



INVESTBANK
البنك الإستثماري

REVOLVING AROUND YOU



His Majesty
King Abdullah II bin Al Hussein



His Royal Highness
Crown Prince Hussein bin Abdullah II



BOARD OF DIRECTORS



BOARD OF DIRECTORS

CHAIRMAN OF THE BOARD

Abdul Rahim Jardaneh & Sons Co., represented by:
Mr. Bishr Mohammad Abdul Rahim Jardaneh

VICE CHAIRMAN

Madaba Financial Investment Co.:
represented by Mr. Ayman Shafiq Farhan Jumaian

MEMBERS

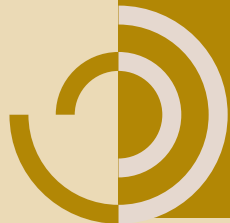
Dr. Nabil Hani Jamil Qaddumi
Raouf Abu Jaber & Sons Co. represented by:
Mr. Emad Nihad Khalil Jeryes
Mrs. Zina Nizar Abdul Rahim Jardaneh
Jordan Drugstore Co. represented by:
Mr. Abdul Rahim Nizar Abdul Rahim Jardaneh
Mrs. Wijdan "Mohammad Yaseen" Khalil Altalhouni
Mr. Hani Ibrahim Suleiman Fadayel
Mr. Jeryes Spiro Jeryes Al Esa
Palestine Bank Co. represented by :
Mr. Roshdi Mahmoud Rasheed Alghalayeeni
Mr. Fahmi bin Fayeq bin Fahmi Abu Khadra

General Manager

Mr. Montaser Izzaat Ahmad Dawas



RECOMMENDATIONS OF THE BOARD OF DIRECTORS



The Board of Directors recommends to the respected shareholders the following, based on what was presented:

1. Ratification of the Financial Statements for the year 2015 and clearance of the Board of Directors for the said year.
2. Approval of the Board of Directors recommendation to distribute profits to the shareholders in the amount of 8 million JOD (eight million JOD), or 8% of the capital.
3. Appointing an auditor for the fiscal accounts for the year 2015.

On this occasion, the Board of Directors wishes to thank the shareholders and all clients of the Bank for their confidence and support, and recognizes all employees for their loyal and dedicated services which effectively contributed to the continued success of the Bank.

NAMES OF MAJOR SHOREHOLDERS AND THE NUMBER OF SHARES OWNED BY EACH ONE OF THEM COMPARED TO THE PREVIOUS YEAR

		2015		2014	
No.	Name	No. of shares	Percentage of holding	No. of shares	Percentage of holding
1	Ehab Shafiq Farhan Jumaiaan	11,880,143	11.880%	11,880,143	11.880%
2	Palestine Bank Co.	9,420,627	9.421%	9,420,627	9.421%
3	Abdulrahim Nizar Abdulrahim Jardaaneh	8,431,216	8.431%	8,431,216	8.431%
4	International Madar for Investment Company	7,371,427	7.371%		
5	Raghdah Hamdi Khaleel Mango	7,026,822	7.027%	7,026,822	7.027%

Loans Extended by the Bank to Members of the Board of Directors

The total balance of loans and direct and indirect facilities utilized as at the end of 2015 and that were granted to the members of the Board of Directors and those connected to them was as follows:

Account Name	Balance of direct and indirect credits to the nearest thousand JOD
Mr. Bishr Mohammad Abdul Rahim Jardaneh Group	4,141
Mr. Rauf Abu Jaber Group	47
Mr. Emad Nihad Khalil Jeryes	57
Mrs. Wijdan “Mohammad Yasin” Khalil Altalhouni	6
Mr. Abdul Rahim Nizar Abdul Rahim Jardaneh Group	2,792
Mr. Ayman Shafiq Farhan Jumaian Group	790
Dr. Nabil Hani Jamil Qaddumi Group	2,019
Total	9,852

PERKS AND AWARDS GRANTED TO THE MEMBERS OF THE BOARD OF DIRECTORS IN THE YEAR 2015

Name	Annual Transportations allowance	Allowance for membership in committees and/or additional support	Annual award	Total	No. of absence times from Board Meetings
Mr. Bishr Mohammad Abdul Rahim Jardaneh	5,500	49,000	4,286	58,786	1
Mr. Ayman Shafiq Farhan Jumaiaan	5,000	6,869	4,286	16,155	1
Mrs. Wijdan “Mohammad Yaseen” Khalil Altalhouni	6,000	2,250	5,000	13,250	0
Mr. Abdul Rahim Nizar Abdul Rahim Jardaneh	6,000	4,766	5,000	15,766	0
Mrs. Zaynah Nizar Abdul Rahim Jardaneh	7,500	3,250	3,571	14,321	2
Dr. Nabil Hani Jamil Qaddumi	8,250	1,750	4,286	14,286	1
Mr.Hani Ibrahim Suleiman Fadayel	6,000	49,000	5,000	60,000	0
Mr. Jeryes Spiro Jeryes Alisa	6,000	49,000	5,000	60,000	0
Mr. Emad Nihad Khail Jeryes	6,000	7,000	5,000	18,000	0
Mr. Roshdi Mahmoud Rashid Alghalayeeni	9,000	3,000	5,000	17,000	0
Fahmi bin Fayeq bin Fahmi Abu Khadra	5,000	4,345	3,571	12,916	2
Total	70,250	180,230	50,000	300,480	

PERKS AND AWARDS GRANTED TO INDIVIDUALS IN SENIOR MANAGEMENT POSITIONS IN THE YEAR 2015

Salaries of senior management as at 31/12/2015

No.	Name	Position	Details of the salary (JOD)			
			Annual basic salary	Allowances/ perks	Annual award	Total Annual salaries
1	Montaser Izzat Ahmad Dawwas	General Manager	454,960.00	2,505.00	195,000.00	652,465.00
2	Nabil George Esa Alsafadi	Head of logistics and operations group	100,646.67	26,766.67	65,000.00	192,413.33
3	Emad Osama Abdulrahim Asfour	Head of risk management group	134,000.00	0.00	20,000.00	154,000.00
4	Mohammad Ali Yousef Hawash	Head of internal audit department	101,400.00	0.00	15,000.00	116,400.00
5	Ramzi Ridwan Hasan Darweesh	Assistant GM / Facilities for large corporations	134,400.00	0.00	25,000.00	159,400.00
6	Mohannad Zuhair Ahmad Bokah	Assistant GM/ Facilities for Medium and small trading companies	109,140.00	2000.00	15,000	134,140.00
7	Tarerq "Mohammad Nazih" Mohammad MamdoohSakkijha	Assistant GM/ Personal Banking Services Department	106,020.00	700.00	20,000.00	126,720.00
8	Mayes Adnan Mahmoud Alshalabi	Head of Finance Group	86,000.00	0.00	18,000.00	104,000.00
9	Ra'ad Moneer Abdulrahim Abu Resa'	Executive Manager/ Organizational Development Department	86,000.00	400.00	23,000.00	109,400.00
10	"Mohammad Ali" Walid Hamdallah Barakat	Executive Manager/ Legal Department	76,000.00	0.00	23,000.00	99,000.00
11	Jareer Na'el Jamil Alajlouni	Executive Manager/ Treasury Department	70,000.00	700.00	15,000.00	85,700.00
12	"Mohammad Saeed" Yahya Fae'q Aldajani	Executive Manager/ Financial Corportations	70,800.00	300.00	7,500.00	78,600.00
13	Khaled Zuhair Jamil Abu Alsha'er	Manager/ Compliance Department	48,000.00	00.0	4,000.00	52,000.00
	Total		1,557,366.67	33,371.667	453,500.00	2,064,238.33

LIST OF SPONSORSHIPS AND DONATIONS FOR THE YEAR 2015

Name of entity receiving the donation	Amount JOD
Royal Society for the Conservation of Nature	62,941
Hashemite Jordanian Fund	21,207
Central Bank/ Spreading Social Financial Knowledge	20,000
National Society for the Conservation of Petra	15,000
Award campaign / Muath Alkasasbeh	14,000
Jordan Hashemite Charity Organization	13,836
Others	9,776
TOTAL	156,760

AUDITING FEES FOR THE BANK AND SUBSIDIARY COMPANIES

- Auditing fees for INVESTBAK in the year 2015 were 61,500 JOD
- Auditing fees for the subsidiary AL MAWARED for Financial Brokerage Company in the year 2015 were 8,500 JOD
- Auditing fees for the subsidiary TAMKEEN Leasing Company in the year 2015 were JOD 5,500
- Auditing fees for the subsidiary AL Istethmari Letamweel Selselat AL IMDAD in 2015 were JOD 4,500

CLIENTS CARE DEPARTMENT

This is an independent unit that studies and deals with complaints of clients and responds to these complaints as quickly as possible. We aim to present the best service to our clients and enforce the loyalty and communication values with them and to satisfy their expectations. The Client Care Department staff strives to carry out all efforts to solve any client complaint and to reduce the permitted timeline to deal with every complaint. This target is achieved by reinforcing the staff knowledge and educating them on banking procedures and regulations

DEPARTMENT	NO. OF STAFF	NOT THE RESPONSIBILITY OF THE BANK	PROCEDURES	TECHNICAL PROBLEMS
BRANCHES	27	57	119	13
COLLECTION	7		3	
CENTRAL OPERATIONS DEPARTMENT	2	13	6	4
IT			10	4
SALES	10	2	5	3
CREDIT AND FACILITIES PROCEDURES	1	3	3	
SHARE HOLDERS SECTION				1
TOTAL	47	75	146	25
TOTAL COMPLAINTS	293			

- All complaints were handled and solved to the satisfaction of clients and according to the policies and procedures of the Bank.
- A circular was issued to all employees of the Bank stressing the necessity of clarifying commissions charged by the bank, thus ensuring all clients are fully aware of the commissions charged to their accounts.
- A circular was issued to all employees of the Bank stressing the need to explain to clients the time required by the Bank to complete the transactions of clients.

Human Resources

The Bank's management takes care in attracting qualified candidates for vacant positions, and then the applicants are screened to select the best qualified ones based on the selection standards and the approved hiring policies. This policy guarantees that sufficient numbers of properly qualified staff are available at the proper time and as per the Bank's organization chart and manpower plans. By following this principle, properly qualified and capable employees are then selected to carry full responsibility to achieve the vision of INVESTBANK and achieve the planned targets. The Bank appointed qualified staff with distinguished experience in the banking field in 2015 to supplement its staffing structure. The number of the Bank's employees and subsidiary companies in the end of 2015 reached 527 employees.

Following is a presentation of the number of employees as per their qualifications and distribution of staff in the head office, branches and subsidiary companies.

The number of employees in the Bank and their qualifications

A. Total number of the Bank employees, excluding the subsidiary companies:

Qualification	Total number
Phd	0
Master degree	24
Bachelor's degree	343
Diploma	53
General Secondary school	18
Less than secondary school	23
Total	461

B. The Head of Logistics and Operations Group Mr. Nabil Al Safadi retired on 21/8/2015.

C. Distribution of staff between the Head Office and the various branches of the Ban

The staff are distributed among the Head Office and branches and the subsidiary companies: AL Istethmari Letamweel Selselat AL IMDAD , AL MAWARED for Financial Brokerage Company, and TAMKEEN Leasing Company and as per the work loads. This guarantees proper execution of the required tasks from each employee and guarantees the highest level of productivity and performance. Following is the number of employees in each location:

Detail	No.
Head Office/ Abdul Hamid Sharaf Street	291
Main Branch / Head Office	20
Prime clients service center / Head office	9
Mecca St. Branch / Mecca Street	6
Emar Branch / Emar Towers	8
Taj Mall Branch / Taj Mall	9
Sweifieh Branch / Wakalat Street	7
Wihdat Branch / Al Sharq Al Awsat Roundabout	7
Sahab Branch / Sahab Industrial City Branch	6
Zarqa Branch / King Hussain St.	6
Irbid Branch / Wasfi Al tal St.	7
Aqaba Branch / Al Nahda St.	6
Abdoun Branch / Suleiman Qudah St.	5
Sales Department	74
Total	461

DISTRIBUTION OF STAFF IN SUBSIDIARY COMPANIES

Company	No. of employees
Al Mawared for Financial Brokerage Company	13
Al Istethmari Letamweel Selselat Al Imdad / Aljuwaida	40
Tamkeen Leasing Company / Mecca St.	13
Total	66

Developing the skills of the employees

In line with the Bank's policy to develop the skills and abilities of its staff and to enable them to carry out their duties efficiently and productively, which leads to raising the level of service and productivity of the Bank, 24% of the Bank employees participated in specialized training courses and workshops, some of which are:

Department / Administration /Branch	No. of Courses /Training sessions
Office of the General Manager	2
Internal Audit Department	3
Organization Development Department	1
Commercial Banking Services Department	38
Personal Banking Services Department	2
Branches Department	2
Risks Department	1
Facilities for Large Companies Department	9
Information Technology Department	31
Internal Audit Department	3
Central Operations Department	1
Credit Management Department	1
Compliance Department	9
Collections and Credit Handling Department	3
Marketing Department	1
Electronic Banking Services Department	4
Treasury Department	1
Electronic Channels and Business Development Department	2
Financial Group	4
Daily Portfolios and Conformity Department	4
Financial Corporations Department	3
Personal Loans Collection Department	2
Personal Facilities Department	2
Products and Sales Development Department	2
Operations Execution Department	1
Credit Review Department	7

Department / Administration /Branch	No. of Courses /Training sessions
Credit Handling Department	3
Information Security Department	5
Operational Risks Department	1
Credit Port folios and Market Risks and Intermediate Office	3
Telephone Services Department	2
Work Methods Management and Operation Re-engineering Unit	3
Research Unit	1
Recruitment and Personnel Unit	5
Administrative Services Unit	1
Maintenance Unit	1
Strategic Initiatives Application Unit	1
Electronic Transfer Operations and Electronic Clearance Unit	2
Treasury Operations, Investment, and Wealth Management Execution Unit	3
Accounts Opening, Maintenance, and Follow Up Unit	4

F. The Bank's Perks Awarding Policy

The Bank adopts a clear policy of calculating employees' perks based on return on equities compared to the anticipated return for the same year. Portions of the allocation of perks are executed as delayed payment units as per the bank approved policies and based on the evaluation of the annual performance of employees and on achieving the targets allocated to them, and these are divided into financial, supervisory and managerial targets.

NAMES AND CURRICULUM VITAE OF MEMBERS OF THE BOARD OF DIRECTORS

NO.	(1)
CHAIRMAN OF THE BOARD	Abdul Rahim Jardaneh and Sons Co.
NO. OF SHARES OF THE BANK'S CAPITAL OWNED BY THE MEMBER	185,581
NAME OF THE INDIVIDUAL REPRESENTING THE LEGAL ENTITY	Mr. Bisher MohammaAbdulRahim Jardaneh
NO. OF SHARES OWNED BY THE REPRESENTING PERSON	-
DATE OF BIRTH	1961
DATE OF JOINING THE BOARD	26/5/2008
NATURE OF MEMBERSHIP	Non executive / Not independent
ACADEMIC QUALIFICATION	<ul style="list-style-type: none"> -BSC (Honor) in civil engineering , 1982 from Illinois University (Urbana-Champaign) – USA -MSC (Honor) , 1985 in construction management from University of California – Berkeley – USA
EXPERIENCE AND POSTS HELD	<ul style="list-style-type: none"> - Executive General Manager / Arabtec Jardaneh Group Co. - Member of the Greater Amman Municipal Board - Member of the Board of Trustees of Cooperation Organization (Welfare) / Geneva, and Head of the Strategy and Governance Committee - Member of the Board, Jordan Investment Promotion Authority - Member of the Board / Almafraaq Development Organization - Vice Chairman of the Board, Jordanian Strategy Forum - Vice Chairman – Zaha Children Organization - Member of the Board, Arab Orphans Committee - Chairman of the Arab Cultural Society Mr. Jardaneh also held the following posts: <ul style="list-style-type: none"> - Member of the Executive Committee of the International Federation of Consulting Engineers (FIDIC) / Geneva. - Member of the Royal All Jordan Committee - Member of the Royal Committee for Water in Jordan - Member of Investment Fund of Jordan Social Security Organization. - Member of the Board / Nugul Group of Companies. - Member of the Board, Jordan Economic Development Council (JEDCO). - Chairman of the Board, Jordan Engineering and Architectural Business Forum. - Committee Member, Jordan National Agenda Committee. - Member of the Young Presidents Organizations WPO –YPO. - Member /Jordanian Engineering Association - Member of Jordanian Businessmen Association, US-Jordan Businessmen Association and European – Jordanian Businessmen Association

NO.	[2]
VICE CHAIRMAN OF THE BOARD	Madaba Financial Investment Co.
NO. OF SHARES OF THE BANK'S CAPITAL OWNED BY THE MEMBER	38,138
NAME OF THE INDIVIDUAL REPRESENTING THE LEGAL ENTITY	Mr. Ayman Shafiq Farhan Jumaia
NO. OF SHARES OWNED BY THE REPRESENTING PERSON	57,561
DATE OF BIRTH	1961
DATE OF JOINING THE BOARD	30/04/2006
NATURE OF MEMBERSHIP	Non executive / Not independent
ACADEMIC QUALIFICATION	MSc Engineering – George Washington University, 1985 BSc Civil Engineering, The Citadel University, 1983
EXPERIENCE AND POSTS HELD	<ul style="list-style-type: none"> - Honorary Consul – The Republic of Estonia. - 2003 – present Chairman of the Board, Solution Communications and Security Systems - 2006 – present, Vice Chairman Naqel Co. - 2001 – present, General Manager, Madaba Financial Investment Co. - 1996 – 2001 Coca Cola Regional Manager, Cyprus. - 1994 – 1996 Manager, Alkhaled Commercial Group, UAE - 1990 – 1994 International Marketing Manager , BMY – USA - 1985 – 1990 , Officer, Jordan Armed Forces

NO.	(3)
VICE CHAIRMAN OF THE BOARD	Raouf Abu Jaber and Sons Co.
NO. OF SHARES OF THE BANK'S CAPITAL OWNED BY THE MEMBER	9.088
NAME OF THE INDIVIDUAL REPRESENTING THE LEGAL ENTITY	Mr. Emad Nihad Khalil jeryes (starting 12/02/2014)
NO. OF SHARES OF THE BANK'S CAPITAL OWNED BY THE MEMBER	10.000
DATE OF BIRTH	1960
NATURE OF MEMBERSHIP	Non executive / Not independent
ACADEMIC QUALIFICATION	BSc Commerce and Business Administration / Beirut Arab University
EXPERIENCE AND POSTS HELD	<ul style="list-style-type: none"> - General Manager, United Insurance Co. - Member of the Board, Jordan Union of Insurance Co., and Head of the Audit Committee. - Member of the Board , Jordan Paper and Cardboard Factories, and member of the Audit Committee. - General Manager, Arab European Insurance Co. - Deputy General Manager, Arab Eagle Insurance Co.

