

ANNUAL REPORT 2009



The Housing Bank for Trade & Finance

36th Board of Directors Report

For the Year Ending December 31, 2009

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His Majesty King Abdullah II Ibn Al Hussein

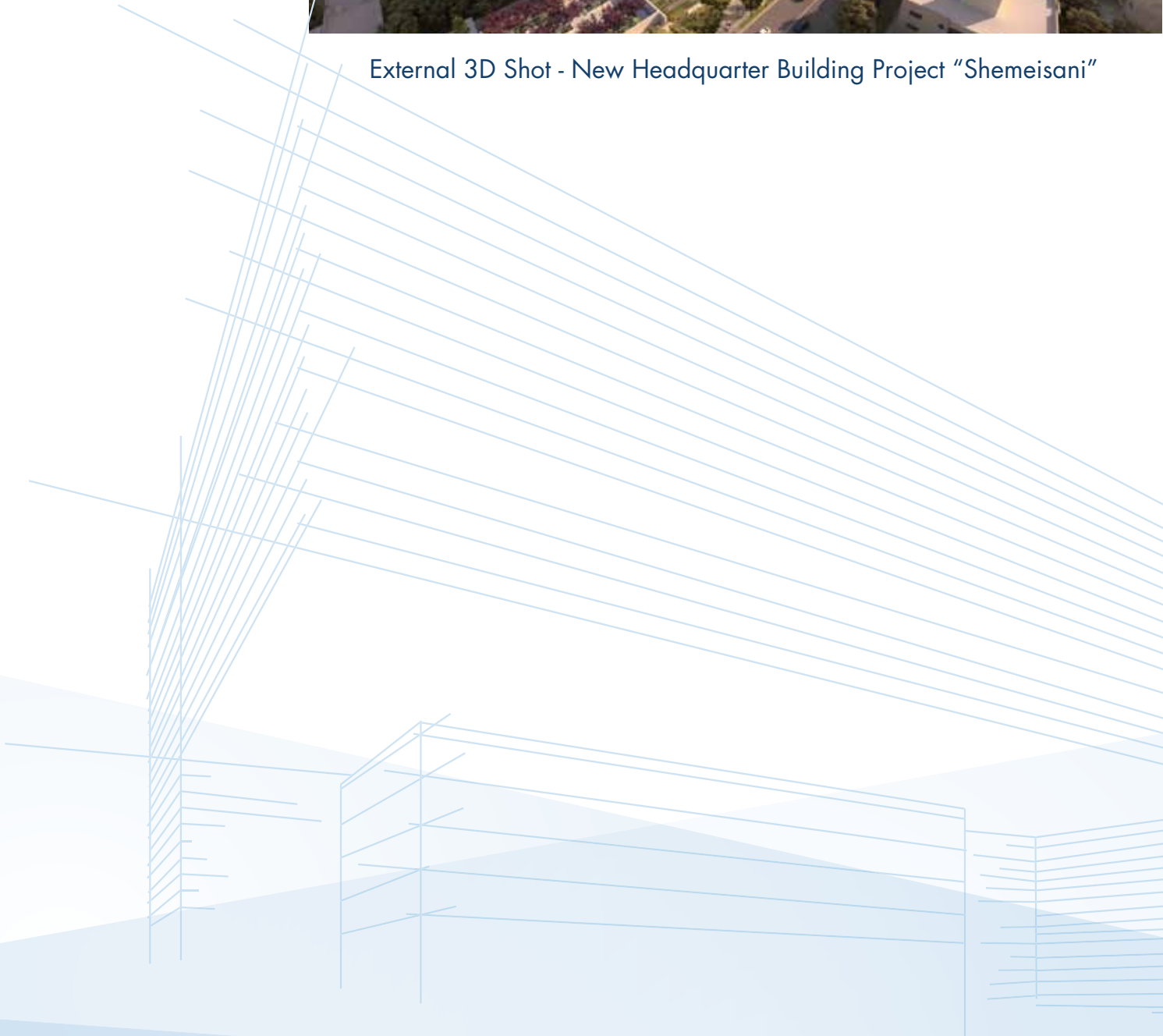
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BOARD OF DIRECTORS



External 3D Shot - New Headquarter Building Project "Shemeisani"





H.E. Dr. Michel Marto - Chairman / General Manager



Sheikh Ali Bin Jassim Al-Thani
Vice Chairman



Mr. Abdulla Mubarak AlKhalifa
Qatar National Bank



Mr. Yousef Mahmoud Al-Neama
Qatar National Bank



Mr. Mohamed A. Al-Khulaifi
Qatar National Bank



Mr. Ali Abdulla A. Darwish
Qatar National Bank



Mr. Hamoud J. Al Falah
Kuwait Real Estate Investment Consortium



Mr. Mohammad Al Munaifi
Kuwait Real Estate Investment Consortium



Mr. Mohamed Ben Yousef
Libyan Foreign Bank



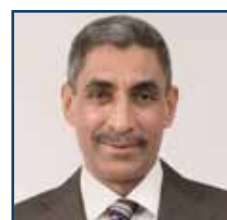
Mr. Mokhtar Ali Ghenas
Libyan Foreign Bank



Mr. Thabet Issa Elwir
Social Security Corporation / Jordan



Mr. Jehad Ali Al Share
Social Security Corporation / Jordan



Mr. Ahmed Al Mahrezi
Ministry of Finance / Sultanate of Oman

Mr. Mohyeddin ElAli - Board Secretary

Auditors: Ernst & Young

Deloitte & Touche "Middle East – Jordan"

Chairman's Statement

I am honored to present our 36th Annual Report. As you are all well aware, 2009 was a difficult year by all standards, and even though the impact of the global economic crisis is still apparent in this region, the Bank was able to achieve good results.

Local Economic Environment

The local economy was affected to some extent by the crisis. The effect was somehow limited when compared to other countries in the region. Banks in Jordan were not immune to the crisis, but the prudent Central Bank of Jordan's policies and regulations protected the banking sector from serious negative impacts, reduced their risk exposure and preserved their liquidity.

Financial Achievements

The Housing Bank group continued its good performance in 2009. Pretax profits were JD 97 million compared to JD 142 million in 2008. After tax profits were JD 66.6 million against JD 101.3 million in 2008. The shortfall in profits was a result of the Bank's conservative and cautious policy to take JD 65 million in additional provisions for 2009 to face the increased level of non-performing loans. I expect that a large part of these provisions will be returned to revenues once the situation improves.

Strong performance was evidenced through the 12% growth of total assets in 2009 which reached JD 6.1 billion. Customers' deposits grew by 18% to JD 4.4 billion and direct credit facilities grew by 4% to reach JD 2.5 billion. Shareholders' equity grew by 6% to reach JD 966 million at the end of 2009 compared to JD 911 million in 2008. Gross income grew by 6% to JD 260 million, and the efficiency ratio improved to 38% from 41% in 2008.

Financial Indicators

The Bank maintained a strong capital adequacy ratio of 22.9% in 2009 and a strong liquidity rate of 179% against the 100% minimum rate set by the Central Bank of Jordan. This would allow the Bank to capture future opportunities once conditions improve at the same time insures lower level of risk.

Market Share

The Bank has the largest branch network in Jordan with 100 branches located all over the country. The Bank also has 43% of total saving accounts in Jordan and 15.1% market share of total assets, 16.7% of customers' deposits and 12.7% of direct credit facilities.

Foreign Branches, Subsidiary and Affiliated Banks and Companies

The International Bank for Trade and Finance (IBTF) in Syria achieved excellent results. It continued to lead private banks there in terms of profitability, customers' deposits and credit facilities. In 2009, IBTF reinforced its branch network by increasing the number of branches to 30.

The Housing Bank for Trade and Finance / Algeria achieved good growth rates in loans and deposits.

Performance of our branches in Palestine was good despite the tough political and economic circumstances. Loans and deposits grew, and branches were increased to 12 covering most of the major cities in the Palestinian territories.

Specialized Leasing Company's profits in 2009 were better than 2008. Our local brokerage arm, International Financial Center, was able to achieve reasonable results despite of the weakness in Amman Stock Exchange.

Our representative offices in Baghdad, Tripoli (Libya) and Abu Dhabi had satisfactory results and were successful in marketing the Bank's products and services.



Dividends

In light of 2009 results, the Board of Directors recommended the distribution of cash dividends equivalent to 20% of the share par value (JD 0.20 per share).

Corporate Governance

The Bank is committed to implement the principles of corporate governance. It conducts activities and business affairs with high levels of transparency, disclosure and integrity towards the community, shareholders, clients and staff.

Community and Social Responsibility

National and social objectives were adopted to develop local communities. In 2009, contributions were made to a number of environmental, healthcare, educational, cultural, art, social and sports organizations. The Bank also organized the MENA Regional Economic Forum in cooperation with the Institute of International Finance (IIF). The forum was a unique opportunity for chief economists and other senior executives of IIF member firms in the MENA region and of global institutions with interest in the region to exchange views on global economic and financial developments and their implications for the region.

To help the local community, the Bank sponsored the construction of a public park in Abdoun. This 12000 square meter park will have a large green area and reasonable recreational facilities. It is expected to open for the public in the second quarter of 2010.

2010 Plan

The business plan aims at taking advantage of safe and sound investment and credit opportunities, at the same time control expenditure. We will continue to rely on the strength of our strategic shareholders, and will look forward to continue enhancing and improving the range of our products and services, and our local and regional position.

A Message of Gratitude and Recognition

I would like to express my gratitude and appreciation to the Central Bank of Jordan for their continued support, wise and cautious monetary policies which safeguarded the banking sector. I also thank the Jordan Securities Commission for their prudent management of the capital market. I would like to also thank our valuable clients for their trust and continuous loyalty.

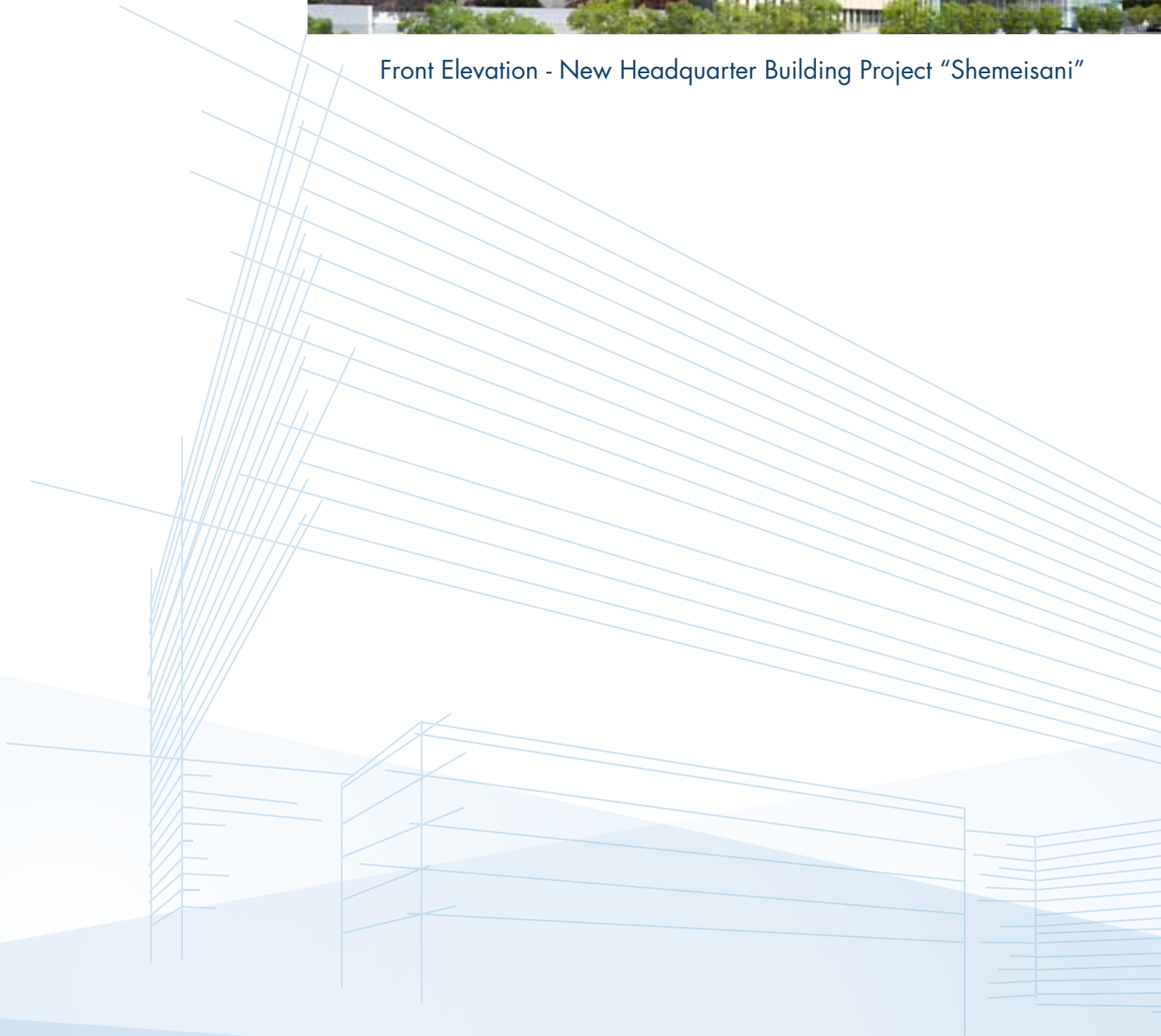
I thank and appreciate the members of the Board for their efforts and continuous support. Finally, I would like to thank the executive management and staff, at all levels, for their dedication and sincere efforts to insure the continuous success and growth of our Bank.

