

Ahli United Bank B.S.C.
INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS
31 MARCH 2013

**REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF
AHLI UNITED BANK B.S.C.**

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of Ahli United Bank B.S.C. (the "Bank") and its subsidiaries (the "Group") as at 31 March 2013, comprising of the interim consolidated balance sheet as at 31 March 2013 and the related interim consolidated statements of income, changes in equity and condensed cash flows for the three-month period then ended and explanatory notes. The Bank's Board of Directors is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34 Interim Financial Reporting ("IAS 34"). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.



24 April 2013
Manama, Kingdom of Bahrain

Ahli United Bank B.S.C.

INTERIM CONSOLIDATED STATEMENT OF INCOME

Three months ended 31 March 2013 (Unaudited)

	Note	Three months ended 31 March	
		2013 US\$ '000	2012 US\$ '000 <i>Restated</i>
Interest income		264,054	258,299
Interest expense		96,649	107,528
Net interest income		167,405	150,771
Fees and commissions		32,345	31,783
Trading income		7,377	6,324
Net gains on investments		1,649	4,767
Share of profit from associates and joint venture		11,385	15,876
Other operating income	3	4,030	4,984
Fees and other income		56,786	63,734
OPERATING INCOME		224,191	214,505
Net provision for loan losses and others		25,305	16,361
Provision for non-trading investments		11,656	29,767
NET OPERATING INCOME		187,230	168,377
Staff costs		39,178	36,363
Depreciation		5,963	5,916
Other operating expenses		21,977	21,087
OPERATING EXPENSES		67,118	63,366
Gain on sale of investment held for sale	4	212,910	-
PROFIT BEFORE TAX		333,022	105,011
Tax expense		11,139	8,061
NET PROFIT FOR THE PERIOD		321,883	96,950
Attributable to:			
Owners of the Bank		309,856	86,412
Non-controlling interest		12,027	10,538
		321,883	96,950
EARNINGS PER SHARE ATTRIBUTABLE TO THE OWNERS OF THE BANK FOR THE PERIOD			
Basic earnings per share (US cents)	5	5.7	1.6
Diluted earnings per share (US cents)	5	5.5	1.5

The attached notes 1 to 9 form part of these interim condensed consolidated financial statements

Ahli United Bank B.S.C.

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Three months ended 31 March 2013 (Unaudited)

	Note	<i>Three months ended</i>		<i>Three months ended</i>	
		<i>31 March</i>		<i>31 March</i>	
		<i>2013</i>		<i>2012</i>	
		<i>US\$ '000</i>	<i>US\$ '000</i>	<i>US\$ '000</i>	<i>US\$ '000</i>
				<i>Restated</i>	<i>Restated</i>
Net profit for the period			321,883		96,950
Other comprehensive income (OCI)					
Items that will not be reclassified to interim consolidated statement of income					
Donations approved			(1,000)		(1,000)
Net change in fair value of financial assets measured at fair value through OCI			(1,258)		18,198
Net change in pension fund reserve	2.1		5,516		(2,300)
Items that may be reclassified subsequently to interim consolidated statement of income					
Foreign currency translation adjustments			(46,999)		4,871
Cash flow hedges:					
Net change in fair value		1,027		2,045	
Transfers to interim consolidated statement of income		16	1,043	(2,449)	(404)
Other comprehensive income for the period			(42,698)		19,365
Total comprehensive income for the period			279,185		116,315
Total comprehensive income attributable to:					
Owners of the Bank			274,728		105,924
Non-controlling interest			4,457		10,391
			279,185		116,315

The attached notes 1 to 9 form part of these interim condensed consolidated financial statements

Ahli United Bank B.S.C.

