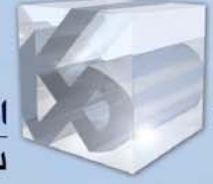




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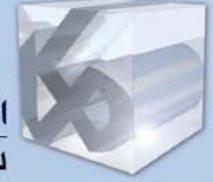
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## Continuing Momentum



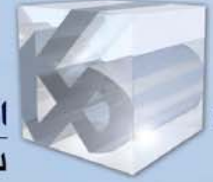
A Member of the KIPCO Group

22 March 2004



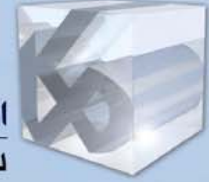
## Contents

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## Introduction

- Commenced operations in June 1980 as a commercial bank
- Became first OBU to change strategy to investment banking in 1988
- A subsidiary of Kuwait Projects Company (Holding) and 71% owned by it
- 273 employees



## UGB's Business Activities



### Strategic Core Investments

-  Subsidiaries
-  Associates
-  Direct investments

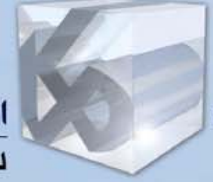
### Investment Banking Activities

-  Asset Management
-  Direct investments
-  Investment in listed securities
-  Investment in private equity and real estate funds
-  Advisory services
-  Real estate






### Commercial Banking Activities

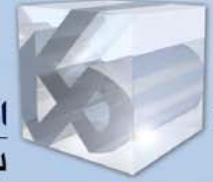
-  Loans, Letters of credit and guarantees
-  Treasury and liquidity management





## Key Investment Considerations in Subsidiaries & Associates

-  Convincing business model
-  Future profitability
-  Strong Management
-  Diversification of investment portfolio and income sources
-  Regional investment network



## Main Subsidiaries & Associates

### SUBSIDIARIES



### ASSOCIATES

UGB Securities

92 %

44 %

بنك الجزائر الخليج  
Algeria Gulf Bank

83 %

البنك الأردني الكويتي  
JORDAN KUWAIT BANK

34 %

بنك تونس العالمي  
Tunis International Bank

77 %



United Real Estate Co.

KAMCO

72 %

KIPCO Asset Management Co.



