First Energy Bank B.S.C. (c)

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

31 MARCH 2013

ERNST & YOUNG

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REVIEW REPORT TO THE BOARD OF DIRECTORS OF FIRST ENERGY BANK B.S.C. (c)

Introduction
We have reviewed the accompanying interim consolidated statement of financial position of First Energy Bank B.S.C. (c) ("the Bank") and its subsidiaries ("the Group") as of 31 March 2013, and the related interim consolidated statements of income, changes in owners' equity, cash flows and sources and uses of zakah and charity fund for the three month period then ended and other explanatory information. The Board of Directors is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with the accounting policies disclosed in note 2. 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 the accounting policies disclosed in note 2.

Ernst & Young

14 May 2013
Manama, Kingdom of Bahrain

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2013 (Unaudited)

	Notes	*Unaudited 31 March 2013 US$ '000*	*Audited 31 December 2012 US$ '000*
ASSETS			
Cash and bank balances		**18,981**	15,654
Due from financial institutions	3	**162,902**	158,403
Investment in ijarah assets	4	**525,024**	529,363
Investment securities	5	**505,281**	497,387
Investment in associates	6	**101,713**	101,049
Other assets	7	**92,797**	89,263
Property and equipment		**9,317**	9,345
TOTAL ASSETS		**1,416,015**	1,400,464
LIABILITIES AND OWNERS' EQUITY			
Liabilities			
Due to financial institutions	8	**66,009**	59,612
Murabaha payable	9	**51,283**	54,081
Term financing	10	**67,135**	68,200
Other liabilities		**84,806**	58,992
Total liabilities		**269,233**	240,885
Owners' equity			
Equity attributable to shareholders of the parent			
Share capital		**1,000,000**	1,000,000
Statutory reserve		**4,784**	4,784
Foreign exchange translation reserve		**(2,170)**	(2,170)
Retained earnings		**18,439**	32,104
Total equity attributable to shareholders of the parent		**1,021,053**	1,034,718
Non-controlling interest	15	**125,729**	124,861
Total owners' equity		**1,146,782**	1,159,579
TOTAL LIABILITIES AND OWNERS' EQUITY		**1,416,015**	1,400,464

Abdulla Showaiter	Mohamed Al Fahim	Mohammad Ghanem
Board Member	Board Member	Acting Chief Executive Officer

The attached notes 1 to 17 form part of these interim condensed consolidated financial statements.

First Energy Bank B.S.C. (c)

INTERIM CONSOLIDATED STATEMENT OF INCOME

For the three month period ended 31 March 2013 (Unaudited)

	Notes	*Three months ended 31 March* 2013 US$ '000	2012 US$ '000
INCOME			
Profit from Islamic financing		108	4,479
Profit on Islamic financing		(133)	(202)
Net (loss) income from Islamic financing		(25)	4,277
Rental income from investment in ijarah assets		17,960	2,001
Financing cost relating to term financing obtained to purchase ijarah assets	10	(619)	(535)
Profit on Islamic financing against investment in ijarah assets		(589)	-
Net income on investment in ijarah assets		16,752	1,466
Income from investments		7,690	2,780
Share of results of associates		664	(1,780)
Profit on subordinated loan	16	763	-
Gain arising on conversion of associate to subsidiary	6	-	21,759
Other income - net		(9)	20
Total income		25,835	28,522
EXPENSES			
Staff costs		1,973	2,736
Investment banking expenses		182	271
Depreciation and amortisation		4,297	1,287
Other expenses		7,276	2,543
Total expenses		13,728	6,837
NET INCOME FOR THE PERIOD BEFORE IMPAIRMENT PROVISION		12,107	21,685
Collective impairment provision		-	(1,340)
NET INCOME FOR THE PERIOD		12,107	20,345
Attributable to:			
Shareholders of the parent		11,229	20,365
Non-controlling interest		878	(20)
		12,107	20,345

Abdulla Showaiter	Mohamed Al Fahim	Mohammad Ghanem
Board Member	Board Member	Acting Chief Executive Officer

The attached notes 1 to 17 form part of these interim condensed consolidated financial statements.

