



**SHAFAFIYAH**  
**FORUM 2009**



بنك الخليج العتد ش.م.ب.  
**United Gulf Bank** B.S.C.

Managing Today  
for a Better Tomorrow



**Investor Presentation**

March 2009

*This presentation is not an offer or invitation to subscribe for or purchase any securities.*

*No warranty is given as to the accuracy or completeness of the information in this presentation. You must make your own independent investigation and appraisal of the business and financial condition of UGB*

*Nothing in this presentation shall form the basis of any contract or commitment whatsoever. This presentation is furnished to you solely for your information. You may not reproduce it to redistribute to any other person.*

*This presentation contains forward-looking statements. These statements may be identified by such words as "may", "plans", "expects", "believes" and similar expressions, or by their context. These statements are made on the basis of current knowledge and assumptions. Various factors could cause future results, performance or events to differ materially from those described in these statements. No obligation is assumed to update any forward-looking statements*

*By participating in this presentation or by accepting any copy of the slides presented, you agree to be bound by the foregoing limitations.*

- **Financial Review: 2008**
- Financial Strength
- Meeting Challenges: 2009

GCC Markets	Performance
Saudi Arabia (Tadawul)	-57.0%
Kuwait (KSE)	-43.1%
Abu Dhabi (ADX)	-47.5%
Dubai (DFM)	-72.4%
Doha (DSM)	-28.1%
Bahrain (BSE)	-34.5%
Muscat (MSM)	-39.7%

# Financial Review: 2008 – UGB Performance



- ❖ Net profit of US\$ 207.2 million (2007: US\$ 220.9 million)
- ❖ Major contributions in net income from exits during the year, Jordan Kuwait Bank and United Medical Services Company
- ❖ Prudent provisioning - non trading investments of US\$ 56.7 million and trading investment losses of US\$ 115 million mainly in Q4
- ❖ Assets under management US\$ 9 billion at year end (2007: US\$ 8.5 billion)
- ❖ Raised three year club loan facility of US\$ 115 million in 2H08
- ❖ Repaid US\$ 175 million Murabaha facility demonstrating sound liquidity management
- ❖ Network built up – Millennium Finance Corporation (32.5% equity stake), Al Sharq Financial Brokerage Company (20% equity stake) and United Health Care Company (20% equity stake)



- Financial Review: 2008
- Financial Strength**
- Meeting Challenges: 2009

## Financial Strength: 2008

US\$ Million	2007	2008
<b>Revenue*</b>	441	432
<b>Net Profit*</b>	220.9	207.2
<b>Total Assets</b>	2,668	2,869
<b>Equity</b>	805	815

\*Including discontinued operations

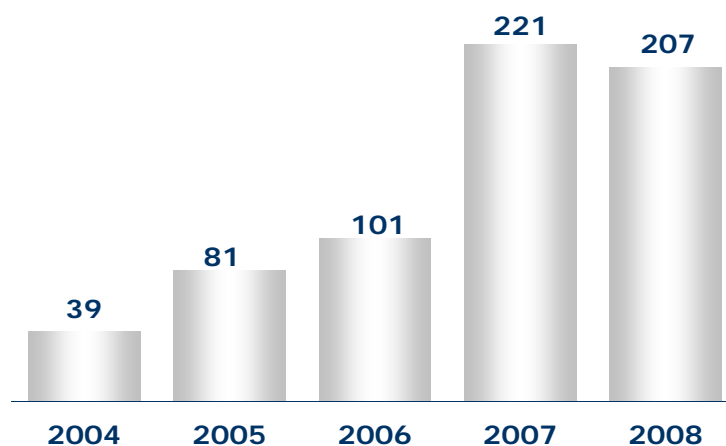
## Financial Strength: 2008

	2007	2008
<b>ROA %</b>	8.9	7.5
<b>ROE %</b>	38.3	30.4
<b>EPS – US Cents</b>	27.3	25.3
<b>DPS – US Cents</b>	16.25	18.5
<b>Share Price – KWD</b>	0.460	0.480