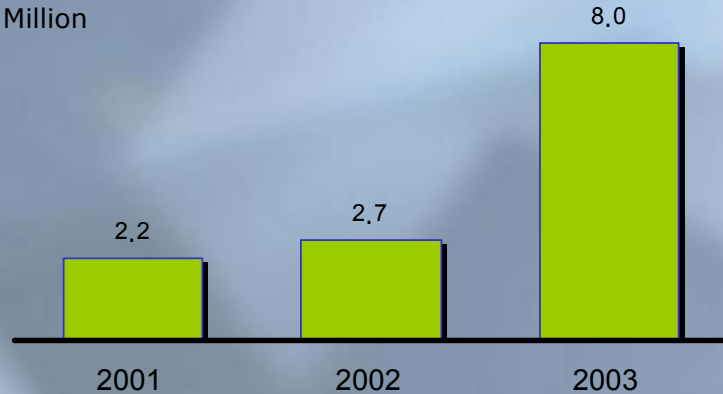
Network of Subsidiaries and Associates



## Main Subsidiaries and Associates

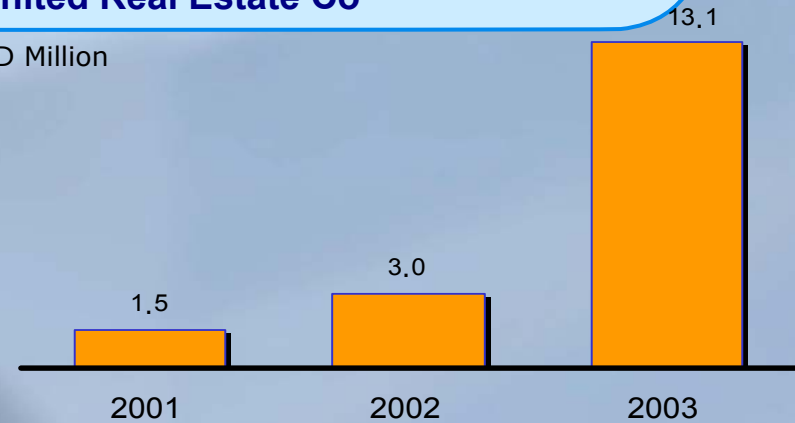
### KAMCO

KD Million



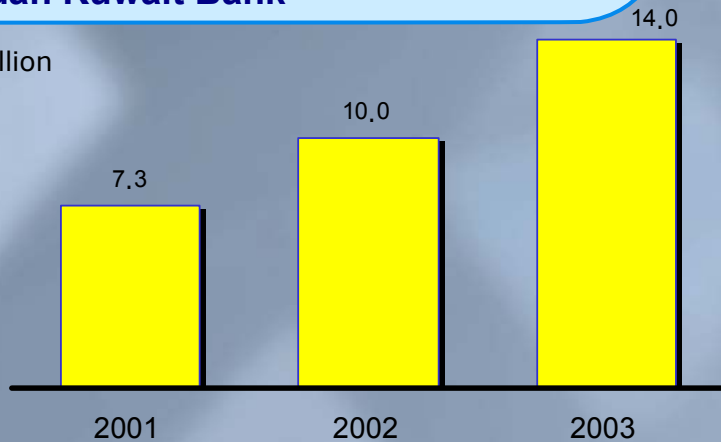
### United Real Estate Co

KD Million



### Jordan Kuwait Bank

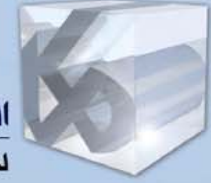
JD Million



### Tunis International Bank

US\$ Million

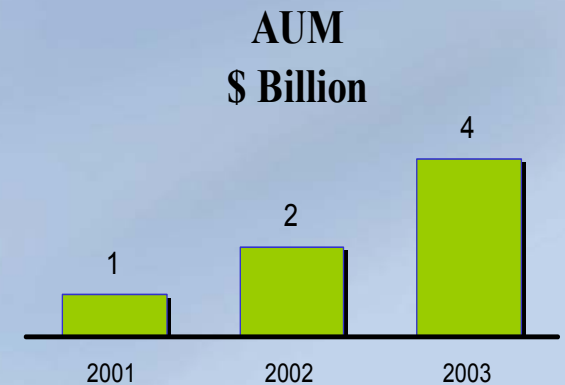


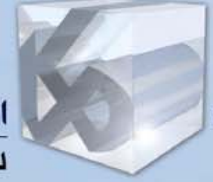


## KIPCO Asset Management Company (KAMCO)

- Strong client base and deal flow with \$4.4 billion assets under management
- Offers integrated services : Asset management , Corporate finance , Financial advisory
- Listed in October 2003
- Outstanding results in 2003

- Net profit KD 8.0 million up 199% over 2002
- Total Assets KD 88.3 million up 532% on 2002





## United Real Estate Company (URC)

- Premier real estate development company
- Properties include landmark Marina Mall Project in Kuwait
- Future promising projects in Kuwait, Lebanon and Egypt
- Strong asset portfolio and earning base
- 2003 outstanding year
  - Net income KD 13.0 million up 333% over 2002
  - Total assets of KD 146.5 million up 12% over 2002

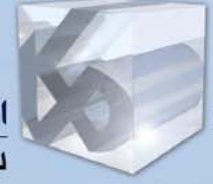




## Jordan Kuwait Bank (JKB)

- Growing from strength to strength over past five years
- Market penetration increasing
- Excellent performance in 2003:
  - Net income JD 14 million up 40% over 2002
  - Assets JD 718 million up 15% over 2002





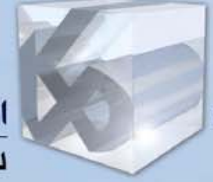
## Tunis International Bank (TIB)



- Consistently growing net profits
- Exceptionally strong and liquid balance sheet – 62%
- Strong performance in 2003
  - Net income \$6 million up 20% over 2002
  - Assets \$356 million up 24% over 2002



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## Algeria Gulf Bank (AGB)

- Licence formalities completed in 2003
- Business commencement in March 2004
- Algeria promising market for UGB
- Wataniya Algeria