NO.	[4]
MEMBER OF THE BOARD	Dr. Nabil Hani Jamil Qaddumi
NO. OF SHARES OWNED BY THE MEMBER OF THE BANK'S CAPITAL	2,153,936
DATE OF BIRTH	1954
DATE OF JOINING THE BOARD	01/01/2000
NATURE OF MEMBERSHIP	Non executive / Non independent
ACADEMIC QUALIFICATION	1982 , Phd, Civil Engineering, Massachusetts Institute of Technology (USA) MSc Civil Engineering, Stanford University (USA),1977 BSc , Civil Engineering, University of Texas, Austin (USA) 1976 American University of Beirut, 1972 - 1975 , Civil Engineering
EXPERIENCE AND POSTS HELD	<ul style="list-style-type: none"> - Chairman of the Board, Projacs International (www.projeacs.com) - Chairman of the Board, Safwan Petroleum Technologies Co. (www.spetco.com) -1982 -1994 Lecturer, Faculty of Engineering / University of Kuwait -1989-1991Visiting Professor, Faculty of Engineering / Stanford University -2008 – 2014 Chairman, of the Board of Trustees, Cooperation Organization -2008 – present, Palestine Governor, Arab Fund for Economic and Social Development - Chairman of Hani Qaddumi Scholarship Foundation

NO.	(6)
MEMBER OF THE BOARD	PALESTINE BANK CO.
NO. OF SHARES OF THE BANK'S CAPITAL OWNED BY THE MEMBER	9,420,627
NAME OF THE INDIVIDUAL REPRESENTING THE LEGAL ENTITY	Mr Rushdi Mahmoud Rasheed Alghalayeeni (starting 30/04/2014)
NO. OF SHARES OWNED BY THE REPRESENTING PERSON	-
DATE OF BIRTH	1962
ACADEMIC QUALIFICATION	BSc (Honors) , Economy and Computer Sciences, American University of Cairo, Egypt, 1986 Certificat in Assessing and managing risks in banks, Cairo
EXPERIENCE AND POSTS HELD	1989 joined the Bank of Palestine 2008 till the present Deputy General Manager, Bank of Palestine

NO.	(7)
MEMBER OF THE BOARD	Jordan Drugstore Co.
NO. OF SHARES OF THE BANK'S CAPITAL OWNED BY THE MEMBER	1,009,479
NAME OF THE INDIVIDUAL REPRESENTING THE LEGAL ENTITY	Abdul Rahim Nizar Abdul Rahim Jardaneh
NO. OF SHARES OWNED BY THE REPRESENTING PERSON	8,431,216
DATE OF BIRTH	1962
DATE OF JOINING THE BOARD	30/04/2006
NATURE OF MEMBERSHIP	Non executive / Non independent
ACADEMIC QUALIFICATION	BSc Pharmacy, Minnesota University – USA 1984
EXPERIENCE AND POSTS HELD	<ul style="list-style-type: none"> -Chairman of the Board, Dar Al Dawa Development and Investment Co. -Chairman of the Board, Nutri Dar Co. -Chairman, Arab Pharmaceutical Industry Consulting Co. -Member of the Board, Jordan Drugstore Co. -Vice Chairman, Al Quds Bank based in Ramallah -Active in the agricultural and food manufacturing f eld.

NO.	(9)
MEMBER OF THE BOARD	Mr. Fahmi Bin Fayege Bin Fahmi Abu Khadra
NO. OF SHARES OF THE BANK'S CAPITAL OWNED BY THE MEMBER	2,420,407
DATE OF BIRTH	1964
DATE OF JOINING THE BOARD	27/04/2011
NATURE OF MEMBERSHIP	Non executive / independent
ACADEMIC QUALIFICATION	MSc Business Administration
EXPERIENCE AND POSTS HELD	<p>1987 – 1989 Credit Facilities Officer / Arab Bank Head Office</p> <p>- 1989 – 2001 General Manager, Alriyadh Medical Services Co.</p> <p>-1991 – 2001 Member of the Board of Directors, Amman Surgical Hospital</p> <p>-2003 Chairman of the Board, Amman Surgical Hospital</p> <p>-1997 , Saudi Arabia, General Manager United Pharmaceutical Manufacturing Co.</p> <p>-2004, Saudi Arabia, Manager, Medicinal Products and Rubber Factory</p> <p>-2007, Saudi Arabia , General Manager, Care Corporation</p> <p>-1999, Chairman of the Board, Switchers Limited, Britain.</p>

NO.	(10)
MEMBER OF THE BOARD	Mrs. Wijdan "Mohammad Yaseen" Khalil Altalhouni
NO. OF SHARES OF THE BANK'S CAPITAL OWNED BY THE MEMBER	1.000.359
DATE OF BIRTH	1939
DATE OF JOINING THE BOARD	07/10/2009
NATURE OF MEMBERSHIP	Non executive / independent
ACADEMIC QUALIFICATION	BSc, Economy and Political Science
EXPERIENCE AND POSTS HELD	<p>-1968 – 1973 Central Bank, Research and Studies Department.</p> <p>-Member of the Board of Director, Grand Flour Mills of Zarka.</p> <p>-Vice Chairman of the Board, Multaqa Altadawul Joint Stock Co.</p> <p>-Member of the Board of Directors: Investment , Trade and Export Co.</p> <p>-Member of Jordan Businessmen Association, and a member of the following committees:</p> <p>-Finance & Economy Committee</p> <p>-Manufacturing Committee</p> <p>-Commercial Committee.</p> <p>-Member of the Board, Arab Business Women - Head of Projects Committee</p> <p>-Chairman of the Board of Trustees, Jordan Business and professional women Forum</p>

NO.	[11]
MEMBER OF THE BOARD	Mrs. Zina Nizar Abdul Rahim Jardaneh
NO. OF SHARES OF THE BANK'S CAPITAL OWNED BY THE MEMBER	4,962,866
DATE OF BIRTH	1960
DATE OF JOINING THE BOARD	30/04/2014
NATURE OF MEMBERSHIP	Non executive / Non independent
ACADEMIC QUALIFICATION	BSc Pharmacy, Nottingham University – 1983
EXPERIENCE AND POSTS HELD	<ul style="list-style-type: none"> - 1983 – 1993 General Manager, Jordan Drugstore Co. - Member of the Board of Directors, Abdulrahim Jardaneh and Sons Co. - Chairman of the Board, Dar Al Dawa Development and Investment Co. - Member of the Board , Arab Pharmaceutical Industry Consulting Co. - Member of the Board of Trustees, Welfare Association - Member of the Board Jordan Drugs Store.

NO.	[12]
MEMBER OF THE BOARD	Mr Jiries Spairo Jiries El -Issa
NO. OF SHARES OF THE BANK'S CAPITAL OWNED BY THE MEMBER	5000
DATE OF BIRTH	1948
DATE OF JOINING THE BOARD	30/04/2014
NATURE OF MEMBERSHIP	Non executive / Independent
ACADEMIC QUALIFICATION	MSc / Business Administration, American University of Beirut 1978 -BSc/ Business Administration, American University of Beirut 1969
EXPERIENCE AND POSTS HELD	1970 – 1974 , Foreign Relations Department / Jordan Central Bank -1975 – 1983 Deputy Head of Companies' Facilities, Citibank / Amman , Jordan - 1983 – 2005 International Branches Regional Manager, Credit Department – Arab Bank , Head Off ce

NO.	{13}
MEMBER OF THE BOARD	Mr. Hani Ibrahim Suleiman Fadayel
NO. OF SHARES OF THE BANK'S CAPITAL OWNED BY THE MEMBER	5320
DATE OF BIRTH	1952
DATE OF JOINING THE BOARD	30/04/2014
NATURE OF MEMBERSHIP	Non executive / Independent
ACADEMIC QUALIFICATION	-BSc/ Business Administration, University of Jordan 1975
EXPERIENCE AND POSTS HELD	<p>1975 – 1985 Citibank, Jordan</p> <p>-1985 – 2009, Regional Manager, Arab Bank , Bahrain</p> <p>- 2010 till the present, General Manager, Fadayel Administrative Consultancy Co.</p> <p>- 2009 – 2010 , Assistant General Manager, Arab Bank , Amman / Jordan</p> <p>- 2010 – present, Member of the Board and Head of Risks Management Department, BankMed/ Lebanon</p> <p>- 2011 – present, Member of the Board, GroupMed International, Lebanon.</p>

NAME	Mr. Bassam Mustafa Amin Hammad
POSITION	Executive Manager
ACADEMIC QUALIFICATION	BSc Accountancy / Business Administration
YEAR OF GRADUATION	1979
DATE OF APPOINTMENT	12/6/1983
DATE OF BIRTH	1952
EXPERIENCE AND POSTS HELD	<p>1980 – 1983 Southern Cement Company</p> <p>1983 – 2007 INVESTBANK</p> <p>2008 – present, Secretary General of the Board of Directors</p> <p>Former Member of the Board of Directors in the following companies:</p> <ul style="list-style-type: none"> - Aldaman Investment Company - Bank Alquds - Woolen Industries Company - Aqaba Vegetable Oils Refining Company

GENERAL DECLARATIONS

- . There are no dealings with specific suppliers and / or main clients (both local and foreign) that form 10% or more of the total purchases and / or sales and revenues.
- . There are no protections or privileges which the Bank or any of its products receive under rules and regulations or other areas.
- . The Bank has not obtained any copy rights or franchise rights.
- . The Bank enforces international quality standards and the Bank received BB+ classification from Capital Intelligence.
- . There are no resolutions issued by governmental or international bodies or any other body that have any tangible influence on the operations of the Bank or its products or its competitiveness.
- . During the financial year 2015 there were no financial influences on operations of non-repetitive nature and that are not within the main activities of the Bank.
- . During the year 2015 none of the members of the Board of Directors obtained any benefits through his work for the Bank and which were not divulged, whether such benefits are in cash or in kind, and whether these were to any board member, or to any individual connected to him.
- . There are contracts, projects, and links initiated by the Bank with members of the Board and their relatives as follows:
 - . Electrosec Company : Mr. Ayman Jumaiaa – Member of the Board of Directors.
 - . United Insurance Company: Mr. Emad Jeryes, Member of the Board of Directors.
- . The Bank is subject by nature of its operations to a group of risks and these are elaborated on in clarification No. (38) of the Financial Statements for the year 2015.
 - The accomplishments achieved by the Bank are supported by figures and by description of main events the Bank witnessed during the year 2015 / these are stated in the activities of the Bank.
 - The developments of profits and in the net shareholders equities and the price of the share and the distributed profits / are explained in pages (29 – 30)
 - Analysis of the Bank's financial position for the year 2015 is shown in pages 24 - 28
 - Important future developments and the Bank's future plan / are shown in the Bank's operation program for the year 2016.

Content

page

INDEPENDENT AUDITOR'S REPORT	1 - 2
CONSOLIDATED STATEMENT OF FINANCIAL POSITION	3
CONSOLIDATED STATEMENT OF INCOME	4
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	5
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	6
CONSOLIDATED STATEMENT OF CASH FLOWS	7
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS	8 - 70

CONSOLIDATED FINANCIAL STATEMENTS

31 DECEMBER 2015



Opinion

In our opinion, the consolidated financial statements represent fairly, in all material respects, the consolidated financial position of Invest Bank as of 31 December 2014, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards.

Report on Regulatory Requirements

Invest Bank maintains proper accounting records and the accompanying consolidated financial statements are in agreement therewith and with the consolidated financial statements included in the Board of Directors' report and we recommend the General Assembly of the Shareholders to approve these consolidated financial statements

برائیس وترهاوس کوپرز "الأردن" ذ.م.م



Amman, Jordan
15 March 2015

PRICE WATERHOUSE COOPERS
L.L.C



Independent Auditor's Report

To the Shareholders of Invest Bank

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Invest Bank (a public shareholding company), which comprise the consolidated statement of financial position as of 31 December 2015, and the consolidated statements of income, statement of other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

CONSOLIDATED STATEMENT OF INCOME

FOR THE YEAR ENDED 31 DECEMBER 2015

	Note	2015 JD	2014 JD
Interest income	27	48,508,829	49,089,833
Interest expense	28	(19,540,071)	(24,758,014)
Net Interest Income		28,968,758	24,331,819
Net commissions income	29	5,852,944	5,784,404
Net Interest and Commissions Income		34,821,702	30,116,223
Gain from foreign currency exchange	30	540,566	663,644
Gain from financial assets at fair value through statement of income	31	1,030,122	1,256,201
Cash dividends from financial assets at fair value through other comprehensive income	8	962,435	661,081
Other income	32	1,845,657	2,986,169
Gross income		39,200,482	35,683,318
Employees' expenses	33	(11,184,227)	(10,325,485)
Depreciation and amortization	11,12	(2,759,899)	(2,451,355)
Other expenses	34	(7,683,199)	(6,487,339)
Provision for impairment in direct credit facilities	10	3,303,506	(539,391)
(Sundry provisions) Returns from sundry provisions	18	(271,819)	23,372
Total expenses		(18,595,638)	(19,780,198)
Net income for the year before income tax		20,604,844	15,903,120
Income tax expense	19	(6,295,018)	(3,537,724)
Net income for the year		14,309,826	12,365,392
Attributable to:			
Shareholders of the bank		14,254,168	12,308,606
Non-controlling interest	26	55,658	56,786
		14,309,826	12,365,392
Basic and diluted earnings per share from net income for the year attributable to shareholders of the banks	35	0.143	0.123

The attached notes from 1 to 47 are an integral part of these consolidated financial statement

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2015

	Note	2015 JD	2014 JD
Assets			
Cash and balances at the Central Bank of Jordan	4	102,527,791	69,221,128
Balances at banks and financial institution	5	45,854,292	43,729,599
Deposits at banks and financial institution	6	5,000,000	1,378,847
Financial assets at fair value through statement of income	7	2,556,397	7,496,950
Direct credit facilities - net	10	454,704,268	456,056,903
comprehensive income	8	20,581,461	12,360,779
Financial assets at amortized cost	9	119,079,954	139,821,998
Property and equipment-net	11	28,727,750	21,067,417
Intangible assets	12	1,955,925	2,197,062
Deferred tax assets	19	5,365,915	5,220,816
Other assets	13	59,066,138	46,021,489
Total assets		845,419,891	805,163,338
Liabilities And Equity			
Liabilities			
Banks and financial institutions deposit	14	9,018,275	16,769,485
Customers deposits	15	584,076,355	561,390,822
Cash margins	16	32,157,407	34,755,916
Borrowed funds	17	42,322,037	28,489,516
Sundry provisions	18	1,082,090	924,101
Income tax provision	19	6,208,287	3,467,908
Deferred tax liabilities	19	2,073,433	1,886,194
Other liabilities	20	13,835,700	11,185,386
Total Liabilities		690,773,584	658,869,328
Equity			
Authorized capital	21	100,000,000	100,000,000
Subscribed and paid-in capital	21	100,000,000	100,000,000
Statutory reserve	22	21,332,948	19,272,464
General banking risks reserve	22	4,603,049	4,374,922
Fair value reserve – net	23	3,839,176	2,762,658
Retained earnings	24	23,984,252	19,052,742
Total equity attributable to the shareholders of the bank		153,759,425	145,462,786
Non-controlling interest	26	886,882	831,224
Total equity		154,646,307	146,294,010
Total liabilities and equity		845,419,891	805,163,338

The attached notes from 1 to 47 are an integral part of these consolidated financial statements

CONSOLIDATED STATEMENT OF CHANGES IN OWNER’S EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015

2015	Paid in capital	Reserves			Retained earnings	Total shareholders’ equity attributable to the bank’s shareholder	Non-controlling interest	Total
		Statutory	General banking risk	financial assets reserve revaluation				
	JD	JD	JD	JD	JD	JD	JD	JD
As at 1 January	100,000,000	19,272,464	4,374,922	2,762,658	19,052,742	145,462,786	831,224	146,294,010
Net income for the year	-	-	-	-	14,254,168	14,254,168	55,658	14,309,826
Net change in fair value reserve	-	-	-	1,043,637	-	1,043,637	-	1,043,637
Loss from sale of financial assets at fair value through other comprehensive income	-	-	-	32,881	(34,047)	(1,166)	-	(1,166)
Total other comprehensive income	-	-	-	1,076,518	14,220,121	15,296,639	55,658	15,352,297
Dividends (Note 24)	-	-	-	-	(7,000,000)	(7,000,000)	-	(7,000,000)
Transferred to reserves	-	2,060,484	228,127	-	(2,288,611)	-	-	-
	-	1,590,312	144,374	-	(8,734,686)	(7,000,000)	-	(7,000,000)
As at 31 December 2015	100,000,000	21,332,948	4,603,049	3,839,176	23,984,251	153,759,425	886,882	154,646,307
2014								
As at 1 January	100,000,000	17,682,152	4,230,548	1,086,382	15,754,630	138,753,712	774,438	139,528,150
Net income for the year	-	-	-	-	12,308,606	12,308,606	56,786	12,365,392
Net change in fair value reserve	-	-	-	1,371,762	-	1,371,762	-	1,371,762
Loss from sale of financial assets at fair value through other comprehensive income	-	-	-	304,514	(275,808)	28,706	-	28,706
Total other comprehensive income	-	-	-	1,676,276	12,032,798	13,709,074	56,786	13,765,860
Dividends (Note 24)	-	-	-	-	(7,000,000)	(7,000,000)	-	(7,000,000)
Transferred to reserves	-	1,590,312	144,374	-	(1,734,686)	-	-	-
As at 31 December 2014	100,000,000	19,272,464	4,374,922	2,762,658	19,052,742	145,462,786	831,224	146,294,010

- Included in retained earnings an amount of JD 5,365,915 as of 31 December 2015 restricted by the instructions of Central Bank of Jordan for deferred tax assets against JD 5,220,816 as of 31 December 2014.
- Included in the retained earnings a restricted amount of JD 2,539,200 as of 31 December 2015 (and 31 December 2014: JD 2,539,200) based on Central Bank of Jordan request, for the remaining balance of fraudulent transactions.
- Included in the retained earnings a restricted amount of JD 426,919 as of 31 December 2015 against JD 1.230.895 as of 31 December 2014 which represents the effect of the early adoption of IFRS (9).Such amount is restricted and cannot be utilized unless realised through actual sale as instructed by Jordan Securities Commission.
- Included in the retained earnings an amount of JD Zero as of 31 December 2015 (2014: JD 159,233) which represents a revaluation difference of financial assets at fair value through income statement.
- The use of general banking risks reserve is restricted and requires prior approval from the Central Bank of Jordan.
- The use of fair value of financial assets reserve-net is restricted and requires prior approval from Central bank of Jordan.

