



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

Regulatory Capital Disclosure

30th June 2015





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Regulatory Capital Disclosure – 30th June 2015

Step 1: Disclosure of the reported Balance sheet under the regulatory scope of consolidation

	Balance sheet as in published financial statements	Consolidated PIR data
	30 June 2015	30 June 2015
Assets	US\$ 000	US\$ 000
Cash and balances with central banks	248,907	69,395
Due from banks and other financial institutions	125,833	305,346
Investments at fair value through statement of income	66,974	66,974
Loans and advances to customers	920,462	930,061
Non-trading investments	177,487	713,093
Investments in associated companies and joint ventures	857,200	375,898
Interest receivable and other assets	116,652	118,400
Investment properties	42,223	42,222
Property and equipment	41,708	41,708
Goodwill	54,304	-
Assets of disposal group classified as held for sale	1,748	-
Total assets	2,653,498	2,663,097
Liabilities		
Due to banks and other financial institutions	700,447	700,447
Deposits from Customers	464,358	464,358
Term borrowings	802,442	802,442
Subordinated debt	93,270	-
Interest payable and other liabilities	57,545	57,845
Liabilities of disposal group classified as held for sale	296	-
Total liabilities	2,118,358	2,025,092
Equity		
Share capital	208,651	208,651
Treasury shares	(18,131)	(18,131)
Share premium	11,459	11,460
Statutory reserve	98,766	98,766
General reserve	79,251	79,251
Treasury shares reserve	14,248	-
Cumulative changes in fair values	(20,649)	(20,653)
Foreign currency translation adjustments	(31,299)	(31,299)
Retained earnings	76,726	90,974
Collective impairment provision	-	9,598
Subordinated debts	-	93,270
Attributable to the owners of the Bank	419,022	521,887
Non-controlling interests	116,118	116,118
Total equity	535,140	638,005
Total Liabilities and equities	2,653,498	2,663,097

Step 2: Expansion of the Balance Sheet under Regulatory scope of consolidation

	Balance sheet as in published financial statements	Consolidated PIR data	Reference
	30 June 2015	30 June 2015	
	US\$ 000	US\$ 000	
Assets			
Cash and balances with central banks	248,907	69,395	
Due from banks and other financial institutions	125,833	305,346	
Investments at fair value through statement of income	66,974	66,974	
Loans and advances to customers	930,061	930,061	
of which specific provisions	(64,323)	(64,323)	
of which loans and advances (gross of provisions)	994,384	994,384	
Non-trading investments	177,487	713,093	
of which related to equity investments in financial entities	9,187	9,187	
of which related to CET1	9,187	9,187	a
of which relater to Tier 1	-	-	
of which relater to Tier 2	-	-	
of which related to other AFS investments	168,300	168,300	
of which equity investments in financial entities	-	535,606	b
Investments in associated companies and joint ventures	857,200	375,898	
of which equity investments in financial entities	609,514	73,908	c
of which other investments	247,686	247,686	
of which Goodwill	-	54,304	d
Interest receivable and other assets	116,652	118,400	
of which deferred tax assets due to temporary differences	26,175	26,175	e
of which Interest receivable and other assets	90,477	92,225	
Investment properties	42,223	42,222	
Property and equipment	41,708	41,708	
Goodwill	54,304	-	
Assets of disposal group classified as held for sale	1,748	-	
Total assets	2,663,097	2,663,097	
Liabilities			
Due to banks and other financial institutions	700,447	700,447	
Deposits from Customers	464,358	464,358	
Term borrowings	802,442	802,442	
Subordinated debt	93,270	-	
Interest payable and other liabilities	57,545	57,845	
Liabilities of disposal group classified as held for sale	296	-	
Total liabilities	2,118,358	2,025,092	
Equity			
Share capital (net of Treasury shares)	190,520	190,520	
of which amount eligible for CET 1	190,520	190,520	f
of which amount eligible for AT 1	-	-	
Share premium	11,459	11,460	g
Statutory reserve	98,766	98,766	h
General reserve	79,251	79,251	i
Treasury shares reserve	14,248	-	
Cumulative changes in fair values	(20,649)	(20,653)	
of which unrealized gains and losses on available for sale financial instruments	2,588	2,588	j
of which gains and losses on derivatives held as cash flow hedges	(131)	(131)	k
of which unrealized gains and losses from fair valuing equities	(23,105)	(23,109)	l
Foreign currency translation adjustments	(31,299)	(31,299)	m
Retained earnings	76,726	90,974	
of which Treasury shares reserve	-	14,248	n
of which Retained earnings	76,726	76,726	o
Collective impairment provision	-	9,598	p
Subordinated debts	-	93,270	
of which Tier 2 capital instruments	-	37,308	q
Attributable to the owners of the Bank	419,022	521,887	
Non-controlling interests	116,118	116,118	
Total equity	535,140	638,005	
Total Liabilities and equities	2,653,498	2,663,097	

