



Interim Consolidated Statement of Financial Position

As at 30 September 2017

	Reviewed 30 September 2017 US\$ 000	Audited 31 December 2016 US\$ 000	Reviewed 30 September 2016 US\$ 000
ASSETS			
Demand and call deposits with banks	33,458	176,880	147,888
Placements with banks	101,765	187,350	251,745
Investments carried at fair value through statement of income	24,886	45,178	53,223
Non-trading investments	254,998	404,436	408,368
Loans and receivables	11,785	1,184,804	1,149,758
Other assets	54,930	112,735	138,787
Investments in associates	140,486	709,043	718,410
Investment properties	105,056	101,326	102,204
Property and equipment	1,641	32,117	39,513
Goodwill	51,671	51,868	52,705
Assets held for sale	2,208,474	-	198
TOTAL ASSETS	2,989,150	3,005,737	3,062,799
LIABILITIES AND EQUITY			
LIABILITIES			
Due to banks and other financial institutions	356,784	726,222	782,546
Deposits from customers	50,135	985,210	933,985
Loans payable	121,021	652,125	617,623
Subordinated debt	-	50,000	123,470
Other liabilities	36,243	62,724	61,268
Liabilities directly associated with assets held for sale	1,867,239	-	211
TOTAL LIABILITIES	2,431,422	2,476,281	2,519,103
EQUITY			
Share capital	208,651	208,651	208,651
Treasury shares	(18,131)	(18,131)	(18,131)
Share premium	11,459	11,459	11,459
Statutory reserve	100,514	100,514	99,888
General reserve	80,999	80,999	80,373
Treasury shares reserve	14,248	14,248	14,248
Fair value reserve	(39,913)	(49,966)	(49,533)
Foreign currency translation reserve	(32,479)	(37,476)	(31,987)
Retained earnings	90,257	83,711	86,415
CAPITAL AND RESERVES ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT	415,605	394,009	401,383
Perpetual Tier 1 capital	33,000	33,000	33,000
Non-controlling interests	109,123	102,447	109,313
TOTAL EQUITY	557,728	529,456	543,696
TOTAL LIABILITIES AND EQUITY	2,989,150	3,005,737	3,062,799

Interim Condensed Consolidated Statement of Cash Flows

For the nine-month period ended 30 September 2017 (Reviewed)

	Nine-month period ended 30 September	
	2017 US\$ 000	2016 US\$ 000
Net cash (used in) from operating activities	(105,798)	242,527
Net cash (used in) from investing activities	(25,715)	1,380
Net cash from (used in) financing activities	84,520	(83,745)
Foreign currency translation adjustments	4,997	2,903
Movement in non-controlling interests	3,969	(4,900)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(38,027)	158,165
Cash and cash equivalents at 1 January	357,067	220,957
CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER	319,040	379,122

Interim Consolidated Statement of Changes In Equity

For the nine-month period ended 30 September 2017 (Reviewed)

	Attributable to shareholders of the parent										Perpetual Tier 1 capital 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	Total before non- controlling interests US\$ 000			
Balance at 1 January 2017	208,651	(18,131)	11,459	100,514	80,999	14,248	(49,966)	(37,476)	83,711	394,009	33,000	102,447	529,456
Profit for the period	-	-	-	-	-	-	-	-	8,298	8,298	-	2,707	11,005
Other comprehensive income	-	-	-	-	-	-	10,053	4,997	-	15,050	-	2,164	17,214
Total comprehensive income for the period	-	-	-	-	-	-	10,053	4,997	8,298	23,348	-	4,871	28,219
Interest payment on Tier 1 capital	-	-	-	-	-	-	-	-	(1,752)	(1,752)	-	-	(1,752)
Other movements in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	1,805	1,805
Balance at 30 September 2017	208,651	(18,131)	11,459	100,514	80,999	14,248	(39,913)	(32,479)	90,257	415,605	33,000	109,123	557,728
Balance at 1 January 2016	208,651	(18,131)	11,459	99,888	80,373	14,248	(48,159)	(34,890)	80,497	393,936	-	109,331	503,267
Profit (loss) for the period	-	-	-	-	-	-	-	-	5,918	5,918	-	(5,912)	6
Other comprehensive (loss) income	-	-	-	-	-	-	(1,374)	2,903	-	1,529	-	(104)	1,425
Total comprehensive (loss) income for the period	-	-	-	-	-	-	(1,374)	2,903	5,918	7,447	-	(6,016)	1,431
Issue of Perpetual Tier 1 capital	-	-	-	-	-	-	-	-	-	-	33,000	-	33,000
Other movements in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	5,998	5,998
Balance at 30 September 2016	208,651	(18,131)	11,459	99,888	80,373	14,248	(49,533)	(31,987)	86,415	401,383	33,000	109,313	543,696