بنك الجزائر الخليج  
Algeria Gulf Bank 

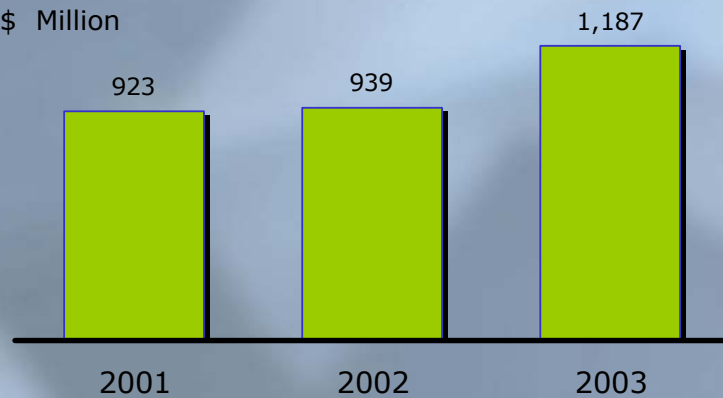




## Financial Highlights

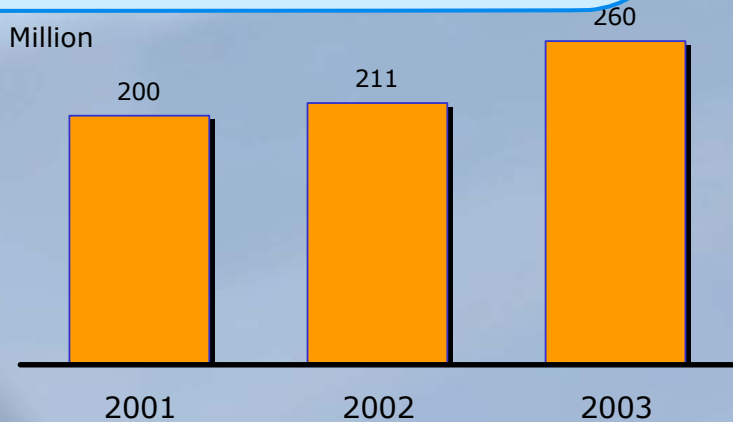
### Total Assets

US\$ Million



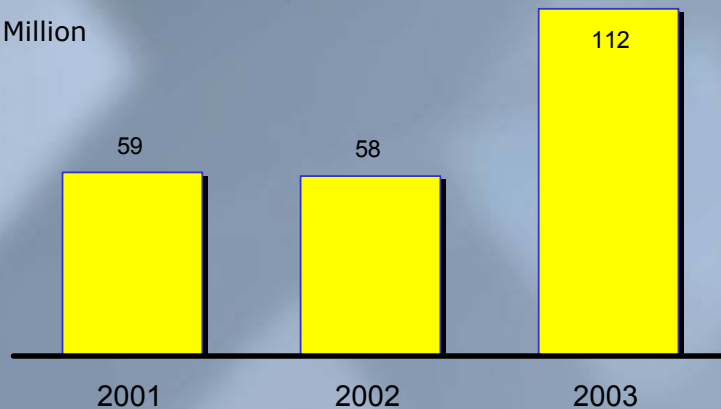
### Shareholder Equity

US\$ Million