INTERIM CONSOLIDATED BALANCE SHEET

31 March 2013 (Unaudited)

	<i>31 March</i> 2013 <i>US\$ '000</i>	<i>Audited</i> <i>31 December</i> 2012 <i>US\$ '000</i> <i>Restated</i>
ASSETS		
Cash and balances with central banks	808,697	735,528
Treasury bills and deposits with central banks	2,362,967	1,986,236
Deposits with banks and other financial institutions	5,145,449	3,750,771
Loans and advances	16,268,262	15,972,219
Financial assets at fair value through profit or loss	44,134	27,399
Non-trading investments	5,143,412	5,120,421
Investment in associates and joint venture	288,347	278,125
Investment property	175,102	171,798
Premises and equipment	252,437	266,830
Interest receivable and other assets	570,139	485,366
Goodwill and other intangible assets	661,287	679,922
Investment held for sale	-	397,959
TOTAL ASSETS	31,720,233	29,872,574
LIABILITIES AND EQUITY		
LIABILITIES		
Deposits from banks and other financial institutions	4,505,745	5,145,255
Borrowings under repurchase agreements	674,892	1,861,357
Customers' deposits	21,625,873	18,231,131
Interest payable and other liabilities	1,058,217	786,445
Subordinated liabilities	646,382	686,879
TOTAL LIABILITIES	28,511,109	26,711,067
EQUITY		
Ordinary share capital	1,368,596	1,303,164
Preference share capital	125,000	125,000
Reserves	1,342,345	1,347,473
Equity attributable to the owners of the Bank	2,835,941	2,775,637
Non - controlling interest	373,183	385,870
TOTAL EQUITY	3,209,124	3,161,507
TOTAL LIABILITIES AND EQUITY	31,720,233	29,872,574

Fahad Al-Rajaan
Chairman

Hamad Al-Marzouq
Deputy Chairman

Adel A. El-Labban
Group Chief Executive Officer
& Managing Director

The attached notes 1 to 9 form part of these interim condensed consolidated financial statements

Ahli United Bank B.S.C.**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

Three months ended 31 March 2013 (Unaudited)

	<i>Three months ended</i>	
	<i>31 March</i>	
	<i>2013</i>	<i>2012</i>
	<i>US\$ '000</i>	<i>US\$ '000</i>
Net cash from operating activities	1,018,044	947,759
Net cash from (used in) investing activities	576,571	(311,565)
Net cash used in financing activities	(57,674)	(16,820)
Foreign currency translation adjustments	(46,999)	4,871
INCREASE IN CASH AND CASH EQUIVALENTS	1,489,942	624,245
Cash and cash equivalents at 1 January	3,424,315	3,866,097
CASH AND CASH EQUIVALENTS AT 31 MARCH	4,914,257	4,490,342
Comprising:		
Cash and balances with central banks, excluding mandatory reserve deposits	599,070	305,954
Deposits with banks and other financial institutions with an original maturity of three months or less	4,315,187	4,184,388
	4,914,257	4,490,342

The attached notes 1 to 9 form part of these interim condensed consolidated financial statements

Ahli United Bank B.S.C.

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Three months ended 31 March 2013 (Unaudited)

Attributable to the owners of the Bank

Reserves

	Ordinary share capital US\$ '000	Preference share capital US\$ '000	Share premium US\$ '000	Statutory reserve US\$ '000	Retained earnings US\$ '000	Proposed appropriations US\$ '000	Other reserves (note 8) US\$ '000	Total reserves US\$ '000	Non-controlling interest US\$ '000	Total US\$ '000
Balance at 31 December 2012	1,303,164	125,000	540,508	237,877	390,693	214,880	(1,163)	1,382,795	385,870	3,196,829
Impact of adopting amendments to IAS 19 (note 2.1)	-	-	-	-	-	-	(35,322)	(35,322)	-	(35,322)
At 1 January 2013 - restated	1,303,164	125,000	540,508	237,877	390,693	214,880	(36,485)	1,347,473	385,870	3,161,507
Mandatorily convertible preference shares dividend paid	-	-	-	-	-	(4,538)	-	(4,538)	-	(4,538)
Bonus shares issued	65,419	-	-	-	(65,419)	-	-	(65,419)	-	-
Realised loss on sale of FVOCI investments	-	-	-	-	(564)	-	564	-	-	-
Ordinary share dividend paid	-	-	-	-	-	(209,342)	-	(209,342)	-	(209,342)
Dividends of subsidiaries	-	-	-	-	-	-	-	-	(17,178)	(17,178)
Total comprehensive income for the period	-	-	-	-	309,856	(1,000)	(34,692)	274,164	4,457	278,621
Other equity movements	13	-	7	-	-	-	-	7	34	54
Balance at 31 March 2013	1,368,596	125,000	540,515	237,877	634,566	-	(70,613)	1,342,345	373,183	3,209,124

