



United Gulf Investment Corporation BSC
Consolidated statement of financial position as at 31 December 2010
(Expressed in Bahrain Dinars)

	Notes	2010	2009
ASSETS			
Non-current assets			
Property, plant and equipment	7	53,006,826	54,986,272
Investment in an associate	8	356,501	381,256
Available-for-sale investments	9	<u>11,502,459</u>	<u>9,494,320</u>
		<u>64,865,786</u>	<u>64,861,848</u>
Current assets			
Financial assets at fair value through profit or loss			
	10	4,373,704	339,072
Inventories	11	18,468,914	16,060,552
Trade and other receivables	12	5,428,550	4,644,766
Cash and cash equivalents	13	<u>9,796,705</u>	<u>7,650,487</u>
		<u>38,067,873</u>	<u>28,694,877</u>
Total assets		<u>102,933,659</u>	<u>93,556,725</u>
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	14	20,000,000	20,000,000
Share premium		116,328	116,328
Statutory reserve	15	1,617,052	1,165,472
Investment fair value reserve	16	7,595,199	5,466,544
Retained earnings		<u>8,079,344</u>	<u>5,515,126</u>
Equity attributable to the shareholders of the parent company			
		37,407,923	32,263,470
Non-controlling interest	17	<u>13,221,268</u>	<u>11,906,964</u>
		<u>50,629,191</u>	<u>44,170,434</u>
Non-current liabilities			
Non-current portion of long-term loans	18	32,060,767	29,199,100
Employees' terminal benefits	19	<u>541,495</u>	<u>399,433</u>
		<u>32,602,262</u>	<u>29,598,533</u>
Current liabilities			
Current portion of long-term loans	18	2,188,333	1,010,000
Trade and other payables	20	<u>17,513,873</u>	<u>18,777,758</u>
		<u>19,702,206</u>	<u>19,787,758</u>
Total equity and liabilities		<u>102,933,659</u>	<u>93,556,725</u>

The consolidated financial statements, set out on pages 5 to 36, were approved for issue by the Board of Directors on 24 February 2011 and signed on its behalf by:

Salah Rashid Al-Rashid
Chairman

Abdul Karim Hamad Al-Mojil
Managing Director



United Gulf Investment Corporation BSC
 Consolidated statement of comprehensive income for the year ended 31 December 2010
 (Expressed in Bahrain Dinars)

	Notes	2010	2009
Subsidiary sales	21	38,023,765	8,480,760
Subsidiary cost of sales	22	<u>(31,160,057)</u>	<u>(6,339,264)</u>
Subsidiary gross profit		6,863,708	2,141,496
Investment income			
Realised gains on sale of available-for-sale investments	9	1,217,673	-
Realised gains on sale of financial assets at fair value through profit or loss	10	362,418	4,165,777
Unrealised fair value gains/(losses) on financial assets at fair value through profit or loss	10	732,440	(2,262,760)
Gains arising on business acquisition		-	1,395,094
Other income	23	<u>309,107</u>	<u>1,183,154</u>
		<u>2,621,638</u>	<u>4,481,265</u>
		<u>9,485,346</u>	<u>6,622,761</u>
Expenses			
Staff costs		(1,211,845)	(367,343)
General and administrative expenses		(820,102)	(412,431)
Directors' attendance fees		(14,146)	(7,384)
Depreciation	7	(184,364)	(67,664)
Finance costs	24	(445,350)	(53,004)
Impairment loss on financial assets at fair value through profit or loss	10	-	(2,544)
Provision for Zakat	25	<u>(1,217,449)</u>	<u>(282,542)</u>
		<u>(3,893,256)</u>	<u>(1,192,912)</u>
Profit for the year before share of profit in an associate		5,592,090	5,429,849
Share of profit/(loss) in an associate	8	<u>238,012</u>	<u>(990,749)</u>
Net profit for the year		<u>5,830,102</u>	<u>4,439,100</u>
Net profit for the year attributable to:			
Shareholders of the parent company		4,515,798	3,540,563
Non-controlling interest	17	<u>1,314,304</u>	<u>898,537</u>
		5,830,102	4,439,100
Other comprehensive income			
Transferred on sale of available-for-sale investments	9	(739,744)	-
Unrealised fair value gains on available-for-sale investments	9	<u>2,868,399</u>	<u>4,345,202</u>
Other comprehensive income for the year		<u>2,128,655</u>	<u>4,345,202</u>
Total comprehensive income for the year		<u>7,958,757</u>	<u>8,784,302</u>
Total comprehensive income attributable to:			
Shareholders of the parent company		6,644,453	7,885,765
Non-controlling interest		1,314,304	898,537
Basic and diluted earnings per share	26	<u>22.58 fils</u>	<u>17.70 fils</u>



