



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

Regulatory Capital Disclosure

31st December 2017





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

	Balance sheet as in published financial statements	Consolidated PIR data
	US\$ 000	US\$ 000
Assets		
Cash and balances with central banks	97,993	318
Due from banks and other financial institutions	68,577	166,253
Investments at fair value through statement of income	19,268	19,268
Loans and advances to customers *	4,216	6,751
Non-trading investments	221,566	221,566
Investments in associated companies	77,512	129,902
Interest receivable and other assets	31,820	31,819
Investment properties	105,093	105,093
Property and equipment	1,679	1,679
Goodwill	52,390	-
Total assets	680,114	682,649
Liabilities		
Due to banks and other financial institutions	250,211	250,211
Deposits from Customers	31,018	31,018
Term borrowings	98,658	98,658
Interest payable and other liabilities	37,358	37,358
Total liabilities	417,245	417,245
Equity		
Share capital	101,132	101,132
Share premium	5,687	5,687
Statutory reserve	49,881	49,881
General reserve	29,612	29,612
Cumulative changes in fair values	12,867	12,867
Foreign currency translation adjustments	(3,871)	(3,871)
Retained earnings	7,659	7,659
Collective impairment provision *	-	2,535
Attributable to the owners of the Bank	202,967	205,502
Non-controlling interests	26,902	26,902
Perpetual Tier 1 capital facility	33,000	33,000
Total equity	262,869	265,404
Total Liabilities and equities	680,114	682,649

* The Bank's loans and advances as per the Consolidated PIR ignore collective impairment provisions against the loan portfolio as per the requirements of the Central Bank of Bahrain. Accordingly, the Bank's loans and advances and equity are higher in the Consolidated PIR by an amount of US\$ 2,535 thousand.

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

	Balance sheet as in published financial statements	Consolidated PIR data	Ref.
	US\$ 000	US\$ 000	
Assets			
Cash and balances with central banks	97,993	318	
Due from banks and other financial institutions	68,577	166,253	
Investments at fair value through statement of income	19,268	19,268	
Loans and advances to customers	4,216	6,751	
of which specific provisions	-	-	
of which collective provisions	(2,535)	-	
of which loans and advances (gross of provisions)	6,751	6,751	
Non-trading investments	221,566	221,566	
of which related to equity investments in financial entities	29,035	29,035	
of which related to CET1	29,035	29,035	a
of which relater to Tier 1	-	-	
of which relater to Tier 2	-	-	
of which related to other AFS investments	192,531	192,531	
of which equity investments in financial entities	-	-	
Investments in associated companies	77,512	129,902	
of which equity investments in financial entities	12,870	12,870	c
of which other investments	64,642	64,642	
of which Goodwill	-	52,390	d
Interest receivable and other assets	31,820	31,819	
of which deferred tax assets due to temporary differences	-	-	
of which Interest receivable and other assets	31,820	31,819	
Investment properties	105,093	105,093	
Property and equipment	1,679	1,679	
Goodwill	52,390	-	
Total assets	680,114	682,649	



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

	Balance sheet as in published financial statements	Consolidated PIR data	Ref.
Liabilities	US\$ 000	US\$ 000	
Due to banks and other financial institutions	250,211	250,211	
Deposits from Customers	31,018	31,018	
Term borrowings	98,658	98,658	
Interest payable and other liabilities	37,358	37,358	
Total liabilities	417,245	417,245	
Equity			
Share capital (net of Treasury shares)	101,132	101,132	
of which amount eligible for CET 1	101,132	101,132	f
of which amount eligible for AT 1	-	-	
Share premium	5,687	5,687	g
Statutory reserve	49,881	49,881	h
General reserve	29,612	29,612	i
Treasury shares reserve	-	-	
Cumulative changes in fair values	12,867	12,867	
of which unrealized gains and losses on available for sale financial instruments	12,828	12,828	j
of which gains and losses on derivatives held as cash flow hedges	1,100	1,100	k
of which unrealized gains and losses from fair valuing equities	(1,061)	(1,061)	l
Foreign currency translation adjustments	(3,871)	(3,871)	m
Retained earnings	7,659	7,659	
of which Treasury shares reserve	-	-	n
of which Retained earnings	7,659	7,659	o
Collective impairment provision	-	2,535	p
Attributable to the owners of the Bank	202,967	205,502	
Non-controlling interests	26,902	26,902	
Perpetual Tier 1 capital facility	33,000	33,000	r
Total equity	262,869	265,404	
Total Liabilities and equities	680,114	682,649	

