profit after tax | | 326,882 | 390,224 | 287,650 | 366,354 |
| Net income attributable to | | | | | |
| – Members of the Company | | 320,580 | 389,130 | 287,650 | 366,354 |
| – Minority interest | | 6,302 | 1,094 | – | – |
| Earnings per share (cents) | 4 | 2,632.1 | 3,195.0 | – | – |