



بنك الخليج المتحد  
United Gulf Bank B.S.C.

#### Interim Consolidated Statement of Financial Position

As at 31 March 2012 (Unaudited)

	Unaudited 31 March 2012 US\$ 000	Audited 31 December 2011 US\$ 000	Unaudited 31 March 2011 US\$ 000
<b>ASSETS</b>			
Demand and call deposits with banks	26,646	17,857	33,656
Placement with banks	75,184	102,282	116,061
Investments carried at fair value through statement of income	67,633	73,183	130,466
Non-trading investments	435,827	435,028	372,838
Loans and receivables	27,778	27,942	54,024
Other assets	34,349	37,490	51,961
Investments in associates and joint ventures accounted for under the equity method	1,006,501	1,002,940	1,049,740
Investment properties	16,054	16,054	21,178
Property and equipment	826	946	1,098
Goodwill	56,782	56,782	56,296
<b>TOTAL ASSETS</b>	<b>1,747,580</b>	<b>1,770,504</b>	<b>1,887,308</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
Due to banks and other financial institutions	162,345	211,795	419,466
Deposits from customers	93,794	80,349	129,086
Loans payable	720,822	731,185	494,010
Bonds	-	-	71,885
Subordinated debt	100,000	100,000	100,000
Other liabilities	49,500	44,021	70,268
<b>TOTAL LIABILITIES</b>	<b>1,126,461</b>	<b>1,167,350</b>	<b>1,284,715</b>
<b>EQUITY</b>			
Share capital	208,640	208,640	208,280
Treasury shares	(15,340)	(12,725)	(12,725)
Share premium	11,459	11,459	10,726
Statutory reserve	95,518	95,518	95,371
General reserve	76,003	76,003	75,856
Treasury shares reserve	14,308	14,308	14,308
Fair value reserve	(2,894)	(13,532)	(26,999)
Foreign currency translation reserve	39,665	40,134	46,074
Retained earnings	151,157	142,037	145,687
<b>CAPITAL AND RESERVES ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT</b>	<b>578,516</b>	<b>561,842</b>	<b>556,578</b>
Non-controlling interests in equity	42,603	41,312	46,015
<b>TOTAL EQUITY</b>	<b>621,119</b>	<b>603,154</b>	<b>602,593</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>1,747,580</b>	<b>1,770,504</b>	<b>1,887,308</b>

#### Interim Consolidated Statement of Income

For the three-month period ended 31 March 2012 (Unaudited)

	Three-month period ended 31 March	
	2012 US\$ 000	2011 US\$ 000
Investment income - net	3,723	17,901
Interest income	1,633	1,775
Fees and commissions	5,356	19,676
Foreign currency translation losses - net	6,696	4,165
Share of results of associates and joint ventures accounted for under the equity method - net	(234)	(108)
<b>Total income</b>	<b>20,636</b>	<b>2,578</b>
Interest expense	32,454	26,311
<b>Operating income before expenses and provisions</b>	<b>(13,305)</b>	<b>(12,353)</b>
Salaries and benefits	19,149	13,958
General and administrative expenses	(5,582)	(4,505)
<b>Operating income before provisions</b>	<b>(2,025)</b>	<b>(2,668)</b>
Impairment loss on investments	11,542	6,785
Write-back of provision for doubtful loans, guarantees and other assets - net	(2,462)	(3,252)
<b>NET PROFIT FOR THE PERIOD</b>	<b>9,116</b>	<b>3,603</b>
<b>Profit (loss) attributable to</b>		
shareholders of the parent	9,120	4,827
non-controlling interests	(4)	(1,224)
	<b>9,116</b>	<b>3,603</b>
<b>Earnings per share</b>		
Basic earnings per share (US cents)	1.11	0.59
Diluted earnings per share (US cents)	1.11	0.59

#### Interim Consolidated Statement of Cash Flows

For the three-month period ended 31 March 2012 (Unaudited)

