

### Interim Consolidated Statement of Financial Position

As at 31 March 2009 (Unaudited)

	Unaudited 31 Mar 2009 US\$ 000	Audited 31 Dec 2008 US\$ 000	Unaudited 31 Mar 2008 US\$ 000
<b>Assets</b>			
Demand and call deposits with banks	52,008	27,418	165,140
Time deposits with banks	129,428	79,103	383,467
Investments carried at fair value through statement of income	189,585	245,164	374,394
Non-trading investments	821,180	878,008	647,319
Loans and advances	33,153	7,770	327,575
Investment properties	22,987	23,311	27,081
Other assets	208,644	73,828	71,909
Investments in associated companies	588,447	626,180	826,269
Property and equipment	1,675	1,879	13,092
Goodwill	46,573	46,573	11,409
Assets of disposal group classified as held for sale	417,788	859,889	-
<b>TOTAL ASSETS</b>	<b>2,511,468</b>	<b>2,869,123</b>	<b>2,847,655</b>
<b>Liabilities and Equity</b>			
<b>Liabilities</b>			
Due to banks and other financial institutions	523,910	497,795	624,498
Deposits from customers	206,932	61,039	582,478
Loans and murabaha payable	579,243	588,070	620,735
Other liabilities	90,305	65,552	102,362
Bonds	67,869	71,630	74,385
Subordinated debt	100,000	100,000	100,000
Liabilities of disposal group classified as held for sale	338,275	669,786	-
<b>TOTAL LIABILITIES</b>	<b>1,906,534</b>	<b>2,053,872</b>	<b>2,104,458</b>
<b>Equity</b>			
Share capital	206,364	206,232	204,096
Share premium	8,311	8,171	4,794
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	(36,724)	2,375	69,840
Foreign currency translation reserve	53,178	72,102	64,257
Retained earnings	112,374	253,100	120,405
<b>EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT</b>	<b>504,561</b>	<b>703,038</b>	<b>594,621</b>
Non-controlling interests	100,373	112,213	148,576
<b>TOTAL EQUITY</b>	<b>604,934</b>	<b>815,251</b>	<b>743,197</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>2,511,468</b>	<b>2,869,123</b>	<b>2,847,655</b>

### Interim Consolidated Statement of Income

For the three month period ended 31 March 2009 (Unaudited)

	Three month period ended 31 March	
	2009 US\$ 000	Restated 2008 US\$ 000
Investment income	25,856	23,452
Interest income	4,731	3,232
	<b>30,587</b>	<b>26,684</b>
Fees and commissions	5,311	15,863
Foreign exchange revaluation (losses) gains, net	(1,012)	2,742
Share of results of associated companies	(4,941)	4,775
<b>Total Income</b>	<b>29,945</b>	<b>50,064</b>
Interest expense	(13,219)	(16,689)
<b>Operating income before expenses and provisions</b>	<b>16,726</b>	<b>33,375</b>
Salaries and benefits	(5,972)	(10,650)
General and administrative expenses	(4,426)	(6,393)
<b>Operating income before provisions</b>	<b>6,328</b>	<b>16,332</b>
Impairment loss on non trading investments	(3,600)	-
(Provision) / Writeback for doubtful loans, guarantees and other assets, net	(1,463)	903
<b>Profit for the period from continuing operations</b>	<b>1,265</b>	<b>17,235</b>
Profit for the period from discontinued operations	9,793	20,858
<b>PROFIT FOR THE PERIOD</b>	<b>11,058</b>	<b>38,093</b>
Income attributable to non-controlling interests	1,765	7,352
Income attributable to shareholders of the parent	9,293	30,741
Basic earnings per share (US cents)	1.14	3.77
Diluted earning per share (US cents)	1.13	3.71
Basic earnings per share for continuing operations (US cents)	0.07	1.48
Diluted earnings per share for continuing operations (US cents)	0.07	1.45

### Interim Consolidated Statement of CashFlows

For the three month period ended 31 March 2009 (Unaudited)

	Three month period ended 31 March	
	2009 US\$ 000	2008 US\$ 000
Net cash from operating activities	210,538	144,710
Net cash from (used in) investing activities	57,329	(35,024)
Net cash used in financing activities	(172,518)	(90,047)
Foreign currency translation adjustments	(18,924)	16,501
<b>INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>76,425</b>	<b>36,140</b>
Cash and cash equivalents at 1 January	104,957	511,711
<b>CASH AND CASH EQUIVALENTS AT 31 MARCH</b>	<b>181,382</b>	<b>547,851</b>

### Interim Consolidated Statement of Changes in Equity

For the three month period ended 31 March 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 share 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	132	140	-	-	-	-	-	-	-	272	-	272
Dividends	-	-	-	-	-	-	-	-	(150,664)	(150,664)	-	(150,664)
Dividends of subsidiaries	-	-	-	-	-	-	-	-	-	-	(1,171)	(1,171)
Effect of employee share option plan under IFRS 2	-	-	-	-	-	-	-	-	306	306	-	306
Other movements in non-controlling interests	-	-	-	-	-	-	-	-	339	339	(6,646)	(6,307)
Comprehensive income for the period	-	-	-	-	-	-	(39,099)	(18,924)	9,293	(48,730)	(4,023)	(52,753)
<b>Balance at 31 March 2009</b>	<b>206,364</b>	<b>8,311</b>	<b>(12,725)</b>	<b>89,495</b>	<b>69,980</b>	<b>14,308</b>	<b>(36,724)</b>	<b>53,178</b>	<b>112,374</b>	<b>504,561</b>	<b>100,373</b>	<b>604,934</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	349	434	-	-	-	-	-	-	-	783	-	783
Dividends	-	-	-	-	-	-	-	-	(132,520)	(132,520)	-	(132,520)
Dividends of subsidiaries	-	-	-	-	-	-	-	-	-	-	(14,158)	(14,158)
Effect of employee share option plan under IFRS 2	-	-	-	-	-	-	-	-	263	263	-	263
Other movements in non-controlling interests	-	-	-	-	-	-	-	-	-	-	6,068	6,068
Comprehensive income for the period	-	-	-	-	-	-	17,096	16,501	30,743	64,340	13,683	78,023
<b>Balance at 31 March 2008</b>	<b>204,096</b>	<b>4,794</b>	<b>(341)</b>	<b>68,767</b>	<b>49,252</b>	<b>13,551</b>	<b>69,840</b>	<b>64,257</b>	<b>120,405</b>	<b>594,621</b>	<b>148,576</b>	<b>743,197</b>

### Interim Consolidated Statement of Comprehensive Income

For the three month period ended 31 March 2009 (Unaudited)

	Three month period ended 31 March	
	2009 US\$ 000	2008 US\$ 000
<b>PROFIT FOR THE PERIOD</b>	<b>11,058</b>	<b>38,093</b>
<b>Other comprehensive (loss) income:</b>		
Foreign currency translation reserve	(23,324)	18,577
Fair value reserves	(38,858)	23,148
Cash flow hedges	(1,629)	(1,795)
<b>Other comprehensive (loss) Income for the period</b>	<b>(63,811)</b>	<b>39,930</b>
<b>TOTAL COMPREHENSIVE (LOSS) INCOME FOR THE PERIOD</b>	<b>(52,753)</b>	<b>78,023</b>

	Three month period ended 31 March	
	2009 US\$ 000	2008 US\$ 000
<b>Attributable to:</b>		
Shareholders of the parent	(48,730)	64,340
Non-controlling interests	(4,023)	13,683
	<b>(52,753)</b>	<b>78,023</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 three months ended 31 March 2009, which were approved by the Board of Directors on 7 May 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