The attached notes from 1 to 47 are an integral part of these consolidated financial statements

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015

	2015	2014
	JD	JD
Net income for the year	14,309,826	12,365,391
Other comprehensive income items:		
Net change in fair value reserve - net of tax	1,043,637	1,371,762
(loss) Gain on sale of financial assets through other comprehensive income	(1,166)	28,706
Total other comprehensive income for the year	1,042,471	1,400,468
Total comprehensive income	15,352,297	13,765,860
Total other comprehensive income attributable to :		
Shareholders of the bank	15,296,639	13,709,074
Non-controlling interest	55,658	56,786
	15,352,297	13,765,860

The attached notes from 1 to 47 are an integral part of these consolidated financial statements

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2015

	Note	2015	2014
		JD	JD
Operating activities			
Income for the year before income tax		20,604,844	15,903,120
Adjustments:			
Depreciation and amortisation	11,12	2,759,899	2,451,355
Provision for impairment in direct credit facilities	10	(3,303,506)	539,391
Provision for employees end-of-service	18	7,307	7,437
Provision for lawsuits against the bank	18	264,512	(30,810)
Gain from sale of property and equipment	32	(17,469)	-
Provision for seized assets owned for more than 4 years		280,415	-
(Recovery) Provision for impairments of seized assets by the bank	13	(39,303)	111,691
Gain on sale of assets sized by the bank	32	(43,051)	(1,109,083)
Unrealised Gain from financial assets at fair value through statement of income	31	90,022	(947,407)
Dividends received from financial assets at fair value through other comprehensive income	8	(962,435)	(661,081)
Net interest expense		(115,317)	987,036
Effect of exchange rate fluctuations on cash and cash equivalents	30	(41,809)	(70,335)
		19,484,109	17,181,314
Change in assets and liabilities			
Deposits at banks and financial institutions (maturing after more than 3 months)	6	(3,621,153)	39,153
Deposits at banks and financial institutions (Restricted Balances)	6	(2,885)	(857,381)
Financial assets at fair value through statement of income	7	2,490,395	849,888
Direct credit facilities	10	4,665,141	(26,303,831)
Other assets	13	(12,903,151)	(8,729,327)
Customers' deposits	15	22,685,533	43,524,645
Cash margins	16	(2,598,509)	(9,319,273)
Other liabilities	20	3,007,422	(1,946,466)
Net cash flows generated from operating activities before Income tax paid and paid provisions		33,206,902	14,438,720
Income tax and sundry provisions paid	18,19	(4,205,874)	(3,894,121)
Net cash flows generated from operating activities		29,001,028	10,544,5601
Investing activities			
Purchase of Financial assets at fair value through other comprehensive income		(6,748,498)	(304,766)
Selling of Financial assets at fair value through other comprehensive income		149,832	772 838
Dividends received from financial assets at fair value through statement of Income	8	962,435	661,081
Purchase of Financial assets at amortized cost		(45,212,272)	(75,387,435)
Maturity of financial assets at amortized cost		68,314,452	63,369,398
Purchase of property and equipment and project under progress	11	(9,700,000)	(771,457)
Proceeds from sale of property and equipment		17,606	-
Purchase of intangible assets	12	(479,232)	(922,210)
Net cash flows used in investing activities		7,304,323	(12,582,551)
Financing activities			
Dividends paid	24	(7,000,000)	(7,000,000)
Borrowed funds		13,832,521	12,826,515
Net cash flows from financing activities		6,832,521	5,826,515
Effect of exchange rate fluctuations on cash and cash equivalents	30	41,809	70,335
Net increase in cash and cash equivalents		43,179,681	3,858,900
Cash and cash equivalents at 1 January		93,800,857	89,941,959
Cash and cash equivalents at 31 December	36	136,980,540	93,800,859

The attached notes from 1 to 47 are an integral part of these consolidated financial statements

(1) GENERAL INFORMATION

Invest Bank (the "Bank") was established as a Jordanian public shareholding company under registration No. (173) dated 12 August 1982 in accordance with the Companies Law No. (12) for the year 1964 with a paid in capital of JD 6 million distributed over 6 million shares with a par value of JD 1 per share. The Bank's capital was increased several times to become JD 77,500,000 / JD 1 per share as of 31 December 2010. Furthermore, during 2011, the Bank's capital was increased to JD 85,250,000 / JD 1 per share. Finally, the Bank's capital was increased by JD 14,750,000 on 10 April 2012. Accordingly, the Bank's authorized and paid in capital became JD 100 Millions / JD 1 per share.

The Bank's Head Office is located in Amman, Abd Alhameed Sharaf Street, Shmesani, Tel: 5001500, P.O Box 950601, Amman – 11195 Jordan.

The Bank provides banking and related financial services through its Head Office and eleven branches in the Hashemite Kingdom of Jordan, and its subsidiaries.

Invest Bank is a public shareholding company listed in Amman Stock Exchange.

These consolidated financial statements have been approved by the Board of Directors in meeting conducted on 27 January 2016 and are subject to General Shareholder Assembly approval.

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Following are the significant accounting policies used by the Bank in the preparation of these consolidated financial statements.

2.1 Basis of preparation

The accompanying consolidated financial statements for the year ended 31 December 2015 of the Bank and its subsidiaries are prepared in accordance with the standards issued by the International Accounting Standards Board (IASB), interpretations issued by the Committee of the IASB, prevailing local laws and regulations of the Central Bank of Jordan.

The consolidated financial statements are prepared under the historical cost convention, except for financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income and financial derivatives that have been measured at fair value at the date of these consolidated financial statements. Hedged assets and liabilities are also stated at fair value.

The reporting currency of these consolidated financial statements is the Jordanian Dinar which is the functional currency of the Bank.

The accounting policies applied in the financial statement are consistent with those used in the year ended 31 December 2014 except for the information presented in note (2-2).

2.2 Changes in accounting policies and disclosures

The principal accounting policies applied in the preparation of these consolidated financial statements for the year ended 31 December 2014 except for the implementations of new standards and amendments on existing standards as mentioned below, which doesn't have material effect on the financial statements for the year ended 31 December 2015.

(a) New standards, amendments and interpretations adopted by the Bank

a. The Company has applied the following standards and amendments for the first time for their annual reporting period commencing 1 January 2015:

- Annual Improvements to IFRSs – 2010-2012 Cycle and 2011 – 2013 Cycle
- Defined Benefit Plans: Employee Contributions – Amendments to IAS 19
- Annual Improvements to IFRSs 2012-2014 Cycle, and
- Disclosure Initiative: Amendments to IAS 1.

As these amendments and improvements merely clarify the existing requirements, they do not affect the Company's accounting policies or any of the disclosures.

(b) New standards, amendments and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2015 reporting periods and have not been early adopted by the Company. The Company's assessment of the impact of these new standards and interpretations is set out below.

IFRS 9 Financial Instruments: IFRS 9 addresses the classification, measurement and derecognition of financial assets and financial liabilities and introduces new rules for hedge accounting. In July 2014, the IASB made further changes to the classification and measurement rules and also introduced a new impairment model. These latest amendments now complete the new financial instruments standard. Must be applied for financial years commencing on or after 1 January 2018

IFRS 15 Revenue from Contracts with Customer: The IASB has issued a new standard for the recognition of revenue. This will replace IAS 18 which covers contracts for goods and services and IAS 11 which covers construction contracts. The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer – so the notion of control replaces the existing notion of risks and rewards. The standard permits a modified retrospective approach for the adoption. The standard should be adopted mandatory for financial years commencing on or after 1 January 2018.

There are no other standards that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

2.3 Basis of Consolidation

The consolidated financial statements include the financial statements of the Bank and the wholly owned subsidiary companies controlled by it. Control exists when the Bank has the ability to control the financial and operating policies of the subsidiary companies in order to achieve financial benefits out of their operations. All inter-company transactions, balances, revenues and expenses between the Bank and its subsidiaries are eliminated.

The Bank owns the following subsidiaries as of 31 December 2015:

Company's Name	Paid-in capital	Bank's ownership	Nature of operations	Location	Date of acquisition
Al- Mawared for Financial Brokerage Company	10,000,000	100%	Financial securities brokerage	Amman	2006
Tamkeen Leasing Company	5,000,000	90%	Lease financin	Amman	2006
Al- Istethmari Latemweel Selselat Al Imdad Company	3,000,000	94%	Management and operation of bonded stores	Amman	2010
Jordanian Company for Factoring *	30,000	100%	Factoring receivables	Amman	2011

* This company was established on 21 December 2011 and has not commenced its operations as of the date of these consolidated financial statements

The financial statements of the subsidiaries are prepared using the same accounting policies adopted by the Bank. Changes are made to the accounting policies of subsidiaries, when necessary, to align them with accounting policies adopted by the Bank.

Subsidiaries are investees controlled by the Bank. The financial statements of the subsidiaries are included in the consolidated financial statements from the date the Bank obtains control of the investee and ceases when the Bank loses control of the investee.

Non-controlling interest represents the portion of net profit or loss and net assets not owned directly or indirectly by the Bank in its subsidiaries and are presented in the consolidated statement of income and within equity in the consolidated statement of financial position separately from the equity attributable to the shareholders of the Bank.

2.4 Segment Information

A business segment is a group of assets or operations jointly engaged in providing an individual product or service or a group of related products or services subject to risks and returns different from those of other business segments. It is measured according to the reports used by the General Manager or other key decision makers at the Bank.

A geographical segment is a distinguishable component of an entity engaged in providing products or services within a particular economic environment subject to risks and returns different from those of components operating in other economic environments

2.5 Financial Assets at Fair Value through Statement of income

It is the financial assets held by the Bank for the purpose of trading in the near future and achieving gains from the fluctuations in market prices in the short term or trading margins

Financial assets at fair value through profit or loss are initially stated at fair value at acquisition date (purchase costs are recorded at the consolidated statement of income upon acquisition) and subsequently measured at fair value. Moreover, changes in fair value are recorded in the consolidated statement of income including the change in fair value resulting from translation of non-monetary assets stated at foreign currency. Gains or losses resulting from the sale of these financial assets are taken to the consolidated statement of income.

Dividends and interests from these financial assets are recorded in the consolidated statement of income

It is not allowed to reclassify any financial assets to / from this category except for the cases specified in International Financial Reporting Standards.

It is not allowed to classify any financial assets that do not have prices in active markets and active dealings in these items.

2.6 Direct Credit Facilities

Represents financial assets which have fixed or agreed payments which the bank submitted in the first place and these Financial assets do not have quoted prices in active markets.

Direct credit facilities are recorded at amortized cost after deducting the provision for the direct credit facilities and interest and commissions in suspense.

A provision for the impairment in direct credit facilities is recognized when it is obvious that the financial assets of the Bank cannot be recovered, there is an objective evidence of the existence of an event negatively affecting the future cash flows of the direct credit facilities, and the impairment amount can be estimated. The provision is taken to the consolidated statement of income. Interest and commissions on non-performing credit facilities are suspended in accordance with the regulations of the Central Bank of Jordan.

Impaired credit facilities, for which specific provisions have been taken, are written off by charging the provision after all efforts have been made to recover the assets. Any surplus in the provisions is taken to the consolidated statement of income, while debt recoveries are taken to income.

2.7 Financial Assets at Fair Value through Other Comprehensive Income

Those financial assets represent the investments in equity instruments held for long term

Financial assets at fair value through other comprehensive income are initially stated at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in the consolidated statement of other comprehensive income and within owner's equity, including the changes in fair value resulting from translation of non-monetary assets stated at foreign currency. Gain or loss from the sale of these investments should be recognized in the consolidated statement of comprehensive income and within owner's equity, and the balance of the evaluation reserve for these assets should be transferred directly to the retained earnings not to the consolidated statement of income.

No impairment testing is required for those assets.

Dividends are recorded in the consolidated statement of income.

2.8 Financial Assets at Amortized Cost

Financial assets at amortized cost are the financial assets which the Bank's management intends according to its business model to hold for the purpose of collecting the contractual cash flows which comprise the contractual cash flows that are solely payments of principal and interest on the principal outstanding

Financial assets are recorded at cost upon purchase plus acquisition expenses. Moreover, the issue premium \ discount is amortized using the effective interest rate method, and recorded to interest account. Provisions associated with the decline in value of these investments leading to the inability to recover the investment or parts thereof are deducted. Any impairment is registered in the consolidated statement of income and should be presented subsequently at amortized cost less any impairment losses.

The amount of the impairment loss recognized is the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the original effective interest rate

It is not allowed to reclassify any financial assets from / to this category except for certain cases specified in the International Financial Reporting Standards (and in the case of selling those assets before its maturity date, the results should be recorded in a separate account in the consolidated statement of income, disclosures should be made in accordance to the requirements of International Financial Reporting Standards).

2.9 Fair Value

Fair value represents the closing market price (Acquisition of assets/ Sale of liabilities) of financial assets and derivatives on the date of the consolidated financial statements. In case the declared market prices do not exist, active trading of some financial assets and derivatives is not available, or the market is inactive, fair value is estimated by one of several methods including the following:

Comparison with the fair value of another financial asset with similar terms and conditions

Analysis of the estimated future cash flows and discounted cash flows at current rates applicable for items with similar terms and risk characteristics.

Evaluation of long term assets and liabilities that bears no interest in accordance to discounted cash flows using effective interest rate, premiums and discounted are amortized within interest revenue or expense in the consolidated statement of income.

The evaluation methods aim to provide a fair value reflecting the expectations of the market, and take into consideration market factors, risks and expected benefits, at the time of evaluation of the financial instruments. In case the fair value of an investment cannot be measured reliably, it is stated at cost less any impairment.

2.10 Impairment in the Value of Financial Assets

The Bank reviews the values of financial assets on the date of the consolidated statement of financial positio in order to determine if there are any indications of impairment in their value individually or in the form of a portfolio. In case such indications exist, the recoverable value is estimated in order to determine the impairment loss.

Impairment is determined as follows:

Impairment in financial assets recorded at amortized cost represents the difference between the book value and the present value of the expected cash flows discounted at the original interest rate

The impairment in value is recorded in the consolidated statement of income. Any surplus in the following period resulting from previous impairment in the value of debt instruments is taken to the consolidated statement of income and any impairment in the value of equity instruments is taken to the consolidated statement of other comprehensive income.

2.11 Property and Equipment

Property and equipment are stated at cost net of accumulated depreciation and any impairment in value. Moreover, property and equipment (except for land) are depreciated according to the straight-line method over their estimated useful lives using the following rates:

	%
Buildings	2
Fixtures, equipment and furniture	10- 25
Vehicles	15- 20
Computers	20
Decorations	25

When the carrying values of property and equipment exceed their recoverable values, assets are written down to the recoverable value, and impairment losses are recorded in the consolidated statement of income.

The useful lives of property and equipment are reviewed at the end of each year. In case the expected useful life is different from what was determined before, the change in estimate is recorded in the following years, being a change in estimate.

Property and equipment are derecognized when disposed of or when there is no expected future benefit from their use or disposal.

2.12 Provisions

Provisions are recognized when the Bank has an obligation on the date of the consolidated statement of financial position as a result of past events, it is probable to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

2.13 Provision for Employees End-of-Service Indemnities

The employees' end-of-service indemnities provision is calculated at a rate of one month per service year for contracted employees more than 60 years old.

The required provision for end-of-service indemnities for the year is recorded in the consolidated statement of income while payments to departing employees are deducted from the provision amount.

2.14 Cost of Issuing or Purchasing Bank Shares

Any costs that result from purchasing or issuing bank shares are charged to retained earnings (net of the tax effect relating to those costs, if any). If the underwriting process or purchase process was incomplete, these costs are charged to the consolidated statement of income.

2.15 Income Tax

Income tax expenses represent accrued taxes and deferred taxes.

Income tax expenses are accounted for on the basis of taxable income. Moreover, taxable income differs from income declared in the consolidated financial statements because the latter includes non-taxable revenue or tax expenses not deductible in the current year but deductible in subsequent years, accumulated losses acceptable by the tax authorities, and items not accepted for tax purposes or subject to tax.

Taxes are calculated on the basis of the tax rates prescribed according to the prevailing laws, regulations, and instructions in Jordan.

Deferred taxes are taxes expected to be paid or recovered as a result of temporary timing differences between the value of the assets and liabilities in the consolidated financial statements and the value of the taxable amount. Deferred tax is calculated on the basis of the liability method in the consolidated statement of financial position according to the rates expected to be applied when the tax liability is settled or deferred tax assets are recognized.

Deferred tax assets are reviewed as of the date of the consolidated financial statements, and reduced in case it is expected that no benefit will arise therefrom, partially or totally

2.16 Accounts Managed on Behalf of Customers

This item represents the accounts managed by the Bank on behalf of its customers and is not part of the Bank's assets. The fees and commissions for managing these accounts are shown in the consolidated statement of income. Furthermore, a provision is taken against the decline in the value of capital-guaranteed portfolios managed on behalf of customers.