Dr. Michel Marto
Chairman of the Board of Directors

The Bank's Financial Performance 2009



Front Elevation - New Headquarter Building Project "Shemeisani"



HBTF's Major Financial Indicators (2005 – 2009)

Amounts in JD millions*

Item / Year	2005	2006	2007	2008	2009
Total Assets	3196.3	4096.5	5020.1	5430.6	6090.4
Customers' Deposits	2370.5	2832.7	3500.6	3764.5	4430.4
Credit Facilities - Net	1262.6	1589.9	1936.3	2341.7	2368.6
Shareholders' Equity	395.0	835.2	890.3	911.0	966.5
Gross Income	173.6	201.9	238.8	245.2	259.9
Profit before Income Tax	105.2	130.1	154.5	142.0	97.0
Profit after Income Tax	74.1	94.7	111.5	101.3	66.6
Cash Dividends	20.0	25.0	64.3	75.0	63.0
Basic earnings per share to equity holders of the bank (EPS)	0.331	0.391	0.435	0.383	0.238
Dividends / Per share (JD)	0.250	0.260	0.300	0.250	0.200**
Share Price in ASE (JD)	19.990	6.550***	7.210	8.330	7.150

* JD = US \$ 1.4104

** Proposed Dividends for 2009

*** During the year 2006 the capital of the Bank was increased by issuing 152 million shares as follows:

- Stock dividends of 50 million to be distributed to shareholders representing 50% of the paid – in capital through capitalization of retained earnings
- Private placement of 100 million shares to the shareholders of the Bank at a price of JD 4 for each share, JD 1 as par value and JD 3 as additional paid – in capital
- Allocation of 2 million shares to Jordan Armed Forces Fund.

Analysis of Operation Results

The international financial crisis, and instability in the global financial markets culminated in the variation of economic circumstances worldwide, have been negatively reflected on the Bank's facilities portfolio. The Housing Bank has dedicated additional provisions to face any possible losses in credit portfolio, as a precautionary measure to maintain the strength and stability of assets of the Bank.

In the light of the above mentioned developments, the Bank's net profit before tax amounted to JD 97 million in 2009, compared to JD 142 million in 2008. The Bank's net profit after tax and provisions amounted to JD 66.6 million in this year compared to JD 101.3 million in the previous year.

The Bank's operation results were as follows:

Gross income increased to JD 260 million in 2009, compared to JD 245 million in the last year, showing an increase of JD 15 million, at the rate of 6%.

- Net interests and commissions income declined from JD 228 million in 2008 to 224 JD million in the year 2009, recording a decline of JD 4 million, at the rate of 2%. This decline in the net interests and commissions due to decline in the net interests income by 4%, is attributed to certain pressures on the margins in this year, while the net commissions income rose at the rate of 14%.
- Total expenses " excluding provisions " decreased to JD 94.4 million in 2009, compared to JD 97.7 million in the last year, showing a decline of JD 3.3 million, at the rate of 3%.
- The Banks' efficiency ratio (expenses / gross income) improved from 41% in 2008 to 38% in 2009.
- ROaA amounted to about 1.2%, while ROaE amounted to about 7.1% as at the end of 2009, considered as the highest rates among local banking sector.

Analysis of Financial Position

The consolidated balance sheet of the Housing Bank for Trade and Finance Group, rose by JD 660 million in 2009, at the rate of 12.1%, amounting to JD 6.1 billion, compared to the end of the previous year. Growth rate in the net direct credit facilities reached 1.2% and the growth rate in the customers' deposits reached 17.7%, and resulted in the change of credit to deposits ratio from 62.2% to 53.5%, and the customers' deposits to the total consolidated balance sheet, from 69.3% to 72.7%. About 38.9% of the total balance sheet was used in the form of direct credit facilities, compared to 43.1% as at the end of 2008.

Analysis of the most important developments on both sides of the balance sheet, came as follows:

Direct Credit Facilities

Gross Direct Credit facilities as at the end of 2009 amounted to JD 2.5 billion, recording an increase of JD 100 million, at growth rate of 4.2%, compared to the end of the last year. The net balance of the direct credit facilities increased by JD 27 million, at the rate of 1.2% compared to the end of previous year, amounted to JD 2.4 billion at the end of 2009. This insignificant increase in the credit portfolio came as a result of the application of conservative credit policy, in the light of the current circumstances.

It is worth mentioning that the Bank in 2009, has made additional provisions amounting to JD 64.5 million, thus accumulated provisions for credit losses amounted to JD 100.5 million.

Retail loans increased by 3%, and those to Corporate entities increased by 5%, while Government and Public sector loans decreased by 10%.

Customers' Deposits

The Housing Bank has succeeded in 2009, in attracting more customers' deposits, as total balance of deposits climbed to JD 4.7 billion, recording an increase of JD 643 million, at the rate of 15.8%, compared to balance at the end of 2008. Excluding deposits of banks and financial institutions, the balance of customers' deposits totaled at JD 4.4 billion at the end of 2009, showing a rise of JD 666 million, at the rate of 17.7%, compared to the balance at the end of the last year.

The Bank has provided a conspicuous evidence of its capability to increase the balance of deposits in the light of low interest rates, which resulted from the Bank's reputable name, sound relations with customers, providing quality banking services and products, in addition to its position as a safe haven to customers' deposits at crisis times.

Retail deposits increased by 16%, and Corporate entities deposits rose by 30%, while Government and Public sector deposits declined by 2%.

Shareholders' Equity

The Bank's total shareholders' Equity amounted to JD 891 million in 2009, compared to JD 869 million at the end of 2008, showing an increase of JD 22 million, at the rate of 2.6%. By adding minority interests, total equity rose from JD 911 million, at the end of the last year, to JD 967 million at the end of this year, recording a rise of JD 56 million, at the rate of 6.1%. Pursuant to such developments, shareholders' equity has constituted 15.9% of the consolidated balance sheet at the end of 2009, compared to 16.8% at the end of previous year.

Capital Adequacy

Capital adequacy of the HBTF's Group as at the end of 2009 reached about 23%, which is much higher than the requirement of Basel II at 8%, and that of the Central Bank of Jordan at 12%, and reflected the Bank's financial strength, and its capability to support its future expansion in various activities and operations.

The Bank's Competitive Position

Despite the economic environment which prevailed in 2009, and increasing competition in the local banking sector, the Housing Bank has succeeded in adaptation with such variables, as it enhanced its name and position, through maintaining leading position among banks operating in Jordan, in various banking activities, such as :

- The Bank maintained its leading position in the balance of saving accounts in local currency, at the rate of 42.8%.
- The Bank maintained its leading position in banking branches network as the number of branches reached 100, with a market share of 16%, assumed by the Bank as from 1978.
- The Bank maintained its leading position in the number of customers, which has exceeded 650 thousand, which enabled the Bank maintain its customers' base, due to development of various diversified services and products to satisfy the needs of retail and corporate customers.
- The Bank maintained its leading position in the VISA and VISA electron cards, recording more than 630 thousand cards, with a market share of 25%, and remained the first choice for customers in the field of electronic cards, used for cash withdrawals and payment for their purchases through P.O.S.

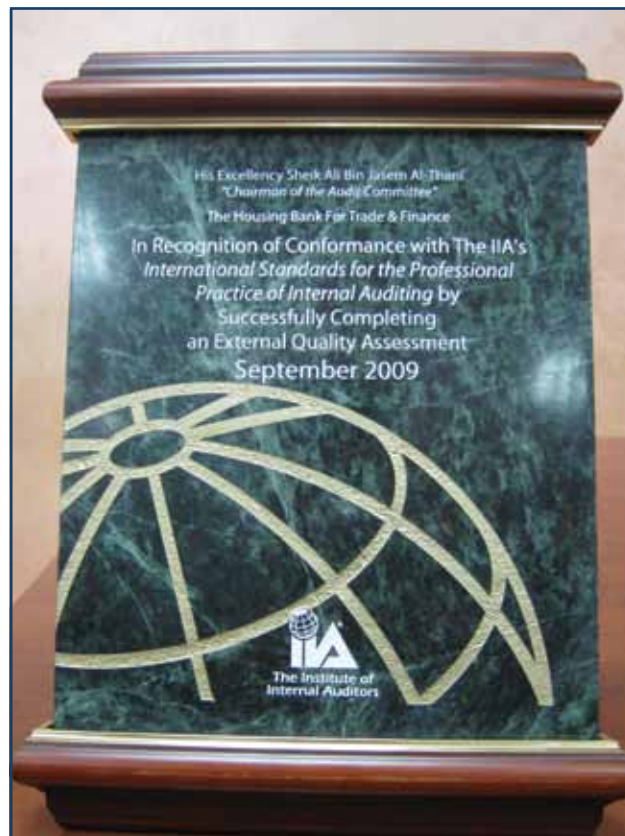
- The Bank has acquired a leading share of banking assets, with a market share of 15.1%.
- The Bank has acquired a leading share of the banking deposits, with a market share of 16.7%.
- The Bank has acquired a leading share of the credit market, with a share of 12.7%.
- The Bank has acquired a leading share of the ATMs network, with a market share of about 17%, as ATMs number reached 167.

In the field of competitiveness in qualitative indicators, the Bank through its successful Journey, has obtained many high credit ratings from international institutions, in addition to various distinguished certificates of appreciation and awards. The bank has been capable to maintain its leading position in banking technology, through application of systems necessary for steering the management and branches operations in conformity with the latest international technologies.

Local, regional and international awards and certificates of appreciation obtained by the Bank included:

- King Abdullah II Award for excellence.
- Arab Quality Award.
- Excellence Award from E-Jordan conference.
- Excellence Award for quality performance.
- Visa International Award.
- The Best Jordanian Bank from Banker Magazine.
- The Best Jordanian Bank from Euromoney.
- International Star Award, golden & platinum from Business Initiative Directions.

In 2009, the Bank has been capable to obtain the highest levels of "General Conformance Certificate" with International Internal Audit Standards issued by the American Institute of Internal Auditors " IIA " , as the first bank in Jordan and Arab region to obtain such evaluation.



"General Conformance Certificate" with International Internal Audit Standards issued by the American Institute of Internal Auditors " IIA " In 2009

The Bank's Activities 2009



Retail Banking Group

Retail Banking Group continued to enhance its leading position in the retail market through providing quality, innovative and value added products and services to its customers, as well as diversification of advanced delivery channels, supporting marketing initiatives and promotional campaigns for the Bank's services and products. This has been culminated by supporting the Bank's solid reputation as one of Jordan's leading financial institutions and most preferable bank.

On the level of **local expansion**, and in line with the Bank's vision aiming at closer reach of its customers to meet their banking needs in Jordan, the Bank supported its network of branches in 2009 by inauguration of four new branches in vital areas. The Housing Bank's biggest branch network has continued growing further to reach 100 branches, at the rate of 16% of the total branches operating in Jordan, till the end of 2009. This achievement is considered as competitive peculiarity of the Bank expressing its genuine identity and future strategic vision.

In the field of **regional expansion**, the Bank added 2 branches to its network in Palestine, the first in Yata – Khaleel and the second in Torrmosaya - Ramallah, making branches operating in Palestine 12 covering most important cities.

As for **E-banking services**, the Bank continued to provide its services all through the day 24/7, in an easy and secure method, through electronic distribution channels such as internet, virtual banks, phone banking, ATM's and Iskan on Line. Our services enable our customers to manage their accounts through money transfer, cash withdrawal, deposits and payments of bills and SMS services.

In 2009 ATM's network in Jordan was supported by adding eleven new machines reaching 167 ATM's, thus maintaining the Bank's leading position among Jordanian banks.

The Housing Bank has reinforced its leading position among Jordanian banking institutions in the field of credit cards, as number of Visa Cards reached 39 thousands at the end of 2009; Visa Electron cards witnessed remarkable increase reaching about 600 thousand. Despite the severe competition in this field, the Bank's share of various types of Visa Cards in Jordan reached about 25% reflecting the Bank's activity in providing different types of credit cards.

