



Interim Consolidated Statement of Financial Position

As at 30 September 2010 (Unaudited)

	Unaudited 30 Sept 2010 US\$ 000	Audited 31 Dec 2009 US\$ 000	Unaudited 30 Sept 2009 US\$ 000
ASSETS			
Demand and call deposits with banks	41,451	20,328	38,608
Time deposits with banks	160,385	176,203	77,351
Investments carried at fair value through statement of income	126,313	155,315	151,893
Non-trading investments	502,463	715,321	804,620
Loans and receivables	57,181	52,595	81,643
Other assets	356,314	46,203	23,534
Investments in associates and joint venture accounted for under the equity method	585,146	647,852	637,932
Investment properties	21,178	26,794	33,193
Property and equipment	937	983	1,761
Goodwill	55,168	55,168	46,573
Assets of disposal group classified as held for sale	-	473,937	438,564
TOTAL ASSETS	1,906,536	2,370,699	2,335,672
LIABILITIES AND EQUITY			
LIABILITIES			
Due to banks and other financial institutions	422,798	458,347	502,096
Deposits from customers	119,405	227,183	104,603
Loans payable	491,398	500,986	514,042
Bonds	67,903	68,888	68,964
Subordinated debt	100,000	100,000	100,000
Other liabilities	112,259	72,002	68,452
Liabilities of disposal group classified as held for sale	-	370,968	349,892
TOTAL LIABILITIES	1,313,763	1,798,374	1,708,049
EQUITY			
Share capital	208,163	207,694	207,518
Treasury shares	(12,725)	(12,725)	(12,725)
Share premium	10,501	9,612	9,305
Statutory reserve	91,505	91,505	89,495
General reserve	71,990	71,990	69,980
Treasury shares reserve	14,308	14,308	14,308
Fair value reserve	(25,349)	(30,966)	(26,869)
Foreign currency translation reserve	37,066	36,180	52,225
Retained earnings	151,365	119,870	121,398
CAPITAL AND RESERVES ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT	546,824	507,468	524,635
Non-controlling interests in equity	45,949	64,857	102,988
TOTAL EQUITY	592,773	572,325	627,623
TOTAL LIABILITIES AND EQUITY	1,906,536	2,370,699	2,335,672

Interim Consolidated Statement of Income

For the nine-month period ended 30 September 2010 (Unaudited)

	Three-month period ended 30 Sept		Nine-month period ended 30 Sept	
	2010 US\$ 000	2009 US\$ 000	2010 US\$ 000	2009 US\$ 000
Continuing operations				
Investment income - net	14,206	10,018	62,275	63,832
Interest income	3,195	4,425	10,937	14,120
Fees and commissions	17,401	14,443	73,212	77,952
Foreign currency translation gains (losses) - net	3,770	(127)	3,363	1,351
Share of results of associates and joint venture accounted for under the equity method-net	(283)	4,273	3,985	(5,127)
Total income	33,235	25,870	105,702	91,736
Interest expense	(11,751)	(12,167)	(35,860)	(38,716)
Operating income before expenses and provisions	21,484	13,703	69,842	53,020
Salaries and benefits	(7,084)	(5,343)	(19,126)	(17,985)
General and administrative expenses	(4,482)	(3,198)	(11,953)	(10,669)
Operating income before provisions	9,918	5,162	38,763	24,366
Impairment loss on investments	-	-	-	(15,712)
Write-back of (provision for) doubtful loans, guarantees and other assets - net	(65)	273	119	1,283
Net profit for the period from continuing operations	9,853	5,435	38,882	9,937
Discontinued operations				
Net (loss) profit for the period from discontinued operations	-	(2,339)	6,086	9,929
NET PROFIT FOR THE PERIOD	9,853	3,096	44,968	19,866
Attributable to:				
Shareholders of the parent				
from continuing operations	9,640	5,035	38,241	9,258
from discontinued operations	-	(1,745)	3,187	8,898
	9,640	3,290	41,428	18,156
Non-controlling interests				
from continuing operations	213	400	641	679
from discontinued operations	-	(594)	2,899	1,031
	213	(194)	3,540	1,710
	9,853	3,096	44,968	19,866
Earnings per share				
Basic earnings per share (US cents)	1.17	0.40	5.05	2.23
Diluted earnings per share (US cents)	1.17	0.40	5.04	2.22
Basic earnings per share from continuing operations (US cents)	1.17	0.61	4.66	1.14
Diluted earnings per share from continuing operations (US cents)	1.17	0.61	4.65	1.13

Interim Consolidated Statement of Cash Flows

For the nine-month period ended 30 September 2010 (Unaudited)

	Nine-month period ended 30 Sept	
	2010 US\$ 000	2009 US\$ 000
Net cash (used in) from operating activities	(133,911)	146,864
Net cash from investing activities	192,575	116,363
Net cash used in financing activities	(18,479)	(221,466)
Foreign currency translation adjustments	886	(19,877)
Movement in non-controlling interests	(22,448)	(10,935)

NET CHANGE IN CASH AND CASH EQUIVALENTS

Cash and cash equivalents at 1 January

CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER

	Nine-month period ended 30 Sept	
	2010 US\$ 000	2009 US\$ 000
NET CHANGE IN CASH AND CASH EQUIVALENTS	18,623	10,949
Cash and cash equivalents at 1 January	183,160	104,957
CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER	201,783	115,906

Interim Consolidated Statement of Changes in Equity

For the nine-month period ended 30 September 2010 (Unaudited)