2.17 Offsetting

Financial assets and financial liabilities are offset, and the net amount is reflected in the consolidate statement of financial position only when there are legal rights to offset the recognized amounts, the Bank intends to settle them on a net basis, or assets are realized and liabilities settled simultaneously.

2.18 Realization of Income and Recognition of Expenses

Interest income is realized and expenses are recognized using the effective interest rate method, except for interest and commission on non-performing loans which are not recognized as revenue but recorded in the interest and commission in suspense account until they are received in cash.

Expenses are recognized on the accrual basis.

Commission is recorded as revenue when the related services are provided.

Dividends are recorded when realized (decided upon by the General Assembly of Shareholders).

2.19 Recognition of Financial Assets

Financial assets are recognized on the trading date which is the date the Bank commits itself to purchase or sell the financial assets

2.20 Financial Derivatives and Hedge Accounting

For hedge accounting purposes, financial derivatives are stated at fair value. Hedges are classified as follows:

- Fair value hedge:

Hedge for the change in the fair value exposures of the Bank's assets and liabilities.

When the conditions of effective fair value hedge are met, the resulting gain or loss from re-measuring the fair value hedge is recognized in the consolidated statement of income.

When the conditions of effective portfolio hedge are met, the gain or loss resulting from the revaluation of the hedging instrument at fair value as well as the change in the fair value of the assets or liabilities portfolio are recorded in the consolidated statement of income for the same period.

- Cash flow hedge:

Hedge for the change in the current and expected cash flows exposures of the Bank's assets and liabilities

When the conditions of effective cash flow hedge are met, the gain or loss of the hedging instruments is recognized in the consolidated statement of other comprehensive income in owners' equity. Such gain or loss is transferred to the consolidated statement of income in the period in which the hedge transaction impacts the consolidated statement of income

- Hedge for net investment in foreign entities:

When the conditions of the hedge for net investment in foreign entities are met, fair value is measured for the hedging instrument of the hedged net assets. In case of an effective relationship, the effective portion of the loss or profit related to the hedging instrument is recognized in the consolidated statement of other comprehensive income and in owner's equity. The ineffective portion is recognized in the consolidated statement of income. The effective portion is recorded in the consolidated statement of income when the investment in foreign entities is sold.

When the conditions of the effective hedge do not apply, gain or loss resulting from the change in the fair value of the hedging instrument is recorded in the consolidated statement of income in the same period.

2.21 Financial Derivatives for Trading

The fair value of financial derivatives for trading such as forward foreign currency contracts, future interest rate contracts, swap agreements, and foreign currency options is recorded in the consolidated statement of financial position under other assets or other liabilities as the case may be. Fair value is measured according to the prevailing market prices, and if they are not available, the measurement method should be disclosed. The change in their fair value is recognized in the consolidated statement of income.

2.22 Repurchase and Resale Agreements

Assets sold with a simultaneous commitment to repurchase them at a future date continue to be recognized in the consolidated financial statements as a result of the Bank's continuous control over these assets and as the related risks and benefits are transferred to the Bank upon occurrence. They also continue to be measured in accordance with the adopted accounting policies. Amounts received against these contracts are recorded within liabilities under borrowed funds. The difference between the sale price and the repurchase price is recognized as an interest expense amortized over the contract period using the effective interest rate method.

Purchased assets with corresponding commitment to sell at a specific future date are not recognized in the consolidated financial statements because the Bank has no control over such assets and the related risks and benefits are not transferred to the Bank upon occurrence. Payments related to these contracts are recorded under deposits with banks and other financial institutions or loans and advances in accordance with the nature of each case. The difference between the purchase price and resale price is recorded as interest revenue amortized over the life of the contract using the effective interest rate method.

2.23 Assets Seized by the Bank

Assets seized by the Bank are shown under "other assets" at the acquisition value or fair value, whichever is lower. As of the consolidated financial statements date, these assets are revalued individually at fair value. Any decline in their market value is taken to the consolidated statement of income whereas any such increase is not recognized. A subsequent increase is taken to the consolidated statement of income to the extent it does not exceed the previously recorded impairment.

Provision is provided against sized assets for more than four years according to central bank of Jordan regulation

2.24 Intangible Assets

Intangible assets purchased in an acquisition are stated at fair value at the date of acquisition. Intangible assets purchased other than through acquisition are recorded at cost.

Intangible assets are to be classified on the basis of either definite or indefinite useful life. Intangible assets with definite useful economic lives are amortized over their useful lives and recorded as an expense in the consolidated statement of income. Intangible assets with indefinite lives are reviewed for impairment as of the consolidated financial statements date, and impairment loss is treated in the consolidated statement of income as an expense for the period.

No capitalization of internally generated intangible assets resulting from the Bank's operations is made. They are rather recorded as an expense in the consolidated statement of income for the period.

Any indications of impairment in the value of intangible assets as of the consolidated financial statements date are reviewed. Furthermore, the estimated useful lives of the impaired intangible assets are reassessed, and any adjustment is made in the subsequent period.

Software and computer programs are amortized over their estimated useful economic lives at a rate of 20% annually.

2.25 Foreign Currency

Transactions in foreign currencies during the year are recorded at the exchange rates prevailing at the date of the transaction.

Financial assets and financial liabilities denominated in foreign currencies are translated at the average rates prevailing on the consolidated statement of financial position date and declared by the Central Bank of Jordan.

Non-monetary assets and liabilities denominated in foreign currencies and recorded at fair value are translated on the date when their fair value is determined.

Gains or losses resulting from foreign currency translation are recorded in the consolidated statement of income.

Translation differences on non-monetary assets and liabilities denominated in foreign currencies are recorded as part of the change in fair value.

2.26 Cash and Cash Equivalents

Cash and cash equivalents comprise cash balances with the Central Bank of Jordan and balances with banks and financial institutions maturing within three months, less balances due to banks and financial institution maturing within three months and restricted funds.

(3) ACCOUNTING ESTIMATES

Preparation of the consolidated financial statements and the application of the accounting policies require the Bank's management to perform assessments and assumptions that affect the amounts of financial assets and liabilities, fair value reserve and the disclosure of contingent liabilities. Moreover, these assessments and assumptions affect revenues, expenses, provisions, and changes in the fair value shown within the consolidated statement of other comprehensive income. In particular, this requires the Bank's management to issue significant judgments and assumptions to assess future cash flow amounts and their timing. Moreover the said assessments are necessarily based on assumptions and factors with varying degrees of consideration and uncertainty. In addition, actual results may differ from assessments due to the changes resulting from the conditions and circumstances of those assessments in the future.

A provision is set against the lawsuits raised against the Bank. This provision is subject to an adequate legal study prepared by the Bank's legal advisors. Moreover, the study highlights potential risks that the Bank may encounter in the future. Such legal assessments are reviewed periodically.

A provision for performing and non-performing loans is taken on the bases and estimates approved by the Bank's management in conformity with International Financial Reporting Standards (IFRS). The outcome of these bases and estimates is compared against the adequacy of the provisions as per the Central Bank of Jordan's instructions. The strictest outcome that conforms to International Financial Reporting Standards is used for determining the provision.

Impairment loss is booked after a sufficient and recent evaluation of the assets seized by the Bank has been conducted by approved surveyors. The impairment loss is reviewed periodically.

Management periodically reassesses the economic useful lives of tangible and intangible assets for the purpose of calculating annual depreciation and amortization based on the general condition of these assets and the assessment of their useful economic lives expected in the future. Impairment loss (if any) is taken to the consolidated statement of income.

Management frequently reviews the financial assets stated at cost to estimate any decline in their value. Impairment loss (if any) is taken to the consolidated statement of income as an expense for the year.

Management estimates the impairment in fair value when the market value reaches a certain limit indicative of the amount of impairment loss, which doesn't conflict with the International Financial Reporting Standards and the instructions of the Regulatory authorities.

Fair Value Hierarchy :

The Bank determines and discloses the level in the fair value hierarchy into which the fair value measurements are categorized in their entirety, segregating fair value measurements in accordance with the levels defined in IFRS. Differentiating between Level 2 and Level 3 fair value measurements, i.e., assessing whether inputs are observable and whether the unobservable inputs are significant, may require judgment and a careful analysis of the inputs used to measure fair value, including consideration of factors specific to the asset or liability

The management believes that the estimates adopted in the preparation of the consolidated financial statements are reasonable.

(4) CASH AND BALANCES WITH THE CENTRAL BANK OF JORDAN

This item consists of the following:

	2015	2014
	JD	JD
Cash on hand	8,945,798	8,943,918
Balances with central banks		
Current and demand accounts	728,924	558,997
Term and notice deposits	22,000,000	21,000,000
Statutory cash reserve *	39,553,069	38,718,213
Deposit certificate	31,300,000	-
	102,527,791	69,221,128

- Except for the statutory cash reserve, there are no restricted balances as of 31December 2015 and 2014.
- There are no balances matured in a period exceeding three months as of 31 December 2015 and 2014.

(5) BALANCES WITH BANKS AND FINANCIAL INSTITUTIONS

This item consists of the following:

	Local Banks and Financial Institutions		Foreign Banks and Financial Institutions		Total	
	31 December		31 December		31 December	
	2015	2014	2015	2014	2015	2014
	JD	JD	JD	JD	JD	JD
Current and demand accounts	758	7,002	20,407,181	20,505,290	20,407,939	20,512,292
Deposit maturing within three months	18,000,000	18,447,634	7,446,353	4,769,673	25,446,353	23,217,307
Total	18,000,758	18,454,636	27,853,534	25,274,963	45,854,292	43,729,599

- Non-interest bearing balances at banks and financial institutions amounted to JD 20,464,391 as of 31 December 2015 against JD 16,778,244 as of 31 December 2014.

- Restricted balances amounted to JD 2,383,268 as of December 31, 2015 against JD 2,380,385 2014.

(6) DEPOSITS WITH BANKS AND FINANCIAL INSTITUTIONS

	Local Banks and Financial Institutions		Foreign Banks and Financial Institutions		Total	
	31 December		31 December		31 December	
	2015	2014	2015	2014	2015	2014
	JD	JD	JD	JD	JD	JD
Deposits	5,000,000	-	-	1,378,847	5,000,000	1,378,847
Total	5,000,000	-	-	1,387,847	5,000,000	1,378,847

Deposits balances maturing within a period exceeding three months amounted to JD 5,000,000 as of 31 December 2015 against JD 1,378,847 as of 31 December 2014.

There are no restricted deposits as of December 31, 2015 and 2014.

(7) FINANCIAL ASSETS AT FAIR VALUE THROUGH STATEMENT OF INCOME

This item consists of the following:

	31 December 2015	31 December 2014
	JD	JD
Companies shares	2,517,281	5,098,902
Bonds	-	2,358,932
Investment funds	39,116	39,116
Total	2,556,397	7,496,950

(8) FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

This item consists of the following:

	31 December 2015	31 December 2014
	JD	JD
Quoted shares	18,302,235	10,387,766
Unquoted shares *	2,279,226	1,973,013
Total	20,581,461	12,360,779

* The fair value of the unquoted shares has been valued using the net book value method which is considered the best valuation method for such investments.

- Realized losses on the sale of shares at fair value through other comprehensive income amounted to JD 34,047 for the year ended 31 December 2015 against JD 275,808 for the year ended 31 December 2014, which was directly recorded to retained earnings in owner's equity.

- Cash dividends on financial assets amounted to JD 962,435 for the year ended 31 December 2015 against J 661,081 for the year ended 31 December 2014.

(9) FINANCIAL ASSETS AT AMORTIZED COSTS

This item consists of the following:

	31 December 2015	31 December 2014
	JD	JD
Quoted financial assets:		
Governmental bonds *	82,075,105	133,004,151
Governmental bonds guaranteed by the government	6,359,996	4,318,000
Corporate loans (Companies bonds and debentures)	19,292,378	
Total	107,727,479	137,322,151
Unquoted financial assets:		
Companies bonds and debentures	11,352,475	2,499,847
Total	11,352,475	2,499,847
Total financial assets at amortized cost	119,079,954	139,821,998
Bonds and bills analysis:		
Fixed return	119,079,954	139,821,998

(10) DIRECT CREDIT FACILITIES-NET

This item consists of the following:

	31 December 2015	31 December 2014
	JD	JD
Individuals (retail):		
Overdraft	13,215,433	15,501,553
Loans and discounted bills *	48,718,650	46,433,345
Credit Cards	10,114,294	8,185,917
Real estate loans	117,991,221	118,306,642
Companies		
Corporate:		
Overdraft	72,711,544	45,972,781
Loans and discounted bills *	206,238,290	242,686,202
Medium and small entities		
Overdraft	7,658,985	4,219,905
Loans and discounted bills *	8,415,254	16,262,882
Total	485,063,671	497,569,224
Less: Provision for impairment in direct credit facilities	(19,277,846)	(29,214,415)
Interest in suspense	(11,081,557)	(12,288,906)
Net Direct Credit Facilities	454,704,268	456,065,903

*Net after deducting interest and commissions received in advance of JD 6,813,231 as of 31 December 2015 against JD 4,269,382 as of 31 December 2014.

Non-performing credit facilities amounted to JD 34,240,982 which is equivalent to (7.1%) of total direct credit facilities as of 31 December 2015 against JD 46,554,825, which is equivalent to (9.3%) of total credit facilities as of 31 December 2014.

Non-performing credit facilities excluding interest and commissions in suspense amounted to JD 23,565,933 which is equivalent to (4.97%) of total direct credit facilities after excluding interest in suspense as of 31 December 2015 against JD 36,386,592 which is equivalent to (7.5%) of total credit facilities after excluding interest in suspense as of 31 December 2014.

No direct credit facilities were granted to / guaranteed by Jordan Government as of 31 December 2015 and 2014.

Provision for Impairment in Direct Credit Facilities:

The movement on the provision for impairment in direct credit facilities was as follows:

			Companies		
	Individuals	Real estate loans	Corporate	Medium and Small	Total
	JD	JD	JD	JD	JD
2015					
Balance at 1 January	4,972,953	6,775,559	12,016,642	5,449,261	29,214,415
Provision (surplus) Charge for the year	487,461	(5,537,618)	1,639,243	107,408	(3,303,506)
Used during the year (written-off)*	(1,043,421)	(17,732)	(3,788,350)	(1,783,560)	(6,633,063)
Balance at year end	4,416,993	1,220,209	9,867,535	3,773,109	19,277,846
2014					
Balance at 1 January	5,872,645	5,155,962	13,320,031	5,493,256	29,841,894
Provision (surplus) Charge for the year	(581,522)	1,619,597	(464,349)	(34,335)	539,391
Used during the year (written-off)*	(318,170)	-	(839,040)	(9,660)	(1,166,870)
Balance at year end	4,972,953	6,775,559	12,016,907	5,449,261	29,214,415

- Non-performing credit facilities provision amounted to JD 18,379,294 as of 31 December 2015 against JD 28,444,787 as of 31 December 2014 in addition the watch list provision amounted to JD 898,552 as of 31 December 2015 against JD 769,628 as of 31 December 2014
- The provisions no longer needed due to settlements or repayments of debts and transferred against other debts amounted to JD 9,514,119 as of 31 December 2015 against JD 8,330,646 as of 31 December 2014.
- The provision for impaired credit facilities representing watch list and non-performing credit facilities are calculated based on the individual customer and not the portfolio.

Interest in Suspense:

The movement on the interest in suspense is as follows:

	Companies				
	Individuals	Real estate loans	Corporate	Medium and Small	Total
	JD	JD	JD	JD	JD
2015					
Balance at 1 January	1,752,822	3,040,787	6,045,756	1,449,551	12,288,906
Interest in suspense for the year	484,627	257,817	2,368,682	355,802	3,466,928
Interest transferred to revenue	(25,562)	(1,597,560)	(170,061)	(20,013)	(1,813,196)
Interest in suspense written-off *	(211,661)	(39,928)	(2,062,505)	(546,987)	(2,861,081)
Balance at year end	2,000,226	1,661,116	6,181,862	1,238,353	11,081,557
2014					
Balance at 1 January	1,586,965	1,823,690	3,867,343	903,994	8,181,992
Interest in suspense for the year	632,958	1,241,674	3,620,790	572,040	6,067,462
Interest reversed to income	(164,910)	(14,554)	(170,663)	(19,314)	(369,441)
Interest in suspense written-off *	(302,191)	(10,023)	(1,271,724)	(7,169)	(1,591,107)
Balance at year end	1,752,822	3,040,787	6,045,746	1,449,551	12,288,906

* According to the decision taken by board of directors of the bank and the senior management of Al-Mawared (Subsidiary company), non performing credit facilities with their related interest in suspense have been written off amounted to of JD 9,494,144 during the year ended 31 December 2015 against JD 2,757,977 for the year 2014

- Net credit facilities are distributed according to economic sector taking into consideration that all loans granted inside Jordan as follows:

	31 December 2015	31 December 2014
	JD	JD
Financial	38,521,169	37,436,514
Industrial and mining	71,549,850	96,230,509
Trading	116,701,788	121,454,442
Real estates	26,576,652	25,842,387
Constructions	43,319,841	58,366,248
Agricultural	1,219,313	1,290,632
Tourism , restaurants and public	60,640,319	36,030,122
Shares	20,694,165	24,165,002
Individuals/others	105,840,574	96,753,368
Total	485,063,671	497,569,224

(11) PROPERTY AND PLANT – NET

This item consists of the following:

	Land	Buildings	Equipment, fixtures and furniture	Vehicles	Computers	Total
	JD	JD	JD	JD	JD	JD
2015						
Cost						
Balance at 1 January	6,993,749	10,326,486	9,078,799	317,129	1,573,880	28,290,043
Additions	2,348,137	4,033,610	1,883,757	132,500	533,384	8,931,388
Disposals	-	-	(3,615)	(127,750)	-	(131,365)
Transfers	-	-	335,577	-	-	335,577
Balance at 31 December	9,341,886	14,360,096	11,294,518	321,879	2,107,264	37,425,643
Accumulated depreciation						
Balance at 1 January	-	961,599	5,265,562	257,688	1,094,095	7,578,944
Additions	-	261,906	1,435,650	34,061	307,913	2,039,530
Disposals	-	-	(3,479)	(127,749)	-	(131,228)
Balance at 31 December	-	1,223,505	6,697,733	164,000	1,402,008	9,487,246
Net book value of fixed assets as of 31 December	9,341,886	13,136,591	4,596,785	157,879	705,256	27,938,397
Advanced payments on purchase property and equipment and projects under construction **	-	-	777,955	-	11,398	789,353
Net property and equipment	9,341,886	13,136,591	5,374,740	157,879	716,654	28,727,750

	Land *	Buildings*	Equipment, fixtures and furniture	Vehicles	Computers	Total
	JD	JD	JD	JD	JD	JD
2014						
Cost						
Balance at 1 January	6,993,749	10,326,486	7,656,226	317,129	1,514,795	26,808,385
Additions	-	-	380,651	-	59,085	439,736
Transfers	-	-	1,041,922	-	-	1,041,922
Balance at 31 December	6,993,749	10,326,486	9,078,799	317,129	1,573,880	28,290,043
Accumulated depreciation						
Balance at 1 January	-	758,515	3,891,951	228,445	860,453	5,739,364
Additions	-	203,084	1,373,611	29,243	233,642	1,839,580
Balance at 31 December	-	961,599	5,265,562	257,688	1,094,095	7,578,944
Net book value of fixed assets as of 31 December	6,993,749	9,364,887	3,813,237	59,441	479,785	20,711,099
Advanced payments on for purchase property and equipment and projects under construction **	-	-	356,318	-	-	356,318
Net property and equipment	6,993,749	9,364,887	4,169,555	59,441	479,785	21,067,417

- Property, plant and equipment include fully depreciated items amounting to JD 4,048,529 as of 31 December 2015 against JD 3,954,613 as of 31 December 2014.

