بنك القاهرة عمان

Cairo Amman Bank

His Majesty King Abdullah The Second

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Board of Directors

Mr. Khaled Sabih Al-Masri	Chairman
Mr. Mohammad Kamal Eddin Barakat	Vice Chairman, representing Banque Du Caire
Mr. Miqdad Hasan Innab	
Mr. Ibrahim Hussien Abu Al-Ragheb	Representing Ishraq Investment Company
Mr. Yasin Khalil Al-Talhouni	Representing Levant Investment Company
Dr. Farouq Ahmad Zuaiter	Representing Palestine Development & Investment Company (Padico)
Dr. Abdul Malek Ahmad Jaber	Representing Al-Massira Investment Company
Mr. Nashat Taher Al-Masri	
Mr. Yazid Adnan Al-Mufti	Representing Astra Investment Company
Mr. Ghassan Ibrahim Akeel	Representing Arab Supply and Trading Company
Mr. Yazan Mahmoud Samara	Representing Social Security Corporation
Mrs. Maha Hussein Shawki	Representing Zafer Investment Company (from 31/10/2006)
Mr. Farid M. El-Chiati	Representing Zafer Investment Company (up to 31/10/2006)
Allied Accountants (Member of Ernst & Young Global)	External Auditors

Chairman's Message

Dear Shareholders,

It gives me and the Board of Directors great pleasure to meet and present to you Cairo Amman Bank's forty-seventh annual report, which outlines developments in the Jordanian and world economy, the Bank's 2006 financial results, in addition to a summary of the Bank's business plan for 2007.

Despite the unfavorable circumstances that faced the Bank's branches in Palestine, the Bank was able to achieve good results that enabled it to solidify its capital base for continuing improvement in the years to come.

The Bank's net income before income tax for 2006 was JD31 million compared to JD44 million in 2005, while net income after taxes amounted to JD19.2 million compared to JD31.5 million in the previous year. The Bank's results for the year were significantly affected by the situation in Palestine, where salaries of the public sector employees were suspended, and therefore, the Bank opted to start building a provision against credit facilities granted to them and booked a provision of JD9.2 million. However, the Bank was able to absorb most of this amount through the surplus in loan loss provision realized within Jordan branches.

On the other hand, the Bank managed to reinforce its position in the market and benefit from the growth in the Jordanian economy and continued to achieve good growth rates. Net interest income increased by 22.6% to reach JD42.9 million compared to JD35 million in the previous year, while net commission income amounted to JD9.9 million, achieving a growth rate of 4.1%. In addition, credit facilities grew by JD63 million, a growth rate of 14.3%, to reach JD503.3 million. Customers' deposits also increased by 4.2% to reach JD889.4 million.

Based on the results achieved for the year, the Board of Directors proposes to increase the paid-up capital to JD75 million through the issuance of bonus shares to the shareholders at 11.1% of paid-up capital capitalizing JD7.5 million of the retained earnings. The Board also proposes distributing cash dividends of 10% of paid-up capital, a distribution of JD6.75 million. The capital increase will accommodate the Bank's growth plan.

On behalf of the Cairo Amman Bank family, I would like to extend my sincere appreciation to our customers, whose support was instrumental in the achievement of these results. I would also like to thank the Bank's employees at all levels for their dedication, unwavering efforts, loyalty, commitment, and their valuable participation in achieving the Bank's objectives. I would also like to reaffirm to our shareholders, customers, and employees that we will continue to strive towards improving our operations to stay in line with developments and changes continuously occurring in the banking sector. Our aim is to offer the best banking services and to achieve better results in the coming years.

Khalid Sabih Al-Masri,
Chairman and Chief Executive Officer

Economy Highlights

World Economy

The global economy continued to expand at a relatively solid pace, with particularly strong activity in the United States, Eurozone and Japan.

The US economic expansion continued in 2006 on a solid footing and was led by ongoing increases in consumption, residential investment and business spending on equipment and software. Although the pace of expansion slowed towards the end of the year, as GDP grew by nearly 3% for 2006, a reflection in part of reduced fiscal stimulus and the slowdown signs of soft landing. Moreover, the economic expansion has not been sufficient to absorb slack in labor and product markets, which displayed volatile results throughout the year. The Federal Reserve continued its tightening cycle in the first half reaching a peak of 5.25% then stabilized for four consecutive meetings. For 2007, economists expect that the Federal Reserve is expected to start cutting rates towards April 2007, as the lagged effects of interest rates' increases are hampering economic growth.

In Europe, the economy is still positively growing, as it is expected to achieve 1.8% growth in 2006, compared to 1.3% growth in 2005. On the monetary policy side, the European Central Bank started its tightening process, increasing its key benchmark interest rates from 2% to 3.25% by year-end. Economists expect that this tightening cycle will peak at 4.00% in 2007.

Concerning Japan, the economy is expected to continue along a path of gradual recovery while inflation signs started to appear leading Bank of Japan to start its slow tightening process.

Arab Economies

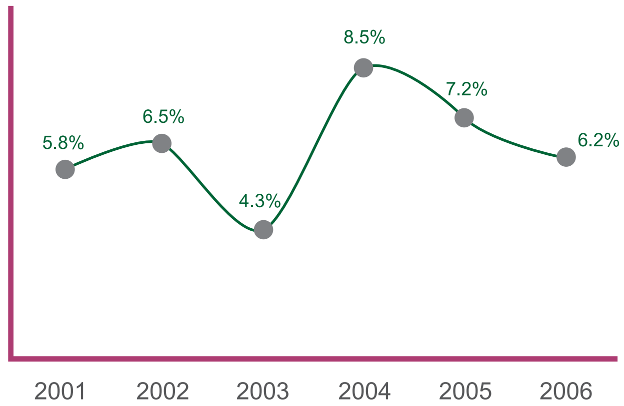
During 2006, most Arab economies showed signs of improvement in their overall performance compared to the previous year as well as compared to other industrial countries. The surge in cash flows and the more liberal fiscal and monetary policies adopted by these countries helped in promoting economic growth. The GCC posted the highest growth rates among all Arab countries fuelled by the large cash inflows and the effect of reform measures taken in 2006. Egypt has posted a growth of 4.5%, Syria also posted positive growth.

Moreover, Lebanon's economic prospects also remain uncertain due to the unfavorable political scene. The Palestinian economy showed signs of deterioration following the political turmoil and its outlook remains uncertain. Both Morocco & Tunisia posted robust growth of 7.3% and 5.3% respectively.

The Jordanian Economy

The economy of Jordan continued its robust performance in 2006, as the local economy was able to maintain the positive economic results achieved during the last two years, given the uncertain political situation in the region. GDP grew at 6.2% in 2006 compared to 7.3% in 2005. The growth in the economy was enticed by the growth achieved in almost all economic sectors, especially manufacturing industries, financial services, construction, telecommunications, water and electricity.

Growth in GDP



The Monetary Policy

The Central Bank of Jordan continued its policy aiming to maintain monetary stability and preserving the Kingdom's foreign currency reserves. Official foreign currency reserves increased to USD6 billion towards the end of 2006, consequently, its import coverage increased to 6 months of imports. Furthermore, the Central Bank of Jordan continued its tightening streak during the first half, increasing its window deposit interest rate three times during 2006, to reach 5.25%, compared to 4.50% at the end of 2005.

In the meanwhile, interest rates on 3 months and 6 months CDs stabilized in 2006 ending the year at 6.64% for 3 months and 6.86% for 6 months.

Economy Highlights

Balance of Payment

Jordan's national exports grew by nearly 18% in 2006, compared to 10.6% in 2005. These exports were concentrated in apparels (exports from QIZ areas to the US market), chemical products and pharmaceutical products. The main destinations for these exports were the US, Iraq and the European Union countries.

Import growth, however, increased by 10% during 2006, compared to an increase of 28% in 2005. This gradual stabilization in imports as a direct result to the decrease in oil prices as crude oil topped the country's imports, followed by raw and intermediate materials and cars and vehicles.

On the services balance front, available estimates for the amounts repatriated by Jordanian expatriates during 2006 show that it exceeded those of 2005. However, the current account balance is expected to post a deficit to GDP of 15.7% in 2006, compared to 17.2% in 2005.

Government Budget

Early estimates of the performance of the government budget in 2006 indicate that the overall budget deficit (after grants and assistance) reached JD450 million, which represents around 4.5% of GDP.

Noteworthy, however, is that the government of Jordan continued its efforts to curb public expenditure in order to control budget deficit and maintain it within specified levels in the economic adjustment program. Consequently, revenue coverage of expenses increased to 100% in 2006 from 88.1% in 2005.

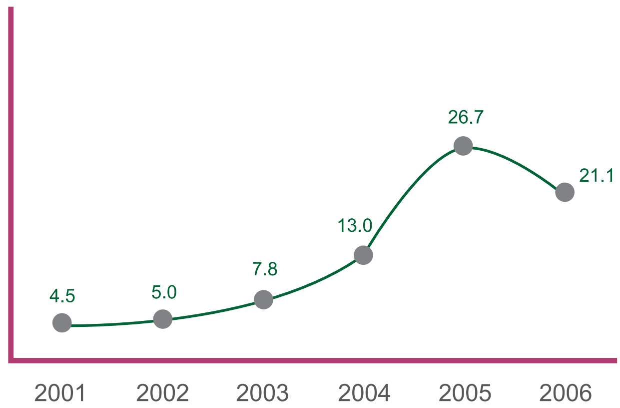
Amman Stock Exchange

Amman Stock Exchange index closed at the end of 2006 at 5518 points compared to 8192 points at the end of 2005, witnessing a decrease of 33%. As a result, Amman Stock Exchange was considered among the under-performing markets during 2006. This decrease came as a result of the drop in the financial sector by 33%, services sector by 19% and industrial sector by 16%.

The exchange volume during 2006 reached JD4.2 billion which represents a decrease of 16% compared to 2005. The number of shares exchanged increased by 59% to reach 4.1 billion shares, this increase was accompanied by a similar increase in the number of contracts which reached 3.4 million contracts achieving 44% increase compared to 2005. In addition, shares turnover was 101% compared to 94% in the previous year. It is worth mentioning that all rates above except the exchange volume are the highest rates achieved by Amman Stock Exchange since its establishment in 1978.

Market capitalization declined by 21% at the end of 2006 to reach JD21.1 billion, representing 234% of GDP which is one of the highest rates internationally and signifies the importance of Amman Stock Exchange on the national economy.

Market Capitalization (JD Billion)



Economic Outlook in 2007

The economy of Jordan is expected to grow by 5.5% in 2007. This growth is expected to be fuelled by key sectors such as manufacturing industries, telecommunications, construction, water and electricity. Inflation is expected to slightly decrease to 5.5% due to several governmental measures to be undertaken. On the government budget front, primary estimates indicate that the overall budget deficit might decrease to the level of 3.5% of GDP due to the increase in expected grants accompanied with higher foreign direct investments.

Financial Analysis

Financial Indicators and Ratios

(Amounts in thousands of JDs except earning per share)	2006	2005	Variance
Results at Year End			
Net interest and commission income	52,855	44,560	18.62%
Gross profit	71,074	73,397	-3.16%
Profit before income tax	30,960	44,015	-29.66%
Profit after income tax	19,249	31,496	-38.88%
Earning per share (JD)	0.285	0.467	-38.97%
Major balance sheet items	**2006**	**2005**	**Variance**
Total assets	1,178,850	1,227,331	-3.95%
Credit facilities, net	503,335	440,328	14.31%
Customers' deposits	889,357	853,568	4.19%
Total shareholders' equity	138,236	163,341	-15.37%
Financial Ratios	**2006**	**2005**	
Return of average assets	1.60%	2.85%	
Return of average equity	12.77%	23.60%	
Interest Margin to Average Assets	3.57%	3.17%	
Capital Adequacy Ratio	15.68%	15.51%	
Leverage Ratio	9.70%	9.70%	
Non-Performing Loans Ratio	10.31%	9.11%	

(Amounts in thousands of JDs except share price)

for the year	2002	2003	2004	2005	2006
Profit before income tax	(1,443)	4,461	12,405	31,496	19,249
Dividends paid	-	-	*	**	4,500**
Total shareholders' equity (adjusted)	43,088	51,199	86,629	163,341	138,236
Outstanding shares	20,000	20,000	30,000	45,000	67,500
Market price per share	1.60	3.80	7.00	10.41	3.37

* share dividends of 25%
** share dividends of 50%

Financial Analysis

The consolidated financial statements for the Bank and its subsidiaries have been prepared in accordance with International Financial Reporting Standards (IFRS) and in conformity with the applicable laws and regulations of the Central Bank of Jordan. It includes the following fully owned subsidiaries:

- Awraq Investments – Jordan
- Al-Watanieh Securities Company – Palestine
- Cairo Amman Company – Marshal Islands

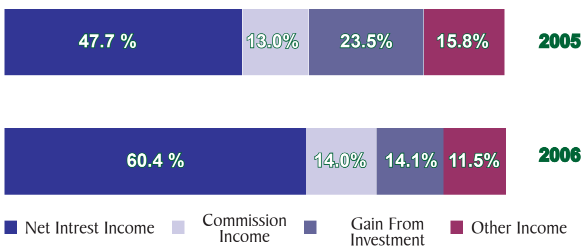
Results of Operations

The Bank's profits after income tax amounted to JD19.2 million compared to JD31.5 million for 2005, while profits before income tax were JD30.9 million compared to JD44 million in the previous year. The results of the operation for the year were significantly affected by the situation in Palestine, specially having to book a loan loss provision of JD9.2 million against credit facilities granted to public sectors employees as a result of suspending their salaries.

From an operational point of view and particularly in Jordan, the Bank continued to achieve excellent growth rates, net interest income grew by 22.6% to reach JD42.9 million compared to JD35 million in the previous year. Commission income also grow by 4.1 % to reach JD9.9 million.

Net interest income represented 60.4% of gross profit compared to 47.7% in 2005. The contribution of non-interest income has declined during the year specially income from investments which amounted to JD10.2 million compared to JD17 million in the previous year.

Gross Profit



The results of operation for the year included brokerage income of JD2.3 million compared to JD5.3 million in 2005. This decline in brokerage income resulted from the decrease in the volume of trading as well as lower shares prices in Amman and Palestine stock exchanges.

Employees' costs increased by 9.6% to reach JD19.8 million as a result of annul increments in salaries and bonuses paid to employees, in addition to the increase in the number of employees to accommodate the growth in the Bank's operations. Training expenses also increased as a result the training programs conducted during the year to improve the employees' skills and develop the Bank's human resources.

Information systems expenses increased as a result of the continuous development undertaken by the Bank in its information technology. Advertising also increased due to the various campaigns made by the Bank to advertise its products. While the increase in rent expenses was caused by renting new premises for the regional management in Palestine.

Furthermore, the provisions for doubtful debts that was booked by the Bank's subsidiaries of JD1.3 million compared to JD250 thousand in 2005 has contributed to increasing the operating expenses, The increase in the provision for doubtful debts came as a result of applying Central Bank of Jordan loan loss regulations on the brokerage receivables.

Being conservative, the Bank booked a provision for loan loss of JD9.2 million against the credit facilities granted to the public sector employees in Palestine as a result of suspending their salaries. However, the Bank managed to absorb this significant provision through the excess in loan loss provision that was available in Jordan branches, as a result, the amount of loan loss provision that appears in the income statement for the year was JD3.6 million compared to a reversal in provision in the previous year of JD1 million.

The Bank also booked addition provision for litigations against the Bank, although based on the legal counselor opinion the provision already booked was adequate, however, the Bank's management decided to increase the amount of the provision.

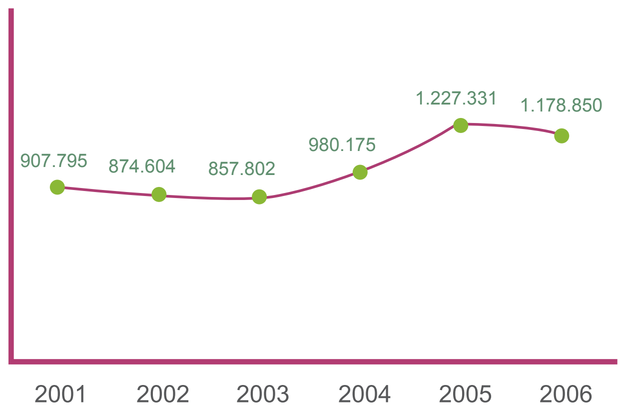
As a result, the Banks earning per share was JD0.285 compared to JD0.467 in the previous year.

