



not enable us to obtain assurance that we would become aware
of that might be identified in an audit. Accordingly, we do not

CAIRO AMMAN BANK

**INTERIM CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS**

30 SEPTEMBER 2009 (UNAUDITED)

Ernst & Young has conducted an audit that causes us to believe that
the financial statements are presented fairly, in all material
respects, in accordance with International Accounting Standard

**REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO
THE BOARD OF DIRECTORS OF CAIRO AMMAN BANK
AMMAN - JORDAN**

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of CAIRO AMMAN BANK (a public shareholding company) and its subsidiaries ("the Bank") as of 30 September 2009, comprising of the interim consolidated statement of financial position as of 30 September 2009 and the related interim consolidated statement of income for the three and nine month periods then ended, and interim consolidated statements of, comprehensive income, changes in equity, and cash flows for the nine months period then ended and explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Financial Reporting Standard IAS 34 Interim Financial Reporting ("IAS 34"). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of review

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

Conclusion

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



Amman – Jordan
15 October 2009

CAIRO AMMAN BANK
INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF 30 SEPTEMBER 2009
(UNAUDITED)
(In Jordanian Dinars)

ASSETS	Notes	30 September 2009	31 December 2008 (Audited)
Cash and balances with Central Banks	4	356,492,572	229,532,870
Balances at banks and financial institutions	5	159,260,765	171,735,707
Deposits at banks and financial institutions		90,300,000	-
Financial assets held for trading		335,875	69,637
Direct credit facilities, net	6	693,257,722	632,853,802
Financial assets available for sale	7	340,020,115	355,685,181
Property and equipment		33,763,432	34,569,924
Intangible assets		3,981,444	3,627,508
Other assets		<u>36,661,872</u>	<u>34,169,837</u>
Total Assets		<u>1,714,073,797</u>	<u>1,462,244,466</u>
LIABILITIES AND EQUITY			
Liabilities -			
Banks and financial institutions' deposits		162,331,826	44,448,203
Customers' deposits	8	1,226,537,868	1,125,347,862
Margin accounts		50,290,340	48,782,874
Loans and borrowings		38,149,024	23,790,129
Sundry provisions		9,581,216	8,572,960
Income tax liabilities	9	19,076,822	22,513,296
Deferred tax liabilities		6,593,065	9,249,139
Other liabilities		<u>32,073,828</u>	<u>28,039,079</u>
Total Liabilities		<u>1,544,633,989</u>	<u>1,310,743,542</u>
EQUITY			
Equity attributable to the Bank's shareholders			
Paid in capital		88,000,000	80,000,000
Statutory reserve		24,152,279	24,152,279
Voluntary reserve		1,321,613	1,321,613
General banking risk reserve		6,917,932	6,337,932
Cumulative changes in fair value		21,641,836	17,975,688
Retained earnings	16	9,713,412	21,713,412
Profit for the period		<u>17,692,736</u>	<u>-</u>
Total equity		<u>169,439,808</u>	<u>151,500,924</u>
Total Liabilities and Equity		<u>1,714,073,797</u>	<u>1,462,244,466</u>

The accompanying notes from 1 to 17 are an integral part of these interim condensed consolidated financial statements

CAIRO AMMAN BANK
INTERIM CONSOLIDATED INCOME STATEMENT
FOR THE THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2009 (UNAUDITED)
(In Jordanian Dinars)