	Attributable to shareholders of the parent										Total before non- controlling interests US\$ 000	Non- controlling interests US\$ 000	Total equity US\$ 000
	Share capital US\$ 000	Treasury shares US\$ 000	Share premium US\$ 000	Statutory reserve US\$ 000	General reserve US\$ 000	Treasury share reserve US\$ 000	Fair value reserve US\$ 000	Foreign currency translation reserve US\$ 000	Retained earnings US\$ 000				
Balance at 1 January 2010	207,694	(12,725)	9,612	91,505	71,990	14,308	(30,966)	36,180	119,870	507,468	64,857	572,325	
Profit for the period	-	-	-	-	-	-	-	41,428	41,428	3,540	44,968		
Other comprehensive income (loss)	-	-	-	-	-	5,617	886	-	6,503	(323)	6,180		
Total comprehensive income for the period	-	-	-	-	-	5,617	886	41,428	47,931	3,217	51,148		
Shares issued	469	-	889	-	-	-	-	-	1,358	-	1,358		
Dividends paid for 2009	-	-	-	-	-	-	-	(10,249)	(10,249)	-	(10,249)		
Dividends of subsidiaries	-	-	-	-	-	-	-	-	-	(2,626)	(2,626)		
Employee share option plan	-	-	-	-	-	-	-	316	316	-	316		
Other movements in non-controlling interests	-	-	-	-	-	-	-	-	-	(19,499)	(19,499)		
Balance at 30 September 2010	208,163	(12,725)	10,501	91,505	71,990	14,308	(25,349)	37,066	151,365	546,824	45,949	592,773	
Balance at 1 January 2009	206,232	(12,725)	8,171	89,495	69,980	14,308	2,375	72,102	253,100	703,038	112,213	815,251	
Profit for the period	-	-	-	-	-	-	-	18,156	18,156	1,710	19,866		
Other comprehensive loss	-	-	-	-	-	(29,244)	(19,877)	-	(49,121)	(2,061)	(51,182)		
Total comprehensive (loss) income for the period	-	-	-	-	-	(29,244)	(19,877)	18,156	(30,965)	(351)	(31,316)		
Shares issued	1,286	-	1,134	-	-	-	-	-	2,420	-	2,420		
Dividends paid for 2008	-	-	-	-	-	-	-	(150,664)	(150,664)	-	(150,664)		
Dividends of subsidiaries	-	-	-	-	-	-	-	-	-	(1,171)	(1,171)		
Employee share option plan	-	-	-	-	-	-	-	806	806	-	806		
Other movements in non-controlling interests	-	-	-	-	-	-	-	-	-	(7,703)	(7,703)		
Balance at 30 September 2009	207,518	(12,725)	9,305	89,495	69,980	14,308	(26,869)	52,225	121,398	524,635	102,988	627,623	

Interim Consolidated Statement of Comprehensive Income

For the nine-month period ended 30 September 2010 (Unaudited)

	Three-month period ended 30 Sept		Nine-month period ended 30 Sept	
	2010 US\$ 000	2009 US\$ 000	2010 US\$ 000	2009 US\$ 000
NET PROFIT FOR THE PERIOD	9,853	3,096	44,968	19,866
Other comprehensive income (loss):				
Foreign currency translation reserve	5,509	764	14	(22,949)
Fair value reserve	(933)	(230)	5,682	(25,695)
Share of other comprehensive (loss) income of associates and joint venture accounted for under equity method	(560)	(40)	559	(2,047)
Cash flow hedges	225	(948)	(75)	(491)
Other comprehensive income (loss) for the period	4,241	(454)	6,180	(51,182)
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD	14,094	2,642	51,148	(31,316)

Attributable to:

Shareholders of the parent

	Three-month period ended 30 Sept		Nine-month period ended 30 Sept	
	2010 US\$ 000	2009 US\$ 000	2010 US\$ 000	2009 US\$ 000
from continuing operations	13,562	(1,280)	42,750	(38,499)
from discontinued operations	-	3,837	5,181	7,534
	13,562	2,557	47,931	(30,965)

Non-controlling interests

	Three-month period ended 30 Sept		Nine-month period ended 30 Sept	
	2010 US\$ 000	2009 US\$ 000	2010 US\$ 000	2009 US\$ 000
from continuing operations	532	836	316	(942)
from discontinued operations	-	(751)	2,901	591
	532	85	3,217	(351)
	14,094	2,642	51,148	(31,316)

The above Interim Consolidated Statement of Financial Position, Interim Consolidated Statement of Income, Interim Consolidated Statement of Cash Flows, Interim Consolidated Statement of Changes in Equity and Interim Consolidated Statement of Comprehensive Income have been extracted from the Interim Condensed Consolidated Financial Statements of United Gulf Bank B.S.C. for the nine months ended 30 September 2010, which were approved by the Board of Directors on 2 November 2010 and were reviewed by Ernst & Young, Kingdom of Bahrain.

Masaud Hayat
Chairman

Faisal Al Ayyar
Director

David J Rhodes
Chief Executive Officer

Major Subsidiaries



بنك الخليج المتحد للخدمات المالية شمال افريقيا
United Gulf Financial Services North Africa



شركة الخدمات المالية
Al Dhiyafa Holding Company



شركة منافع للاستثمار
Manafae Investment Company



Millennium
PRIVATE EQUITY



North Africa



ROYAL
CAPITAL



بنك سورية والخليج
Syria Gulf Bank



شركة الصناعات المتحدة
United Industries Company



United
Networks



شركة العقارات المتحدة
United Real Estate Company