



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

Regulatory Capital Disclosure

30th September 2015





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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
	30 September 2015	30 September 2015
Assets	US\$ 000	US\$ 000
Cash and balances with central banks	239,720	71,101
Due from banks and other financial institutions	115,201	283,819
Investments at fair value through statement of income	55,571	55,571
Loans and advances to customers	769,022	779,553
Non-trading investments	287,485	822,816
Investments in associated companies and joint ventures	858,794	377,768
Interest receivable and other assets	115,251	116,437
Investment properties	43,722	43,722
Property and equipment	41,257	41,257
Goodwill	54,304	-
Assets of disposal group classified as held for sale	1,184	-
Total assets	2,581,511	2,592,044
Liabilities		
Due to banks and other financial institutions	716,855	708,840
Deposits from Customers	433,898	441,913
Term borrowings	691,609	691,609
Subordinated debt	143,270	-
Interest payable and other liabilities	79,110	79,316
Liabilities of disposal group classified as held for sale	206	-
Total liabilities	2,064,948	1,921,678
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	(35,297)	(35,299)
Foreign currency translation adjustments	(31,059)	(31,059)
Retained earnings	77,493	91,741
Collective impairment provision	-	10,531
Subordinated debts	-	143,270
Attributable to the owners of the Bank	405,381	559,181
Non-controlling interests	111,182	111,185
Total equity	516,563	670,366
Total Liabilities and equities	2,581,511	2,592,044

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

	Balance sheet as in published financial statements	Consolidated PIR data	Reference
	30 September 2015	30 September 2015	
	US\$ 000	US\$ 000	
Assets			
Cash and balances with central banks	239,720	71,101	
Due from banks and other financial institutions	115,201	283,819	
Investments at fair value through statement of income	55,571	55,571	
Loans and advances to customers	769,022	779,553	
of which specific provisions	(62,047)	(51,515)	
of which loans and advances (gross of provisions)	831,068	831,068	
Non-trading investments	287,485	822,816	
of which related to equity investments in financial entities	8,578	8,578	
of which related to CET1	8,578	8,578	a
of which related to Tier 1	-	-	
of which related to Tier 2	-	-	
of which related to other AFS investments	278,907	278,907	
of which equity investments in financial entities	-	535,330	b
Investments in associated companies and joint ventures	858,794	377,768	
of which equity investments in financial entities	609,514	69,003	c
of which other investments	249,280	254,461	
of which Goodwill	-	54,304	d
Interest receivable and other assets	115,251	116,437	
of which deferred tax assets due to temporary differences	25,772	25,772	e
of which Interest receivable and other assets	89,479	90,665	
Investment properties	43,722	43,722	
Property and equipment	41,257	41,257	
Goodwill	54,304	-	
Assets of disposal group classified as held for sale	1,184	-	
Total assets	2,581,511	2,592,044	
Liabilities			
Due to banks and other financial institutions	716,855	708,840	
Deposits from Customers	433,898	441,913	
Term borrowings	691,609	691,609	
Subordinated debt	143,270	-	
Interest payable and other liabilities	79,110	79,316	
Liabilities of disposal group classified as held for sale	206	-	
Total liabilities	2,064,948	1,921,678	
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	(35,297)	(35,299)	
of which unrealized gains and losses on available for sale financial instruments	2,288	2,288	j
of which gains and losses on derivatives held as cash flow hedges	(126)	(126)	k
of which unrealized gains and losses from fair valuing equities	(37,460)	(37,462)	l
Foreign currency translation adjustments	(31,059)	(31,059)	m
Retained earnings	77,493	91,741	
of which Treasury shares reserve	-	14,248	n
of which Retained earnings	77,493	77,493	o
Collective impairment provision	-	10,531	p
Subordinated debts	-	143,270	
of which Tier 2 capital instruments	-	87,308	q
Attributable to the owners of the Bank	405,381	559,181	
Non-controlling interests	111,182	111,185	
Total equity	516,563	670,366	
Total Liabilities and equities	2,581,511	2,592,044	

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	77,493		o
3	Accumulated other comprehensive income and losses (and other reserves)	125,906		h+i+j+k+l+m+n
4	Not applicable			
5	Common shares issued by subsidiaries and held by third parties (amount allowed in group CET1)	97,077		
6	Common Equity Tier 1 capital before regulatory adjustments	502,456	-	
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)	271		
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liabilities)	7,579		
11	Cash flow hedge reserve	(126)		k
12	Shortfall of provisions to expected losses			
13	Securitization gain on sale (as set out in paragraph 562 of Basel II framework)	-		
14	Not applicable			
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)	112,058		
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	90,397		
23	of which: significant investments in the common stock	85,899		
24	of which: mortgage servicing rights			
25	of which: deferred tax assets arising from temporary differences	4,497		
26	CBB specific regulatory adjustments	(86,646)		
	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	(86,646)		
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	177,837	-	
29	Common Equity Tier 1 capital (CET1)	324,619	-	
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)	6,774		
35	of which: instruments issued by subsidiaries subject to phase out			
36	Additional Tier 1 capital before regulatory adjustments	6,774	-	
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)	6,774	-	
45	Tier capital (T1 = CET1 + AT1)	331,393	0.00	