	NOTES	For the three months ended 30 September		For the nine months ended 30 September	
		2009	2008	2009	2008
Interest income		24,335,044	23,487,385	69,798,732	65,443,016
Interest expense		<u>8,756,892</u>	<u>9,243,634</u>	<u>28,686,607</u>	<u>25,784,183</u>
Net interest income		15,578,152	14,243,751	41,112,125	39,658,833
Net commission		<u>4,637,553</u>	<u>4,106,533</u>	<u>12,910,494</u>	<u>11,550,935</u>
Net interest and commission income		20,215,705	18,350,284	54,022,619	51,209,768
Other income –					
Net gain from dealing in foreign currencies		631,060	650,472	2,033,339	2,330,434
(Losses) gains from financial assets held for trading		(3,855)	(43,866)	8,270	24,257
Gains (losses) from financial assets available for sale		393,337	(4,290,564)	4,705,427	336,672
Other income		<u>1,267,559</u>	<u>1,979,006</u>	<u>3,575,420</u>	<u>5,423,222</u>
Gross profit		22,503,806	16,645,332	64,345,075	59,324,353
Employees' expenses		6,647,627	6,627,265	20,193,451	19,610,128
Depreciation and amortization		1,612,364	1,209,719	4,656,956	3,346,420
Other expenses		4,466,171	3,954,199	12,085,107	11,906,927
Impairment losses on direct credit facilities		95,100	95,100	249,833	285,300
Sundry provisions		<u>759,477</u>	<u>51,697</u>	<u>1,485,832</u>	<u>610,224</u>
Total expenses		<u>13,580,739</u>	<u>11,937,980</u>	<u>38,671,179</u>	<u>35,758,999</u>
Profit before income tax		8,923,067	4,707,352	25,673,896	23,565,354
Income tax expense		<u>(2,773,754)</u>	<u>905,433</u>	<u>(7,401,160)</u>	<u>(6,001,978)</u>
Profit for the period		<u>6,149,313</u>	<u>5,612,785</u>	<u>18,272,736</u>	<u>17,563,376</u>
Basic and diluted earnings per share	10	<u>0/070</u>	<u>0/064</u>	<u>0/208</u>	<u>0/200</u>

The accompanying notes from 1 to 17 are an integral part of these interim condensed consolidated financial statements

CAIRO AMMAN BANK
INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2009 (UNAUDITED)
(In Jordanian Dinars)

	<u>For the three months ended</u>		<u>For the nine months ended</u>	
	<u>30 September</u>		<u>30 September</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Profit for the period	6,149,313	5,612,785	18,272,736	17,563,376
Other comprehensive income, net of tax:				
Net changes in fair value of financial assets available for sale	(2,666,199)	1,060,149	3,666,148	5,978,002
Total Comprehensive income for the period	<u>3,483,114</u>	<u>6,672,934</u>	<u>21,938,884</u>	<u>23,541,378</u>

The accompanying notes from 1 to 17 are an integral part of these interim condensed consolidated financial statements

CAIRO AMMAN BANK
INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2009 (UNAUDITED)
(In Jordanian Dinars)

	Reserves					Cumulative changes in fair values	Retained earnings	Profit For the period	Total Equity
	Paid in capital	Statutory	Voluntary	General banking risk					
30 September 2009									
Balance as of 1 January 2009	80,000,000	24,152,279	1,321,613	6,337,932	17,975,688	21,713,412	-	151,500,924	
Total comprehensive income for the period	-	-	-	-	3,666,148	-	18,272,736	21,938,884	
Increase in capital	8,000,000	-	-	-	-	(8,000,000)	-	-	
Dividends paid	-	-	-	-	-	(4,000,000)	-	(4,000,000)	
Transfer to reserves	-	-	-	580,000	-	-	(580,000)	-	
Balance as of 30 September 2009	88,000,000	24,152,279	1,321,613	6,917,932	21,641,836	9,713,412	17,692,736	169,439,808	
30 September 2008									
Balance as of 1 January 2008	75,000,000	21,683,537	1,321,613	5,387,932	24,313,275	17,337,315	-	145,043,672	
Total comprehensive income for the period	-	-	-	-	5,978,002	-	17,563,376	23,541,378	
Increase in capital	5,000,000	-	-	-	-	(5,000,000)	-	-	
Dividends paid	-	-	-	-	-	(7,500,000)	-	(7,500,000)	
Transfers to reserves	-	-	-	750,000	-	-	(750,000)	-	
Balance as of 30 September 2008	80,000,000	21,583,537	1,321,613	6,137,932	30,291,277	4,837,315	16,813,376	161,085,050	

The accompanying notes from 1 to 17 are an integral part of these interim condensed consolidated financial statements

CAIRO AMMAN BANK
INTERIM CONSOLIDATED CASH FLOW STATEMENT
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2009 (UNAUDITED)
(In Jordanian Dinars)