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY

For the three month period ended 31 March 2013 (Unaudited)

		Equity attributable to shareholders of the parent						
	Notes	*Share capital US$ '000*	*Statutory reserve US$ '000*	*Foreign exchange translation reserve US$ '000*	*Retained earnings US$ '000*	*Total US$ '000*	*Non-controlling interest US$ '000*	*Total owners' equity US$ '000*
As at 1 January 2013		1,000,000	4,784	(2,170)	32,104	1,034,718	124,861	1,159,579
Net profit for the period		-	-	-	11,229	11,229	878	12,107
Transfer to zakah and charity fund		-	-	-	(894)	(894)	-	(894)
Dividend declared	14	-	-	-	(24,000)	(24,000)	-	(24,000)
Dividends of subsidiary	15	-	-	-	-	-	(10)	(10)
As at 31 March 2013		**1,000,000**	**4,784**	**(2,170)**	**18,439**	**1,021,053**	**125,729**	**1,146,782**
As at 1 January 2012		1,000,000	1,800	(2,170)	5,481	1,005,111	37,591	1,042,702
Net profit for the period		-	-	-	20,365	20,365	(20)	20,345
Transfer to zakah and charity fund		-	-	-	(231)	(231)	-	(231)
Movement in non-controlling interest		-	-	-	-	-	75,530	75,530
As at 31 March 2012		1,000,000	1,800	(2,170)	25,615	1,025,245	113,101	1,138,346

The attached notes 1 to 17 form part of these interim condensed consolidated financial statements.

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the three month period ended 31 March 2013 (Unaudited)

	Note	***31 March 2013 US$ '000***	*31 March 2012 US$ '000*
OPERATING ACTIVITIES			
Net profit for the period		**12,107**	20,345
Adjustments for :			
Depreciation and amortisation		**4,297**	1,287
Amortisation of premium (discount)		**846**	(72)
Fair valuation loss on equity option		**-**	1,386
Collective impairment provision		**-**	1,340
Share of results of associates		**(664)**	1,780
Gain arising on conversion of associate to subsidiary		**-**	(21,759)
Gain on sale of investment		**(4,340)**	-
Operating profit before changes in operating assets and liabilities		**12,246**	4,307
Net changes in operating assets and liabilities:			
Financing receivables		**-**	317,008
Due from financial institutions with orginal maturity of more than 90 days		**(298)**	4,073
Other assets		**(3,576)**	(18,729)
Due to financial institutions		**6,397**	(8,584)
Other liabilities		**938**	(50,678)
Payment to charities		**(18)**	(5)
Net cash from operating activities		**15,689**	247,392
INVESTING ACTIVITIES			
Purchase of investments		**(85,156)**	(21,693)
Disposal/ maturity of investments		**80,756**	25,000
Net changes in investment in associates		**-**	32,078
Write off / (investment) in ijarah assets		**115**	(507,683)
Net sale (purchase) of property and equipment		**2**	(1)
Purchase of software		**(5)**	(103)
Net cash used in investing activities		**(4,288)**	(472,402)
FINANCING ACTIVITIES			
Net changes in non-controlling interest		**-**	75,530
Dividends paid to non-controlling interest	15	**(10)**	-
Murabaha payable		**(2,798)**	-
Term financing		**(1,065)**	71,364
Net cash (used in) from financing activities		**(3,873)**	146,894
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		**7,528**	(78,116)
Cash and cash equivalents at 1 January		**169,851**	398,442
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD		**177,379**	320,326

For the purpose of the interim statement of cash flows, cash and cash equivalents comprised of the following:

Cash and bank balances		**18,981**	10,073
Due from financial institutions with original maturity of 90 days or less		**158,398**	310,253
		177,379	320,326

INTERIM CONSOLIDATED STATEMENT OF SOURCES AND USES OF ZAKAH AND CHARITY FUND

For the three month period ended 31 March 2013 (Unaudited)

	31 March 2013 US$ '000	*31 March 2012 US$ '000*
Sources of zakah and charity funds		
Undistributed zakat and charity funds at the beginning of the period	**25**	1
Contributions by the Bank	**894**	231
Total sources of zakah and charity funds during the period	**919**	232
Uses of zakah and charity fund		
Contributions for charitable purposes	**18**	5
Total uses of funds during the period	**18**	5
Undistributed zakat and charity fund at end of the period	**901**	227

The attached notes 1 to 17 form part of these interim condensed consolidated financial statements.

1 INCORPORATION AND ACTIVITIES

First Energy Bank B.S.C. (c) (the "Bank") is a closed shareholding company incorporated in the Kingdom of Bahrain on 23 June 2008, under Commercial Registration No. 69089. The Bank operates under an Islamic Wholesale Banking license issued by the Central Bank of Bahrain (the "CBB"). The Bank's registered office is at Building 1398, Road 4626, Block 346, Manama, Kingdom of Bahrain.