* This item represents down payments on the purchase of furniture, fixtures and equipment for the purpose of the bank's new branch in Dabouq and Taj Mall.

**This item contains pledge lands and buildings by JD 6,381,747 to the interest of specialized finance lease co. against capital lease for subsidiary which announced to JD 4,872,100 as of 31 December 2015.

(12) INTANGIBLE ASSETS

This item consists of the following:

	2015		2014	
	Down payments for acquiring programs	Computer Systems and Software	Total	Intangible assets
	JD	JD	JD	JD
Balance at beginning of the year	159,422	2,037,640	2,197,062	1,886,627
Additions*	11,600	467,632	479,232	922,210
Less: Amortization for the year	-	720,369	720,369	611,775
Transfers	(110,123)	110,123	-	-
Balance at year end	60,899	1,895,026	1,955,925	2,197,062

* Additions represent the amounts paid to acquire and improve the banking systems and programs.

[13] OTHER ASSETS

This item consists of the following:

	31 December 2015	31 December 2014
	JD	JD
Accrued interest and revenue	1,594,056	1,835,847
Prepaid expenses *	3,085,649	3,043,142
Assets seized by the Bank **	47,413,603	36,512,088
Refundable deposits	1,598,727	1,555,282
Balances related to fraudulent transactions - Net ***	2,539,200	2,539,200
Post-dated Cheques	111,007	-
Purchase acceptances	2,369,878	581,350
Others	354,018	535,930
	59,066,138	46,602,839

* Prepaid expenses include JD 2 million which represent the rent of the new branch for the bank in Abdoun Area for 18 years that are paid in advance.

** The Central Bank of Jordan’s instructions require disposal of assets seized by the bank during a maximum period of two years from the date of foreclosure and the Central Bank of Jordan can extend that period for a maximum of another two consecutive years. The balance is presented net of related impairment provision for the amount of JD 496,352 as of 31 December 2015 against to JD 535,655 for the year 2014, and provision for assets seized for more than four years for the amounts of JD 280,415 as of 31 December 2015.

The movement on assets seized by the Bank was as follows:

	31 December 2015			31 December 2014
	Seized Assets	Other Seized * Assets	JD Total	JD Total
Balance at beginning of the year	35,828,288	683,800	36,512,088	25,494,222
Additions*	13,491,770	30,225	13,521,995	16,461,303
Disposals	(2,379,368)	-	(2,379,368)	(5,331,746)
(Provision) Amount reversed from impairment of assets seized by the Bank	639,303	-	39,303	(111,691)
Provision for assets seized for more than 4 years **	(280,415)	-	(280,415)	-
Balance at year end	46,699,578	714,025	47,413,603	36,512,088

* This item represent fair value of sized stocks against matured facilities amounted to JD 683,800 in addition to JD 30,225 represents sized tools as of 31 December 2015.

** This item represent provision against sized assets for matured facilities and bank sized it for more than four years

*** This item includes net balance related to the fraudulent transactions after deducting the related provision as shown below:

	31 December 2015	31 December 2014
	JD	JD
Balance related to fraudulent transactions	12,974,700	12,974,700
Provision related to this balance	(10,435,500)	(10,435,500)
Net balance related to fraudulent transactions	2,539,200	2,539,200

The Bank was imposed to embezzlement transaction in the balances at banks and financial institutions accounts which led to a loss of approximately JD 12.9 million. This primarily relates to the possibility of collusion between some of the bank’s employees. All the necessary legal procedures were taken by the bank’s management and a provision for an amount of JD 10.4 million was booked for the transaction as of 31 December 2015 and 31 December 2014 after netting the amounts expected to be recovered and the repossessed assets. The case is still pending at the General Attorney.

(14) BANKS AND FINANCIAL INSTITUTIONS DEPOSITS

This item consists of the following:

	31 December 2015			31 December 2014		
	Inside Jordan	Outside Jordan	Total	Inside Jordan	Outside Jordan	Total
	JD	JD	JD	JD	JD	JD
Current accounts	52,788	2,906,804	2,959,592	290,219	1,237,474	1,527,693
Time and notice Deposits*	31,683	6,027,000	6,058,683	214,792	15,027,000	15,241,792
Total	84,471	8,933,804	9,018,275	505,011	16,264,474	16,769,485

* This amount does not include any amount maturing within a period exceeding three months as of December 2015 and 2014.

(15) CUSTOMERS DEPOSITS

This item consists of the following:

2015	Individuals (Retail)	Corporate	Small and medium entities	Government and Public sector	Total
	JD	JD	JD	JD	JD
Current and demand accounts	55,331,831	44,554,307	15,624,040	3,196,073	118,706,251
Saving deposits	18,333,829	481,551	734,388	1,888	19,551,656
Time and notice deposits	215,229,166	137,368,272	8,837,069	84,086,055	445,520,562
Deposits certificates	297,886	-	-	-	297,886
	289,192,712	182,404,130	25,195,497	87,284,016	584,076,355
2014					
Current and demand accounts	44,406,120	31,600,167	20,458,650	4,914,307	101,379,244
Saving deposits	15,471,200	169,486	436,952	1,890	16,106,528
Time and notice deposits	215,606,962	130,248,389	13,802,491	82,540,645	442,198,487
Deposits certificates	1,706,563	-	-	-	1,706,563
	277,190,845	162,045,042	34,698,093	87,456,842	561,390,822

- Government and Public sector deposits amounted to JD 87,284,016 which is equivalent to (14.9 %) of total customer's deposits as of 31 December 2015 against JD 87,456,842 which is equivalent to (15.6 %) of total customer's deposits as of 31 December 2014.

- Non-interest bearing deposits amounted to JD 141,471,878 which is equivalent to (24.2%) of total customers deposits as of 31 December 2015 against JD 115,468,783, which is equivalent to (20.6%) of total customers deposits as of 31 December 2014.

- Restricted deposits amounted to JD 13,483,960 which is equivalent to (2.3%) of total customer's deposits as of 31 December 2015 against JD 13,404,399, which is equivalent to (2.4%) as of 31 December 2014.

- Dormant deposits amounted to JD 5,364,853 as of 31 December 2015 against JD 12,204,028 as of 31 December 2014.

(16) CASH MARGIN

This item consists of the following:

	31 December 2015	31 December 2014
	JD	JD
Cash margins on direct credit facilities	22,827,705	21,232,015
Cash margins on indirect credit facilities	9,323,952	13,518,151
Other margins	5,750	5,750
	32,157,407	34,755,916

(17) BORROWED FUNDS

Borrowed funds are detailed as follows:

	Amount	Number of installments		Frequency of installments	Guarantees	Loan interest rate
		Total	Remaining			
	JD	JD	JD	JD	JD	%
31 December 2015						
Borrowed loans from banks/ Local institution	42,322,047	185	143	Monthly, Quarterly, Semi Annually and on maturity date	Mortgage gurantee/ Tools and equipment gurantee	4.5% to 7.75%
Total	42,322,047					
31 December 2014						
Borrowed loans from banks/ Local institution	28,489,516	600	488	Monthly, Quarterly, Semi Annually and on maturity date	Mortgage gurantee/ Tools and equipment gurantee	5.75% to 8.3%
	28,489,516					

- Borrowed funds represents credit facilities from local banks amounted to JD 19,773,194 and inform of overdraft accounts and revolving loans granted to the subsidiary companies (Al Mawared for Financial Brokerage, Tamkeen Leasing Company and Al-Istethmari LeTamweel Selselat Al Imdad) against the guarantee of the subsidiaries' net worth.

- Borrowed funds also contains credit facilities granted from Jordan Mortgage refinancing company amounted to JD 22,548,843, and bank refinance an housing loans for interest rate of 7.68%.

- Fixed interest loans amounted to JD 42,322,037 as of 31 December 2015 and there is no loans at flucting interet rates as of 31 December 2015.

[18] SUNDRY PROVISIONS

This item consists of the following:

	Balance at beginning of the year	Additions	Used During the year	reversed to revenue	Balance at year end
	JD	JD	JD	JD	JD
31 December 2015					
Provision for employees end-of service indemnity	12,321	7,307	-	-	19,628
Provision for lawsuits against the Bank(Note 46)	906,780	264,512	108,830	-	1,062,462
Others	5,000	-	5,000	-	-
	924,101	271,819	113,830	-	1,082,090
31 December 2014					
Provision for employees end-of service indemnity	4,883	7,438	-	-	12,321
Provision for lawsuits against the Bank(Note 46)	959,881	5,190	22,291	36,000	906,780
Others	5,000	-	-	-	5,000
	969,764	12,628	22,291	36,000	924,101

[19] INCOME TAX

A. Provision for income tax

The movement on the provision for income tax is as follows:

	31 December 2015	31 December 2014
	JD	JD
Balance at the beginning of the year	3,467,908	3,042,760
Total income tax paid	(4,092,044)	(3,871,830)
Prior year's income tax	-	-
Income tax for the year	6,832,423	4,296,978
Balance at year end	6,208,287	3,467,908

Income tax provision for the year ended 31 December 2015 and 2014 was calculated according to applicable laws, regulations and International financial reporting standards

Income tax expense for the year consists of the following:

	31 December 2015	31 December 2014
	JD	JD
Income tax on profit for the yea	6,832,423	4,296,978
Prior year's income tax	-	-
Deferred tax assets	(805,868)	56,945
Amortization of deferred tax assets	660,769	(10,935)
Deferred tax liabilities	27,157	(1,241,781)
Amortization of deferred tax liabilities	(419,463)	436,521
Balance at year end	6,295,018	3,537,728

The legal income tax rate in Jordan for the Bank is 35% and for the subsidiaries is 24%.

Tax status of the Bank

The bank has reached to a final settlement with the Income and Sales Tax Department up to the end of the year 2013 and Income and sales tax department accepted year 2014 tax returns without any amendments.

As per the opinion of the company' management and its tax advisor, the tax liabilities exceeding the booked provision as of 31 December 2015.

Tax status of Al Mawared for Financial Brokerage Company (Subsidiary Company)

The company has reached to a final settlement with the income and sales tax department for the period since inception on 5 June 2006 till the end of the year 2011. Moreover, Income and sales tax department accepted years 2012, 2013 and 2014 tax returns without any amendments.

As per the opinion of the company' management and its tax consultant, the company will not have any tax liabilities exceeding the booked provision as of 31 December 2015.

Tax status of Tamkeen Leasing Company (Subsidiary Company)

The company has not submitted its tax return for the period since inception on 31 October 2006 to 31 December 2007 and for the years 2008 and 2009.

The company has reached to final settlement with the income and sales tax department for the years 2010, 2011, 2012 and 2013.

Income and sales tax department accepted year 2014 tax returns without any amendments.

As per the opinion of the company's management and its tax consultant, the company will not have any tax liabilities exceeding the booked provision as of 31 December 2015.

Tax status of Al Istethmari Letamweel Selselat Al Imdad Company (Subsidiary Company)

The company has reached to a final settlement with the income and sales tax department until the end of the year 2010.

Income and sales tax department accepted years 2011, 2012, 2013 and 2014 tax returns without any amendments.

As per the opinion of the company's management and its tax consultant, the company will not have any tax liabilities exceeding the booked provision as of 31 December 2015.

B. Deferred tax assets/Liabilities

This item consists of the following:

	2015				31 December 2015	31 December 2014
	Beginning balance	Amounts released	Additions	Ending balance	Deferred tax	Deferred tax
	JD	JD	JD	JD	JD	JD
Accounts included						
A- Deferred Tax Assets						
Provision for employees end-of-service indemnities	12,320	-	7,307	19,627	6,869	4,313
Provision for lawsuits against the Bank	906,781	108,830	264,512	1,062,463	371,862	317,374
Provision for debts Watch list	724,987	667,060	806,401	864,328	302,515	253,746
Provision for impairment in seized assets by the Bank	535,655	39,303	-	496,352	173,723	187,480
Provision for buildings owned more than four years	-	-	280,415	280,415	98,145	-
Provision for impairment in financial brokerage	2,264,585	472,822	-	1,791,763	430,016	543,501
Unpaid board of directors bonuses / Al Mawared Company	52,740	52,740	50,000	50,000	12,000	12,658
Provision against balances related to fraudulent transactions	10,435,500	-	-	10,435,500	3,652,425	3,652,426
Unpaid employees bonus	598,758	598,758	801,863	801,863	280,652	209,556
Unpaid board of directors remunerations	113,575	113,575	107,737	107,737	37,708	39,752
	15,644,901	2,053,088	2,318,235	15,910,048	5,365,915	5,220,816
B- Deferred Tax Liabilities						
Change in fair value reserve	4,250,238	360,210	2,016,031	5,906,059	2,067,121	1,487,583
Effect of early adoption of IFRS (9)	1,138,889	1,198,471	77,615	18,033	6,312	398,611
	5,389,127	1,558,681	2,093,646	5,924,092	2,073,433	1,886,194

Deferred tax liabilities include an amount of JD 2,067,121 as of 31 December 2015 against JD 1,487,583 as of 31 December 2014 which represents tax liabilities against gains on the evaluation of financial assets at fair value through other comprehensive income which is shown under fair value reserve in owners' equity. In addition, there's an amount of JD 6,312 as of 31 December 2015 against JD 398,611 as of 31 December 2014 represents deferred tax liabilities on gain on financial assets at fair value through profit or loss which i related to the early adoption of IFRS (9).

* This item represents the deferred tax benefits expected from the provision booked against the balance related to the fraudulent transactions (note 13), and the management believes these amounts can be recovered from in the futures.

The movement on deferred tax assets / liabilities was as follows:

	2015		2014	
	Assets	Liabilities	Assets	Liabilities
	JD	JD	JD	JD
Balance at the beginning of the year	5,220,816	1,886,194	4,415,557	818,193
Additions	805,868	732,777	1,241,778	1,112,007
Deductions	660,769	545,538	436,519	54,006
Balance at year end	5,365,915	2,073,433	5,220,816	1,886,194

C. The summary of the reconciliation between accounting profit and taxable profit is as follows:

	31 December 2015	31 December 2014
	JD	JD
Accounting profit for the yea	20,604,844	15,903,120
Non-taxable profi	(4,825,240)	(5,011,569)
Expenses not deductible for tax purposes	4,480,213	4,005,703
Taxable profi	20,259,817	14,897,254
Income tax percentage for the Bank	35%	30%
Deferred taxes percentage for the Bank	35%	35%
Income tax percentage for the subsidiary companies	24%	24%
Deferred tax percentage for the subsidiary companies	24%	24%

(20) OTHER LIABILITIES

This item consists of the following:

	31 December 2015	31 December 2014
	JD	JD
Brokerage payable	610,990	623,046
Accepted and certified check	1,801,308	817,515
Accrued interest	2,465,775	2,822,883
Sundry creditors	5,069,807	2,877,475
Dividends payable	103,607	109,906
Deposits on safe deposit boxes	85,244	69,139
Accrued expenses	1,051,242	867,110
Board of Directors' remunerations	55,000	55,000
Other liabilities	2,592,727	2,943,312
	13,835,700	11,185,386

(21) PAID-IN CAPITAL

Authorized and paid-up capital amounted to JD 100 million distributed over 100 million shares at a par value of JD 1 per share as of the end of the year 2015 and 2014.

(22) RESERVES

The details of the reserves are as follows:

a - Statutory Reserve:

This account represents the accumulated amount of appropriations from income before tax for prior years at 10% according to the Banks Law. This amount is not to be distributed to shareholders.

b - General Banking Risks Reserve

This item represents the general banking risks reserve according to the Central Bank of Jordan's instructions.

c - The details of the restricted reserves are as follows:

Reserve	31 December 2015	31 December 2014	Nature of restriction
	JD	JD	
Statutory reserve	21,332,948	19,272,464	Restricted according to the Banks law and Companies Law
General banking risks reserve	4,603,049	4,374,922	Restricted according to the Central Bank of Jordan

(23) FINANCIAL ASSETS VALUATION RESERVE - NET

This item consists of the following:

	2015	2014
	JD	JD
Balance at the beginning of the year	2,762,658	1,086,382
Unrealized gain	1,622,009	2,422,459
Deferred tax liabilities	(579,538)	(1,021,991)
Losses on sale of financial assets through other comprehensive income	34,047	275,808
Balance at end of the year	3,839,176	2,762,658

The fair value reserve is presented net after deducting deferred tax liabilities of JD 2,067,121 as of 31 December 2015 against JD 1,487,583 as of 31 December 2014.

