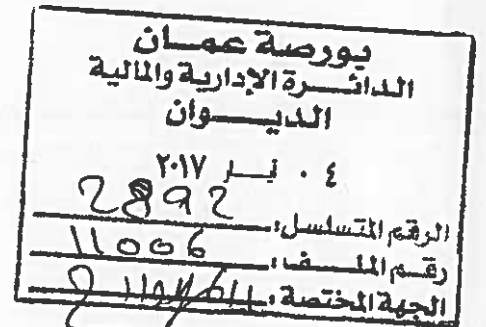




<b>To: Jordan Securities Commission</b> <b>Amman Stock Exchange</b> Date : 04/05/2017 Subject: Quarterly Report as of <u>2017/03/31</u>	<b>السادة هيئة الأوراق المالية</b> <b>السادة بورصة عمان</b> التاريخ:- 2017/05/04 الموضوع: التقرير ربع السنوي كما هو في 2017/03/31
Attached English version of 1 <sup>st</sup> Quarter Financial Statements of ( Jordan Dubai Islamic Bank ) as of 31/03/2017 .	مرفق طيه نسخة من البيانات المالية ربع السنوية باللغة الانجليزية بنك الاردن دبي الاسلامي كما هي بتاريخ 2017/03/31 م .
Kindly accept our highly appreciation and respect	وتفضلوا بقبول فائق الاحترام...
<b>Jordan Dubai Islamic Bank</b> <b>Chief of Finance &amp; Corporate Strategies</b>	<b>بنك الأردن دبي الاسلامي</b> <b>رئيس المالية والاستراتيجيات المؤسسية</b>  



**JORDAN DUBAI ISLAMIC BANK**

**PUBLIC SHAREHOLDING COMPANY**

**INTERIM CONDENSED CONSOLIDATED FINANCIAL  
STATEMENTS (UNAUDITED)**

**31 MARCH 2017**



Building a better  
working world

Ernst & Young Jordan  
P.O.Box 1140  
Amman 11118  
Jordan

Tel : 00 962 6580 0777/00 962 6552 6111  
Fax: 00 962 6553 8300  
www.ey.com/me

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

### **Introduction**

We have reviewed the accompanying interim condensed consolidated financial statements of JORDAN DUBAI ISLAMIC BANK as at 31 March 2017, comprising of interim condensed consolidated statement of financial position as at 31 March 2017 and the related interim condensed consolidated statements of income, changes in equity, and cash flows for the three months period then ended and explanatory notes. The Board of Directors is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with Islamic Shari'a rules and principles as determined by Shari'a Supervisory Board of the Bank and the financial accounting standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI). 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 Accounting and Auditing Standards for Islamic Financial Institutions and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with the Shari'a rules and principles as determined by the Shari'a Supervisory Board of the Bank and the Accounting Standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI).

### **Explanatory paragraph**

The condensed interim consolidated financial statements have been prepared for the purposes of Amman Stock Exchange and the Bank's management, and it does not require the approval of Central Bank of Jordan.

Amman – Jordan

13 April 2017

**Jordan Dubai Islamic Bank- Public Shareholding Company**  
**Interim Condensed Consolidated Statement of Financial Position (Unaudited)**  
**AS AT 31 March 2017**

	<b>Notes</b>	<b>31 March 2017 JD (Unaudited)</b>	<b>31 December 2016 JD (Audited)</b>
<b>Assets</b>			
Cash and balances with Central Banks	4	106,912,978	204,028,359
Balances at banks and financial institutions	5	5,981,374	5,644,597
International wakala investments		40,746,128	26,717,327
Deferred sales receivables and other receivables-net	6	405,436,094	378,337,528
Unconverted loans-net	7	44,813	47,428
Financial assets at fair value through unrestricted investment accounts	8	35,912,782	22,074,538
Financial assets at amortized cost - net	9	54,878,000	27,439,000
Investment in associate	10	370,362	370,362
Ijara muntahia bittamleek assets-net	11	226,222,804	223,743,971
Qard hasan		509,660	509,660
Property and equipment-net		21,873,867	21,778,481
Intangible assets		1,506,456	1,742,566
Deferred tax assets	C/16	599,815	599,815
Other assets	12	7,414,722	6,569,368
<b>Total Assets</b>		<b>908,409,855</b>	<b>919,603,000</b>
<b>LIABILITIES, UNRESTRICTED INVESTMENT ACCOUNTS AND SHAREHOLDERS' EQUITY</b>			
<b>Liabilities</b>			
Banks and financial Institutions accounts	13	12,515,872	2,142,078
Customers' current accounts	14	106,418,332	104,741,900
Cash margin accounts		14,156,743	8,111,831
Income tax provision	A/16	2,477,549	2,438,733
Other provisions	15	84,603	84,603
Other liabilities	17	13,186,240	11,989,540
<b>Total Liabilities</b>		<b>148,839,339</b>	<b>129,508,685</b>
<b>Unrestricted Investment Accounts' Equity</b>			
Unrestricted investment accounts	18	620,384,946	651,515,469
Fair value reserve – net		(396,765)	(976,767)
<b>Total equity of unrestricted investment accounts</b>		<b>619,988,181</b>	<b>650,538,702</b>
<b>Investment Risk Fund</b>			
Investment risk fund	19	4,278,062	5,526,435
Tax provision for investment risk fund	19	1,472,257	1,597,067
<b>Shareholders' Equity</b>			
Paid in capital	20	100,000,000	100,000,000
Statutory reserve		21,999,743	21,999,743
General banking risk reserve		300,000	300,000
Retained earnings		10,132,368	10,132,368
Profit for the period		1,399,905	-
<b>Total Shareholders' Equity</b>		<b>133,832,016</b>	<b>132,432,111</b>
<b>Total Liabilities, Unrestricted Investment Accounts and Shareholders' Equity</b>		<b>908,409,855</b>	<b>919,603,000</b>

The accompanying notes from 1 to 32 are part of these interim condensed consolidated financial statements

**Jordan Dubai Islamic Bank- Public Shareholding Company**  
**Interim Condensed Consolidated Statement of Income**  
**For the period ended 31 March 2017 (Unaudited)**