<u>OPERATING ACTIVITIES</u>	<u>Notes</u>	<u>30 September</u> <u>2009</u>	<u>30 September</u> <u>2008</u>
Profit for the period before tax		25,673,896	23,565,354
Adjustments -			
Depreciation and amortisation		4,656,956	3,346,420
Impairment loss on direct credit facilities		249,833	285,300
Sundry provisions		1,485,832	610,224
Gain from sale of financial asset available for sale		(1,900,335)	(3,723,833)
Impairment of available for sale investments		11,734	5,836,832
Unrealised (gains) losses from financial asset held for trading		(3,831)	63,264
Losses (gain) on sale of property and equipment		1,495	(160,272)
Gain from sale of repossessed assets		(40,850)	(157,624)
Impairment loss on repossessed assets		53,287	135,541
Effect of exchange rate changes on cash and cash equivalents		(1,669,460)	(1,366,873)
Operating profit before changes in operating assets and liabilities		28,518,557	28,434,333
Changes in assets and liabilities -			
Decrease in balances with Central Banks maturing after more than three months		-	6,000,667
(Increase) decrease in deposits at banks and financial institutions maturing after more than three months		(90,300,000)	177,250
Increase in direct credit facilities		(60,653,753)	(105,664,462)
(Increase) decrease in financial assets held for trading		(262,407)	84,274
Increase in other assets		(2,504,472)	(39,305,001)
Increase (decrease) in banks and financial institutions deposits maturing after more than three months		45,300,000	(2,000,000)
Increase in customers' deposits		101,190,006	196,544,910
Increase in margin accounts		1,507,466	14,171,072
Sundry provisions paid		(477,576)	(323,062)
Increase in other liabilities		4,034,749	17,666,425
Net cash from operating activities before income tax		26,352,570	115,786,406
Income tax paid		(10,837,634)	(5,329,938)
Net cash from operating activities		15,514,936	110,456,468
INVESTING ACTIVITIES			
Purchase of financial assets available for sale		(100,617,379)	(139,491,098)
Sale of financial assets available for sale		119,181,120	56,459,991
Purchase of property and equipment & project in progress		(3,158,634)	(6,670,125)
Sale of property and equipment & project in progress		29,868	301,402
Purchase of intangible assets		(1,077,129)	(653,830)
Net cash from (used in) investing activities		14,357,846	(90,053,660)
FINANCING ACTIVITIES			
Cash dividends paid		(4,000,000)	(7,500,000)
Proceeds from (repayment of) loans and borrowings		14,358,895	(65,177)
Net cash from (used in) financing activities		10,358,895	(7,565,177)
Net increase in cash and cash equivalents		40,231,677	12,837,631
Effect of exchange rate changes on cash and cash equivalents		1,669,460	1,366,873
Cash and cash equivalents, beginning of the period		349,730,374	395,785,072
Cash and cash equivalents, end of the period	11	391,631,511	409,989,576

The accompanying notes from 1 to 17 are an integral part of these interim condensed consolidated financial statements

CAIRO AMMAN BANK
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 SEPTEMBER 2009
(In Jordanian Dinars)

(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 Suleiman Arrar Street, Wadi Saqra, Amman-Jordan.

The Bank provides its banking services through 62 branches and offices located in Jordan and 17 branches in Palestine, and its subsidiaries.

The Bank's shares are listed in Amman Stock Exchange.

The interim condensed consolidated financial statements were authorized for issue by the Bank's Board of Directors in their meeting held on 21 July 2009.

(2) Basis of preparation

The interim condensed financial statements for the nine-month period to 30 September 2009 have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting.

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

The consolidated financial statements are prepared on the historical cost basis except for the financial assets held for trading and most financial assets available for sale that have been measured at fair value.

The interim condensed consolidated financial statements do not contain all information and disclosures required for full financial statements prepared in accordance with International Financial Reporting Standards, and should be read in conjunction with the Bank's annual financial statements as of 31 December 2008. In addition, results for the nine-month period ended 30 September 2009 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2009.

The accounting policies used in the preparation of the interim condensed financial statements are consistent with those used in the preparation of the annual financial statements for the year ended 31 December 2008, except for the adoption of new Standards noted below.

IAS 1 Presentation of Financial Statements (Revised)

The revised standard requires only owner changes in equity to be presented in the statement of changes in equity. All non-owner changes in equity (ie. comprehensive income) are required to be presented separately from owner changes in equity in a performance statement (consolidated statement of comprehensive income). Components of comprehensive income are not permitted to be presented in the statement of changes in equity.

