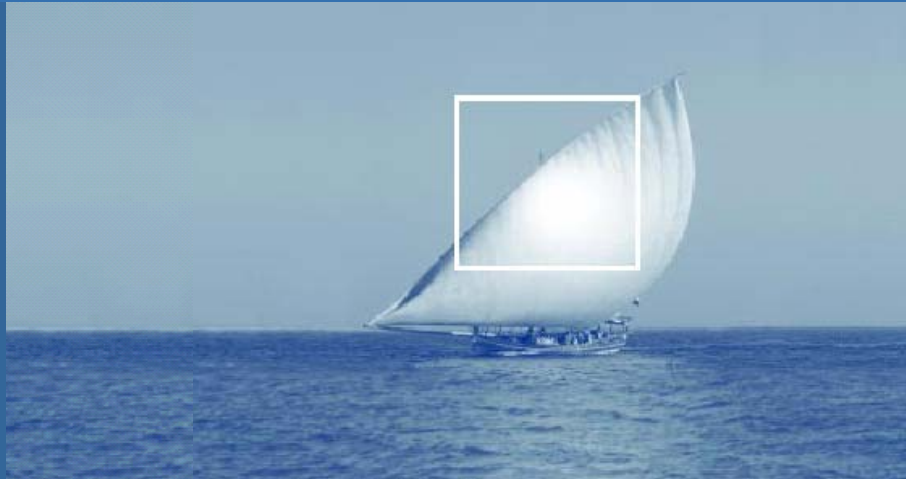


Investor Presentation



مكا
شفافية
Shafafiyah

May 2006



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

Year 2005 : Key Milestones

Year 2006 : The Road Map

Forecast 2006 : The Destination

First Quarter 2006 : The First Landmark



Year 2005 : Key Milestones

- ✓ Historically best profits at US\$ 81 million over 87% of US\$ 43.3 million in 2004
- ✓ BIS ratio at 25.8% and balance sheet liquidity at 30.4%
- ✓ ROAE at 24.7% and ROAA at 5.3%. Operating expense to operating income low at 27%
- ✓ Assets under management exceed US\$ 5.6 billion
- ✓ Hidden value

US\$ 623 million in excess valuation of associates, subsidiaries and treasury shares over carrying value

Cont/...

✓ Developing financial services network

- Algeria Gulf Bank cash flow and net income positive (net profit US\$ 1.2 million)
- Completed all formalities for a commercial banking license in Syria. The Bank will own 24 percent equity stake and will manage the bank
- Tunis International Bank received license to open a representative office in Tripoli
- Acquisition of Bank of Baghdad (October 2005)

✓ Improved funding mix

- Signed US\$ 175 million 3 year Murabaha facility in October 2005. It follows US\$ 65 million 3 year facility in December 2004
- Increased short term inter-bank lines from US\$ 286 million (Dec 03) to approximately US\$ 800 million resulting in enhanced credibility and liquidity

Year 2005 : Key Milestones

Year 2006 : The Road Map

Forecast 2006 : The Destination

First Quarter 2006 : The First Landmark



Year 2006 : The Road Map

Management contract of Bank of Baghdad

Syria Gulf Bank to start commercial operations / UGB management

United Gulf Financial Services Co to start operations in Qatar

Investment company joint venture in Tunis

Investment company joint venture in UAE

Representative office in Libya to become operational

Manafae Investment Co to become operational

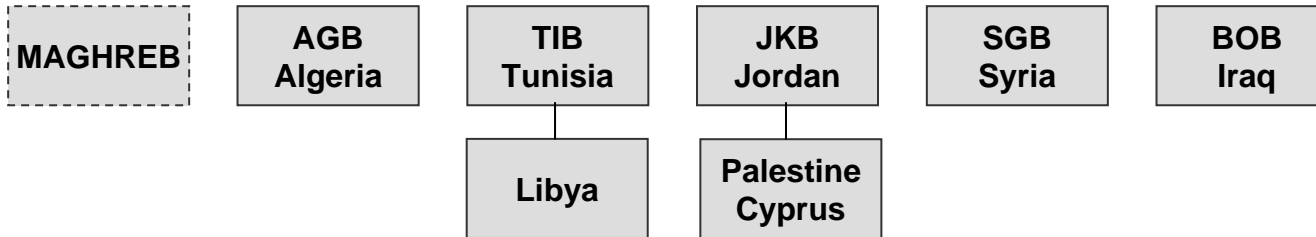
Exits & Realizations: private equity and telecommunications