	<b>Notes</b>	<b>For The Three Months Period ended 31 March</b>	
		<b>2017</b>	<b>2016</b>
		<b>JD</b>	<b>JD</b>
Deferred sales revenues	21	6,489,306	5,846,380
Ijara muntahia bittamleek revenues		4,621,657	4,382,274
International wakala investments profits		96,159	15,151
Gains (Losses) from financial assets at fair value through unrestricted investment accounts	22	265,483	(19,375)
Gains(losses) from financial assets at fair value through profit or loss	23	-	(6,810)
Gains from financial assets at amortized cost		236,802	-
Foreign currencies revaluation profit (losses)		11,084	(1,697)
Other revenues - joint		249,112	93,163
Legal expenses	31	-	(5,800)
<b>Total Revenues from unrestricted investments</b>		<b>11,969,603</b>	<b>10,303,286</b>
Share of unrestricted investment accounts holders'		(4,365,778)	(4,450,479)
Investment risk fund		(1,196,960)	(1,030,328)
<b>Bank's share of revenues from unrestricted investments as a mudarib and rab mal</b>		<b>6,406,865</b>	<b>4,822,479</b>
Bank's self financed revenues	24	137,317	118,484
Gain from foreign currencies		99,812	106,478
Banking services revenues		838,751	910,571
Other revenues		11,656	40,403
<b>Total income</b>		<b>7,494,401</b>	<b>5,998,415</b>
Employees' expenses		(2,579,996)	(2,479,019)
Depreciation and amortization		(738,298)	(685,287)
Ijara muntahia bittamleek assets depreciation - self financed		(80,342)	(73,382)
Provision expense for deferred sales receivables and other receivables -self financed		(4,417)	(25,081)
Other expenses		(1,943,924)	(1,658,389)
<b>Total expenses</b>		<b>(5,346,977)</b>	<b>(4,921,158)</b>
<b>Profit for the period before tax</b>		<b>2,147,424</b>	<b>1,077,257</b>
Income tax expense	16/B	(747,519)	(361,507)
<b>Profit for the period</b>		<b>1,399,905</b>	<b>715,750</b>
		<b>JD/Fils</b>	<b>JD/Fils</b>
Basic and diluted earnings per share	25	0/014	0/007

The accompanying notes from 1 to 32 are part of these interim condensed consolidated financial statements

**Jordan Dubai Islamic Bank- Public Shareholding Company**  
**Interim Condensed Consolidated Statement of Changes in Equity**  
**For the period ended 31 March 2017(Unaudited)**

	Paid in capital		(Share discount)		Statutory reserve		Voluntary reserve		General banking risk reserve		Profit for the year		Retained earnings		Total	
	JD		JD		JD		JD		JD		JD		JD		JD	
<b>For the period ended 31 March 2017</b>																
Beginning balance	100,000,000		-		21,999,743		-		300,000		-		10,132,368		132,432,111	
Profit for the period	-		-		-		-		-		1,399,905		-		1,399,905	
Balance as at 31 March 2017	100,000,000		-		21,999,743		-		300,000		1,399,905		10,132,368		133,832,016	
<b>For the period ended 31 March 2016</b>																
Beginning balance	100,000,000		(1,100,000)		21,116,122		1,943,336		300,000		-		11,475,337		133,734,795	
Profit for the period	-		-		-		-		-		715,750		-		715,750	
dividends distributed	-		-		-		(843,336)		-		-		(6,156,664)		(7,000,000)	
Transfers to reserve	-		1,100,000		-		(1,100,000)		-		-		-		-	
Balance as at 31 March 2016	100,000,000		-		21,116,122		-		300,000		715,750		5,318,673		127,450,545	

- Retained earnings balance as at 31 March 2017 and 31 December 2016 includes an amount of JD 599,815 which represents deferred tax assets restricted from use in accordance with the Central Bank of Jordan regulations.

- The general banking risks reserve amounting to JD 300,000 as at 31 March 2017 is restricted from use subject to Central Bank of Jordan approval.

- An amount equal to the shortage in the investment risk reserve is restricted from use from retained earnings.

The accompanying notes from 1 to 32 are part of these interim condensed consolidated financial statements

**Jordan Dubai Islamic Bank- Public Shareholding Company**  
**Interim Condensed Consolidated Statement of Cash Flows**  
**For the period ended 31 March 2017(Unaudited)**

	For The Three Months Period ended 31 March	
	Note	
	2017	2016
	JD	JD
<b><u>Cash flows from operating Activities</u></b>		
Profit for the period before tax	2,147,424	1,077,257
<b>Adjustments for non monetary items:</b>		
Depreciation and amortization	738,298	685,287
Investment risk fund	1,196,960	1,030,328
Unrealized loss of financial assets at fair value through profit or loss	-	5,829
Provision for deferred sales receivables and other receivables - self financed	4,417	25,081
Loss (Gain) on sale of property and equipment	536	(23,391)
(Gain) on sale of repossessed asset against debts	(2,140)	(12,807)
<b>Cash flows from operating activities before changes in assets and liabilities</b>	<b>4,085,495</b>	<b>2,787,584</b>
<b>Changes in assets and liabilities:</b>		
Decrease in financial assets at fair value through profit or loss	-	253,827
(Increase) in deferred sales receivables and other receivables	(28,732,912)	(11,721,618)
Decrease in unconverted loans	2,615	49,844
(Increase) in Ijara muntahia bittamleek assets	(2,478,833)	(8,282,128)
(Increase) in other assets	(1,201,214)	(733,284)
Increase in customers' current accounts	1,676,432	5,096,534
Increase in cash margin accounts	6,044,912	612,276
Increase (Decrease) in other liabilities	1,196,700	(1,056,013)
<b>Net cash used in operating activities before income tax paid</b>	<b>(19,406,805)</b>	<b>(12,992,978)</b>
Income tax paid	(1,038,966)	(628,201)
<b>Net cash used in operating activities</b>	<b>(20,445,771)</b>	<b>(13,621,179)</b>
<b><u>Cash Flows from Investing Activities</u></b>		
(Purchase) of financial assets at fair value through unrestricted investment accounts-net	(13,868,193)	651,506
(Purchase) of financial assets at amortized cost- net	(27,439,000)	-
Sale (Purchase) of intangibles assets	76,510	(53,990)
(Purchase) of property and equipment	(675,808)	(1,168,930)
Proceeds from sale of property and equipment	1,188	32,000
Proceeds from sale of repossessed asset against debts	358,000	30,200
(Increase) in international wakala investments	(14,028,801)	(5,810,109)
<b>Net cash used in investing activities</b>	<b>(55,576,104)</b>	<b>(6,319,323)</b>
<b><u>Cash Flows from Financing Activities</u></b>		
(Decrease) Increase in unrestricted investment accounts	(31,130,523)	67,297,518
Dividends Paid	-	(5,865,572)
<b>Net cash (used in) from financing activities</b>	<b>(31,130,523)</b>	<b>61,431,946</b>
<b>Net (Decrease) increase in cash and cash equivalents</b>	<b>(107,152,398)</b>	<b>41,491,444</b>
Cash and cash equivalents, beginning of the period	207,530,878	223,699,328
<b>Cash and cash equivalents, end of the period</b>	<b>26 100,378,480</b>	<b>265,190,772</b>

The accompanying notes from 1 to 32 are part of these interim condensed consolidated financial statements

**(1) GENERAL**

Jordan Dubai Islamic Bank - Jordanian public shareholding company - is the legal successor of Industrial Development Bank that was established in 1965 in accordance with a special law (Industrial Development Bank Law). Law No. (26) of 2008 was issued on 30 April 2008 for the cancelation of Industrial Development Bank, which cancelled Industrial Development Bank Law No. (5) of 1972. The Board of Directors have prepared the Bank's Articles of Association and bylaws in accordance with the Jordanian Companies Law and authorized by Companies Controller Department on 17 June 2008. The Bank's General Assembly decided to change the Bank's name to "Jordan Dubai Islamic Bank" after obtaining the required licenses from Central Bank of Jordan to operate as an Islamic bank, in accordance with the Banking Law.