	Three-month period ended 31 March	
	2012 US\$ 000	2011 US\$ 000
Net cash used in operating activities	(24,612)	(19,989)
Net cash from (used in) investing activities	18,456	(21,896)
Net cash used in financing activities	(12,978)	(7,281)
Foreign currency translation adjustments	(469)	2,609
Movement in non-controlling interests	1,295	1,091

#### Interim Consolidated Statement of Changes in Equity

For the three-month period ended 31 March 2012 (Unaudited)

	Attributable to shareholders of the parent								Total before non-controlling interests				Non-controlling interests	Total equity
	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	US\$ 000	US\$ 000	US\$ 000	US\$ 000	US\$ 000
Balance at 1 January 2012	208,640	(12,725)	11,459	95,518	76,003	14,308	(13,532)	40,134	142,037	561,842	41,312		603,154	
Profit (loss) for the period	-	-	-	-	-	-	-	-	9,120	9,120	(4)		9,116	
Other comprehensive income (loss)	-	-	-	-	-	-	10,638	(469)	-	10,169	1,594		11,763	
Total comprehensive income (loss) for the period	-	-	-	-	-	-	10,638	(469)	9,120	19,289	1,590		20,879	
Purchase of treasury shares	-	(2,615)	-	-	-	-	-	-	-	(2,615)	-		(2,615)	
Other movements in non-controlling interests	-	-	-	-	-	-	-	-	-	-	(299)		(299)	
<b>Balance at 31 March 2012</b>	<b>208,640</b>	<b>(15,340)</b>	<b>11,459</b>	<b>95,518</b>	<b>76,003</b>	<b>14,308</b>	<b>(2,894)</b>	<b>39,665</b>	<b>151,157</b>	<b>578,516</b>	<b>42,603</b>		<b>621,119</b>	
Balance at 1 January 2011	208,234	(12,725)	10,631	95,371	75,856	14,308	(21,374)	43,465	140,860	554,626	46,148		600,774	
Profit (loss) for the period	-	-	-	-	-	-	-	-	4,827	4,827	(1,224)		3,603	
Other comprehensive (loss) income	-	-	-	-	-	-	(5,625)	2,609	-	(3,016)	1,165		(1,851)	
Total comprehensive (loss) income for the period	-	-	-	-	-	-	(5,625)	2,609	4,827	1,811	(59)		1,752	
Shares issued	46	-	95	-	-	-	-	-	-	141	-		141	
Other movements in non-controlling interests	-	-	-	-	-	-	-	-	-	-	(74)		(74)	
<b>Balance at 31 March 2011</b>	<b>208,280</b>	<b>(12,725)</b>	<b>10,726</b>	<b>95,371</b>	<b>75,856</b>	<b>14,308</b>	<b>(26,999)</b>	<b>46,074</b>	<b>145,687</b>	<b>556,578</b>	<b>46,015</b>		<b>602,593</b>	

#### Interim Consolidated Statement of Comprehensive Income

For the three-month period ended 31 March 2012 (Unaudited)

	Three-month period ended 31 March	
	2012 US\$ 000	2011 US\$ 000
<b>NET PROFIT FOR THE PERIOD</b>	<b>9,116</b>	<b>3,603</b>
Other comprehensive income (loss):		
Foreign currency translation reserve	(332)	3,214
Fair value reserve	9,333	(4,887)
Share of other comprehensive income (loss) of associates and joint ventures accounted for under equity method	1,389	(618)
Cash flow hedges	1,373	440
<b>Other comprehensive income (loss) for the period</b>	<b>11,763</b>	<b>(1,851)</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>20,879</b>	<b>1,752</b>

#### Total comprehensive income (loss) attributable to

shareholders of the parent	19,289	1,811
non-controlling interests	1,590	(59)
	<b>20,879</b>	<b>1,752</b>

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 three-month period ended 31 March 2012, which were approved by the Board of Directors on 8 May 2012 and were reviewed by Ernst & Young, Kingdom of Bahrain.

Masaud Hayat  
Chairman

Faisal Al Ayyar  
Director

Rabih Soukarieh  
Acting Chief Executive Officer

#### Major Subsidiaries



#### Major Associates