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

	Component of regulatory capital	Amount subject to pre-2015 treatment	Reference
Directly issued qualifying common share capital plus related stock surplus	106,819		f+g
Retained earnings	7,659		o
Accumulated other comprehensive income and losses (and other reserves)	88,489		h+i+j+k+l+m+n
Common shares issued by subsidiaries and held by third parties (amount allowed in group CET1)	13,173		
Common Equity Tier 1 capital before regulatory adjustments	216,140		
Goodwill (net of related tax liabilities)	52,390		d
Cash flow hedge reserve	1,100		k
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)	7,662		
Total regulatory adjustments to Common equity Tier 1	61,152		
Common Equity Tier 1 capital (CET1)	154,988		
Directly issued qualifying Additional Tier 1 instruments plus related stock surplus	33,000		r
of which: classified as equity under applicable accounting standards	33,000		r
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)	670		
Additional Tier 1 capital before regulatory adjustments	33,670		
Total regulatory adjustments to Additional Tier 1 capital	-		
Additional Tier 1 capital (AT1)	33,670		
Tier capital (T1 = CET1 + AT1)	188,658		
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)	893		
Provisions	2,535		p
Tier 2 capital before regulatory adjustments	3,428		
Total regulatory adjustments to Tier 2 capital	-		
Tier 2 capital (T2)	3,428		
Total capital (TC = T1 + T2)	192,086		
Total risk weighted assets	891,936		
Common Equity Tier 1 (as a percentage of risk weighted assets)	17.38%		
Tier 1 (as a percentage of risk weighted assets)	21.15%		
Total capital (as a percentage of risk weighted assets)	21.54%		
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%		
of which: capital conservation buffer requirement	2.50%		
Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets)	17.38%		
CBB Common Equity Tier 1 minimum ratio	6.50%		
CBB Tier 1 minimum ratio	8.00%		
CBB total capital minimum ratio	10.00%		
Non-significant investments in the capital of other financials	29,035		
Significant investments in the common stock of financials	12,870		
Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	2,535		p
Cap on inclusion of provisions in Tier 2 under standardised approach	9,376		

Disclosure of main features of regulatory capital instruments

Disclosure of template for main features of regulatory capital instruments			
1	Issuer	United Gulf Bank	United Gulf Bank
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private	Share ticker: UGB	Not listed
3	Governing law(s) of the instrument	Laws and regulations of Kingdom of Bahrain	Laws and regulations of Kingdom of Bahrain
<i>Regulatory treatment</i>			
4	Transitional CBB rules	Common Equity Tier 1	Additional Tier 1
5	Post-transitional CBB rules	Common Equity Tier 1	Eligible
6	Eligible at solo/group/group & solo	Group and solo	Group and solo
7	Instrument type (types to be specified by each jurisdiction)	Common shares	Perpetual Subordinated Loan
8	Amount recognised in regulatory capital	US\$ 101 million	US\$ 33 million
9	Par value of instrument	US\$ 0.25 per share	US\$ 33 million
10	Accounting classification	Shareholders' Equity	Equity
11	Original date of issuance	Various	Mar-2016
12	Perpetual or dated	Perpetual	Perpetual
13	Original maturity date	No maturity	No maturity
14	Issuer call subject to prior supervisory approval	No	Yes
15	Optional call date, contingent call dates and redemption amount	Not applicable	Not applicable
16	Subsequent call dates, if applicable	Not applicable	Not applicable
<i>Coupons / dividends</i>			
17	Fixed or floating dividend/coupon	Floating dividends	Fixed coupon
18	Coupon rate and any related index	Not applicable	10.5% p.a.
19	Existence of a dividend stopper	Not applicable	Yes
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary	Fully discretionary
21	Existence of step up or other incentive to redeem	No	No
22	Noncumulative or cumulative	Noncumulative	Noncumulative
23	Convertible or non-convertible	Not applicable	Non-convertible
24	If convertible, conversion trigger (s)	Not applicable	Not applicable
25	If convertible, fully or partially	Not applicable	Not applicable
26	If convertible, conversion rate	Not applicable	Not applicable
27	If convertible, mandatory or optional conversion	Not applicable	Not applicable
28	If convertible, specify instrument type convertible into	Not applicable	Not applicable
29	If convertible, specify issuer of instrument it converts into	Not applicable	Not applicable
30	Write-down feature	No	Yes
31	If write-down, write-down trigger(s)	Not applicable	Non-Viability Event
32	If write-down, full or partial	Not applicable	Partial
33	If write-down, permanent or temporary	Not applicable	Permanent
34	If temporary write-down, description of write-up mechanism	Not applicable	Not applicable
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Not applicable	Tier 2 subordinated instruments
36	Non-compliant transitioned features	None	None
37	If yes, specify non-compliant features	Not applicable	Not applicable

* The Additional Tier 1 facility has no impact on the earnings or dividends of the Group for the year ended 31 December 2017.