The Bank's principal activities include the provision of Shari'a compliant alternatives to the financial needs of customers currently being met through the Bank's head office and its Twenty five branches and subsidiaries within the Kingdom, in accordance with the Banking Law.

The Interim Condensed Consolidated financial statements were authorized for issue by the Bank's Board of Directors in their meeting No. (5/2017) held on 13 April 2017.

**(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of preparation -**

- The accompanying interim condensed consolidated financial statements for the Bank and its subsidiaries have been prepared in accordance with the standards issued by Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), and in conformity with the applicable laws and regulations of the Central Bank of Jordan.
- The interim condensed consolidated financial statements do not contain all information and disclosures required for full financial statements prepared in accordance with Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), and should be read in conjunction with the Bank's annual financial statements as of 31 December 2016. In addition, results for the three-months period ended 31 March 2017 do not necessarily indicate the results that may be expected for the financial year ending 31 December 2017.
- The interim condensed consolidated financial statements are prepared on the historical cost basis except for the financial assets at fair value through profit or loss and through unrestricted investment accounts that have been measured at fair value.
- The interim condensed consolidated financial statements have been presented in Jordanian Dinars (JD) which is the functional currency of the Bank.
- Shareholders' equity is separated from the unrestricted investment account holders.



- Investment risk fund is used to cover the impairment in financing and investment accounts funded by the unrestricted investment accounts.
- The standards issued by the International Accounting Standards Board and the interpretations issued by the International Financial Reporting Interpretations Committee are applied in the absence of an Islamic standard and will be replaced later by the Islamic Standards when the New Islamic standard is issued.
- The term Unrestricted investment Accounts, refers to Joint Investment Accounts.

#### **BASIS OF CONSOLIDATION**

The interim financial statements comprise the interim condensed consolidated financial statements of the Bank and its subsidiaries where the Bank has the power to govern the operational and financial policies of the entities so as to obtain benefits from their activities.

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

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

The subsidiaries included in the financial statements as of 31 March 2017 are as follows:

<u>Company</u>	<u>Paid in Capital (JD)</u>	<u>Source of Funding</u>	<u>Ownership %</u>	<u>Main Activity</u>	<u>Location</u>	<u>Acquisition Date</u>
Misc for brokerage	2,000,000	Self	100%	Brokerage	Amman	2011
Jordan Dubai Real Estate Investment *	100,000	Joint	100%	Real state Investment	Amman	2012

\* Jordan Dubai Real Estate company owns the following subsidiary:

<u>Company</u>	<u>Paid in Capital (JD)</u>	<u>Source of Funding</u>	<u>Ownership %</u>	<u>Main Activity</u>	<u>Location</u>	<u>Acquisition Date</u>
AlFaid for Real State Investment	20,000	Joint	100%	Real state Investment	Amman	2012

Subsidiaries are fully consolidated from the date the Bank obtains control, and continue to be consolidated until the date that such control ceases. The subsidiaries revenues and expenses are in the consolidated statement of income from the date the Bank obtains control, and continue to be consolidated until the date that such control ceases.

Non-controlling interests represent the portion of profit or loss and net assets not held by the Bank.

## **Changes in accounting policies**

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements for the period ended 31 March 2017 are consistent with those of the previous financial year ended 31 December 2016.

### **(3) USE OF ESTIMATES**

The preparation of the interim condensed consolidated 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. Such estimates are necessary 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.

- Impairment provision for deferred sales and financing. The Bank appropriate 10% (2016: 10%) of net revenues from jointly financed accounts and are transferred to the investment risk fund in accordance with the provisions of Article (55) of the Banks Law and compared with provisions calculated based on the Central Bank of Jordan regulation.
- Income tax provision: the fiscal year is charged with its related income tax according to the laws and accounting standards. Also, the deferred tax assets and liabilities as well as the required tax provision are estimated and recorded.
- Management periodically revaluates the financial assets carried at cost in order to assess any impairment. Impairment on financial assets is allocated in accordance to the financing party.

#### (4) CASH AND BALANCES WITH CENTRAL BANKS

The details of this item are as follows:

	31 March 2017	31 December 2016
	JD	JD
	(Unaudited)	(Audited)
Cash on hand	12,138,630	9,754,330
<b>Cash and balances with Central Bank of Jordan:</b>		
Current accounts	42,857,331	141,536,865
Statutory cash reserve	51,917,017	52,737,164
<b>Total</b>	<b>106,912,978</b>	<b>204,028,359</b>

- Except for the statutory cash reserve, there are no other restricted cash accounts as at 31 March 2017 and 31 December 2016.

#### (5) BALANCES AT BANKS AND FINANCIAL INSTITUTIONS

The details of this item are as follows:

	Local banks and financial institutions		Foreign banks and financial institutions		Total	
	31 March 2017	31 December 2016	31 March 2017	31 December 2016	31 March 2017	31 December 2016
	JD	JD	JD	JD	JD	JD
	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Current and on -Demand accounts	3,664,627	750,125	2,316,747	4,894,472	5,981,374	5,644,597
<b>Total</b>	<b>3,664,627</b>	<b>750,125</b>	<b>2,316,747</b>	<b>4,894,472</b>	<b>5,981,374</b>	<b>5,644,597</b>

- There is no restricted balances at 31 March 2017 and 31 December 2016.
- There is no balances at banks and financial institutions subject to profit at 31 March 2017 and 31 December 2016.

**(6) DEFERRED SALES RECEIVABLES AND OTHER RECEIVABLES- NET**

The details of this item are as follows:

	Joint		Self financed		Total	
	31 March 2017	31 December 2016	31 March 2017	31 December 2016	31 March 2017	31 December 2016
	JD	JD	JD	JD	JD	JD
	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)
<b>Individuals (retail)-</b>						
Purchase orderer Murabaha	121,810,023	117,205,801	1,249,958	1,247,555	123,059,981	118,453,356
Ijara Muntahia Beltamleek - receivables	1,247,110	1,224,638	710	-	1,247,820	1,224,638
Other receivable	-	-	153,218	137,628	153,218	137,628
<b>Real estate funds</b>	15,147,759	13,655,137	-	-	15,147,759	13,655,137
<b>Corporate</b>						
International Murabaha	14,673,037	1,261,840	-	-	14,673,037	1,261,840
Purchase orderer Murabaha	168,792,306	196,596,373	-	-	168,792,306	196,596,373
Ijara Muntahia Beltamleek - receivables	5,306,322	3,510,783	-	-	5,306,322	3,510,783
Other receivable	-	-	6,469	11,374	6,469	11,374
<b>Small and medium companies</b>						
Purchase orderer Murabaha	3,199,073	2,029,723	-	-	3,199,073	2,029,723
Ijara Muntahia Beltamleek - receivables	3,264	5,512	-	-	3,264	5,512
Other receivable	-	-	9,583	1,155	9,583	1,155
<b>Governmental and public section</b>	133,289,917	92,750,676	-	-	133,289,917	92,750,676
<b>Total</b>	<b>463,468,811</b>	<b>428,240,483</b>	<b>1,419,938</b>	<b>1,397,712</b>	<b>464,888,749</b>	<b>429,638,195</b>
<b>Less: deferred revenues</b>	47,854,686	41,400,706	206,066	211,948	48,060,752	41,612,654
Suspended revenues	701,842	632,298	-	-	701,842	632,298
Impairment provision	10,666,792	9,036,863	23,269	18,852	10,690,061	9,055,715
<b>Deferred sales receivable, other assets – Net</b>	<b>404,245,491</b>	<b>377,170,616</b>	<b>1,190,603</b>	<b>1,166,912</b>	<b>405,436,094</b>	<b>378,337,528</b>

The non- performing deferred sales receivables, other receivables, finances and Ijara Muntahia Beltamleek receivables amounted to JD 15,241,570 representing 2.21% as at 31 March 2017 of deferred sales receivables, other receivables, finances and Ijara Muntahia Beltamleek receivables (31 December 2016: JD 11,768,469 representing 1.80%).

The non- performing deferred sales receivables, other receivables, and the Ijara Muntahia Beltamleek receivables net of the suspended revenues amounted to JD 14,539,728 representing 2.11% as at 31 March 2017 of deferred sales receivable, other receivables, and the Ijara Muntahia Beltamleek receivables, (31 December 2016: JD 11,136,171 representing 1.71%).

The balance of the fund investment risk, according to the Banking Law, paragraph (55) amounted to JD14,944,854 as of 31 March 2017 compared to JD 14,563,298 as of 31 December 2016. Provision for impairment of the jointly financed facilities which is calculated based on Central Bank of Jordan regulations and based on (watch list) amounted to JD 413,871 and the provision calculated based on "individual customer" amounted to JD 10,252,921 as at 31 March 2017 (31 December 2016: JD 188,255 and 8,848,608 JD respectively).

The deferred sales receivables, other receivables, and other facilities granted to and guaranteed by the Government of Jordan amounted to JD 133,289,917 representing 28.67% share of the total deferred sales receivables, other receivables and facilities as at 31 March 2017 (31 December 2016: JD 92,750,676 representing 21.59%).

Impairment provision of the self financed facilities amounted to JD 33,837 as at 31 March 2017 calculated based on individual customer (31 December 2016: JD 29,440).

### Suspended revenues

Movement on suspended revenues were as follows:

	Joint					
	31 March 2017			31 December 2016		
	(Unaudited)			(Audited)		
	Retail	Corporate	Total	Retail	Corporate	Total
	JD	JD	JD	JD	JD	JD
Beginning balance	150,326	481,972	632,298	65,585	365,906	431,491
Add: Suspended revenues for the period/ year	38,487	40,490	78,977	104,837	412,705	517,542
Less: suspended revenues reversed to revenues	9,433	-	9,433	20,096	296,639	316,735
Ending balance	179,380	522,462	701,842	150,326	481,972	632,298

### (7) UNCONVERTED LOANS - NET

This item includes unconverted loans in accordance with the accepted financing methods. These unconverted loans were eliminated from common pool according to sharia board decision and treated as self-finance until they are fully settled.

The details of this item are as follows:

	Self financed					
	31 March 2017			31 December 2016		
	(Unaudited)			(Audited)		
	Retail	Corporate	Total	Retail	Corporate	Total
	JD	JD	JD	JD	JD	JD
Gross unconverted loans	44,813	17,875	62,688	47,428	17,875	65,303
Less: suspended revenues	-	7,112	7,112	-	7,112	7,112
Impairment provision	-	10,763	10,763	-	10,763	10,763
Net unconverted loans	44,813	-	44,813	47,428	-	47,428

**Movement on unconverted loans impairment provision – self financed**

	Corporate	
	31 March 2017	31 December 2016
	JD (Unaudited)	JD (Audited)
Beginning balance	10,763	1,131,382
Provision	-	34
Provisions that are no longer required and transferred to other Provisions	-	1,109,347
Used during the period/ year (write offs)	-	11,306
<b>Ending balance</b>	<b>10,763</b>	<b>10,763</b>

- General banking risks reserve against receivables and self financed facilities amounted to JD 300,000 as at 31 March 2017 (31 December 2016: JD 300,000).
- The total provisions that are no longer required as a result of settlements, repayments, or being converted to other provisions are nil as of 31 March 2017 compared to JD 1,109,347 as of 31 December 2016.

**Suspended revenues**

	Self financed		
	31 March 2017		
	(Unaudited)		
	Retail	Corporate	Total
	JD	JD	JD
Beginning balance	-	7,112	7,112
Add: Suspended revenues during the period	-	-	-
Deduct: suspended revenues transferred to revenues	-	-	-
<b>Ending balance</b>	<b>-</b>	<b>7,112</b>	<b>7,112</b>

	Self financed		
	31 December 2016		
	(Audited)		
	Retail	Corporate	Total
	JD	JD	JD
Beginning balance	-	7,112	7,112
Add: Suspended revenues during the year	-	-	-
Deduct: suspended revenues transferred to revenues	-	-	-
<b>Ending balance</b>	<b>-</b>	<b>7,112</b>	<b>7,112</b>

**(8) FINANCIAL ASSETS AT FAIR VALUE THROUGH UNRESTRICTED INVESTMENT ACCOUNTS**

The details of this item are as follows:

	Joint	
	31 March	31 December
	2017	2016
	JD	JD
	(Unaudited)	(Audited)
<b>Quoted Investments:</b>		
Shares	1,171,371	1,588,936
Islamic Sukuk	34,546,934	20,378,828
<b>Total quoted investment</b>	<b>35,718,305</b>	<b>21,967,764</b>
<b>Unquoted Investments</b>		
Shares	194,477	106,774
<b>Total unquoted financial assets at fair value unrestricted investment</b>	<b>194,477</b>	<b>106,774</b>
<b>Total Financial Assets At Fair Value Through Unrestricted investment accounts</b>	<b>35,912,782</b>	<b>22,074,538</b>

Financial assets stated at cost for which fair value cannot be measured reliably amounted to JD 194,477 as at 31 March 2017 (31 December 2016: JD 106,774).