MT Funding of US\$ 150-350 million

Year 2006 : The Road Map



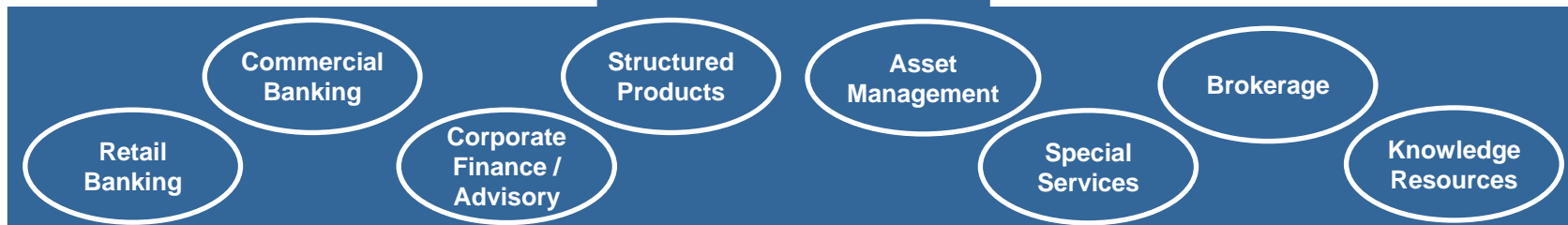
COMMERCIAL BANK PRESENCE



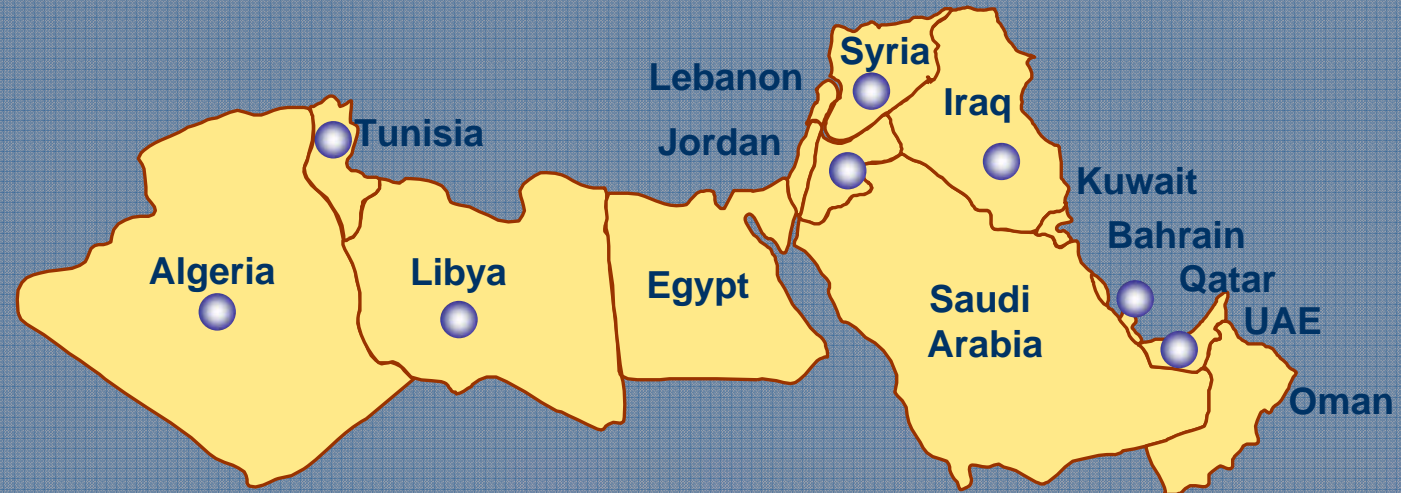
INVESTMENT FIRM NETWORK



GROUP PRODUCTS



Year 2006 : The Road Map - Progress



- ✓ Bank of Baghdad in Iraq
- ✓ United Gulf Financial Services Company in Qatar
- ✓ Commercial bank in Syria
- ✓ Commercial bank in Algeria – profitable and operational
- ✓ Representative office in Libya to be operational
- Investment company joint venture in UAE
- Investment company in Jordan
- Investment company in Syria
- Investment company in Tunisia

