



الشركة العربية الدولية للتعليم والاستثمار ش.م.ع

Arab International Co. For Education & Investment P.L.C.

رأس المال المدفوع ٤٠٥٠٠٠٠٠٠ دينار أردني - سجل تجاري ٢٠٨ - Capital J D40,500,000 - Com Reg 208



Ref.: Sh/S/2/60

Date: ١٩/5/2017

الرقم : ش س / ٢ / ٦٠

التاريخ: ٢٠١٧/٥/١٩

To: Jordan Securities Commission  
Amman Stock Exchange

السادة هيئة الأوراق المالية  
السادة بورصة عمان

Subject: Quarterly Report  
as of 31/3/2017

الموضوع: التقرير ربع السنوي  
كما هي في ٢٠١٧/٣/٣١

Attached the Quarterly Report of  
ARAB INTERNATIONAL  
COMPANY FOR EDUCATION &  
INVESTMENT as of 31/3/2017.

مرفق طيه نسخة من البيانات  
المالية ربع السنوية للشركة العربية  
الدولية للتعليم والاستثمار كما هي بتاريخ  
٢٠١٧/٣/٣١ م.

Kindly accept our highly appreciation  
and respect

وتفضلوا بقبول فائق الاحترام،،،

Abdallah Abu-Khadijeh

Chairman of the Board

عبد الله أبو خديجة

رئيس مجلس الإدارة

بورصة عمان
الدائرة الإدارية والمالية
الديوان
١٤ أيار ٢٠١٧
الرقم المتسلسل: 3045
رقم الملف: 31052
الجهة المختصة: 2

تلفون: ٥٥٣٤١٢١ / ٥٥٣١١٧٢ - فاكس: ٥٥٣٩١٠٣ - ص.ب ٩٢٦٢٩٦ عمان ١١١٩٠ الأردن

Tel: 06-5534121 / 5531172 Fax: 06-5539103 P.O. Box 926296 Amman 11190 Jordan

Web site: [www.asu.edu.jo](http://www.asu.edu.jo)

Email: [shareholder@asu.edu.jo](mailto:shareholder@asu.edu.jo)

**Arab International Company For  
Education And Investment  
(P.S.C)  
Amman - The Hashemite Kingdom of Jordan**

**Condensed interim financial statements  
As of March 31, 2017  
(Reviewed not audited)**

**Arab International Company For  
Education And Investment  
(P.S.C)  
Amman - The Hashemite Kingdom of Jordan**

**Index**

	<b><u>Page</u></b>
Independent auditors' report on review of condensed interim financial statements	1
Condensed interim financial position as of March 31, 2017 (Exhibit A)	2-3
Condensed interim statement of comprehensive income for the three months Ended March 31, 2017 (Exhibit B)	4
Condensed interim statement of change in owners' equity for the three months Ended March 31, 2017 (Exhibit C)	5
Condensed interim statement of cash flows for the three months Ended March 31, 2017 (Exhibit D)	6-7
Notes to condensed interim financial statements	8-18



## **Report on the review of the condensed interim financial statements**

**587 17 02**

**To the Board of Directors of**

**Arab International Company for Education and Investment (P.S.C)**

**Amman - The Hashemite Kingdom of Jordan**

### **Introduction:**

We have reviewed the accompanying condensed interim financial statements of **Arab International Company for Education and Investment (P.S.C)** comprising of condensed interim statement of financial position as at 31 March 2017, and the related condensed interim statements of comprehensive income, changes in owners' equity and cash flows for three months ended 31 March 2017 and the related explanatory notes.

The management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with *IAS 34 –interim Financial Reporting ("IAS 34")*. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

### **Scope of review:**

We conducted our review in accordance with International Standard on Review 2410 "Review of interim Financial Information Performed by the Independent Auditor of the Entity". A review of the condensed 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. Consequently, it 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 condensed interim financial statements are not prepared, in all material respects in accordance with IAS 34.

**Other matters:**

- Condensed interim financial statements were prepared for Instructions for listing the stock exchange in the Amman Stock Exchange & for management's purposes.
- The financial statements as at December 31, 2016 were audited by another auditor and the condensed interim financial statements as of March 31, 2016 were reviewed by another auditor whom reports dated March 6, 2017 and April 26, 2016 , respectively expressed unmodified conclusion / opinion on these financial statements .

