

UGB announces results for 2015

Bahrain, 28 February 2016– United Gulf Bank B.S.C. ("UGB"), today announced its financial results for 2015.

Key Financial Highlights for 2015:

- Net profit attributable to shareholders of the parent of US\$ 11.2 million (2014: US\$ 18.8 million)
- Net consolidated profit of US\$ 3.2 million (Net Profit 2014: US\$ 1.8 million)
- Basic earnings per share of 1.38 cents (2014: 2.31 cents)
- Net profit attributable to shareholders of the parent in Q4 2015 of US\$ 5.2 million (Q4 2014: US\$ 3.1 million)
- Total income before interest and other expenses US\$ 144.8 million (2014: US\$ 169.1 million)
- Total assets for 2015 of US\$ 2.72 billion (2014: US\$ 2.78 billion)
- Capital adequacy ratio of 15% (2014 :15.4%) which exceeds the minimum regulatory requirement of 12.5%

Financial Performance

UGB's profit attributable to shareholders of the parent for 2015 decreased to US\$ 11.2 million compared to US\$ 18.8 million in 2014, with a similar decrease in basic earnings per share to 1.38 cents from 2.31 cents in 2014.

UGB's total assets stood at US\$ 2.72 billion as at 31 December 2015, compared to US\$ 2.78 billion in 2014.

The balance sheet remains strong with total equity of US\$ 503.3 million (2014: US\$ 580.4 million) and a capital adequacy ratio in excess of 15%, above the Central Bank of Bahrain's minimum level of 12.5%.

UGB's Board of Directors will not be recommending any dividends for 2015.

Masaud Hayat, Chairman of UGB said: "Despite challenging market conditions UGB continues to deliver positive results which is a testament to a strong investment portfolio and well diversified revenue sources. For 2016, which we expect to be another challenging year, UGB will continue to focus on capital efficiency, liquidity and cost rationalization.

I take this opportunity to express our gratitude to all the Bahraini regulatory authorities, especially the Central Bank of Bahrain as well as the Bahrain Bourse for their longstanding support and collaboration and to thank all our shareholders, mainly our mother company KIPCO for their trust and confidence"

-ENDS -

About UGB:

UGB is the merchant banking subsidiary of KIPCO Group. Its proprietary investments include assets in commercial banking, real estate, private equity, and quoted securities. As of 31 December 2015 assets under management exceeded US\$ 10.7 billion (31 December 2014: US\$ 11.6 billion).

UGB's core subsidiaries, associates and joint venture include: Burgan Bank, KAMCO Investment Company K.S.C.P. (KAMCO), FIMBank - Malta, North Africa Holding Company, United Gulf Financial Services – North Africa, Takaud Savings & Pension Company, FIM Bank Plc, United Capital Transport Company and United Real Estate Company.

UGB and its subsidiary KAMCO have a proven track record of successfully completing more than 60 investment banking transactions for its clients since 2001 with an aggregate value of over US\$ 8 billion including corporate finance, advisory, new issue placement and underwriting, corporate restructuring, bond issuance and merger and acquisition.

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