Financial Analysis

Financial Position

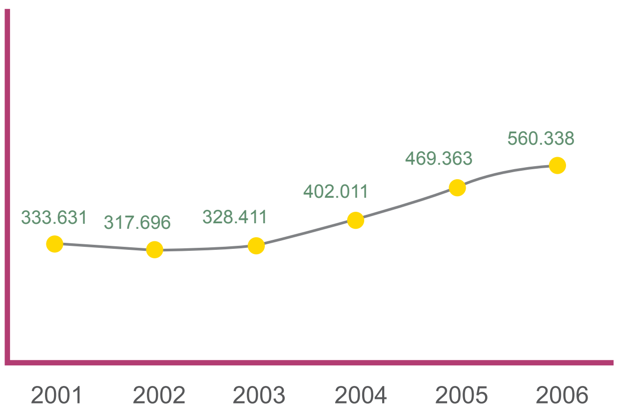
Total assets as of December 31, 2006 amounted to JD1179 million, witnessing a decrease of JD48.5 million as compared to the end of 2005. The decrease resulted mainly from the decline in the fair value of some of the Bank's investments.

Total assets (JD1000)



During the year, the Bank continued to strengthen its credit facility portfolio. Gross credit facilities balance grew to JD560.3 million compared to JD496.4 million at the end of 2005, achieving growth rate of 12.9%.

Gross credit facilities (JD1000)



The Bank was able to achieve this growth despite the unfavorable circumstances in Palestine which reduced the opportunities to grant additional facilities specially to the retail sector. Those circumstances have also affected the quality of the credit portfolio, as the Bank classified the facilities granted to the public sector employees as non-performing and accordingly increasing the non-performing loans ratio to 10.3% compared to 9.1% in the previous year. This ratio would have reached 6.8% without the Palestinian public sector employees facilities. Net credit facility balance reached JD503.3 million at the end of 2006 compared to JD440.3 million in the previous year, witnessing an increase of JD63 million or 14.3%.

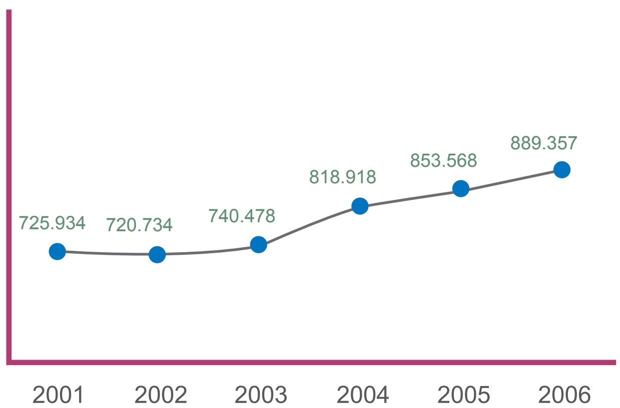
Available for sale investments amounted to JD191.2 million compared to JD219.8 million in the previous year. The decrease came as a result of the decline in the fair value of some of the Bank's investments. During the year, the Bank increased its activities in investing in bonds and other financial instruments, which came after Awraq Investments started managing the Bank's portfolio. As a result, investments in bonds grew by 36.8% during the year to reach JD118,6 million at year end. The following table illustrates the details of the Bank's investments portfolio:

(million JD)	2006	2005
Shares	72.6	133.1
Bonds	118.6	86.7

The Bank also continued implementing its policy of reducing its investment in companies' shares through selling some of its holdings. It should be noted that the size of the Bank's investments in shares is within the limits set by the Central Bank of Jordan.

Customers' deposits increased to JD889.4 million at year end compared to JD853.6 million at the end of the previous year, achieving an increase of JD35.8 million at a rate of 4.2%. The Bank worked on widening its customers' base through developing saving accounts prizes schemes in Jordan and Palestine.

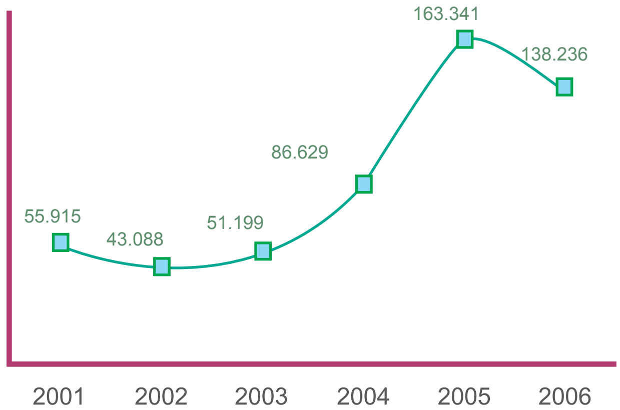
Customer's deposits (JD1000)



Financial Analysis

Shareholders' equity amounted to JD138.2 million at the end of 2006 compared to JD163.3 million at the end of 2005. The decrease resulted from the decline in the fair value reserve.

Shareholders' equity (JD1000)



During 2006, the Bank increased its paid-up capital by 50% to JD67.5 million through capitalizing JD22.5 million of the retained earnings and distributing bonus shares to shareholders. This increase has contributed to solidifying the capital adequacy ratio whereby it reached 15.68% compared to 12% as the minimum set by the Central Bank of Jordan, core capital ratio and the leverage ratio were 13.08% and 9.7% respectively.

Profits Distribution

The Board of Directors proposes to the General Assembly to increase the paid-up capital to JD75 million through the issuance of bonus shares to shareholders at 11.1% of paid-up capital capitalizing JD7.5 million of the retained earnings. The Board also proposes distributing cash dividends of 10% of paid-up capital. This capital increase will accommodate the Bank's growth plans.

The following table illustrates the proposed distributions:

	(in million JD)
Profit for the year	19,249
Earnings retained from prior year	192
Amount available for distribution	**19,441**
Statutory reserve	2,911
Voluntary reserve	1,322
General banking risk reserve	875
Bonus shares	7,500
Cash dividends	6,750
Retained earnings	83

The Bank's Activities during 2006

Broadening of Retail Banking Services

Cairo Amman Bank reaffirmed its position as a leading bank in providing retail banking services, whereby the primary pillar of the Bank's strategy is to widen its client base in Jordan and Palestine, in addition to achieving a competitive edge in this area by providing a variety of services and products, that meet the various needs of our clients, following are some of the new products introduced during the year:

- Increasing the term of housing loans to 30 years, giving individuals, especially the youth and individuals with low income the opportunity to finance houses with lower monthly installments.
- Launching the ATM loans, customers can conveniently obtain a loan immediately from any of the Bank's ATMs. The Bank was the first bank in Jordan to provide this service.
- Introducing the largest personal loan in Jordan with the longest term. The Bank's personal loans can reach up to JD50,000 with a repayment term of 8 years.
- Enhancing the easy installment program which enable the customers to purchase from large variety of vendors with zero interest installments.

To achieve its retail strategy, the Bank adopted Cross Selling Policy in marketing its retail products through marketing campaigns, granting Pre-Approved Lines to certain customers or group of customers, and encouraging the employees through various bonus schemes.

Corporate Credit

Cairo Amman Bank continued its growth in granting loans to the corporate sectors within the standards set by the Board of Directors that sustain the minimum acceptable credit risks and provide the Bank with acceptable returns, through expanding its relationship with large and reputable corporations and government and semi-government institutions.

The Bank also started expanding its activities towards small and medium sized enterprises (SMEs) through creating a separate department that is specialized in dealing with SMEs. In order to bridge the gap with this sector and to develop the skills of SMEs owners, the Bank signed an agreement with the Small and Medium Enterprises Center, an affiliate of the Arab Academy for Banking and Financial Sciences, to enhance the competencies of enterprise owners and managers in the field of developing financial strategies.

The Bank also continued its participation in syndicated loans for funding projects that add value to the national economy.

Treasury & Developing Sources of Funds

The Treasury Department emerged to a broader spectrum of products by including options, futures and structured FX products. The Bank's treasury offers a wide variety of yield enhanced (with the option of capital - guaranteed) products which are customized to suit clients' needs.

In addition, the Treasury Department monitors the local and global financial markets' fiscal and monetary polices to manage asset and liabilities of the Bank efficiently. Funding and gapping requirements are monitored through modern and sophisticated techniques ensuring maximum utilization.

In an effort to better serve its corporate clients, the Treasury provides tailored hedging solutions tailored to cover risks of foreign exchange fluctuations.

Moreover, Treasury works closely with AWRAQ (the investment arm of the Bank) offering international brokerage services and managing the funding for their asset management operations.

The Bank continued its efforts on attracting deposits in order to properly match between sources and usage of funds. During the year, the Bank concentrated on attracting customers deposits with much focus on the saving accounts, in doing so, the Bank increased the amounts and frequency of prizes on the saving accounts through giving a monthly prize of JD15,000 in addition to a quarterly prize of JD120 thousands. In Palestine, the Bank launched the "Journey to Millions". In addition, the Bank worked on attracting new customers by giving monthly car to customers who transfer their salary to the Bank.

Investment Services

The Bank offers through its subsidiaries, Awraq Investments in Jordan and Al-Watanieh Securities Company in Palestine, local, regional and international brokerage services, as well as consulting services, asset management and managing investments funds.

The Bank has commissioned Awraq Investments to manage its investments portfolio in bonds and other financial instruments.

The Bank's Activities during 2006

Information Technology

As part of the Bank's information technology strategy, the ATM system was replaced by the new electronic channels system that provides the possibility to offer all services through one system. The Bank increased the number of ATMs to 94 machine in Jordan and Palestine.

The Bank also upgraded the hardware and systems used in its branches to ensure better services to the customers, enhance the internal control structure and ensure business continuity. In addition, a new lending system was implemented that manages the whole lending process in an electronic approach. Most of the Bank's documents were transformed to electronic format in an attempt to reduce cost and enhance services.

Human Resources

The year 2006 marked a significant development in the Bank on the human resources management and development level which was in parallel with development in other areas of the Bank. Special attention was given to investing in the Bank's human resources by recruiting the most competent of the Jordanian work force in addition to training and improving the skills of the employees.

The year 2006 could be labeled as the year of "Employment and Recruitment" since this year witnessed an unprecedented increase in recruitment and employment, reflecting the development and growth of the Bank.

The Bank's employment policy depends largely on matching qualifications, experiences, skills and competencies of candidates with the requirements of the vacant positions available at the Bank. The qualifications a successful candidate must have to fill a specific position include the educational requirements, experiences, skills and competencies. Candidates with these minimum requirements are then interviewed, evaluated, selected and hired. Evaluation tools used in the selection process include written examinations and a number of personal interviews conducted by the Human Resources Department and other concerned departments. The effectiveness of this policy is reflected in the notably lower employee turnover rates for the Bank.

All requirements and qualifications required at all levels and positions at the Bank have been determined and documented in proper job descriptions. This has prepared the basis for the implementation of "Competency-Based Human Resources" in the HR Department's various programs.

Training is one of the major functions of the human resources development process. During 2006, the Bank's training department conducted 430 training programs, or total of 9795 training hours, in which 3353 employees participated. Programs included those conducted by the Bank's training center, other training centers in Jordan as well training centers in the Middle East, Europe and the USA. In addition, the Bank developed and began implementing the "Future Bankers" program in 2006. This program aims at recruiting and hiring the best new university graduates and including them in an intensive training program. The training they receive includes classroom instruction over a period of four months during which they are exposed to all of the Bank's various operations. They then participate in on-the-job training in various departments and branches, giving the opportunity to implement what they learned in the first part of program. This program is expected to play a major role in changing the Bank's culture and improving the quality and skills of the employees.

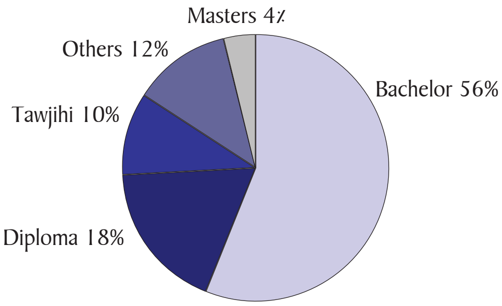
Improving employees' skills also included training and preparing many employees for national and international certifications that would provide them with the qualifications required to carry out their jobs at the top and middle management levels. There were 25 branch managers who obtained the international "Certified Branch Manager' certificate, a certificate accredited by AABFS and the American Banks Union. Several employees were also trained and certified in various fields, earning certificates such as the "Certified Lender Business Banker", the "Certified Project Manager", the "Certified Information System Security Professional", in addition to ICDL certificates.

In addition to training courses and seminars, several employees obtained Diplomas in Financial and Banking Sciences from the Institution of Banking Studies. The Bank also provides assistance for a number of employees in paying their tuition fees towards their B.A. and M.A. degrees in various fields.

The Bank's Activities during 2006

The total number of the Bank's employees at the end of 2006 was 1,823 employee of varying academic qualifications:

Ph.D	1
Masters	74
Bachelor	1,016
Diplomas	336
Tawjihi Certificate	185
Other (less than Tawjihi)	211



The Bank and Local Communities

The Bank continued to actively support the local communities and participate in various national and religious functions in Jordan and Palestine.

During 2006, the Bank supported a number of educational organizations, as well as associations and charity funds. The Bank's activities included:

- Launching "Happy Home" campaign, which aimed at renovating a number of old unhealthy homes in several areas in Jordan. The campaign included both renovation and redecoration.

- Financing the wireless computers project at the Jordan University of Science and Technology through facilitating granting loans to the students to buy computers and connect them to the Internet via a wireless network in order to help in their academic research and studies.

- Signing an agreement with the General Corporation for Housing and Urban Development (GCHUD) under which the Bank offers loans to beneficiaries from the corporation's housing projects, in order to empower citizens, especially the low-income segments, to buy housing units and expand them for residential purposes.

- Signing an agreement with the United Nations Relief and Works Agency (UNRWA) in Jordan under which the Bank will be the host of the accounts dedicated by the agency to finance its Micro finance and Micro enterprise Program (MMP).

- Sponsoring Al-Hussein Cancer Foundation summer camp

- Sponsoring several sport activities

- Sponsoring various exhibitions and forums

During the year, the Bank donated JD195 thousand, distributed as follows:

	(in thousand JD)
Universities, Research Centers, Hospitals	118
Clubs, Charities, Societies	34
Social Activities	36
Miscellaneous	7

The Bank's Competitiveness

The Bank strengthened its position as one of the leading banks in Jordan specially in retail banking. The Bank has 67 branches/offices in Jordan and Palestine inter-connected with a well developed network in addition to 94 automated teller machines widely distributed.

In addition, the Bank provides comprehensive banking services through three customer services centers in Amman, Irbid and Zarqa that aim to provide financial solutions and services to the customers and to increase the banking awareness among present and potential customers.

The Bank is rated BB+ by Capital Intelligence and has a market share of total deposits and credit facilities in Jordan of 3.38% and 4.52% respectively, and 12.85% and 8.91% in Palestine respectively.

Profile of Subsidiary Companies

Al-Watanieh Securities Company

Al-Watanieh Securities Company was established in Ramallah, Palestine in 1995, as a limited liability company. It acts as a broker at the Palestine Stock Exchange. Currently, it has offices in Gaza, Nablus and Bethlehem. The Bank owns 100% of its paid-up capital of JD710.000.

Al-Watanieh for Financial Services Company "Awraq Investments"

Al Watanieh for Financial Services Company was established in Amman during 1992 as a limited liability company to

The Bank's Activities during 2006

operate as a broker in Amman Stock Exchange. During 2005, the Board of Directors approved a plan to restructure the company. That included increasing its paid up capital to JD5 million fully owned by the Bank, and expanding its operations to include local, regional and international brokerage services, consulting service, assets management and managing investments funds. The Company operates under "Awraq Investment" trade name.

The Bank commissioned the Company to manage its investment portfolio in bonds.

Cairo Amman Company - Marshall Island
Established in Marshall Island in 1999 as limited liability company. Its objectives include the ownership and management of investment portfolios. The Bank owns 100% of its paid-up capital. The Bank's Board of Directors took a decision to liquidate the Company.

Business Plan for 2007

The Bank will continue to implement the strategy which aims at solidifying its financial position, strengthening shareholder's equity and improving its financial performance through increasing its paid-up capital to JD75 million. The Bank also looks to continuing its move towards building and strengthening its customers' deposits base, improving the quality of the banking services it provides, developing risk management in a comprehensive manner, and to maintain an appropriate rate of liquidity while achieving an acceptable return on the Bank's various investments. In addition, the Bank will continue to assume its advanced position in retail banking and to broaden the providing of credit facilities to distinctive corporations as well as to participate in syndicated loans in Jordan.

In Palestine, the Bank will continue to reaffirm its existence there and will work towards overcoming the effects of the political and economic situation on the Bank's performance.

Following are some of the most important items in Bank's business plan for 2007:

1. Continuing the implementation of Basel II requirements.

2. Maintaining the Bank's position in retail banking through expanding cross-selling, developing new products and increasing the Bank's share in credit cards and Visa Electron.

3. Expanding towards small and medium size enterprises.

4. Continuing to implement the Bank's IT strategy to enhance the Bank's performance, including installing a comprehensive data warehouse, alternative IT center to ensure business continuity, and expanding E-Banking services such as internet banking, SMS and smart cards.