United Gulf Investment Corporation BSC
 Consolidated statement of changes in shareholders' equity for the year ended 31 December 2010
 (Expressed in Bahrain Dinars)

	Notes	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 2008		20,000,000	(17,728)	111,093	811,416	1,121,342	3,328,619	25,354,742	-	25,354,742
Non-controlling interest in subsidiary acquired	6	-	-	-	-	-	-	-	11,008,427	11,008,427
Sale of treasury shares		-	17,728	-	-	-	-	17,728	-	17,728
Premium on sale of treasury shares		-	-	5,235	-	-	-	5,235	-	5,235
Net profit and total comprehensive income for the year		-	-	-	-	4,345,202	3,540,563	7,885,765	898,537	8,784,302
Dividends for 2008	27	-	-	-	-	-	(1,000,000)	(1,000,000)	-	(1,000,000)
Transferred to statutory reserve	15	-	-	-	354,056	-	(354,056)	-	-	-
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	27	-	-	-	-	-	(1,500,000)	(1,500,000)	-	(1,500,000)
Transferred to statutory reserve	15	-	-	-	451,580	-	(451,580)	-	-	-
At 31 December 2010		<u>20,000,000</u>	<u>-</u>	<u>116,328</u>	<u>1,617,052</u>	<u>7,595,199</u>	<u>8,079,344</u>	<u>37,407,923</u>	<u>13,221,268</u>	<u>50,629,191</u>



United Gulf Investment Corporation BSC
 Consolidated statement of cash flows for the year ended 31 December 2010
 (Expressed in Bahrain Dinars)

	<u>Notes</u>	<u>2010</u>	<u>2009</u>
Operating activities			
Net profit for the year		5,830,102	4,439,100
Adjustments for:			
Depreciation	7	2,054,730	512,739
Share of (profits)/losses from investment in an associate	8	(238,012)	990,749
Realised gains on sale of available-for-sale investments	9	(1,217,673)	-
Realised gains on sale of financial assets at fair value through profit or loss	10	(362,418)	(4,165,777)
Unrealised fair value (gains)/losses on financial assets at fair value through profit or loss	10	(732,440)	2,262,760
Impairment loss on financial assets at fair value through profit or loss	10	-	2,544
Bank interest income	23	(68,062)	(72,089)
Dividend income	23	(214,758)	(157,010)
Subsidiary shareholder's loan waived	23	-	(952,458)
Finance costs	24	445,350	53,004
Changes in operating assets and liabilities:			
Inventories		(2,408,362)	-
Trade and other payables		(1,263,885)	256,605
Trade and other receivables		(783,784)	78,164
Employees' terminal benefits, net		<u>142,062</u>	<u>384,563</u>
Net cash provided by operating activities		<u>1,182,850</u>	<u>3,632,894</u>
Investing activities			
Purchase of property, plant and equipment	7	(75,284)	(124,001)
Purchase of financial assets at fair value through profit or loss	10	(9,438,277)	(1,534,148)
Dividends received from an associate	8	262,767	180,085
Proceeds from sale of financial assets at fair value through profit or loss	10	6,498,503	876,692
Net movement in acquisition of a subsidiary		-	3,460,368
Purchase of controlling interest in subsidiary		-	(44,176)
Purchase of available-for-sale investments	9	(195,614)	(358,131)
Proceeds from sale of available-for-sale investments	9	1,533,803	-
Bank interest income received	23	68,062	72,089
Dividend income received	23	<u>214,758</u>	<u>157,010</u>
Net cash (used in)/provided by investing activities		<u>(1,131,282)</u>	<u>2,685,788</u>
Financing activities			
Finance costs paid	24	(445,350)	(53,004)
Increase in non-controlling interest		-	(898,537)
Premium on sale of treasury shares		-	(5,235)



Proceeds from sale of treasury shares		-	22,963
Net movement in long-term loans		4,040,000	-
Dividends paid for the year 2009/2008	27	<u>(1,500,000)</u>	<u>(1,000,000)</u>
Net cash provided by/(used in) financing activities		<u>2,094,650</u>	<u>(1,933,813)</u>
Net increase in cash and cash equivalents		2,146,218	4,384,869
Cash and cash equivalents, beginning of the year		<u>7,650,487</u>	<u>3,265,618</u>
Cash and cash equivalents, end of the year	13	<u>9,796,705</u>	<u>7,650,487</u>