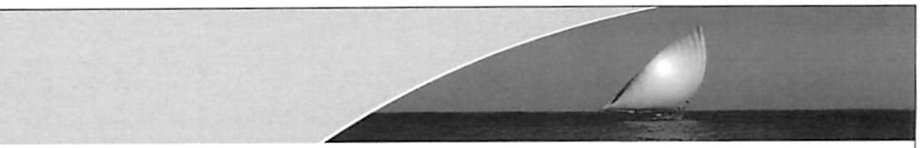
بنك الخليج المتحد ش.م.ب.

United Gulf Bank B.S.C.



Interim Consolidated Statement of Financial Position
As at 30 June 2015 (Reviewed)

	Reviewed 30 June 2015 US$ 000	Audited 31 December 2014 US$ 000	Reviewed 30 June 2014 US$ 000
ASSETS			
Demand and call deposits with banks	248,907	284,048	199,502
Placements with banks	125,833	142,481	59,077
Investments carried at fair value through statement of income	66,974	57,063	69,796
Non-trading investments	177,487	218,407	223,623
Loans and receivables	920,462	990,164	983,798
Other assets	116,652	113,574	67,278
Investments in associates and joint ventures	857,200	864,991	801,967
Investment properties	42,223	4,774	14
Property and equipment	41,708	39,926	39,503
Goodwill	54,304	54,509	77,342
Assets of disposal group classified as held for sale	1,748	7,893	-
TOTAL ASSETS	2,653,498	2,777,830	2,521,900
LIABILITIES AND EQUITY			
LIABILITIES			
Due to banks and other financial institutions	700,447	712,615	626,362
Deposits from customers	464,358	548,417	465,193
Loans payable	802,442	781,347	713,604
Subordinated debt	93,270	93,270	93,270
Other liabilities	57,545	61,545	69,338
Liabilities of disposal group classified as held for sale	296	249	-
TOTAL LIABILITIES	2,118,358	2,197,443	1,967,767
EQUITY			
Share capital	208,651	208,651	208,651
Treasury shares	(18,131)	(18,131)	(18,131)
Share premium	11,459	11,459	11,459
Statutory reserve	98,766	98,766	96,882
General reserve	79,251	79,251	77,367
Treasury shares reserve	14,248	14,248	14,248
Fair value reserve	(20,649)	7,539	(3,182)
Foreign currency translation reserve	(31,299)	(10,403)	6,301
Retained earnings	76,726	71,522	72,866
CAPITAL AND RESERVES ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT	419,022	462,902	466,461
Non-controlling interests	116,118	117,485	87,672
TOTAL EQUITY	535,140	580,387	554,133
TOTAL LIABILITIES AND EQUITY	2,653,498	2,777,830	2,521,900

Interim Consolidated Statement of Cash Flows
For the six-month period ended 30 June 2015 (Reviewed)

	Six-months period ended 30 June 2015 US$ 000	Six-months period ended 30 June 2014 US$ 000
Net cash used in operating activities	(39,664)	(170,660)
Net cash (used in) from investing activities	(21,612)	56,954
Net cash from financing activities	21,095	146,083
Foreign currency translation adjustments	(20,898)	(385)
Movement in non-controlling interests	3,622	(1,842)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(57,457)	30,150
Cash and cash equivalents at 1 January	418,417	130,491
CASH AND CASH EQUIVALENTS AT 30 JUNE	360,960	160,641

Interim Consolidated Statement of Income
For the six-month period ended 30 June 2015 (Reviewed)

	Three-months period ended 30 June		Six-months period ended 30 June	
	2015 US$ 000	2014 US$ 000	2015 US$ 000	2014 US$ 000
Investment income - net	5,846	(3,201)	5,676	11,111
Interest income	14,318	16,432	31,276	28,051
	20,164	13,231	36,952	39,162
Fees and commissions	7,723	10,514	15,423	19,824
Foreign currency translation (losses) gains - net	(1,153)	(1,489)	1,866	(3,162)
Share of results of associates and joint ventures - net	13,335	23,742	21,066	30,710
Total income	40,069	45,998	75,307	86,534
Interest expense	(13,171)	(13,849)	(25,433)	(25,740)
Operating income before expenses and provisions	26,898	32,149	49,874	60,794
Salaries and benefits	(12,995)	(9,853)	(25,137)	(20,298)
General and administrative expenses	(8,102)	(4,840)	(15,054)	(11,367)
Operating income before provisions	5,801	17,456	9,683	29,129
Impairment loss on loans and receivables	(5,996)	(12,813)	(8,556)	(12,908)
Taxation	1,380	-	1,431	-
Net profit for the period from continuing operations	1,185	4,643	2,558	16,221
Discontinued operations				
Net loss from discontinued operations	(1,138)	-	(2,342)	-
Net profit for the period	47	4,643	216	16,221
Net loss attributable to non-controlling interests	(3,034)	(1,554)	(4,988)	(194)
NET PROFIT ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT	3,081	6,197	5,204	16,415
Net profit (loss) for the period attributable to:				
Shareholders of the parent				
- from continuing operations	3,778	6,197	6,638	16,415
- from discontinued operations	(697)	-	(1,434)	-
	3,081	6,197	5,204	16,415
Non-controlling interests				
- from continuing operations	(2,593)	-	(4,080)	-
- from discontinued operations	(441)	(1,554)	(908)	(194)
	(3,034)	(1,554)	(4,988)	(194)
Earnings per share				
Basic and diluted earnings per share attributable to Shareholders of the parent (US cents)	0.38	0.76	0.64	2.01
Basic and diluted earnings per share from continuing operations attributable to Shareholders of the parent (US cents)	0.46	0.76	0.81	2.01