5. Continuing the centralization of operations process which aims at increasing the efficiency and transforming the branches to specialized sales outlets.

6. Increasing the Bank branches network through opening 11 new branches in Jordan and 2 branches in Palestine, in addition to expanding our ATM network.

7. Lunching the micro-finance project through offices located within the targeted areas.

8. Launching Bancassurance.

9. Continuing the Bank's plan in attracting competent employees and training them through the «Future Bankers» program in addition to specialized training programs designated for tellers.

Risk Management

The Bank's management implements a comprehensive strategy for risk management by addressing the risks and attempting to mitigate them through the Board of Directors Assets and Liabilities Committee, credit facilities committees, and departments managers at all levels.

The Board of Directors, in its awareness of the importance of managing the different risks that face the banking sector and in line with international standards and best practices, continues to manage risk through its independent Risk Management Department. The department objectives are focused on identifying current and possible risks and recommending measures for dealing with them according to the risk appetite of the Bank. The Bank seeks to continuously develop its risk management systems and to prepare itself to implementing new international standards specially Basel II requirements.

The risks facing the Bank include:

Credit Risk

Is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Bank manages credit risk by setting clear policies and following a selective credit policy. The policy is based upon diversification in lending to different sectors, in addition to proper provisioning in line with Central Bank of Jordan regulations and best practices.

The Bank's management manages credit risk and the concentration of assets and liabilities through the decisions taken by the Board of Directors on an annual basis in respect of the Bank's credit policies, in terms of setting credit limits and other conditions. Such policies set forth certain clear ratios for the maximum credit limit allowed to a customer or a group of customers, in addition to the distribution of credit according to the geographical area and the different industry segments.

Classification of credit is performed internally whereby the customers are classified based on financial strength and creditworthiness, in addition to the classification in terms of account activity and due settlement of loan principal and interest. The Bank's portfolio is monitored on a periodic basis.

The Bank follows different procedures to mitigate the risks, including determining the acceptable types of collaterals and their conditions, whereby good collaterals that can be liquidated at a reasonable time and value are accepted by the Bank. The value of the collateral is unrelated to the activity of the customer. Moreover, the Bank requires insurance policies on certain properties as a means of mitigating risk.

In addition, the duties of credit decision and execution of the facility are segregated to ensure adequate controls over the process. Terms, limits, collaterals, contract and all related documents are checked against the credit policy prior to granting the loan. The credit policy includes also a detailed authorization limits according to the size and type of the credit facility.

The Bank has several departments for monitoring credit facilities and reporting any warning signs in advance in order to ensure proper monitoring and follow up.

Market Risk

Market risk arises from fluctuations in interest rates, foreign exchange rates and equity prices. The Board has set limits on the value of risk that may be accepted which is in compliance with Central Bank of Jordan regulations. This is monitored though several departments such as treasury, risk management and financial control.

Asset and Liability Committee monitors the effect of changes in the value of assets and liability that would result from changes in interest rates through reviewing the Bank's interest rate gaps and performing sensitivity analysis as well as stress testing.

As for managing foreign currency risks, the Board of Directors sets the acceptable currencies and position limits. Limits are monitored on a daily basis to ensure that there are no breaches that could result in higher risk. Hedging technique and also being followed.

The Bank also manages risk of changes in equity prices through distributing investments among several geographical areas and economical sectors based on a comprehensive investments policy. The Bank's investment portfolio is managed by Awraq Investments and monitored on a daily basis by risk management.

Risk Management

Liquidity Risk

Liquidity risk is the risk that the Bank may not be able to meet its liabilities when they fall due, or incurring additional costs or loss when raising funds to meet the liabilities. The Bank's management together with the Assets and Liabilities Committee manage this risk through setting limits for acceptable liquidity gaps and monitor it periodically, in addition to determining the Bank's short term liquidity needs and maintaining sufficient amount of cash and cash equivalents and trading investments. The Bank also tries to diversify funding resources.

Operational Risk

Is the risk of insufficiency or failure in the procedures, employees or systems. The Bank manages this risk through the continuous development and updating of the work procedures to ensure it covers all aspects of the operations. In addition, the Bank started implementing the Control and Risk Self Assessment (CRSA) since 2005, based on which a Risk Profile is created to include all types of operational risks and the related mitigating controls for all respective Bank units. The Bank also started building a database of all operational events through Event Listing.

Compliance Risk

Is the risk of non-compliance with laws, regulations and standards issued by domestic and international governing bodies. The Bank has established a designated Compliance Department that monitors issues related to this risks. Moreover, all policies are reviewed on a regular basis to ensure that it reflects any amendments to the laws.

Corporate Governance and Other Disclosures

The Bank gives a great deal of importance to proper corporate governance practices based on the principles of transparency and responsibility. The Bank follows sound professional practices that is in compliance with Central Bank of Jordan regulations, as well as the regulatory requirements of other countries in with it operates.

The presence of an effective, professional and indepedant Board of Directors is one of the most important requirements of sound corporate governance practices. The Board's primary role is to protect and enhance the shareholders' long-term value through the establishment of strategic direction and monitoring achieving the goals by the executive management.

The Bank's Board of Directors is composed of twelve members that were elected for a period of four years by the General Assembly during its meeting held on April 16, 2006. The members of the Board have a range of skills and experiences that increases the effectiveness of the boards. All members of the Board except the Chairman are non-executive members.

To assist it in carrying it duties, the Board of Directors have established several specialized committees, each has its own roles and duties, such as the Audit Committee, Investment Committee and Credit Facilities Committees.

Audit Committee

The Audit Committee is composed of the following non-executive members:
Mr. Ghassan Akeel (Chairman)
Dr. Abdul Malek Jaber
Mr. Nashat Al-Masri

The duties of the Audit Committee include:

- Reviewing the financial statements before being presented to the Board of Directors, in addition to meeting with external auditors and making necessary recommendations.
- Supervising internal audit activities, including reviewing the annual internal audit plan and the internal audit reposts.
- Reviewing Central Bank of Jordan and other regulatory authorities reports and following up on corrective procedures.

The Audit Committee meets on a regular basis, and meets with the Head of Internal Audit Department as well as members of senior management as and when required for discussions and deliberations.

Investment Committee

The investment committee is composed of the following members:
Mr. Khaled Al-Masri (Chairman)
Dr. Farouq Zuaiter
Mr. Yazid Al-Mufti

The Committee sets and reviews the Bank's investment policy and looks into new investments opportunities.

Corporate Governance and Other Disclosures

Board of Directors as of December 31, 2006

Khaled Sabih Al-Masri
Chairman of the Board
Date of Birth: 1966
Academic Qualifications:
- Masters in Business Administration

Professional Experience:
- Chairman since July 1999
- Chief Executive Officer sine October 2004
- Board member since February 1995
- Chairman of Jordan Himmeh Mineral Company
- Board member in several companies including Zara Investment Company, Jordan Hotel and Tourism Company and Royal Jordanian Air Academy

Mohammad Kamal Eddin Barakat
Vice Chairman
Date of Birth: 1952
Academic Qualifications:
- Masters in Finance and Marketing

Professional Experience:
- Chairman of Banque Misr
- Chairman of Bank Misr Liban
- Chairman of Bank Misr Europe
- Board member of Central Bank of Egypt, Egyptian Banking Institute and the Arab Academy for Banking and Financial Sciences

Miqdad Hasan Innab
Date of Birth: 1932
Academic Qualifications:
- Bachelor in Science

Professional Experience:
- Various administrative expertise
- Board member of Middle East Insurance Company and Real Estate and Investment Portfolio Company

Ibrahim Hussein Abu Al-Ragheb
Date of Birth: 1945
Academic Qualifications:
- Bachelor in Business Administration

Professional Experience:
- Chairman and General Manager of Arab Steel Manufacturing Company
- Chairman of Yarmouk Insurance and Re-Insurance Company

Yasin Khalil Al-Talhouni
Date of Birth: 1972
Academic Qualifications:
- Bachelor from USA

Professional Experience:
- Board member in various companies such as Zara Investment Company, Jordan Hotel and Tourism Company, Jordan Himmeh Mineral Company and Jordan Electricity Company

Dr. Farouq Ahmad Zuaiter
Date of Birth: 1936
Academic Qualifications:
- Ph. D in Accounting, Economics and Statistics

Professional Experience:
- General Manager of Palestine Development and Investment Company (PADICO)
- Deputy CEO of Trust Company
- Deputy General Manager and Projects Manager in Al-Sahel Development and Investment Company (Kuwait)
- Advisor to the Kuwaiti Development Fund
- Worked as the Financial Manager of the International Group in Kuwait and Saudi Arabia
- Financial consultant to the Arab Development Fund

Dr. Abdul Malek Ahmad Jaber

Date of Birth: 1965
Academic Qualifications:
- PhD in Engineering
- Masters in Business Administration

Professional Experience:
- Vice Chairman and CEO of Palestine Telecommunication Company
- Chairman of Al-Mashriq Real Estate Company and Golden Mills Company
- Board member in many companies such as Palestine Tourism Investment Company and Palestine Industrial Estates Development and Management Company (PIEDCO)
- Holder of Sheikh Mohammad Bin Rashid Al-Maktoum award for management

Nashat Taher Al-Masri

Date of Birth: 1971
Academic Qualifications:
- Masters in Public Policy

Professional Experience:
- Partner in Foursan Group
- Worked as Vice President- Investment Banking in J.P. Morgan
- Board member in many companies such as Arab Oreint Insurance Company, Isra Investment Company, New Generation Telecommunications Company (XPress), The Aqaba Development Corporation and Palestine Securities Exchange

Yazid Adnan Al-Mufit

Date of Birth: 1953
Academic Qualifications:
- Bachelor in Business Administration

Professional Experience:
- Board member in many companies such as Zara Investment Company, Palestine Development and Investment Company (PADICO) and Middle East Insurance Company
- Experience in banking through his work as the General Manager of Cairo Amman Bank in addition to working in Citibank

Ghassan Ibrahim Akeel

Date of Birth: 1968
Academic Qualifications:
- Master in Business Administration
- Certified Public Accountant (CPA)

Professional Experience:
- Deputy General Manager of Astra Group – Saudi Arabia
- Experience in public accounting through his work as audit manager in big five accounting firms

Yazan Mahmoud Samara

Date of Birth: 1972
Academic Qualifications:
- MBA - General and Strategic Management

Professional Experience:
- Director of Equity Investments in the Social Security Corporation Investment Unit
- Board member in Jordan Projects for Tourism Development
- Experience in management and strategic consulting

Maha Hussein Shawki

Date of Birth: 1953
Academic Qualifications:
- Bachelor of Accounting

Professional Experience:
- Advisor to the Chairman of Banque Du Caire for credit
- Experience in banking through working as the General Manager of Arab African International Bank in addition to working in Citibank
- Experience in the finance and administrative field

Corporate Governance and Other Disclosures

Executive Management as of December 31, 2006

Khaled Sabih Al-Masri
Chairman of the Board
Date of Birth: 1966
Academic Qualifications:
- Masters in Business Administration

Professional Experience:
- Chairman since July 1999
- Chief Executive Officer since October 2004
- Board member since February 1995
- Chairman of Jordan Himmeh Mineral Company
- Board member in several companies including Zara Investment Company, Jordan Hotel and Tourism Company and Royal Jordanian Air Academy.

Kamal Ghareeb Al-Bakri
Deputy General Manager for Operations and Support Services
Date of Birth: 1969
Academic Qualifications:
- Bachelor of Law

Professional Experience:
- Board member in several companies including Jordan Insurance Company, Jordan Tourist Transport Company (JETT), National Steel Manufacturing Company, Jordan Vegetable Oil Industries Company and Arab East Investment Company
- Experience in banking sector through his work as the Head of Legal Department and Legal Advisor of Cairo Amman Bank and to a number of companies

Firas Tariq Suheimat
Deputy General Manager for Banking Operations
Date of Birth: 1965
Academic Qualifications:
- Bachelor of Accounting and Finance

Professional Experience:
- Deputy CEO and Head of Corporate Banking in Jordan National Bank
- Corporate banking experience in the Arab National Bank
- Worked as audit manager in a big five accounting firm
- Board member in Visa Jordan Card Services Company

Corporate Governance and Other Disclosures

Board of Directors Shareholdings

	2006	2005
Mr. Khaled Sabih Al-Masri	3,375	2,250
Relative shareholdings	-	-
Banque Du Caire represented by Mr. Mohammad Kamal Eddin Barakat	7,272,393	4,848,262
Mr. Mohammad Kamal Eddin Barakat	-	-
Relative shareholdings	-	-
Mr. Miqdad Hasan Innab	3,375	2,250
Relative shareholdings	-	-
Ishraq Investment Company represented by Mr. Ibrahim Abu Al-Ragheb	60,000	37,795
Mr. Ibrahim Abu Al-Ragheb	313,965	181,500
Relative shareholdings	1,012	675
Levant Investment Company represented by Mr. Yasin Khalil Al-Talhouni	3,375	2,250
Mr. Yasin Khalil Al-Talhouni	4,086,516	2,724,344
Relative shareholdings	-	-
Palestine Development & Investment Co. represented by Dr. Farouq Zuaiter	2,882,121	1,730,575
Dr. Farouq Zuaiter	27,000	15,000
Relative shareholdings	20,000	3,492
Al-Massira Investment Company represented by Dr. Abdul Malek Jaber	7,656,853	5,104,569
Dr. Abdul Malek Jaber	-	-
Relative shareholdings	-	-
Mr. Nashat Taher Al-Masri	1,875	1,250
Relative shareholdings	-	-
Astra Investment Company represented by Mr. Yazid Adnan Al-Mufit	3,375	2,250
Mr. Yazid Adnan Al-Mufit	-	-
Relative shareholdings	-	-
Arab Investment and Trade Company represented by Mr. Ghassan Akeel	1,376,640	917,760
Mr. Ghassan Akeel	20,000	-
Relative shareholdings	20,000	-
Social Security Corporation represented by Mr. Yazan Mahmoud Samara	4,091,100	2,678,185
Mr. Yazan Mahmoud Samara	-	-
Relative shareholdings	-	-
Al-Zafer Investment Company represented by Mrs. Maha Hussein Shawki	2,802,721	1,868,481
Mrs. Maha Hussein Shawki	-	-
Relative shareholdings	-	-

Corporate Governance and Other Disclosures

Executives and Informed Employees Shareholdings

	2006	2005
Mr. Kamal Al-Bakri, Deputy GM for Operations and Support Services Relative shareholdings	-	-
Mr. Firas Suhaimat, Deputy GM for Banking Operations Relative shareholdings	- -	- -
Mr. Qasim Tawfeeq, Head of Internal Audit Relative shareholdings	- -	- -
Mr. Nizar Mohammed, Head of Finance Relative shareholdings	- -	- -

Shareholders with 5% or More Ownership

Name	2006		2005	
	Shares	%	Shares	%
Al-Massira Investment Company	7,656,853	11.34	5,104,569	11.34
Banque Du Caire	7,272,393	10.77	4,848,262	10.77
Najwa Mohammad Madi	7,053,750	10.45	4,702,500	10.45
Social Security Corporation	4,091,100	6,06	2,678,185	5,95
Yasin Khalil Al-Talhouni	4,086,516	6.05	2,724,344	6.05
Hamzah Khalil Al-Talhouni	4,008.871	5,94	2,672,581	5,94
Sabih Taher Al-Masri	3,516,547	5.21	2,344,365	5.21
Nafez Saleh Odeh	-	-	2,475,000	5.50

Board of Directors Remunerations during 2006

Name	Transportation	Travel	Bonus
Mr. Khaled Sabih Al-Masri	3,000	-	5,000
Mr. Mohammad Kamal Eddin Barakat	-	6,829	5,000
Mr. Miqdad Hasan Innab	3,000	-	5,000
Mr. Ibrahim Hussein Abu Al-Ragheb	3,000	-	5,000
Mr. Yasin Khalil Al-Talhouni	3,000	-	5,000
Dr. Farouq Ahmad Zuaiter	3,000	-	5,000
Mr. Fareed Mustafa El-Chaiti	-	8,146	5,000
Dr. Abdul Malek Ahmad Jaber	-	2,250	5,000
Mr. Ghassan Ibrahim Akeel	-	9,260	5,000
Mr. Nashat Taher Al-Masri	3,000	-	5,000
Mr. Yazid Adnan Al-Mufit	3,000	-	5,000
Mr. Yazan Mahmoud Samara	2,125	-	-
Mrs. Maha Hussein Shawki	-	153	-

Corporate Governance and Other Disclosures

Executive Management Remunerations during 2006

Name	Salary & Bonus	Travel	Total
Mr. Khaled Sabih Al-Masri	220,056	4,803	224,859
Mr. Kamal Ghareeb Al-Bakri	182,693	11,828	194,521
Mr. Firas Tariq Suhaimat	95,340	3,040	98,380

- The Bank does not depend on any particular vendors and/or customers that constitute 10% or more of the Bank's purchases and/or revenues.

