



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

Regulatory Capital Disclosure

30th September 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
	30-Sep-17	30-Sep-17
Assets	US\$ 000	US\$ 000
Cash and balances with central banks	33,458	83,568
Due from banks and other financial institutions	101,765	319,040
Investments at fair value through statement of income	24,886	24,886
Loans and advances to customers	11,785	1,068,242
Non-trading investments	254,998	380,460
Investments in associated companies	140,486	798,766
Interest receivable and other assets	54,930	192,347
Investment properties	105,056	105,056
Property and equipment	1,641	32,127
Goodwill	51,671	-
Assets of disposal group classified as held for sale	2,208,474	-
Total assets	2,989,150	3,004,492
Liabilities		
Due to banks and other financial institutions	356,784	678,452
Deposits from Customers	50,135	860,976
Term borrowings	121,021	738,397
Subordinated debt	-	-
Interest payable and other liabilities	36,243	103,596
Liabilities of disposal group classified as held for sale	1,867,239	-
Total liabilities	2,431,422	2,381,421
Equity		
Share capital	208,651	190,520
Treasury shares	(18,131)	-
Share premium	11,459	11,460
Statutory reserve	100,514	100,514
General reserve	80,999	80,999
Treasury shares reserve	14,248	-
Cumulative changes in fair values	(39,913)	(39,913)
Foreign currency translation adjustments	(32,479)	(32,479)
Retained earnings	90,257	104,505
Collective impairment provision	-	15,342
Subordinated debts	-	50,000
Attributable to the owners of the Bank	415,605	480,948
Non-controlling interests	109,123	109,123
Perpetual Tier 1 capital facility	33,000	33,000
Total equity	557,728	623,071
Total Liabilities and equities	2,989,150	3,004,492

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

	Balance sheet as in published financial statements	Consolidated PIR data	Ref.
	30-Sep-2017	30-Sep-2017	
Assets	US\$ 000	US\$ 000	
Cash and balances with central banks	33,458	83,568	
Due from banks and other financial institutions	101,765	319,040	
Investments at fair value through statement of income	24,886	24,886	
Loans and advances to customers	11,785	1,068,242	
of which specific provisions	(37,562)	(37,562)	
of which loans and advances (gross of provisions)	49,347	1,105,804	
Non-trading investments	254,998	380,460	
of which related to equity investments in financial entities	30,859	30,859	
of which related to CET1	30,859	30,859	a
of which related to Tier 1	-	-	
of which related to Tier 2	-	-	
of which related to other AFS investments	224,139	224,139	
of which equity investments in financial entities	-	-	
Investments in associated companies	140,486	798,766	
of which equity investments in financial entities	32,716	32,716	c
of which other investments	107,770	714,182	
of which Goodwill	-	51,868	d
Interest receivable and other assets	54,930	192,347	
of which deferred tax assets due to temporary differences	22,360	22,360	e
of which Interest receivable and other assets	32,570	169,987	
Investment properties	105,056	105,056	
Property and equipment	1,641	32,127	
Goodwill	51,671	-	
Assets of disposal group classified as held for sale	2,208,474	-	
Total assets	2,989,150	3,004,492	

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

	Balance sheet as in published financial statements	Consolidated PIR data	Ref.
	30-Sep-2017	30-Sep-2017	
	US\$ 000	US\$ 000	
Liabilities			
Due to banks and other financial institutions	356,784	678,452	
Deposits from Customers	50,135	860,976	
Term borrowings	121,021	738,397	
Subordinated debt	-	-	
Interest payable and other liabilities	36,243	103,596	
Liabilities of disposal group classified as held for sale	1,867,239	-	
Total liabilities	2,431,422	2,381,421	
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	100,514	100,514	h
General reserve	80,999	80,999	i
Treasury shares reserve	14,248	-	
Cumulative changes in fair values	(39,913)	(39,913)	
of which unrealized gains and losses on available for sale financial instruments	23,463	23,463	j
of which gains and losses on derivatives held as cash flow hedges	630	630	k
of which unrealized gains and losses from fair valuing equities	(64,006)	(64,006)	l
Foreign currency translation adjustments	(32,479)	(32,479)	m
Retained earnings	90,257	104,505	
of which Treasury shares reserve	-	14,248	n
of which Retained earnings	90,257	90,257	o
Collective impairment provision	-	15,342	p
Subordinated debts	-	50,000	
of which Tier 2 capital instruments	-	40,000	q
Attributable to the owners of the Bank	415,605	480,948	
Non-controlling interests	109,123	109,123	
Perpetual Tier 1 capital facility	33,000	33,000	r
Total equity	557,728	623,071	
Total Liabilities and equities	2,989,150	3,004,492	