**(9) Financial Assets at Amortized Cost- Net**

The details of this item are as follows:

	Joint	
	31 March	31 December
	2017	2016
	(Unaudited)	(Audited)
<b>Unquoted Investments:</b>		
Islamic Sukuk	54,878,000	27,439,000
<b>Total unquoted investments</b>	<b>54,878,000</b>	<b>27,439,000</b>
<b>Total Financial Assets at Amortized Cost- Net</b>	<b>54,878,000</b>	<b>27,439,000</b>

The assets mentioned above matures during 2021 and 2022.

No Impairment provisions were built against financial assets at amortized cost.

**(10) INVESTMENT IN ASSOCIATE**

Investment in associated company (joint)

	Percentage of ownership	Country	Principal activity	31 March	31 December
				2017	2016
				JD	JD
Jordan Blending and Packing of Fertilizers Company	25%	Jordan	Manufacturing	370,362	370,362

There are no dividend distributions from the associated company as at 31 March 2017 and 31 December 2016.

**(11) IJARA MUNTAHIA BITTAMLEEK ASSETS - NET**

	Joint			Self financed			Total		
	Cost	Accumulated Depreciation	Net Book Value	Cost	Accumulated Depreciation	Net Book Value	Cost	Accumulated Depreciation	Net Book Value
	JD	JD	JD	JD	JD	JD	JD	JD	JD
<b>31 March 2017 (Unaudited)</b>									
Ijara Muntahia Bittamleek assets-Real Estate	279,765,666	(57,960,424)	221,805,242	4,824,724	(929,020)	3,895,704	284,590,390	(58,889,444)	225,700,946
Ijara Muntahia Bittamleek assets-Machines	2,141,554	(1,619,696)	521,858	-	-	-	2,141,554	(1,619,696)	521,858
<b>Total</b>	<b>281,907,220</b>	<b>(59,580,120)</b>	<b>222,327,100</b>	<b>4,824,724</b>	<b>(929,020)</b>	<b>3,895,704</b>	<b>286,731,944</b>	<b>(60,509,140)</b>	<b>226,222,804</b>

	Joint			Self financed			Total		
	Cost	Accumulated Depreciation	Net Book Value	Cost	Accumulated Depreciation	Net Book Value	Cost	Accumulated Depreciation	Net Book Value
	JD	JD	JD	JD	JD	JD	JD	JD	JD
<b>31 December 2016 (Audited)</b>									
Ijara Muntahia Bittamleek assets-Real Estate	273,676,481	(54,382,088)	219,294,393	4,655,840	(854,027)	3,801,813	278,332,321	(55,236,115)	223,096,206
Ijara Muntahia Bittamleek assets-Machines	2,141,554	(1,493,789)	647,765	-	-	-	2,141,554	(1,493,789)	647,765
<b>Total</b>	<b>275,818,035</b>	<b>(55,875,877)</b>	<b>219,942,158</b>	<b>4,655,840</b>	<b>(854,027)</b>	<b>3,801,813</b>	<b>280,473,875</b>	<b>(56,729,904)</b>	<b>223,743,971</b>

- The accrued Ijara installments amounted to 6,556,696 JD as at 31 March 2017 (31 December 2016: 4,740,933 JD ) and were presented under deferred sales receivables and other receivables (Note 6).

- The non-performing Ijara Muntahia Bittamleek amounted to 4,654,220 JD representing 2,02% as at 31 March 2017 (31 December 2016: 4,051,274 JD representing 1,81%)



**(12) OTHER ASSETS**

The details of this item are as follows:

	31 March 2017 (Unaudited)	31 December 2016 (Audited)
Reposessed assets by Bank against debts	3,710,775	3,969,355
Prepaid expenses	1,940,604	1,343,214
Accrued revenues	740,115	261,185
Stationery and printing materials	108,866	106,825
Income tax deposit	59,557	58,990
Transactions in transit	-	5,317
Petty cash	89,496	65,721
Trading account settlement (Misc for brokerage)	47,871	-
Other receivables	470,561	283,721
Others	246,877	475,040
<b>Total</b>	<b>7,414,722</b>	<b>6,569,368</b>

The movement on the reposessed assets by Bank against debts during the year is as follows:

	31 March 2017		31 December 2016	
	Reposessed real estates -self financed	Reposessed real estates- joint	Total	Total
	JD	JD	JD (Unaudited)	JD (Audited)
Beginning balance	641,529	3,327,826	3,969,355	3,707,415
Additions	-	97,280	97,280	507,727
Disposal	(1,860)	(354,000)	(355,860)	(245,787)
<b>Ending Balance</b>	<b>639,669</b>	<b>3,071,106</b>	<b>3,710,775</b>	<b>3,969,355</b>

- Central Bank of Jordan regulations requires the disposal at reposessed assets during a maximum period of 2 years from the date of repossession, and in some cases the Central Bank can exceed the period for additional 2 years.
- Allowance for reposessed assets against debts that violates article provisions no.(48) of bank law no.(28) for the year 2000 and its amendments amounted to 343,441 JD as of 31 March 2017 ( 31 December 2016 : 343,441 JD)

### (13) BANKS AND FINANCIAL INSTITUTIONS ACCOUNTS

The details of this item are as follows:

	31 March 2017			31 December 2016
	(Unaudited)			(Audited)
	Inside the Kingdom	Outside the Kingdom	Total	Total
	JD	JD	JD	JD
Current accounts	-	12,515,872	12,515,872	2,142,078
<b>Total</b>	-	<b>12,515,872</b>	<b>12,515,872</b>	<b>2,142,078</b>

### (14) CUSTOMERS' CURRENT ACCOUNTS

The details of this item are as follows:

	31March 2017				
	(Unaudited)				
	Retail	Corporate	Small and medium companies	Public and governmental sectors	Total
	JD	JD	JD	JD	JD
	Current accounts	79,196,047	14,312,828	12,756,258	153,199
Total	79,196,047	14,312,828	12,756,258	153,199	106,418,332
	31December 2016				
	(Audited)				
	Retail	Corporate	Small and medium companies	Public and governmental sectors	Total
	JD	JD	JD	JD	JD
	Current accounts	74,719,539	15,493,304	13,495,193	1,033,864
Total	74,719,539	15,493,304	13,495,193	1,033,864	104,741,900

- Public sector accounts inside the Kingdom as at 31 March 2017 amounted to 153,199 JD representing 0.14 % of the total customers' current accounts (31 December 2016: 1,033,864 JD representing 0.99%).

- The restricted accounts as at 31 March 2017 amounted to 1,126,325 JD representing 1.06% of the total customers' current accounts (31 December 2016: 1,871,219 JD representing 1.79%).

- The dormant accounts as at 31 March 2017 amounted to 4,143,141 JD (31 December 2016: 4,510,945 JD ).