The attached notes 1 to 9 form part of these interim condensed consolidated financial statements.

Ahli United Bank B.S.C.

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Three months ended 31 March 2013 (Unaudited)

Attributable to the owners of the Bank

Reserves

	Ordinary share capital US\$ '000	Preference share capital US\$ '000	Share premium US\$ '000	Statutory reserve US\$ '000	Retained earnings US\$ '000	Proposed appropriations US\$ '000	Other reserves (note 6) US\$ '000	Total reserves US\$ '000	Non-controlling interest US\$ '000	Total US\$ '000
Balance at 31 December 2011	1,242,135	125,000	540,006	204,307	499,122	153,430	(226,569)	1,170,296	373,710	2,911,141
Impact of adopting IFRS 9 (note 2.2)	-	-	-	-	(133,378)	-	246,278	112,900	(455)	112,445
Impact of adopting amendments to IAS 19 (note 2.1)	-	-	-	-	-	-	(24,615)	(24,615)	-	(24,615)
At 1 January 2012 - restated	1,242,135	125,000	540,006	204,307	365,744	153,430	(4,906)	1,258,581	373,255	2,998,971
Mandatorily convertible preference shares dividend paid	-	-	-	-	-	(2,900)	-	(2,900)	-	(2,900)
Bonus shares issued	62,304	-	-	-	(62,304)	-	-	(62,304)	-	-
Equity shares surrendered	(230)	-	(129)	-	-	-	-	(129)	-	(359)
Ordinary share dividend paid	-	-	-	-	-	(149,530)	-	(149,530)	-	(149,530)
Dividends of subsidiaries	-	-	-	-	-	-	-	-	(19,294)	(19,294)
Additional acquisition in subsidiaries	-	-	-	-	-	-	-	-	(1,833)	(1,636)
Total comprehensive income for the period - restated	-	-	197	-	86,412	(1,000)	20,512	105,924	10,391	116,315
Other equity movements of a subsidiary	-	-	-	-	-	-	-	-	(507)	(507)
Balance at 31 March 2012	1,304,209	125,000	540,074	204,307	389,852	-	15,606	1,149,839	362,012	2,941,060

The attached notes 1 to 9 form part of these interim condensed consolidated financial statements.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

31 March 2013 (Unaudited)

I CORPORATE INFORMATION

Ahli United Bank B.S.C. ("the Bank") was incorporated in the Kingdom of Bahrain on 31 May 2000 originally as a closed company and changed on 12 July 2000 to a public shareholding company by Amiri Decree number 16/2000. The Bank and its subsidiaries (collectively known as the Group) are engaged in retail, commercial, Islamic and investment banking business, global fund management and private banking services through 93 branches, as at 31 March 2013, in the Kingdom of Bahrain (21 branches), the State of Kuwait (31 branches), the Arab Republic of Egypt (29 branches), Republic of Iraq (10 branches) and the United Kingdom (2 branches). It also operates through its managed associates in Sultanate of Oman (17 branches) and Libya (11 branches) with a total network of 28 branches as at 31 March 2013.

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES

The interim condensed consolidated financial statements of the Bank and the Group are prepared in accordance with International Accounting Standard IAS 34, Interim Financial Reporting ("IAS 34").

