

### Interim Consolidated Statement of Financial Position

As at 30 September 2009 (Unaudited)

	Unaudited 30 September 2009 US\$ 000	Audited 31 December 2008 US\$ 000	Unaudited 30 September 2008 US\$ 000
<b>Assets</b>			
Demand and call deposits with banks	38,608	27,418	172,721
Time deposits with banks	77,351	79,103	273,519
Investments carried at fair value through statement of income	151,893	245,164	387,913
Non-trading investments	804,620	878,008	929,084
Loans and advances	81,643	7,770	16,687
Investment properties	33,193	23,311	27,031
Other assets	23,534	73,828	64,918
Investments in associated companies	637,932	626,180	677,456
Property and equipment	1,761	1,879	1,934
Goodwill	46,573	46,573	43,033
Assets of disposal group classified as held for sale	438,564	859,889	943,878
<b>TOTAL ASSETS</b>	<b>2,335,672</b>	<b>2,869,123</b>	<b>3,538,174</b>
<b>Liabilities and Equity</b>			
<b>Liabilities</b>			
Due to banks and other financial institutions	502,096	497,795	622,897
Deposits from customers	104,603	61,039	55,413
Loans and murabaha payable	514,042	588,070	810,661
Other liabilities	68,452	65,552	91,218
Bonds	68,964	71,630	74,012
Subordinated debt	100,000	100,000	100,000
Liabilities of disposal group classified as held for sale	349,892	669,786	749,716
<b>TOTAL LIABILITIES</b>	<b>1,708,049</b>	<b>2,053,872</b>	<b>2,503,917</b>
<b>Equity</b>			
Share capital	207,518	206,232	206,209
Share premium	9,305	8,171	8,149
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	(26,869)	2,375	43,362
Foreign currency translation reserve	52,225	72,102	64,691
Retained earnings	121,398	253,100	435,854
<b>EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT</b>	<b>524,635</b>	<b>703,038</b>	<b>889,494</b>
Non-controlling interests	102,988	112,213	144,763
<b>TOTAL EQUITY</b>	<b>627,623</b>	<b>815,251</b>	<b>1,034,257</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>2,335,672</b>	<b>2,869,123</b>	<b>3,538,174</b>

### Interim Consolidated Statement of Income

For the nine month period ended 30 September 2009 (Unaudited)

	Three month period ended 30 September		Nine month period ended 30 September	
	2009 US\$ 000	2008 US\$ 000	2009 US\$ 000	2008 US\$ 000
Investment income	10,018	283,123	63,832	345,706
Interest income	4,425	6,343	14,120	12,772
	14,443	289,466	77,952	358,478
Fees and commissions	7,281	18,488	17,560	46,889
Foreign exchange revaluation (losses) gains, net	(127)	(237)	1,351	1,919
Share of results of associated companies	4,273	1,738	(5,127)	15,122
<b>Total Income</b>	<b>25,870</b>	<b>309,455</b>	<b>91,736</b>	<b>422,408</b>
Interest expense	(12,167)	(17,591)	(38,716)	(50,194)
<b>Operating income before expenses and provisions</b>	<b>13,703</b>	<b>291,864</b>	<b>53,020</b>	<b>372,214</b>
Salaries and benefits	(5,343)	(9,534)	(17,985)	(31,933)
General and administrative expenses	(3,198)	(5,447)	(10,669)	(16,211)
<b>Operating income before provisions</b>	<b>5,162</b>	<b>276,883</b>	<b>24,366</b>	<b>324,070</b>
Impairment loss on investments	-	-	(15,712)	-
Writeback of provision for doubtful loans, guarantees and other assets, net	273	313	1,283	1,477
<b>Profit for the period from continuing operations</b>	<b>5,435</b>	<b>277,196</b>	<b>9,937</b>	<b>325,547</b>
(Loss) Profit for the period from discontinued operations	(2,339)	11,419	9,929	50,334
<b>PROFIT FOR THE PERIOD</b>	<b>3,096</b>	<b>288,615</b>	<b>19,866</b>	<b>375,881</b>
(Loss) Profit attributable to non-controlling interests	(194)	11,255	1,710	27,019
Profit attributable to shareholders of the parent	3,290	277,360	18,156	348,862
Basic earnings per share (US cents)	0.40	33.57	2.23	42.62
Diluted earning per share (US cents)	0.40	33.20	2.22	42.15
Basic earnings per share for continuing operations (US cents)	0.61	32.34	1.14	37.10
Diluted earnings per share for continuing operations (US cents)	0.61	31.98	1.13	36.69

### Interim Consolidated Statement of Cash Flows

For the nine month period ended 30 September 2009 (Unaudited)

