



Insurance Corporation of Barbados Limited

Financial Statements

FOR THE SIX MONTHS ENDED JUNE 30, 2007 (expressed in Barbados dollars)

CONSOLIDATED BALANCE SHEET

For the six months ended June 30, 2007
with comparative figures for 2006

Unaudited
June 30, 2007
\$

Unaudited
June 30, 2006
\$

Current Assets		
Cash and short term deposits	16,799,229	18,189,543
Premiums due by policyholders	24,944,277	19,757,448
Reinsurance receivables	41,803,726	32,287,026
Other receivables	12,996,587	8,931,931
Deferred reinsurance costs	18,954,623	17,170,414
Deferred taxes	45,107	283,484
Prepaid expenses	-	22,343
Deferred acquisition costs	1,763,489	1,404,321
Total Current Assets	117,307,038	98,046,510
Long-Term Assets		
Property, plant and equipment	17,690,425	17,276,843
Intangible assets	511,033	709,154
Investments	183,848,978	163,763,413
Loans	13,522,440	9,509,191
Investment property	42,150,000	37,178,200
Total Long-Term Assets	257,722,876	228,436,801
Total Assets	375,029,914	326,483,311
Current Liabilities		
Reinsurance payables	9,287,687	7,554,446
Accounts payable and accruals	3,748,445	3,438,956
Provision for outstanding claims	109,927,459	93,829,410
Provision for unearned premiums	38,478,269	34,479,118
Corporation tax payable	2,872,248	2,354,836
Total Current Liabilities	164,314,108	141,656,766
Long Term Liabilities		
Pension plan	711,907	925,275
Life fund	3,203,625	2,941,547
Deposit administration fund	87,810,423	78,347,392
Total Long Term Liabilities	91,725,955	82,214,214
Total Liabilities	256,040,063	223,870,980
Net Assets	118,989,851	102,612,331
Represented by: Shareholders' Equity		
Share capital	38,740,891	38,740,891
Catastrophe reserve	4,946,558	3,840,936
Surplus reserve	19,523,646	15,173,313
Revaluation account	8,307,534	9,196,383
Retained earnings	37,726,930	25,691,239
Minority interest	109,245,559	92,642,762
	9,744,292	9,969,569
Total Equity	118,989,851	102,612,331

Signed on the behalf of the Board:

Chairman

Managing Director

CONSOLIDATED STATEMENT OF INCOME

For the six months ended June 30, 2007
with comparative figures for 2006

Unaudited
June 30, 2007
\$

Unaudited
June 30, 2006
\$

Gross premium written-direct	59,124,730	53,512,449
Gross premium written-reinsurance	476,465	282,554
	59,601,195	53,795,003
Less reinsurance ceded	29,039,227	26,648,110
Net premium written	30,561,968	27,146,893
Decrease/(increase) in provision for unearned premiums	(2,059,531)	(1,274,582)
Net premiums earned	28,502,437	25,872,311
Claims incurred:		
Claims paid	13,017,874	12,664,928
Less reinsurance recoveries	1,312,325	1,664,034
Net claims paid	11,705,549	11,000,894
Increase/(Decrease) in provision for o/s claims	1,329,830	3,579,190
Increase/(Decrease) in IBNR provision	1,650,949	1,842,723
Net claims incurred	14,686,328	16,422,807
Underwriting results before other items	13,816,109	9,449,504
Reinsurance commissions received	6,217,579	7,036,168
Reinsurance commissions paid	(49,686)	(33,978)
Other commissions paid	(1,004,976)	(776,144)
Premium tax	(1,164,761)	(1,102,634)
Group life income - net	1,126,472	1,172,383
Underwriting income before management expenses	18,940,737	15,745,299
Management expenses	(9,113,310)	(8,817,202)
Net underwriting income	9,827,427	6,928,097
Investment income - net	4,412,963	2,732,803
Other income	2,399,259	2,578,143
Income before corporation tax	16,639,649	12,239,043
Corporation tax	(3,208,996)	(2,367,435)
Net income	13,430,653	9,871,608
Attributed to :		
- Equity holders of the company	13,296,913	9,621,650
- Minority Interest	133,740	249,958
	13,430,653	9,871,608
Basic and diluted earnings per share	0.34	0.25

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (Unaudited)

For the six months ended June 30, 2007

	Share Capital	Catastrophe Reserve	Surplus Reserves	Revaluation Surplus	Retained Earnings	Minority Interest	TOTAL
	\$	\$	\$	\$	\$	\$	\$
Balance at December 31, 2005	38,740,891	3,413,154	12,767,900	9,464,381	22,022,346	9,719,611	96,128,283
Net Income after tax	--	--	--	--	20,055,508	858,691	20,914,199
Dividends	--	--	--	--	(5,459,234)	--	(5,459,234)
Minority interest distribution	--	--	--	--	--	(967,750)	(967,750)
Transfer to catastrophe reserve	--	643,672	--	--	(643,672)	--	--
Transfer to surplus reserve	--	--	4,696,214	--	(4,696,214)	--	--
Revaluation account	--	--	--	(284,598)	--	--	(284,598)
Balance at December 31, 2006	38,740,891	4,056,826	17,464,114	9,179,783	31,278,734	9,610,552	110,330,900
Net Income after tax	--	--	--	--	13,296,913	133,740	13,430,653
Dividends	--	--	--	--	(3,899,453)	--	(3,899,453)
Minority interest distribution	--	--	--	--	--	--	--
Transfer to Catastrophe Reserve	--	889,732	--	--	(889,732)	--	--
Transfer to Surplus Reserve	--	--	2,059,532	--	(2,059,532)	--	--
Revaluation account	--	--	--	(872,249)	--	--	(872,249)
Balance at June 30, 2007	38,740,891	4,946,558	19,523,646	8,307,534	37,726,930	9,744,292	118,989,851

CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended June 30, 2007
With comparative figures for 2006

Unaudited
June 30, 2007
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Unaudited
June 30, 2006
\$

Net cash from operating activities	5,634,070	6,047,886
Net cash from financing activities	482,544	1,531,704
Net cash from operating and financing activities	6,116,614	7,579,590
Net cash used in investing activities	(2,572,216)	(5,513,659)
Net increase/(decrease) in cash for the period	3,544,398	2,065,931
Cash and short-term deposits - beginning of period	13,254,831	16,123,612
Cash and short-term deposits - end of period	16,799,229	18,189,543

CHAIRMAN'S REVIEW

For the six months ended June 30, 2007

Insurance Corporation of Barbados Ltd. produced excellent mid-year results with Gross Premiums growing by 10.7% to \$59.1 million and Net Income increasing by 33.8% to \$13.4 million at 30 June 2007. Underwriting profits were recorded from all lines of business and net investment income for the period increased by \$1.7 million, contributing to growth in Earnings Per Share of \$0.09 from \$0.25 to \$0.34 for the period under review.

The Company's exposure to serious losses and catastrophe is prudently limited through a conservative and extensive reinsurance programme, placed with a panel representing the strongest reinsurers in the business. A hurricane or a serious motor loss will have only relatively minor impact on the fortunes of the Company during the remainder of 2007 or in any financial year.

Chairman