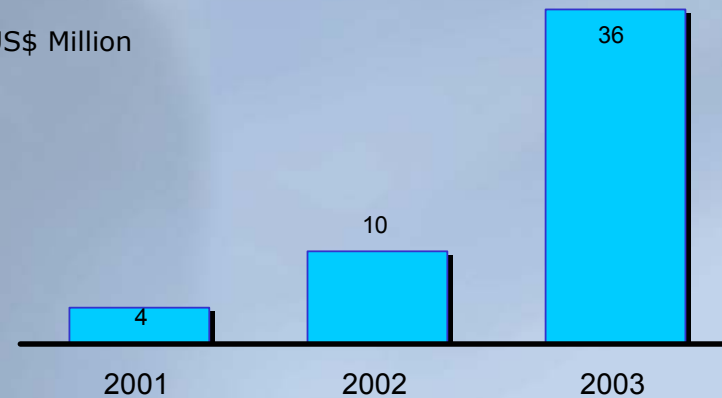
### Revenue

US\$ Million



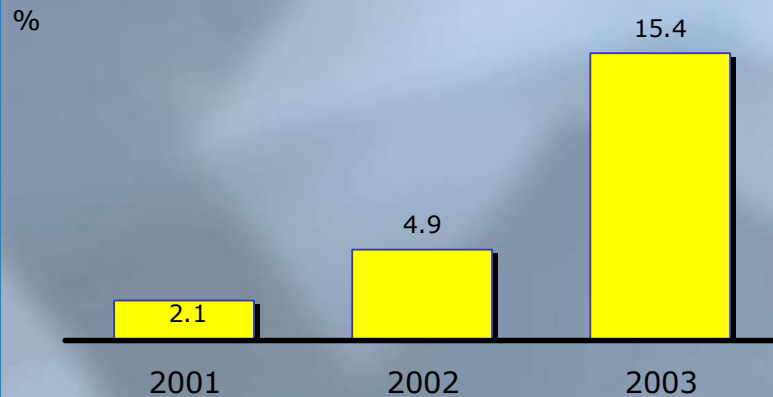
### Net Profit

US\$ Million

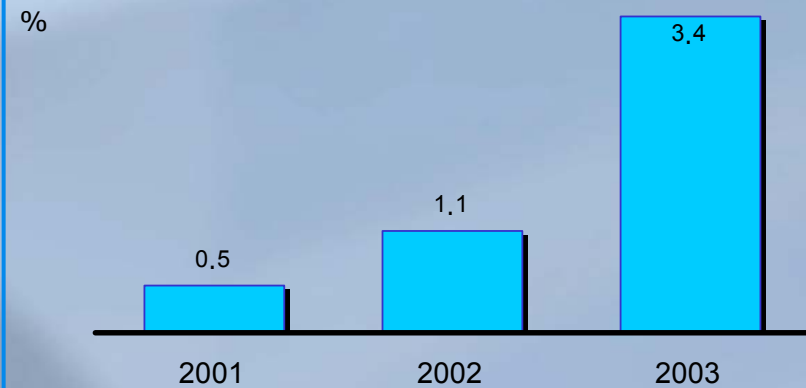


## Financial Highlights

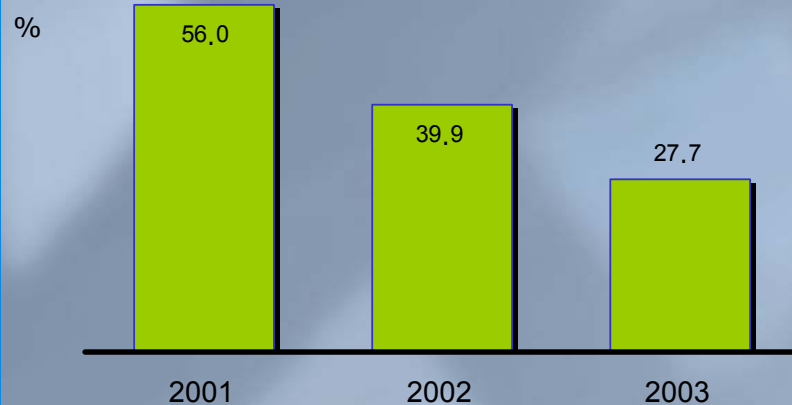
### Return on Average Equity



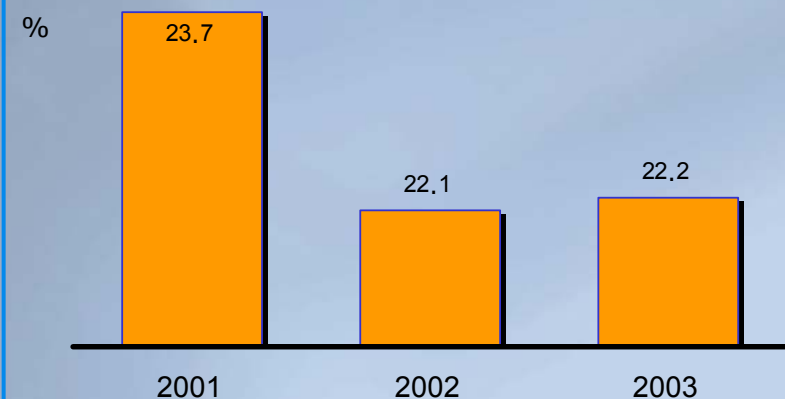