- The Bank does not enjoy any privilege of governmental protection on any products or activities and did not receive any patents or franchises during 2006.

- Government decisions during 2006 did not have any material effect on the Bank's operations.

- All activities and operations performed during 2006 were of a recurring nature and in line with the Bank's main activities. There were not extraordinary activities that had a significant financial effect during the year.

- Capital expenditures during 2006 were JD5,296,200.

- Audit fees for 2006 were JD128,214 in addition to sales and value added taxes.

- Awraq Investments manages the Bank's portfolio in bonds and other instrument for an annual fee. The Bank did not have any other contracts, projects and commitments with subsidiary companies, Chairman and members of the Board of Directors, except for regular banking operations that are fully disclosed in note 36 to the financial statement. Those transactions are made in accordance with Central Bank of Jordan regulations.

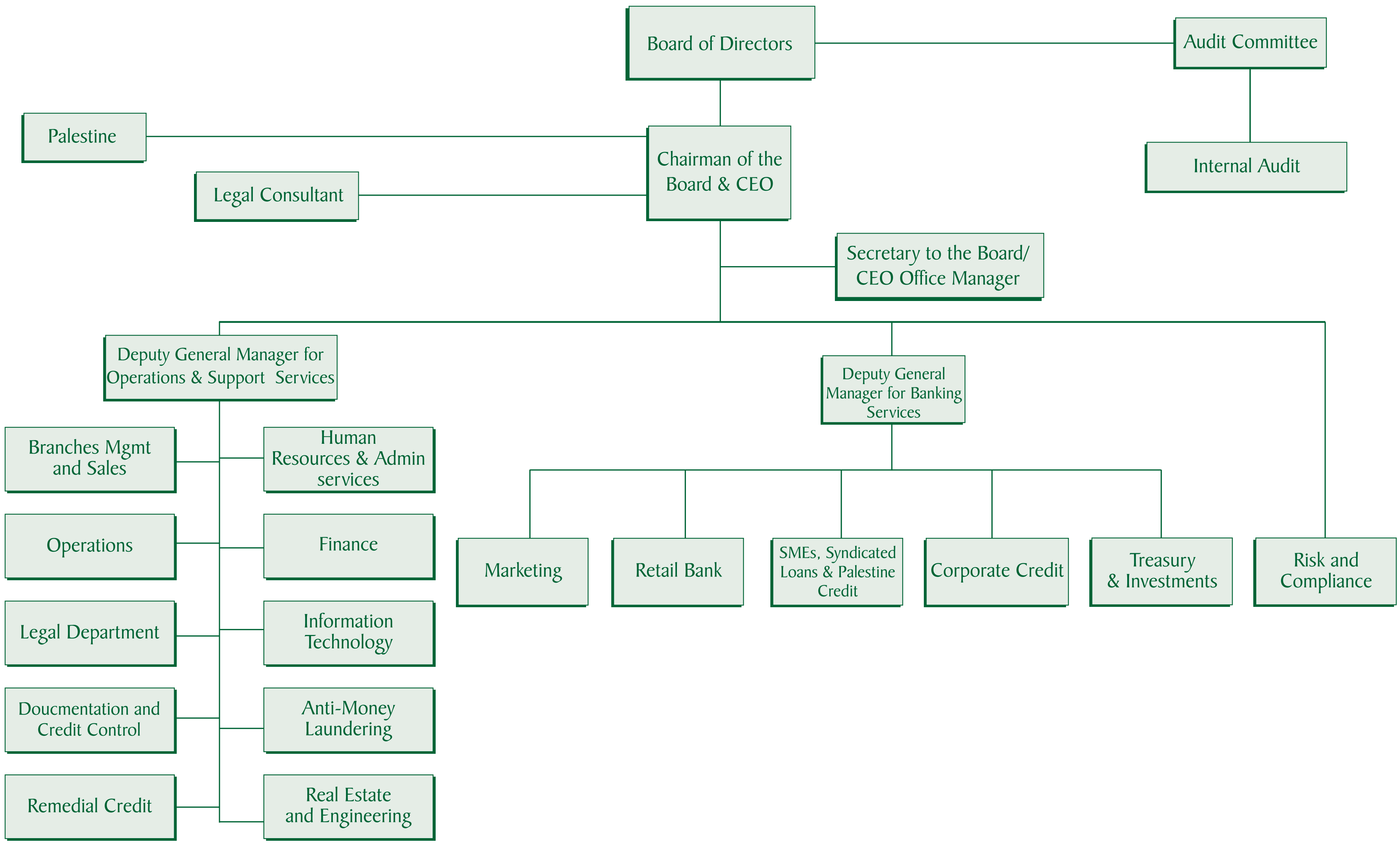
Statement from the Board of Director

The Board of Directors affirms that according to its knowledge and beliefs that there are no significant issues, which would affect the sustainability of the Bank's operations during the next fiscal year of 2007. The Board of Directors also acknowledges its responsibility for the preparation of the financial statements for the year 2006 noting that the Bank maintains an effective internal control structure.

The Chairman/Chief Executive Officer and the Head of Finance acknowledge the accuracy and completeness of the information and financial data provided in the annual report.

Chairman/CEO
Khaled Al-Masri

Head of Finance
Nizar Mohammed


Board of Directors
Audit Committee
Internal Audit
Palestine
Legal Consultant
Chairman of the Board & CEO
Secretary to the Board/ CEO Office Manager
Deputy General Manager for Operations & Support Services
Deputy General Manager for Banking Services
Branches Mgmt and Sales
Human Resources & Admin services
Operations
Finance
Legal Department
Information Technology
Doucmentation and Credit Control
Anti-Money Laundering
Remedial Credit
Real Estate and Engineering
Marketing
Retail Bank
SMEs, Syndicated Loans & Palestine Credit
Corporate Credit
Treasury & Investments
Risk and Compliance

Independent Auditors' Report to the Shareholders of
Cairo Amman Bank
Amman - Jordan

We have audited the accompanying financial statements of Cairo Amman Bank (a public shareholding company) and its subsidiaries ("the Bank"), which comprise the consolidated balance sheet as at 31 December 2006 and the consolidated income statement, consolidated statement of changes in equity and consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' Responsibility for the Financial Statements
The Directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility
Our responsibility is to express an opinion on these 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate for 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 financial statements.

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

Opinion
In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Bank as of 31 December 2006 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

February 18, 2007
Amman – Jordan

Allied Accountants

Consolidated Balance Sheet

As of December 31, 2006
(In Jordanian Dinars)

Assets	Notes	2006	2005
Cash and balances with Central Banks	4	251,657,832	347,328,963
Balances at banks and financial institutions	5	168,597,436	151,101,575
Deposits at banks and financial institutions	6	500,000	2,485,200
Trading investments	7	199,582	115,063
Direct credit facilities, net	8	503,335,356	440,327,883
Available for sale investments	9	191,197,981	219,830,386
Premises and equipment, net	10	22,913,127	20,469,367
Intangible assets, net	11	1,541,754	784,264
Other assets	12	38,906,448	44,887,886
Total assets		**1,178,849,516**	**1,227,330,587**
Liabilities and equity			
Liabilities -			
Banks and financial institutions' deposits	13	53,902,373	75,645,034
Customers' deposits	14	889,356,617	853,567,610
Margin accounts	15	25,146,342	32,959,391
Loans and borrowings	16	15,493,582	15,713,398
Sundry provisions	17	6,228,767	4,567,731
Income tax liabilities	18	18,585,457	15,766,204
Deferred tax liabilities	18	14,462,701	33,977,210
Other liabilities	19	17,437,680	31,792,570
Total liabilities		**1,040,613,519**	**1,063,989,148**
Equity			
Equity attributable to the Bank's shareholders			
Paid in capital	20	67,500,000	45,000,000
Statutory reserve	21	18,727,903	15,817,071
Voluntary reserve	21	1,321,613	-
General banking risk reserve	21	4,687,932	3,812,736
Cumulative changes in fair values, net	22	31,665,414	71,519,491
Retained earnings	23	83,135	192,141
Proposed issue of bonus shares	24	7,500,000	22,500,000
Proposed cash dividends	24	6,750,000	4,500,000
Total equity attributable to the Bank's shareholders		**138,235,997**	**163,341,439**
Total Liabilities and Equity		**1,178,849,516**	**1,227,330,587**

The accompanying notes from 1 to 50 are an integral part of these consolidated financial statements.

Consolidated Income Statement

For the Year Ended December 31, 2006

(In Jordanian Dinars)

	Notes	2006	2005
Interest income	26	65,468,548	48,756,826
Interest expense	27	22,562,660	13,751,092
Net interest income		**42,905,888**	**35,005,734**
Net commission	28	9,949,474	9,554,118
Net interest and commission income		**52,855,362**	**44,559,852**
Other income			
Gains less losses arising from dealing in foreign currencies		2,444,809	1,828,142
Gains less losses arising from trading investments	29	(162,967)	251,802
Gains less losses arising from available for sale investments	30	10,191,888	16,994,833
Other income	31	5,744,619	9,762,616
Gross profit		**71,073,711**	**73,397,245**
Expenses			
Employees' costs	32	19,788,097	18,052,928
Depreciation and amortisation	10 & 11	2,056,831	1,814,831
Other expenses	33	12,674,048	9,662,401
Increase (excess) in the provision for credit losses	8	3,582,595	(1,019,236)
Sundry provisions	17	2,012,514	871,300
Total expenses		40,114,085	29,382,224
Profit before income tax		**30,959,626**	**44,015,021**
Income tax	18	11,710,991	12,540,482
Profit for the year		**19,248,635**	**31,474,539**
Attributable to:			
Bank's shareholders		**19,248,635**	**31,496,236**
Minority interests	25	-	(21,697)
Basic and diluted earnings per share	34	0.285	0.467

The accompanying notes from 1 to 50 are an integral part of these consolidated financial statements.

Consolidated Statement Of Changes In Equity

For The Year Ended December 31, 2006

(In Jordanian Dinars)

	Bank's shareholders' equity										Minority Interests	Total Equity
	Paid in Capital	Reserves				Cumulative Changes in Fair Values	Retained Earnings	Proposed Cash Dividends	Proposed Issue of Bonus Shares	Equity Attributable to the Bank's Shareholders		
		Statutory	Other	Voluntary	General Banking Risk							
Balance as of January 1, 2006	45,000,000	15,817,071	-	-	3,812,736	71,519,491	192,141	4,500,000	22,500,000	163,341,439	-	163,341,439
Net movement in cumulative changes in fair value	-	-	-	-	-	(39,854,077)	-	-	-	(39,854,077)	-	(39,854,077)
Total income and expenses recognised directly in equity	-	-	-	-	-	(39,854,077)	-	-	-	(39,854,077)	-	(39,854,077)
Profit for the year	-	-	-	-	-	-	19,248,635	-	-	19,248,635	-	19,248,635
Total income and expenses for the year	-	-	-	-	-	(39,854,077)	19,248,635	-	-	(20,605,442)	-	(20,605,442)
Transfers to/from reserve	-	2,910,832	-	1,321,613	875,196	-	(5,107,641)	-	-	-	-	-
Increase in paid in capital	22,500,000	-	-	-	-	-	-	-	(22,500,000)	-	-	-
Proposed dividends	-	-	-	-	-	-	(14,250,000)	6,750,000	7,500,000	-	-	-
Cash dividends	-	-	-	-	-	-	-	(4,500,000)	-	(4,500,000)	-	(4,500,000)
Balance as of December 31, 2006	67,500,000	18,727,903	-	1,321,613	4,687,932	31,665,414	83,135	6,750,000	7,500,000	138,235,997	-	138,235,997
Balance as of January 1, 2005	30,000,000	11,579,098	5,284,368	-	2,818,390	25,993,606	10,373,495	-	-	86,048,957	580,096	86,629,053
Net movement in cumulative changes in fair value	-	-	-	-	-	45,525,885	-	-	-	45,525,885	-	45,525,885
Total income and expenses recognised directly in equity	-	-	-	-	-	45,525,885	-	-	-	45,525,885	-	45,525,885
Profit for the year	-	-	-	-	-	-	31,496,236	-	-	31,496,236	(21,697)	31,474,539
Total income and expenses for the year	-	-	-	-	-	45,525,885	31,496,236	-	-	77,022,121	(21,697)	77,000,424
Increase in paid in capital	15,000,000	-	(5,284,368)	-	-	-	(9,715,632)	-	-	-	-	-
Transfers to reserve	-	4,237,973	-	-	994,346	-	(5,232,319)	-	-	-	-	-
Proposed cash dividends	-	-	-	-	-	-	(4,500,000)	4,500,000	-	-	-	-
Proposed issue of bonus shares	-	-	-	-	-	-	(22,500,000)	-	22,500,000	-	-	-
Gain from sale of treasury stock	-	-	-	-	-	-	270,361	-	-	270,361	-	270,361
Sale of subsidary	-	-	-	-	-	-	-	-	-	-	(558,399)	(558,399)
Balance as of December 31, 2005	45,000,000	15,817,071	-	-	3,812,736	71,519,491	192,141	4,500,000	22,500,000	163,341,439	-	163,341,439

The accompanying notes from 1 to 50 are an integral part of these consolidated financial statements

Consolidated Cash Flow Statement

For the Year Ended December 31, 2006

(In Jordanian Dinars)

Cash Flows from Operating Activities	Notes	2006	2005
Profit before income tax		30,959,626	44,015,021
Adjustments			
Depreciation and amortisation	10,11	2,056,831	1,814,831
Provision (Excess in provision) for credit losses	8	3,582,595	(1,019,236)
Sundry provisions	17	2,012,514	871,300
Gain from sale of available investments	30	(8,225,312)	(15,857,745)
Loss from impairment of available for sale investments	30	10,985	268,371
Unrealised loss (gain) from trading investments	29	119,680	(33,250)
(Gain) loss on sale of premises and equipment	31	(21,227)	1,871
Provision for doubtful debts	33	1,280,273	250,000
Loss from impairment of collateral pending sale	33	312,005	-
Gain from sale of collateral pending sale	31	(1,257,296)	(2,251,620)
Effect of exchange rate changes		(2,060,472)	(1,450,348)
Operating profit before changes in operating assets and liabilities		28,770,202	26,609,195
Changes in assets and liabilities			
(Increase) decrease in balances with Central Banks that mature after three months		(8,979,971)	25,079,285
Decrease (increase) in deposits at banks and financial institutions that mature after three months		1,985,200	(500,000)
(Increase) decrease in trading investments		(204,199)	9,059
Increase in direct credit facilities		(66,590,068)	(99,816,384)
Decrease (increase) in other assets		5,646,456	(14,333,485)
Decrease in banks and financial institutions			
deposits that mature after three months		-	(992,600)
Increase in customers' deposits		35,789,007	34,649,243
(Decrease) increase in margin accounts		(7,813,049)	7,770,776
Sundry provisions paid		(351,478)	(766,950)
(Decrease) increase on other liabilities		(14,354,890)	16,036,694
Net cash used in operating activities before income tax		(26,102,790)	(6,255,167)
Income tax paid	18	(8,891,738)	(5,091,337)
Net cash used in operating activities		**(34,994,528)**	**(11,346,504)**
Cash flows from investing activities			
Purchase of available for sale investments		(86,917,662)	(63,355,617)
Sale of available for sale investments		64,395,810	50,057,654
Sale of premises and equipment		59,344	299,962
Purchase of premises and equipment & project in progress	10	(4,253,184)	(4,620,998)
Purchase of intangible assets	11	(1,043,016)	(538,353)
Proceeds from disposal of subsidiaries		-	(558,399)
Net cash used in investing activities		(27,758,708)	(18,715,751)
Cash flows from financing activities			
Dividends paid		(4,500,000)	-
Repayment of subordinated bonds		-	(7,254,000)
Proceeds from loans and borrowings		-	15,146,802
Repayment of loans and borrowings		(219,816)	(2,935,404)
Gain from sale of treasury stock		-	270,361
Net cash (used in) from financing activities		**(4,719,816)**	**5,227,759**
Effect of exchange rate changes on cash and cash equivalents		2,060,472	1,450,348
Net decrease in cash and cash equivalents		(65,412,580)	(23,384,148)
Cash and cash equivalents, beginning of the year	35	376,670,157	400,054,305
Cash and cash equivalents, end of the year	35	**311,257,577**	**376,670,157**

The accompanying notes from 1 to 50 are an integral part of these consolidated financial statements.

Notes to the Consolidated Financial Statements

December 31, 2006

(1) General

Cairo Amman Bank was established as a public shareholding company during 1960 in accordance with the Jordanian laws and regulations. Its registered office is at Arrar Street, Wadi Saqra, Amman-Jordan.

The Bank provides its banking services through 51 branches and offices located in Jordan and 16 branches in Palestine, and its subsidiary companies located in Jordan and Palestine.