**(15) OTHER PROVISIONS**

The details of this item are as follows:

31 March 2017				
(Unaudited)				
Beginning balance	Provided during the period	Used during the period	Reversed to revenues	Ending balance
JD	JD	JD	JD	JD
End of service indemnity	23,818	-	-	23,818
Lawsuits provision	60,785	-	-	60,785
<b>Total</b>	<b>84,603</b>	<b>-</b>	<b>-</b>	<b>84,603</b>

31 December 2016				
(Audited)				
Beginning balance	Provided during the year	Used during the year	Reversed to revenues	Ending balance
JD	JD	JD	JD	JD
End of service indemnity	23,818	-	-	23,818
Lawsuits provision	60,785	-	-	60,785
Other provision	-	1,109,347	1,109,347	-
<b>Total</b>	<b>84,603</b>	<b>1,109,347</b>	<b>1,109,347</b>	<b>84,603</b>

**(16) INCOME TAX PROVISION****A- Income tax provision**

	31 March 2017	31 December 2016
	JD	JD
	(Unaudited)	(Audited)
Beginning balance	2,438,733	1,288,051
Income tax expense for the period/ year	747,519	2,753,898
Deduct : income tax paid for previous years	(708,703)	(1,242,531)
Deduct: Income tax paid for the current period/ year	-	(360,685)
<b>Ending balance</b>	<b>2,477,549</b>	<b>2,438,733</b>

**B- The income tax expense shown in the consolidated statement of income consists of the following:**

	31 March 2017	31 March 2016
	JD	JD
	(Unaudited)	
Income tax expense	(747,519)	(361,507)
<b>Total</b>	<b>(747,519)</b>	<b>(361,507)</b>

- The Bank obtained a final settlement from Income tax and sales tax department until the year 2013.
- The Bank submitted its tax declaration for the year ended 2014 and 2015 and the year 2014 is under review by the Income and sales tax department and the year 2015 is not reviewed up to the date of the consolidated financial statements.
- The Bank's subsidiaries submitted their tax declaration for the years 2014 and 2015, and it was accepted for year 2015 for all subsidiaries according to sample system issued by the income and sales tax department, noting that the 2015 tax declaration for risk brokerage company is not audited from sales tax department until now.

**C- Deferred tax assets/liabilities**

The details of this item are as follows:

	31 March 2017				31 December 2016
	Balance Beginning	Released during the period	Additions during the period	Ending balance	Deferred tax
	JD	JD	JD	JD	JD
					(Unaudited)
					(Audited)
<b>Deferred tax assets - self financed</b>					
End of services indemnity provision	23,818	-	-	23,818	8,336
Lawsuits provision	60,785	-	-	60,785	21,275
Impairment for repossessed assets	343,441	-	-	343,441	120,204
Legal expenses	1,500,000	-	-	1,500,000	450,000
<b>Total</b>	<b>1,928,044</b>	<b>-</b>	<b>-</b>	<b>1,928,044</b>	<b>599,815</b>

**The movement on self financed deferred tax assets / liabilities accounts is as follows:**

	31 March 2017		31 December 2016	
	(Unaudited)		(Audited)	
	Assets	Liabilities	Assets	Liabilities
	JD	JD	JD	JD
Beginning balance	599,815	-	984,815	-
Additions during the period/ year	-	-	-	-
Amortized during the period/ year	-	-	(385,000)	-
Ending balance	599,815	-	599,815	-

#### **(17) OTHER LIABILITIES**

The details of this item are as follows:

	31 March 2017	31 December 2016
	JD	JD
	(Unaudited)	(Audited)
Accrued expenses	890,281	992,216
Issued cheques	2,372,757	1,846,646
Shareholders and customers deposits	1,462,855	1,197,509
Customers' share of profit from unrestricted investments	6,053,679	6,364,876
Brokerage payables	8,324	8,324
Temporary deposits	1,390,316	636,472
Transactions in transit	9,788	-
Others	998,240	943,497
Total	13,186,240	11,989,540

# **(18) UNRESTRICTED INVESTMENT ACCOUNTS**

The details of this item are as follows:

	31 March 2017				
	(Unaudited)				
	Retail	Corporate	medium companies	governmental sectors	Total
	JD	JD	JD	JD	JD
Saving accounts	50,586,239	7,866,153	834,339	117,123	59,403,854
Term accounts	390,184,975	53,998,285	70,304,402	23,089,290	537,576,952
Certificates of deposit	11,525,849	7,512,513	-	-	19,038,362
<b>Total</b>	<b>452,297,063</b>	<b>69,376,951</b>	<b>71,138,741</b>	<b>23,206,413</b>	<b>616,019,168</b>
Depositors' share from investments' revenues	3,165,763	493,297	532,240	174,478	4,365,778
<b>Total unrestricted investment accounts</b>	<b>455,462,826</b>	<b>69,870,248</b>	<b>71,670,981</b>	<b>23,380,891</b>	<b>620,384,946</b>

	31 December 2016				
	(Audited)				
	Retail	Corporate	medium companies	governmental sectors	Total
	JD	JD	JD	JD	JD
Saving accounts	47,175,895	7,478,268	97,426	80,050	54,831,639
Term accounts	376,530,935	66,907,560	76,344,701	40,749,115	560,532,311
Certificates of deposit	11,275,350	7,349,238	-	-	18,624,588
Total	434,982,180	81,735,066	76,442,127	40,829,165	633,988,538
Depositors' share from investments' revenues	11,827,541	2,261,828	2,238,724	1,198,838	17,526,931
Total unrestricted investment accounts	446,809,721	83,996,894	78,680,851	42,028,003	651,515,469

- Unrestricted investment accounts share of profit is calculated as follows:
- 30% to 55% of the minimum balance of saving accounts in JD
- 20% to 25% of the minimum balance of saving accounts in foreign currencies
- 45% to 90% of the average term accounts in JD
- 18% to 43% of the average term accounts in foreign currencies
- 90% of the average balances of certificates of deposit in JD
- 70% to 75% of average balances of certificates of deposit in foreign currencies
- The percentage of the profit on the Jordanian Dinar till end of March 2017 is 2.96% (for the same period in last year 2.93%)
- The percentage of the profit on USD till end of March 2017 is 1.28% (for the same period in last year 0.88%)
- The unrestricted investment accounts for the Government and Public sector amounted to 23,380,891 JD as at 31 March 2017, which represents 3,77% of the total unrestricted investment accounts (31 December 2016: 42,028,003 JD which represents 6,45% of the total unrestricted investment accounts).
- The restricted accounts amounted to 94,813 JD which represents 0.02% of the total unrestricted investment as at 31 March 2017. (2016: 119,163 JD which represent 0.02% ).

### (19) INVESTMENT RISK FUND

The movement on investment risk fund is as follows:

	31 March 2017	31 December 2016
	JD (Unaudited)	JD (Audited)
Beginning balance	14,563,298	11,888,213
Additions: transferred from unrestricted	1,196,960	4,473,473
Less: losses from financial assets at fair value through unrestricted investment accounts Pertaining to previous years *	609,951	357,957
Deductions: provision for income tax	205,453	1,440,431
<b>Ending balance</b>	<b>14,944,854</b>	<b>14,563,298</b>

- The investment risk fund balance will be transferred to the Zakat fund in case of liquidation.
- The Central Bank of Jordan approved to decrease the percentage to 10% starting from 1 January 2017 (2016:10%)
- \* These represent prior years losses resulted from the sale of shares and sukuk through unrestricted investment portfolio based on article no.( 12.4 ) and (15) of the policy outlining the relationship of the bank as Mudarib and the owners of unrestricted investments, where it stipulates that if losses resulted from unrestricted investment transactions that were initiated in prior years, these losses would be covered through the Investment Risk Fund.