Credit cards issued by the Bank are designed to meet the different needs of targeted segments, meeting the highest criteria in security and safety. In support of this side, the Bank shall, in 2010, attempt to start the application of a project to replace current VISA Electron cards by smart cards, to enable its customers carry out all financial transactions, facilitate purchase and shopping activities locally and internationally and payments in monthly installments against soft commissions and interest rates.

Within the framework of **personal loans**, the Bank has continued to finance different segments of society including low and limited income citizens in implementation of the Royal initiative " Decent Housing for Decent living ". This step comes in addition to the continued commitment by the Housing Bank to satisfy the needs of its customers, to finance the personal requirements, for easy and preferential terms related to low interest and commission rates, as well as flexible repayment periods. On the retail level, the Bank continued providing housing loans along with its commitment to financing real estate development projects in Jordan.

Concerning **saving accounts**, the Bank has maintained its leading position in providing saving accounts product and the biggest prizes. This comes within the framework of interconnection and encouraging various segments of society to save, as the Bank assumes the leading position in providing saving prizes, amounting to the total of JD 5 million annually. Drawing system and mechanism is subject to revision on periodic basis in order to cover the biggest segment of customers and meet their needs and expectations. Saving accounts system is distinguished by special draws covering all official and national occasions, Eids and holy Ramadan.

The Year 2009 witnessed the signing of **a strategic agreement with Qatar National Bank (QNB)**, this strategic partnership, aimed to provide comprehensive package of banking services to Jordanians residing in the State of Qatar. This agreement stems from the Bank's conviction in the importance of interconnection with expatriate citizens, and to strengthen their relation with their country " Jordan ".

Commercial Banking Group

Despite the difficult events which occurred in Jordanian banking sector through 2009, the Housing Bank demonstrated its capability to timely meet the financing needs of its customers without delay. Such events did not turn the Bank away from carrying out its duties towards economic and social development in Jordan, which participate in the development of various projects and support the economic growth.

In **the direct facilities** field, and taking into consideration the events prevailing in the local credit market, the Commercial Banking Group has continued to provide credit facilities to large corporate enterprises, focusing on diversification in the Bank credit portfolio, and targeting companies with strong financial positions and performance, and financing some of projects relevant to infrastructure and education.

As far as **small and medium enterprises loans** are concerned, and based on the Bank's belief in the importance of this sector in supporting national economy, and solving unemployment problem, the Bank continued its ever-increasing interest in this sector, through satisfaction of the needs of the greatest number of customers and segments of such sector, such as occupationals, craftsmen and SME's, through providing services and products which meet their growing needs.

In the field of **foreign trade financing operations**, and stemming from the Bank's compliance to bolster Arab Economic Integration, encourage trade exchange between Jordan and Arab and Islamic countries due to its positive impact on the development process, the Bank continued financing number of specialized agreements and programs related to financing imports and exports upon soft terms and competitive rates.

The Housing Bank provides comprehensive, integrated and distinguished solutions of banking services and products for the business community, through highly qualified employees in financing and sales skills, as well as working groups with high professionalism in managing customer's relations. The Bank also provides its corporate services and products through its three business hubs in Amman, Zarqa and Irbid, supported by wide network of branches.

Corporate & Investment Banking Group

The Bank's position as a leader in the Jordanian market with extensive experience and wide presence in Jordan and the region, have attracted large companies and foreign investors seeking a bundle of high-quality financial services.

The Bank played a principal and active role as arranger and agent for distinguished local and regional mega projects, specifically investments aimed to benefit the Jordanian economy including large infrastructure development projects on "BOT" and "BOOT" basis. In its role as lead arranger, the Bank managed and arranged bank syndicates to finance large-scale projects. In addition to its role as a lead arranger, the Bank participated in financing regional Greenfield projects.

As part of the Bank's persistence to contribute to developing the Jordanian capital market and after obtaining the necessary licensing from Jordan Securities Commission, the Bank has assumed the role of bond and stock issuance manager, in addition to providing financial advisory services to strategic clients related to mergers and acquisitions, debt restructuring, feasibility analysis, business valuation, etc.

The Bank shall, through its Corporate and Investment Banking Group, continue to support local and regional development initiatives through its expertise and robust relationships with strategic investors.

Treasury Division

The year 2009 was full of investment challenges in the various financial markets. Nevertheless, the relative relief of the global financial crisis has positively affected the performance of the Bank's investment portfolios managed by the Treasury Division. This Division has also managed to maintain a positive performance in its other business operations through focusing on high levels of liquidity and generating revenues from its foreign exchange operations.

Throughout the previous years, the Treasury Division has successfully managed to set up a sound reputation for what it provides of diversified and comprehensive innovative investment solutions which enable the Bank's clients, retail and corporate, minimize their risk exposures related to currency and interest rates. The investment products and services provided to the clients by the Treasury Division include: foreign currency and precious metals exchange through account / account and margin account services, forward contracts services, brokerage services for various investment products in the major international financial markets, investment portfolios management services as well as investment funds management services and custody services.

The Treasury Division will continue its approach of prudent investment policy for managing financial investments and maintain high levels of liquidity along with a balanced diversification of its investments, in order to achieve stable returns within acceptable levels of risk which would enable it face any abrupt future fluctuations in the international financial markets.

Financial Institutions Division

The Financial Institutions Division played an active role, in 2009, in strengthening the Bank's existing relations, building new and fruitful business relations with key banks and financial institutions in both local and international markets, through providing competitive packages of services to the Bank's customers. This has contributed in supporting the corporate sector to finalize large local and regional contracts, attract more international banking transactions from many markets, and subsequently increase revenues realized from transfer fees and indirect facilities.

The Financial Institutions Division aims at bolstering the Bank's relations locally and internationally, in order to ensure high quality banking services in the field of financing international trade transactions and other banking services, through a network of more than 300 correspondent banks distributed in over 65 countries around the world. This places the Bank in a strong position thereby enabling it to foster its position and serve its customers in international operations.

International Branches & Subsidiaries Division

After a comprehensive and integrated revision of its organizational structure in 2009, the Bank has re-established the International Banking Division under a new title, "International Branches & Subsidiaries Division".

This division aims to oversee business development and operations of the foreign branches network, subsidiaries and representative offices in order to meet customers' needs and expectations inline with the developments in the banking sector.

This shall be achieved through providing a strong linkage and collaboration with the functional divisions in the H.O. in Amman, and supporting them in laying their strategic plans, so as to create a harmonious environment that will help in achieving their objectives, which fall under the strategic objectives of the bank.

Therefore, this will help the bank to hold a strong competitive market positions in the countries where it operates in order to enhance the Bank's presence and identity locally and regionally.

Moreover, this division will capitalize on the Bank's external existence through expanding the Bank's customer base and diversifying the banking services channels and network.

Human Resources Division

Based on our belief that human element is one of the most important success factors of institutions in achieving growth and excellence, this element occupies special importance in the Bank's future strategy. Human resources strategy focused on development and diversification of employees' conversance and skills to be in line with business requirements and developments .

Despite the difficult economic conditions encountered by banking sectors on the local, regional and international levels, the Bank retained peculiar human cadres on the one hand, and achieved reasonable rationalization of expenditures and Cadres. This had positive impact on efficiency indicators to remain within the international standards of the banking industry .

Within **the framework of development of human resources systems and policies**, all policies and procedures were upgraded, in addition to reflecting all developments in the Bank's organizational structures on the human resources systems, by upgrading role profile cards in consistency with new duties and functions, as well as creation of cards for all new jobs in accordance with the organizational structure. All jobs have also been evaluated and classified according to International Position Evaluation, and completion of procedures related to set of the salary structure for all jobs.

Human Resources Division continued to ensure appropriate working environment for the Bank's employees, by improving their living standards and motivating them through performance evaluation systems, rewards as well as recognition of distinguished performance .

On **the training and development level**, and in consistency with the Bank's Institutional Identity, year 2009 witnessed focusing on buttressing customers' service culture, particularly with front-line employees. Seminars courses, workshop and developed programs including customer service standards were held.

In addition to training programs held in the Bank's training center, many employees attended specialized training courses and programs held in specialized centers inside the Kingdom and abroad, as 3295 employees participated in such courses, in addition to ensuring educational opportunities for number of employees to obtain university professional and higher degrees, locally and abroad.

Human Resources Division is currently preparing to develop its systems and automation of certain activities, in addition to preparation of programs to develop and qualify competent employees to assume leadership positions from within the institution, so as to support succession & replacement plans , based on detailed evidence of competencies .

Information Technology Division

The Housing Bank for Trade and Finance is in the forefront of Jordanian banks in implementing advanced technology to serve its corporate and retail customers, as it invested a lot in modern banking technologies. This resulted in bolstering customers' satisfaction, development of the Bank's businesses, providing developed and quality banking services, and accomplishment of high efficiency and competency.

In 2009 the Information Technology division has implemented strategic projects which focus on value added activities, and hedge risks in many fields such as:

1. Improve and upgrade the Information Technology high availability and disaster recovery environments to comply with the latest standards of information processing and technology, the Bank has successfully managed to create a full redundant IT high availability and disaster recovery environments to ensure the availability and continuity of the banking services offered to its customers at all times, the Bank has also invested in upgrading its data centers to comply with the Tier-4 international standards for data centers in terms of electromechanical duality and security. The Bank has also invested in upgrading its IT communication network by replacing most of its obsolete network equipment with new and state-of-the-art machines that boosted the performance of its applications and electronic services provided to customers through the different e-channels services.
2. Improve and develop customer services, as the Bank has completed automation of incoming transfers, swift and subscription, in addition to the application of customer's consolidated statement of account.
3. Develop competency in people and capacity in the institution to take Quality Assurance to the next level of streamlined and tool-based Testing Methodology based on proven industry best practices.
4. Improve and upgrade the service model of the current helpdesk system based on ITIL to deliver faster, better, and more dependable services to the end-user community.
5. Enhance Information Management environment that enables intelligent business decision making by senior management across all business lines.

In 2010 Information Technology Division decided to complete implementation of key projects inaugurated in 2009, including International Trade System, Business Intelligence and ATM Upgrades, in addition and as a part of its Strategic Plan, Information Technology Division will launch new projects such as Core Banking System, EMV Smart Card to Debit Cards , and Credit Scoring System .

Premises & General Services Division

In implementation of the Bank's vision to ensure modern and professional business environment, Premises and General Services Division has applied the Banks' strategy related to local geographical expansion, by completion of all equipment and requirements of the new branches opened in 2009. The division has also carried out renovation and maintenance works necessary for branches and work centers, in addition to installment of new ATMs in the new branches and other vital locations.

Aiming at improving business environment, this division is rapidly completing a project for the application of the new uniform designs (Model Branch).

Premises and General Services Division continued to market real estate acquired by the Bank, control fixed assets, procurements and stationery, approval of insurance policies necessary for the Bank's assets, ensure execution of maintenance and repair programs for all machines and equipment, by specialized engineers and technicians.

This Division has also ensured all security and protection requirements for properties and persons in various locations of the Bank, through connecting security systems with the central station administered around the clock.

Premises and General Services Division follows up management of the Bank's new Headquarter building, expected to be completed in 2013 , in addition to Abdoun Park project, to be implemented in cooperation with Greater Amman Municipality as part of the Bank's social responsibility.

Operations Division

The Operations Division has paid great interest to implement certain initiatives aiming at development and improvement of the business environment, so as to ensure simplification and efficiency of operational procedures, as well as necessary support for the Bank's activities and business, for the interest of both customers and employees.

Within this context the Operations Division in 2009 applied a package of systems necessary for steering operations of branches and divisions, including automation of incoming transfers, which has ensured more accuracy in the process of receiving Swift transfers, in addition to supporting control activities, and follow up procedures with local and international banks. " Trade Finance System " which included data processing system, has been approved, in addition to adoption of new guarantees system, which facilitated production of relevant correspondence and records, in addition to automatic forwarding system. In 2010 , it is anticipated that L/C system shall be included under the cover of International Trade System.

Business Process Re-Engineering Division

In embodiment of the Bank's vision and enhancing the efficiency of its performance by improving internal work procedures and the optimal utilization of human capabilities and available technology, which in turn, boost service levels provided to customers. Therefore, year 2009 witnessed activating the role of Business Process Re-Engineering Division under direct supervision of top management to implement comprehensive re-structuring program, which ensured integration of businesses among all Bank's sectors, divisions and branches, and to prevent duplication in duties and responsibilities.

Since the development of the Bank's organizational structure is the basis to attain its strategic goals in the long term, a new organizational structure has been designed, reflecting the best banking practices based on definition of responsibilities and authorities, effective performance control, and support centralized operations style for certain activities within specialized units in the headquarter. This required creation of new specialized divisions, the separation of some duties, and merger of others in order to work under one umbrella.

In implementation of the internal succession policy followed presently, and in order to lead such groups and divisions, it has been appropriate to seize the opportunity to appoint distinguished staff from the Bank with extensive experiences and outstanding competencies that are capable to contribute in positive manner in enhancing the efficiency of performance and implementation of Bank's plans.