Ibrahim Abbasi & Co.

Nabeel Moh'd Obeidat

License No. 877



Amman in

23 April 2017

**Arab International Company For  
Education And Investment  
(P.S.C)  
Amman - The Hashemite Kingdom of Jordan  
Condensed interim financial position  
As of March 31, 2017**

**Reviewed not audited - Exhibit A**

	<u>Note</u>	<u>31-Mar-2017</u>	<u>31-Dec-2016</u>
<b><u>Assets</u></b>		<b>JD</b>	<b>JD</b>
<b><u>Non - current assets</u></b>		<b>(Reviewed)</b>	<b>(Audited)</b>
Property , plant & equipments - net	3	29,812,221	30,053,432
Intangible assets - Net		39,613	43,650
Projects under constructions		5,434,369	5,434,369
Investments in associates	4	56,531,324	56,012,569
Financial assets at fair value through comprehensive income st.		73,600	80,000
<b>Total non - current assets</b>		<b>91,891,127</b>	<b>91,624,020</b>
<b><u>Current assets</u></b>			
Cash on hand and at banks		484,436	418,717
Accounts receivable & cheques under collection - net		3,409,882	2,658,644
Due from related parties	12A	1,990,765	187,105
Financial assets at fair value through income		1,341,217	1,330,149
Inventory		397,984	418,929
Other debit balances		860,142	726,485
<b>Total current assets</b>		<b>8,484,426</b>	<b>5,740,029</b>
<b>Total assets</b>		<b>100,375,553</b>	<b>97,364,049</b>

**The accompanying notes form from (1) To (17) is an integral part of these statements**

**Arab International Company For  
Education And Investment  
(P.S.C)  
Amman - The Hashemite Kingdom of Jordan  
Follow - condensed interim financial position  
As of March 31, 2017**

**Reviewed not audited - Exhibit A**

	<u>Note</u>	<u>31-Mar-2017</u>	<u>31-Dec-2016</u>
<b><u>Owners' equity and liabilities</u></b>		<b>JD</b>	<b>JD</b>
<b><u>Owners' equity</u></b>		<b>(Reviewed)</b>	<b>(Audited)</b>
Capital		40,500,000	40,500,000
Statutory reserve		10,125,000	10,125,000
Fair value reserve		4,089,314	3,853,656
Retained earnings (Exhibit C)	5	31,028,425	31,495,482
Profit for the period (Exhibit C)		<u>1,974,967</u>	<u>-</u>
<b>Total owners' equity</b>		<b><u>87,717,706</u></b>	<b><u>85,974,138</u></b>
<b><u>Current liabilities</u></b>			
Notes and accounts payable		462,174	401,356
Due to related parties	12B	142,506	315,700
Unearned revenues		6,539,073	5,146,497
Students refundable deposits		330,873	321,442
Income tax provision	6	1,874,047	1,907,297
Other credit balances		<u>3,309,174</u>	<u>3,297,619</u>
<b>Total current liabilities</b>		<b><u>12,657,847</u></b>	<b><u>11,389,911</u></b>
<b>Total owners' equity and liabilities</b>		<b><u>100,375,553</u></b>	<b><u>97,364,049</u></b>

**The accompanying notes form from (1) To (15) is an integral part of these statements**

**Arab International Company For  
Education And Investment  
(P.S.C)  
Amman - The Hashemite Kingdom of Jordan  
Condensed interim statement of comprehensive income  
For the three months ended March 31, 2017**

**Reviewed not audited - Exhibit B**

	<u>Note</u>	<u>31-Mar-2017</u> JD	<u>31-Mar-2016</u> JD
Revenues		6,919,122	7,633,281
Operating expenses	7	(3,783,366)	(3,744,699)
<b>Gross profit margin</b>		<b>3,135,756</b>	<b>3,888,582</b>
General & administrative expenses	8	(1,010,227)	(1,000,696)
Company's share of associates profit		118,100	518,791
Unrealized gains from financial assets at fair value through income		11,114	43,181
Gains from selling of subsidiary's shares		-	509,399
Finance expenses		(15,822)	(22,352)
Other revenues		202,796	195,289
<b>Profit for the period before tax</b>		<b>2,441,717</b>	<b>4,132,194</b>
Income tax	6	(466,750)	(616,997)
<b>Profit for the period</b>		<b>1,974,967</b>	<b>3,515,197</b>
<b><u>Add: other comprehensive income items</u></b>			
Net changes in fair value for financial assets through comprehensive income statement		235,658	(236,710)
Gains from selling financial assets through comprehensive income		-	64,839
<b>Total comprehensive income for the period (Exhibit C)</b>		<b>2,210,625</b>	<b>3,343,326</b>
		<u>Fils/Dinar</u>	<u>Fils/Dinar</u>
<b>Basic and diluted earning per share</b>	9	<b>0.049</b>	<b>0.087</b>