Step 3: (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	87,308		q
47	Directly issued capital instruments subject to phase out from Tier 2			
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)	9,032		
49	of which: instruments issued by subsidiaries subject to phase out			
50	Provisions	10,531		p
51	Tier 2 capital before regulatory adjustments	106,871		
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)	106,871	-	
59	Total capital (TC = T1 + T2)	438,264	-	
60	Total risk weighted assets	2,756,151	-	
Capital ratios and buffers				
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	11.78%		
62	Tier 1 (as a percentage of risk weighted assets)	12.02%		
63	Total capital (as a percentage of risk weighted assets)	15.90%		
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	of which: capital conservation buffer requirement	2.50%		
66	of which: bank specific countercyclical buffer requirement	N/A		
67	of which: G-SIB buffer requirement	N/A		
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets)	11.78%		
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	8,578		a
73	Significant investments in the common stock of financials	604,333		b+c
74	Mortgage servicing rights (net of related tax liability)	-		
75	Deferred tax assets arising from temporary differences (net of related tax liability)	25,772		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)	10,531		p
77	Cap on inclusion of provisions in Tier 2 under standardised approach	32,028		
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	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)			
82	Current cap on AT1 instruments subject to phase out arrangements			
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)			
84	Current cap on T2 instruments subject to phase out arrangements			
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)			

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	FIMBank, Malta
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	Share ticker: UGB	ISIN: XS0270878506	
3	Governing law(s) of the instrument	Laws and regulations of Kingdom of Bahrain	English Laws and Singapore Stock	Laws of Malta
	<i>Regulatory treatment</i>			
4	Transitional CBB rules	Common Equity Tier 1	Tier 2	Tier 2
5	Post-transitional CBB rules	Common Equity Tier 1	Ineligible	Ineligible
6	Eligible at solo/group/group & solo	Group and solo	Group and solo	Group
7	Instrument type (types to be specified by each jurisdiction)	Common shares	Subordinated Bond	Subordinated Loan
8	Amount recognised in regulatory capital (Currency in mil, as of most recent reporting date)	US\$ 202 million	US\$ 37.3 million	US\$ 50 million
9	Par value of instrument	US\$ 0.25	US\$ 93.3 million	US\$ 50 million
10	Accounting classification	Shareholders' Equity	Borrowing	Borrowing
11	Original date of issuance	Various	13-Oct-2006	Sep-2015
12	Perpetual or dated	Perpetual	Dated	Dated
13	Original maturity date	No maturity	13-Oct-2016	Sep-2020
14	Issuer call subject to prior supervisory approval	No	Yes	Yes
15	Optional call date, contingent call dates and redemption amount	Not applicable	Not applicable	Not applicable
16	Subsequent call dates, if applicable	Not applicable	Not applicable	Not applicable
	<i>Coupons / dividends</i>			
17	Fixed or floating dividend/coupon	Floating dividends	Fixed coupon	Fixed coupon
18	Coupon rate and any related index	Not applicable	3 month LIBOR + 2.7%	6 month LIBOR + 3%
19	Existence of a dividend stopper	Not applicable	Not applicable	Not applicable
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No	No	No
22	Noncumulative or cumulative	Noncumulative	Noncumulative	Noncumulative
23	Convertible or non-convertible	Not applicable	Non-convertible	Non-convertible
24	If convertible, conversion trigger (s)	Not applicable	Not applicable	Not applicable
25	If convertible, fully or partially	Not applicable	Not applicable	Not applicable
26	If convertible, conversion rate	Not applicable	Not applicable	Not applicable
27	If convertible, mandatory or optional conversion	Not applicable	Not applicable	Not applicable
28	If convertible, specify instrument type convertible into	Not applicable	Not applicable	Not applicable
29	If convertible, specify issuer of instrument it converts into	Not applicable	Not applicable	Not applicable
30	Write-down feature	No	No	No
31	If write-down, write-down trigger(s)	Not applicable	Not applicable	Not applicable
32	If write-down, full or partial	Not applicable	Not applicable	Not applicable
33	If write-down, permanent or temporary	Not applicable	Not applicable	Not applicable
34	If temporary write-down, description of write-up mechanism	Not applicable	Not applicable	Not applicable
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Not applicable	None	None
36	Non-compliant transitioned features	No	No	No
37	If yes, specify non-compliant features	Not applicable	Not applicable	Not applicable