The accounting policies used in the preparation of the interim condensed consolidated financial statements are consistent with those used in the preparation of the annual consolidated financial statements for the year ended 31 December 2012, except for the adoption of the new and amended IFRS that have become effective from 1 January 2013 and those which are applicable to the Group:

- IFRS 7 Financial Instruments: Offsetting Financial Assets and Financial Liabilities – Amendments to IFRS 7
- IFRS 10 – Consolidated Financial Statements, IAS 27 Separate Financial Statements
- IFRS 12 – Disclosure of Interests in Other Entities
- IAS 1 – Presentation of items of other comprehensive income - Amendments to IAS
- IAS 28 – Investments in Associates and Joint Ventures (as revised in 2011)
- IFRS 13 – Fair Value Measurement:

IFRS 13 also requires specific disclosures on fair values, some of which are specifically required for financial instruments as per IAS 34 Interim Financial Reporting paragraph 16A(j) , thereby affecting the interim condensed consolidated financial statements period. The Group provides these disclosures in note 9.

The above amendments to IFRSs which are effective for annual accounting period starting from 1 January 2013 did not have any material impact on the accounting policies, financial position or performance of the Group.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

31 March 2013 (Unaudited)

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

2.1 The Group also adopted the amended Standard- IAS 19 Employee Benefits issued by the IASB in 2011, mandatorily applicable with effect from 1 January 2013. The amended standard requires:

- . immediate recognition of actuarial gains and losses relating to 'Defined Pension Benefit' scheme through equity, thus removing the earlier available options of deferred recognition of such movements using 'the corridor' approach or immediate recognition through profit or loss.
- . streamlining the presentation of changes in assets and liabilities arising from defined benefits plans, including requiring remeasurements of these to be presented in other comprehensive income (OCI).
- . enhancement of the disclosure requirements for defined benefit plans, providing better information about the characteristics of defined benefit plans and the risks that entities are exposed to through participation in those plans.

The Group operates a defined benefit pension plan in Ahli United Bank (U.K) PLC (subsidiary of the Bank), which operates a funded defined benefits scheme for its employees who joined prior to 1 March 2001. The assets of the pension scheme are held independently of the Group's assets in a separate trustee administered fund.

The change in accounting policy resulting from the application of IAS 19 'Employee benefits' (2011) has been effected in accordance with IAS 8, requiring the re-statement to be reflected from the earliest period presented. The impact of this change is reflected in note 8 and the interim consolidated statement of comprehensive income.

2.2 IFRS 9 "Financial Instruments": Recognition and Measurement

In 2012, the Group early adopted IFRS 9 "Financial Instruments": Recognition and Measurement, in advance of its mandatory effective date of 1 January 2015, as permitted by the Standard, to provide a better presentation of its performance and operations. The transition provisions under Para 7.2.2 of IFRS 9 require the Standard to be adopted from the beginning of the first reporting period in which the entity adopts the Standard. Accordingly, the Standard was adopted retrospectively with effect from 1 January 2012, resulting in the re-statement of the net profit reported for the three month period ended 31 March 2012, by an incremental income of US\$ 4 million.

The interim condensed consolidated financial statements of the Group for the three-month period ended 31 March 2013 were authorised for issue in accordance with a resolution of the Directors on 24 April 2013.

3 OTHER OPERATING INCOME

Other operating income includes income amounting to US\$ 1,193 thousand for the three months ended 31 March 2013 (31 March 2012: US\$ 433 thousand) which is of a seasonal nature.

4 GAIN ON SALE OF INVESTMENT HELD FOR SALE

During the period ended 31 March 2013, the Bank divested its diluted stake of 29.4% in Ahli Bank Qatar (ABQ) to the Qatar Foundation for Education, Science and Community Development at a price of QR 60 per share, generating a net exceptional profit of US\$ 212.9 million (31 March 2012: Nil).