**The accompanying notes form from (1) To (15) is an integral part of these statements**



**Arab International Company For  
Education And Investment  
(P.S.C)  
Amman - The Hashemite Kingdom of Jordan  
Condensed interim statement of changes in owners' equity  
For the three months ended March 31, 2017**

Reviewed not audited - Exhibit C

Description	Retained earnings			Profit of the period			Total retained earnings	
	Capital JD	Statutory reserve JD	Fair value reserve * JD	Realized JD	Unrealized * JD	Realized JD	Unrealized * JD	Total JD
<b>For the three months ended March 31, 2016</b>								
Balance as of January 1, 2016	40,500,000	10,125,000	8,616,124	15,530,097	11,104,176	-	-	26,634,273
Profit for the period	-	-	-	-	-	2,953,224	561,973	3,515,197
Fair value reserve	-	-	(236,710)	-	-	-	-	(236,710)
Gains from selling financial assets through comprehensive income	-	-	-	64,839	-	-	-	64,839
Total comprehensive income for the period (Exhibit B)	-	-	(236,710)	64,839	-	2,953,224	561,973	3,343,326
Changes in fair value resulted of selling subsidiary shares	-	-	726,926	-	-	-	-	726,926
Balance as of March 31, 2016	40,500,000	10,125,000	9,106,340	15,594,936	11,104,176	2,953,224	561,973	30,214,309
<b>For the three months ended March 31, 2017</b>								
Balance as of January 1, 2017 (Exhibit A) - Audited	40,500,000	10,125,000	3,853,656	16,032,507	15,462,975	-	-	31,495,482
Prior years' adjustments on company's share in associates	-	-	-	-	(467,057)	-	-	(467,057)
Adjusted opening balances	40,500,000	10,125,000	3,853,656	16,032,507	14,995,918	-	-	31,028,425
Profit for the period	-	-	-	-	-	1,553,152	421,815	1,974,967
Fair value reserve	-	-	235,658	-	-	-	-	235,658
Total comprehensive income for the period (Exhibit B)	-	-	235,658	-	-	1,553,152	421,815	1,974,967
Balance as of March 31, 2017 (Exhibit A) - Reviewed	40,500,000	10,125,000	4,089,314	16,032,507	14,995,918	1,553,152	421,815	33,003,392
								87,717,706

In accordance with the instructions of Securities Commission , it is prohibited to dispose fair value reserve & Unrealized retained earnings through dividends to shareholders or capitalization or loss amortization or anything else .

The accompanying notes form from (1) To (15) is an integral part of these statements

**Arab International Company For  
Education And Investment  
(P.S.C)  
Amman - The Hashemite Kingdom of Jordan  
Condensed interim statement of cash flows  
For the three months ended March 31, 2017**

Reviewed not audited - Exhibit D

	Note	31-Mar-2017 JD	31-Mar-2016 JD
<b><u>Cash flows from operating activities</u></b>			
Profit for the period before tax		2,441,717	4,132,194
Depreciation & amortization		539,921	563,218
Company's share of associates (profit)		(118,100)	(518,791)
Unrealized (gains) from financial assets at fair value through income statement		(11,114)	(43,181)
(Gains) from selling of subsidiary's shares		-	(509,399)
Capital (gain)		-	(1,068)
Finance expenses		15,822	22,352
<b>Operating income before changes in working capital</b>		<b>2,868,246</b>	<b>3,645,325</b>
<b><u>(Increase) decrease in current assets</u></b>			
Accounts receivable & cheques under collection		(751,238)	(644,034)
Due from related parties		(1,803,660)	65,150
Financial assets at fair value through income		46	267,098
Inventory		20,945	(18,586)
Other debit balances		(133,657)	(159,726)
<b><u>Increase (decrease) in current liabilities</u></b>			
Notes and accounts payable		60,818	78,548
Due to related parties		(173,194)	155,521
Unearned revenues		1,392,576	465,849
Students refundable deposits		9,431	(50,804)
Other credit balances		11,556	12,865
<b>Net cash provided from operating activities before paid tax</b>		<b>1,501,869</b>	<b>3,817,206</b>
Paid tax	9	(500,000)	-
<b>Net cash provided from operating activities</b>		<b>1,001,869</b>	<b>3,817,206</b>