The principal activities of the Bank and its subsidiaries (the "Group") include Shari'a compliant investment advisory services, participation in project development, joint ventures, mergers and acquisitions and the purchase of assets and asset portfolios primarily related to the energy sector. The Bank is regulated by the CBB and supervised by a Shari'a Supervisory Board for compliance with Shari'a rules and principles.

The interim condensed consolidated financial statements were authorised for issue by the Board of Directors on 14 May 2013.

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES

2.1 Basis of preparation

The interim condensed consolidated financial statements of the Bank and its subsidiaries (together "the Group") for the three month period ended 31 March 2013 have been prepared in accordance with the guidance given by International Accounting Standard 34 - "Interim Financial Reporting". The interim condensed consolidated financial statements do not contain all information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2012. In addition, results for the three month period ended 31 March 2013 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2013.

2.2 Accounting convention

The interim condensed consolidated financial statements have been prepared on a historical cost basis, except for certain investments classified as "fair value through statement of owners' equity" that have been measured at fair value.

The interim condensed consolidated financial statements have been presented in United States Dollar ("US$"), being the reporting and functional currency of the Group's operations.

2.3 Significant accounting policies

The accounting policies adopted 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 new standards and interpretations effective as of 1 January 2013.

IAS 34 *Interim financial reporting and segment information for total assets and liabilities* (Amendment)

The amendment clarifies the requirements in IAS 34 relating to segment information for total assets and liabilities for each reportable segment to enhance consistency with the requirements in IFRS 8 Operating Segments. Total assets and liabilities for a reportable segment need to be disclosed only when the amounts are regularly provided to the chief operating decision maker and there has been a material change in the total amount disclosed in the entity's previous annual consolidated financial statements for that reportable segment. The Group has made the applicable disclosures as required by IAS 34.

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

2.3 Significant accounting policies (continued)

IFRS 7 *Financial Instruments: Disclosures. Offsetting Financial Assets and Financial Liabilities - Amendments to* IFRS 7
The amendment requires an entity to disclose information about rights to set-off financial instruments and related arrangements (e.g., collateral agreements). The disclosures would provide users with information that is useful in evaluating the effect of netting arrangements on an entity's financial position. The new disclosures are required for all recognised financial instruments that are set off in accordance with IAS 32. The disclosures also apply to recognised financial instruments that are subject to an enforceable master netting arrangement or similar agreement, irrespective of whether the financial instruments are set off in accordance with IAS 32. As the Group does not set off financial instruments in accordance with IAS 32 and does not have relevant offsetting arrangements, the amendment does not have an impact on the Group.

IFRS 13 *Fair Value Measurement*
IFRS 13 establishes a single source of guidance under IFRS for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted. The application of IFRS 13 has not materially impacted the fair value measurements carried out by the Group.

IFRS 13 also requires specific disclosures on fair values, some of which replace existing disclosure requirements in other standards, including IFRS 7 Financial Instruments Disclosures. Some of these disclosures are specifically required for financial instruments by IAS 34.16A(j), thereby affecting the interim condensed consolidated financial statements. The Group has made the applicable disclosures as required by IFRS 13.

2.4 Basis of consolidation

These interim condensed consolidated financial statements include the financial statements of the Bank and its subsidiaries after elimination of inter group transactions and balances.

The following are the Group's significant subsidiaries as at 31 March 2013:

Name of subsidiary	*Equity interest*	*Nature of business*
North Africa Investment Company, Kingdom of Bahrain *	100%	To hold the Group's 40% associate stake in Arab Drilling and Workover Company, Libya.
First Energy-Oman, Cayman Islands *	100%	To hold 15% stake in Al Izz Islamic bank in Oman.
FEB-Novus Aircraft Holding Company, Bahamas *	98.5%	To purchase and lease one A330-300 aircraft to Malaysian Airlines System.
Cosmos Industrial Investment Corporation B.S.C. (c), Bahrain **	93%	Holding company for investment in a project for development and operation of a polycrystalline silicon plant in the Kingdom of Saudi Arabia.
MENAdrill Investment Company, Cayman Islands *	59.44%	Development and lease of jack up oil rigs
Al Dur Energy Investment Company, Cayman Islands *	59%	To hold 15% indirect interest in a power and water plant project in the Kingdom of Bahrain.

* These subsidiaries are consolidated in these interim condensed consolidated financial statements based on 31 March 2013 management accounts.