### Return on Average Assets



### Operating Expenses/Oper. Income

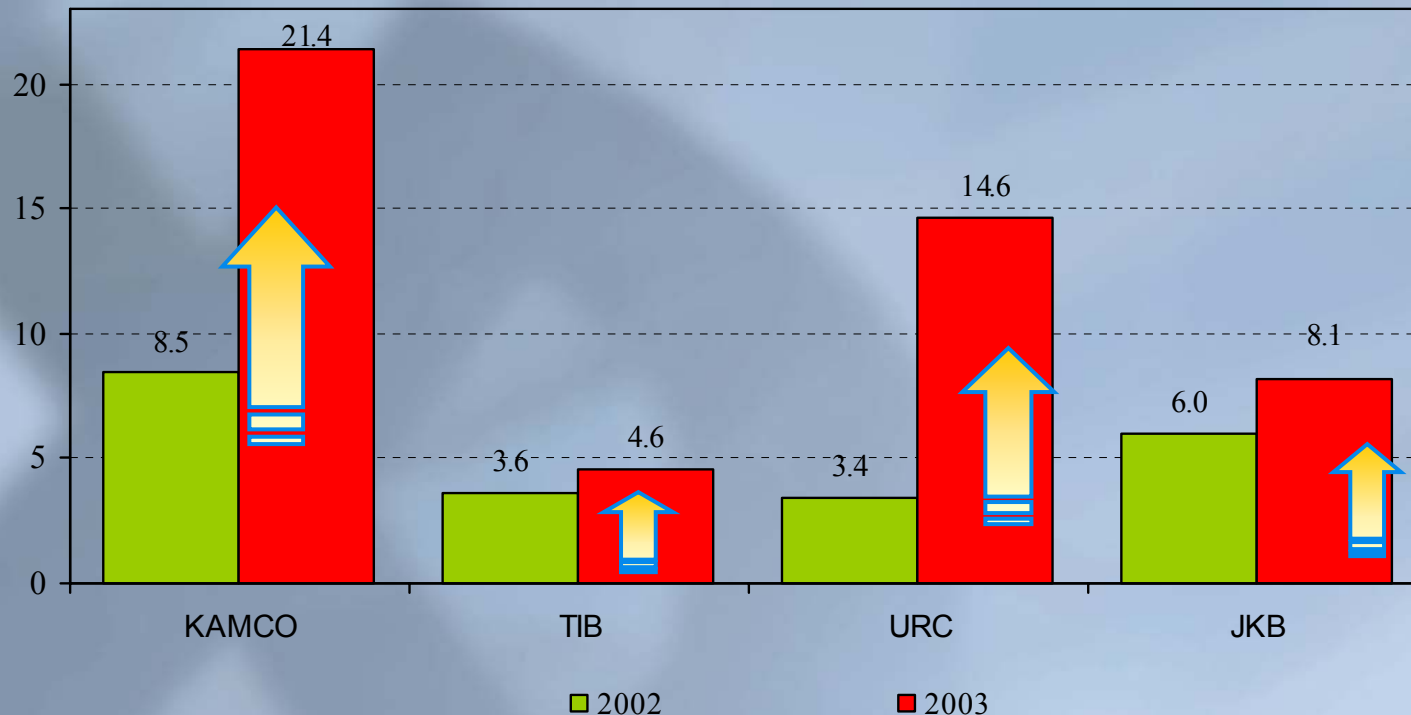


### Average Equity to Average Assets



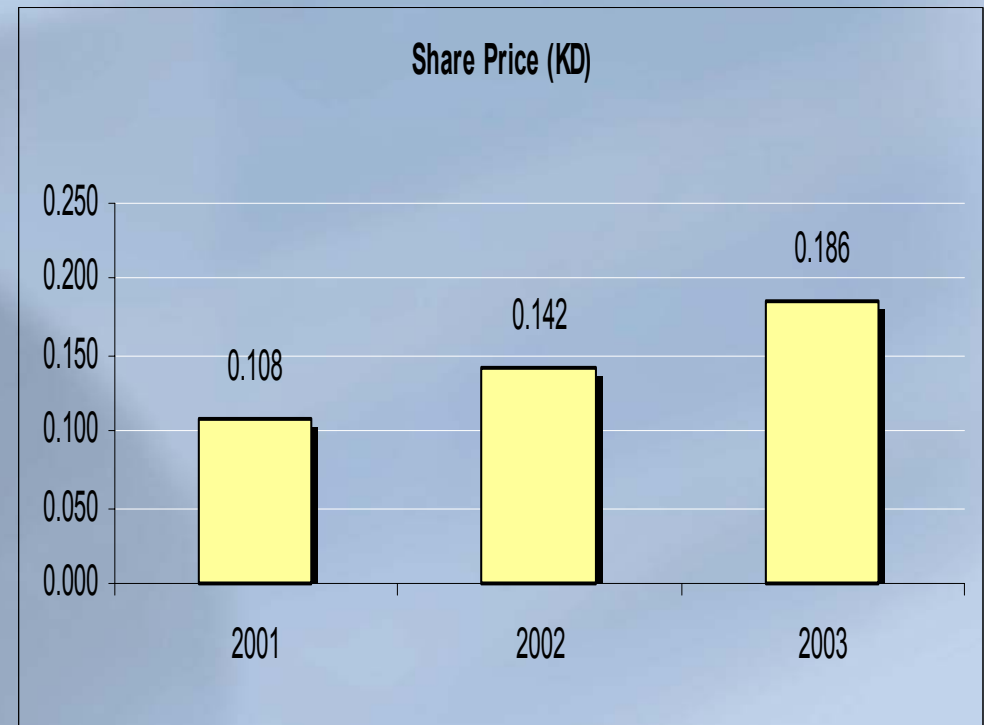
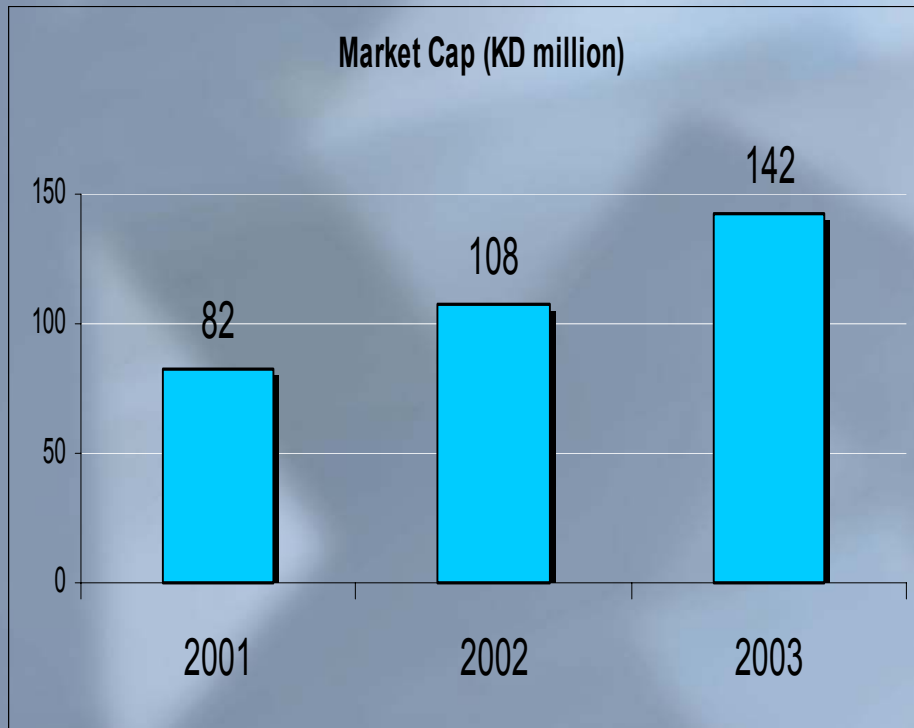
## Financial Highlights

