



United Gulf Investment Corporation B.S.C.  
Consolidated statement of financial position as at 31 December 2011  
(Expressed in Bahrain Dinars)

	<u>2011</u>	<u>2010</u>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	51,074,420	53,006,826
Investment in an associate	407,187	356,501
Available-for-sale investments	<u>9,831,629</u>	<u>11,502,459</u>
	<u>61,313,236</u>	<u>64,865,786</u>
<b>Current assets</b>		
Financial assets at fair value through profit or loss	2,891,103	3,165,744
Inventories	18,337,926	18,468,914
Trade and other receivables	7,138,722	6,636,510
Cash and cash equivalents	<u>10,441,001</u>	<u>9,796,705</u>
	<u>38,808,752</u>	<u>38,067,873</u>
<b>Total assets</b>	<u>100,121,988</u>	<u>102,933,659</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and reserves</b>		
Share capital	20,000,000	20,000,000
Share premium	116,328	116,328
Statutory reserve	1,635,430	1,617,052
Investment fair value reserve	6,867,999	7,595,199
Retained earnings	<u>6,744,743</u>	<u>8,079,344</u>
Equity attributable to the shareholders of the parent company	35,364,500	37,407,923
Non-controlling interest	<u>13,002,951</u>	<u>13,221,268</u>
	<u>48,367,451</u>	<u>50,629,191</u>
<b>Non-current liabilities</b>		
Non-current portion of long-term loans	31,219,100	32,060,767
Employees' terminal benefits	<u>633,725</u>	<u>541,495</u>
	<u>31,852,825</u>	<u>32,602,262</u>
<b>Current liabilities</b>		
Current portion of long-term loans	1,515,000	2,188,333
Trade and other payables	<u>18,386,712</u>	<u>17,513,873</u>
	<u>19,901,712</u>	<u>19,702,206</u>
<b>Total equity and liabilities</b>	<u>100,121,988</u>	<u>102,933,659</u>

The consolidated financial statements, set out on pages 6 to 34, were approved for issue by the Board of Directors on 23 February 2012 and signed on its behalf by:

\_\_\_\_\_  
Salah Rashid Al-Rashid  
Chairman

\_\_\_\_\_  
Abdul Mohsen Rashid Al-Rashid  
Director



United Gulf Investment Corporation B.S.C.

Consolidated statement of comprehensive income for the year ended 31 December 2011

(Expressed in Bahrain Dinars)

	<u>2011</u>	<u>2010</u>
Subsidiary sales	36,678,779	38,023,765
Subsidiary cost of sales	<u>(32,883,495)</u>	<u>(31,160,057)</u>
<b>Subsidiary gross profit</b>	<u>3,795,284</u>	<u>6,863,708</u>
<b>Investment income</b>		
Realised gains on sale of available-for-sale investments	-	1,217,673
Realised gains on sale of financial assets at fair value through profit or loss	60,788	362,418
Unrealised fair value (losses)/gains on financial assets at fair value through profit or loss	(602,582)	732,440
Reversal of excess provision	1,396,815	-
Other income	<u>293,470</u>	<u>309,107</u>
	<u>1,148,491</u>	<u>2,621,638</u>
	<u>4,943,775</u>	<u>9,485,346</u>
<b>Expenses</b>		
Staff costs	(1,013,838)	(1,211,845)
General and administrative expenses	(1,026,822)	(820,102)
Directors' attendance fees	(16,364)	(14,146)
Depreciation	(171,492)	(184,364)
Finance costs	(443,603)	(445,350)
Impairment loss on available for-sale-investments	(943,630)	-
Provision for Zakat	<u>(1,236,886)</u>	<u>(1,217,449)</u>
	<u>(4,852,635)</u>	<u>(3,893,256)</u>
<b>Net profit for the year before share of profit from investment in an associate</b>	91,140	5,592,090
Share of profit from investment in an associate	<u>249,222</u>	<u>238,012</u>
<b>Net profit for the year</b>	<u>340,362</u>	<u>5,830,102</u>
<b>Net profit for the year attributable to:</b>		
Shareholders of the parent company	183,777	4,515,798
Non-controlling interest	<u>156,585</u>	<u>1,314,304</u>
	<u>340,362</u>	<u>5,830,102</u>
<b>Other comprehensive income</b>		
Transferred on sale of available-for-sale investments	-	(739,744)
Unrealised fair value (losses)/gains on available-for-sale investments	<u>(727,200)</u>	<u>2,868,399</u>
Other comprehensive (loss)/income for the year	<u>(727,200)</u>	<u>2,128,655</u>
<b>Total comprehensive (loss)/income for the year</b>	<u>(386,838)</u>	<u>7,958,757</u>
<b>Total comprehensive (loss)/income attributable to:</b>		
Shareholders of the parent company	(543,423)	6,644,453
Non-controlling interest	<u>156,585</u>	<u>1,314,304</u>
	<u>(386,838)</u>	<u>7,958,757</u>
Basic and diluted earnings per share	<u>0.92 fils</u>	<u>22.58 fils</u>



