



**Immediate Release**

**UGB announces nine months net profit attributable to the shareholders of the parent of  
\$ 2.2 million**

**Bahrain – 17<sup>th</sup> November 2013:** United Gulf Bank B.S.C. (UGB) today announced a net profit attributable to the shareholders of the parent of \$ 2.2 million for the nine months ended 30 September 2013 compared to \$ 4.9 million over the same period last year. Net loss attributable to the shareholders of the parent for the quarter stood at US\$ 7.4 million compared to a loss of \$ 11.5 million in 3Q12

**Key Financial Highlights**

- Net profit attributable to the shareholders of the parent for the nine months ended 30 September 2013 of \$ 2.2 million (Sept 12: \$ 4.9 million)
- Total income for the nine months ended 30 September 2013 of \$44.6 million (Sept 12: \$ 75.3 million)
- Earnings per share for the nine months ended 30 September 2013 0.27¢ (Sept 12: 0.60¢)
- Total assets as at 30 September 2013 of \$1.26 billion (2012: \$1.23 billion)
- Capital adequacy ratio of 19% exceeding the minimum regulatory requirement of 12.5%
- Net loss attributable to the shareholders of the parent for 3Q13 of \$ 7.4 million (3Q12: loss of \$ 11.5 million)
- Total income for 3Q13 of \$ 7 million (3Q12: \$ 15.0 million)

**Financial Performance**

On a nine months basis, UGB recorded a total income of \$44.6 million compared to \$75.3 million at 30 September, 2012. Contribution from associates decreased to \$ 16.1 million compared to \$ 30.6 million in September 2012 and fees and commission income contributed \$ 13.2 million compared to \$ 16 million in the same period last year.

UGB managed to reduce interest cost to \$23.4 million from \$35.3 million in September 2012. Salaries and administrative expenses also decreased to \$18.1 million in September 2013 compared to \$ 27.6 million in September 2012

Rabih Soukarieh, Chief Executive Officer said: "We have been consistent in pursuing our strategy of deleveraging our balance sheet, keeping tight control over our operating expenses, and increasing the share of recurring income as percentage of our overall revenues. Despite of the fact that the results of the third quarter of this year were not in line with our expectations we remain confident of our future performance".

Net loss attributable to the shareholders of the parent for the three months to 30 September 2013 decreased to \$ 7.4 million compared to a loss \$ 11.5 million for the three months ended 30 September 2012.

UGB's total assets stood at \$1.26 billion as at 30 September, 2013, an increase from \$1.23 billion as at 31 December, 2012.

UGB's assets under management at 30 September 2013 were \$9.6 billion, compared to \$8.1 billion at 31 December 2012.

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### **About UGB:**

UGB is the merchant banking subsidiary of KIPCO Group. Its proprietary investments include assets in commercial banking, real estate, private equity, and quoted securities. As of 30 September 2013 assets under management exceeded US\$ 9.6 billion (31 December 2012: US\$ 8.1 billion).

UGB's core subsidiaries, associates and joint venture include: Burgan Bank, KIPCO Asset Management Company (KAMCO), North Africa Holding Company, United Gulf Financial Services – North Africa, Takaud Savings & Pension Company, FIM Bank Plc, United Capital Transport Company and United Real Estate Company.

UGB and its subsidiary KAMCO have a proven track record of successfully completing more than 60 investment banking transactions for its clients since 2001 with an aggregate value of over US\$ 8 billion including corporate finance, advisory, new issue placement and underwriting, corporate restructuring, bond issuance and merger and acquisition.

### **About KIPCO Group:**

The KIPCO Group is one of the biggest holding companies in the Middle East and North Africa, with consolidated assets of US\$ 27 billion as at 30 June, 2013. The Group has significant ownership interests in over 60 companies operating across 24 countries. The group's main business sectors are financial services, media, real estate and manufacturing. Through its core companies, subsidiaries and affiliates, KIPCO also has interests in the education and medical sectors.

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