In light of such important variables, the Bank has been divided into three main integrated sections, namely: banking group, operations group and divisions specialized in risks, internal control and corporate governance.

More detailed information about the organizational structure is available at the end of this report.

Credit Sector

The Credit Sector placed great emphasis on reinforcing the Bank's credit activities, ensuring that the financing activities conform with the Bank's strategies, and are in compliance with instructions and regulations of the Central Bank of Jordan and being according to international standards.

The Bank's credit policy is based on the application of high quality and sound control procedures, in conformity with local and international credit standards aiming at promoting balanced business growth, maintaining a high quality credit portfolio, and developing credit products within acceptable risk level. In order to upgrade credit procedures, raise efficiency and enhance quality, the Bank has recently taken number of steps including: evaluation, updating credit policy to be in conformity with the best international banking practices, and the resolutions of Basel II, proactively intensifying efforts to handle accounts showing credit weakness indicators, in addition to continued application of an in-house developed computer programs and software to ensure high levels in portfolio management.

Legal Group

The Legal Group provides all works and consultations of legal and judicial nature that are connected to the Bank's business; on the one hand, it provides the Bank's different divisions and branches with legal opinions and consultations on all matters referred to it, in addition to reviewing and drafting all contracts and agreements concluded by the Bank, and, on the other hand, the Legal Group represents the Bank before all competent courts and revises the Bank's internal policies and operational procedures in order to ensure compliance and conformity of the same with the provisions of relevant laws and regulations.

Compliance & Group Risk Management Division

In 2009, Group Risk Management and Compliance Department were merged under the umbrella of "Compliance & Group Risk Management Division". This was done as part of HBTF's initiative to implement Enterprise Risk Management, to achieve the integration between risk and compliance, according to the principles of sound management, internal control, transparency, and to ensure that risks remain within the defined risk appetite and acceptable levels.

HBTF's Enterprise Risk Management is a rigorous and coordinated approach aiming at assessing and responding to risks that affect the achievement of the Bank's strategic objectives, while ensuring compliance with laws and regulations. This includes: (Risk Identification & Assessment - Risk Control & Mitigation - Monitoring - Reporting - Risk Culture, Awareness & Training - Internal Audit Review), as defined in our Risk Management Policies and Strategies.

Also, HBTF adopts "a Corporate Governance Code", which complies with the transparency & disclosure regulations, issued by the Jordan Securities Commission and the Central Bank of Jordan. This Code is available in our Annual Report, and on our website www.hbtf.com. Detailed information on risk management can be found in note No. 40 in 2009 Annual Report.

Finance Division

The Finance Division has implemented the best practices in accounting and financial control, in support of accomplishing its vision, as it continued to prepare the periodical and final financial statements in conformity with international accounting principles, instructions of control bodies, and Basel II requirements. In 2009, to enhance transparency and declaration values, the best related practices have been applied, through automation of the financial statements periodically forwarded to the Central Bank of Jordan, in order to provide assurance that financial data, reports and position are fair and accurate.

The Finance Division plays an important role in preparation of the strategic plan, and estimated budget, as well as follow up implementation thereof, performance control and analysis, provide sectors with data and information necessary for their business, manage the Bank's relations with the Central Bank of Jordan, External Auditors, Income Tax Department, International Rating Institutions, and other relevant bodies.

This year has also witnessed affiliation of Economic and Strategic Researches center to the Finance Division, as the center is interested in preparation of periodical economic, banking and market studies and reports, the Annual Report, studies for local and foreign expansion. This aims at providing information to assist the decision maker build the Bank's strategies and strengthen its competitive position. In addition to preparation of economic and banking publications.

Internal Audit

The Housing Bank for Trade and Finance has always been persistent to have an objective, efficient and independent Internal Audit Department, as a key basis to accomplish principles of rational management, establish and incorporate sound corporate governance.

The Audit Department continued its highly professional activities, by providing assurance and consulting services designed to improve the Banks operations, by adopting a systematic and disciplined approach according to the applicable international standards for internal auditing, aiming at improving efficiency of risk management operations, internal controls and corporate governance and to assist the Bank in achieving its objectives.

The Internal Audit Department ensures implementation of assignments entrusted to branches and business centers, in accordance with internal policies and procedures, and in compliance with the applicable rules and regulations and best applicable practices, in order to minimize risks of exposure to illegal and unethical practices.

During the year 2009, the Internal Audit Department implemented the audit automation software "TEAM-MATE" which enhanced the efficiency and competency of Internal Audit Department, through creation of knowledge base. It is expected that the year 2010 will witness the application of the Audit Command Language "ACL" software to strengthen the working procedures of the Audit Department in the area of oversight and disclosure of any wrongdoing, and to take preventive measures before they occur.

The efforts of The Audit Department has culminated in 2009 by obtaining the "General Conformance Certificate" with International Internal Audit Standards issued by the American Institute of Internal Auditors "IIA", making The Housing bank For Trade and Finance the first bank in Jordan and the Arab region to obtain such evaluation. This assures performance efficiency and professionalism of the audit committee / Board of Directors and the Internal Audit Department.

Social Responsibility

As part of its social responsibility, the Bank continued to support local community welfare and development organizations. Donations were made to the Jordanian Hashemite Fund for Human Development, King Hussein Cancer Center, Jordan River Foundation, Tkiyet Um Ali, Aman Fund for Orphans Future. The Bank was also active in various economic, educational, health, cultural, social, athletic and environmental activities.

The Bank sponsored a number of economic forums and conferences. In October 2009, It organized the MENA Regional Economic Forum in cooperation with the Institute of International Finance (IIF). The forum was a unique opportunity for chief economists and other senior executives of IIF member firms in the MENA region and of global institutions with interest in the region, to exchange views on global economic and financial developments and their implications for the region. The Bank also contributed to the Arab Labor Conference held by Ministry of Labor, the Technology Conference held at Princess Sumaya University, Regional Conference on children cancer and hematology diseases, and other events.

For the third consecutive year, the Bank sponsored and supported the Arab Children Conference. It also sponsored the Kids Expo and Child and Family Day events.

The Bank continued supporting environmental awareness programs, environment protection projects and clean environment programs, in addition to supporting national environmental initiatives such as the anti-smoking and anti-drugs campaigns.

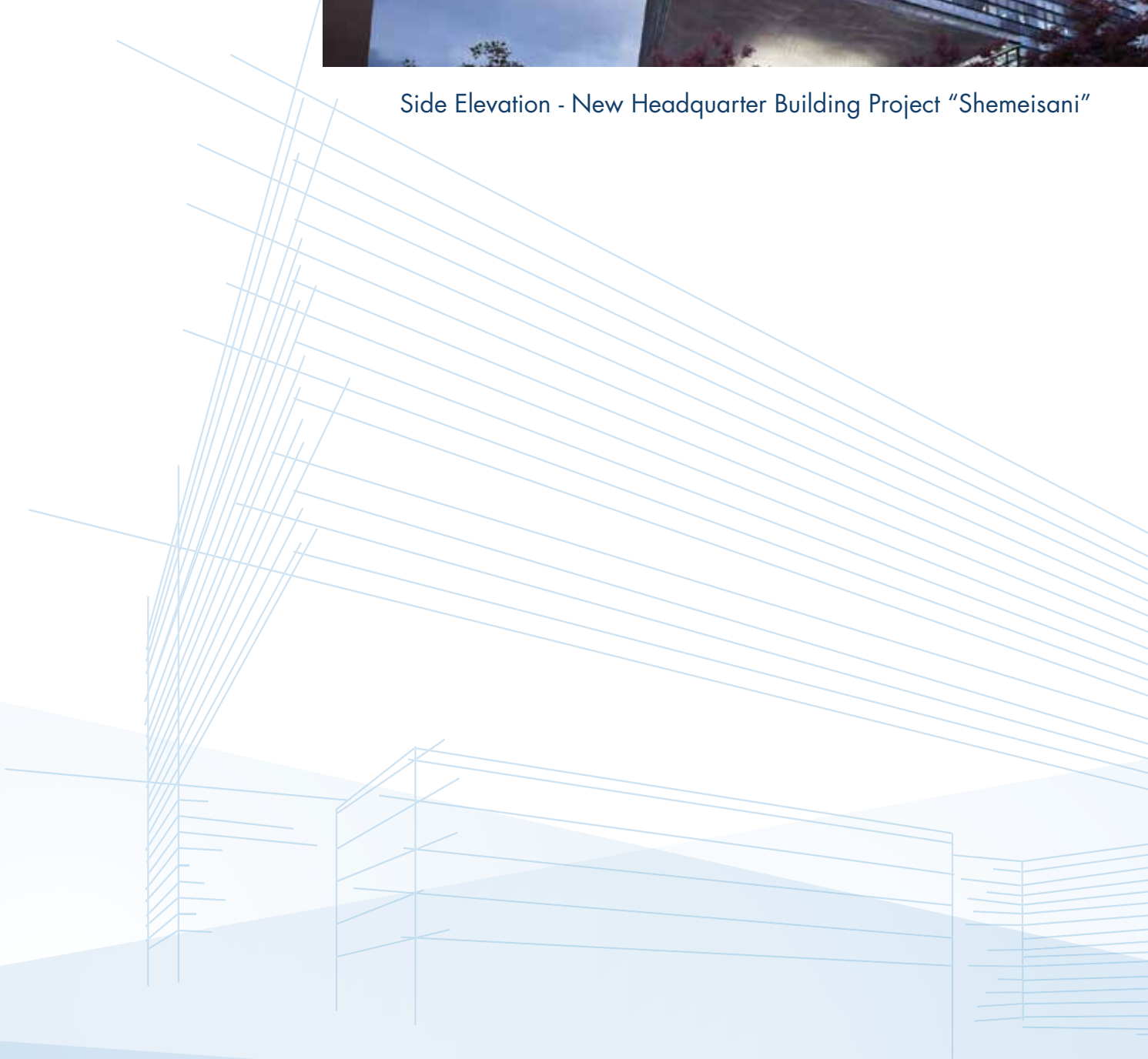
The Bank sponsored the distribution of awareness brochures on swine flu (H1N1), and the distribution, in cooperation with the Public Security Directorate, of brochures on public safety and prevention of road accidents. It also sponsored local athletic events and activities.

Bank staff participated in local community activities such as visits to nursing homes for the elderly and orphanages. Blood donation drives were also organized.





Side Elevation - New Headquarter Building Project "Shemeisani"



Within the last thirty six years, and from its very beginnings as a small bank established in 1973, the Housing Bank succeeded in recording distinguished performance and growth in different financial and banking activities, as it proudly stands on sound base depending on excellent team, high quality ratings, local, regional and international certificates and awards of appreciation, which make it a leading institution, with banking presence in many congregations, and at the lead in many banking ratios and indicators.

Based on the sound foundations built over three decades span, and the recent developments in the local and international economic and banking environment, the Bank has prepared an ambitious growth strategy buttressed by detailed business plans, to take off towards new horizons of excellence and prosperity in all fields, and overcome future challenges in all geographical locations of its business.

The Bank's future strategic axes aim to achieve the following:

Financial Goals

1. Attainment of sustainable growth in profitability which shall improve ROaA and ROaE
2. Increase the assets, balances of customers' deposits and credit facilities, in order to improve the Bank's market share
3. Increase revenues and rationalize expenditures, which shall decrease the " expenditure / revenue " ratio
4. Decrease NPL's which shall improve quality of credit portfolio
5. Increase the coverage ratio

Operations

1. Complete the Bank's organizational structures, prepare job description cards, and update policies and procedures manuals
2. Reinforce branches network in Jordan and abroad
3. Reinforce electronic distribution channels network
4. Complete application of the first stage of the new HRMS including many systems such as salaries, reports and human resources operations
5. Start implementation of Core Banking System
6. Start preparations for next applications of Basel II, related to " Supervisory Revision " and " Declaration requirements "

Customers

1. Continue Data Cleansing project
2. Continue connecting customers with ICE
3. Continue enhancing customers loyalty, and provide high quality banking services through:
 - Enhance business relations with existing customers, build strong business relations with new customers through intensive marketing visits
 - Provide new services and products, as well as better banking solutions
 - Prepare a study about customers satisfaction

Human Resources

1. Continue developing employees capabilities and skills, aiming at creation of leaders capable to develop various business methods
2. Prepare detailed manuals about competencies, to form the basis for job substitution and succession, and Talent Management
3. Develop and automate all systems related to HR, through a long term strategy

Consolidated Financial Statements



Front Elevation - New Headquarter and Main Branch Building Project "Shemeisani"



AUDITORS' REPORT

TO THE SHAREHOLDERS OF THE HOUSING BANK FOR TRADE AND FINANCE AMMAN-JORDAN

Report On The Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of the Housing Bank for Trade and Finance - Public Shareholding Company, which comprise of the consolidated statement of financial position as of December 31, 2009, consolidated statement of income, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of The Housing Bank for Trade and Finance as of December 31, 2009 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards.