** This subsidiary is consolidated based on 31 December 2012 audited accounts.

3 DUE FROM FINANCIAL INSTITUTIONS

	Unaudited 31 March 2013 US$ '000	*Audited 31 December 2012 US$ '000*
Commodity murabaha contracts	**116,762**	109,409
Wakala contracts	**46,154**	49,024
	162,916	158,433
Less: Deferred profits	**(14)**	(30)
	162,902	158,403

The original maturity of placements with financial institutions is as follows:

Due within 90 days	**158,398**	154,197
Due after 90 days	**4,504**	4,206
	162,902	158,403

4 INVESTMENT IN IJARAH ASSETS

	Aircraft US$ '000	*Oil rigs US$ '000*	*Total US$ '000*
Cost:			
At 1 January 2013	100,000	440,889	540,889
Write off *	-	(115)	(115)
At 31 March 2013	**100,000**	**440,774**	**540,774**
Depreciation:			
At 1 January 2013	3,300	8,226	11,526
Charge for the period	900	3,324	4,224
At 31 March 2013	**4,200**	**11,550**	**15,750**
Net book value:			
As at 31 March 2013	**95,800**	**429,224**	**525,024**
As at 31 December 2012	96,700	432,663	529,363

* This relates to write off of certain expenditures that were capitalised previously which are not allowable.

5 INVESTMENT SECURITIES

At 31 March 2013 (Unaudited)

	Amortised Cost US$ '000	***Fair value through equity US$ '000***	***Total US$ '000***
Debt type			
Quoted investments			
Sukuk	**401,230**	**-**	**401,230**
Unquoted investments			
Debt securities*	**83,056**	**-**	**83,056**
Equity type			
Unquoted investments			
Equity shares*	**-**	**40,995**	**40,995**
	484,286	**40,995**	**525,281**
Provision for impairment	**-**	**(20,000)**	**(20,000)**
	484,286	**20,995**	**505,281**

*The Group has converted US$ 3,841 thousand out of contingent and standby equity in Al Dur Energy Investment Company ("ADEIC") of US$ 5,205 thousand into an interest free shareholder loan. Additionally, a balance of US$ 369 thousand of standby equity is to be returned by ADEIC, of which US$ 292 thousand has been utilized to top-up the liability reserve account (note 7).

At 31 December 2012 (audited)

	Amortised Cost US$ '000	*Fair value through equity US$ '000*	*Total US$ '000*
Debt type			
Quoted investments			
Sukuk	392,967	-	392,967
Unquoted investments			
Debt securities	79,215	-	79,215
Equity type			
Unquoted investments			
Equity shares	-	45,205	45,205
	472,182	45,205	517,387
Provision for impairment	-	(20,000)	(20,000)
	472,182	25,205	497,387

Under unquoted investments which are held at fair value through equity are investments amounting to US$ 20,995 thousand (2012: US$ 25,205 thousand) which are held at cost less provision for impairment in the absence of a reliable measure of fair value.

The Group's investments in sukuk held at amortised cost amounting to US$ 401,230 thousand as of 31 March 2013 (31 December 2012: US$ 392,967 thousand) has a fair value amounting to US$ 404,965 thousand (31 December 2012: US$ 402,646 thousand).

6 INVESTMENT IN ASSOCIATES

	Unaudited 31 March 2013 US$ '000	*Audited 31 December 2012 US$ '000*
Balance at beginning of the period/ year	**101,049**	92,116
Acquisitions during the period/ year	**-**	48,078
Elimination of intra-group transactions	**-**	(1,078)
Share of results of associates	**664**	(7,067)
Conversion of an associate to subsidiary	**-**	(31,000)
	101,713	101,049

On 29 March 2012, the Bank exercised its equity conversion option on a murabaha financing facility provided to one of its associate companies which resulted in a gain of US$ 21,759 thousand and the conversion of the associate into a 59.44% owned subsidiary which is now consolidated in these interim condensed consolidated financial statements.

Intra-group gains on transactions between the Group and its equity accounted associates are eliminated to the extent of the Group's interest in the investees.

Investment in associates comprise the following:

Name	***Country of incorporation***	***% holding***	***Nature of business***
Arab Drilling and Workover Company *	Libya	40%	Lease of oil drilling rigs
Al Izz Islamic Bank **	Oman	15%	Islamic Banking

Summarised financial information of associates that have been equity accounted, not adjusted for the percentage ownership held by the Group

	31 March 2013 US$ '000	*31 December 2012 US$ '000*
Total assets	**463,150**	458,407
Total liabilities	**58,169**	54,700
Total revenues	**17,632**	52,094
Total net (loss) income	**577**	(18,615)

* Based on the management accounts received from Arab Drilling and Workover Company, the management has estimated a profit of US$ 2,307 thousand for the 3 month period ended 28 February 2013 which have been accounted for in these interim condensed consolidated financial statements.