	Nine month period ended 30 September	
	2009 US\$ 000	2008 US\$ 000
Net cash from (used in) operating activities	271,489	(504,209)
Net cash (used in) from investing activities	(7,456)	333,022
Net cash (used in) from financing activities	(233,207)	81,604
Foreign currency translation adjustments	(19,877)	16,935
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>10,949</b>	<b>(72,648)</b>
Cash and cash equivalents at 1 January	104,957	511,711
<b>CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER</b>	<b>115,906</b>	<b>439,063</b>

### Interim Consolidated Statement of Changes in Equity

For the nine month period ended 30 September 2009 (Unaudited)

	Attributable to shareholders of the parent											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 share reserve US\$ 000	Fair value reserve US\$ 000	Foreign currency translation reserve US\$ 000	Retained earnings US\$ 000	Total US\$ 000	Non- controlling interests 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	1,286	1,134	-	-	-	-	-	-	2,420	-	-	2,420
Dividends	-	-	-	-	-	-	-	-	(150,664)	(150,664)	-	(150,664)
Dividends of subsidiaries	-	-	-	-	-	-	-	-	-	-	(1,171)	(1,171)
Effect of employee share option plan under IFRS 2	-	-	-	-	-	-	-	-	806	806	-	806
Other movements in non-controlling interests	-	-	-	-	-	-	-	-	-	-	(7,703)	(7,703)
Comprehensive (loss) income for the period	-	-	-	-	-	-	(29,244)	(19,877)	18,156	(30,965)	(351)	(31,316)
<b>Balance at 30 September 2009</b>	<b>207,518</b>	<b>9,305</b>	<b>(12,725)</b>	<b>89,495</b>	<b>69,980</b>	<b>14,308</b>	<b>(26,869)</b>	<b>52,225</b>	<b>121,398</b>	<b>524,635</b>	<b>102,988</b>	<b>627,623</b>
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	2,462	3,789	-	-	-	-	-	-	6,251	-	-	6,251
Dividends	-	-	-	-	-	-	-	-	(132,520)	(132,520)	-	(132,520)
Other movements in equity of subsidiaries and associated companies	-	-	-	-	-	-	-	-	(3,229)	(3,229)	-	(3,229)
Dividends of subsidiaries	-	-	-	-	-	-	-	-	-	-	(16,062)	(16,062)
Effect of employee share option plan under IFRS 2	-	-	-	-	-	-	-	-	822	822	-	822
Other movements in non-controlling interests	-	-	-	-	-	-	-	-	-	-	(8,301)	(8,301)
Comprehensive (loss) income for the period	-	-	-	-	-	-	(9,382)	16,935	348,862	356,415	26,143	382,558
Balance at 30 September 2008	206,209	8,149	(341)	68,767	49,252	13,551	43,362	64,691	435,854	889,494	144,763	1,034,257

### Interim Consolidated Statement of Comprehensive Income

For the nine month period ended 30 September 2009 (Unaudited)

	Three month period ended 30 September		Nine month period ended 30 September		Three month period ended 30 September		Nine month period ended 30 September	
	2009 US\$ 000	2008 US\$ 000	2009 US\$ 000	2008 US\$ 000	2009 US\$ 000	2008 US\$ 000	2009 US\$ 000	2008 US\$ 000
<b>PROFIT FOR THE PERIOD</b>	<b>3,096</b>	<b>288,615</b>	<b>19,866</b>	<b>375,881</b>	<b>3,096</b>	<b>288,615</b>	<b>19,866</b>	<b>375,881</b>
<b>Other comprehensive income (loss):</b>								
Foreign currency translation reserve	764	(6,854)	(22,949)	18,650	(453)	(52,458)	(51,182)	6,677
Fair value reserve	(269)	(44,648)	(27,742)	(12,460)	2,643	236,157	(31,316)	382,558
Cash flow hedges	(948)	(956)	(491)	487				
<b>TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD</b>	<b>2,643</b>	<b>236,157</b>	<b>(31,316)</b>	<b>382,558</b>	<b>2,643</b>	<b>236,157</b>	<b>(31,316)</b>	<b>382,558</b>
<b>Attributable to:</b>								
Shareholders of the parent	2,557	233,825	(30,965)	356,415	2,557	233,825	(30,965)	356,415
Non-controlling interests	86	2,332	(351)	26,143	86	2,332	(351)	26,143
	<b>2,643</b>	<b>236,157</b>	<b>(31,316)</b>	<b>382,558</b>	<b>2,643</b>	<b>236,157</b>	<b>(31,316)</b>	<b>382,558</b>

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 nine months ended 30 September 2009, which were approved by the Board of Directors on 3 November 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