Report On Legal & Regulatory Requirements

The Bank maintains proper accounting records, and the accompanying consolidated financial statements are in agreement therewith and with the financial data presented in the Board of Directors' report. We recommend that the General Assembly of Shareholders approve these consolidated financial statements.

The accompanying consolidated financial statements are a translation of the statutory consolidated financial statements which are in the Arabic language to which reference is to be made.

Ernst and Young
Amman – Jordan
January 27, 2010

Deloitte and Touche M.E. - Jordan

Consolidated Statement of Financial Position As of December 31, 2009

	Notes	2009 JD	2008 JD
ASSETS			
Cash and balances with central banks	4	1,478,337,776	994,243,497
Balances with banks and financial institutions	5	689,876,798	700,062,230
Deposits with banks and financial institutions	6	53,097,828	20,416,501
Financial assets held for trading	7	1,495,880	13,408,133
Direct credit facilities – net	8	2,368,648,748	2,341,696,067
Financial assets available for sale	9	581,008,188	613,297,108
Financial assets held to maturity	10	744,569,957	600,541,463
Property and equipment	11	93,025,899	78,060,574
Intangible assets	12	3,176,127	5,098,194
Deferred tax assets	18	9,199,723	13,072,036
Other assets	13	67,900,813	50,683,241
Total Assets		6,090,337,737	5,430,579,044
LIABILITIES AND EQUITY			
LIABILITIES			
Banks and financial institutions deposits	14	284,067,286	307,106,876
Customers' deposits	15	4,430,410,552	3,764,520,478
Margin accounts	16	289,680,522	303,684,439
Loans and borrowings		-	1,964,513
Sundry provisions	17	18,719,304	15,988,411
Income tax provision	18	31,339,932	50,089,827
Deferred tax liabilities	18	1,006,216	53,035
Other liabilities	19	68,641,153	76,158,490
Total Liabilities		5,123,864,965	4,519,566,069
Equity			
EQUITY ATTRIBUTABLE TO THE BANK'S SHAREHOLDERS			
Paid-in capital	20	252,000,000	252,000,000
Share premium	20	357,925,469	357,925,469
Statutory reserve	21	95,334,774	85,205,068
Voluntary reserve	21	33,222,068	33,222,068
General banking risks reserve	21	22,450,000	23,702,983
Foreign currency translation differences	22	1,733,632	1,057,229
Cumulative change in fair values – net	23	(2,840,657)	(28,311,128)
Retained earnings	24, 25	131,243,206	143,861,445
Total Equity Attributable to the Bank's Shareholders		891,068,492	868,663,134
Non – Controlling Interests		75,404,280	42,349,841
Total Equity		966,472,772	911,012,975
Total Liabilities and Equity		6,090,337,737	5,430,579,044

The attached notes from 1 to 49 are part of these consolidated financial statements and should be read with them.

Consolidated Statement of Income for the Year Ended December 31, 2009

	Notes	2009 JD	2008 JD
Interest income	26	292,906,561	300,990,049
Interest expense	27	(102,673,190)	(102,124,095)
Net Interest Income		190,233,371	198,865,954
Net commission income	28	33,451,519	29,386,244
Net Interest and Commission Income		223,684,890	228,252,198
Foreign exchange income	29	9,815,541	11,039,146
Gains (losses) from financial assets held for trading	30	94,989	(223,814)
Gains (losses) from financial assets available-for-sale	31	1,967,649	(25,820,999)
Other income	32	24,289,226	31,962,209
Gross Income		259,852,295	245,208,740
Employees' cost	33	49,504,875	49,153,186
Depreciation and amortization	11,12	11,361,148	9,422,875
Other expenses	34	33,548,969	39,169,842
Impairment loss on direct credit facilities	8	64,542,482	3,784,251
Sundry provisions	17	3,880,697	1,656,828
Total Expenses		162,838,171	103,186,982
Profit before income tax		97,014,124	142,021,758
Less : Income tax expense	18	30,451,614	40,699,013
Profit for the year		66,562,510	101,322,745
Attributable to :			
Bank's shareholders		59,896,310	95,950,612
Non-Controlling Interests		6,666,200	5,372,133
		66,562,510	101,322,745
Basic and diluted earnings per share from the profit for the year attributable to the Bank's shareholders	35	0.238 JD	0.383 JD

The attached notes from 1 to 49 are part of these consolidated financial statements and should be read with them.

Consolidated Statement of Comprehensive Income for the Year Ended December 31, 2009

	2009 JD	2008 JD
Profit for the year	66,562,510	101,322,745
Add : Other comprehensive income - net of tax		
Foreign currency transaltion	1,104,611	(4,096,661)
Change in fair value – net	25,470,471	(29,548,814)
Total Other Comprehensive Income (Loss) for the year - Net of Tax	26,575,082	(33,645,475)
Total Comprehensive Income for theYear	93,137,592	67,677,270
Abbrivable to:		
Bank’s shareholders	86,043,184	63,226,410
Non-Controlling Interests	7,094,408	4,450,860
	93,137,592	67,677,270

The attached notes from 1 to 49 are part of these consolidated financial statements and should be read with them.

Consolidated Statement of Changes in Equity for the Year Ended December 31, 2009

Equity Attributable to the Bank's Shareholders

2009	Paid-in Capital	Share Premium	Reserves			Foreign Currency Translation Differences	Cumulative Change in Fair Values- Net	Retained Earnings	Total Equity Attributable to the Shareholders Bank's	Non-Controlling Interests	Total Equity
			Statutory	Voluntary	General Banking Risks						
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balance - beginning of the year	252,000,000	357,925,469	85,205,068	33,222,068	23,702,983	1,057,229	(28,311,128)	143,861,445	868,663,134	42,349,841	911,012,975
Total comprehensive income for the year	-	-	-	-	-	676,403	25,470,471	59,896,310	86,043,184	7,094,408	93,137,592
Increase in paid-in capital (subsidiary companies)	-	-	-	-	-	-	-	(558,948)	(558,948)	29,005,887	28,446,939
Transfer to/from reserves	-	-	10,129,706	-	(1,252,983)	-	-	(8,876,723)	-	-	-
Dividends paid	-	-	-	-	-	-	-	(63,000,000)	(63,000,000)	(3,036,730)	(66,036,730)
Others	-	-	-	-	-	-	-	(78,878)	(78,878)	(9,126)	(88,004)
Balance - End of the Year	252,000,000	357,925,469	95,334,774	33,222,068	22,450,000	1,733,632	(2,840,657)	131,243,206	891,068,492	75,404,280	966,472,772

- Retained earnings include an amount of JD 12,040,380 as of December 31, 2009 restricted against deferred tax assets and the negative cumulative change in fair value (JD 41,383,164 as of December 31, 2008).

- The general banking risk reserve is a restricted reserve that cannot be utilized unless approval is obtained from the Central Bank of Jordan and the monitoring authorities.

The attached notes from 1 to 49 are part of these consolidated financial statements and should be read with them.

Consolidated Statement of Changes in Equity for the Year Ended December 31, 2008

Equity Attributable to the Bank's Shareholders

2008	Paid-in Capital	Share Premium	Treasury Shares	Reserves			Foreign Currency Translation Differences	Cumulative Change in Fair Values-Net	Retained Earnings	Total Equity Attributable to the Shareholders Bank's	Non-Controlling Interests	Total Equity
				Statutory	Voluntary	General Banking Risks						
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balance - beginning of the year	250,000,000	349,377,566	(19,504,151)	71,030,019	33,222,068	20,000,000	4,232,617	1,237,686	140,882,930	850,478,735	39,815,302	890,294,037
Total comprehensive income for the year	-	-	-	-	-	-	(3,175,388)	(29,548,814)	95,950,612	63,226,410	4,450,860	67,677,270
Increase in paid-in capital and share premium	2,000,000	8,000,000	-	-	-	-	-	-	-	10,000,000	-	10,000,000
Transfer to/from reserves	-	-	-	14,175,049	-	3,702,983	-	-	(17,878,032)	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	(75,000,000)	(75,000,000)	(1,915,393)	(76,915,393)
Others	-	547,903	19,504,151	-	-	-	-	-	-	20,052,054	-	20,052,054
Balance - End of the Year	-	-	-	-	-	-	-	-	(94,065)	(94,065)	(928)	(94,993)
Balance - End of the Year	252,000,000	357,925,469	-	85,205,068	33,222,068	23,702,983	1,057,229	(28,311,128)	143,861,445	868,663,134	42,349,841	911,012,975

The attached notes from 1 to 49 are part of these consolidated financial statements and should be read with them.

Consolidated Statement of Cash Flows for the Year Ended December 31, 2009

	Notes	2009 JD	2008 JD
Cash Flows from OPERATING ACTIVITIES			
Profit before income tax		97,014,124	142,021,758
Adjustments for :			
Depreciation and amortization		11,361,148	9,422,875
Impairment loss on direct credit facilities		64,542,482	3,784,251
Unrealized loss from financial assets held for trading		180,631	998,596
(Recovered from) impairment losses on financial assets available-for-sale		(3,669,639)	25,848,374
Effect of change in exchange rates on cash and cash equivalents		(5,143,867)	(8,372,054)
End-of-service indemnity expense		3,110,926	2,708,223
Gain on sale of associated company		-	(3,862,633)
Premium and discount amortization		(10,792,124)	(9,381,942)
Gains from sale of property and equipment		(115,666)	(239,407)
Other provision		3,880,697	1,656,828
Others		548,702	2,030,541
Cash Flows from Operating Activities before Changes in Assets and Liabilities		160,917,414	166,615,410
Changes in Assets and Liabilities			
Decrease in deposits with central banks (maturing after more than 3 months)		5,000,000	149,500,000
(Increase) decrease in deposits with banks and financial institutions (maturing after more than 3 months)		(32,681,327)	13,048,528
(Increase) in direct credit facilities		(92,043,865)	(409,398,110)
Decrease in financial assets held for trading		4,045,268	1,876,533
(Increase) decrease in other assets		(17,098,813)	8,081,563
(Decrease) banks and financial institutions deposits (maturing after more than 3 months)		(1,095,697)	(9,058,769)
Increase in customers' deposits		665,890,074	263,958,378
(Decrease) increase in margin accounts		(14,003,917)	69,905,490
(Decrease) in other liabilities		(7,530,563)	(20,413,337)
(Decrease) in sundry provisions		(4,260,730)	(1,946,770)
Net Cash Flows from Operating Activities before Income Tax Paid		667,137,844	232,168,916
Income tax paid		(45,329,196)	(43,454,311)
Net Cash Flow from Operating Activities		621,808,648	188,714,605
CASH FLOWS FROM INVESTING ACTIVITIES			
(Purchase) of financial assets available for sale		(74,949,527)	(197,323,439)
Sale of financial assets available for sale		115,856,710	86,328,894
(Purchase) of financial assets held to maturity		(526,481,627)	(341,592,000)
Proceeds from redemption of financial assets held to maturity		422,406,639	182,037,661
Sale of investment in associated company		-	16,870,692
(Purchase) of property and equipment - net		(23,863,408)	(19,226,470)
Sale of property and equipment		217,362	189,730
(Purchase) of intangible assets		(652,287)	(4,970,664)
Net Cash Flows (used in) Investing Activities		(87,466,138)	(277,685,596)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in paid-in capital and share premium		-	10,000,000
Increase in capital fees for subsidiaries		(558,948)	-
Sale of treasury shares		-	20,052,054
Loans and borrowings		(1,964,514)	507,296
Dividends paid to shareholders		(62,986,774)	(74,979,806)
Non-controlling interests – net		26,200,196	(2,837,594)
Net Cash Flows (used in) Financing Activities		(39,310,040)	(47,258,050)
Net Increase (Decrease) in Cash and Cash Equivalents		495,032,470	(136,229,041)
Effect of change in exchange rate on cash and cash equivalents		5,143,867	8,372,054
Foreign currency translation adjustments		676,403	(3,175,388)
Cash and cash equivalents - beginning of the year		1,383,777,956	1,514,810,331
Cash and cash equivalents - End of the year	36	1,884,630,696	1,383,777,956

The attached notes from 1 to 49 are part of these consolidated financial statements and should be read with them.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1- GENERAL

- The Housing Bank for Trade and Finance (the Bank) was established in 1973 and registered as a public shareholding company with its headquarter in Amman - Jordan in accordance with the Jordanian Companies Law 12 of 1964. The Bank is engaged in all banking and financial activities through its head quarter in Amman and its branches in Jordan (100 branches) and abroad; Palestine (12 branches) and Bahrain branch and through its subsidiaries in Jordan, Palestine, Syria, and Algeria.
- The Bank's shares are traded in Amman Stock Exchange.
- The consolidated financial statements were approved by the Bank's Board of Directors according in their meeting No.1/1/2010 dated 27 January, 2010. These consolidated financial statements are subject to the approval of the General Assembly of Shareholders.

2- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

- The accompanying consolidated financial statements for the Bank and its subsidiaries have been prepared in accordance with the standards issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretation Committee arising from the International Accounting Standards Committee and in conformity with the applicable laws and regulations and the regulations of the Central Bank of Jordan.
- The consolidated financial statements are prepared on the historical cost basis except for held-for-trading financial assets / liabilities, available-for-sale financial assets, and derivatives that appear at fair value as of the date of the consolidated financial statements. Moreover, financial assets and financial liabilities hedged against the risk of fluctuation in their value are stated at fair value.
- The consolidated financial statements have been presented in Jordanian Dinar (JD) which is the functional currency of the Bank

Changes in Accounting Policies

The accounting policies adopted are consistent with those used in the previous year except as follows:-

- International Financial Reporting Standard No. (8) Operating Segments, which replaced the International Accounting Standard No. (14) "Reports of Sectors" and applied for the financial years since the first of January 2009. The International Financial Reporting Standard No. (8) is disclosure standard, which resulted in the re-definition of the Bank's business segments to reflect the basis used for internal purposes. This standard has had no material effect on the consolidated business results and financial position of the Bank.
- The International Standard for Financial Reporting 7 "Financial Instruments: Disclosures" The International Accounting Standards Board adopted amendments to the International Standard for Financial Reporting No. (7) during March 2009, which came into force in 2009. The amendments require better disclosures about fair value measurement and liquidity risk. In particular, the amendment requires disclosure of the hierarchy of fair value measurement. The application of the amendment led to additional disclosures, but had no material impact on the consolidated business results and financial position of the Bank.
- International Accounting Standard No. (1) (amended in 2007) Presentation of Financial Statements is applicable for financial periods beginning on or after January 1, 2009. This accounting standard has caused a number of changes in terminology, including the revised titles of the consolidated financial statements and led to several changes in presentation and disclosure, but it has had no impact on the consolidated results and financial position of the Bank and its subsidiaries.
- Levels of fair value: The standard requires identification and disclosure about the level in the hierarchy of fair value, under which the full fair value measurements are classified and fair value measurements are separated in accordance with the levels specified in International Financial Reporting Standards. The

difference between Level 2 and Level 3 for measuring fair value means assessing whether the information or the inputs can be observed and the extent of information which can not be observed, which requires the development of terms and a careful analysis of the inputs used to measure fair value, including taking into account all factors pertaining to the asset or liability.

Basis of Consolidation

The consolidated financial statements comprise of the financial statements of the Bank and its subsidiaries over which the Bank has the power to control the financial and operating policies so as to obtain benefits from their activities. All balances, transactions, income, and expenses between the Bank and the following subsidiaries are eliminated:

- a. International Bank for Trade and Finance / Syria (paid-in capital amounted to Syrian Lira 3,000 million, equivalent to JD 41.9 million, of which the Bank owns 49% as of December 31, 2009). The Bank has the power to control the administrative and financial policies of this bank. Therefore, its financial statements have been consolidated with the financial statements of the Bank. The main objective of this bank is to conduct commercial banking activities. The Bank's equity in this bank dates back to the Year 2003.
 - b. The Housing Bank for Trade and Finance – Algeria (paid-in capital Algerian Dinar 10,000 million, of which the Bank owns 61.171% and 64.74% as of December 31, 2009 and 2008 respectively). During the year 2009, there was an increase in paid-in capital amounting to Algerian Dinar 7,300,000,000, equivalent to JD 72,322,784. The main objective is to conduct commercial banking activities. The Bank's equity in this bank dates back to the year 2002 .
 - c. International Financial Center Company- Jordan (paid-in capital JD 4 million, of which the Bank owns 77.5% as of December 31, 2009). The Company's main activity is financial brokerage in local and foreign markets, and conducts purchase and sales transactions of financial instruments for customers in for the company it self. The Bank's equity in this company dates back to the year 1998.
 - d. Jordan and Palestine Financial Investment Company - Palestine (paid-in capital JD 2.5 million, of which the Bank owns 99.9% as of December 31, 2009). The Company's main activity is financial brokerage for its customers in Palestine financial market investment mangement and issuing bons and debentures. The Bank's equity in this company dates back to the year 1996.
 - e. Specialized Lease Finance Co./ Jordan , of which the Bank owns 100% of paid- in capital amounting to JD 20 million as of December 31, 2009. The Company's main activity is financing lease of various equipment and machinery in addition to real estate, land, and vehicles and other items that are purchased by the Company for financing lease purposes. The Bank's equity in this company dates back to the year 2005.
 - f. Jordan Real Estate Investments Company . The Bank owns 100% of this company's paid- in capital of 40,000 JD as of December 31, 2009. The company's main activity is to manange non - banking activities and services. The Bank's equity in this company dates back to the year 1997.
- The results of operations of the subsidiaries are consolidated in the statements of income from the acquisition date which is the date on which control over the subsidiaries is transferred to the Bank. The results of operations of the disposed of subsidiaries are consolidated in the statement of income up to the disposal date which is the date on which the Bank loses control over the subsidiaries .
 - Non-controlling interest represents the portion of equity in the subsidiaries owned by others.

Segment Information

- Business sectors represent a group of assets and operations that jointly provide products or services subject to risks and returns different from those of other business sectors. (measured in accordance with the reports send to chief operating decision maker)
- Geographical sector relates to the provision of products or services in a specific economic environment subject to risks and returns different from those of sectors functioning in other economic environments.

Financial Assets Held for Trading

- Financial assets held-for-trading are those purchased with the intent to resell them in the near future to generate gains as a result of the changes in the market prices of such investments.
- They are initially recognized at fair value when purchased (acquisition expenses are booked in the consolidated statement of income). They are subsequently remeasured at fair value as of the date of the consolidated financial statements. All realized and unrealized gains or losses on such assets are charged to the consolidated statement of income including any gains or losses resulting from the translation of such assets held in foreign currencies to the functional currency.

Interest earned and dividends received are recorded in the consolidated statement of income.

Direct Credit Facilities

- Direct credit facilities are financial assets with fixed installments initially granted or acquired by the Bank and has no market value in active markets.
- Provision for Impairment of direct credit facilities is recognized when there is an objective event occurring after the initial recognition of the facility that have negative impact on the estimated future cash flows of the facilities and that can be reliably estimated. The impairment is charged to the consolidated statement of income.
- Interest and commission on non-performing facilities are suspended when loans become impaired according to the regulations of the Central Bank of Jordan.
- Loans and the related provision for impairment are written off when collection procedures become ineffective by deduction from the booked provision. The excess in the allowance of possible loan losses, if any, is transferred to the consolidated statement of income, and cash recoveries of loans previously written off are credited to income.
- Investments in lease contracts are stated at the net present value after deducting unearned revenue lease contract revenue is charged to revenues on the accrual basis.

Financial Leases Investments

Lease investments are classified in the consolidated financial statements as finance leases when all risks and benefits of ownership transfer to the lessees. All other leases are classified as operating leases.

Investments in financial leases are stated at net present value after deducting unearned revenue and impairment provisions.

Direct financing lease costs are included in the leases net present value of the lease.

Financial Assets Available-for-Sale

Financial assets available-for-sale are those which do not qualify to be classified as held-for-trading or held-to-maturity.

After initial measurement, financial assets available-for-sale are measured at fair value plus the acquisition expenses. Unrealised gains and losses are recognized as 'Cumulative change in fair value reserve' in the statement of comprehensive income. When the this financial asset is disposed of (completely or partially) or has been impaired, the gains or losses resulting therefrom, are charged to the consolidated statement of income, in addition to amount previously recognized in the consolidated statement of comprehensive income.

Impairment loss previously recognized the consolidated statement of income are reversed when there is objective evidence that the increase in fair value occurred in subsequent period of the impairment. Reversal of impairment on equity instruments is reflected in the cumulative change in fair value, while reversal of impairment on debt instruments recognized in to the consolidated statement of income.

Gains or losses on debt instruments resulting from foreign exchange rate changes are transferred to the consolidated statement of income. As for equity instruments, such gains and losses are transferred to the cumulative change in fair value, in the comprehensive income.

Interest earned on available-for-sale financial investments is reported as interest income using the effective interest method in the consolidated statement of income.

Financial assets available for sale which can not be reliably measured at fair value are recorded at cost. Impairment on such assets is recognised in the consolidated statement of income when incurred.

Financial Assets Held-to-Maturity

Financial assets held-to-maturity financial are those which carry fixed or determinable payments and have fixed maturities and which the Bank has the positive intention and ability to hold to maturity.

Held-to-maturity investments are recorded at cost (fair value) plus acquisition costs. Premiums and discounts are amortized in the consolidated statement of income according to the effective interest rate method. Provisions associated with irrecoverable impairment in their value are deducted. Any impairment in assets is recorded in the consolidated statement of income when incurred.

Fair Value

For investments and derivatives quoted in an active market, fair value is determined by reference to quoted market prices.

For financial instruments where there is no active market, fair value is normally based on one of the following methods:

- Comparison with the current market value of a highly similar financial instrument.
- Analysis of the expected future cash flows discounted at current rates applicable for items with similar terms and risk characteristics.
- Option pricing models.

The objective of the measurement methods is to obtain a fair value that reflects the market and takes in to consideration the market factors and any risks or benefits. Where the fair value of an investment cannot be reliably measured, it is stated at cost after deducting any impairment in its value.

Impairment of Financial Assets

Assessment is made at the date of the consolidated of financial position to determine whether there is objective evidence that a specific financial asset is impaired. If such evidence exists, any impairment loss is recognized in the consolidated of statement of income.

Impairment is determined as follows:

- For financial assets carried at amortized cost: impairment is the difference between the carrying value and the estimated cash flows discounted at the original effective interest rate.
- For financial assets available for sale carried at fair value: impairment is the difference between the cost and fair value.
- For assets carried at cost: impairment is based on the difference between the carrying value and the present value of future cash flows discounted at the current market rate of return for a similar financial asset.

Impairment is recognized in the consolidated statement of income. Any subsequent recovery of a previously recorded impairment of financial assets is charged to the consolidated statement of income, except for financial assets classified as available-for-sale for which the reversal is recognized in the cumulative change in fair value.

Property and Equipment

Property and equipment are measured at cost less accumulated depreciation and any impairment. Property and equipment (except land) are depreciated when ready for use using the straight line method over its expected useful life. The depreciation rates used are as follows:

Buildings	2%
Equipment, furniture and fixtures	5% - 15%
Vehicles	20%
Computer	14% - 33%

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

Useful life of property and equipment is reviewed at the date of each financial statements.

Changes in the expected useful life are treated as changes in accounting estimates.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal.

Provisions

Provisions are recognized when the Bank has an obligation as of the date of the consolidated statement of financial position arising from a past event and the costs to settle the obligation are both probable and can be reliably measured.

End-of-Service Indemnity

Provision for end-of-service indemnity is booked by the Bank for any legal or contractual obligations at the end of the employees' services according to the accumulated service terms at the date of the statement of financial position and the Bank's internal regulations.

Income Tax

- Tax expense comprises current tax and deferred taxes.
- Current tax is based on taxable profits, which may differ from accounting profits published in the financial statements. Accounting profits may include non-taxable profits or tax deductible expenses which may be exempted in the current or subsequent financial years.
- Tax is calculated based on tax rates and laws that are applicable in the country of operation.
- Deferred tax is the tax expected to be paid or recovered due to temporary differences at between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are measured at the tax rates expected to be applied in the period when the asset is realized or the liability is settled, based on the laws enacted or substantially enacted at the date of the consolidated statement of financial position.
- The carrying values of deferred income tax assets are reviewed at the date of each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Capital

Cost of issuing and purchasing paid-in capital

Cost of issuing paid-in capital and cost of purchasing treasury shares are recorded in additional paid-in capital (net of tax). If such issuance and purchase are not completed, the related cost is recognized in the consolidated statement of income.

Treasury Shares

Treasury shares are stated at cost. These shares have no voting rights and are not subject to any distributable dividends or income. No gain or loss is recognized in the consolidated statement of income on the purchase, sale, issuance or cancellation of the Bank's own equity instruments. Gains from sale of treasury shares shall be recorded in equity, while losses shall be transferred to retained earnings when the paid-in capital balance is fully utilized.

Fiduciary Assets

Assets held in a fiduciary capacity are not recognized as assets of the Bank. Fees and commissions received for administering such assets are recognized in the consolidated statement of income. A provision is recognized for the decreases in the fair value of guaranteed fiduciary assets below their original principal amount.

Offsetting

Financial assets and financial liabilities are offset, and the net amount reported in the consolidated statement of financial position when there is a legally enforceable right to offset the recognized amounts and the Bank intends to either settle them on a net basis, or to realize the asset and settle the liability simultaneously.

