

Interim Consolidated Statement of Financial Position

As at 30 June 2009 (Unaudited)

	Unaudited 30 June 2009 US\$ 000	Audited 31 Dec 2008 US\$ 000	Unaudited 30 June 2008 US\$ 000
Assets			
Demand and call deposits with banks	55,093	27,418	30,033
Time deposits with banks	160,800	79,103	298,257
Investments carried at fair value through statement of income	204,972	245,164	411,830
Non-trading investments	805,148	878,008	606,456
Loans and advances	34,983	7,770	38,330
Investment properties	33,322	23,311	27,130
Other assets	70,930	73,828	55,781
Investments in associated companies	614,837	626,180	643,083
Property and equipment	1,837	1,879	2,050
Goodwill	46,573	46,573	11,409
Assets of disposal group classified as held for sale	439,054	859,889	1,016,031
TOTAL ASSETS	2,467,549	2,869,123	3,140,390
Liabilities and Equity			
Liabilities			
Due to banks and other financial institutions	543,486	497,795	512,730
Deposits from customers	125,812	61,039	106,946
Loans and murabaha payable	585,453	588,070	826,989
Other liabilities	63,249	65,552	44,036
Bonds	68,815	71,630	74,762
Subordinated debt	100,000	100,000	100,000
Liabilities of disposal group classified as held for sale	356,509	669,786	666,359
TOTAL LIABILITIES	1,843,324	2,053,872	2,331,822
Equity			
Share capital	207,023	206,232	205,095
Share premium	8,761	8,171	6,685
Treasury shares	(12,725)	(12,725)	(341)
Statutory reserve	89,495	89,495	68,767
General reserve	69,980	69,980	49,252
Treasury shares reserve	14,308	14,308	13,551
Fair value reserve	(25,555)	2,375	80,898
Foreign currency translation reserve	51,644	72,102	70,690
Retained earnings	117,890	253,100	161,433
EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT	520,821	703,038	656,030
Non-controlling interests	103,404	112,213	152,538
TOTAL EQUITY	624,225	815,251	808,568
TOTAL LIABILITIES AND EQUITY	2,467,549	2,869,123	3,140,390

Interim Consolidated Statement of Income

For the six month period ended 30 June 2009 (Unaudited)

	Three month period ended 30 June		Six month period ended 30 June	
	2009 US\$ 000	2008 US\$ 000	2009 US\$ 000	2008 US\$ 000
Investment income	27,958	39,132	53,814	62,583
Interest income	4,964	3,197	9,695	6,429
	32,922	42,329	63,509	69,012
Fees and commissions	4,968	12,538	10,279	28,401
Foreign exchange revaluation gains (losses), net	2,490	(586)	1,478	2,156
Share of results of associated companies	(4,459)	8,609	(9,400)	13,384
Total Income	35,921	62,890	65,866	112,953
Interest expense	(13,330)	(15,914)	(26,549)	(32,603)
Operating income before expenses and provisions	22,591	46,976	39,317	80,350
Salaries and benefits	(6,670)	(11,749)	(12,642)	(22,399)
General and administrative expenses	(3,045)	(4,372)	(7,471)	(10,764)
Operating income before provisions	12,876	30,855	19,204	47,187
Impairment loss on investments	(9,500)	-	(13,100)	-
(Provision for)/ writeback of doubtful loans, guarantees and other assets, net	(139)	260	(1,602)	1,164
Profit for the period from continuing operations	3,237	31,115	4,502	48,351
Profit for the period from discontinued operations	2,475	18,056	12,268	38,915
PROFIT FOR THE PERIOD	5,712	49,171	16,770	87,266
Income attributable to non-controlling interests	139	8,412	1,904	15,764
Income attributable to shareholders of the parent	5,573	40,759	14,866	71,502
Basic earnings per share (US cents)	0.68	4.99	1.82	8.76
Diluted earning per share (US cents)	0.68	4.92	1.82	8.65
Basic earnings per share for continuing operations (US cents)	0.45	2.99	0.52	4.47
Diluted earnings per share for continuing operations (US cents)	0.45	2.95	0.52	4.41

Interim Consolidated Statement of Cash Flows

For the six month period ended 30 June 2009 (Unaudited)