** Based on the management accounts received from Al Izz Islamic Bank, the management has estimated losses of US$ 1,730 thousand for the 5 month period ended 31 March 2013 which have been accounted for in these interim condensed consolidated financial statements.

7 OTHER ASSETS

	Unaudited 31 March 2013 US$ '000	*Audited 31 December 2012 US$ '000*
Project work-in-progress *	**47,035**	46,101
Liability reserve receivable **	**11,428**	11,136
Profit receivable on subordinated loan (note 15)	**11,420**	10,657
Ijarah receivable	**6,881**	4,910
Deferred expenses	**4,736**	5,134
Goodwill	**2,309**	2,309
Advances paid	**862**	1,656
Intangible assets – software	**206**	248
Due from associate	**67**	67
Others	**7,853**	7,045
	92,797	89,263

*Project work-in-progress comprises costs incurred for the acquisition and development of a project in the Kingdom of Saudi Arabia by a subsidiary company.

** Liquidity reserve receivable represents an amount that has been funded by ADEIC to Al Dur Power and Water Company to meet the liquidity reserve account (LRA) funding requirement under the common term agreement entered into on 29 June 2009, whereby the shareholders are required to fund such account in meeting the repayment of senior debt obligations.

8 DUE TO FINANCIAL INSTITUTIONS

	Unaudited 31 March 2013 US$ '000	*Audited 31 December 2012 US$ '000*
Wakala contracts	**65,008**	59,612
Commodity murabaha contracts	**1,001**	-
	66,009	59,612

9 MURABAHA PAYABLE

On 10 May 2012, MENAdrill Investment Company refinanced a facility of US$ 130,000 thousand granted by the Bank of which US$ 55,000 thousand was advanced by another bank.

10 TERM FINANCING

In January 2012, FEB-Novus Fin One Ltd ("FEB-Novus") raised term financing of US$ 72,000 thousand to partially fund the acquisition of an Airbus A330-300 aircraft. The term financing matures in January 2024 and bears a profit rate of 1 month Libor plus 345bps per annum. FEB-Novus is consolidated in FEB-Novus Aircraft Holding Company, Bahamas (98.5% owned subsidiary of the Bank) in compliance with AAOIFI "Statement of financial accounting No.1: Conceptual Framework for the financial reporting by Islamic Financial Institutions". The financing arrangement is between FEB-Novus and the ultimate finance provider.

11 RELATED PARTY TRANSACTIONS AND BALANCES

Related parties comprise major shareholders, directors, Shari'a supervisory board, external auditors and executive management of the Group and/or entities over which they exercise control and/or significant influence.

The significant balances with related parties were as follows:

	Associates US$ '000	***Key management personnel/ Shari'a board members/ external auditors US$ '000***	***Significant shareholders / entities in which directors have an interest US$ '000***	***Unaudited 31 March 2013 US$ '000***	*Associates US$ '000*	*Key management personnel/ Shari'a board members/ external auditors US$ '000*	*Significant shareholders / entities in which directors have an interest US$ '000*	*Audited 31 December 2012 US$ '000*
Assets								
Cash and bank balances	-	-	**917**	**917**	-	-	417	417
Due from financial institutions	-	-	**15,001**	**15,001**	-	-	11,801	11,801
Investment securities	-	-	**70,257**	**70,257**	-	-	70,291	70,291
Investment in associates	**101,713**	-	-	**101,713**	101,049	-	-	101,049
Other assets	**67**	-	-	**67**	67	-	-	67
Liabilities								
Due to financial institutions	-	-	**15,001**	**15,001**	-	-	9,601	9,601
Other liabilities	-	**496**	**58,460**	**58,956**	-	488	34,372	34,860

11 RELATED PARTY TRANSACTIONS AND BALANCES (continued)

The transactions with the related parties included in the interim consolidated statement of income were as follows:

	Associates US$ '000	**Key management personnel/ Shari'a board members/ external auditors US$ '000**	**Significant shareholders / entities in which directors have an interest US$ '000**	**Unaudited Three months ended 31 March 2013 US$ '000**	*Associates US$ '000*	*Key management personnel/ Shari'a board members/ external auditors US$ '000*	*Significant shareholders / entities in which directors have an interest US$ '000*	*Unaudited Three months ended 31 March 2012 US$ '000*
Income								
Profit from Islamic financing	-	-	**3**	**3**	4,072	-	7	4,079
Profit on Islamic financing	-	-	**(91)**	**(91)**	-	-	(86)	(86)
Income from investments	-	-	**485**	**485**	-	-	24	24
Share of results of associates	**664**	-	-	**664**	(1,780)	-	-	(1,780)
Gain arising on conversion of associate to subsidiary	-	-	-	-	21,759	-	-	21,759
Other income	-	-	-	-	20	-	-	20
Expenses								
Staff costs	-	**400**	-	**400**	-	408	-	408
Other expenses	-	**59**	**120**	**179**	1,386	168	-	1,554

12 COMMITMENTS

	Unaudited 31 March 2013 US$ '000	*Audited 31 December 2012 US$ '000*
Other capital commitments	**67,856**	67,856
Forward treasury commitments	**5,152**	9,602
Operating lease commitments	**255**	510
	73,263	77,968

13 SEGMENTAL INFORMATION

The activities of the Group are performed on an integrated basis. Therefore, any segmentation of operating income, expenses, assets and liabilities is not relevant. As such, operating income, expenses, assets and liabilities are not segmented.

The industrial distribution of the Group's assets and liabilities is as follows:

	31 March 2013		*Audited 31 December 2012*	
	Assets US$ '000	***Liabilities US$ '000***	*Assets US$ '000*	*Liabilities US$ '000*
Segment				
Banks and financial institutions	**522,319**	**217,785**	499,155	215,165
Energy power and infrastructure	**627,319**	**8,051**	627,833	4,675
Others	**266,377**	**43,397**	273,476	21,045
	1,416,015	**269,233**	1,400,464	240,885

The geographical distribution of the Group's assets and liabilities is as follows:

	31 March 2013		*Audited 31 December 2012*	
	Assets US$ '000	***Liabilities US$ '000***	*Assets US$ '000*	*Liabilities US$ '000*
Segment				
MENA	**790,736**	**193,175**	752,632	165,253
Europe	**49,140**	**67,134**	57,494	68,200
America	**457,886**	**8,275**	460,361	7,417
Asia	**118,253**	**649**	129,977	15
	1,416,015	**269,233**	1,400,464	240,885

The Group's revenue and expenses are reviewed at a Group level and therefore no separate operating segment results and other disclosures are provided in these interim condensed consolidated financial statements.

14 DIVIDENDS DECLARED

At the Annual General Meeting held on 27 March 2013 the shareholders of the Group resolved to distribute US$ 24,000 thousand as cash dividends.

15 NON-CONTROLLING INTEREST

	Unaudited 31 March 2013 US$ '000	*Audited 31 December 2012 US$ '000*
Balance at beginning of the period/ year	**124,861**	37,591
Net profit for the period/ year	**878**	7,186
Conversion of an associate to subsidiary	**-**	74,882
Acquisition of a new subsidiary	**-**	462
Dividends of subsidiary	**(10)**	(31)
Increase in share capital	**-**	4,771
	125,729	124,861

16 PROFIT ON SUBORDINATED LOAN

A profit of 3.85% per annum has been accrued on the outstanding principal amount of the subordinated loan of US$ 79,215 thousand from 23 July 2009 granted by Al Dur Energy Investment Company to Al Dur Power and Water Company. The profit was not recognised until the commencement of commercial operations of the power plant, which occurred in February 2012. The commencement date was delayed, and management viewed it as conservative to start accrual of profit only after commencement of commercial operations.

17 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the amount for which an asset could be exchanged or a liability settled between knowledgeable and willing parties in an arm's length transaction.

Fair values of quoted securities/sukuks are derived from quoted market prices in active markets, if available. For unquoted securities/sukuks, fair value is estimated using appropriate valuation techniques. Such techniques may include using recent arm's length market transactions; reference to the current fair value of another instrument that is substantially the same; discounted cash flow analysis or other valuation models.

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; and

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

Under unquoted investments which are held at fair value through equity are investments amounting to US$ 20,995 thousand (2012: US$ 25,205 thousand) which are held at cost less provision for impairment in the absence of a reliable measure of fair value.

The fair values of other financial instruments on the interim consolidated statement of financial position are not significantly different from their carrying values, except as disclosed in note 5.