The accompanying notes form from (1) To (15) is an integral part of these statements

**Arab International Company For  
Education And Investment  
(P.S.C)  
Amman - The Hashemite Kingdom of Jordan  
Follow - Condensed interim statement of cash flows  
For the three months ended March 31, 2017**

**Reviewed not audited - Exhibit D**

	<u>Note</u>	<u>31-Mar-2017</u> JD	<u>31-Mar-2016</u> JD
<b><u>Cash flows from investing activities</u></b>			
Acquisitions of property , plant & equipments		(293,368)	(111,868)
Acquisitions of intangible assets		(1,305)	-
Associates shares purchased		(625,655)	-
Proceeds from sales of prperty , plant & equipments		-	1,143
Projects under construction		-	(743,336)
Proceeds from selling subsidiary shares		-	2,684,799
<b>Net cash (used in) provided from investing activities</b>		<b><u>(920,328)</u></b>	<b><u>1,830,738</u></b>
<b><u>Cash flows from financing activities</u></b>			
Loans		-	(3,474,445)
Finance expenses		(15,822)	(22,352)
<b>Net cash (used in) financing activities</b>		<b><u>(15,822)</u></b>	<b><u>(3,496,797)</u></b>
<b>Net increase in cash</b>		<b>65,719</b>	<b>2,151,147</b>
Cash on hand and at banks at beginning of period		418,717	131,640
<b>Cash on hand and at banks at end of period (Exhibit A)</b>		<b><u>484,436</u></b>	<b><u>2,282,787</u></b>

**The accompanying notes form from (1) To (15) is an integral part of these statements**

**Arab International Company For  
Education And Investment  
(P.S.C)**

**Amman - The Hashemite Kingdom of Jordan**

**Notes to the condensed interim financial statements - reviewed not audited**

---

**1- Company's registration and objectives**

The **Arab International Company For Education And Investment** was established & registered as a public shareholding company under number (208) on **November 20, 1991** , the company operates its educational activities through the **Applied Science University** , which started teaching as of **October 13, 1991**.

One of company's main objectives is to found and establish a private university to accommodate students from Jordan and abroad and prepare them as specialists at the university level in the technological fields mainly inlaid with human and social studies that can contribute to meet the needs of the Kingdom and neighbouring Arab countries .

It also aims to establish a number of centers and institutes for the rehabilitation of students enrolled to a leading positions in various scientific , training and performance fields .

The company may, in order to achieve its objectives directly , carry out all the investment activities required by its business and its interest in selling, buying, owning, brokering , lending , borrowing , pledging and lending . The company may also have an interest to participate in any way in the bodies and institutions that cooperate to achieve its objectives in The Hashemite Kingdom of Jordan or outside .

The Condensed interim financial statements were approved by the board of directors at its meeting held on **April 22, 2017** , these financial statements aren't subject to the approval of the general assembly of shareholders .

**2- Significant accounting policies**

**Basis of preparation of interim financial statements**

These condensed interim financial statement have been prepared in accordance with international accounting standards ((IFRS) IAS 34))(Interim Financial Reporting).

The condensed interim financial statements are presented in Jordanian Dinars (JOD) which is the company's presentation functional currency .

The condensed interim financial statements have been prepared on historical cost except financial assets and liabilities which appears on fair value.

These condensed interim financial statements do not include all the information required for a complete set of IFRS financial statements, However , selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the company's financial position and performance since the last annual report of financial statements as of **December 31, 2016** , in addition, The results for the three months period ended **March 31, 2017** are not necessarily indicative of the results that may be expected for the financial year ending **December 31, 2017** .

**Arab International Company For  
Education And Investment  
(P.S.C)**

**Amman - The Hashemite Kingdom of Jordan**

**Notes to the condensed interim financial statements - reviewed not audited**

---

**Changes in accounting policies**

Accounting policies followed in condensed interim financial statements' preparation for this period are consistent with the policies followed the last year .