	Six month period ended 30 June	
	2009 US\$ 000	2008 US\$ 000
Net cash from (used in) operating activities	281,964	(307,320)
Net cash from (used in) investing activities	11,402	(19,439)
Net cash (used in) from financing activities	(162,025)	114,916
Foreign currency translation adjustments	(20,458)	22,934
NET CHANGE IN CASH AND CASH EQUIVALENTS	110,883	(188,909)
Cash and cash equivalents at 1 January	104,957	511,711
CASH AND CASH EQUIVALENTS AT 30 JUNE	215,840	322,802

Interim Consolidated Statement of Changes in Equity

For the six month period ended 30 June 2009 (Unaudited)

	Attributable to shareholders of the parent										Non-controlling interests US\$ 000	Total equity US\$ 000
	Share capital US\$ 000	Share premium US\$ 000	Treasury shares US\$ 000	Statutory reserve US\$ 000	General reserve US\$ 000	Treasury shares reserve US\$ 000	Fair value reserve US\$ 000	Foreign currency translation reserve US\$ 000	Retained earnings US\$ 000	Total US\$ 000		
Balance at 1 January 2009	206,232	8,171	(12,725)	89,495	69,980	14,308	2,375	72,102	253,100	703,038	112,213	815,251
Shares issued	791	590	-	-	-	-	-	-	-	1,381	-	1,381
Dividends	-	-	-	-	-	-	-	-	(150,664)	(150,664)	-	(150,664)
Dividends of subsidiaries	-	-	-	-	-	-	-	-	-	-	(1,171)	(1,171)
Effect of employee share option plan under IFRS 2	-	-	-	-	-	-	-	-	588	588	-	588
Other movements in non-controlling interests	-	-	-	-	-	-	-	-	-	-	(7,201)	(7,201)
Comprehensive (loss) income for the period	-	-	-	-	-	-	(27,930)	(20,458)	14,866	(33,522)	(437)	(33,959)
Balance at 30 June 2009	207,023	8,761	(12,725)	89,495	69,980	14,308	(25,555)	51,644	117,890	520,821	103,404	624,225
Balance at 1 January 2008	203,747	4,360	(341)	68,767	49,252	13,551	52,744	47,756	221,919	661,755	142,983	804,738
Shares issued	1,348	2,325	-	-	-	-	-	-	-	3,673	-	3,673
Dividends	-	-	-	-	-	-	-	-	(132,520)	(132,520)	-	(132,520)
Dividends of subsidiaries	-	-	-	-	-	-	-	-	-	-	(16,200)	(16,200)
Effect of employee share option plan under IFRS 2	-	-	-	-	-	-	-	-	532	532	-	532
Other movements in non-controlling interests	-	-	-	-	-	-	-	-	-	-	1,944	1,944
Comprehensive income for the period	-	-	-	-	-	-	28,154	22,934	71,502	122,590	23,811	146,401
Balance at 30 June 2008	205,095	6,685	(341)	68,767	49,252	13,551	80,898	70,690	161,433	656,030	152,538	808,568

Interim Consolidated Statement of Comprehensive Income

For the six month period ended 30 June 2009 (Unaudited)

	Three month period ended 30 June		Six month period ended 30 June		Three month period ended 30 June		Six month period ended 30 June	
	2009 US\$ 000	2008 US\$ 000	2009 US\$ 000	2008 US\$ 000	2009 US\$ 000	2008 US\$ 000	2009 US\$ 000	2008 US\$ 000
PROFIT FOR THE PERIOD	5,712	49,171	16,770	87,266				
Other comprehensive income (loss):								
Foreign currency translation reserve	(389)	6,927	(23,713)	25,504				
Fair value reserve	11,385	9,041	(27,473)	32,188				
Cash flow hedges	2,086	3,239	457	1,443				
Other comprehensive income (loss) for the period	13,082	19,207	(50,729)	59,135				
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD	18,794	68,378	(33,959)	146,401				
Attributable to:								
Shareholders of the parent	15,208	58,250	(33,522)	122,590				
Non-controlling interests	3,586	10,128	(437)	23,811				
	18,794	68,378	(33,959)	146,401				

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 Consolidated Financial Statements of United Gulf Bank B.S.C. for the six month period ended 30 June 2009, which were approved by the Board of Directors on 28 July 2009 and were reviewed by Ernst & Young, Kingdom of Bahrain.

Faisal Hamad Al-Ayyar
Chairman

Masaud Johar Hayat
Managing Director

Mohammad Haroon
Acting Chief Executive Officer

Major Subsidiaries



Major Associates