### UGB Share of Profits from Group Entities (All figures in US\$ million)



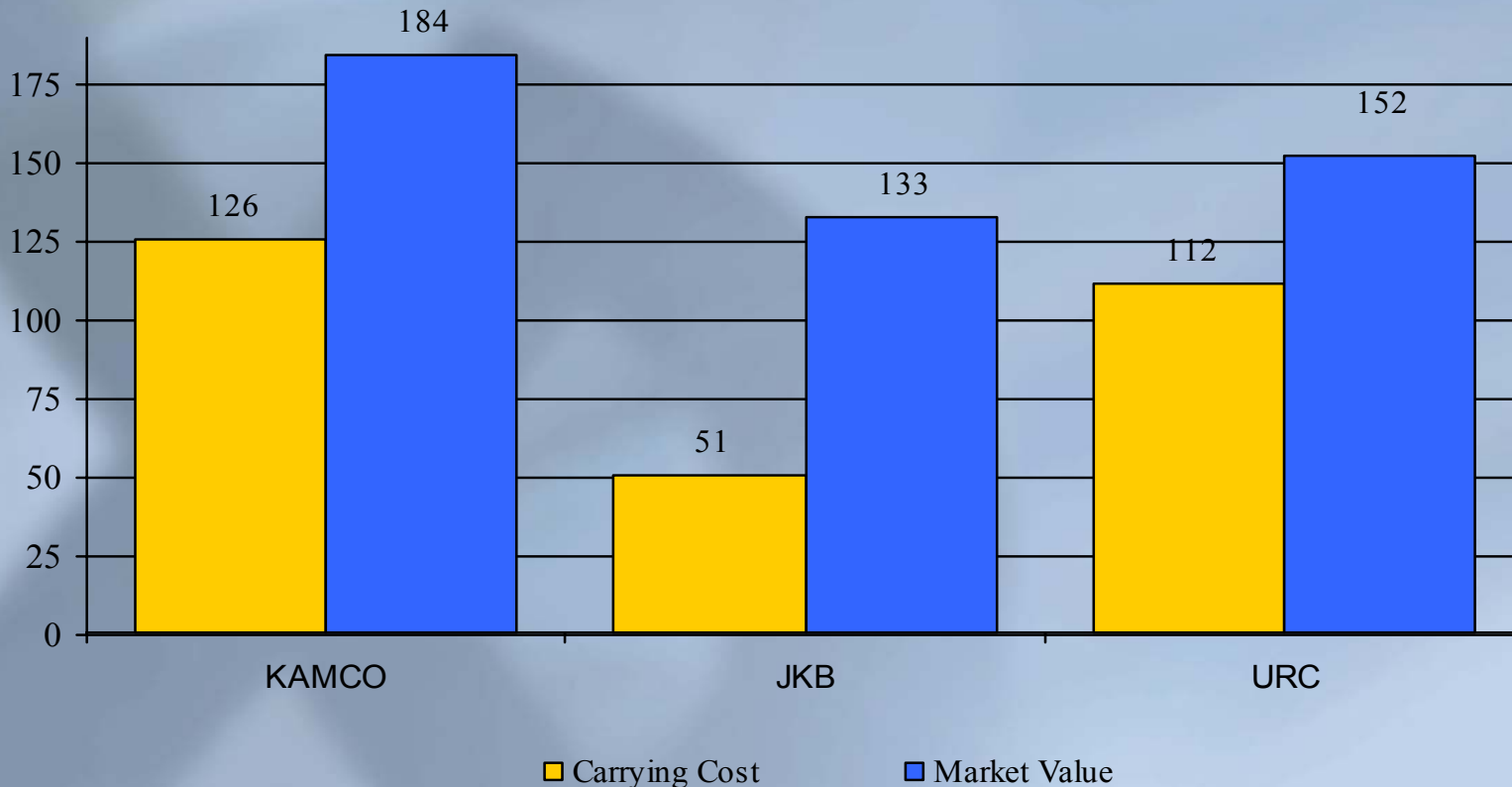


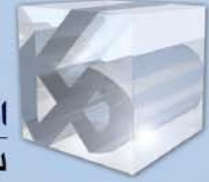
## Stock Performance & Market Capitalization



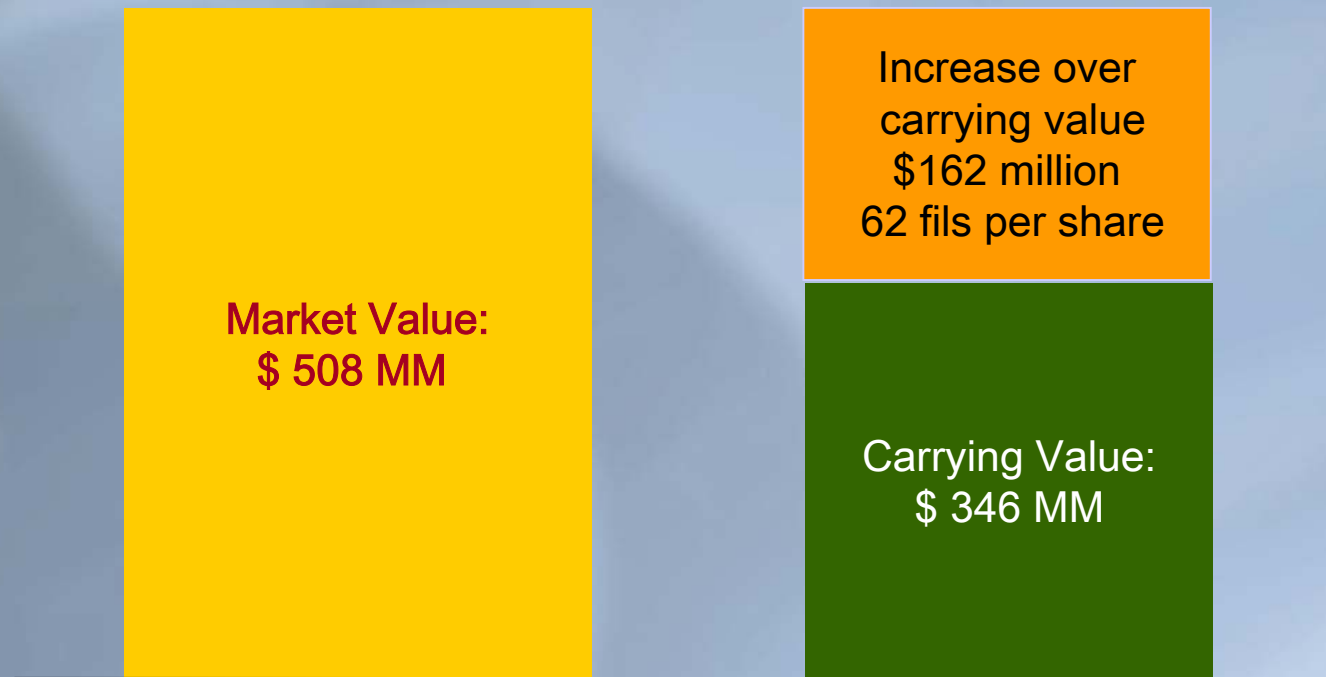
# Market Value of Listed Subsidiaries & Associates (31 December 2003)

(All figures in US\$ million)





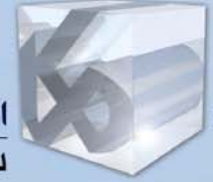
## Market Value of Listed Subsidiaries & Associates (31 December 2003)



