

Interim Consolidated Statement of Financial Position
 As at 31 March 2018

	Reviewed 31 March 2018 US\$ 000	Audited 31 December 2017 US\$ 000	Reviewed 31 March 2017 US\$ 000
ASSETS			
Demand and call deposits with banks	33,822	97,993	209,117
Placements with banks	99,186	68,577	308,886
Investments carried at fair value through statement of income	34,587	19,268	36,795
Non-trading investments	140,368	221,566	409,619
Loans and receivables	28,915	4,216	1,184,818
Other assets	34,938	31,820	127,009
Investments in associates	78,061	77,512	709,830
Investment properties	107,003	105,093	104,579
Property and equipment	2,604	1,679	32,388
Goodwill	52,390	52,390	51,868
Assets held for sale	-	-	75,147
TOTAL ASSETS	611,874	680,114	3,250,056
LIABILITIES AND EQUITY			
LIABILITIES			
Due to banks and other financial institutions	224,440	250,211	769,445
Deposits from customers	11,367	31,018	995,905
Loans payable	81,152	98,658	792,910
Subordinated debt	-	-	50,000
Other liabilities	36,442	37,358	62,281
Liabilities directly associated with assets held for sale	-	-	38,824
TOTAL LIABILITIES	353,401	417,245	2,709,365
EQUITY			
Share capital	101,132	101,132	208,651
Treasury shares	-	-	(18,131)
Share premium	5,687	5,687	11,459
Statutory reserve	49,881	49,881	100,514
General reserve	29,612	29,612	80,999
Treasury shares reserve	-	-	14,248
Fair value reserve	7,730	12,867	(46,503)
Foreign currency translation reserve	(2,623)	(3,871)	(35,497)
Retained earnings	8,124	7,659	88,390
CAPITAL AND RESERVES ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT	199,543	202,967	404,130
Perpetual Tier 1 capital	33,000	33,000	33,000
Non-controlling interests	25,930	26,902	103,561
TOTAL EQUITY	258,473	262,869	540,691
TOTAL LIABILITIES AND EQUITY	611,874	680,114	3,250,056

Interim Consolidated Statement of Changes In Equity

For the three-months period ended 31 March 2018 (Reviewed)

	Attributable to shareholders of the parent													
	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	Perpetual Tier 1 capital US\$ 000	Non-controlling interests US\$ 000	Total equity US\$ 000	
Balance at 1 January 2018	101,132	-	5,687	49,881	29,612	-	12,867	(3,871)	7,659	202,967	33,000	26,902	262,869	
Transition adjustment on adoption of IFRS 9 at 1 January 2018	-	-	-	-	-	-	3,037	(1,056)	(4,093)	(1,056)	-	465	(591)	
Profit for the period	101,132	-	5,687	49,881	29,612	-	15,904	(3,871)	3,566	201,911	33,000	27,367	262,278	
Other comprehensive (loss) income	-	-	-	-	-	-	(6,444)	1,248	2,828	2,828	-	104	2,932	
Total comprehensive (loss) income for the period	-	-	-	-	-	-	(6,444)	1,248	2,828	(2,368)	-	(623)	(2,991)	
Transfer upon disposal of non-trading investments	-	-	-	-	-	-	(1,730)	1,730	-	-	-	-	-	
Other movements in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(814)	(814)	
Balance at 31 March 2018	101,132	-	5,687	49,881	29,612	-	7,730	(2,623)	8,124	199,543	33,000	25,930	258,473	
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	-	-	-	-	-	-	-	-	4,679	4,679	-	457	5,136	
Other comprehensive income	-	-	-	-	-	-	3,463	1,979	-	5,442	-	1,147	6,589	
Total comprehensive income for the period	-	-	-	-	-	-	3,463	1,979	4,679	10,121	-	1,604	11,725	
Other movements in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(490)	(490)	
Balance at 31 March 2017	208,651	(18,131)	11,459	100,514	80,999	14,248	(46,503)	(35,497)	88,390	404,130	33,000	103,561	540,691	

The above Interim Consolidated Statement of Financial Position, Interim Consolidated Statement of Income, Interim Consolidated Statement of Other Comprehensive Income, Interim Condensed Consolidated Statement of Cash Flows and Interim Consolidated Statement of Changes In Equity have been extracted from the Interim Condensed Consolidated Financial Statements of United Gulf Bank B.S.C.(c) for the 3 months period ended 31 March 2018, which were approved by the Board of Directors on 14 May 2018 and was 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 three-months period ended 31 March 2018 (Reviewed)

	Three-months period ended 31 March	
	2018 US\$ 000	2017 US\$ 000
Continuing operations		
Investment income - net	4,510	8,413
Interest income	1,093	969
	5,603	9,382
Fees and commissions	7,937	7,653
Foreign currency translation gains - net	1,427	25
Share of results of associates - net	186	(203)
Total income	15,153	16,857
Interest expense	(3,252)	(3,662)
Operating income before expenses and provisions	11,901	13,195
Salaries and benefits	(5,176)	(5,407)
General and administrative expenses	(3,841)	(3,874)
Operating income before provisions and tax	2,884	3,914
Provisions for loans and receivables	-	(177)
Provision for impairment on investments	-	(985)
Provision for losses against unfunded participation	(731)	-
Taxation - net	779	(1,178)
Net profit for the period from continuing operations	2,932	1,574
Net income from discontinued operations	-	3,562
Net profit for the period	2,932	5,136

Net profit for the period attributable to:

	2018 US\$ 000	2017 US\$ 000
Non-controlling interests		
- from continuing operations	104	53
- from discontinued operations	-	404
	104	457

Shareholders of the parent

- from continuing operations	2,828	1,521
- from discontinued operations	-	3,158
	2,828	4,679

Interim Consolidated Statement of Other Comprehensive Income

For the three-months period ended 31 March 2018 (Reviewed)

	Three-months period ended 31 March	
	2018 US\$ 000	2017 US\$ 000
NET PROFIT FOR THE PERIOD	2,932	5,136
Other comprehensive income (loss) for the period to be reclassified to profit or loss in subsequent periods:		
Foreign currency translation reserve	1,415	2,105
Fair value reserve	(7,941)	9,621
Share of other comprehensive loss of associates - net	-	(5,189)
Cash flow hedges	603	52
Other comprehensive (loss) income for the period to be reclassified to profit or loss in subsequent periods	(5,923)	6,589
TOTAL COMPREHENSIVE (LOSS) INCOME FOR THE PERIOD	(2,991)	11,725
Total comprehensive (loss) income attributable to:		
- shareholders of the parent	(2,368)	10,121
- non-controlling interests	(623)	1,604
	(2,991)	11,725

Interim Condensed Consolidated Statement of Cash Flows

For the three-months period ended 31 March 2018 (Reviewed)

	Three-months period ended 31 March	
	2018 US\$ 000	2017 US\$ 000
Net cash (used in) from operating activities	(13,709)	9,818
Net cash used in investing activities	(1,979)	(34,566)
Net cash (used in) from financing activities	(17,506)	140,785
Foreign currency translation adjustments	839	1,979
Movement in non-controlling interests	(1,076)	657
NET CHANGE IN CASH AND CASH EQUIVALENTS	(33,431)	118,673
Cash and cash equivalents at 1 January	166,252	357,067
CASH AND CASH EQUIVALENTS AT 31 MARCH	132,821	475,740