**Use of estimates**

The preparation of the interim financial statements requires management to make estimates and assumptions that affect the reported amount of financial assets and liabilities and disclosure of contingent liabilities . These estimates and assumptions also affect the revenues and expenses and the resultant provisions and particular , considerable judgement by management is required in the estimation of the amount and timing of future cash flows . 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 change in such provisions .

Management beleive that the estimates are reasonable and are as follows :

- Management evaluates its investments for impairment on a regular basis where there is a prolonged decline , Management estimates the value of impairment and the same is charged in the statement of comprehensive income - An estimate of the collectible amount of trade accounts receivables is made when collection of the full amount is no longer probable . For individually significant amounts , this estimation is performed on an individual basis . Amounts which are not individually significant , but which are past due , are assessed collectively and a provision applied according to the length of time past due , based on historical recovery rates .
- Inventories are held at the lower of either cost or net realizable value . When inventories become old or obsolete , an estimate is made of their realizable value . For individually significant amounts this estimation is performed on an individual basis . Amounts which are not individually significant , but which are old or obsolete , are assessed collectively and a provision applied according to the inventory type and the degree of aging or obsolescence , based on historical selling prices.
- Management reviews periodically the tangible and intangible assets in order to assess the amortization and depreciation for the year based on the useful life and future economic benefits . Any impairment is taken to the statement of comprehensive income.

**Arab International Company For  
Education And Investment**

(P.S.C)

**Amman - The Hashemite Kingdom of Jordan**

Notes to the condensed interim financial statements - reviewed not audited

**3- Property , plant & equipments - Net**

A. This item consists of the following :

	Buildings & constructions		Laboratory & office equipment & machines		Furniture & fixtures		Scientific research - instrument - solar energy		Cars & buses		Books & periodicals		Tools & equipments		Laboratory equipments		Educational & classification		Power plant		Others		Irrigation networks		Total	
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
<b>Cost</b>																										
Balance beginning of the period	9,450,286	35,601,856	13,080,413	4,316,228	2,514,947	2,530,215	3,097,615	249,740	103,075	330,158	151,191	58,500	15,081	71,491,305												
Additions	-	24,533	115,802	68,075	33,107	3,700	40,133	6,782	-	-	-	1,236	-	293,368												
Balance ending of the period	9,450,286	35,626,389	13,196,215	4,384,303	2,548,054	2,533,915	3,137,748	256,522	103,075	330,158	151,191	51,736	15,081	71,784,673												
<b>Accumulated depreciations</b>																										
Balance beginning of the period	-	20,245,039	11,530,155	4,040,184	253,694	2,208,694	2,345,656	203,371	81,633	315,718	151,184	47,471	15,074	41,437,873												
Additions	-	259,669	133,257	19,816	62,067	37,019	13,991	2,883	3,918	1,656	-	303	-	534,579												
Balance ending of the period	-	20,504,708	11,663,412	4,060,000	315,761	2,245,713	2,359,647	206,254	85,551	317,374	151,184	47,774	15,074	41,972,452												
<b>Net book value as of March 31,2017 (Reviewed)</b>	9,450,286	15,121,681	1,532,803	324,303	2,232,293	288,202	778,101	50,268	17,524	12,784	7	3,962	7	29,812,221												
<b>Net book value as of December 31, 2016 (Audited)</b>	9,450,286	15,356,817	1,550,258	276,044	2,261,253	321,521	751,959	46,369	21,442	14,440	7	3,029	7	30,053,432												

B. Cost of depreciated property , plant & equipments JD 30,461,184 as of March 31,2017 (JD 24,513,502 as of December 31,2016) .