Investment risk fund balance is distributed as follows:

	31 March 2017	31 December 2016
	JD (Unaudited)	JD (Audited)
Period/Year end balance	14,944,854	14,563,298
Against Ijara Muntahia Beltamleek receivable	2,888,699	2,106,119
Against deferred sales receivables	7,778,093	6,930,744
<b>Remaining balance</b>	<b>4,278,062</b>	<b>5,526,435</b>

- The remaining balance (the undistributed part) relates to the unrestricted investment accounts.
- The income tax on Investment risk fund consist of the following:

	31 March 2017	31 December 2016
	JD (Unaudited)	JD (Audited)
Beginning balance	1,597,067	1,442,982
Income tax on transferred revenues from investment accounts	205,453	1,440,431
Less: Income tax paid	330,263	1,286,346
<b>Ending balance</b>	<b>1,472,257</b>	<b>1,597,067</b>

- The Bank obtained a final settlement from Income and sales tax department until the year 2013.
- The Bank submitted its tax declaration for the years ended 2014, 2015 and the year 2014 is under review by the Income tax and sales tax department .

**(20) PAID IN CAPITAL**

The authorized and paid in capital amounted to 100,000,000 JD divided into 100,000,000 shares, at a par value of JD 1 per share as at 31 March 2017 and 31 December 2016.

**(21) DEFERRED SALES REVENUES**

The details of this item are as follows:

	31 March 2017		31 March 2016	
	(Unaudited)		(Unaudited)	
	Joint	Self financed	Joint	Self financed
	JD	JD	JD	JD
<b>Retail</b>				
Murabaha Purchase orderer	2,520,824	19,462	2,110,850	10,039
<b>Real estate fund</b>	223,305	-	510,677	-
<b>Corporate</b>				
International Murabaha	32,473	-	5,197	-
Murabaha Purchase orderer	3,648,589	-	3,219,656	-
<b>Small and medium companies</b>				
Murabaha Purchase orderer	64,115	-	-	-
<b>Total</b>	<b>6,489,306</b>	<b>19,462</b>	<b>5,846,380</b>	<b>10,039</b>



**(22) GAIN FROM FINANCIAL ASSETS AT FAIR VALUE THROUGH UNRESTRICTED INVESTMENT ACCOUNTS**

The details of this item are as follows:

	Joint	
	31 March 2017	31 March 2016
	JD (Unaudited)	JD (Unaudited)
Stock dividends	26,912	-
Gains (Losses) on sale of financial assets	82,313	(68,637)
Islamic Sukuk profit	156,258	49,262
<b>Total</b>	<b>265,483</b>	<b>(19,375)</b>

**(23) GAINS(LOSSES) FROM FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS**

The details of this item are as follows:

	Joint							
	31 March 2017				31 March 2016			
	(Unaudited)				(Unaudited)			
	Realized Losses	Unrealized losses	Dividends	Total	Realized Losses	Unrealized losses	Dividends	Total
	JD	JD	JD	JD	JD	JD	JD	JD
Shares	-	-	-	-	392	(5,829)	-	(5,437)
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>392</b>	<b>(5,829)</b>	<b>-</b>	<b>(5,437)</b>
Less:								
Contract commissions	-	-	-	-	1,373	-	-	1,373
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(981)</b>	<b>(5,829)</b>	<b>-</b>	<b>(6,810)</b>

**(24) BANK SELF FINANCED REVENUES**

The details of this item are as follows:

	Note	31 March 2017 JD (Unaudited)	31 March 2016 JD (Unaudited)
Ijara Muntahia Beltamleek revenues		117,855	108,445
Deferred sales revenues	21	19,462	10,039
<b>Total</b>		<b>137,317</b>	<b>118,484</b>

**(25) EARNINGS PER SHARE**

The details of this item are as follows:

	31 March 2017 JD (Unaudited)	31 December 2016 JD (Audited)
Profit for the period	1,399,905	715,750
Weighted average number of shares	100,000,000	100,000,000
	JD/ Fils	JD/ Fils
Basic and diluted earnings per share	0/014	0/007

**(26) CASH AND CASH EQUIVALENTS**

The details of this item are as follows:

	31 March 2017 JD (Unaudited)	31 March 2016 JD (Unaudited)
Cash balances with CBJ maturing within three months	106,912,978	260,213,519
Add: cash at banks and financial institutions maturing within three months	5,981,374	5,023,420
Less: banks and financial institutions accounts maturing within three months	(12,515,872)	(46,167)
<b>Total</b>	<b>100,378,480</b>	<b>265,190,772</b>

The Bank entered into transactions with shareholders, board members, senior management and subsidiary Companies using normal rates of Murabaha and trade commissions. All deferred sales receivables and financing created to related parties are performing and no provision was taken for these balances.

	Main shareholders	Senior management	Board of directors	Al Ithad <sup>a</sup>	Supervisory Board members	31 March 2017	31 December 2016
	JD	JD	JD	JD	JD	JD (Unaudited)	JD (Audited)
<b>Consolidated statement of financial position items</b>							
Balances at banks and financial institutions	-	-	-	1,886,858	-	1,886,858	633,829
Unrestricted investments accounts and current accounts	1,428,398	296,555	46,428	-	22,797	1,794,178	23,414,108
Deferred sales receivables	-	545,336	215,242	-	2,750	763,328	805,294
Ijara muntahia bittamleek	-	1,266,100	-	-	-	1,266,100	1,299,162
Banks and financial institutions accounts	-	-	-	869,040	-	869,040	-
<b>Off financial position items</b>							
Letters of guarantees	-	-	-	-	-	-	117,000

					J\$	J\$	J\$
					(Unaudited)	(Unaudited)	(Unaudited)
Dividends	11,422	1,062	6	-	54	12,544	282,642
Salaries and bonuses	-	356,538	13,753	-	7,093	377,384	474,804
Transportation	-	-	54,929	-	4,963	59,892	48,881
Management and consulting fees	-	-	-	-	-	-	75,171

The lowest and highest received Murabaha percentage were 3.61% and 6.42%.

The lowest and highest distributed profit percentage were 0.58% and 3.23%.

Executive management salaries and benefits for the year ended 31 March 2017 amounted to 356,538 March 2016 : 453,958 JD).

**(28) SEGMENT INFORMATION****a. Information on the Bank's Activities**

The bank is structured for administrative purposes where sectors are measured to the reports that are used by executive director and main decision maker at the bank through three major business sectors

**Retail Accounts:**

This sector handles retail, unrestricted investment accounts, deferred sales receivables, financings, and other services.