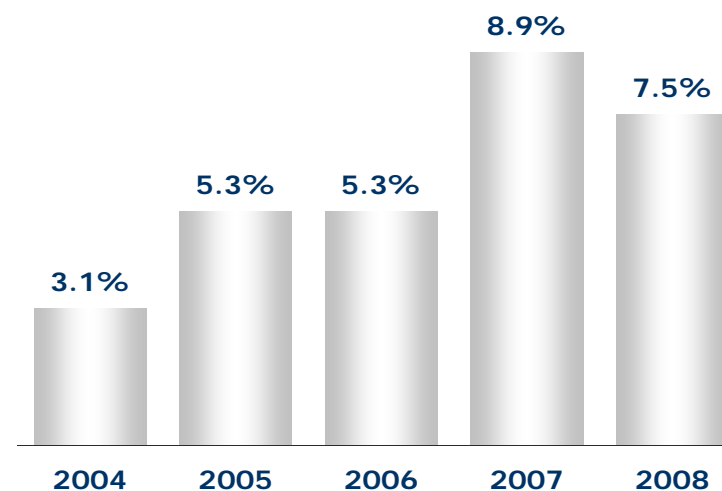
# 2004-8: Key Performance Indicators

## Net Income

*In US\$ Million*

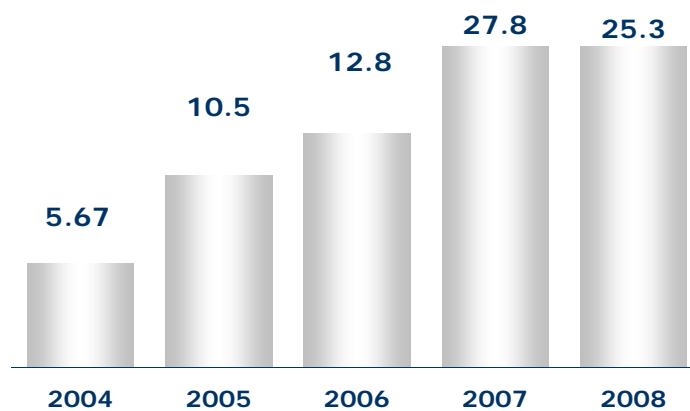


## Return on Average Assets

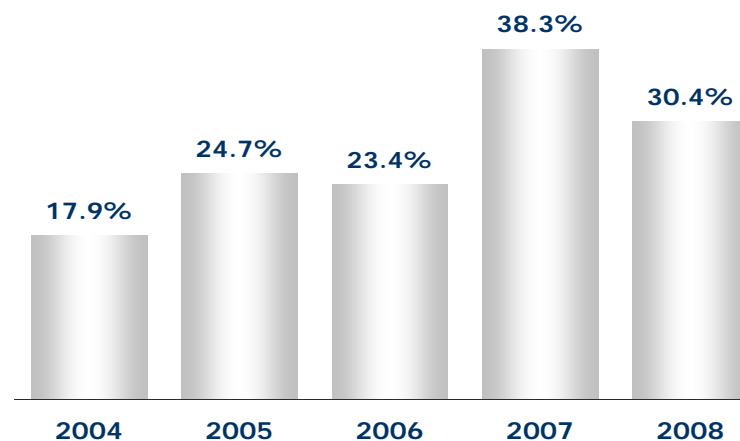


## Earnings Per Share

*In US Cents*



## Return on Average Equity



- Financial Review: 2008
- Financial Strength
- Meeting Challenges: 2009**

# Meeting Challenges: 2009 – Opportunity in Adversity



The current financial crisis and global recession has impacted and posed challenges in terms of liquidity, profitability, asset quality and strategic outlook.

## **Asset Quality**

- ❖ Conservative asset valuations - provisioning in 2008 and trading losses combined in excess of US\$ 170 million

## **Strong Balance Sheet**

- ❖ Good asset quality
- ❖ Strong equity base

## **Profitability**

- ❖ Exits planned of commercial banks
- ❖ Most shocks absorbed in 2008
- ❖ AMIB network built-up in 2008
- ❖ Normalized revenues excluding exceptional outlook 2009: 10%+ growth
- ❖ At this stage, difficult to forecast year end profit.

## **Liquidity**

- ❖ UGB has funding sources available including funding support from KIPCO Group.
- ❖ Focus on preserving cash during 2009

## **Strategic Review – Opportunity in Adversity**

- ❖ Strong risk focus
- ❖ Well positioned to seize good investment opportunity





Managing Today  
for a Better Tomorrow

**Thank You**

[www.ugbbah.com](http://www.ugbbah.com)