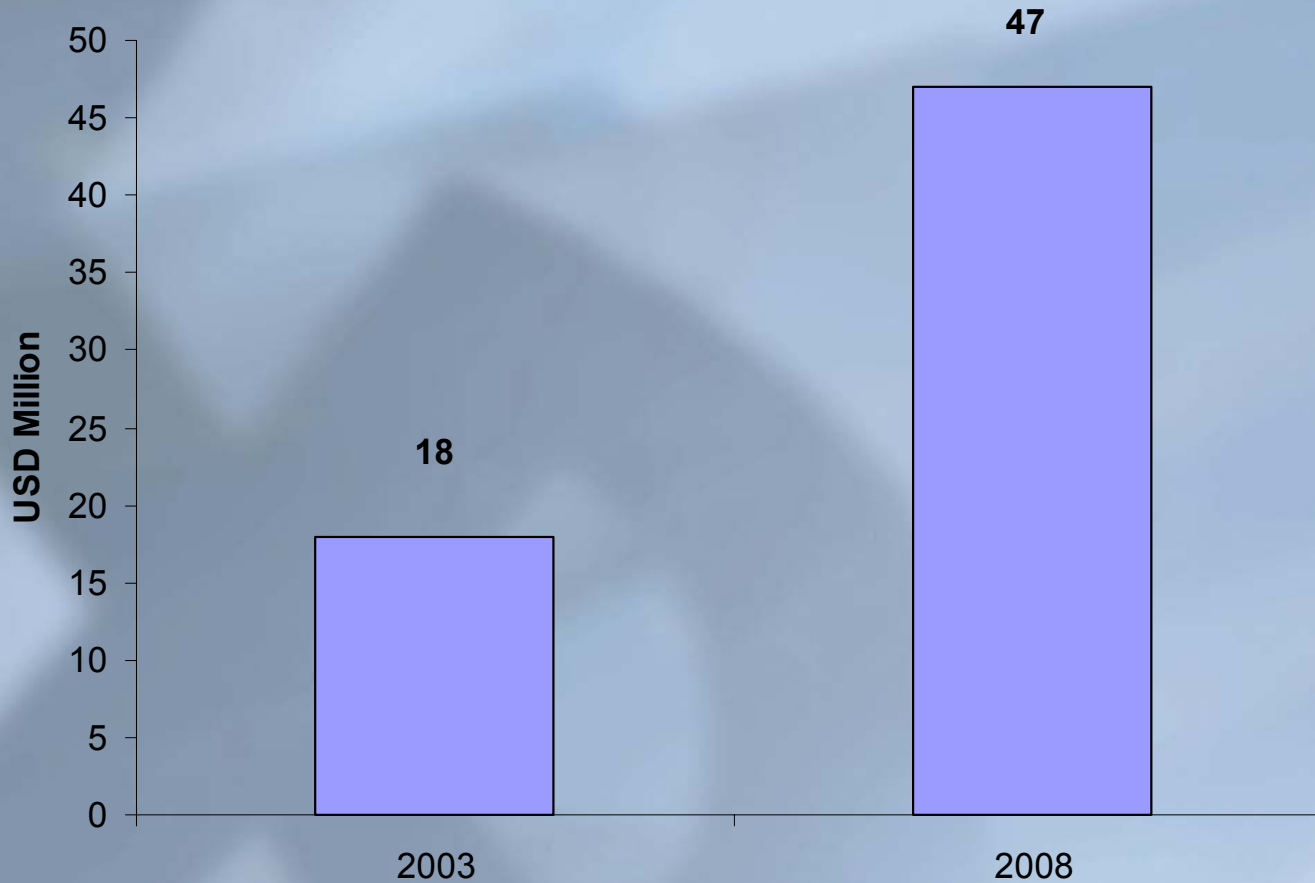
- KAMCO, JKB, URC

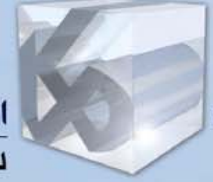
## Other Investments











## Other Investments - Associated Revenue





## 2003 Achievements

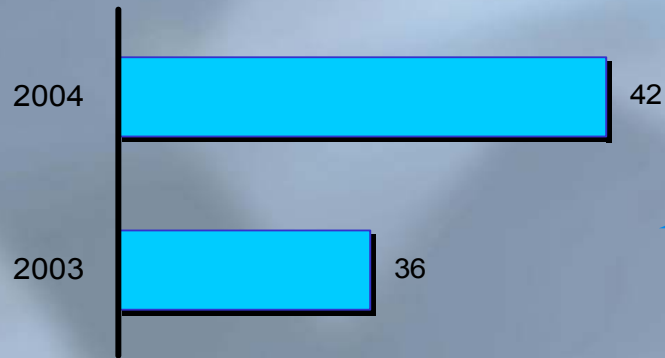
-  KAMCO went public
-  Baltic Transit Bank exited
-  Algeria Gulf Bank formed
-  Investment in telecom industry with Wataniya in Iraq and Algeria
-  Business alliance with Doha Bank
-  Issued \$60 million bonds



## Future Outlook

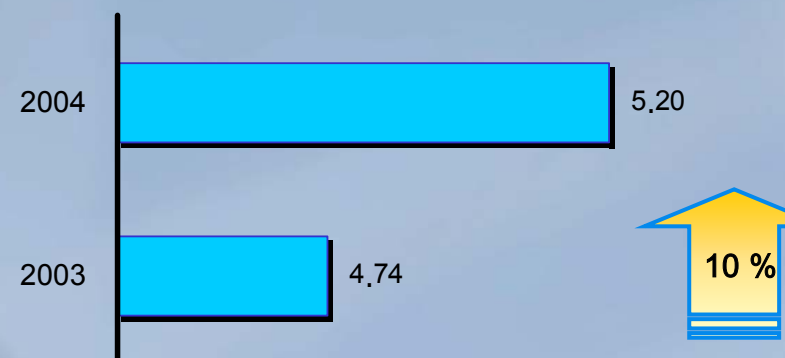
### Net Income

US\$ Million



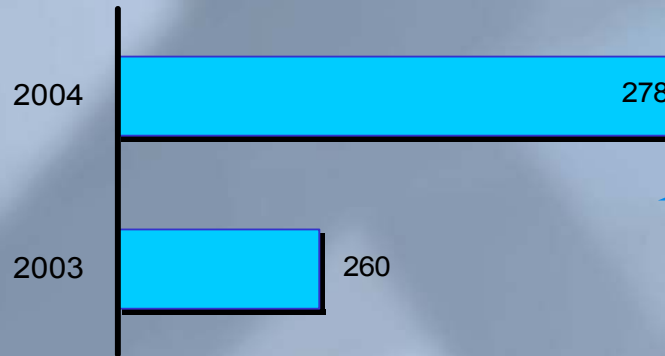
### Earnings Per Share (EPS)