IFRS 8 Operating Segments

The new standard, which replaced IAS 14 *Segment Reporting*, requires a 'management approach' under which segment information is presented on the same basis as that used for internal reporting purposes. This has resulted in an increase in the number of reportable segments presented. In addition, the segments are reported in a manner that is more consistent with the internal reporting provided to the chief operating decision-maker.

(3) 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. Following are the subsidiaries of the Bank:

- Al-Watanieh Financial Services Company – Jordan: established during 1992; the Bank owned 100% of paid-up capital amounted to JD 5,000,000 as of 30 June 2009. The company's main activity is investment brokerage.
- Al-Watanieh Financial Securities Company – Palestine established during 1995, the bank owned 100% of paid-up capital amounted to JD 1,500,000 as of 30 June 2009. The company's main activity is investment brokerage.
- Cairo Amman Company - Marshall Islands: established during 1999; the Bank owned 100% of paid-up capital amounted to JD 5,000 as of 30 June 2009. The company's main activity is the investment in securities. The Bank is in the process of completing legal procedures to liquidate the Company.
- No consolidation has been made of the financial statements of Cairo for Real Estate Investment Company-Jordan, of which the Bank owns 100% of the paid-up capital of JD 50,000 as of 30 June 2009, due to the fact that on 31 July 2002 all assets and liabilities of the company were transferred to the Bank. The Bank is in the process of completing legal procedures to liquidate the company.

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

If the subsidiary company follows accounting policies that are different than those followed by the bank, then the necessary adjustments are made on the financial statements of the subsidiaries to conform with the accounting policies followed by the bank.

The results of operations of the subsidiary are consolidated in the consolidated income statement from the date of ownership which is the date on which the actual control by the bank on the subsidiaries is taking place. The results of operations of the subsidiaries that are eliminated in the consolidated income statement are consolidated until the date of release, which is the date the bank loses control on the subsidiaries.

Investments in subsidiaries are shown at cost in separate financial statements prepared by the bank on a standalone basis.

(4) CASH AND BALANCES WITH CENTRAL BANKS

Restricted statutory cash reserve held at the Central Banks amounted to JD 76,378,839 as of 30 September 2009 (31 December 2008: JD 88,944,363)

Except for statutory cash reserve held at the Central Banks the restricted cash balances amounted to JD 7,090,000 as of 30 September 2009 and 31 December 2008.

(5) BALANCES AT BANKS AND FINANCIAL INSTITUTIONS

Non interest bearing balances at banks and financial institutions amounted to JD 6,519,346 as of 30 September 30, 2009 (31 December 2008: JD 4,270,454).

(6) DIRECT CREDIT FACILITIES

	<u>30 September</u> <u>2009</u> JD	<u>31 December</u> <u>2008</u> JD
Consumer lending		
Overdrafts	11,717,678	12,329,469
Loans and bills *	311,512,613	272,119,444
Credit cards	9,617,800	7,664,162
Others	10,151,178	6,703,967
Residential mortgages	101,762,875	102,434,609
Corporate lending		
Overdrafts	37,629,755	37,703,714
Loans and bills *	105,785,908	85,419,868
Small and medium enterprises lending "SMEs"		
Overdrafts	13,930,633	14,070,514
Loans and bills *	24,146,055	23,783,761
Lending to governmental sectors	<u>122,029,920</u>	<u>125,246,422</u>
Total	748,284,415	687,475,930
Less: Suspended interest	12,704,077	12,926,691
Less: Allowance for impairment losses	<u>42,322,616</u>	<u>41,695,437</u>
Direct credit facilities, net	<u>693,257,722</u>	<u>632,853,802</u>

* Net of interest and commission received in advance of JD 12,745,764 as of 30 September 2009 (31 December 2008: JD 12,789,200).

(7) FINANCIAL ASSETS AVAILABLE FOR SALE

Included in financial assets available for sale investments carried at cost with value of JD 1,183,284 as of 30 September 2009 (31 December 2008: JD 1,491,289). The investments were stated at cost since the fair value could not be measured reliably.