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

		Component of regulatory capital	Source
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	90,257	o
3	Accumulated other comprehensive income and losses (and other reserves)	123,369	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)	72,848	
6	Common Equity Tier 1 capital before regulatory adjustments	488,454	
Common Equity Tier 1 capital :regulatory adjustments			
7	Prudential valuation adjustment		
8	Goodwill (net of related tax liabilities)	51,868	d
9	Other intangibles other than mortgage servicing rights (net of related tax liabilities)	1,599	
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liabilities)	-	c
11	Cash flow hedge reserve	630	k
28	Total regulatory adjustments to Common equity Tier 1	54,097	
29	Common Equity Tier 1 capital (CET1)	434,357	
Additional Tier 1 capital: instruments			
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus	33,000	r
31	of which: classified as equity under applicable accounting standards	33,000	r
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)	8,110	
35	of which: instruments issued by subsidiaries subject to phase out	-	
36	Additional Tier 1 capital before regulatory adjustments	41,110	
Additional Tier 1 capital: regulatory adjustments			
43	Total regulatory adjustments to Additional Tier 1 capital	-	
44	Additional Tier 1 capital (AT1)	41,110	
45	Tier capital (T1 = CET1 + AT1)	475,467	
Tier 2 capital: instruments and provisions			
46	Directly issued qualifying Tier 2 instruments plus related stock surplus	40,000	q
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)	10,814	
50	Provisions	15,342	p
51	Tier 2 capital before regulatory adjustments	66,156	
Tier 2 capital: regulatory adjustments			
57	Total regulatory adjustments to Tier 2 capital	-	
58	Tier 2 capital (T2)	66,156	
59	Total capital (TC = T1 + T2)	541,623	
60	Total risk weighted assets	2,796,327	
Capital ratios and buffers			
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	15.53%	
62	Tier 1 (as a percentage of risk weighted assets)	17.00%	
63	Total capital (as a percentage of risk weighted assets)	19.37%	
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)	15.53%	
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	30,859	
73	Significant investments in the common stock of financials	32,716	
74	Mortgage servicing rights (net of related tax liability)	-	
75	Deferred tax assets arising from temporary differences (net of related tax liability)	22,360	
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)	15,342	p
77	Cap on inclusion of provisions in Tier 2 under standardised approach	33,289	

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)	Share ticker: UGB	Not listed	Not listed
3	Governing law(s) of the instrument	Laws and regulations of Kingdom of Bahrain	Laws and regulations of Kingdom of Bahrain	Laws of Malta
	<i>Regulatory treatment</i>			
4	Transitional CBB rules	Common Equity Tier 1	Additional Tier 1	Tier 2
5	Post-transitional CBB rules	Common Equity Tier 1	Eligible	Eligible
6	Eligible at solo/group/group & solo	Group and solo	Group and solo	Group and solo
7	Instrument type (types to be specified by each jurisdiction)	Common shares	Perpetual Subordinated Loan	Subordinated Loan
8	Amount recognised in regulatory capital	US\$ 202 million	US\$ 33 million	US\$ 40 million
9	Par value of instrument	US\$ 0.25 per share	US\$ 33 million	US\$ 50 million
10	Accounting classification	Shareholders' Equity	Equity	Borrowing
11	Original date of issuance	Various	Mar-2016	Sep-2015
12	Perpetual or dated	Perpetual	Perpetual	Dated
13	Original maturity date	No maturity	No maturity	Sep-2021
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	10.5% p.a.	6 month LIBOR + 3%
19	Existence of a dividend stopper	Not applicable	Yes	Not applicable
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary	Fully discretionary	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	Yes	No
31	If write-down, write-down trigger(s)	Not applicable	Non-Viability Event	Not applicable
32	If write-down, full or partial	Not applicable	Partial	Not applicable
33	If write-down, permanent or temporary	Not applicable	Permanent	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)	Not applicable	Tier 2 subordinated instruments	None
36	Non-compliant transitioned features	None	None	None
37	If yes, specify non-compliant features	Not applicable	Not applicable	Not applicable

* The Additional Tier 1 facility has no impact on the earnings or dividends of the Group for the period ended 30 September 2017.