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

31 March 2013 (Unaudited)

5 EARNINGS PER ORDINARY SHARE

	<i>Three months ended</i>	
	<i>31 March</i>	
	<i>2013</i>	<i>2012</i>
		<i>Restated</i>
Net profit for the period attributable to Bank's ordinary equity shareholders for basic earnings per share computation (US\$ '000)	309,856	86,412
Net profit for the period attributable to Bank's ordinary equity shareholders for diluted earnings per share computation (US\$ '000)	309,856	86,412
Weighted average ordinary shares outstanding during the period adjusted for bonus shares (million)	5,464	5,470
Weighted average ordinary shares adjusted for bonus shares and dilutive effect of the mandatorily convertible preference shares (million)	5,631	5,637
Basic earnings per ordinary share (US cents)	5.7	1.6
Diluted earnings per ordinary share (US cents)	5.5	1.5
Issued and fully paid ordinary shares of US\$ 0.25 each (in million)	5,495	5,233

6 CONTINGENT LIABILITIES

The Group had the following credit related contingent liabilities:

	<i>Audited</i>	
	<i>31 March</i>	<i>31 December</i>
	<i>2013</i>	<i>2012</i>
	<i>US\$ '000</i>	<i>US\$ '000</i>
Guarantees	1,790,355	1,760,266
Acceptances	80,356	64,531
Letters of credit	1,098,984	958,693
	2,969,695	2,783,490

7 SEGMENT INFORMATION

For management reporting purposes the Group is organised into three major business segments:

- Retail banking
- Corporate banking, treasury and investments
- Private banking and wealth management

Transactions between segments are conducted at estimated market rates on an arm's length basis. Interest is charged/credited to business segments based on a pool rate, which approximates the cost of funds.

Ahli United Bank B.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

31 March 2013 (Unaudited)

7 SEGMENT INFORMATION (continued)

Segmental information for the period was as follows:

	<i>Retail banking</i>	<i>Corporate banking, treasury and investments</i>	<i>Private banking and wealth management</i>	<i>Total</i>
	<i>US\$ '000</i>	<i>US\$ '000</i>	<i>US\$ '000</i>	<i>US\$ '000</i>
Three months ended 31 March 2013:				
Net interest income	31,149	125,273	10,983	167,405
Fees and commissions	7,671	19,245	5,429	32,345
Share of profit from associates and joint venture	2,532	8,853	-	11,385
Other operating income	210	12,747	99	13,056
OPERATING INCOME	41,562	166,118	16,511	224,191
Net (recovery) impairment provision	(1,811)	37,244	1,528	36,961
NET OPERATING INCOME	43,373	128,874	14,983	187,230
Operating expenses	24,555	33,646	8,917	67,118
Gain on sale of investment held for sale	-	212,910	-	212,910
PROFIT BEFORE TAX	18,818	308,138	6,066	333,022
Tax expense	925	9,677	537	11,139
NET PROFIT FOR THE PERIOD	17,893	298,461	5,529	321,883
Less : Non-controlling interest				12,027
NET PROFIT ATTRIBUTABLE TO THE OWNERS OF THE BANK				309,856

Ahli United Bank B.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

31 March 2013 (Unaudited)

7 SEGMENT INFORMATION (continued)

	<i>Retail banking</i>	<i>Corporate banking, treasury and investments</i>	<i>Private banking and wealth management</i>	<i>Total</i>
	<i>US\$ '000</i>	<i>US\$ '000</i>	<i>US\$ '000</i>	<i>US\$ '000</i>
		<i>Restated</i>		<i>Restated</i>
Three months ended 31 March 2012:				
Net interest income	33,168	106,615	10,988	150,771
Fees and commissions	8,569	16,695	6,519	31,783
Share of profit from associates and joint venture	4,290	11,264	322	15,876
Other operating income	466	15,622	(13)	16,075
OPERATING INCOME	46,493	150,196	17,816	214,505
Net (recovery) impairment provision	(466)	45,877	717	46,128
NET OPERATING INCOME	46,959	104,319	17,099	168,377
Operating expenses	23,236	31,905	8,225	63,366
PROFIT BEFORE TAX	23,723	72,414	8,874	105,011
Tax expense	1,836	5,173	1,052	8,061
NET PROFIT FOR THE PERIOD	21,887	67,241	7,822	96,950
Less : Non-controlling interest				10,538
NET PROFIT ATTRIBUTABLE TO THE OWNERS OF THE BANK				86,412