(8) CUSTOMERS' DEPOSITS

	<u>30 September</u> <u>2009</u> JD	<u>31 December</u> <u>2008</u> JD
Current and demand deposits	385,909,208	292,302,222
Saving deposits	234,313,284	212,159,652
Time and notice deposits	<u>606,315,376</u>	<u>620,885,988</u>
	<u>1,226,537,868</u>	<u>1,125,347,862</u>

Governmental institutions' deposits amounted to JD 195,359,647 as of 30 September 2009 (31 December 2008: JD 171,875,460) representing 15.93% (31 December 2008: 15.27%) of total customers' deposits.

Non-interest bearing deposits amounted to JD 446,501,650 as of 30 September 2009 (31 December 2008: JD 274,927,118) representing 36.40% (31 December 2008: 24.43%) of total deposits.

(9) INCOME TAX

Income Tax liabilities

The movements on the income tax provision were as follows:

	<u>30 September</u> <u>2009</u> JD	<u>31 December</u> <u>2008</u> JD
At January 1,		
Income tax paid	22,513,296	21,030,969
Provision for income tax for the period/year	<u>(10,837,634)</u>	<u>(5,376,609)</u>
	7,401,160	6,858,936
At the end of the period/year	<u>19,076,822</u>	<u>22,513,296</u>

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

The Bank reached a final settlement with the Income Tax Department for the year ended 31 December 2006. The years 2007 and 2008 were reviewed by the Income Tax Department but no final settlement has been reached yet.

A final settlement has been reached for Palestine branches from the Income Tax Departments for the year 2007.

Al-Watanieh Financial Services Company has reached a final settlement with the Income Tax Department for the years ended 31 December 2007 except for the year 1996 which is at court. The Income Tax Department did not review 2008 records.

Al-Watanieh Securities Company – Palestine has reached a final settlement for the year 2007.

The Income Tax Department has not reviewed the accounts of Cairo Real Estate Company for the years from 1997 to 2008.

No income tax was due on Cairo Amman Company – Marshall Islands as of 30 September 2009.

In the opinion of the Bank's management, income tax provisions as of 30 September 2009 are sufficient.

(10) BASIC EARNINGS PER SHARE

	<u>Three months period ended</u>		<u>Nine months period ended</u>	
	<u>30 September</u>		<u>30 September</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
	<u>JD</u>	<u>JD</u>	<u>JD</u>	<u>JD</u>
Profit for the period	6,149,313	5,612,785	18,272,736	17,563,376
Weighted average number of shares	<u>88,000,000</u>	<u>88,000,000</u>	<u>88,000,000</u>	<u>88,000,000</u>
Basic and diluted earnings per share (JD/Fils)	<u>0/070</u>	<u>0/064</u>	<u>0/208</u>	<u>0/200</u>

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

(11) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD

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

	<u>30 September</u>	<u>30 September</u>
	<u>2009</u>	<u>2008</u>
	<u>JD</u>	<u>JD</u>
Cash and balances with Central Banks maturing within three months	356,492,572	301,615,932
Add: Balances at banks and financial institutions maturing within three months	159,260,765	198,094,877
Less: Banks and financial institutions' deposits maturing within three months	117,031,826	51,631,900
Certificate of deposit maturing after three months	-	30,999,333
Restricted cash balances	<u>7,090,000</u>	<u>7,090,000</u>
Cash and cash equivalents	<u>391,631,511</u>	<u>409,989,576</u>

(12) RELATED PARTY TRANSACTIONS

The accompanying consolidated financial statements of the Bank include the following subsidiaries:

<u>Company name</u>	<u>Ownership</u>	<u>Paid in capital</u>	
		<u>30 September 2009</u>	<u>31 December 2008</u>
Al-Watanieh Financial Services Co.	100 %	5,000,000	5,000,000
Al-Watanieh Securities Company	100 %	1,500,000	1,500,000
Cairo Amman Company	100 %	5,000	5,000

The Bank entered 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.