## Amman - The Hashemite Kingdom of Jordan

## Notes to the condensed interim financial statements - reviewed not audited

### Investments in associates

**This item consists of:**

		31-Mar-2017	31-Dec-2016
		Fair value	Fair value
		(Reviewed)	(Audited)
		JD	JD
		Market value	Market value
		%	%
		Share	Share
		Number of shares	Number of shares
		Ownership rate	Ownership rate
		Share	Share
<b>National</b>			
<b>Public shareholding companies (listed)</b>			
Arab Int'l Food & Factories & Investments Co.		4,856,545	4,856,545
International Co. for Medical Investments		2,070,588	2,070,588
Mithad Schools Co.		6,246,489	6,246,489
First Finance Co.		8,062,863	8,062,863
Jordanian Real Estate Co. For Development		5,582,601	5,582,601
Abn Alhaytham Hospital Co.		9,737,443	9,737,443
Contemporaries Co. for Housing projects		500,056	500,056
<b>Total</b>		<b>39,761,924</b>	<b>39,761,924</b>
<b>Limited liability companies (unListed)</b>			
Trans World Information Technology Co.		45,810	45,810
'Alomana' for Investment & portfolio management		3,732,424	3,732,424
Applied Energy Co.		10,000	10,000
University Scientific Research Co.		6,000	6,000
Jordanian Consultative Center for Administrative		500	500
<b>Total</b>		<b>502,234</b>	<b>502,234</b>
<b>International</b>			
<b>Limited liability companies (unListed)</b>			
Arab Int'l Co. for Education & Investments - Maskat		52,500	52,500
<b>Total</b>		<b>52,500</b>	<b>52,500</b>

**Arab International Company For  
Education And Investment  
(P.S.C)**

**Amman - The Hashemite Kingdom of Jordan**

**Notes to the condensed interim financial statements - reviewed not audited**

**4- Follow - Investment in associates**

**B- Transaction of investment in associates during the period represents of :**

	31-Mar-2017	31-Dec-2016
	JD	JD
	(Reviewed)	(Audited)
<b>Balance beginning of the period / year</b>	<b>56,012,569</b>	<b>61,697,671</b>
Company's share of associates profit	118,100	2,413,021
Net changes in fair value for associates	242,057	(5,835,403)
Dividends received from associates	-	(2,272,720)
Associates shares purchased	625,655	10,000
Prior years' adjustments on company's share in associates	(467,057)	-
<b>Balance ending of the period / year</b>	<b>56,531,324</b>	<b>56,012,569</b>

C- The company owned shares of **1,206,727** in associates (Amana Agricultural & Industrial Investments Co. PSC) . The company has taken an impairment provision for full value in previous years .

D- For purposes of company's membership in the associates board of directors and other purposes for Security Depositary Center , the number of share reserved as follows:

		31-Mar-2017	31-Dec-2016
	No. of shares	Market Value	
	Share	JD	JD
		(Reviewed)	(Audited)
Arab Int'l Food & Factories & Investments Co.	5,000	9,650	10,250
International Co. for Medical Investments	20,000	16,400	14,200
Ettihad Schools Co.	20,000	23,400	21,400
First Finance Co.	50,000	44,500	41,000
Jordanian Real Estate Co. For Development	5,000	2,600	2,800
Ibn Alhaytham Hospital Co.	40,000	44,400	44,000
<b>Total</b>		<b>140,950</b>	<b>133,650</b>



**Arab International Company For  
Education And Investment  
(P.S.C)**

**Amman - The Hashemite Kingdom of Jordan**

**Notes to the condensed interim financial statements - reviewed not audited**

**5- Retained earnings**

A. This item consists of :

	31-Mar-2017	31-Dec-2016
	JD	JD
	(Reviewed)	(Audited)
<b>Retained earnings at beginning of the period / year</b>	31,495,482	28,581,142
Prior years' adjustments on company's share in associates	(467,057)	-
<b>Adjusted opening balance</b>	<u>31,028,425</u>	<u>28,581,142</u>
Profit for the year	-	10,919,064
Dividends paid to shareholders	-	95,276
Associates shares purchased	-	(8,100,000)
<b>Retained earnings at ending of the period / year</b>	<u>31,028,425</u>	<u>31,495,482</u>
<b><u>It's distributed as follows:</u></b>		
Retained earnings from realized profit	16,032,507	16,032,507
Retained earnings from unrealized profit	14,995,918	15,462,975
<b>Total</b>	<u>31,028,425</u>	<u>31,495,482</u>

B. The board of directors decided in its meeting held on **February 1, 2017** to recomend to general assembly of shareholders to distribute cash dividends for the year **2016** rate of **20%** of capital amounted of **JD 8,100,000** .