Year 2005 : Key Milestones

Year 2006 : The Road Map

Forecast 2006 : The Destination

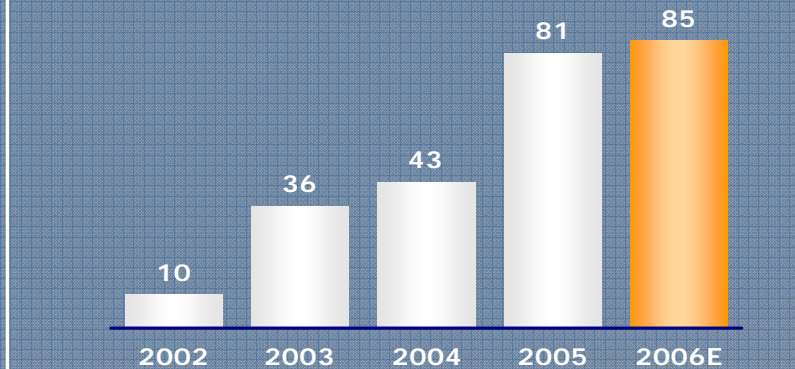
First Quarter 2006 : The First Landmark



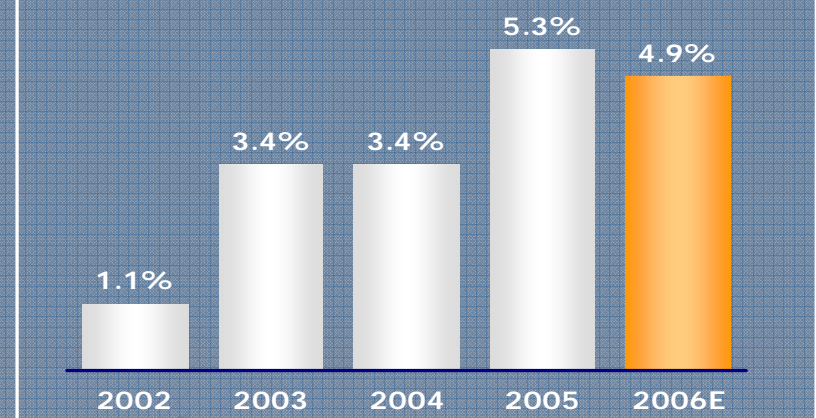
Forecast 2006 : The Destination

Net Income

In US\$ Million

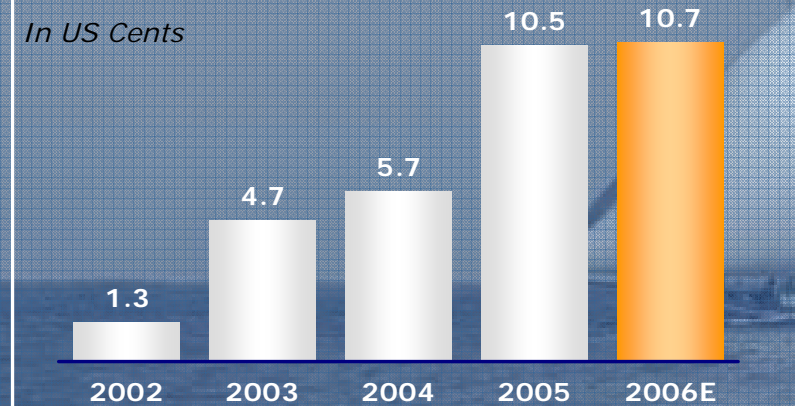


Return on Average Assets

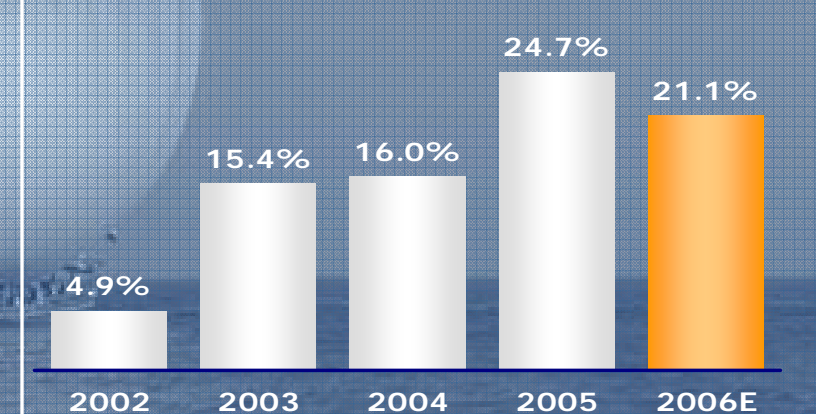


Earnings Per Share

In US Cents



Return on Average Equity



Year 2005 : Key Milestones

Year 2006 : The Road Map

Forecast 2006 : The Destination

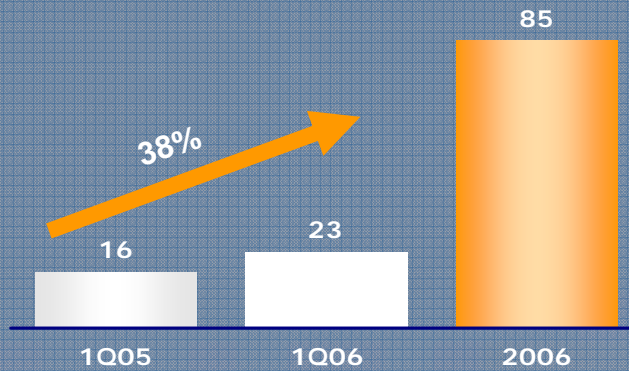
First Quarter 2006 : The First Landmark



First Quarter 2006 : The First Landmark

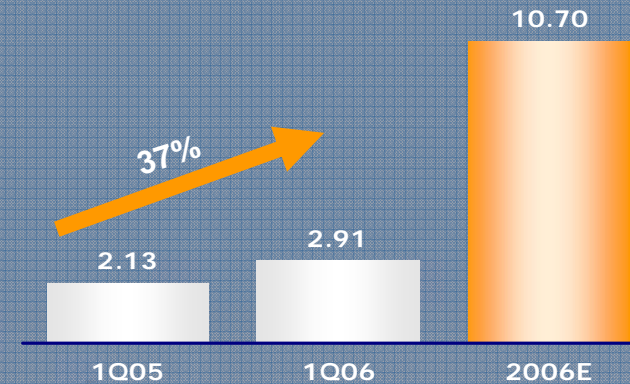
Net Income