United Gulf Investment Corporation B.S.C.  
 Consolidated statement of changes in shareholders' equity for the year ended 31 December 2011  
 (Expressed in Bahrain Dinars)

	Equity attributable to shareholders of the parent company							Non-controlling interest	Total
	Share capital	Treasury shares	Share premium	Statutory reserve	Investment fair value reserve	Retained earnings	Total		
At 31 December 2009	20,000,000	-	116,328	1,165,472	5,466,544	5,515,126	32,263,470	11,906,964	44,170,434
Net profit and total comprehensive income for the year	-	-	-	-	2,128,655	4,515,798	6,644,453	1,314,304	7,958,757
Dividends for 2009	-	-	-	-	-	(1,500,000)	(1,500,000)	-	(1,500,000)
Transferred to statutory Reserve	-	-	-	451,580	-	(451,580)	-	-	-
At 31 December 2010	20,000,000	-	116,328	1,617,052	7,595,199	8,079,344	37,407,923	13,221,268	50,629,191
Net profit and total comprehensive (loss)/income for the year	-	-	-	-	(727,200)	183,777	(543,423)	156,585	(386,838)
Dividends for 2010	-	-	-	-	-	(1,500,000)	(1,500,000)	(374,902)	(1,874,902)
Transferred to statutory Reserve	-	-	-	18,378	-	(18,378)	-	-	-
At 31 December 2011	<u>20,000,000</u>	<u>-</u>	<u>116,328</u>	<u>1,635,430</u>	<u>6,867,999</u>	<u>6,744,743</u>	<u>35,364,500</u>	<u>13,002,951</u>	<u>48,367,451</u>



United Gulf Investment Corporation B.S.C.  
Consolidated statement of cash flows for the year ended 31 December 2011  
(Expressed in Bahrain Dinars)

	2011	2010
<b>Operating activities</b>		
Net profit for the year	340,362	5,830,102
Adjustments for:		
Depreciation	1,969,145	2,054,730
Share of profit from investment in an associate	(249,222)	(238,012)
Realised gains on sale of available-for-sale investments	-	(1,217,673)
Realised gains on sale of financial assets at fair value through profit or loss	(60,788)	(362,418)
Unrealised fair value losses/(gains) on financial assets at fair value through profit or loss	602,582	(732,440)
Impairment loss on available for-sale-investments	943,630	-
Reversal of excess provision	(1,396,815)	-
Bank interest income	(24,735)	(68,062)
Dividend income	(200,408)	(214,758)
Finance costs	443,603	445,350
Changes in operating assets and liabilities:		
Inventories	130,988	(2,408,362)
Trade and other payables	872,839	(1,263,885)
Trade and other receivables	(502,212)	(1,991,744)
Employees' terminal benefits, net	<u>92,230</u>	<u>142,062</u>
Net cash provided by/(used in) operating activities	<u>2,961,199</u>	<u>(25,110)</u>
<b>Investing activities</b>		
Purchase of property, plant and equipment	(36,739)	(75,284)
Purchase of financial assets at fair value through profit or loss	(3,785,988)	(9,438,277)
Dividends received from investment in an associate	198,536	262,767
Proceeds from sale of financial assets at fair value through profit or loss	4,915,650	7,706,463
Purchase of available-for-sale investments	-	(195,614)
Proceeds from sale of available-for-sale investments	-	1,533,803
Bank interest income received	24,735	68,062
Dividend income received	<u>200,408</u>	<u>214,758</u>
Net cash provided by investing activities	<u>1,516,602</u>	<u>76,678</u>
<b>Financing activities</b>		
Finance costs paid	(443,603)	(445,350)
Net movement in long-term loans	(1,515,000)	4,040,000
Dividends paid to non-controlling interest	(374,902)	-
Dividends paid	<u>(1,500,000)</u>	<u>(1,500,000)</u>
Net cash (used in)/provided by financing activities	<u>(3,833,505)</u>	<u>2,094,650</u>
<b>Net increase in cash and cash equivalents</b>	644,296	2,146,218
Cash and cash equivalents, beginning of the year	<u>9,796,705</u>	<u>7,650,487</u>
Cash and cash equivalents, end of the year	<u>10,441,001</u>	<u>9,796,705</u>