US\$ Cents/Share



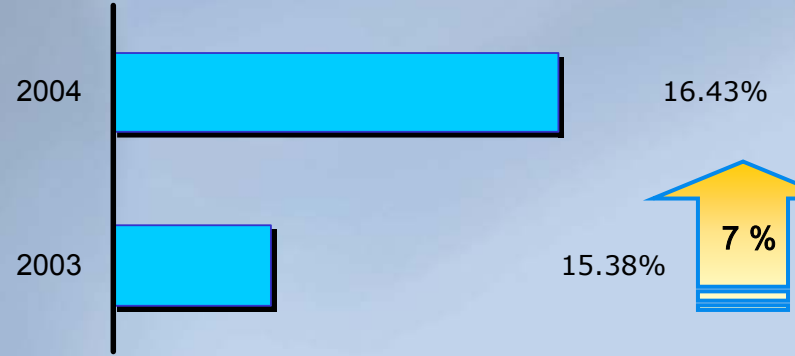
### Shareholder Equity

US\$ Million



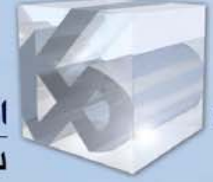
### Return on Average Equity

%








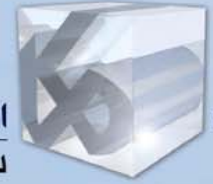
Continuing Growth





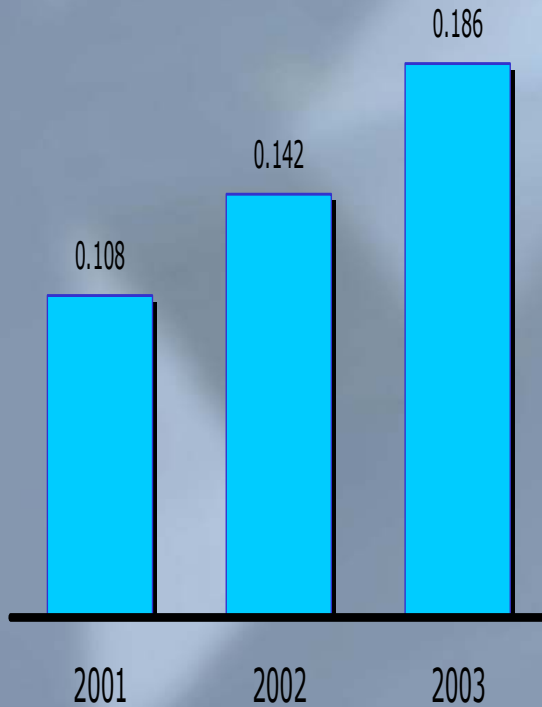
## Future Outlook

-  The Bank enjoys:
  1. A strong portfolio of quality assets that will pay off in the future.
  2. A strong capital base (BIS ratio rose to 22% in 2003 from 18.6% in 2002).
  3. High liquidity level.
-  General improvement in the economic and investment environment.
-  Private equity investments are close to maturity stage.
-  Strengthened funding sources.
-  Well positioned to capitalize on investment opportunities



## Summary

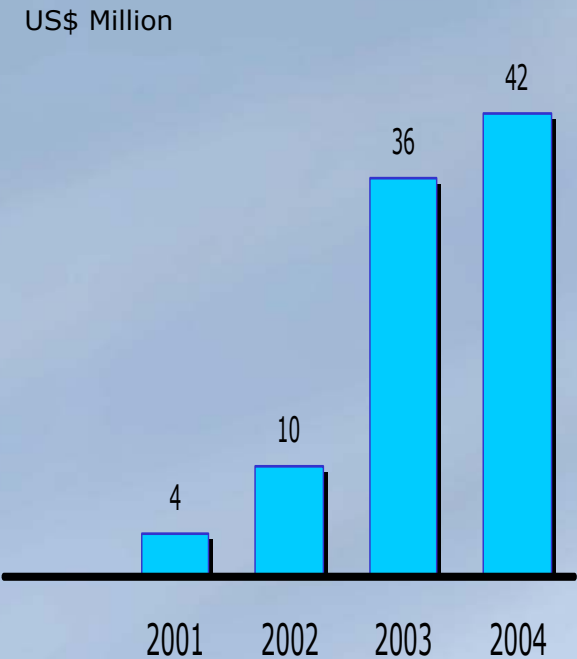
### Share Price

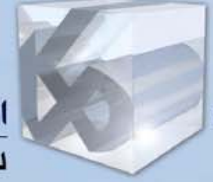


### Strategy

- Strategic Core Investments
- Alliances
- Corporate Finance
- Asset Management
- Telecomms

### Net Profit



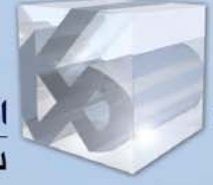


## Disclaimer

“In this presentation by United Gulf Bank management, our use of the words "expect," "anticipate," "estimate," "project," "forecast," "outlook," "target," "objective," "plan," "goal," "pursue" and similar expressions is intended to identify forward looking statements. While these statements represent our current judgment on what the future may hold, and we believe these judgments are reasonable, actual results may differ materially due to numerous important factors. Such factors include, among others, the following: changes in economic conditions; currency exchange rates or political stability; shortages of fuel, labor strikes or work stoppages; market acceptance of the corporation's new products; significant changes in the competitive environment; changes in laws, regulations and tax rates; and, the ability of the corporation to achieve reductions in cost and employment levels to realize production efficiencies and implement capital expenditures at levels and times planned by management”



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THANK YOU