



Interim Consolidated Statement of Financial Position

s at 30 June 2014 (Reviewed

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	Reviewed 30 June 2014 US\$ 000	Audited 31 December 2013 US\$ 000	Reviewed 30 June 2013 US\$ 000
ASSETS		-	
Demand and call deposits with banks	199,502	17,747	18,241
Placements with banks	59,077	113,063	72,561
Investments carried at fair value through statement of income	69,796	46,629	53,538
Non-trading investments	223,623	166,267	198,080
Loans and receivables	983,798	3,958	33,941
Other assets	67,278	29,630	26,629
Investments in associates and joint ventures	801,967	824,557	781,964
Investment properties	14	14	14,020
Property and equipment	39,503	690	736
Goodwill	77,342	56,008	56,303
TOTAL ASSETS	2,521,900	1,258,563	1,256,013
LIABILITIES AND EQUITY			
LIABILITIES			
Due to banks and other financial institutions	626,362	258,548	186,365
Deposits from customers	465,193	23,802	60,248
Loans payable	713,604	386,325	401,256
Subordinated debt	93,270	100,000	100,000
Other liabilities	69,338	30,326	26,381
TOTAL LIABILITIES	1,967,767	799,001	774,250
EQUITY			
Share capital	208,651	208,651	208,650
Treasury shares	(18,131)	(18,131)	(18,111)
Share premium	11,459	11,459	11,459
Statutory reserve	96,882	96,882	96,623
General reserve	77,367	77,367	77,108
Treasury shares reserve	14,248	14,248	14,248
Fair value reserve	(3,182)	(17,313)	(4,903)
Foreign currency translation reserve	6,301	6,686	9,968
Retained earnings	72,866	56,451	64,046
CAPITAL AND RESERVES ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT	466,461	436,300	459,088
Non-controlling interests in equity	87,672	23,262	22,675
TOTAL EQUITY	554,133	459,562	481,763
TOTAL LIABILITIES AND EQUITY	2,521,900	1,258,563	1,256,013

Interim Consolidated Statement of Cash Flows

For the six-month period ended 30 June 2014 (Reviewed)

	Six-months ended 30	
	2014 US\$ 000	2013 US\$ 000
Net cash used in operating activities	(170,660)	(35,455)
Net cash from investing activities	146,230	30,184
Net cash from financing activities	146,083	16,042
Foreign currency translation adjustments	(385)	(2,618)
Movement in non-controlling interests	(1,842)	(62)
NET CHANGE IN CASH AND CASH EQUIVALENTS	119,426	8,091
Cash and cash equivalents at 1 January	130,491	82,393
CASH AND CASH EQUIVALENTS AT 30 JUNE	249,917	90,484

Interim Consolidated Statement of Income

For the six-month period ended 30 June 2014 (Reviewed)

	Three-month ended 30		Six-month period ended 30 June		
	2014 US\$ 000	2013 US\$ 000	2014 US\$ 000	2013 US\$ 000	
Investment (loss) income - net	(3,201)	2,537	11,111	5,306	
Interest income	16,432	1,656	28,051	3,341	
	13,231	4,193	39,162	8,647	
Fees and commissions	10,514	3,903	19,824	9,263	
Foreign currency translation (losses) gains - net	(1,489)	1,020	(3,162)	1,065	
Share of results of associates and joint ventures - net	23,742	6,616	30,710	18,659	
Total income	45,998	15,732	86,534	37,634	
Interest expense	(13,849)	(7,653)	(25,740)	(15,632)	
Operating income before expenses and provisions	32,149	8,079	60,794	22,002	
Salaries and benefits	(9,853)	(3,635)	(20,298)	(8,171)	
General and administrative expenses	(4,840)	(1,804)	(11,367)	(3,763)	
Operating income before provisions	17,456	2,640	29,129	10,068	
(Impairment loss) Write-back of provisions for loans, investments, guarantees and other asstes - net	(12,813)	922	(12,908)	359	
NET PROFIT FOR THE PERIOD	4,643	3,562	16,221	10,427	
Profit (loss) attributable to:					
- shareholders of the parent	6,197	3,179	16,415	9,664	
- non-controlling interests	(1,554)	383	(194)	763	
	4,643	3,562	16,221	10,427	
Earnings per share					
Basic and diluted earnings per share (US cents)	0.76	0.39	2.01	1.19	