**6- Income tax provision**

This item consists of :

A. **Transaction of income tax provision during the period represents of :**

	31-Mar-2017	31-Dec-2016
	JD	JD
	(Reviewed)	(Audited)
<b>Balance beginning of the period/year</b>	1,907,297	1,464,713
Tax of the period/year (Note 6 C)	466,750	2,215,089
Paid tax during the period/year	(500,000)	(1,772,505)
<b>Balance ending of the period/year</b>	<u>1,874,047</u>	<u>1,907,297</u>

B. The revealed self-esteem for the year **2015** was provided and it accepted from income tax & sales department but not reviewd yet , the year **2016** is not provided yet .

**Arab International Company For  
Education And Investment  
(P.S.C)**

**Amman - The Hashemite Kingdom of Jordan**

**Notes to the condensed interim financial statements - reviewed not audited**

**6- Follow - income tax provision**

**C. Reconciliation of taxable income**

	<u>31-Mar-2017</u>	<u>31-Dec-2016</u>
	JD	JD
	<b>(Reviewed)</b>	<b>(Audited)</b>
Recorded profit	2,441,717	13,134,153
Non-taxable income	(129,214)	(2,842,474)
Non-taxable expenses	21,250	783,768
<b>Taxable income</b>	<b>2,333,753</b>	<b>11,075,447</b>
Income tax rate	20%	20%
<b>Income tax for the period / year</b>	<b>466,750</b>	<b>2,215,089</b>

**7- Operating expenses**

This item consists of :

	<u>31-Mar-2017</u>	<u>31-Mar-2016</u>
	JD	JD
Employees costs (Note 7 B)	1,918,788	2,030,910
Teaching, research, scholarship and students activities needs	660,657	470,037
Depreciations & amortizations	530,873	554,314
Water, electricity & fuel	314,948	271,149
College accreditation fees	101,000	101,000
Maintenance	96,815	62,679
Insurance and licenses	67,223	181,713
Stationary , printing and computers' needs	16,704	14,170
Students medical insurance	48,763	32,033
Advertising , newspapers & magazines	14,943	7,776
Entertainment , cleaning & donations	3,904	4,479
University proficiency examination Fees	1,560	9,305
Communications and post	4,462	4,421
Others	2,726	713
<b>Total</b>	<b>3,783,366</b>	<b>3,744,699</b>

**Arab International Company For  
Education And Investment  
(P.S.C)**

**Amman - The Hashemite Kingdom of Jordan**

**Notes to the condensed interim financial statements - reviewed not audited**

**7- Follow - operating expenses**

**Employees costs (operating)**

This item consists of :

	<u>31-Mar-2017</u>	<u>31-Mar-2016</u>
	JD	JD
Salaries , wages and bonuses	1,694,559	1,822,467
Company's share of social security	193,922	184,179
Medical insurance	25,358	21,997
Clothes & protective materials	4,949	2,267
<b>Total</b>	<b><u>1,918,788</u></b>	<b><u>2,030,910</u></b>

**8- General and administrative expenses**

This item consists of :

	<u>31-Mar-2017</u>	<u>31-Mar-2016</u>
	JD	JD
Employees costs (Note 8 B)	623,213	704,339
Teaching, research, scholarship and students activities needs	32,034	33,176
Water, electricity & fuel	47,856	33,555
Insurance and licenses	20,461	20,271
Maintenance	23,442	45,603
Professional fees	68,353	25,619
Entertainment , cleaning & donations	49,441	18,769
Advertising , newspapers & magazines	30,633	16,627
Board of directors and trustees transportations	23,948	23,250
Communications and post	12,132	7,674
Stationary , printing and computers' needs	30,150	9,215
Depreciations & amortizations	5,298	8,155
Others	2,259	8,256
Judicial expenses	5,355	5,355
Values bag expenses	-	5,180
Rents	14,402	14,402
Income tax	21,250	21,250
<b>Total</b>	<b><u>1,010,227</u></b>	<b><u>1,000,696</u></b>

**Arab International Company For  
Education And Investment  
(P.S.C)**

**Amman - The Hashemite Kingdom of Jordan**

**Notes to the condensed interim financial statements - reviewed not audited**

**8- Follow - general and administrative expenses**

**Employees costs (administrative)**

This item consists of :

	31-Mar-2017	31-Mar-2016
	JD	JD
Salaries , wages and bonuses	538,492	636,961
Company's share of social security	57,206	53,276
Medical insurance	24,083	11,568
Clothes & protective materials	3,432	2,534
<b>Total</b>	<b>623,213</b>	<b>704,339</b>

**9- Basic and diluted earning per share**

This item consists of :

	31-Mar-2017	31-Mar-2016
	JD	JD
Profit of the period after tax (JD)	1,974,967	3,515,199
Weighted average shares (share)	40,500,000	40,500,000
<b>Basic and diluted earning per share</b>	<b>0.049</b>	<b>0.087</b>

The diluted earning per share is equal to the basic earning per share .