Step 3: Mapping the components to the composition of capital disclosure templates

		Component of regulatory capital	Amounts subject to pre-2015 treatment	Source based on reference letters of the balance sheet under the regulatory scope of consolidation
Common Equity Tier 1: Instruments and reserves				
1	Directly issued qualifying common share capital plus related stock surplus	201,980		f+g
2	Retained earnings	76,727		o
3	Accumulated other comprehensive income and losses (and other reserves)	140,314		h+i+j+k+l+m+n
4	<i>Not applicable</i>			
5	Common shares issued by subsidiaries and held by third parties (amount allowed in group CET1)	101,215		
6	Common Equity Tier 1 capital before regulatory adjustments	520,236	-	
Common Equity Tier 1 capital :regulatory adjustments				
7	Prudential valuation adjustment			
8	Goodwill (net of related tax liabilities)	54,304		d
9	Other intangibles other than mortgage servicing rights (net of related tax liabilities)	282		
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liabilities)	7,685		
11	Cash flow hedge reserve	(131)		k
12	Shortfall of provisions to expected losses			
13	Securitization gain on sale (as set out in paragraph 562 of Basel II framework)	-		
14	<i>Not applicable</i>			
15	Defined benefit pension fund net assets	-		
16	Investments in own shares	-		
17	Reciprocal cross holdings in Common equity	-		
18	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-		
19	Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold)	112,035		
20	Mortgage servicing rights (amount above 10% of CET1c)	-		
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	-		
22	Amount exceeding the 15% threshold	90,282		
23	of which: significant investments in the common stock	90,282		
24	of which: mortgage servicing rights			
25	of which: deferred tax assets arising from temporary differences			
26	CBB specific regulatory adjustments	(87,012)		
	Regulatory Adjustments applied to Common Equity Tier 1 in respect of amounts subject to pre-2015 treatments			
	of which: Positive or negative adjustments due to aggregation of CET1	(87,012)		
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	-		
28	Total regulatory adjustments to Common equity Tier 1	177,445	-	
29	Common Equity Tier 1 capital (CET1)	342,791	-	
Additional Tier 1 capital: instruments				
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus	-		
31	of which: classified as equity under applicable accounting standards			
32	of which: classified as liabilities under applicable accounting standards			
33	Directly issued capital instruments subject to phase out from Additional Tier 1			
34	Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1)	1,387		
35	of which: instruments issued by subsidiaries subject to phase out			
36	Additional Tier 1 capital before regulatory adjustments	1,387	-	
Additional Tier 1 capital: regulatory adjustments				
37	Investments in own Additional Tier 1 instruments			
38	Reciprocal cross-holdings in Additional Tier 1 instruments			
39	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)			
40	Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)			
41	CBB specific regulatory adjustments			
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions			
43	Total regulatory adjustments to Additional Tier 1 capital	-	-	
44	Additional Tier 1 capital (AT1)	1,387	-	
45	Tier capital (T1 = CET1 + AT1)	344,178	0.00	

Step 3: Mapping the components to the composition of capital disclosure templates (continued)