Revenue and Expense Recognition

Interest income is recorded using the effective interest method except for fees and interest on non-performing facilities, on which interest is transferred to the interest in suspense account and not recognized in the consolidated statement of income.

Expenses are recognized on an accrual basis.

Commission income is recognized upon the rendering of services. Dividend income is recognized when earned (when approved by the General Assembly).

Recognition Date of Financial Assets

Purchases and sales of financial assets are recognized on the trading date, i.e. the date on which the Bank commits to purchase or sell the financial asset.

Derivatives and Hedging Accounting

Hedging Derivatives

In hedging accounting derivatives are recognized at fair value and are classified as follows:

- Fair value hedges

A fair value hedge is a hedge against changes in fair value of the Banks assets and liabilities. For designated and qualifying fair value hedges, the change in the fair value of a hedging derivative is recognized in the consolidated statement of income. The change in the fair value of the hedged item attributable to the risk hedged is recorded as adjustment to the carrying value of the hedged item and recognized in the consolidated statement of income.

- Cash flows hedges

A cash flows hedge is a hedge against the exposure to variability in the Bank's actual and expected cash flows attributable to a particular risk associated with a recognized asset or liability.

For designated and qualifying cash flows hedges, the effective portion of the gain or loss on the hedging instrument is initially recognized in the consolidated statement of comprehensive income, and subsequently transferred to the consolidated statement of income in the period in which the hedged cash flows affect income.

- Hedge of net investments in foreign operations

For designated and qualifying hedges of net investments in a foreign operation such hedges are accounted for by measuring the fair value of the hedging instrument. The effective portion of the gain or loss on the hedging instrument is initially recognized directly in the consolidated statement of comprehensive income, while the ineffective portion of the gain or loss on the hedging instrument is recognised in the consolidated statement of income immediately. On disposal of the foreign operation, the ineffective position is recognized in the consolidated statement of income.

For hedges which become ineffective, gains or losses resulting from the change in the fair value of the hedge instrument are recognized directly in the consolidated statement of income.

Derivative financial instruments held for trading

Derivative financial instruments held for trading such as foreign currency forward and future deals, interest rate forward and future deals, swaps, foreign currency options and others, are recorded at fair value in the consolidated statement of financial position. Fair value is determined by reference to current market prices. In case such prices were unavailable, the method of valuation is stated, and changes in fair value are transferred to the consolidated statement of income.

Repurchase and Resale Agreements

Assets sold with a simultaneous commitment to repurchase at a specified future date (repos) will continue to be recognized in the Bank's consolidated financial statements due to the Bank's control of these assets and the fact that continuing exposure to the risks and rewards of these assets remains with the Bank (where the buyer has the right to use these assets (sell or re-lien) they reclassified as liened financial assets). The proceeds of the sale are recorded under loans and borrowings. The difference between the sale and the repurchase price is recognized as an interest expense over the agreement term using the effective interest method.

Assets purchased with a corresponding commitment to resell at a specified future date (reverse repos) are not recognized in the Bank's consolidated financial statements since the Bank is not able to control these assets or does it own and associated risk and benefits. The related payments are recognized as part of deposits at banks and financial institutions or direct credit facilities as applicable, and the difference between purchase and resale price is recognized as interest income over the agreement term using the effective interest method.

Assets seized by the Bank

Assets seized by the Bank through calling upon collateral are shown in the consolidated statement of financial position under "other assets" at the lower of their carrying value or fair value. These assets are revalued at the date of the consolidated financial statement on an individual basis and losses from impairment are transferred directly to the consolidated statement of income, while revaluation gains are not recognised as income. Reversal of previous impairment losses shall not result in a carrying value that exceeds the carrying amount that would have been determined had no impairment been charged to the consolidated statement of income and loss been recognized for the asset in prior years.

Intangible Assets

a) Goodwill

- Goodwill is initially measured at cost being the excess of the cost of acquisition on purchase of investment in an associate or subsidiary company over the Bank's share in the net fair value of the identifiable assets as the date of acquisition. Goodwill arising from the investment in subsidiaries will be separately shown under intangible assets, while that arising from the investment in associates will be shown as part of investment in associates and subsequently adjusted for any impairment losses.
- Goodwill is allocated to each of the Bank's cash-generating units, or groups of cash-generating units for the purpose of impairment testing.
- Following initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is reviewed for impairment, at the date of the financial statements, if events or changes in circumstances indicate that the estimated recoverable amount of a cash-generating unit or group of cash-generating units is less than their carrying amount. Impairment losses are charged to the consolidated statement of income.

b) Other intangible assets

- Intangible assets acquired through business combination are recorded at their fair value on that date. Other intangible assets are measured on initial recognition at cost.
- Intangible assets are classified based on the assessment of its useful life to definite and indefinite.
- Intangible assets with definite lives are amortized over the useful economic life, while intangible assets with indefinite useful lives are assessed for impairment at each reporting date and impairment loss is charged to the consolidated statement of income.
- Internally generated intangible assets are not capitalized and are expensed in the consolidated statement of income.
- Indications of impairment of intangible assets are reviewed and their useful economic lives are reassessed, at each reporting date. Adjustments are reflected in the current and subsequent periods.
- Other intangible assets consist of computer software that are amortized using the straight-line method over 3 years.

Foreign currencies

- Transactions in foreign currencies during the year are recorded at the exchange rates prevailing at the date of the transaction.
- Financial assets and financial liabilities denominated in foreign currencies are translated at the average rates prevailing on the date of the consolidated statements of financial position and declared by the Central Bank of Jordan.
- Non-monetary assets and liabilities denominated in foreign currencies and recorded at fair value are translated on the date when their fair value is determined.
- Gains or losses resulting from foreign currency translation are charged to the consolidated statement of income.
- Translation differences for non-monetary assets and liabilities denominated in foreign currencies (such as equity securities) are recorded as part of the change in fair value.
- When consolidating the financial statements, the assets and liabilities of foreign branches and subsidiaries are translated into the functional currency of each entity at the average exchange rates of the Central Bank of Jordan prevailing at the date of the consolidated statements of financial position. Income and expense items are translated at the average exchange rates for the period. Any exchange differences are taken directly to a foreign currency translation adjustment reserve within shareholders' equity. Exchange differences arising from the sale of foreign branches or subsidiaries are recorded as part of the revenues or expenses within the consolidated statement of income.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and cash balances with banks and financial institutions that mature within three months, less banks and financial institutions deposits that mature within three months and restricted balances.

3- USE OF ESTIMATES

Preparation of the 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 comprehensive income. In particular, considerable judgment by management is required in the estimation of the amount and timing of future cash flows when determining the level of provisions required for non-performing credit facilities. Such estimates are necessarily based on assumptions about several factors involving varying degrees of judgment and uncertainty. Furthermore, actual results may differ resulting in future changes in such provisions.

We believe that our estimates in the consolidated financial statements are reasonable. The details are as follows:

- Provision for impairment in loans and facilities: The Bank reviews its loan portfolios according to the regulations of the Central Bank of Jordan and those of the countries where the Bank operates. The related provision is computed using the most conservative method.
- Impairment losses on siezed assets are determined based on the appraisal reports prepared by certified appraisers and are reviewed periodically.
- The income tax provision is calculated based on the prevailing laws and regulations and International Financial Reporting Standards. Moreover, deferred tax assets and liabilities and the related provision are recorded.
- Management periodically re-evaluates the tangible and intangible assets in order to assess the amortization and depreciation for the year based on the useful life and future economic benefit. Any related impairment is charged to the consolidated statement of income.
- Financial assets are stated at cost and reviewed periodically and any impairment is charged to the consolidated statement of income.
- Legal provisions are taken for lawsuits raised against the Bank based on the Bank legal advisor's opinion.

Fair value hierarchy

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

4-CASH AND BALANCES WITH CENTRAL BANKS

This item consists of the following:

December 31,		
	2009 JD	2008 JD
Cash in treasury	118,408,746	107,371,402
Balances at central banks :		
Current accounts and demand deposits	912,637,008	411,826,761
Term and notice deposits	120,970,693	29,103,104
Statutory cash reserve	326,321,329	369,944,598
Certificates of deposit	-	75,997,632
Total	1,478,337,776	994,243,497

- Except for the statutory cash reserve and balances restrained at Central Banks and the Authorities, there are no restricted balances.

5-BALANCES WITH BANKS AND FINANCIAL INSTITUTIONS

This item consists of the following:

	Local Bank and Financial Institutions		Foreign Bank and Financial Institutions		Total	
	December 31,		December 31,		December 31,	
	2008	2009	2008	2009	2008	2009
	JD		JD		JD	
Current accounts and demand deposits	65,432	6,030,170	44,403,444	47,346,106	44,468,876	53,376,276
Deposits maturing within or less than 3 months	3,545,000	-	638,936,922	646,685,954	642,481,922	646,685,954
Certificates of deposit	-	-	2,926,000	-	2,926,000	-
Total	3,610,432	6,030,170	686,266,366	694,032,060	689,876,798	700,062,230

- Non-interest bearing balances at banks and financial institutions amounted to JD 10,986,699 as of December 31, 2009 (JD 19,976,268 as of December 31, 2008).

- Restricted balances amounted to JD 322,595 as of December 31, 2009 and 2008.

6-DEPOSITS WITH BANKS AND FINANCIAL INSTITUTIONS

This item consists of the following:

Foreign Banks and Financial Institutions		
	December 31, 2009	December 31, 2008
	JD	JD
Deposits maturing within		
3 to 6 months	48,295,530	354,501
6 to 9 months	-	14,330,000
Certificates of deposit maturing within		
3 to 6 months	1,463,000	1,433,000
6 to 9 months	3,339,298	-
More than a year	-	4,299,000
Total	53,097,828	20,416,501

7-FINANCIAL ASSETS HELD FOR TRADING

This item consists of the following:

	December 31,	
	2009	2008
	JD	JD
Listed bonds	-	11,107,605
Listed shares	1,495,880	2,300,528
Total	1,495,880	13,408,133

8- DIRECT CREDIT FACILITIES- Net

This item consists of the following:

	December 31,	
	2009 JD	2008 JD
Individual Retail Customers:		
Overdraft	12,493,095	21,527,726
Loans and discounted bills *	384,734,596	382,328,377
Credit cards	10,670,925	11,658,594
Residential and Real Estate Mortgages	490,425,933	462,345,941
Residential	375,932,244	349,879,687
Corporate Entities:		
Large Corporate Customers		
Overdraft	276,134,532	278,191,010
Loans and discounted bills *	898,286,516	838,544,158
SMEs		
Overdraft	105,097,418	89,099,852
Loans and discounted bills *	170,514,502	149,099,025
Lending to Government and public sectors	144,978,863	160,224,831
Total	2,493,336,380	2,393,019,514
Less : Provision for impairment in direct credit facilities	(100,463,002)	(36,575,585)
Suspended interest	(24,224,630)	(14,747,862)
Net Direct Credit Facilities	2,368,648,748	2,341,696,067

* Net of interest and commission received in advance amounting to JD 27,973,996 as of December 31, 2009 (JD 30,310,799 as of December 31, 2008).

- Non-performing credit facilities, totalled JD 176,968,840 representing 7.1% of total direct credit facilities as of December 31, 2009 and JD 65,277,324, representing 2.73% as of December 31, 2008.
- Non-performing credit facilities net of interest in suspense amounted to JD 156,808,815, representing 6.34% of total direct credit facilities net of interest in suspense as of December 31, 2009 and JD 53,061,485, representing 2.23% as of December 31, 2008.
- Credit facilities granted to and guaranteed by the Jordanian Government amounted to JD 88,673,116 representing 3.56% of total direct credit facilities as of December 31, 2009 and JD 106,917,615 representing 4.47% as of December 31, 2008.

Provision for impairment in direct credit facilities

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

JD

2009	Individual Retail Customer	Residential & Real Estate Mortgages	CORPORATE ENTITIES		Total
			Corporate	SMEs	
Balance – beginning of the year	9,016,595	7,324,960	7,733,064	12,500,966	36,575,585
Provision for the year	1,740,938	3,378,683	55,108,474	4,314,387	64,542,482
Amounts written off	(140,516)	(9,520)	(313,263)	(191,766)	(655,065)
Balance – End of the Year	10,617,017	10,694,123	62,528,275	16,623,587	100,463,002
Provision for impairment in credit facilities	9,908,602	10,361,590	61,536,025	16,512,017	98,318,234
Watch list allowance	708,415	332,533	992,250	111,570	2,144,768
	10,617,017	10,694,123	62,528,275	16,623,587	100,463,002

JD

2008	Individual Retail Customer	Residential & Real Estate Mortgages	CORPORATE ENTITIES		Total
			Corporate	SMEs	
Balance – beginning of the year	11,902,745	6,465,824	9,801,536	11,265,170	39,435,275
Provision for the year	(989,579)	1,710,164	988,502	2,075,164	3,784,251
Amounts written off	(1,896,571)	(851,028)	(3,056,974)	(839,368)	(6,643,941)
Balance – End of the Year	9,016,595	7,324,960	7,733,064	12,500,966	36,575,585
Provision for impairment in credit facilities	8,897,693	7,022,260	3,428,362	12,347,586	31,695,901
Watch list allowance	118,902	302,700	4,304,702	153,380	4,879,684
	9,016,595	7,324,960	7,733,064	12,500,966	36,575,585

- The surplus in provision which was due to settlements or debt repayments and was transferred against other debts amounted to JD 5,194,621 as of December 31, 2009 and JD 6,900,351 as of December 31, 2008.