The financial statements were authorized for issue by the Bank's Board of Directors in their meeting (No. 1/2007) held on February 18, 2007. These financial statements require the General Assembly's approval.

(2) The Significant Accounting Policies

The significant accounting policies adopted in the preparation of the financial statements are set out below:

Basis of Preparation

The accompanying consolidated financial statements for the Bank and its subsidiaries have been prepared in accordance with International Financial Reporting Standards (IFRS) and in conformity with the applicable laws and regulations of the Central Bank of Jordan.

The consolidated financial statements are prepared under the historical cost convention as modified for the measurement at fair value of derivatives and investment securities other than held to maturity investments.

The financial statements have been presented in Jordanian Dinars "JD" which is the functional currency of the Bank.

Changes in Accounting Policies

The accounting policies are consistent with those used in the previous year.

Main Accounting Policies:

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Bank and its subsidiaries where the Bank has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Bank controls another entity.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Bank obtains control, and continue to be consolidated until the date that such control ceases:

- Al-Watanieh Financial Services Company – Jordan: established during 1992; the Bank owned 100% of paid-up capital amounted to JD5,000,000 as of December 31, 2006. The Company's main activity is investment brokerage.

- Al-Watanieh Securities Company – Palestine: established during 1995; the Bank owned 100% of paid-up capital amounted to JD710,000 as of December 31, 2006. The Company's main activity is investment brokerage.

- Cairo Amman Company - Marshalls Island: Established during 1999, the Bank owned 100% of its paid-up capital of JD5,000 as of December 31, 2006. The Company's main activity is the investments in securities. The Bank is in the process of completing legal procedures to liquidate the Company.

- On June 30, 2005 the Bank sold its investment in Al Mashreq Real Estate Company – Palestine based on the net book value of the Company's assets except for the loan granted to the employees. The net assets of the Al Mashreq Real Estate Company amounted to JD500,000 as of June 30, 2005. The results of operations of Al Mashreq Real Estate Company have been included up to the date of disposal and are presented below:

	2005
Revenues	
Interest income	27,599
Losses arising from available for sale investments	(126,297)
Other income	14,614
Total Revenue	**(84,084)**
Expenses	
Interest expense	18,939
Employees' cost	14,224
Depreciation and amortization	308
Other expenses	8,832
End of service indemnity	27,599
Total Expenses	**69,902**
Loss for the period from discontinued operations	**(153,986)**
Attributable to:	
Bank's shareholders	(132,289)
Minority interests	(21,697)

The major classes of assets and liabilities of Al Mashreq Real Estate Company are as follows:

	2005
Cash and Bank balances	58,532
Available for sale investments	83,584
Premises and equipment, net	-
Other assets	3,194,378
Total Assets	**3,336,494**
Sundry provisions	741
Other liabilities	298,191
Total Liabilities	**298,932**
Net assets	3,037,562
Bank's share percentage	86%
The Bank's share	2,609,562
Less: Loan granted to the employees (not sold)	2,109,562
Net cash inflow	500,000

On May 13, 2005 the Bank sold to Palestine Islamic Bank, the Islamic branches at the net book value of the assets, excluding the value of the investment in Palestine Telecommunication Company (Paltel) as of June 30, 2005. Further it was agreed that Cairo Amman Bank bears the accrued income tax and value-added tax up to the date of execution of the sale. The net assets of the Islamic branches amounted to USD3,202,800 (JD2,270,786) as of June 30, 2005, whereas the losses for the six months ending June 30, 2005 that appear in the statement of income amounted to JD30,158.

The results of Islamic branches up to the date of disposal are as follows:

	2005
Interest income	532,917
Interest expense	(130,098)
Net interest income	402,819
Net commission	58,467
Net interest and commission income	461,286
Other Income	101,396
Gross profit	562,682
Employees' cost	258,756
Depreciation and amortization	44,322
Provision for credit losses	2,499
End of service indemnity	39,068
Other expenses	179,633
Total expenses	524,278
Profit before income tax	38,404
Income tax	68,562
Loss for the period from discontinued operations	(30,158)

The major classes of assets and liabilities of Islamic branches are as follows:

	2005
Cash and balances with Central Banks	22,429,077
Balances at banks and financial institutions	12,514,682
Available for sale investments	3,926,448
Direct credit facilities, net	2,001,209
Premises and equipment, net	232,048
Other assets	126,247
Total Assets	**41,229,711**
Banks and financial institutions' deposits	-
Customers' deposits	38,119,645
Margin accounts	379,433
Sundry provisions	224,181
Other liabilities	235,663
Total Liabilities	**38,958,922**
Net assets	2,270,789

The financial statements of the subsidiaries are prepared for the same reporting year as the Bank, using consistent accounting policies.

All intra-company balances, transactions, income and expenses and profits and losses resulting from intra-company transactions that are recognised in assets, are eliminated in full.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Bank. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

Minority interests represent the portion of profit or loss and net assets in the subsidiaries, not held by the Bank and are presented separately in the income statement and within equity in the consolidated balance sheet, separately from the Bank's shareholders equity.

Trading Investments
These are initially recognised at fair value of consideration given and subsequently remeasured at fair value. All realised and unrealised gains or losses in addition of the fair value related to translation of non-monetary assets in foreign currencies are taken to the income statement.
Interest earned is included in interest income and dividends received are included (as dividend income) in gains less losses arising from trading investments.

Direct Credit Facilities
Credit facilities are carried at fair value of consideration given after allowance for credit losses, interest and commission in suspense.

Allowance for credit losses is made to cover impairment for direct credit facilities when there are one or more events that occurred after the initial recognition of the facility that has an impact on the estimated future cash flows of the facilities that can be reliably estimated. The provision for the impairment is recorded in the income statement.

Interest and commission of non-performing facilities are suspended when loans become impaired, such as when overdue by more than 90 days.

Loans provided for are written off from the allowance of credit losses when the collection procedures become ineffective. The excess in the allowance of possible loan losses, if any, is transferred to the statement of income, and cash recoveries of loans that were previously written off are credited to the income statement.

Available for Sale Investments
These are initially recognised at fair value of consideration given including directly attributable transaction costs and subsequently remeasured at fair value. Fair value changes are reported as a separate component of equity until the investment is derecognised or the investment is determined to be impaired. On derecognising or impairment the cumulative gain or loss previously reported as "cumulative change in fair value" within the equity, is included in the income statement.

Fair Value
For investments and derivatives quoted in an active market, fair value is determined by reference to quoted market prices. Bid prices are used for assets and offer prices are used for liabilities.

For financial instruments where there is no active market fair value is normally based on one of the following methods:
- Comparison with the current market value of a highly similar financial instrument.
- The expected cash flows discounted at current rates applicable for items with similar terms and risk characteristics.

- Options pricing models.
- Recent transactions.

The estimated fair value of deposits with no stated maturity, which includes non-interest bearing deposits, is the amount payable on demand.

In case the fair value of an investment cannot be reliably measured, it is stated at fair value of consideration given or amortised cost and any impairment in the value is recorded in the income statement.

Impairment of Financial Assets
An assessment is made at each balance sheet date to determine whether there is objective evidence that a specific financial asset is impaired. If such evidence exists, any impairment loss, is recognised in the income statement.

Impairment is determined as follows:
- For assets carried at amortised cost, impairment is based on estimated cash flows discounted at the original effective interest rate.
- For assets carried at fair value, impairment is the difference between fair value of consideration given and fair value.
- For assets carried at fair value of consideration given, impairment is based on the present value of future cash flows discounted at the current market rate of return from a similar financial asset.

Impairment in value is recognised in the income statement. If, in subsequent period, the amount of the impairment loss decreases, the carrying value of the asset is increased to its recoverable amount. The amount of the reversal is recognised in the income statement except for equity instruments classified as available for sale investments which are recognized on the statement of equity.

Premises and Equipment
Premises and equipment are stated at cost less depreciation. Land is not depreciated. Depreciation is calculated on a straight-line basis over the estimated useful lives of other assets, as follows:

	%
Buildings	2
Equipment and furniture	9 - 15
Vehicles	15
Computers	20

The carrying values of premises and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying values may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amounts, the assets are written down to their recoverable amount, and the impairment is recorded it the income statement.

Provisions
Provisions are recognised when the Bank has a present obligation (legal or constructive) arising from a past event and the costs to settle the obligation are both probable and able to be reliably measured.

End of Service Indemnity
Provision for end of service indemnity is established by the Bank to face any legal or contractual obligations at the end of employees' services and is calculated based on the service terms as of the financial statements date.

Income Tax
Current income tax is calculated based on the tax rates and laws that are applicable at the balance sheet date.

Deferred income taxation is provided using the liability method on all temporary differences at the balance sheet date. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on laws that have been enacted at the balance sheet date.

The carrying values of deferred income tax assets are reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Offsetting
Financial assets and financial liabilities are only offset and the net amount reported in the balance sheet when there is a legally enforceable right to set off the recognised amounts and the Bank intends to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

Revenue and Expense Recognition
Interest income as well as fees which are considered an integral part of the effective yield of a financial asset, are recognised using the effective yield method, unless collectibility is in doubt. The recognition of interest income is suspended when loans become impaired, such as when overdue by more than 90 days.

Income from shares (dividend income) is recorded when right to receive payment is established.

Trade and Settlement Date Accounting
Purchases and sales of financial assets are recognised on the trade date, i.e. the date that the Bank commits to purchase or sell the asset.

Collateral Pending Sale
The Bank occasionally acquires real estate in settlement of certain loans and advances. Such real estate is stated at the lower of the carrying value of the related loans and advances and the current fair value of such assets. Gains or losses on disposal, and revaluation losses, are recognised in the income statement.

Intangible Assets
Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment when there is an indication that the intangible asset may be impaired.

Internally generated intangible assets are not capitalised and are expensed in the income statement.

Intangible assets include computer software and programmes. These intangibles are amortised evenly over their estimated useful economic of 5 years.

Foreign Currencies
Translation of foreign currency transactions
Monetary assets and liabilities in foreign currencies are translated into respective functional currencies at rates of exchange prevailing at the balance sheet date as issued by Central Bank of Jordan. Any gains or losses are taken to the income statement.

Translation gains or losses on non-monetary items carried at fair value are included in equity as part of the fair value adjustment on available-for-sale investments.

Translation of financial statements of foreign entities
The assets and liabilities of foreign branches and subsidiaries are not deemed an integral part of the head office's operations and are translated into the functional currency of each entity at rates of exchange prevailing at the balance sheet date. Income and expense items are translated at average exchange rates for the period. Any exchange differences are taken directly to a foreign currency translation adjustment reserve.

Cash and Cash Equivalents
Represents cash on hand and cash balances with banks and financial institutions that mature within three months, less banks and financial institutions deposits that mature within three months.

(3) Use of Estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of financial assets and liabilities and disclosure of contingent liabilities. These estimates and assumptions also affect the revenues and expenses and the resultant provisions as well as fair value changes reported in equity. In particular, considerable judgment by management is required in the estimation of the amount and timing of future cash flows when determining the level of provisions required for non-performing credit facilities. Such estimates are necessarily based on assumptions about several factors involving varying degrees of judgment and uncertainty and actual results may differ resulting in future changes in such provisions.

a) Provision for credit losses: The Bank reviews its loan portfolios to assess impairment at least on a monthly basis. In determining whether an impairment loss should be recorded in the income statement, the Bank makes judgments as to whether there is any observable data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of loans before the decrease can be identified with an individual loan in that portfolio. This evidence may include observable data indicating that there has been an adverse change in the payment status of borrowers in a group, or national or local economic conditions that correlate with defaults on assets in the group.

b) Impairment losses on collaterals acquired by the Bank are determined based on appraisal reports prepared by certified appraisers. Provisions are recognised when impairment is determined at the financial statements date individually and any impairment is recorded in the income statement. Valuation is performed on a regular basis.

(4) Cash And Balances with Central Banks

	2006	2005
Cash on hand	19,704,741	27,113,239
Balances at Central Banks		
Current accounts	18,967,960	23,038,634
Term and notice deposits	14,675,820	14,319,656
Statutory cash reserve	62,304,845	62,618,115
Certificates of deposit	136,004,466	220,239,319
	251,657,832	**347,328,963**

Except for statutory cash reserve held at the Central Banks the restricted cash balances amounted to JD7,090,000 as of December 31, 2006 and 2005.

Certificates of Deposit maturing after three months amounted to JD48,005,318 and JD39,025,347 as of December 31, 2006 and 2005, respectively.

(5) Balances at Banks and Financial Institutions

	Local Banks and Financial Institutions		Foreign Banks and Financial Institutions		Total	
	2006	2005	2006	2005	2006	2005
Current and demand deposits	17,035	4,191	26,227,775	17,867,994	26,244,810	17,872,185
Deposits maturing in three months or less	11,000,000	7,090,000	131,352,626	126,139,390	142,352,626	133,229,390
	11,017,035	7,094,191	157,580,401	144,007,384	168,597,436	151,101,575

Non interest bearing balances at banks and financial institutions amounted to JD4,153,924 and JD24,050,635 as of December 31, 2006 and 2005, respectively.

(6) Deposits at Banks and Financial Institutions

	Local Banks and Financial Institutions		Foreign Banks and Financial Institutions		Total	
	2006	2005	2006	2005	2006	2005
Term deposits maturing in six to nine months	-	-	-	1,985,200	-	1,985,200
Certificate of deposits maturing in three to six months	500,000	500,000	-	-	500,000	500,000
	500,000	**500,000**	**-**	**1,985,200**	**500,000**	**2,485,200**

(7) Trading Investments

	2006	2005
Quoted equities	199,582	115,063
	199,582	**115,063**

(8) Direct Credit Facilities

	2006	2005
Discounted bills and notes*	2,611,669	2,380,106
Overdrafts	113,990,592	118,453,247
Loans and advances**	436,745,638	371,145,272
Credit cards	6,990,543	4,384,618
	560,338,442	**496,363,243**
Less: suspended interest	14,062,472	14,442,650
Provision for credit losses	42,940,614	41,592,710
Direct credit facilities, net	**503,335,356**	**440,327,883**

* Net of interest and commission received in advance of JD53,406 and JD46,454 as of December 31, 2006 and 2005 respectively.

** Net of interest and commission received in advance of JD12,837,515 and JD14,626,033 as of December 31, 2006 and 2005 ,respectively.

The geographical composition of the credit facilities portfolio is as follows:

	Jordan	Middle East	2006	2005
Agriculture	3,019,710	-	3,019,710	3,067,256
Manufacturing and mining	7,432,690	5,844,741	13,277,431	21,384,531
Construction	4,426,568	9,201,606	13,628,174	9,217,811
General trade	47,984,297	29,523,074	77,507,371	75,897,801
Transportation services	1,664,636	888,426	2,553,062	3,780,310
Tourism, hotels and restaurants	5,664,916	1,718,765	7,383,681	5,535,868
Services and public facilities	63,718,964	3,824,954	67,543,918	74,579,096
Financial services	10,082	366,745	376,827	1,316,945
Investment in shares	2,985,357	-	2,985,357	1,965,704
Real estate	88,928,448	-	88,928,448	78,482,466
Vehicles	4,292,549	-	4,292,549	4,841,896
Consumer goods	139,030	935,282	1,074,312	1,627,545
Individual loans	177,100,185	36,863,307	213,963,492	152,031,948
Others	27,853,926	35,950,184	63,804,110	62,634,066
	435,221,358	**125,117,084**	**560,338,442**	**496,363,243**

At December 31, 2006, non-performing credit facilities amounted to JD68,962,540 (2005: JD56,825,231), representing 12.31% (2005: 11.45%) of total facilities granted.

At December 31, 2006, non performing credit facilities net of interest in suspense, amounted to JD56,316,788 (2005:

JD43,914,092), representing 10.31% (2005: 9.11%) of total facilities granted after excluding the interest in suspense.

At December 31, 2006, Total credit facilities granted to or guaranteed by the Jordanian government, amounted to JD55,168,310 (2005: JD46,034,002), representing 9.85% (2005: 9.27%) of total facilities granted.

At December 31, 2006, Total credit facilities granted to or guaranteed by the Palestinian public sector, amounted to JD35,950,184 (2005: JD34,018,694), representing 6.42% (2005: 6.85%) of total facilities granted.

The direct real estate facilities granted against collateral which amounted to JD125,780,763 and JD111,774,634 as of December 31, 2006 and 2005, respectively.

The gross fair value of collaterals held against credit facilities amounted to JD275,665,717 and JD265,790,943 as of December 31, 2006 and 2005, respectively.

The movements on provision for credit losses were as follows:

	2006	2005
At January 1	41,592,710	47,617,864
Charge for the year (Excess transferred to income during the year)	3,582,595	(1,019,236)
Transferred to litigation provision (Note 16)	-	(345,138)
Amounts written off	(2,234,691)	(4,660,780)
At December 31	**42,940,614**	**41,592,710**

Non-performing credit facilities that were settled or collected amounted to JD1,948,629 and JD6,201,560 as of December 31, 2006 and 2005 ,respectively.