	<u>Board of Directors</u>	<u>Management</u>	<u>Others</u>	<u>Total</u>	
				<u>30 September 2009</u>	<u>31 December 2008</u>
				<u>JD</u>	<u>JD</u>
<u>Balance sheet items:</u>					
Direct credit facilities	7,657,749	2,020,987	5,407,781	15,086,517	7,192,446
Deposits at the Bank	1,658,473	10,443	-	1,668,916	5,112,391
Margin accounts	5,534,700	2,043,313	-	7,578,013	9,082,897
<u>Off balance sheet items:</u>					
Indirect credit facilities	3,764,764	-	28,000	3,792,764	8,598,068
				<u>For the nine months ended 30 September</u>	
				<u>2009</u>	<u>2008</u>
				<u>JD</u>	<u>JD</u>
<u>Income statement items:</u>					
Interest and commission income				333,324	241,776
Interest and commission expense				292,147	221,417
Portfolio management commission				366,844	268,527

Credit interest rates on credit facilities range between 4% - 9.25%
Debit interest rates on deposits range between 0% - 6.5%

Compensation of the key management personnel is as follows:

	<u>For the Nine Months ended 30 September</u>	
	<u>2009</u>	<u>2008</u>
	<u>JD</u>	<u>JD</u>
Benefits (Salaries, wages, and bonuses) of senior management	<u>1,447,445</u>	<u>1,254,109</u>

(13) SEGMENTAL 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.
- Others - Includes income from repossessed assets, brokerage and other activities

	<u>Retail Banking</u> JD	<u>Corporate Banking</u> JD	<u>Treasury</u> JD	<u>Other</u> JD	<u>30 September 2009</u> JD	<u>30 September 2008</u> JD
Gross income	<u>44,613,658</u>	<u>19,169,436</u>	<u>27,831,507</u>	<u>1,417,081</u>	<u>93,031,682</u>	<u>85,108,536</u>
Provision for credit losses	<u>609,982</u>	<u>(360,149)</u>	<u>-</u>	<u>-</u>	<u>249,833</u>	<u>285,300</u>
Segment result	34,664,802	15,192,062	12,821,297	1,417,081	64,095,242	59,039,053
Unallocated costs					<u>38,421,346</u>	<u>35,473,699</u>
Profit before tax					25,673,896	23,565,354
Income tax					<u>7,401,160</u>	<u>6,001,978</u>
Profit for the period					<u>18,272,736</u>	<u>17,563,376</u>
Other information						
Segment assets	<u>419,366,086</u>	<u>273,891,636</u>	<u>946,409,327</u>	<u>74,406,748</u>	<u>1,714,073,797</u>	<u>1,462,244,466</u>
Segment liabilities	<u>397,216,628</u>	<u>248,693,759</u>	<u>837,022,712</u>	<u>61,700,890</u>	<u>1,544,633,989</u>	<u>1,310,743,542</u>
Capital expenditure					4,235,763	7,323,955
Depreciation					4,656,956	3,346,420

(14) COMMITMENTS AND CONTINGENT LIABILITIES

a) The total outstanding commitments and contingent liabilities are as follows:

	<u>30 September 2009</u>	<u>31 December 2008</u>
Letters of credit		
Issued	55,829,237	54,356,998
Received	52,168,358	35,357,899
Acceptances	972,397	1,463,351
Letters of guarantee:		
Payments	12,339,867	12,865,045
Performance	12,607,393	12,325,655
Others	17,870,379	15,414,669
Irrevocable commitments to extend credit	<u>68,389,655</u>	<u>62,812,319</u>
	<u>220,177,286</u>	<u>194,595,936</u>

b) The contractual commitments of the Bank are as follows:

	<u>30 September 2009</u>	<u>31 December 2008</u>
Contracts to purchase property and equipment	<u>3,246,275</u>	<u>612,052</u>

(15) LITIGATION

In the normal course of business, the Bank appears as a defendant in a number of lawsuits amounting to approximately JD 24,552,072 as of 30 September 2008 (31 December 2008: JD 27,532,408).

An amount of JD 17,756,460 out of the total lawsuits represents cases filed against the Bank by the customers of Wadi Al-Tuffah Branch.

In the opinion of the Bank's management and legal counsel, the Bank maintains adequate provisions against the lawsuits.

(16) DISTRIBUTED PROFITS

The distributed shares to shareholders for the period amounted to JD 8,000,000 which is equivalent to 10% of paid in capital.

The distributed cash dividends to shareholders for 2008 amounted to JD 4,000,000 which is equivalent to 5% of paid in capital.

(17) RESERVES

The Bank did not appropriate any legal reserves according to Companies' Law since these are interim financial statements.