The above Interim Consolidated Statement of Financial Position, Interim Consolidated Statement of Income, Interim Condensed 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-month period ended 30 September 2017, which were approved by the Board of Directors on 13 November 2017 and were reviewed by Ernst & Young, Kingdom of Bahrain.

Masaud Hayat
Chairman

Faisal Al Ayyar
Vice Chairman

Hussain Lalani
Acting Chief Executive Officer

Interim Consolidated Statement of Income

For the nine-month period ended 30 September 2017 (Reviewed)

	Three-month period ended 30 September		Nine-month period ended 30 September	
	2017 US\$ 000	2016 US\$ 000	2017 US\$ 000	2016 US\$ 000
Investment income - net	6,238	481	17,415	4,313
Interest income	1,326	916	3,094	2,876
	7,564	1,397	20,509	7,189
Fees and commissions	4,328	3,728	15,599	16,760
Foreign currency translation losses - net	(161)	(859)	(373)	(3,470)
Share of results of associates - net	(1,594)	75	(1,419)	2,827
Total income	10,137	4,341	34,316	23,306
Interest expense	(4,178)	(2,910)	(11,576)	(8,635)
Operating income before expenses and provisions	5,959	1,431	22,740	14,671
Salaries and benefits	(4,292)	(5,415)	(12,598)	(16,718)
General and administrative expenses	(2,382)	(1,909)	(7,755)	(8,017)
Operating (loss) income before provisions	(715)	(5,893)	2,387	(10,064)
Write-backs of (provisions for) loans and receivables	1,664	-	(597)	3,000
Provision for impairment on investments	-	-	(462)	(1,700)
Taxation - net	93	(14)	(1,071)	(20)
Net profit (loss) for the period from continuing operations	1,042	(5,907)	257	(8,784)
Discontinued operations				
Net Income from discontinued operations	2,128	5,136	10,748	8,790
Net profit (loss) for the period	3,170	(771)	11,005	6
Net profit (loss) attributable to non-controlling interests	972	(2,454)	2,707	(5,912)
NET PROFIT ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT	2,198	1,683	8,298	5,918
Net profit (loss) for the period attributable to:				
Non-controlling interests				
- from continuing operations	319	(2,862)	525	(5,031)
- from discontinued operations	653	408	2,182	(881)
	972	(2,454)	2,707	(5,912)
Shareholders of the parent				
- from continuing operations	723	(3,045)	(268)	(3,753)
- from discontinued operations	1,475	4,728	8,566	9,671
	2,198	1,683	8,298	5,918

Interim Consolidated Statement of Comprehensive Income

For the nine-month period ended 30 September 2017 (Reviewed)

	Three-month period ended 30 September		Nine-month period ended 30 September	
	2017 US\$ 000	2016 US\$ 000	2017 US\$ 000	2016 US\$ 000
Net Profit (Loss) for the period	3,170	(771)	11,005	6
Other comprehensive income (loss) for the period to be reclassified to profit or loss in subsequent periods:				
- Foreign currency translation reserve	652	136	1,745	589
- Fair value reserve	2,190	4,552	19,106	6,287
- Transfer to interim consolidated statement of income upon disposal	-	654	-	2,949
- Cash flow hedges	146	(40)	(215)	(322)
Other comprehensive income for the period to be reclassified to profit or loss in subsequent periods	2,988	5,302	20,636	9,503
Other comprehensive loss for the period from discontinued operations to be reclassified to profit or loss in subsequent periods	(47)	(3,425)	(3,422)	(8,078)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	6,111	1,106	28,219	1,431
Total comprehensive income (loss) attributable to:				
- shareholders of the parent	4,582	6,105	23,348	7,447
- non-controlling interests	1,529	(4,999)	4,871	(6,016)
	6,111	1,106	28,219	1,431