In US\$ Million



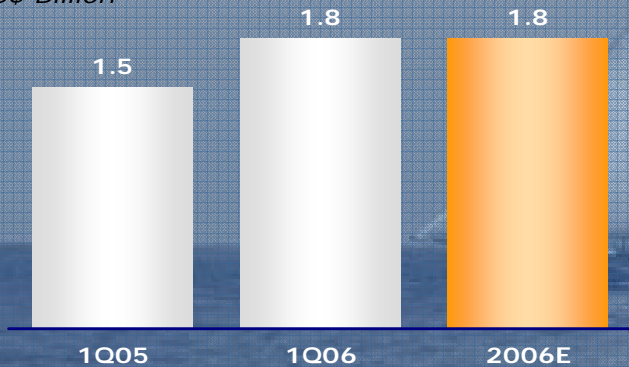
Earnings Per Share

In US Cents



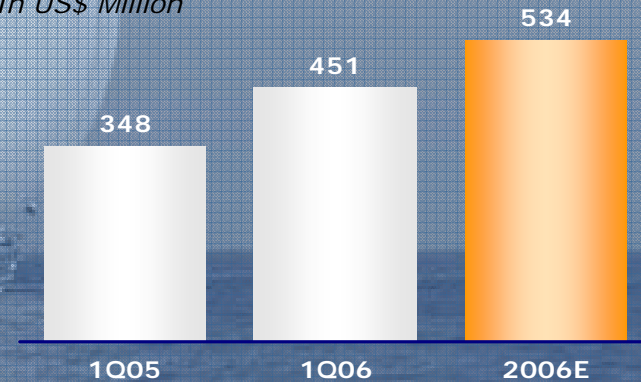
Assets

In US\$ Billion



Equity

In US\$ Million



First Quarter 2006 : The First Landmark

	31 Mar 06	2005	2004	2003	2002
US Millions					
Total Revenue	50	199	105	112	58
Operating Income	37	160	84	93	38
Shareholder's Equity	360	376	280	260	211
Total Assets	1,833	1,687	1,388	1,187	939
Net Income	23	81	43	36	10
%					
Return on Average Equity	24.5	24.7	16.0	15.4	5.0
Return on Average Assets	5.1	5.3	3.4	3.4	1.2
US Cents					
Book Value Per Share	45.0	48.9	36.6	34.1	27.9
Earnings Per Share	2.91	10.5	5.67	4.74	1.3

Thank You

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