		Component of regulatory capital	Amounts subject to pre-2015 treatment	Source based on reference letters of the balance sheet under the regulatory scope of consolidation
Tier 2 capital: instruments and provisions				
46	Directly issued qualifying Tier 2 instruments plus related stock surplus	37,308		q
47	<i>Directly issued capital instruments subject to phase out from Tier 2</i>			
48	Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	1,849		
49	<i>of which: instruments issued by subsidiaries subject to phase out</i>			
50	Provisions	9,598		p
51	Tier 2 capital before regulatory adjustments	48,755		
Tier 2 capital: regulatory adjustments				
52	Investments in own Tier 2 instruments			
53	Reciprocal cross-holdings in Tier 2 instruments			
54	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)		-	
55	Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)			
56	National specific regulatory adjustments			
57	Total regulatory adjustments to Tier 2 capital	-	-	
58	Tier 2 capital (T2)	48,755		-
59	Total capital (TC = T1 + T2)	392,933		-
60	Total risk weighted assets	2,901,634		-
Capital ratios and buffers				
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	11.81%		
62	Tier 1 (as a percentage of risk weighted assets)	11.86%		
63	Total capital (as a percentage of risk weighted assets)	13.54%		
64	Institution specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus countercyclical buffer requirements plus G-SIB buffer requirement, expressed as a percentage of risk weighted assets)	9.00%		
65	<i>of which: capital conservation buffer requirement</i>	2.50%		
66	<i>of which: bank specific countercyclical buffer requirement</i>	N/A		
67	<i>of which: G-SIB buffer requirement</i>	N/A		
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets)	11.81%		
National minima (where different from Basel III)				
69	CBB Common Equity Tier 1 minimum ratio	6.50%		
70	CBB Tier 1 minimum ratio	8.00%		
71	CBB total capital minimum ratio	10.00%		
Amounts below the thresholds for deduction (before risk weighting)				
72	Non-significant investments in the capital of other financials	9,187		a
73	Significant investments in the common stock of financials	495,223		b+c
74	Mortgage servicing rights (net of related tax liability)	-		
75	Deferred tax assets arising from temporary differences (net of related tax liability)	21,632		e
Applicable caps on the inclusion of provisions in Tier 2				
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	9,598		p
77	Cap on inclusion of provisions in Tier 2 under standardised approach	33,538		
78	N/A			
79	N/A			
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2019 and 1 Jan 2023)				
80	Current cap on CET1 instruments subject to phase out arrangements			
81	<i>Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)</i>			
82	Current cap on AT1 instruments subject to phase out arrangements			
83	<i>Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)</i>			
84	Current cap on T2 instruments subject to phase out arrangements			
85	<i>Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)</i>			

Disclosure of main features of regulatory capital instruments

Disclosure of template for main features of regulatory capital instruments		
1	Issuer	United Gulf Bank
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	Share ticker: UGB
3	Governing law(s) of the instrument	Laws and regulations of Kingdom of Bahrain
	<i>Regulatory treatment</i>	
4	Transitional CBB rules	Common Equity Tier 1
5	Post-transitional CBB rules	Common Equity Tier 1
6	Eligible at solo/group/group & solo	Group and solo
7	Instrument type (types to be specified by each jurisdiction)	Common shares
8	Amount recognised in regulatory capital (Currency in mil, as of most recent reporting date)	US\$ 202 million
9	Par value of instrument	US\$ 0.25
10	Accounting classification	Shareholders' Equity
11	Original date of issuance	Various
12	Perpetual or dated	Perpetual
13	Original maturity date	No maturity
14	Issuer call subject to prior supervisory approval	No
15	Optional call date, contingent call dates and redemption amount	Not applicable
16	Subsequent call dates, if applicable	Not applicable
	<i>Coupons / dividends</i>	
17	Fixed or floating dividend/coupon	Floating dividends
18	Coupon rate and any related index	Not applicable
19	Existence of a dividend stopper	Not applicable
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary
21	Existence of step up or other incentive to redeem	No
22	Noncumulative or cumulative	Noncumulative
23	Convertible or non-convertible	Not applicable
24	If convertible, conversion trigger(s)	Not applicable
25	If convertible, fully or partially	Not applicable
26	If convertible, conversion rate	Not applicable
27	If convertible, mandatory or optional conversion	Not applicable
28	If convertible, specify instrument type convertible into	Not applicable
29	If convertible, specify issuer of instrument it converts into	Not applicable
30	Write-down feature	No
31	If write-down, write-down trigger(s)	Not applicable
32	If write-down, full or partial	Not applicable
33	If write-down, permanent or temporary	Not applicable
34	If temporary write-down, description of write-up mechanism	Not applicable
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Not applicable
36	Non-compliant transitioned features	No
37	If yes, specify non-compliant features	Not applicable