**10- Contingent liabilities**

At the date of financial statements there were contingent liabilities represented of :

	31-Mar-2017	31-Dec-2016
	JD	JD
	(Reviewed)	(Audited)
Banks guarantees	795,851	795,851
<b>Total</b>	<b>795,851</b>	<b>795,851</b>

**11- Issues**

There are issues facing company from other amounted of JD 1,451,742 , it includes issues facing Ministry of Higher Education and Scientific Research , the subject is to prevent a claim of JD 1,246,654 on the basis that this amount is surplus of dedicated rate of scientific research for previous years and the company must transfer it to scientific research fund.

There are issues facing others amounted of JD 253,921 and it in all labour issues .

Legal consultant opinion that the results of these issues will be favour to company , the company take enough provisions for it inside financial statements .

**Arab International Company For  
Education And Investment  
(P.S.C)**

**Amman - The Hashemite Kingdom of Jordan**

**Notes to the condensed interim financial statements - reviewed not audited**

**12- Related parties transactions**

Realated parties include key shareholders , key management personnel , key managers , associates and subsidiaries and controlled companies . The company's management has approved the pricing policies and terms of transactions with related parties.

**A. Details of due from related parties appear on financial position**

	Type of transaction	31-Mar-2017 JD (Reviewed)	31-Dec-2016 JD (Audited)
<b><u>Associates</u></b>			
Ibn Alhaytham Hospital Co.	Finance & exp.	1,817,204	-
Arab Int'l Food & Factories & Investments Co.	Exp. & property	6,440	6,268
International Co. for Medical Investments	Expenses	51,942	51,855
Ettihad Schools Co.	Expenses	8,808	9,134
First Finance Co.	Expenses	9,965	10,565
Jordanian Real Estate Co. For Development	Expenses	290	290
Alomana' for Investment & portfolio management	Expenses	383	13,261
Applied Energy Co.	Finance	1,100	1,100
University Scientific Research Co.	Finance	8,132	8,132
Jordanian Consultative Center for Administrative Development & Capacity Building	Finance	86,500	86,500
<b>Total</b>		<b>1,990,764</b>	<b>187,105</b>

**B. Details of due to related parties appear on financial position**

	Type of transaction	31-Mar-2017 JD (Reviewed)	31-Dec-2016 JD (Audited)
<b><u>Associates</u></b>			
Arab Int'l Co. for Education & Investments - Maska	Finance	91,958	91,958
Trans World Information Technology Co.	Softwares	50,548	223,742
<b>Total</b>		<b>142,506</b>	<b>315,700</b>

**Arab International Company For  
Education And Investment  
(P.S.C)**

**Amman - The Hashemite Kingdom of Jordan**

**Notes to the condensed interim financial statements - reviewed not audited**

**12- Follow - related parties transactions**

**C. Details related parties balances appear on statement of income**

	Type of transaction	31-Mar-2017 JD	31-Mar-2016 JD
<b><u>Associates</u></b>			
Ibn Alhaytham Hospital Co.	Treatments	85,566	106,632
International Co. for Medical Investments	-	-	9,015
Arab Int'l Food & Factories & Investments Co.	Materials	173	4,790
Ettihad Schools Co.	Materials	502	411
First Finance Co.	-	-	2,831
Trans World Information Technology Co.	-	-	36

**D. Wages , allowances and other benefits for senior executive managements :**

	31-Mar-2017 JD	31-Mar-2016 JD
Wages & other benefits	172,265	295,261

**13- Risk management**

Company is facing finance , credit , liquidity and market risks , in general the main objectives and policies of company in finance risk management which financial statement is faced , it is similar to what declared in financial statements on **December 31, 2016 .**

**14- Subsequent events**

There are no subsequent events may have material affects to financial position .

**15- Comparative figures**

Certain comparative figures were reclassified to conform with the presentation of the current period.