(24) RETAINED EARNINGS

This item consists of the following:

	2015	2014
	JD	JD
Balance at the beginning of the year	19,052,742	15,754,630
Profit for the yea	14,254,168	12,308,606
losses on sale of financial assets through other comprehensive incom	(34,047)	(275,808)
Transferred to reserves	(2,288,611)	(1,734,686)
Dividends	(7,000,000)	(7,000,000)
Balance at end of the year	23,984,252	19,052,742

- Included in retained earnings is an amount of JD 5,365,915 restricted against deferred tax assets as of 31 December 2015 against JD 5,220,816 as of 31 December 2014.

- Included in retained earnings an amount of JD 426,919 as of 31 December 2015 against JD 1,230,895 as of 31 December 2014, which represents the effect of early adoption of IFRS (9). These amounts are restricted amounts and cannot be utilized unless realized as instructed by the Jordan Securities Commission.

- Included in the retained earnings a restricted amount of JD 2,539,200as of 31 December 2015 against JD 2,539,200 as of 31 December 2014 based on Central Bank of Jordan request, which represents the remaining balance of illegal transactions.

(25) PROPOSED DIVIDENDS

The board of directors recommended to the general assembly of shareholders to distribute JD 8 million for the year 2015 which equivalent to 8% of capital and it is subject to the approval of the general assembly of shareholder.

(26) NON-CONTROLLING INTEREST

This item consists of the following:

	31 December 2015			31 December 2014		
	Non-Controlling Interest share	Non-controlling interest share of net profit	Non-controlling interest share of net assets	Non-Controlling Interest share	Non-controlling interest share of net profit	Non-controlling interest share of net assets
	%	JD	JD	%	JD	JD
Tamkeen leasing company	10	30,061	614,037	10	29,918	583,976
Al-Istethmari letamweel Selselat Al Imdad	6	25,597	272,845	6	26,868	247,248
Total		55,658	886,882		56,786	831,224

(27) INTEREST INCOME

This item consists of the following:

	2015	2014
	JD	JD
Direct credit facilities:		
Individuals (retail):		
Overdraft	1,357,397	1,296,652
Loans and discounted bills	3,550,470	4,080,220
Credit cards	863,505	675,960
Real estate loans	12,358,381	8,833,243
Companies		
Corporate		
Overdraft	5,597,732	5,602,664
Loans and discounted bills	15,499,454	16,386,423
Medium and small companies		
Overdraft	936,561	862,878
Loans and discounted bills	544,518	2,393,916
Balances at the Central Bank of Jordan	836,832	844,805
Balances and deposits at banks and financial institution	311,549	616,801
Financial assets at fair value through profit or loss	20,842	140,541
Financial assets at amortized cost	6,631,588	7,355,730
	48,508,829	49,089,833

(28) INTEREST EXPENSE

This item consists of the following:

	2015	2014
	JD	JD
Deposits at banks and financial institution	1,622,779	1,221,818
Customers Deposits:		
Current and demand accounts	212,687	320,808
Saving accounts	229,131	237,679
Time and deposits subject to notes	14,791,114	20,267,889
Certificates of deposi	16,868	19,069
Cash margins	482,331	917,743
Borrowed amounts	1,113,732	702,118
Fees to Deposit insurance corporation	1,071,429	1,070,014
	19,540,071	24,758,014

(29) NET COMMISSIONS INCOME

This item consists of the following:

	2015	2014
	JD	JD
Commissions Income:		
Direct credit facilities	3,594,823	2,785,512
Indirect credit facilities	1,977,485	2,674,519
Brokerage commissions	277,847	334,286
Other commissions	958,284	769,572
Total Commissions Income	6,808,439	6,563,889
Less: Commissions expense	955,495	779,485
Net Commissions Income	5,852,944	5,784,404

(30) GAIN ON FOREIGN CURRENCY EXCHANGE

This item consists of the following:

	2015	2014
	JD	JD
Gains from foreign currencies trading / dealing	498,757	593,309
Gains from revaluation	41,809	70,335
	540,566	663,644

(31) GAINS ON FINANCIAL ASSETS AT FAIR VALUE THROUGH STATEMENT OF INCOME

This item consists of the following:

	Realized gain	Unrealized (losses) gain	Dividends income	Total
	JD	JD	JD	JD
2015				
Companies shares	709,054	(90,022)	411,090	1,030,122
Investment funds	-	-	-	-
Companies bonds and debentures	-	-	-	-
	709,054	(90,022)	411,090	1,030,122
2014				
Companies shares	28,137	997,872	278,958	1,304,967
Investment funds	492	-	-	492
Companies bonds and debentures	1,207	(50,465)	-	(49,258)
	29,836	947,407	278,958	1,256,201

(32) OTHER INCOME

This item consists of the following:

	2015	2014
	JD	JD
	-	-
Bonded income	1,405,260	655,334
Telecommunication income	206,028	187,312
Gain on sale of assets seized by the bank	43,051	1,109,083
Rent of seized assets	-	485,262
Reversed from written off debts	72,483	288,011
Other	118,835	261,167
	1,845,657	2,986,169

(33) EMPLOYEES EXPENSES

This item consists of the following:

	2015	2014
	JD	JD
Salaries, benefits, bonuses and employees' allowances	9,513,306	8,765,366
Bank's and subsidiaries share in social security	879,656	843,278
Medical expenses	539,711	489,455
Per diems	8,160	6,584
Travel expenses	86,494	83,927
Employees training expense	137,639	114,782
Employees life insurance expense	19,261	22,093
	11,184,227	10,325,485

[34] OTHER EXPENSES

This item consists of the following:

	2015	2014
	JD	JD
Rent	756,273	629,732
Stationery	145,894	226,371
Advertisements	804,699	808,705
Subscriptions and fees	708,730	596,165
Telecommunication and courier expenses	770,591	572,978
Maintenance, repair and programme licences	968,410	799,347
Insurance	222,296	289,213
Legal fees	109,553	37,718
Water, electricity and heating	559,869	478,077
Professional fees	375,741	107,461
Donations	156,760	99,481
Credit cards expense	158,880	161,341
Board members bounce and transportation	363,933	326,202
Others	1,581,570	1,354,548
	7,683,199	6,487,339

[35] EARNINGS PER SHARE FOR THE YEAR ATTRIBUTABLE TO THE SHAREHOLDERS OF THE BANK

This item consists of the following:

	2015	2014
	JD	JD
Income for the year/attributes to banks shareholders	14,254,168	12,308,606
Weighted average number of shares *	100,000,000	100,000,000
Earnings per share from the income for the year attributable Bank shareholders	JD/ Share	JD/ Share
	0.143	0,123

* The basic earnings per share (EPS) for the current year profit attributed to parent owners equals to diluted (EPS) , since the bank did not issue any financial instruments which may affect the basic (EPS)

[36] CASH AND CASH EQUIVALENTS

This item consists of the following:

	31 December 2015	31 December 2014
	JD	JD
Cash on hand and balances at the Central Bank mature within three months	102,527,791	69,221,128
Add:		
Balances at banks and financial institutions mature within three month	45,854,292	43,729,599
Less:		
Banks and financial institutions deposits mature within three month	9,018,275	16,769,485
Restricted balances at banks and financial institution	2,383,268	2,380,385
Cash and Cash Equivalents	136,980,540	93,800,857

[37] RELATED PARTIES TRANSACTIONS

The consolidated financial statements include the financial statements of the bank and the subsidiary companies as follow

Company's Name	Ownership	Company's Capital	
		2015	2014
	%	JD	JD
Al-Mawared for financial brokerage	100	10,000,000	10,000,000
Tamkeen leasing Company	90	5,000,000	5,000,000
Al Istethemari Letamweel Selselat Al lmdad	94	3,000,000	3,000,000
Jordan factoring	100	30,000	30,000

The Bank entered into transactions with members of the Board of Directors, executive management, subsidiary companies and major shareholders within the normal banking practice according to the commercial interest rates and commissions.

The following represents a summary of transactions with related parties:

	Subsidiary Companies*	Board of Directors Members and Executive Management	Others (Employees, Employees Relatives, Relatives of Members of the Board of Directors, Executive Management and Controlled Companies)	31 December 2015	31 December 2014
	JD	JD	JD	JD	JD
Financial Position Statement Items:					
Credit facilities	94,786	5,447,984	39,348,557	44,891,327	52,871,980
Provision for impairment in credit facilities	-		5,079,618	5,079,618	1,513,997
Deposits, current accounts and cash margin	4,377,097	2,565,655	17,598,543	24,541,295	19,898,071
Off-Financial Position Statement Items:					
Letters of credit	-	-	19,163	19,163	552,757
Letters of guarantee	1,341,625	622,802	8,028,947	9,993,374	8,768,848
Statement of income					
Interest and commissions received	74,422	335,012	2,204,866	2,614,300	2,608,478
Interest and commissions paid	35,012	131,540	537,249	703,801	851,188
Provision for impairment in credit facilities	-	-	3,565,621	3,565,621	[1,610,319]
Additional Information					
Watch list credit facilities	-	-	1,457,644	1,457,644	13,771,412
Provision for Watch list credit facilities	-	-	606,998	606,998	174,643
Non-performing credit facilities	-	-	11,496,028	11,496,028	2,409,760
Provision for non-performing credit facilities	-	-	4,472,620	4,472,620	1,339,354
Interest in suspense	-	-	3,969,630	3,969,630	2,686,043

* Such balances and transactions are eliminated in the consolidated financial statements and are show for explanatory purposes only.

Maximum credit interest rate in Jordanian dinars	21%	Minimum credit interest rate in Jordanian dinars	3%
Maximum credit interest rate in other currencies	5%	Minimum credit interest rate in other currencies	3%
Maximum debit interest rate in Jordanian dinars	4.5%	Minimum debit interest rate in Jordanian dinars	0%
Maximum debit interest rate in other currencies	0%	Minimum debit interest rate in other currencies	0%
Maximum credit commission rate	1%	Minimum credit commission rate	0.5%

Executive management salaries and benefits amounted to JD 2,529,196 for the year ended 31 December 2015 against JD 2,264,874 for the year 2014.

[38] RISK MANAGEMENT

General framework of risk management

The bank has identified control levels (defense lines) by placing the framework for the following control levels as follows:

- **Business units:** represents employees that are part of first line defense, which responsible for ris management and related control procedures.

- **Independent risk management function:** the employees of risk management department represent the second line defense by making them responsible over arranging risk management efforts and facilitating the supervision process over the implemented procedures from the bank.

- **Internal audit :**
Internal audit employees represent the third line defense, and they are responsible for performing an independent review for control procedures and systems that are related to risk management at the bank level.

In addition, the Bank had prepared the required plans and work programs to ensure the compliance with the requirements of Central Bank of Jordan related to BASEL III and internal capital adequacy assessment process (ICAAP).

The Risk Management and Compliance Committee's tasks are as follows:

A. To supervise the management of the risk policy and ensure that the Risk Management and Compliance Department achieves its objectives according to the approved policies.

B. To ensure appropriate and sufficient support for the Risk Management and Compliance Department in achievin its objectives in accordance with the approved policies and procedures and the Central Bank's instructions.

C. To ensure the availability of work procedures for risk management in compliance with the various management risk policies at the Bank.

D. To ensure the use of the new techniques and method of management and assessment of risk management.

E. To identify basis and principles of risk management and risk acceptance, risk transfer, risk refuse and risk mitigation.

F. To review the periodical reports of the Risk Management and Compliance Department.

G. To ensure that the Bank adheres to the Central Bank of Jordan instructions.

The Risk Management and Compliance Committee have set the risk management framework for the Bank. Moreover, the Board of Directors has established the Risk Management and Compliance Committee, formed by the Board members and executive management. Its objective is to monitor and control the various risks (credit risks, operating risks, market risks and compliance risks) or any other risks the Bank might be exposed to.

The department manages the Bank's various risks (credit risk, operating risk, market risk, compliance risk, and other risks) within the general framework of risks management. The role of the department can be summarized as follows:

- Risk Identification
- Risk Assessment.
- Risk Control / Mitigation.
- Risk Monitoring.

(38. A) CREDIT RISKS

Credit risks are defined as the probability of not fully recovering the debt or interest in the specified tim causing financial losses to the Bank

Moreover, credit risk represents the major portion banks are exposed to in general. In recognition of this reality, the Bank has accorded credit risk management great significance through managing credit risks at the portfolio level, economic sector level, group level, or single customer level, taking into consideration the achievement of an appropriate return on the risks the Bank is exposed to.

To achieve this, based on the risk management strategy, the Bank has performed the following:

1. The risk appetite and ceilings are based on credit risk commensurate with the acceptable risk limits adopted by the Board of Directors and Risks and Compliance Department. Risk limits are set for each client, group and economic sector, in order to mitigate the Bank’s exposure to credit risk concentrations.
2. The bank implemented a credit risk rating system from Moody’s company for Corporate and retail companies, this will impact on the quality of credit portfolio and will help in taking the appropriate credit decisions.
3. Credit risk is mitigated through credit risk factors (collaterals such as real estate, shares or other) commensurate with the credit risk faced by the Bank to cover any unexpected subsequent events.
4. Proper legal and credit documentation is applied for all conditions associated with the credit facilities.

1- Credit risk exposure (less the impairment provision and interest in suspense and before guarantees and other risk - mitigating factors):

	31 December 2015	31 December 2014
	JD	JD
On financial position statement items:		
Balances at the central bank of Jordan	93,581,993	60,277,210
Balances at banks and financial institutions	45,854,292	43,729,599
Deposits at banks and financial institutions	5,000,000	1,378,847
Credit facilities:		
Individuals	65,631,158	59,298,371
Real estate loans	115,109,896	75,454,305
Companies		
Corporate	262,900,437	293,899,201
Small and medium institutions (SMEs)	11,062,777	27,995,376
Bonds, bills and debentures:		
Financial assets at fair value through profit or loss	-	2,358,932
Financial assets at amortized cost	119,079,954	139,821,998
Other assets	8,212,868	6,511,679
Total on financial statement items	726,433,375	710,144,168
Off financial position statement items:		
Letters of guarantee	73,777,385	81,462,038
Letters of credit	13,761,841	18,995,193
Letters of acceptance	3,186,941	9,426,912
Unutilised facility ceilings	17,312,891	22,694,116
Total on financial statement items	108,039,058	132,578,259
Total on and off financial statement items	834,472,433	842,722,427

To mitigate the above credit risk exposures, the Bank uses the following risk mitigating factors within the conditions of the credit policy set by the Bank:

1. Cash collaterals.
2. Accepted bank guarantee.
3. Real estate mortgages.
4. Listed shares collaterals.
5. Vehicles and equipment mortgages.
6. Financial inventories collaterals

2- Credit exposures according to the degree of risk:

			Companies		Government and Public Sector	Banks and other Financial institutions	Total
	Individuals	Real estate loans	Corporate	Small and medium			
	JD	JD	JD	JD	JD	JD	JD
31 December 2015							
Low risk	3,115,952	12,344	7,690,456	188,206	182,017,094	-	193,024,052
Acceptable risk	61,275,273	114,249,928	284,170,871	10,246,897	-	50,854,292	520,857,337
Of which is due:*							
within 30 days	191,672	194,323	8,090,818	92,943	-	-	8,569,756
from 31 to 60 days	71,437	71,824	4,830,117	150,887	-	-	5,124,265
Watch list	997,518	536,744	5,146,492	1,989,653	-	-	8,670,407
Non-performing:							
Substandard	295,965	32,887	276,675	1,098	-	-	606,625
Doubtful	526,706	42,701	1,756,675	222,243	-	-	2,548,325
Bad debt	5,836,963	3,116,617	18,706,310	3,426,142	-	-	31,086,032
Total	72,048,377	117,991,221	317,807,555	16,074,239	182,017,094	50,854,292	756,792,778
Less: Impairment provision	4,416,993	1,220,209	9,867,535	3,773,109	-	-	19,277,846
Interest in suspense	2,000,226	1,661,116	6,181,862	1,238,353	-	-	11,081,557
Net	65,631,158	115,109,896	301,758,158	11,062,777	182,017,094	50,854,292	726,433,375

- Credit exposures (financial assets and investments in financial assets) are distributed according to t credit classification as follows

Credit classification	Government and public sector	Financial institutions
(AAA to AA-)	-	5,507,713
(A+ TO A-)	-	11,733,359
(BBB+ TO B-)	-	7,534,525
(BB+ to B-)	182,017,094	8,010,335
Less than (B-) not classified	-	-
Not classified	-	8,068,358
	182,017,094	50,854,292

			Companies				
	Individuals	Real estate loans	Corporate	Small and medium	Government and Public Sector	Banks and other Financial institutions	Total
	JD	JD	JD	JD	JD	JD	JD
31 December 2014							
Low risk	5,912,195	876,399	5,662,282	466,813	198,129,782	-	211,047,471
Acceptable risk	56,440,348	101,885,428	228,194,066	10,356,783	-	45,108,446	441,985,071
Of which is due:*							
within 30 days	2,211,995	508,206	8,626,640	115,276	-	-	11,462,117
from 31 to 60 days	507,428	270,455	4,691,800	116,078	-	-	5,585,761
Watch list	761,652	2,058,318	46,944,880	2,295,272	-	-	52,060,122
Non-performing:							
Substandard	116,331	1,423,062	515,695	586,851	-	-	2,641,939
Doubtful	209,581	681,881	2,043,492	440,789	-	-	3,375,743
Bad debt	6,680,705	11,381,554	16,138,605	6,336,279	-	-	40,537,143
Total	70,120,812	118,306,642	299,499,020	20,482,787	198,129,782	45,108,446	751,647,489
Less: Impairment provision	4,972,953	6,775,559	12,016,642	5,449,261	-	-	29,214,415
Interest in suspense	1,752,822	3,040,787	6,045,746	1,449,551	-	-	12,288,906
Net	63,395,037	108,490,296	281,436,632	13,583,975	198,129,782	45,108,446	710,144,168

- Credit exposures (financial assets and investments in financial assets) are distributed according to t credit classification as follows

Credit classification	Government and public sector	Financial institutions
(AAA to AA-)	-	3,769,847
(A+ TO A-)	-	20,391,044
(BBB+ TO B-)	-	654,439
(BB+ to B-)	198,129,782	11,461,679
Less than (B-) not classified	-	-
Not classified	-	8,831,437
	198,129,782	45,108,446

* The whole debt balance becomes due when one of the installments or interest is due. Moreover, the overdraft account becomes due whenever it exceeds the ceiling.

