



Consolidated Statement of Financial Position

At 31 December 2015

	2015 US\$ 000	2014 US\$ 000
ASSETS		
Demand and call deposits with banks	176,793	284,048
Placements with banks	57,026	142,481
Investments carried at fair value through statement of income	50,661	57,063
Non-trading investments	285,003	218,407
Loans and receivables	1,032,098	990,164
Other assets	119,686	113,574
Investments in associates	853,984	864,991
Investment properties	46,222	4,774
Property and equipment	41,694	39,926
Goodwill	52,321	54,509
Assets of disposal group classified as held for sale	1,028	7,893
TOTAL ASSETS	2,716,516	2,777,830
LIABILITIES AND EQUITY		
LIABILITIES		
Due to banks and other financial institutions	838,160	712,615
Deposits from customers	462,086	548,417
Loans payable	714,568	781,347
Subordinated debt	143,270	93,270
Other liabilities	54,999	61,545
Liabilities of disposal group classified as held for sale	166	249
TOTAL LIABILITIES	2,213,249	2,197,443
EQUITY		
Share capital	208,651	208,651
Treasury shares	(18,131)	(18,131)
Share premium	11,459	11,459
Statutory reserve	99,888	98,766
General reserve	80,373	79,251
Treasury shares reserve	14,248	14,248
Fair value reserve	(48,159)	7,539
Foreign currency translation reserve	(34,890)	(10,403)
Retained earnings	80,497	71,522
CAPITAL AND RESERVES ATTRIBUTABLE TO THE SHAREHOLDERS OF THE PARENT	393,936	462,902
Non-controlling interests in equity	109,331	117,485
TOTAL EQUITY	503,267	580,387
TOTAL LIABILITIES AND EQUITY	2,716,516	2,777,830

Consolidated Statement of Cash Flows

For the year ended 31 December 2015

	2015 US\$ 000	2014 US\$ 000
Net cash used in operating activities	(136,963)	(57,717)
Net cash (used in) from investing activities	(7,535)	96,728
Net cash (used in) from financing activities	(28,339)	213,826
Foreign currency translation adjustments	(24,487)	(17,089)
Movement in non-controlling interests	(135)	52,177
NET CHANGE IN CASH AND CASH EQUIVALENTS	(197,459)	287,925
Cash and cash equivalents at 1 January	418,416	130,491
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	220,957	418,416

Consolidated Statement of Changes in Equity

For the year ended 31 December 2015

	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 year	-	-	-	-	-	-	-	-	11,219	11,219	(8,019)	3,200	
Other comprehensive loss	-	-	-	-	-	-	(55,698)	(24,487)	-	(80,185)	(1,081)	(81,266)	
Total comprehensive (loss) income for the year	-	-	-	-	-	-	(55,698)	(24,487)	11,219	(68,966)	(9,100)	(78,066)	
Transfers during the year	-	-	-	1,122	1,122	-	-	-	(2,244)	-	-	-	
Other movements in non-controlling interests	-	-	-	-	-	-	-	-	-	-	946	946	
Balance at 31 December 2015	208,651	(18,131)	11,459	99,888	80,373	14,248	(48,159)	(34,890)	80,497	393,936	109,331	503,267	
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 year	-	-	-	-	-	-	-	-	18,839	18,839	(17,084)	1,755	
Other comprehensive income (loss)	-	-	-	-	-	-	24,852	(17,089)	-	7,763	(1,249)	6,514	
Total comprehensive income (loss) for the year	-	-	-	-	-	-	24,852	(17,089)	18,839	26,602	(18,333)	8,269	
Transfers during the year	-	-	-	1,884	1,884	-	-	-	(3,768)	-	-	-	
Other movements in non-controlling interests	-	-	-	-	-	-	-	-	-	-	112,556	112,556	
Balance at 31 December 2014	208,651	(18,131)	11,459	98,766	79,251	14,248	7,539	(10,403)	71,522	462,902	117,485	580,387	

The above Consolidated Statement of Financial Position, Consolidated Statement of Income, Consolidated Statement of Cash Flows, Consolidated Statement of Changes in Equity and Consolidated Statement of Comprehensive Income have been extracted from the Consolidated Financial Statements of United Gulf Bank B.S.C. for the year ended 31 December 2015, which were approved by the Board of Directors on 28 February 2016 and on which an unqualified audit opinion was issued by Ernst & Young, Kingdom of Bahrain.

Masaud Hayat
Chairman

Faisal Al Ayyar
Vice Chairman

Hussain Lalani
Acting Chief Executive Officer

Consolidated Statement of Income

For the year ended 31 December 2015

	2015 US\$ 000	2014 US\$ 000
Continuing operations		
Interest income	56,348	56,489
Investment income - net	7,662	44,210
	64,010	100,699
Fees and commissions - net	31,713	38,234
Foreign currency translation gains (losses) - net	3,257	(7,141)
Share of results of associates - net	45,850	37,258
Total income	144,830	169,050
Interest expense	(51,574)	(51,627)
Operating income before expenses and provisions	93,256	117,423
Salaries and benefits	(49,540)	(42,571)
General and administrative expenses	(31,829)	(26,210)
Operating income before provisions and tax	11,887	48,642
Impairment loss on investments	(3,153)	(3,127)
Provision for doubtful loans and other assets - net	(9,617)	(20,547)
Impairment of goodwill	-	(31,417)
Taxation - net	6,637	14,502
Net profit for the year from continuing operations	5,754	8,053
Discontinued operations		
Net loss from discontinued operations	(2,554)	(6,298)
Net profit for the year	3,200	1,755
Net loss attributable to non-controlling interests	(8,019)	(17,084)
NET PROFIT ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT	11,219	18,839

Net (loss) profit attributable to:

Non-controlling interests		
- from continuing operations	(7,028)	(14,641)
- from discontinued operations	(991)	(2,443)
	(8,019)	(17,084)

Shareholders of the parent

- from continuing operations	12,782	22,694
- from discontinued operations	(1,563)	(3,855)
	11,219	18,839

Earnings per share

Basic and diluted earnings per share attributable to shareholders of the parent (US cents)	1.38	2.31
Basic and diluted earnings per share from continuing operations attributable to shareholders of the parent (US cents)	1.57	2.78

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2015

	2015 US\$ 000	2014 US\$ 000
Net profit for the year	3,200	1,755
Other comprehensive (loss) income to be reclassified to profit or loss in subsequent years:		
Foreign currency translation reserve	(25,374)	(17,940)
Fair value reserve	(4,046)	22,553
Transfer to consolidated statement of income upon disposal	(19,628)	1,344
Share of other comprehensive (loss) income of associates - net	(32,497)	421
Cash flow hedges	279	136
Other comprehensive (loss) income to be reclassified to profit or loss in subsequent years	(81,266)	6,514
TOTAL COMPREHENSIVE (LOSS) INCOME	(78,066)	8,269
Total comprehensive (loss) income attributable to:		
- shareholders of the parent	(68,966)	26,602
- non-controlling interests	(9,100)	(18,333)
	(78,066)	8,269