Ahli United Bank B.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

31 March 2013 (Unaudited)

8 MOVEMENT IN OTHER RESERVES

	Capital reserve	Property revaluation reserve	Foreign exchange translation reserve	Cumulative changes			Total other reserves
				OCI reserve	Cash flow hedge reserve	Pension fund reserve	
	US\$ '000	US\$ '000	US\$ '000	US\$ '000	US\$ '000	US\$ '000	US\$ '000
Balance at 1 January 2013	425	26,737	(36,820)	16,778	(8,283)	-	(1,163)
Impact of adopting amendments to IAS 19 at 1 January 2013 (note 2.1)	-	-	-	-	-	(35,322)	(35,322)
	425	26,737	(36,820)	16,778	(8,283)	(35,322)	(36,485)
Currency translation adjustments	-	65	(39,852)	-	-	-	(39,787)
Transfers to consolidated statement of income	-	-	-	-	16	-	16
Transfers to retained earnings	-	-	-	564	-	-	564
Net fair value movements during the period	-	-	-	(1,464)	1,027	-	(437)
Fair value movements in pension fund reserve during the period	-	-	-	-	-	5,516	5,516
Balance at 31 March 2013	425	26,802	(76,672)	15,878	(7,240)	(29,806)	(70,613)

	Capital reserve	Property revaluation reserve	Foreign exchange translation reserve	Cumulative changes			Total other reserves
				OCI reserve	Cash flow hedge reserve	Pension fund reserve	
	US\$ '000	US\$ '000	US\$ '000	US\$ '000 Restated	US\$ '000	US\$ '000 Restated	US\$ '000 Restated
Balance at 1 January 2012	425	47,690	(13,733)	(234,367)	(26,584)	-	(226,569)
Impact of adopting IFRS 9 at 1 January 2012 (note 2.2)	-	-	-	246,278	-	-	246,278
Impact of adopting amendments to IAS 19 at 1 January 2013 (note 2.1)	-	-	-	-	-	(24,615)	(24,615)
At 1 January 2012	425	47,690	(13,733)	11,911	(26,584)	(24,615)	(4,906)
Currency translation adjustments	-	3	4,241	-	-	-	4,244
Transfers to consolidated statement of income	-	-	-	-	(2,449)	-	(2,449)
Net fair value movements during the period	-	-	-	18,972	2,045	-	21,017
Fair value movements in pension fund reserve during the period	-	-	-	-	-	(2,300)	(2,300)
Balance at 31 March 2012	425	47,693	(9,492)	30,883	(26,988)	(26,915)	15,606

Ahli United Bank B.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL

31 March 2013 (Unaudited)

9 FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of financial instruments, with the exception of non-trading investments that are carried at amortised cost, approximate their carrying values.

The Group's primary financial liabilities are the subordinated liabilities. The fair values of these financial liabilities are not materially different from their carrying values, since these liabilities are repriced at intervals of three or six months, depending on the terms and conditions of the instrument and the resultant applicable margins approximate the current spreads that would apply for borrowings with similar maturities.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:-

Level 1 : Quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3 : techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

	31-Mar-13			31-Dec-12		
	Level 1	Level 2	Total	Level 1	Level 2	Total
	US\$ '000	US\$ '000	US\$ '000	US\$ '000	US\$ '000	US\$ '000
Financial assets at FVTPL	16,234	27,900	44,134	1,760	25,639	27,399
Financial assets at FVTOCI	53,751	316,752	370,503	74,032	338,089	412,121
Derivative assets	85,884	44,615	130,499	32,496	50,857	83,353
Derivative liabilities	(42,380)	(229,488)	(271,868)	(30,143)	(263,667)	(293,810)
	113,489	159,779	273,268	78,145	150,918	229,063

There are no financial instruments that qualify for classification under Level 3 as at 31 March 2013 and 31 December 2012. During three month period ended 31 March 2013 and 31 March 2012 there have been no transfers between Levels 1, 2 and 3.