Credit exposures include credit facilities, balances and deposits at banks in addition to financial assets

The following table breaks down the fair value of collaterals held as security for credit facilities:

			Companies		Total
	Individuals	Real estate loans	Corporate	Small and medium	
	JD	JD	JD	JD	
2015					
Guarantees against:					
Low risk	3,115,952	12,344	7,690,456	188,206	11,006,958
Acceptable risk	38,652,475	99,656,984	161,547,864	7,002,125	306,859,448
watch list	482,547	536,744	3,021,454	1,222,547	5,263,292
Non-performing:					
Substandard	-	61,587	100,214	-	161,801
Doubtful	17,569	54,569	2,161,529	219,617	2,453,284
Bad debt	396,654	8,854,789	13,965,654	1,874,587	25,091,684
	42,665,197	109,177,017	188,487,171	10,507,082	350,836,467
Of it:					
Cash margins	3,115,952	12,344	7,690,456	188,206	11,006,958
Real estate	31,715,725	109,164,673	167,611,197	9,411,822	317,903,417
Trade stocks	5,214,568	-	12,547,698	622,784	18,385,050
Vehicles and equipment	2,618,952	-	637,820	284,270	3,541,042
	42,665,197	109,177,017	188,487,171	10,507,082	350,836,467

			Companies		Total
	Individuals	Real estate loans	Corporate	Small and medium	
	JD	JD	JD	JD	
2014					
Guarantees against:					
Low risk	5,912,195	876,399	5,662,282	466,813	12,917,689
Acceptable risk	37,120,563	56,377,375	143,215,360	7,149,759	243,863,057
watch list	1,203,653	3,256,398	15,236,547	5,639,863	25,336,461
Non-performing:					
Substandard	720,145	1,423,062	415,236	696,541	3,254,984
Doubtful	502,126	252,823	1,266,864	500,411	2,522,224
Bad debt	2,865,365	1,124,172	23,745,741	2,014,521	29,749,799
	48,324,047	63,310,229	189,542,030	16,467,908	317,644,214
Of it:					
Cash margins	5,912,195	876,399	5,662,282	466,813	12,917,689
Real estate	23,629,121	62,433,830	165,073,458	11,823,423	262,989,832
Trade stocks	4,256,364	-	8,652,145	2,032,458	14,940,967
Vehicles and equipment	14,526,367	-	10,154,145	2,145,145	26,825,726
	48,324,047	63,310,229	189,542,030	16,467,908	317,644,214

Guarantees fair value are evaluated when the facilities are granted based on acceptable evaluation methods for these guarantees, in the subsequent periods the fair value is updated to market prices or related assets prices.

Rescheduled Loans

These loans are loans previously classified as non-performing credit facilities but taken out therefrom according to proper rescheduling. They have been classified as "debts under control (watch list)" or changed to performing and amounted to JD 2,182,339 as of 31 December 2015 against JD 31,144,658 for the year 2014.

Restructured Loans

Restructuring means rearranging credit facilities installments through increasing their duration, postponing some installments, or increasing the grace period. Restructured debts amounted to JD 36,147,098 for the year 2015 against JD 13,986,799 for the year 2014.

Bonds, Bills, and Debentures

The following table illustrates the classification of bonds, bills, and debentures according to external rating institutions:

2015

Rating Grade	Within Financial Assets at fair value through profit or loss	Within Financial assets at amortized cost	Total
	JD	JD	JD
Unrated	-	30,644,853	30,644,853
Governmental	-	88,435,101	88,435,101
Total	-	119,079,954	119,079,954

2014

Rating Grade	Within Financial Assets at fair value through profit or loss	Within Financial assets at amortized cost	Total
	JD	JD	JD
Unrated	1,828,511	2,499,847	4,328,358
Governmental	530,421	137,322,151	137,852,572
Total	2,358,932	139,821,998	142,180,930

4- Credit risk exposure according to geographic area as follows:

	Geographical Area						Total
	Inside Jordan	Middle east countries	Europe	Asia *	Americas	Others	
	JD	JD	JD	JD	JD	JD	
Balances at Central Bank of Jordan	93,581,993	-	-	-	-	-	93,581,993
Balances at banks and financial institutions	18,000,758	3,492,131	20,346,179	10,335	3,852,511	152,378	45,854,292
Deposits at banks and financial institutions	5,000,000	-	-	-	-	-	5,000,000
Direct credit facilities:							
Individuals	65,631,158	-	-	-	-	-	65,631,158
Real estate loans	115,109,896	-	-	-	-	-	115,109,896
Companies:							
Corporate	262,900,437	-	-	-	-	-	262,900,437
Small and medium institutions	11,062,777	-	-	-	-	-	11,062,777
Financial assets at amortized cost	99,787,576	3,475,071	15,817,307	-	-	-	119,079,954
Other assets	8,212,868		-	-	-	-	8,212,868
Total /the current year 2015	679,287,463	6,967,202	36,163,486	10,335	3,852,511	152,378	726,433,375
Total / comparative figures 2014	680,397,186	2,269,942	21,014,950	65,547	5,778,052	618,491	710,144,168

* Excluding Middle East Countries.

5- Credit exposure according to economic sectors as follows:

	Financial	Industrial	Trading and services	Real estate	Agricultural	Shares	Individual	Government and public sector	Total
Item	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balances at the central Bank of Jordan	-	-	-		-	-	-	93,581,993	93,581,993
Balance at banks and financial institutions	45,854,292	-	-		-	-	-	-	45,854,292
Deposits at banks and financial institutions	5,000,000	-	-		-	-	-	-	5,000,000
Credit facilities	37,831,654	70,425,632	160,886,178	67,078,266	1,219,303	16,674,874	100,588,361	-	454,704,268
Bonds, bills and debentures:									
Financial assets at amortised cost	28,490,322	-	2,154,531	-	-	-	-	88,435,101	119,079,954
Other assets	5,842,990	776,471	1,593,407	-	-		-	-	8,212,868
Total /the current year 2015	123,019,258	71,202,103	164,634,116	67,078,266	1,219,303	16,674,874	100,588,361	182,017,094	726,433,375
Total / comparative figures 2014	92,022,782	89,018,472	150,480,163	71,279,900	1,273,940	19,981,354	87,965,773	198,129,782	710,144,168

(38. B) OPERATIONAL RISKS

Operational risk is defined as the risk of loss resulting from inadequate or failed processes, people and systems or from external events. This definition includes legal risk.

Investment bank has implemented a Control and Risk Self-Assessment process for the management of operational risk at the Bank through the use of an automated system named CARE. The Bank manages operational Risk on the basis of the following:

- Preparation of operational risk policy.
- Preparation of Operational Risk Accountability Policy and approved by bank board of directors.
- Implement automatic system for operation risk management (CARE system) to implement self-assessment methodology for risks and controls procedure.
- Build database for risks events and operational errors.
- Express an opinion over working procedure to evaluate the risks in it and the adequacy of these implemented control procedures.
- Reporting to the Board Risk Management Committee and the Executive Risk Management Committee with needed reports.

In order to ensure the implementation of best practices in operational risk management, the Bank has procured the services of Al Dar International for Governance Consultancy (Grant-Thornton Middle East) to assist in embedding the Control and Risk Self-Assessment methodology.

In addition, the Bank has signed an agreement with Protiviti to provide guidance in risk management in line with the ongoing efforts to enhance the security and transparency of the Bank’s systems and processes, as well as in developing an operational risk management framework that is fully aligned with Central Bank of Jordan regulations, and in enhancing the Bank’s Governance structure. An accountability policy was also developed under similar guidance from Protiviti to clarify the roles and responsibilities in the management of operational risk at various levels of the Bank.

Compliance Risk

This represents the risks that arise from the probability that the Bank may not comply with (violate / transgress) the prevailing laws, regulations, instructions, banks laws, and code of ethics issued by international and local regulatory authorities.

Compliance with the regulations and prevailing laws issued by the regulatory authorities represents one of the most important risks which the Bank might be exposed to, due to the major financial losses resulting from the violation of the laws and instructions that affect the Bank's reputation. Moreover, the past few years witnessed many new regulations, instructions and laws organizing the work of the various institutions. Accordingly, the need for managing the compliance risk of the Bank is necessary. Moreover, compliance enhances the efficiency of managing risks and decreases the risk the Bank might be exposed to as a result of noncompliance with the prevailing laws and instructions.

[38. C] MARKET RISK

Market risk is the potential losses that may arise from the changes in market prices such as the change in interest rates, foreign currency exchange rates, and prices of shares and products.

The Board of Directors has set limits for the acceptable risk levels for managing the financial portfolio market risks. Moreover, the Bank periodically applies the appropriate methodology to evaluate market risks and sets estimates for the probable economic losses based on a set of assumptions and changes in market conditions. The following are the methods used by the Bank to measure market risks:

- 1-Value at Risk (VaR)
- 2-Stress Testing
- 3-Stop Loss Limit policy
- 4-Monitoring open financial centers in foreign currencies.

C/1- Interest Rate Risk:

Interest rate risk results from the potential change in interest rates, and consequently, the potential impact on the cash flows or the fair value of financial instruments.

The Bank is exposed to interest rate risks as a result of the timing gaps of repricing assets and liabilities. These gaps are periodically monitored by the Assets and Liabilities Committee (ALCO). Moreover, various hedging methods are used to remain within the acceptable interest rate gap limits.

- Sensitivity analysis:

31 December 2015

Currency	Increase in interest rate	Impact on profits (losses)	Owners' equity sensitivity
	%	JD	JD
US Dollar	2	58,197	-
Euro	2	(4,008)	-
GBP	2	(1,871)	-
Japanese Yen	2	(687)	-
Other currencies	2	14,205	-
Currency	Decrease in interest rate	Impact on profits (losses)	Owners' equity sensitivity
	%	JD	JD
US Dollar	2	(58,197)	-
Euro	2	4,008	-
GBP	2	1,871	-
Japanese Yen	2	687	-
Other currencies	2	(14,205)	-

31 December 2014

Currency	Increase in interest rate	Impact on profits (losses)	Owners' equity sensitivity
	%	JD	JD
US Dollar	2	3,153	-
Euro	2	(63,865)	-
GBP	2	(4,798)	-
Japanese Yen	2	33,130	-
Other currencies	2	(18,798)	-
Currency	Increase in interest rate	Impact on profits (losses)	Owners' equity sensitivity
	%	JD	JD
US Dollar	2	(3,153)	-
Euro	2	63,865	-
GBP	2	4,798	-
Japanese Yen	2	(33,130)	-
Other currencies	2	18,798	-

C/2- Foreign currencies risk

a. The following table illustrates the currencies to which the Bank is exposed and the potential and reasonable change in their rates against the Jordanian Dinar and the related impact on the consolidated statement of income. The currencies positions are monitored daily to ensure that they are within the determined limits. Moreover, the related reports are submitted to the Assets and Liabilities Committee and Board of Directors.

31 December 2015

Currency	Change in foreign currency exchange rate	Impact on profits and losses	Owners' Equity Sensitivity
	%	JD	JD
Euro	+ 5	(10,020)	-
GBP	+ 5	(4,676)	-
Japanese Yen	+ 5	(31,717)	-
Other currencies	+ 5	35,512	-

31 December 2014

Currency	Change in foreign currency exchange rate	Impact on profits and losses	Owners' Equity Sensitivity
	%	JD	JD
Euro	+ 5	(159,663)	-
GBP	+ 5	(11,995)	-
Japanese Yen	+ 5	82,824	-
Other currencies	+ 5	(46,994)	-

If there is a negative change in the effect will be equal with negative effect.

C/3- Risks of Changes in Shares Prices:

This represents the risk resulting from the decline in the fair value of the investment portfolio of the shares due to the changes in the value of the shares indicators and the change in the value of shares individually.

2015

Indicator of	Change in indicator	Impact on profits and losses	Owners' Equity Sensitivity
	%	JD	JD
Amman Stock Exchange	5	(21,760)	(907,987)
Palestine Stock Exchange	5	-	(72,277)
International Stock Exchange	5	(106,060)	(48,810)

2014

Indicator of	Change in indicator	Impact on profits and losses	Owners' Equity Sensitivity
	%	JD	JD
Amman Stock Exchange	5	(272,238)	(574,996)
Palestine Stock Exchange	5	(16,862)	(43,043)

Interest rate Reprising Gap

The Bank adopts the assets-liabilities compatibility principle and the suitability of maturities to narrow gaps through categorizing assets and liabilities into various maturities or price review maturities, whichever are nearer, to lower risks in interest rates, studying gaps in the related interest rates, and using hedging policies through the adoption of advanced financial instruments such as derivatives

31 December 2015	Interest rate reporting gap						Non-interest bearing items	Total
	Less than one month	More than 1 month up to 3 months	More than 3 month up to 6 months	More than 6 month up to 1 year	From 1 year up to 3 years	More than 3 years		
	JD	JD	JD	JD	JD	JD	JD	JD
Assets:								
Cash and balances at the Central Bank of Jordan	53,300,000	-	-	-	-	-	49,227,791	102,527,791
Balance at banks and financial institutions	25,389,143	-	-	-	-	-	20,465,149	45,854,292
Deposits at banks and financial institutions	-	-	-	-	5,000,000	-	-	5,000,000
Financial assets at fair value through statement of income	-	-	-	-	-	-	2,556,397	2,556,397
Financial assets at fair value through other comprehensive income	-	-	-	-	-	-	20,581,461	20,581,461
Direct credit facilities – net	50,540,458	51,482,577	63,527,302	57,324,588	120,015,947	111,813,396	-	454,704,268
Financial assets at amortised cost	7,001,192	16,439,770	9,639,134	38,554,267	29,264,721	18,180,870	-	119,079,954
Property and equipment – net	-	-	-	-	-	-	28,727,750	28,727,750
Intangible assets	-	-	-	-	-	-	1,955,925	1,955,925
Deferred tax assets	-	-	-	-	-	-	5,365,915	5,365,915
Other assets	1,672,829	697,049	-	-	-	-	56,696,260	59,066,138
Total assets	136,927,842	69,595,176	73,166,436	95,878,855	154,280,668	129,994,266	185,576,648	845,419,891
Liabilities								
Deposits at banks and financial institutions	7,358,767	-	-	-	-	-	1,659,508	9,018,275
Customers’ deposits	129,485,647	116,374,378	107,076,330	89,484,684	183,438	-	141,471,878	584,076,355
Cash margins	3,751,840	5,801,175	4,899,915	5,160,683	6,593,608	5,950,186	-	32,157,407
Borrowed funds	2,045,789	1,775,570	5,801,127	2,347,587	14,847,920	15,504,044	-	42,322,037
Sundry provisions	-	-	-	-	-	-	1,082,090	1,082,090
Income tax provision	-	-	-	-	-	-	6,208,287	6,208,287
Deferred tax liabilities	-	-	-	-	-	-	2,073,433	2,073,433
Other liabilities	-	-	-	-	-	-	13,835,700	13,835,700
Total liabilities	142,642,043	123,951,123	117,777,372	96,992,954	21,624,966	21,454,230	166,330,896	690,773,584
Interest rate reporting gap	[571,420]	[54,355,947]	[44,610,936]	[1,114,099]	132,655,702	108,540,036	19,245,752	154,646,307
31 December 2014								
Total assets	147,988,889	35,103,062	66,362,903	103,441,877	169,257,745	126,003,909	157,004,953	805,163,338
Total liabilities	192,916,649	82,471,150	127,656,748	92,857,404	8,629,595	4,310,349	150,027,433	658,869,328
Interest rate reporting gap	[44,927,760]	[47,368,088]	[61,293,845]	10,584,473	160,628,150	121,693,560	6,977,520	146,294,010

Items	Currency (Equivalent in Jordanian Dinars)					
	USD	Euro	Sterling Pound	Japanese Yen	Others	Total
2015						
Assets						
Cash and balances at the Central Bank	11,238,626	483,785	253,717	-	657,980	12,634,108
Balances at banks and financial institutions	7,720,946	11,957,087	3,836,092	529	4,338,880	27,853,534
Deposits at banks and financial institutions	-	-	-	-	-	-
Financial assets at fair value through statement of income	2,121,192	-	-	-	-	2,121,192
Financial assets at fair value through other comprehensive income	2,421,723		-	-	-	2,421,723
Financial assets at amortised cost	30,899,128	6,567,837	-	-	-	37,466,965
Direct credit facilities	44,586,803	21,791	-	-	-	44,608,594
Other assets	2,476,974	37,617	11,194	8,955	66,502	2,601,242
Total assets	101,465,392	19,068,117	4,101,003	9,484	5,063,362	129,707,358
Liabilities:						
Deposits at banks and financial institutions	3,018,929	358,020	43,432	582,475	398,212	4,401,068
Customers' deposits	89,002,078	16,166,661	4,140,997	47,449	3,924,526	113,281,711
Cash margins	6,355,234	1,056,229	9,839	13,904	30,382	7,465,588
Other liabilities	179,247	1,687,603	260	-	-	1,867,110
Total Liabilities	98,555,488	19,268,513	4,194,528	643,828	4,353,120	127,015,477
Net Concentration on-Financial Position for the Current Year	2,909,904	(200,396)	(93,525)	(634,344)	710,242	2,691,881
Off-Financial Position Contingent Liabilities for the Current Year	34,422,492	3,984,733	4,638	152,344	2,302,549	40,866,756

Items	Currency (Equivalent in Jordanian Dinars)					
	USD	Euro	Sterling Pound	Japanese Yen	Others	Total
2014						
Assets						
Cash and balances at the Central Bank	10,518,884	823,929	182,531	-	866,381	12,391,725
Balances at banks and financial institutions	10,696,234	17,301,321	3,662,933	55,732	1,008,378	32,724,598
Deposits at banks and financial institutions	-	-	1,378,847	-	-	1,378,847
Financial assets at fair value through statement of income	2,735,291	-	-	-	-	2,735,291
Financial assets at fair value through other comprehensive income	860,866	-	-	-	-	860,866
Financial assets at amortised cost	12,265,700	-	-	-	-	12,265,700
Direct credit facilities	51,504,269	147,086	-	1,732,578	-	53,383,933
Other assets	811,777	16,294	12,332	8,981	1,002	850,386
Total assets	89,393,021	18,288,630	5,236,643	1,797,291	1,875,761	116,591,346
Liabilities:						
Deposits at banks and financial institutions	2,729,917	292,636	45,427	85	459,633	3,527,698
Customers' deposits	78,669,506	18,116,039	5,420,280	126,779	2,322,685	104,655,289
Cash margins	7,729,479	1,192,400	10,578	13,945	33,322	8,979,724
Other liabilities	106,471	1,880,805	266	-	-	1,987,542
Total Liabilities	89,235,373	21,481,880	5,476,551	140,809	2,815,640	119,150,253
Net Concentration on-Financial Position for the Current Year	157,648	(3,193,250)	(239,908)	1,656,482	(939,879)	(2,558,907)
Off-Financial Position Contingent Liabilities for the Current Year	39,223,823	7,680,059	4,887	6,610,315	2,156,276	55,675,360

(38/D)LIQUIDITY RISK

Liquidity risk represents the Bank’s inability to meet obligations on their maturity dates. To ward off these risks, including the management of assets and liabilities, matching, and analyzing their maturities, matching the maturities, diversifying source of funds, and maintaining an adequate fund of cash and cash equivalents and marketable securities, liquidity is managed and reviewed periodically at different levels,. According to the Central Bank of Jordan instructions, the Bank maintains cash reverses to mitigate liquidity risk.