The movements of suspended interest were as follows:

	2006	2005
At January 1	14,442,650	15,246,161
Add: suspended interest during the year	1,734,707	1,955,650
Less: amount transferred to income (Note 32)	(680,169)	(998,917)
Amounts written off	(1,434,716)	(1,760,244)
At December 31	**14,062,472**	**14,442,650**

(9) Available for Sale Investments

	2006	2005
Quoted Investments		
Guaranteed government debt securities	-	1,364,543
Corporate debt securities	41,674,661	33,317,549
Other debt securities	-	6,396,131
Equity	69,900,053	129,662,614
Total Quoted Investments	**111,574,714**	**170,740,837**
Unquoted Investments		
Treasury bills	47,693,036	17,005,860
Guaranteed government debt securities	3,635,957	1,618,074
Corporate debt securities	25,451,741	26,808,397
Other debt securities	113,480	208,347
Equity	2,721,491	3,442,040
Others	7,562	6,831
Total Unquoted Investments	**79,623,267**	**49,089,549**
Total Investments	**191,197,981**	**219,830,386**

Analysis of debt instruments and treasury bills

	2006	2005
Fixed rate	76,599,078	40,921,170
Floating rate	41,969,797	45,790,050
	118,568,875	**86,711,220**

Included in unquoted equities are investments carried at cost amounting to JD2,729,053 and JD3,448,871 as of December 31,2006 and 2005, respectively. The investments were stated at cost since the fair values could not be measured reliably and there is no indication of impairment in the values as of the balance sheet date.

(10) Premises and Equipment, Net

2006	Land	Buildings	Equipment, Furniture and Fixtures	Vehicles	Computers	Total
Cost						
At January 1	1,267,880	13,349,796	15,927,650	1,060,118	10,416,615	42,022,059
Additions	-	-	1,139,499	166,493	1,461,330	2,767,322
Disposals	-	-	(342,969)	(130,334)	(435,588)	(908,891)
At December 31	1,267,880	13,349,796	16,724,180	1,096,277	11,442,357	43,880,490
Accumulated Depreciation						
At January 1	-	948,351	12,438,388	688,979	7,476,976	21,552,694
Provided during the year	-	266,996	615,657	124,566	764,086	1,771,305
Disposals	-	-	(332,141)	(117,424)	(421,209)	(870,774)
At December 31	-	1,215,347	12,721,904	696,121	7,819,853	22,453,225
Net book value	1,267,880	12,134,449	4,002,276	400,156	3,622,504	21,427,265
Payments on fixed assets in progress	-	-	1,196,266	-	289,596	1,485,862
Net Book Value at December 31, 2006	**1,267,880**	**12,134,449**	**5,198,542**	**400,156**	**3,912,100**	**22,913,127**
2005						
Cost						
At January 1	550,760	12,221,353	16,940,528	1,071,980	9,189,520	39,974,141
Additions	717,120	1,128,443	432,389	140,388	883,200	3,301,540
Disposals	-	-	(1,968,295)	(152,249)	(452,535)	(2,573,079)
At December 31	1,267,880	13,349,796	15,404,622	1,060,119	9,620,185	40,702,602
Accumulated Depreciation						
At January 1	-	780,879	13,488,656	745,628	7,175,807	22,190,970
Provided during the year	-	167,472	653,914	95,597	715,986	1,632,969
Disposals	-	-	(1,704,184)	(152,245)	(414,817)	(2,271,246)
At December 31	-	948,351	12,438,386	688,980	7,476,976	21,552,693
Net book value	1,267,880	12,401,445	2,966,236	371,139	2,143,209	19,149,909
Payments on fixed assets in progress	-	-	523,028	-	796,430	1,319,458
Net book value at December 31, 2005	**1,267,880**	**12,401,445**	**3,489,264**	**371,139**	**2,939,639**	**20,469,367**

The cost of fully depreciated premises and equipment that are still in use is JD16,329,966 and 15,771,609 as of December 31, 2006 and 2005, respectively.

The estimated costs to complete the purchase of assets and project under construction amounts JD983,560.

(11) Intangible Assets

	2006		2005	
	Software	Others	Software	Others
At 1 January	782,369	1,895	407,610	20,163
Additions	1,043,016	-	538,352	-
Amortised during the year	(283,631)	(1,895)	(163,593)	(18,268)
At 31 December	1,541,754	-	782,369	1,895

- At December 31, 2006, fully depreciated intangible assets amounted to JD1,496,441.

(12) Other Assets

	2006	2005
Accrued interest and revenue	4,470,529	3,873,549
Prepaid expenses	4,371,102	3,479,115
Collateral pending sale	9,728,590	9,251,666
Accounts receivable - net	6,887,153	12,996,682
Clearing checks	11,728,475	13,693,376
Refundable deposits	58,269	59,842
International visa deposits	613,285	613,285
Others	1,049,045	920,371
	38,906,448	44,887,886

The movements on collateral pending sale were as follows:

	2006			2005
	Real Estate	Others	Total	
At January 1	9,228,666	23,000	9,251,666	11,363,282
Additions	3,376,723	-	3,376,723	2,987,528
Disposals	(2,587,794)	-	(2,587,794)	(5,099,144)
Impairment loss	(289,005)	(23,000)	(312,005)	-
At December 31	9,728,590	-	9,728,590	9,251,666

(13) Banks and Financial Institutions Deposits

	2006			2005		
	Inside Jordan	Outside Jordan	Total	Inside Jordan	Outside Jordan	Total
Current accounts and demand deposits	1,098,457	15,995,622	17,094,079	1,242,464	40,723,942	41,966,406
Deposits Maturing within 3 months	22,083,561	14,724,733	36,808,294	32,376,159	1,302,469	33,678,628
	23,182,018	30,720,355	53,902,373	33,618,623	42,026,411	75,645,034

(14) Customers' Deposits

	2006	2005
Current and demand deposits	241,474,940	245,962,619
Saving deposits	190,954,111	182,866,287
Time and notice deposits	456,927,566	424,738,704
	889,356,617	853,567,610

Governmental institutions' deposits amounted to JD180,913,570 representing 20.34% of total deposits and JD127,513,911 representing 14.94% of total deposits as of December 31, 2006 and 2005, respectively.

Non-interest bearing deposits amounted to JD230,268,726 representing 25.89% of total deposits and JD226,769,164 representing 26,57% of total deposits as of December 31, 2006 and 2005, respectively.

Dormant accounts amounted to JD 33,486,877 and JD29,498,156 as of December 31, 2006 and 2005, respectively.

(15) Margin Accounts

	2006	2005
Direct credit facilities	15,338,820	15,371,519
Indirect credit facilities	5,511,506	13,038,543
Deposits against cash margin dealings facilities	2,760,664	3,194,440
Visa deposits	1,535,352	1,354,889
	25,146,342	32,959,391

(16) Loans and Borrowings

2006	Amount	Collaterals	Interest Rate
Amounts borrowed from local institution*	15,000,000	-	9.57%
Amounts borrowed from foreign institution**	493,582	-	5.5%
Total	15,493,582	-	
2005			
Amounts borrowed from local institution*	15,000,000	-	9.57%
Amounts borrowed from foreign institution**	713,398	-	5.5%
Total	15,713,398	-	

*Represents amounts borrowed from Real Estate Mortgage Finance Co. and mature on November 10, 2010.
**Represents amounts borrowed from Real Estate Mortgage – Palestine Co. and mature on monthly instalments.

(17) Sundry Provisions

	Balance at January 1	Provided during the period	Transferred from provision for credit facilities*	Used during the period	Balance at December 31
2006 -					
Provision for legal and other obligations	948,554	1,139,254	-	99,095	1,988,713
Provision for end of service indemnity	3,415,245	873,260	-	198,951	4,089,554
Other provisions	203,932	-	-	53,432	150,500
	4,567,731	2,012,514	-	351,478	6,228,767
2005-					
Provision for legal and other obligations	919,772	16,944	345,138	333,300	948,554
Provision for end of service indemnity	3,127,928	713,467	-	426,150	3,415,245
Other provisions	70,543	140,889	-	7,500	203,932
	4,118,243	871,300	345,138	766,950	4,567,731

* This provision was included within the provision for credit losses but was directly related to the lawsuit in question.

(18) Income Tax

Income Tax Liabilities
The movements on the income tax provision were as follows:

	2006	2005
At January 1	15,766,204	8,317,059
Income tax paid	(8,891,738)	(5,091,337)
Provision for income tax for the year	11,710,991	12,540,482
At December 31	**18,585,457**	**15,766,204**

Income tax appearing in the statement of income represents the following:

Provision for income tax for the year	11645,130	12,402,385
Prior years' income tax	65,861	138,097
	11,710,991	**12,540,482**

The Bank settled its income tax for Jordan branches up to December 31, 2003. The Income Tax Department did not review the Bank's records for 2004 and 2005.

The Income Tax Department has reviewed the accounts of Al-Watanieh Financial Services Company and reached a final settlement for the years ended December 31, 2002 except for year 1995 and 1996 which are at the Court of Appeal. The Income Tax Department has not reviewed the accounts of Al-Watanieh Financial Services Company for the years 2003, 2004 and 2005.

The Income Tax Department has not reviewed the accounts of Cairo for Real Estate Investments for the years from 1997 to 2005.

A final assessment has been received for Palestine branches from the Income Tax Department for the year 2004 regarding 2005 assessment its still rending.

The Income Tax Department has reviewed the accounts of Al-Watanieh Securities Company – Palestine and reached a final settlement for the year ended December 31, 2005.

No income tax was due on Cairo Amman Company - Marshall Islands as of December 31, 2005.

In the opinion of the Bank's management, income tax provisions as of December 31, 2006 are sufficient.

Deferred Tax Liabilities:
Deferred income tax liability at December 31, 2006 relates to the following:

	2006	2005
Unrealized gain – available for sale investments	14,462,701	33,977,210
	14,462,701	**33,977,210**

- The movement on the deferred tax liabilities was as follows:

	2006	2005
At January1	33,977,210	-
Additions	763,257	33,977,210
Reductions	(20,277,766)	-
At December 31	14,462,701	33,977,210

The relationship between the tax expense and the accounting profit can be explained as follows:

	2006	2005
Accounting profit	30,959,626	44,015,021
Non - taxable income	(10,665,483)	(12,018,812)
Expenses that are not deductible in determining taxable profit	15,066,950	5,564,268
Taxable profit	35,361,093	37,560,477
Effective rate of income tax	37.6%	28.2%

The statutory tax rate on banks in Jordan is 35% and the statutory tax rate on subsidiaries and branches range between 15% to 31%.

(19) Other Liabilities

	2006	2005
Accrued interest expenses	1,413,806	932,768
Interest received in advance	167,587	162,015
Commissions received in advance	2,118,457	8,681,026
Accrued expenses	2,695,973	3,226,676
Temporary deposits	3,607,357	11,463,825
Checks and withdrawals	3,164,443	3,440,169
Employees' saving fund	2,809,998	2,491,529
Others	1,460,059	1,394,562
	17,437,680	31,792,570

(20) Paid in Capital

The paid in capital amounts to JD67,500,000 divided to 67,500,000 shares at JD1 per share (2005: 45,000,000).

(21) Reserves

Statutory Reserve

As required by the Law, 10% of the profit before tax and fees is transferred to the statutory reserve. The Bank may resolve to discontinue such annual transfers when the reserve equals the paid in capital. This reserve is not available for distribution to shareholders.

Voluntary Reserve

Voluntary reserve represents the amounts transferred from net income before tax and fee; up to a maximum of 20% of the profit before tax and fees. This reserve can be fully or partially utilised upon the approval of the Board of Directors, and is distributable to shareholders.

General Banking Risk Reserve

This reserve is appropriated from retained earnings in compliance with the regulations of the Central Bank of Jordan. This reserve is not available for distribution to shareholders.

The use of the following reserves is restricted by law:

Description	Amount	Applicable Law
General banking risk reserve	4,687,932	Central Bank of Jordan
Statutory reserve	18,727,903	Companies Law

(22) Cumulative Changes in Fair Value

	2006			2005		
	Shares	Bonds	Total	Shares	Bonds	Total
At January 1	71,527,122	(7,631)	71,519,491	26,035,928	(42,322)	25,993,606
Unrealised (losses) gains	(47,747,935)	107,008	(47,640,927)	87,878,668	(10,842)	87,867,826
Deferred tax liabilities	19,551,962	(37,453)	19,514,509	(33,977,210)	-	(33,977,210)
Realised (gain) loss transferred to Income statement	(11,735,290)	7,631	(11,727,659)	(8,527,440)	45,533	(8,481,907)
Impairment in fair value	-	-	-	117,176	-	117,176
At December 31	31,595,859	69,555	31,665,414	71,527,122	(7,631)	71,519,491

The cumulative change in fair value is net of deferred tax liability which amounted to JD14,462,701 and JD33,977,210 as of December 31, 2006 and 2005 respectively.

(23) Retained Earnings

	2006	2005
Balance at 1 January	192,141	10,373,495
Profit for the year	19,248,635	31,496,236
Transferred to statutory reserve	(2,910,832)	(4,237,973)
Transferred to general banking risk reserve	(875,196)	(994,346)
Transferred to optional reserve	(1,321,613)	-
Transferred to increase in capital	-	(9,715,632)
Income from sale of treasury stock	-	270,361
Proposed issue of bonus shares	(7,500,000)	(22,500,000)
Proposed cash dividends	(6,750,000)	(4,500,000)
At December 31	83,135	192,141

(24) Proposed Issue of Bonus Shares

The Board of Directors will propose the issue of bonus shares to the General Assembly in its meeting to be held during 2007 to increase the Bank's capital by JD7,500,000 (2005: JD22,500,000) which is equivalent to 11.11% (2005: 50%) of the paid in capital through capitalisation of retained earnings.

The Board of Directors will propose the distribution of cash dividends at 10% (2005: 10%) of the paid in capital to the General Assembly in its meeting to be held during 2007 .

(25) Minority Interests

Minority interests represent the portion of profit and loss and net assets of subsidiaries not held by the Bank and are presented separately in the income statement and within the consolidated balance sheet separately from the Bank's shareholders' equity.

(26) Interest Income

	2006	2005
Direct credit facilities		
Discounted bills and notes	147,239	109,860
Overdrafts	9,490,680	6,196,220
Loans and advances	30,634,322	24,781,206
Credit cards	749,138	455,099
Islamic Banking income	-	101,690
Other		
Balances at the Central Banks	11,228,296	8,879,216
Balance and deposits at banks and financial institutions	6,036,872	5,644,175
Available for sale investments	7,182,001	2,589,305
Trading investments	-	55
	65,468,548	48,756,826

(27) Interest Expense and Similar Charges

	2006	2005
Banks and financial institutions deposits	1,468,669	434,577
Customers' deposits		
Current accounts and demand deposits	458,320	483,502
Saving deposits	1,365,665	981,422
Time and notice deposits	16,280,829	10,096,837
Cash margins	622,431	373,899
Loans and advances	1,515,452	444,136
Subordinated bonds	-	181,406
Deposits guarantee corporation fees	851,294	755,313
	22,562,660	13,751,092

(28) Commission Income

	2006	2005
Direct credit facilities	4,780,538	4,728,627
Indirect credit facilities	723,826	661,928
Other commissions	4,445,110	4,163,563
	9,949,474	9,554,118

(29) Gains Less Losses Arising from Trading Investments

	Realised gain	Unrealised gain (loss)	Total
2006			
Treasury bills and debt securities	(43,287)	(119,680)	(162,967)
Total	**(43,287)**	**(119,680)**	**(162,967)**
2005			
Treasury bills and debt securities	1,622	-	1,622
Equities	216,930	33,250	250,180
Total	**218,552**	**33,250**	**251,802**

(30) Gains Less Losses Arising from Available For Sale Investments

	2006	2005
Dividend income	1,977,561	1,405,459
Gains from selling available for sale investments	8,225,312	15,857,745
Less: impairment of available for sale investments	(10,985)	(268,371)
	10,191,888	16,994,833

(31) Other Income

	2006	2005
Suspended interest transferred to revenue	680,169	998,917
Safety deposit box rental income	43,376	40,872
Revenues from selling check books	9,119	31,671
Collections of debts previously written off	227,292	378,923
Visa card income	1,113,273	741,583
Gain from sale of premises and equipment	21,227	-
Gain from sale of collateral pending sale	1,257,296	2,251,620
Rent revenue	9,074	11,813
Brokerage commission	2,271,824	5,257,473
Others	111,969	49,744
	5,744,619	9,762,616

(32) Employees' Expenses

	2006	2005
Salaries and benefits	16,131,009	15,052,712
Social security contribution	1,007,094	863,077
Bank's contribution to saving fund	190,748	171,299
End of service awards	418,261	242,947
Medical expenses	896,816	818,121
Training expenses	324,341	100,929
Value-added tax	774,558	772,844
Others	45,270	30,999
	19,788,097	18,052,928

(33) Other Expenses

	2006	2005
Rent	1,523,052	1,095,551
Cleaning and maintenance	493,276	483,424
Water, heat and electricity	558,194	487,843
Licenses and governmental fees	317,808	428,179
Postage	175,866	126,471
Printings and stationery	373,890	305,835
Donations	195,210	97,280
Insurance fees and expenses	565,680	547,739
Subscriptions	488,927	419,032
Telephone and telegraph	541,839	482,479
Legal fees	36,438	50,815
Professional fees	406,489	289,625
Money transfer expenses	360,407	356,847
Advertising expenses	1,858,749	1,178,734
Loans guarantee expenses	152,288	144,889
Hospitality	96,065	93,564
Visa expenses	84,447	136,244
Board of Directors' expenses	49,763	52,587
Information systems expenses	1,353,213	1,092,332
Security expenses	50,403	54,446
Consulting fees	52,189	58,964
Vehicles expenses	134,626	94,339
Travel and transportation expenses	278,953	242,931
Jordanian universities fees	264,323	304,229
Scientific research and vocational training fees	264,323	304,229
Technical and vocational education and training support fund fees	165,318	215,632
Board of Directors' remuneration	58,542	55,000
Provision for doubtful debts	1,280,273	250,000
Impairment losses on collaterals acquired by the Bank	312,005	-
Other expenses	181,492	213,161
	12,674,048	9,662,401

(34) Earnings per Share

	2006	2005
Profit for the year	19,248,635	31,496,236
Weighted average number of shares	67,500,000	67,500,000
Basic and diluted earnings per share	**0.285**	**0.467**

Diluted earnings per share equal basic earning per share as the Bank has not issued any potentially convertible instruments to share which would have an impact on earnings per share.