Interim Consolidated Statement of Comprehensive Income
For the six-month period ended 30 June 2015 (Reviewed)

	Three-months period ended 30 June		Six-months period ended 30 June	
	2015 US$ 000	2014 US$ 000	2015 US$ 000	2014 US$ 000
NET PROFIT FOR THE PERIOD	47	4,643	216	16,221
Other comprehensive (loss) income for the period to be reclassified to profit or loss in subsequent periods:				
Foreign currency translation reserve	(4,063)	234	(21,663)	(335)
Movement in fair values of investments available for sale	4,982	6,430	4,075	15,296
Transfer to interim consolidated statement of income upon derecognition	-	(2,696)	(19,623)	(1,008)
Share of other comprehensive (loss) income of associates and joint ventures - net	(4,299)	590	(11,183)	(131)
Cash flow hedges	27	(67)	(42)	(37)
Other comprehensive (loss) income for the period to be reclassified to profit or loss in subsequent periods	(3,353)	4,491	(48,436)	13,785
TOTAL COMPREHENSIVE (LOSS) INCOME FOR THE PERIOD	(3,306)	9,134	(48,220)	30,006
Total comprehensive (loss) income attributable to				
- shareholders of the parent	(1,548)	8,557	(43,880)	30,161
- non-controlling interests	(1,758)	577	(4,340)	(155)
	(3,306)	9,134	(48,220)	30,006

Interim Consolidated Statement of Changes in Equity
For the six-month period ended 30 June 2015 (Reviewed)

	Attributable to shareholders of the parent											
	Share capital US$ 000	Treasury shares US$ 000	Share premium 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 before non-controlling interests US$ 000	Non-controlling interests US$ 000	Total equity US$ 000
Balance at 1 January 2015	208,651	(18,131)	11,459	98,766	79,251	14,248	7,539	(10,403)	71,522	462,902	117,485	580,387
Profit (loss) for the period	-	-	-	-	-	-	-	-	5,204	5,204	(4,988)	216
Other comprehensive (loss) income	-	-	-	-	-	-	(28,188)	(20,896)	-	(49,084)	648	(48,436)
Total comprehensive (loss) income for the period	-	-	-	-	-	-	(28,188)	(20,896)	5,204	(43,880)	(4,340)	(48,220)
Other movements in non-controlling interests	-	-	-	-	-	-	-	-	-	-	2,973	2,973
Balance at 30 June 2015	208,651	(18,131)	11,459	98,766	79,251	14,248	(20,649)	(31,299)	76,726	419,022	116,118	535,140
Balance at 1 January 2014	208,651	(18,131)	11,459	96,882	77,367	14,248	(17,313)	6,686	56,451	436,300	23,262	459,562
Profit (loss) for the period	-	-	-	-	-	-	-	-	16,415	16,415	(194)	16,221
Other comprehensive income (loss)	-	-	-	-	-	-	14,131	(385)	-	13,746	39	13,785
Total comprehensive income (loss) for the period	-	-	-	-	-	-	14,131	(385)	16,415	30,161	(155)	30,006
Other movements in non-controlling interests	-	-	-	-	-	-	-	-	-	-	64,565	64,565
Balance at 30 June 2014	208,651	(18,131)	11,459	96,882	77,367	14,248	(3,182)	6,301	72,866	466,461	87,672	554,133

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 six-month period ended 30 June 2015, which were approved by the Board of Directors on 13 August 2015 and were reviewed by Ernst & Young, Kingdom of Bahrain.

Masaud Hayat	Faisal Al Ayyar	Rabih Soukarieh
Chairman	Vice Chairman	Chief Executive Officer

Major Subsidiaries

KAMCO FIMBANK الخليج المتحد للخدمات المالية شمال افريقيا United Gulf Financial Services North Africa

Major Associates

بنك برقان BURGAN BANK منافع Manafae شركة منافع للاستثمار Manafae Investment Company شركة العقارات المتحدة United Real Estate Company

United Gulf Bank B.S.C., P.O. Box 5964, UGB Tower, Manama, Kingdom of Bahrain. Tel: +973 17 533 233, Fax: +973 17 533 137, C.R. No. 10550 www.ugbbah.com