**Corporate Accounts:**

This sector handles unrestricted investment accounts, deferred sales receivables, financings, and other banking services related to corporate customers

**Treasury:**

This sector handles the services of brokerage, treasury and management of the Bank's funds.

Information on the Bank's segments according to activities is shown as follows:

	Retail	Corporate	Treasury	Others	31 March 2017	31 March 2016
	JD	JD	JD	JD	JD	JD
					(Unaudited)	
Total revenues (joint and self financed)	4,273,372	4,024,381	256,527	137,081	8,691,361	7,028,743
Investment risks fund share of joint	-	-	-	(1,196,960)	(1,196,960)	(1,030,328)
Investment accounts revenues						
Results of segment's operations	4,273,372	4,024,381	256,527	(1,059,879)	7,494,401	5,998,415
Undistributed expenses	(394,390)	(132,747)	(162,780)	(4,657,060)	(5,346,977)	(4,921,158)
Profit for the period before tax	3,878,982	3,891,634	93,747	(5,716,939)	2,147,424	1,077,257
Income tax expense	-	-	-	(747,519)	(747,519)	(361,507)
Profit for the period	3,878,982	3,891,634	93,747	(6,464,458)	1,399,905	715,750

				31 March 2017	31 December 2016	
				JD	JD	
				(Unaudited)	(Audited)	
Segments' assets	302,720,495	309,597,995	149,188,741	-	761,507,231	673,184,890
Undistributed assets	-	-	-	146,902,624	146,902,624	246,418,110
Total assets	302,720,495	309,597,995	149,188,741	146,902,624	908,409,855	919,603,000
Segments' liabilities	595,332,249	85,742,234	71,759,181	-	752,833,664	766,191,643
Undistributed liabilities	-	-	-	21,744,175	21,744,175	20,979,246
Total liabilities	595,332,249	85,742,234	71,759,181	21,744,175	774,577,839	787,170,889

	31 March 2017	31 March 2016
	JD	JD
	(Unaudited)	(Unaudited)
Capital expenditure	675,808	1,222,920
Depreciation and amortization	738,298	685,287

#### Information on Geographical Distribution

The following disclosure represents the geographical distribution. The Bank performs its operations mainly in Jordan.

Distribution of the Bank's revenues, assets and capital expenditure according to geographical area is detailed as follows:

	31 March 2017			31 December 2016		
	(Unaudited)			(Audited)		
	Inside Jordan	Outside Jordan	Total	Inside Jordan	Outside Jordan	Total
	JOD	JOD	JOD	JOD	JOD	JOD
<b>Total assets</b>	<b>826,448,009</b>	<b>81,961,846</b>	<b>908,409,855</b>	<b>876,671,533</b>	<b>42,931,467</b>	<b>919,603,000</b>
	31 March 2017			31 March 2016		
	(Unaudited)			(Unaudited)		
	Inside Jordan	Outside Jordan	Total	Inside Jordan	Outside Jordan	Total
	JOD	JOD	JOD	JOD	JOD	JOD
<b>Capital expenditure</b>	<b>675,808</b>	<b>-</b>	<b>675,808</b>	<b>1,192,310</b>	<b>30,610</b>	<b>1,222,920</b>
<b>Total revenues</b>	<b>8,677,431</b>	<b>214,676</b>	<b>8,892,107</b>	<b>6,893,432</b>	<b>135,311</b>	<b>7,028,743</b>

#### (51) CAPITAL MANAGEMENT

The Bank's management takes into consideration the Central Bank of Jordan requirements which require the Bank to have sufficient self financed resources to cover certain percentage of its risk weighted assets based on the nature of the finance given and the direct investment made (both basic and additional capital) Accordingly, the capital considered for the purpose of Central Bank of Jordan requirements is the regulatory capital.

Capital management aims to invest the Bank's fund in various risk weighted investments (low and high risk) to ensure that the Bank gets a better rate of return and to maintain a capital adequacy of 12% as required by the Central Bank of Jordan.

Capital adequacy ratio is calculated based on the Islamic Banks Regulation No. (50/2010) issued by Central Bank of Jordan in accordance with article (99/B) of the Banks Law. Following is the capital adequacy details:

	31 March 2017	31 December 2016
	JOD'000 (Unaudited)	JOD'000 (Audited)
<b>Basic capital items</b>	<b>129,652</b>	<b>129,568</b>
Paid in capital	100,000	100,000
Statutory reserve	22,000	22,000
Retained earnings	9,532	9,532
Intangible assets	(1,506)	(1,743)
The Bank's share in the banks and financial institutions capital (50%)	-	(78)
The bank's share in the capital of insurance companies (50%)	(7)	(5)
Bank's share in the investment risk fund	(367)	(138)
<b>Additional capital</b>	<b>2,299</b>	<b>1,626</b>
Fair value reserve	(187)	(348)
General banking risk reserve	2,493	2,057
The Bank's share in the banks and financial institutions capital (50%)	-	(78)
The Bank's share in the capitals of insurance companies (50%)	(7)	(5)
<b>Total regulatory capital</b>	<b>131,951</b>	<b>131,194</b>
<b>Total risk weighted assets</b>	<b>372,872</b>	<b>318,351</b>
Capital adequacy ratio (%)	35.39%	41.21%
Basic capital ratio (%)	34.77%	40.70%

**(30) CONTINGENT COMMITMENTS (OFF BALANCE SHEET)****Contingent credit commitments.**

	31 March 2017	31 December 2016
	JD	JD
	(Unaudited)	(Audited)
Letters of credit	7,248,730	11,683,336
Acceptances	17,725,000	160,178
Letter of guarantees:		
Payment	1,451,965	1,431,979
Performance	1,107,321	1,589,862
Others	30,725	32,638
Irrevocable commitments to extend credit	69,105,459	89,602,441
<b>Total</b>	<b>96,669,200</b>	<b>104,500,434</b>

Based on the letter from The Prime Minister and the legal opinion issued by the Legislation and Opinion Divan, a dispute arose with The Ministry Of Finance regarding the benefit's variances with an amount of JD 4,418,908 related to the granted loans to the Industrial Development Bank (formerly) by The German Bank Of Reconstruction and European Bank and other parties. Management and its legal advisor considers these variances as a part of the Banks' right and it is a correct procedure.

**(31) LAWSUITS AGAINST THE BANK**

The Bank is defendant in number of lawsuits amounted to JD 84,790 as at 31 March 2017 and 31 December 2016. Management and its legal advisor believes that the lawsuits provision which amounts to JD 60,785 is sufficient to face any liabilities that may arise from lawsuits.

**(32) COMPARATIVE FIGURES**

Some of 2016 balances were reclassified to correspond with 31 March 2017 presentation. The reclassifications did not have any effect on profit and equity at 2016.