(35) Cash and Cash Equivalents

Cash and cash equivalent balances in the statement of cash flows consist of the following balance sheet items:

	2006	2005
Cash and balances with Central Banks	251,657,832	347,328,963
Add: Balances at banks and financial institutions maturing within 3 months	168,597,436	151,101,575
Less: Banks and financial institutions' deposits maturing within 3 months	53,902,373	75,645,034
Certificate of deposit maturing after 3 months	48,005,318	39,025,347
Restricted cash balances	7,090,000	7,090,000
Net cash and cash equivalents	**311,257,577**	**376,670,157**

(36) Related Party Transactions

The Bank enters into transactions with major shareholders, directors, senior management and their related concerns in the ordinary course of business at commercial interest and commission rates. All the loans and advances to related parties are performing advances and are free of any provision for credit losses.

	Major Shareholders and Directors	Senior Management	2006 Total	2005
Balance Sheet Items				
Direct credit facilities	3,858,547	1,366,822	5,225,369	4,973,137
Deposits at the Bank	3,019,696	1,131,610	4,151,306	1,414,610
Margin accounts	248,755	-	248,755	633,718
Deposits with related parties	94,092	-	94,092	164,125
Off - Balance Sheet Items				
Indirect credit facilities	4,061,476	1,838	4,063,314	2,311,059
Income statement items:				
Interest and commission income	351,259	42,146	393,405	151,593
Interest and commission expense	36,388	37,959	74,347	24,495

Debit interest rates on credit facilities in Jordanian Dinar range between 4%-10%
Debit interest rates on credit facilities in foreign currency range between 7.4%- 8.3%

Credit interest rates on deposits in Jordanian Dinar ranges between 0%-6.5%
Credit interest rates on deposits in foreign currency range between 0% and 0.85%.

Compensation of the key management personnel is as follows:

	2006	2005
Benefits (Salaries, wages, and bonus) for senior executive management level	498,089	277,537

(37) Fair Value of Financial Instruments

There are no material differences between the carrying values and fair values of the on and off balance sheet financial instruments. Included in unquoted equities are investments carried at cost amounting to JD2,729,053 and JD3,448,871 as of December 31,2006 and 2005, respectively. The investments were stated at cost since the fair values could not be measured reliably and there is no indication of impairment in the values as of the balance sheet date.

(38) Risk Management

By their nature, the Bank's activities are principally related to the use of financial instruments. The Bank's management implements a comprehensive strategy for risk management by addressing the risks and attempting to mitigate them through specialized risk management committees, mainly comprising the Assets and Liabilities Committee, Investment Committee, credit facilities committees, and manual procedures committees. Those committees address and evaluate all types of risks.

The Bank implemented the Controls and Risk Self-Assessment (CRSA) system starting from 2005 to include all types of operational risks and the related mitigating controls for all respective Bank units.

A Compliance Department has been established by the Bank in order to manage the risks that might develop as a result of the departure from prevalent laws and regulations.

Notes from (40) to (45) disclose the major risks to which the Bank is exposed and the method(s) for managing each of them.

(39) Credit Risks and Concentration of Assets and Liabilities

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Bank manages credit risk by setting limits for individual borrowers, and groups of borrowers and for geographical and industry segments. The Bank also monitors credit exposures, and continually assesses the credit-worthiness of counterparties. In addition, the Bank obtains security where appropriate, enters into master netting agreements and collateral arrangements with counterparties, and limits the duration of exposures.

The Bank's management manages credit risk and the concentration of assets and liabilities through the decisions taken by the Board of Directors on an annual basis in respect of the Bank's credit policies, in terms of setting credit limits and other conditions. Such policies set forth certain clear ratios for the maximum credit limit allowed to a customer or a group of customers, in addition to the distribution of credit according to the geographical area and the different industry segments.

Classification of credit is performed internally whereby the customers are classified based on financial strength and creditworthiness, in addition to the classification in terms of account activity and due settlement of loan principal and interest. The Bank's portfolio is monitored on a periodic basis.

The Bank follows different procedures to mitigate the risks, including determining the acceptable types of collaterals and their conditions, whereby good collaterals that can be liquidated at a reasonable time and value are accepted by the Bank. The value of the collateral is unrelated to the activity of the customer. Moreover, the Bank requires insurance policies on certain properties as a means of mitigating risk.

The Bank has several departments for monitoring credit facilities and reporting any warning signs in advance in order to ensure proper monitoring and follow up.

The details of the portfolio of credit facilities are disclosed in note (8), and the contingent liabilities on the Bank that are subject to credit risks are disclosed in note (47).

The distribution of assets, liabilities, and off-balance sheet items by geographic region and industry sector was as follows:

	2006			2005		
	Assets	Liabilities and equity	Off Balance Sheet Items	Assets	Liabilities and equity	Off Balance Sheet Items
-By Geographical area						
Inside Jordan	766,898,900	712,282,715	90,256,274	738,435,448	686,682,665	86,268,803
Other Arab countries	245,699,163	465,875,638	15,295,635	269,446,469	539,998,628	13,569,582
Europe	121,266,972	691,163	1,585,044	140,049,639	649,294	1,110,809
Asia*	8,734,035	-	28,360	6,966,128	-	-
America	10,877,601	-	-	8,823,866	-	-
Others	25,372,845	-	-	63,609,037	-	-
Total	**1,178,849,516**	**1,178,849,516**	**107,165,313**	**1,227,330,587**	**1,227,330,587**	**100,949,194**
-By segment -						
Governmental sector	91,118,494	180,913,570	-	78,491,461	127,513,911	-
Private sector						
Corporate accounts	731,355,298	346,241,968	103,394,412	822,750,759	426,762,276	97,778,915
Individual accounts	302,719,186	513,457,981	3,770,901	268,469,831	493,188,754	3,170,279
Others	-	-	-	57,618,536	179,865,646	-
Equity	53,656,538	138,235,997	-	-	-	-
Total	**1,178,849,516**	**1,178,849,516**	**107,165,313**	**1,227,330,587**	**1,227,330,587**	**100,949,194**

*Excluding Arab countries.

(40) Market Risk

Market risk arises from fluctuations in interest rates, foreign exchange rates and equity prices. The Board has set limits on the value of risk that may be accepted. This is monitored on a weekly basis by the Asset and Liability Committee.

(41) Interest Rate Risk

Interest rate risk arises from the possibility that changes in interest rates will affect future profitability or the fair values of financial instruments. The Bank is exposed to interest rate risk as a result of mismatches of interest rate repricing of assets and liabilities. The Bank has established levels of interest rate risk by setting limits on the interest rate gaps for stipulated periods in accordance with the risk management strategy.

The Bank's interest sensitivity position based on contractual repricing arrangements or maturity at December 31, 2006 and 2005 shown in the following table:

Sensitivity of interest rates as of December 31, 2006

	Less than One Month	1 - 3 Months	3 - 6 Months	6 Months to 12 Months	1 - 3 Years	Over 3 Years	Zero-Interest Elements	Total	Average Interest Rate %
Assets -									
Cash and balances with Central Banks	51,675,890	50,999,076	48,005,318	-	-	-	100,977,548	251,657,832	6.6
Balances at banks and financial institutions	138,550,832	25,892,680	-	-	-	-	4,153,924	168,597,436	4.4
Deposits at banks and financial institutions	-	-	500,000	-	-	-	-	500,000	7.4
Trading investments	-	-	-	-	-	-	199,582	199,582	
Direct credit facilities, net	327,002,162	46,191,410	24,375,451	25,531,073	71,307,419	8,927,841	-	503,335,356	7,6
Available for sale investments	17,916,416	28,962,944	4,008,842	19,359,335	9,983,586	38,337,753	72,629,105	191,197,981	6.4
Premises and equipment, net	-	-	-	-	-	-	22,913,127	22,913,127	
Intangible assets	-	-	-	-	-	-	1,541,754	1,541,754	
Other assets	-	-	-	-	-	-	38,906,448	38,906,448	
Total assets	535,145,300	152,046,110	76,889,611	44,890,408	81,291,005	47,265,594	241,321,488	1,178,849,516	
Liabilities and equity									
liabilities									
Banks and financial institutions' deposits	42,924,395	1,400,000	-	-	-	-	9,577,978	53,902,373	3.1
Customers' deposits	480,518,145	111,045,764	36,501,136	31,016,208	6,639	-	230,268,725	889,356,617	2.2
Margin accounts	2,924,529	571,328	949,015	4,694,093	12,173,692	1,069,195	2,764,490	25,146,342	2.2
Loans and borrowings	271,470	98,716	74,037	49,359	-	15,000,000	-	15,493,582	9,6
Sundry provisions	-	-	-	-	-	-	6,228,767	6,228,767	
Income tax liabilities	-	-	-	-	-	-	17,437,680	17,437,680	
Deferred tax	-	-	-	-	-	-	18,585,457	18,585,457	
Other liabilities	-	-	-	-	-	-	14,462,701	14,462,701	
Total liabilities	526,638,539	113,115,808	37,524,188	35,759,660	12,180,331	16,069,195	299,325,798	1,040,613,519	
equity	-	-	-	-	-	-	138,235,997	138,235,997	
Total Liabilities and equity	526,638,539	113,115,808	37,524,188	35,759,660	12,180,331	16,069,195	437,561,795	1,178,849,516	
Interest rate sensitivity gap	8,506,761	38,930,302	39,365,423	9,130,748	69,110,674	31,196,399	(196,240,307)	-	
Cumulative interest rate sensitivity gap	8,506,761	47,437,063	86,802,486	95,933,234	165,043,908	196,240,307	-	-	

Sensitivity of interest rates as of December 31, 2005

	Less than One Month	1 - 3 Months	3 - 6 Months	6 Months to 12 Months	1 - 3 Years	Over 3 Years	Zero-Interest Elements	Total	Average Interest Rate %
Assets -									
Cash and balances with Central Banks	61,579,151	142,204,442	37,021,557	2,003,790	-	-	104,520,023	347,328,963	5,5
Balances at Banks and financial institutions	127,050,940	-	-	-	-	-	24,050,635	151,101,575	4,9
Deposits at Banks and financial institutions	-	-	500,000	1,985,200	-	-	-	2,485,200	4,7
Trading investments	-	-	-	-	-	-	115,063	115,063	
Direct credit facilities, net	236,036,928	34,099,532	27,023,217	30,059,781	103,943,576	9,164,849	-	440,327,883	7,8
Available for sale investments	70,900	42,764,499	7,231,238	5,249,898	3,915,598	27,601,233	132,997,020	219,830,386	5,9
Premises and equipment, net	-	-	-	-	-	-	20,469,367	20,469,367	
Intangible assets	-	-	-	-	-	-	784,264	784,264	
Other assets	-	-	-	-	-	-	44,887,886	44,887,886	
Total assets	424,737,919	219,068,473	71,776,012	39,298,669	107,859,174	36,766,082	327,824,258	1,227,330,587	
Liabilities and equity									
liabilities									
Banks and financial institutions' deposits	23,882,161	24,878,628	-	-	-	-	26,884,245	75,645,034	2,9
Customers' deposits	449,485,471	115,035,307	33,681,111	28,502,325	94,232	-	226,769,164	853,567,610	1,7
Margin accounts	2,165,905	2,032,163	3,101,852	2,110,367	12,418,655	880,282	10,250,167	32,959,391	2,4
Loans and borrowings	392,369	142,680	107,010	71,340	-	15,000,000	-	15,713,398	9,1
Sundry provisions	-	-	-	-	-	-	4,567,731	4,567,731	
Income tax liabilities	-	-	-	-	-	-	15,766,204	15,766,204	
Deferred tax	-	-	-	-	-	-	33,977,210	33,977,210	
Other liabilities	-	-	-	-	-	-	31,792,570	31,792,570	
Total liabilities	475,925,905	142,088,778	36,889,973	30,684,032	12,512,887	15,880,282	350,007,291	1,063,989,148	
Equity	-	-	-	-	-	-	163,341,439	163,341,439	
Total liabilities and equity	475,925,905	142,088,778	36,889,973	30,684,032	12,512,887	15,880,282	513,348,730	1,227,330,587	
Interest rate sensitivity gap	(51,187,986)	76,979,695	34,886,039	8,614,637	95,346,287	20,885,800	(185,524,472)	-	
Cumulative interest rate sensitivity gap	**(51,187,986)**	**25,791,709**	**60,677,748**	**69,292,385**	**164,638,672**	**185,524,472**	-	-	

(42) Liquidity Risk

Liquidity risk is the risk that the Bank will be unable to meet its liabilities when they fall due. To limit this risk, management has arranged diversified funding sources, manages assets with liquidity in mind, and monitors liquidity on a daily basis and maintains sufficient amount of cash and cash equivalents and trading investments. Following are some of the main procedures in use:

- Diversification with finance resources.
- Analyzing and monitoring the assets and liabilities maturity dates.
- Geographical and sector diversification of assets and liabilities.
- Statutory cash at Central Banks:

The Bank has a reserve in the amount of JD62,304,845 deposited in the Central Banks as of December 31, 2006.