First: The following table illustrates the distribution of liabilities (undiscounted) on the basis of the remaining period to the contractual maturity at the date of the financial statements.

	Less than one month	More than 1 month up to 3 months	More than 3 month up to 6 months	More than 6 month up to 1 year	From 1 year up to 3 years	More than 3 years	Non-interest bearing items	Total
	JD	JD	JD	JD	JD	JD	JD	JD
31 December 2015								
Liabilities								
Deposits at banks and financial institutions	9,028,796	-	-	-	-	-	-	9,028,796
Customers’ deposits	271,404,257	116,820,284	108,283,193	91,413,389	19,111	-	-	588,112,234
Cash margins	3,757,534	5,814,380	4,933,377	5,231,168	6,773,719	6,275,257	-	32,785,435
Borrowed funds	2,054,786	1,787,283	5,915,935	2,440,507	16,023,318	17,958,722	-	46,180,551
Sundry provisions	-	-	-	-	-	-	1,082,090	1,082,090
Income tax provision	2,483,315	3,724,972	-	-	-	-	-	6,208,287
Deferred tax liabilities	-	-	-	-	-	-	2,073,433	2,073,433
Other liabilities	3,127,738	2,465,775	8,242,187	-	-	-	-	13,835,700
Total liabilities	291,856,426	130,612,694	127,374,692	99,085,064	22,988,148	24,233,979	3,155,523	699,306,526
Total assets	206,620,782	69,595,176	73,166,436	95,878,855	154,280,668	129,994,266	115,883,708	845,419,891
31 December 2014								
Liabilites								
Deposits at banks and financial institutions	16,079,999	709,862	-	-	-	-	-	16,789,861
Customers’ deposits	271,498,717	82,552,349	128,291,087	84,171,701	300,658	-	-	566,814,512
Cash margins	34,932,115	-	621,602	881,322	-	-	-	36,435,039
Borrowed funds	7,197,677	-	-	10,209,675	9,306,815	4,310,349	-	31,024,516
Sundry provisions	-	-	-	-	-	-	924,101	924,101
Income tax provision	3,467,908	-	-	-	-	-	-	3,467,908
Deferred tax liabilities	-	-	-	-	-	-	1,886,194	1,886,194
Other liabilities	4,777,364	2,822,883	3, 585,140	-	-	-	-	11,185,387
Total liabilities	337,953,780	86,085,094	132,497,829	95,262,698	9,607,473	4,310,349	2,810,295	668,527,518
Total assets	147,988,889	35,103,062	66,362,903	103,441,877	169,257,745	126,003,909	157,004,953	805,163,338

Second: Off financial position statement

	Up to one year	From one year to 5 years	More than 5 years	Total
	JD	JD	JD	JD
31 December 2015				
Letters of credit and acceptances	16,948,782	-	-	16,948,782
Unutilized credits	17,312,891	-	-	17,312,891
Guarantees	66,449,058	7,328,327	-	73,777,385
Operating lease contract liabilities	412,070	1,123,264	878,052	2,413,386
Capital liabilities	195,684	-	-	195,684
	101,318,485	8,451,591	878,052	110,648,128
31 December 2014				
Letters of credit and acceptances	27,763,414	658,691	-	28,422,105
Unutilized credits	22,694,116	-	-	22,694,116
Guarantees	70,376,086	11,085,952	-	81,462,038
Operating lease contract liabilities	357,623	821,667	237,952	1,417,242
Capital liabilities	506,913	-	-	506,913
	121,698,152	12,566,310	237,952	134,502,414

(39) SECTOR ANALYSIS

a. Information on the bank sectors operation

The Bank is organized, for managerial purposes, which measured according to reports used by general manager and decision makers to the Bank into three major sectors. Moreover, the Bank owns three subsidiaries: one conducts financial brokerage, the other financial lease, and the third bonded stores operatio and management.

- Individuals accounts: include following up on individual customers accounts, and granting them loans, credit, credit cards, and other services.

- Corporate accounts: include following up on deposits, credit facilities, and other banking services related to customers.

- Treasury: includes providing dealing services and management of the Bank’s funds.



	Total							
	Individuals (Retail)	Corporate	Treasury	Financial Brokerage	Financial Lease	Bonded Management	Other	31 December 2015
	JD	JD	JD	JD	JD	JD	JD	JD
Gross income	6,907,345	19,014,492	7,907,291	2,009,188	1,551,738	1,909,475	[99,047]	39,200,482
Provision for impairment on direct credit facilities	[612,337]	4,142,297	-	127,162	[340,116]	[13,500]	-	[539,391]
(Recovery) Sundry provisions	-	-	-	-	-	-	[271,819]	23,372
Results of business sector	6,295,008	23,156,789	7,907,291	2,136,350	1,211,622	1,895,975	[370,866]	42,232,169
Undistributed expenditures on sectors	-	-	-	[427,659]	[696,690]	[1,328,318]	[19,174,658]	[21,627,325]
Profit for the period before taxes	6,295,008	23,156,789	7,907,291	1,708,691	514,932	567,657	[19,545,524]	20,604,844
Income tax	-	-	-	[411,142]	[214,330]	[141,038]	[5,528,508]	[6,295,018]
Income for the period	6,295,008	23,156,789	7,907,291	1,297,549	300,602	426,619	[25,074,032]	14,309,826
	Total							
	Individuals (Retail)	Corporate	Treasury	Financial Brokerage	Financial Lease	Bonded Management	Other	31 December 2015
	JD	JD	JD	JD	JD	JD	JD	JD
Sector's assets	154,181,623	258,102,295	295,599,895	17,811,668	22,954,784	15,737,797	-	764,388,062
Undistributed assets on sectors	-	-	-	-	-	-	81,031,829	81,031,829
Total assets	154,181,623	258,102,295	295,599,895	17,811,668	22,954,784	15,737,797	81,031,829	845,419,891
Sector's liabilities	344,665,662	275,943,745	29,018,348	901,933	16,814,425	11,190,393	-	678,534,506
Undistributed liabilities on sectors	-	-	-	-	-	-	12,239,078	12,239,078
Total liabilities	344,665,662	275,943,745	29,018,348	901,933	16,814,425	11,190,393	12,239,078	690,773,584
Capital expenditures								10,179,232
Depreciation and amortization								2,759,899
								2,451,335

B- Information on the geographical distribution.

The bank conducts its business and operations primarily in Jordan. Accordingly, most of the Bank's revenues, assets and capital expenditures are in Jordan.

(40) CAPITAL MANAGEMENT

a. Description of Capital

According to the Central Bank of Jordan Law and in compliance with the capital adequacy requirements, capital consists of many parts:

- Part one: Primary capital made up of paid-up capital, declared reserves, (including statutory reserve, voluntary reserve, share premium (discount), treasury share premium, and other reserves), retained earnings, and non-controlling interest (if any) minus intangible assets, loss for the period, acquisition costs of treasury stock, provisions required by the Central Bank of Jordan, full amount of goodwill, and any restricted amounts.
- Part two: Supplementary capital provided that the general banking risk reserve does not exceed 1.25% of total credit risk weighted assets, subordinated debts, and the positive cumulative change in fair value at 45%, less the negative change balance provided that this part of capital does not exceed 100% of regulatory capital.
- The third part consists of short-term subordinated loans to meet market risks. This part supplements capital and is utilized to face the potential losses from market risks.
- Additionally, the Bank complies with Article (62) of the Banks Law which requires the Bank to appropriate 10% of its net profits in the Kingdom and continue to do so until the reserve equals the Bank's paid-up capital.

b. Regulatory Authorities Requirements Concerning Capital and Method of Fulfilling Them.

The Bank considers the compatibility of the size of capital with the nature of risks it is exposed to provided that paid-up capital is not less than the minimum required by the Central Bank of Jordan and regulatory capital not less than 12% of the weighted assets value of credit and operating market risks. Furthermore, the minimum leverage ratio (equity to total assets) should not be less than 6%. Moreover, not less than 28.5% of market risk-weighted assets should be covered by regulatory capital.

c. How to Achieve the Objectives of Capital Management

The Bank's management aims at achieving the Bank's capital management objectives, a surplus in operating income and revenues, and the optimal utilization of the available sources of funds so as to reach the targeted growth in shareholders' equity through the increase in the statutory reserve, recognized profits, voluntary reserve, and retained earnings.

The effect of capital adequacy ratio is taken into considerations when entering to investments. Moreover, capital and its adequacy are monitored periodically, and capital adequacy is calculated by the Risk Management and Compliance Department.

d. Reasons for and sources of change in the Bank’s regulatory capital during the year: Increase in regulatory capital amounted to JD 11,350,532 from the following sources:

- Increase in the statutory reserve of JD 2,060,484.
- Increase in retained earnings of JD 4,894,719.
- Increase in the general banking risks reserve of JD 228,127.
- Increase in the fair value reserve according to IFRS (9) of JD 484,433.
- Increase in the deferred tax assets and intangible assets of JD 96,038.
- Decrease in investments and real estates seized by bank against loans and from breaking article(48) of banks law which are deducted from capital by 50% of JD 3,586,730.

The capital adequacy ratio has been calculated according to Basel II Standard, in addition to the instructions of the Central Bank of Jordan

e. The amount the Bank considers as capital and capital adequacy ratio are as follows:

	31 December 2015	31 December 2014
	JD	JD
Subscribed and paid-in capital	100,000,000	100,000,000
Statutory reserve	21,332,948	19,272,464
Retained earnings (net of restricted amounts)	13,018,133	8,123,414
Goodwill or any intangibles and deferred tax assets	(7,321,840)	(7,417,878)
Investments deducted from capital by 50%	(1,065,920)	(2,859,285)
Primary Capital	125,963,321	117,118,715
Fair value reserve in according with IFRS (9)	1,727,629	1,243,196
General banking risks reserve	4,603,049	4,374,922
Investments deducted from capital by 50%	(1,065,920)	(2,859,285)
Additional Paid-in Capital	5,264,758	2,758,833
Total Capital Structure	131,228,079	119,877,548
Total risk weighted assets	720,548,304	740,880,930
Capital Adequacy Ratio (%)	18.21%	16.18%
Primary Capital Ratio (%)	17.48%	15.81%

[41] ACCOUNTS MANAGED ON BEHALF OF CUSTOMERS

There are no investment portfolios managed by the Bank on behalf of customers.

[42] ANALYSIS OF THE MATURITIES OF ASSETS AND LIABILITIES:

The following table illustrates the analysis of assets and liabilities according to the expected period of their recoverability or settlement:

31 December 2015	Up to one year	More than one year	Total
	JD	JD	JD
Assets:			
Cash and balances at the Central Bank	102,527,791	-	102,527,791
Balances at banks and financial institutions	45,854,292	-	45,854,292
Deposits at banks and financial institutions	-	5,000,000	5,000,000
Financial assets at fair value through statement of income	2,556,397	-	2,556,397
Direct credit facilities	222,874,925	231,829,343	454,704,268
Financial assets at fair value through other comprehensive income	-	20,581,461	20,581,461
Financial assets at amortized cost	71,634,363	47,445,591	119,079,954
Property and plant -net	1,806,405	26,921,345	28,727,750
Intangible assets	621,939	1,333,986	1,955,925
Deferred tax assets	330,360	5,035,555	5,365,915
Other assets	5,514,608	53,551,530	59,066,138
Total assets	453,721,080	391,698,811	845,419,891
Liabilities:			
Deposits at banks and financial institutions	9,018,275	-	9,018,275
Customers’ deposits	583,892,917	183,438	584,076,355
Cash margins	32,157,407	-	32,157,407
Borrowed funds	11,970,073	30,351,964	42,322,037
Sundry provisions	-	1,082,090	1,082,090
Income tax provision	6,208,287	-	6,208,287
Deferred tax liabilities	-	2,073,433	2,073,433
Other liabilities	13,835,700	-	13,835,700
Total Liabilities	657,082,659	33,690,925	690,773,584
Net	(203,361,579)	358,007,886	154,646,307



	Up to one year	More than one year	Total
31 December 2014	JD	JD	JD
Assets:			
Cash and balances at the Central Bank	69,221,128	-	69,221,128
Balances at banks and financial institutions	43,729,599	-	43,729,599
Deposits at banks and financial institutions	1,378,847	-	1,378,847
Financial assets at fair value through statement of income	7,496,950	-	7,496,950
Direct credit facilities	232,866,785	223,199,118	456,065,903
Financial assets at fair value through other comprehensive income	-	12,360,779	12,360,779
Financial assets at amortized cost	68,281,020	71,540,978	139,821,998
Property and plant -net	1,839,580	19,227,837	21,067,417
Intangible assets	611,776	1,585,286	2,197,062
Deferred tax assets	515,719	4,705,097	5,220,816
Other assets	2,953,127	43,649,712	46,602,839
Total assets	428,894,531	376,268,807	805,163,338
Liabilities:			
Deposits at banks and financial institutions	16,769,485	-	16,769,485
Customers' deposits	561,093,042	297,780	561,390,822
Cash margins	34,755,916	-	34,755,916
Borrowed funds	15,847,352	12,642,164	28,489,516
Sundry provisions	-	924,101	924,101
Income tax provision	3,467,908	-	3,467,908
Deferred tax liabilities	-	1,886,194	1,886,194
Other liabilities	11,185,386	-	11,185,386
Total Liabilities	643,119,089	15,750,239	658,869,328
Net	[201,863,779]	348,157,789	146,294,010

(43) FAIR VALUE HIERARCHY

The table below analyses financial instruments carried at fair value by the valuation method. The different levels have been defined as follows

Level 1 - Quoted (unadjusted) market prices in active markets for identical financial assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable market data.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable. The Bank has applied book value method which considered the best available method to measure fair value of these investments due to difficulty of fair value measurement.

	Level 1	Level 2	Level 3	Total
	JD	JD	JD	JD
2015				
Financial assets through statement of income	2,556,397	-	-	2,556,397
Financial assets through other comprehensive income	18,302,235	-	2,279,226	20,581,461
	20,858,632	-	2,279,226	23,137,858
2014				
Financial assets through statement of income	7,496,950	-	-	7,496,950
Financial assets through other comprehensive income	10,387,766	-	1,973,013	12,360,779
	17,884,716	-	1,973,013	19,857,729

(44) FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of the unquoted financial instruments presented in the consolidated financial position are not materially different from their carrying value in the consolidated financial statements. In addition, the fair value of direct credit facilities, deposits in banks and financial institution, customer deposits, cash margin and borrowed money which presented at amortized cost are note materially different from their carrying value presented in the consolidated financial statements because the interest rate in the financial assets market are not materially different from their contractual prices, furthermore, due to the short term periods when it comes to deposits at banks and financial institution. The fair value presented at amortized cost is measured either through prices announced in the market when it is available or through valuation methods such as used in some bonds with fixed interest rate cases.

During the first quarter of 2015, the bank transferred part of the financial assets at fair value through profit and loss to financial assets at amortized cost, which comply with the long term strategic investment plan and investment driven of these investments. The fair value of the portfolio at the transferring date amounted to JD 2,360,136 and the fair value as of 31 December 2015 amounted to JD 484,671

(45) COMMITMENTS AND CONTINGENT LIABILITIES (OFF-FINANCIAL POSITION)

A. Credit commitments and contingencies:

	31 December 2015	31 December 2014
	JD	JD
Letters of credit	13,761,841	18,995,193
Acceptances and periodic withdrawals	3,186,941	9,426,912
Letters of guarantees:		
Payments	31,800,034	28,835,489
Performance	30,842,045	38,216,512
Other	11,135,306	14,410,037
Unutilized credit facilities	17,312,891	22,694,116
	108,039,058	132,578,259
B. Contractual obligations:		
Contracts to purchase property and equipment	28,580	333,948
Construction contracts	167,104	172,965
	195,684	506,913

Operating leases amounted to JD 412,070 (2014: JD 357,623), with periods ranging from one to twelve months



[46] LAWSUITS AGAINST THE BANK

- A . The Bank is a defendant in lawsuits amounting to JD 14,501,597 as 31 December 2015 against JD 10,415,952 as of 31 December 2014. The total provision booked against these lawsuits amounted to JD 1,062,463 as of 31 December 2015 against JD 906,781 as of 31 December 2014. As per the estimate of the management and the bank's lawyer, no addition liabilities would arise against these lawsuits.
- B . There is only one lawsuit against Tamkeen leasing Company amounted to JD 55,000 as of 31 December 2015 and as per the estimate of the management and the company's lawyer, no addition liabilities would arise against these lawsuits.
- C . There were no lawsuits against the subsidiary companies: Al Mawared for financial broker and Al Istethe-mari Letamweel Salselat Al Imdad and Jordanian Factoring Company as of 31 December 2015.

[47] COMPARATIVE FIGURES

Certain comparative figures were reclassified for the year ended 31 December 2014 to match the financial statement classifications for the year ended 31 December 2015.