Interim Consolidated Statement of Comprehensive Income

	Three-month period ended 30 June		Six-month period ended 30 June	
	2014 US\$ 000	2013 US\$ 000	2014 US\$ 000	2013 US\$ 000
NET PROFIT FOR THE PERIOD	4,643	3,562	16,221	10,427
Other comprehensive income (loss) to be reclassified to profit or loss in subsequent periods:				
Foreign currency translation reserve	234	(1,313)	(335)	(3,042)
Fair value reserve	6,430	1,715	15,296	2,531
Transfer to interim consolidated statement of income upon derecognition	(2,696)	2,097	(1,008)	1,302
Share of other comprehensive income (loss) of associates and joint ventures - net	590	(6,746)	(131)	(5,535)
Cash flow hedges	(67)	591	(37)	714
Other comprehensive income (loss) for the period to be reclassified to profit or loss in subsequent periods	4,491	(3,656)	13,785	(4,030)
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD	9,134	(94)	30,006	6,397
Total comprehensive income (loss) attributable to				
- shareholders of the parent	8,557	(756)	30,161	5,705
- non-controlling interests	577	662	(155)	692
	9,134	(94)	30,006	6,397

Interim Consolidated Statement of Changes in Equity

For the six-month period ended 30 June 2014 (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	Non- controlling interests US\$ 000	Total equity US\$ 000
Balance at 1 January 2014	208,651	(18,131)	11,459	96,882	77,367	14,248	(17,313)	6,686	56,451	436,300	23,262	459,562
Profit for the period	-	-	-	-	-	-	-	-	16,415	16,415	(194)	16,221
Other comprehensive income (loss)	-	-	-	-	-	-	14,131	(385)	-	13,746	39	13,785
Total comprehensive income (loss) for the period	-	-	-	-	-	-	14,131	(385)	16,415	30,161	(155)	30,006
Other movements in non-controlling interests	-	-	-	-	-	-	-	-	-	-	64,565	64,565
Balance at 30 June 2014	208,651	(18,131)	11,459	96,882	77,367	14,248	(3,182)	6,301	72,866	466,461	87,672	554,133
Balance at 1 January 2013	208,644	(15,340)	11,459	96,623	77,108	14,308	(3,562)	12,586	54,382	456,208	21,974	478,182
Profit for the period	-	-	-	-	-	-	-	-	9,664	9,664	763	10,427
Other comprehensive (loss)	-	-	-	-	-	-	(1,341)	(2,618)	-	(3,959)	(71)	(4,030)
Total comprehensive (loss) income for the period	-	-	-	-	-	-	(1,341)	(2,618)	9,664	5,705	692	6,397
Share issued	6	-	-	-	-	-	-	-	-	6	-	6
Dividend of subsidiaries	-	(2,771)	-	-	-	(60)	-	-	-	(2,831)	-	(2,831)
Other movements in non-controlling interests	-	-	-	-	-	-	-	-	-	-	9	9
Balance at 30 June 2013	208,650	(18,111)	11,459	96,623	77,108	14,248	(4,903)	9,968	64,046	459,088	22,675	481,763

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 six-month period ended 30 June 2014, which were approved by the Board of Directors on 13 August 2014 and were reviewed by Ernst & Young, Kingdom of Bahrain.

Masaud Hayat Chairman Faisal Al Ayyar Vice Chairman Rabih Soukarieh Chief Executive Officer

Major Subsidiaries











Major Associates