The maturity profile of the assets and liabilities at December 31, 2006 is as follows:

	Till One Month	1 - 3 Months	3 - 6 Months	6 Months to 12 Months	1 - 3 Years	Over 3 Years	No Specific Maturity	Total
Assets								
Cash and balances with Central Banks	145,563,438	50,999,076	48,005,318	-	-	-	7,090,000	251,657,832
Balances at banks and financial institutions	142,704,756	25,892,680	-	-	-	-	-	168,597,436
Deposits at banks and financial institutions	-	-	500,000	-	-	-	-	500,000
Trading investments	-	-	-	-	-	-	199,582	199,582
Direct credit facilities, net	23,315,590	24,864,983	30,745,276	56,345,383	178,512,967	189,551,157	-	503,335,356
Available for sale investments	12,950,756	3,424,000	113,478	20,486,335	12,818,081	68,776,226	72,629,105	191,197,981
Premises and equipment, net	-	-	-	-	-	-	22,913,127	22,913,127
Intangible assets	-	-	-	-	-	-	1,541,754	1,541,754
Other assets	16,687,570	2,535,115	4,014,331	5,255,051	10,025,569	388,812	-	38,906,448
Total assets	341,222,110	107,715,854	83,378,403	82,086,769	201,356,617	258,716,195	104,373,568	1,178,849,516
Liabilities and equity								
liabilities								
Banks and financial institutions' deposits	52,502,373	1,400,000	-	-	-	-	-	53,902,373
Customers' deposits	607,165,944	157,099,509	71,041,444	54,043,081	6,639	-	-	889,356,617
Margin accounts	3,477,427	1,677,124	2,054,810	4,694,093	12,173,692	1,069,196	-	25,146,342
Loans and borrowings	271,470	98,716	74,037	49,359	-	15,000,000	-	15,493,582
Sundry provisions	-	63,054	-	603,400	2,821,813	2,740,500	-	6,228,767
Income tax liabilities	4,990,000	3,550,347	650,000	1,350,000	7,545,110	500,000	-	18,585,457
Deferred tax	-	-	-	-	-	-	14,462,701	14,462,701
Other liabilities	3,246,603	4,507,355	1,754,440	417,846	459,149	7,052,287	-	17,437,680
Total liabilities	671,653,817	168,396,105	75,574,731	61,157,779	23,006,403	26,361,983	14,462,701	1,040,613,519
Equity attributable to the Bank's shareholders	-	-	-	-	-	-	138,235,997	138,235,997
Total liabilities and equity	671,653,817	168,396,105	75,574,731	61,157,779	23,006,403	26,361,983	152,698,698	1,178,849,516
Net liquidity gap	(330,431,707)	(60,680,251)	7,803,672	20,928,990	178,350,214	232,354,212	(48,325,130)	-
Cumulative liquidity gap	(330,431,707)	(391,111,958)	(383,308,286)	(362,379,296)	(184,029,082)	48,325,130	-	-

The maturity profile of the assets and liabilities at December 31, 2005 was as follows:

	Till One Month	1 - 3 Months	3 - 6 Months	6 Months to 12 Months	1 - 3 Years	Over 3 Years	No Specific Maturity	Total
Assets								
Cash and balances with Central banks	166,099,174	142,204,442	37,021,557	2,003,790	-	-	-	347,328,963
Balances at banks and financial institutions	17,872,185	133,229,390	-	-	-	-	-	151,101,575
Deposits at banks and financial institutions	-	-	500,000	1,985,200	-	-	-	2,485,200
Trading investments	-	-	-	-	-	-	115,063	115,063
Direct credit facilities, net	27,142,168	35,718,671	40,455,700	55,798,726	135,317,829	145,894,789	-	440,327,883
Available for sale investments	70,900	1,981,720	2,317,868	5,249,898	8,118,408	69,094,572	132,997,020	219,830,386
Premises and equipment, net	-	-	-	-	-	-	20,469,367	20,469,367
Intangible assets	-	-	-	-	-	-	784,264	784,264
Other assets	13,805,459	3,944,667	4,518,403	5,222,283	13,762,488	3,634,586	-	44,887,886
Total assets	224,989,886	317,078,890	84,813,528	70,259,897	157,198,725	218,623,947	154,365,714	1,227,330,587
Liabilities and equity								
liabilities								
Banks and financial institutions' deposits	41,966,406	33,678,628	-	-	-	-	-	75,645,034
Customers' deposits	574,208,511	160,389,140	67,696,486	51,179,241	94,232	-	-	853,567,610
Margin accounts	3,366,674	3,371,744	4,754,540	4,086,000	16,500,151	880,282	-	32,959,391
Loans and borrowings	392,368	142,680	107,010	71,340	-	15,000,000	-	15,713,398
Sundry provisions	-	10,000	50,000	353,432	1,463,383	2,690,916	-	4,567,731
Income tax liabilities	3,500,000	3,000,000	3,000,000	670,516	5,595,688	-	-	15,766,204
Deferred tax	-	-	-	-	-	-	33,977,210	33,977,210
Other liabilities	11,598,070	2,854,660	3,641,746	222,919	9,476,006	3,999,169	-	31,792,570
Total liabilities	635,032,029	203,446,852	79,249,782	56,583,448	33,129,460	22,570,367	33,977,210	1,063,989,148
Equity attributable to the Bank's shareholders	-	-	-	-	-	-	163,341,439	163,341,439
Total liabilities and equity	635,032,029	203,446,852	79,249,782	56,583,448	33,129,460	22,570,367	197,318,649	1,227,330,587
Net liquidity gap	(410,042,143)	113,632,038	5,563,746	13,676,449	124,069,265	196,053,580	(42,952,935)	-
Cumulative liquidity gap	(410,042,143)	(296,410,105)	(290,846,359)	(277,169,910)	(153,100,645)	42,952,935	-	-

(43) Foreign Currency Risks

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Bank's functional currency is the Jordanian Dinar. The Board has set limits on positions by currency. Positions are monitored on a daily basis to ensure positions are maintained within established limits.

The Bank had the following significant net exposures denominated in foreign currencies as of December 31:

	2006	2005
	JD Equivalent	JD Equivalent
U.S. Dollar	29,979,226	10,657,046
Sterling Pound	(1,678,579)	(1,229,909)
Euro	(12,505,939)	(23,753)
Swiss Franc	(29,680)	22,838
Japanese Yen	(2,950,253)	(3,416,438)
Others	(857,976)	4,970,921

(44) Equity Price Risk

Equity price risk arises from the change in fair values of equity investments. The Bank manages this risk through diversification of investments in terms of geographical distribution and industry concentration. The majority of the Bank's investments are quoted on the Amman Stock Exchange and the Palestine Securities Exchange.

(45) Segmental Information

Primary Segment Information
For management purposes the Bank is organized into three major business segments:

Retail banking
Principally handling individual customers' deposits, and providing consumer type loans, overdrafts, credit cards facilities and funds transfer facilities.

Corporate banking
Principally handling loans and other credit facilities and deposit and current accounts for corporate and institutional customers.

Treasury
Principally providing money market, trading and treasury services, as well as the management of the Bank's funding operations by use of treasury bills, government securities and placements and acceptances with other Banks, through treasury and wholesale banking.

These segments are the basis on which the bank reports its primary segment information.

	Retail Banking	Corporate Banking	Treasury	Other	Total
2006					
Gross income	33,863,966	19,249,145	39,147,998	1,375,262	93,636,371
Provision for credit losses	(7,898,127)	4,315,532	-	-	(3,582,595)
Segment result	18,205,886	19,730,923	28,179,045	1,375,262	6,7491,116
Unallocated costs	-	-	-	-	36,531,490
Profit before tax	-	-	-	-	30,959,626
Income tax	-	-	-	-	11,710,991
Profit for the year	-	-	-	-	19,248,635
Other information					
Segment assets	354,397,312	148,938,044	612,152,831	63,361,329	1,178,849,516
Segment liabilities	329,524,081	155,388,591	512,955,361	42,745,486	1,040,613,519
Capital expenditure	-	-	-	-	5,296,200
Depreciation	-	-	-	-	2,056,831
2005					
Gross income	26,889,342	13,638,168	36,208,584	10,420,317	87,156,411
Provision for credit losses	(561,822)	1,581,058	-	-	1,019,236
Segment result	23,384,807	12,049,124	28,562,232	10,420,318	74,416,481
Unallocated costs	-	-	-	-	30,401,460
Profit before tax	-	-	-	-	44,015,021
Income tax	-	-	-	-	12,540,482
Profit for the year	-	-	-	-	31,474,539
Other information					
Segment assets	226,690,290	213,637,593	720,854,584	66,148,120	1,227,330,587
Segment liabilities	204,756,649	204,705,625	602,160,551	52,366,323	1,063,989,148
Capital expenditure	-	-	-	-	5,159,351
Depreciation	-	-	-	-	1,814,831

2.Geographical Information

The following table shows the distribution of the Bank's operating income and capital expenditure by geographical segment:

	Jordan		Outside Jordan		Total	
	2006	2005	2006	2005	2006	2005
Gross income	61,082,252	52,544,463	32,554,119	34,611,948	93,636,371	87,156,411
Total assets	766,898,900	738,435,448	411,950,616	488,895,139	1,178,849,516	1,227,330,587
Capital expenditure	3,508,133	4,820,969	1,788,067	338,382	5,296,200	5,159,351

(46) Capital Adequacy

The capital adequacy ratio is computed in accordance with the Central Bank of Jordan regulations derived from Basel Committee resolutions.

	2006		2005	
	Amount in JD	% to assets weighted by risks	Amount in JD	% to assets weighted by risks
Regulatory capital	114,067,019	15.68	119,502,719	15.51
Core (primary) capital	95,129,651	13.08	83,509,212	10.84

(47) Commitments And Contingent Liabilities

Credit-related commitments include commitments to extend credit, standby letters of credit, guarantees and acceptances which are designed to meet the requirements of the Bank's customers.

Letters of credit, guarantees (including standby letter of credit) and acceptances commit the Bank to make payments on behalf of customers contingent upon the failure of the customer to perform under the terms of the contract.

Commitments to extend credit represent contractual commitments to make loans and revolving credits. Commitments generally have fixed expiration dates, or other termination clauses. Since commitments may expire without being drawn upon, the total contract amounts do not necessarily represent future cash requirements.

The Bank has the following credit related commitments:

	2006	2005
Letters of credit	54,666,810	67,632,243
Acceptances	4,424,613	354,459
Letters of guarantee:		
Payments	2,140,406	2,876,983
Performance	5,683,516	6,433,983
Others	12,044,098	9,742,182
Irrevocable commitments to extend credit	28,205,870	13,483,944
Unpaid portiere bank's share in entities capital	-	425,400
	107,165,313	100,949,194

At December 31, 2006, the Bank had capital commitments in respect non cancelable operating leases amounting to JD1,523,052 (2005: JD1,095,551) relating to the Bank's main building and the branches all contacts renewed annually.

(48) Litigation

In the normal course of business the Bank appears as a defendant in a number of lawsuits amounting to approximately JD28,450,848 and JD27,563,712 as of December 31, 2006 and 2005, respectively.

Provision for possible legal obligations amounted to JD1,988,713 and JD948,554 as of December 31, 2006 and 2005, respectively.

An amount of JD18,228,060 out the total of amount in the lawsuits represent cases filed against the Bank by the customer of Wadi Al-Tuffah Branch.

In the opinion of the Bank's management and its legal counselor, the Bank provisions has adequate against these lawsuits.

(49) New Issued International Financial Reporting Standards

The following standards and interpretations have been issued but are not yet effective.

- IFRS 7 Financial Instruments: Disclosures and consequent amendments to IAS 1 – Capital Disclosures
- IFRS 8 Operating Segments

The above amendments only impact disclosures and will be effective for 2007 and 2009 respectively.
- IFRIC Interpretation 8 Scope of IFRS 2
- IFRIC Interpretation 9 Reassessment of Embedded Derivatives
- IFRIC Interpretation 11 IFRS 2 – Group and Treasury Share Transactions

Management does not expect these interpretations to have a significant impact on the Bank's financial statements when implemented in 2007.

(50) Comparative Figures

Some of 2005 balances were reclassified to correspond with the 2006 presentation. The reclassification has no effect on the profit for the year and equity.

Our Branches

Head Office

Arar Street, Wadi Saqra
Telephone: 461 6910, Fax: 464 2890
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Jordan Branches and Offices

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Tel 06 461 6910, Fax 06 462 5901
P.O. Box 940533, Amman 11194
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Al Zarqa Branch
Tel 05 398 2729, Fax 05 396 1224
P.O. Box 39, Zarqa13110,
Jordan

Al Mahata Branch
Tel 06 465 1325, Fax 06 465 1991
P.O. Box 6180, Amman 11118,
Jordan

Al Wehdat Branch
Tel 06 477 1171, Fax 06 475 3388
P.O. Box 715, Amman 11118,
Jordan

Jordan University Hospital Branch
Tel 06 535 3666, Fax 06 533 3248
P.O. Box 13146, Amman 11942,
Jordan

C-Town Office
Tel 06 586 1724, Fax 06 581 6145
P.O. Box 715, Amman 11118,
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Al Rusaifeh Branch
Tel 05 374 1106, Fax 05 374 2275
P.O. Box 41, Rusaifeh 13710,
Jordan

Science & Tech. University Branch
Tel 02 720 1000, Fax 02 709 5168
P.O. Box 336, Irbid 21110,
Jordan

Amman Branch
Tel 06 463 9321, Fax 06 463 9328
P.O. Box 715, Amman 11118,
Jordan

Jordan InterContinental Office
Tel 06 465 7311, Fax 06 464 2534
P.O. Box 715, Amman 11118,
Jordan

Jordan University Branch
Tel 06 534 2225, Fax 06 533 3278
P.O. Box 13146, Amman 11942,
Jordan

Al Queismeh Branch
Tel 06 476 6061, Fax 06 477 0524
P.O. Box 38971, Amman 11593,
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Ma'adi Office
Tel 05 357 0030, Fax 05 357 1904
P.O. Box 27, Madi 18261,
Jordan

Marriott Hotel Office
Tel 06 566 0149, Fax 06 562 3161
P.O. Box 715, Amman 11118,
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Al Fuhais Branch
Tel 06 472 0539, Fax 06 472 9731
P.O. Box 180, Fuheis 19152
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Al Aqaba Branch
Tel 03 201 3355, Fax 03 201 5550
P.O. Box 1166, Aqaba 7710,
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Tel 06 462 5228, Fax 06 461 8504
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Jordan

Al-Weibdeh Branch
Tel 06 463 7404, Fax 06 463 7438
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Irbid/Al-Hashimi Street Branch
Tel 02 637 4604, Fax 02 727 9207
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Jordan

Yarmouk University Branch
Tel 02 727 1296, Fax 02 727 0182
P.O. Box 336, Irbid 21110,
Jordan

Al Bayader Branch
Tel 06 585 9504, Fax 06 581 4933
P.O. Box 140285, Amman 11814,
Jordan

Marj Al Hamam Branch
Tel 06 571 2383, Fax 06 571 1895
P.O. Box 30, Marj Al Hamam 11732,
Jordan

Muta University Branch
Tel 03 237 0182, Fax 03 237 0181
P.O. Box 7, Mu'ta,
Jordan

Abu Alanda Office
Tel 06 416 2857, Fax 06 416 4801
P.O. Box 153, Amman 11592,
Jordan

Our Branches

Al Salt Branch
Tel 05 355 0636, Fax 05 355 6715
P.O. Box 1101, Salt,
Jordan

Safeway Branch
Tel 06 568 5074, Fax 06 568 7721
P.O. Box 962297, Amman 11196,
Jordan

Al Sweifieh Branch
Tel 06 586 5805, Fax 06 586 3140
P.O. Box 715, Amman 11118,
Jordan

Mecca Street Branch
Tel 06 552 2851, Fax 06 552 2850
P.O. Box 1172, Amman 11821,
Jordan

Gardens Branch
Tel 06 568 3471, Fax 06 568 3473
P.O. Box 1301, Amman 11953,
Jordan

Ras Al Ein Office
Tel 06 478 1079, Fax 06 47 8762
P.O. Box 38971, Amman 11593,
Jordan

Sweileh Branch
Tel 06 533 5210, Fax 06 533 5159
P.O. Box 1400, Amman 11910,
Jordan

Al-Baq'a Office
Tel 06 472 8190, Fax 06 472 6810
P.O. Box 1400, Sweileh 19381,
Jordan

Jabal Al Hussein Branch
Tel 06 464 0605, Fax 06 461 7160
P.O. Box 8272, Amman 11121,
Jordan

Hakama Office
Tel 02 740 1736, Fax 02 741 2545
P.O. Box 336, Irbid 21110,
Jordan

Al-Beit University Branch
Tel 02 629 7000, Fax 02 623 4655
P.O. Box 130066, Al Mafraq 25113,
Jordan

Jarash Branch
Tel 02 635 4010, Fax 02 635 4012
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Jordan

Zarqa New Office
Tel 05 386 4117, Fax 05 386 4120
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Jordan

Al Karak Office
Tel 03 235 5721, Fax 03 235 5724
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Al Mafraq Branch
Tel 02 623 5516, Fax 02 623 5518
P.O. Box 1308, Al Mafraq 25110,
Jordan

King Abdullah Hospital Office
Tel 02 709 5723, Fax 02 709 5725
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Jordan

Prince Hamzah Hospital Office
Tel 06 505 5226, Fax 06 505 5204
Amman, Jordan

Qasr Al-Adel Branch
Tel 06 567 7286, Fax 06 567 7287
P.O. Box. 950661, Amman 11195,
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Al-Abdali Office
Tel 06 565 0753, Fax 06 560 2420
P.O. Box 928507, Amman 11190,
Jordan

Army Street Branch / Zarqa
Tel 05 396 8031, Fax 05 396 8033
P.O. Box 39, Zarqa 13110,
Jordan

King Abdullah Square Branch
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Ports Corporation Office
Tel 03 201 9117
Aqaba, Jordan

Marka Branch
Tel 06 489 6044, Fax 06 489 6042
P.O. Box 715, Amman 11118,
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Al-Ramtha Office
Tel 02 738 4126, Fax 02 738 4128
P.O. Box 526, Ramtha,
Jordan

Aswaq Al Salam Branch
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Philadelphia University Office
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Arab Bridge Office
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Consulting Center – Irbid
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Consulting Center - Zarqa
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P.O. Box 50, Nablus,
Palestine

Ramallah Branch
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P.O. Box 1870, Ramallah,
Palestine

Al-Shalalah Branch
Tel 02 222 9803, Fax 02 222 9327
P.O. Box 662, Al Khalil,
Palestine

Jenin Branch
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Palestine

Jerusalem Street Branch
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Jericho Branch
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Wadi Tufah Branch
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P.O. Box 1559, Nablus,
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P.O. Box 167, Gaza,
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Al-Saraya Branch
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P.O. Box 167, Gaza,
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Dair AL-Balah Branch
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Al-Rimal Branch
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