Interest in suspense

The movement on the interest in suspense is as follows:

JD

2009	Individual Retail Customer	Residential & Real Estate Mortgages	CORPORATE ENTITIES		Total
			Corporate	SMEs	
Balance – beginning of the year	3,427,643	4,571,665	2,614,566	4,133,988	14,747,862
Add: Suspended interest during the year	1,800,086	2,187,618	6,999,091	2,500,619	13,487,414
Less: Interest transferred to income	(489,117)	(1,032,917)	(878,356)	(512,223)	(2,912,613)
Interest in suspense written off	(343,476)	(98,322)	(267,286)	(388,949)	(1,098,033)
Balance – End of the Year	4,395,136	5,628,044	8,468,015	5,733,435	24,224,630

2008	Individual Retail Customer	Residential & Real Estate Mortgages	CORPORATE ENTITIES		Total
			Corporate	SMEs	
Balance – beginning of the year	5,139,898	5,389,433	4,116,995	4,776,151	19,422,477
Add: Suspended interest during the year	1,212,215	1,806,844	2,655,452	664,806	6,339,317
Less: Interest transferred to income	(1,072,314)	(1,153,920)	(1,952,520)	(617,810)	(4,796,564)
Interest in suspense written off	(1,852,156)	(1,470,692)	(2,205,361)	(689,159)	(6,217,368)
Balance – End of the Year	3,427,643	4,571,665	2,614,566	4,133,988	14,747,862

9- FINANCIAL ASSETS AVAILABLE-FOR-SALE

This item consists of the following:

	December 31,	
	2009 JD	2008 JD
Quoted Financial Assets:		
Governmental and government guaranteed bonds	339,105,172	330,293,711
Corporate bonds and debentures	124,058,099	158,572,178
Corporates shares	11,353,377	18,628,171
Funds	61,793,506	56,587,945
Total Quoted Financial Assets	536,310,154	564,082,005

Unquoted Financial Assets :		
Governmental and government guaranteed bonds	2,375,150	10,389,917
Corporate bonds and debentures	25,676,573	20,716,184
Corporates shares	16,646,311	18,109,002
Total Unquoted Financial Assets	44,698,034	49,215,103
Total	581,008,188	613,297,108

Analysis of debt instruments :		
Fixed rate return	366,761,745	353,211,857
Variable rate return	124,453,249	166,760,133
Total	491,214,994	519,971,990

- The maturity terms of bonds ranges from one month to 5.5 years.
- Included in investments in shares is an amount of JD 16,646,313 as of December 31, 2009 (JD18,109,002 as of December 31, 2008) stated at cost since its fair value can not be measured reliably. Impairment in the value of these shares was JD 9,012 was charged to the consolidated statement of income for the year ended December 31, 2009 (JD 123,095 for the year ended December 31, 2008).
- Included in unquoted shares is an amount of JD 3,814,460, representing 22.1% ownership in Jordan International Bank as of December 31, 2009 and 2008. The investment was not recorded using the equity method due to the absence of significant influence over the administrative and financial policies of the investee.

10- FINANCIAL ASSETS HELD-TO-MATURITY

This item consists of the following:

	December 31,	
	2009 JD	2008 JD
Quoted Financial Assets:		
Treasury governmental bills	422,073,628	228,473,948
Governmental and government guaranteed bonds	235,984,929	295,300,773
Corporate bonds and debentures	72,257,399	60,379,615
Total Quoted Financial Assets	730,315,956	584,154,336
Unquoted Financial Assets :		
Governmental and government guaranteed bonds	1,418,000	5,343,177
Corporate bonds and debentures	12,836,001	11,043,950
Total Unquoted Financial Assets	14,254,001	16,387,127
Total	744,569,957	600,541,463
Analysis of debt instruments:		
Fixed rate return	660,161,240	536,217,617
Variable rate return	84,408,717	64,323,846
Total	744,569,957	600,541,463

- The maturity terms of bonds ranges from one month to 10 years.
- The average annual interest rate is between 0.30% and 8.82%.

11 - PROPERTY AND EQUIPMENT

This item consists of the following:

2009	Lands	Buldings	Equipments Furniture and Fixture	Vehicles	Hard- wares	Others	Total
	JD	JD	JD	JD	JD	JD	JD
Cost							
Balance – beginning of the year	16,517,103	20,248,408	44,736,803	2,054,562	29,413,882	4,420,542	117,391,300
Additions	-	14,275,984	7,412,476	80,880	3,646,872	1,460,432	26,876,644
Disposals	(2,041)	(7,553)	(1,094,848)	(122,889)	(4,061,700)	(22,659)	(5,311,690)
Foreign currency translation	36,179	92,392	(8,477)	1,811	18,204	-	140,109
Balance – End of the Year	16,551,241	34,609,231	51,045,954	2,014,364	29,017,258	5,858,315	139,096,363
Accumulated Depreciation :							
Balance – beginning of the year	-	4,271,030	28,443,236	1,308,119	21,903,912	3,505,801	59,432,098
Annual Depreciation	-	617,249	4,310,594	243,319	3,007,918	607,714	8,786,794
Disposals	-	-	(1,081,195)	(118,302)	(4,000,903)	-	(5,200,400)
Foreign currency translation	-	(3,372)	(11,841)	4,914	5,935	-	(4,364)
Balance – End of the Year	-	4,884,907	31,660,794	1,438,050	20,916,862	4,113,515	63,014,128
Net book value of Property, and Equipment	16,551,241	29,724,324	19,385,160	576,314	8,100,396	1,744,800	76,082,235
Payments on purchased property of equipment	-	-	556,166	3,453	4,820,561	-	5,380,180
Projects under construction	-	11,563,484	-	-	-	-	11,563,484
Net Book Value – End of the Year	16,551,241	41,287,808	19,941,326	579,767	12,920,957	1,744,800	93,025,899

2008	Lands	Buldings	Equipments Furniture and Fixture	Vehicles	Hard- wares	Others	Total
	JD	JD	JD	JD	JD	JD	JD
Cost							
Balance – beginning of the year	16,535,519	18,171,194	39,382,172	1,864,845	28,594,350	3,889,710	108,437,790
Additions	-	2,357,187	6,302,464	247,191	1,875,445	530,832	11,313,119
Disposals	-	(174,473)	(782,083)	(51,362)	(1,036,246)	-	(2,044,164)
Foreign currency translation	(18,416)	(105,500)	(165,750)	(6,112)	(19,667)	-	(315,445)
Balance – End of the Year	16,517,103	20,248,408	44,736,803	2,054,562	29,413,882	4,420,542	117,391,300
Accumulated Depreciation :							
Balance – beginning of the year	-	3,944,399	25,702,263	1,087,779	20,280,962	2,983,062	53,998,466
Annual Depreciation	-	447,833	3,603,174	276,225	2,621,069	522,739	7,471,039
Disposals	-	(89,594)	(732,083)	(50,855)	(1,014,260)	-	(1,886,792)
Foreign currency translation	-	(31,608)	(130,118)	(5,030)	16,141	-	(150,615)
Balance – End of the Year	-	4,271,030	28,443,236	1,308,119	21,903,912	3,505,801	59,432,098
Net book value of Property, and Equipment	16,517,103	15,977,378	16,293,567	746,443	7,509,970	914,741	57,959,202
Payments on purchased property of equipment	-	-	876,663	-	2,471,960	-	3,348,623
Projects under construction	-	16,752,749	-	-	-	-	16,752,749
Net Book Value – End of the Year	16,517,103	32,730,127	17,170,230	746,443	9,981,930	914,741	78,060,574

- Fully depreciated property, and equipment amounted to JD 26,073,352 as of December 31, 2009 (JD 25,107,912 as of December 31, 2008).
- Contractual commitments related payments on purchases of property and equipment and projects under construction are included in Note (46).
- Property and equipment include leased properties of JD 2,165,188 as of December 31, 2009 from of which ownership will be transferred to the Bank at the end of the contracts.

12- INTANGIBLE ASSETS

This item consists of the following:

	December 31,					
	2009			2008		
	Software	Goodwill*	Total	Software	Goodwill*	Total
	JD	JD	JD	JD	JD	JD
Beginning Balance	4,725,861	372,333	5,098,194	1,707,033	372,333	2,079,366
Additions **	666,223	-	666,223	4,970,663	-	4,970,663
Disposals	-	(13,936)	(13,936)	-	-	-
Amortization for the year	(2,574,354)	-	(2,574,354)	(1,951,835)	-	(1,951,835)
Ending Balance	2,817,730	358,397	3,176,127	4,725,861	372,333	5,098,194

* The goodwill resulted from purchasing an additional share of the Bank's subsidiary (The Housing Bank for Trade and Finance/ Algeria) from one of the major shareholders during the year 2008.

* The goodwill was tested for impairment and no impairment was identified. part of the goodwill was disposed of during 2009 as a result of the partial sale of the shares in the Housing Bank for Trade and Finance/Algeria to one of the shareholders

** This item includes JD 399,575 as of December 31, 2009 (JD 277,678 as of December 31, 2008), representing payments on account of purchasing computer software.

13-OTHER ASSETS

This item consists of the following:

	December 31,	
	2009 JD	2008 JD
Accrued revenues and interests	16,155,081	16,804,230
Prepaid expenses	3,543,468	4,019,512
Assets repossessed by the Bank*	5,899,515	5,573,297
Cheques under collection	29,430,032	16,006,010
Projects under construction	4,012,854	617,910
Other	8,859,863	7,662,282
Total	67,900,813	50,683,241

* The movements on assets repossessed by the Bank, representing real estate and land, is as follows:

	2009 JD	2008 JD
Beginning Balance	5,573,297	6,078,729
Additions	1,342,368	975,947
Disposals	(1,016,150)	(1,481,379)
Ending Balance	5,899,515	5,573,297

14- BANKS AND FINANCIAL INSTITUTIONS DEPOSITS

This item consists of the following:

	December 31,					
	2009			2008		
	inside Jordan JD	outside Jordan JD	Total JD	inside Jordan JD	outside Jordan JD	Total JD
Current accounts and demand deposits	18,909,543	89,750,226	108,659,769	4,859,895	88,560,553	93,420,448
Deposits due within 3 months	7,153,514	167,770,595	174,924,109	10,626,040	201,481,283	212,107,323
Deposits due within 3 - 12 months	-	483,408	483,408	-	1,579,105	1,579,105
Total	26,063,057	258,004,229	284,067,286	15,485,935	291,620,941	307,106,876

15- CUSTOMERS' DEPOSITS

This item consists of the following:

2009	Retail JD	Coporate JD	SMEs JD	Government and Puplic Sector JD	Total
Current accounts and demand deposits	563,405,512	183,843,610	207,140,517	75,437,050	1,029,826,689
Saving deposits	1,131,089,659	767,096	34,121,547	203,480	1,166,181,782
Time and notice deposits	1,386,902,843	503,162,663	135,022,005	205,273,155	2,230,360,666
Certificates of deposit	3,237,495	-	128,257	-	3,365,752
Others	675,663	-	-	-	675,663
Total	3,085,311,172	687,773,369	376,412,326	280,913,685	4,430,410,552

2008	Retail JD	Coporate JD	SMEs JD	Government and Puplic Sector JD	Total
Current accounts and demand deposits	470,360,667	112,376,335	133,212,847	62,726,247	778,676,096
Saving deposits	967,695,835	585,466	22,893,716	191,852	991,366,869
Time and notice deposits	1,216,646,282	410,915,986	140,898,250	222,938,495	1,991,399,013
Certificates of deposit	2,258,339	-	-	-	2,258,339
Others	820,161	-	-	-	820,161
Total	2,657,781,284	523,877,787	297,004,813	285,856,594	3,764,520,478

- The deposits of the public sector and the government of Jordan inside the Kingdom amounted to JD 276.4 million, representing (6.2%) of total deposits as of December 31, 2009 (JD 282.2 million, representing (7.5%) of total deposits as of December 31, 2008).
- Non-interest bearing deposits amounted to JD 995.52 million, representing (22.5%) of total deposits as of December 31, 2009 (JD 786.2 million, representing (20.9%) of total deposits as of December 31, 2008).
- Restricted deposits amounted to JD 59.7 million, representing (1.3%) of total deposits as of December 31, 2009 (JD 102.1 million, representing (2.7%) of total deposits as of December 31, 2008).
- Dormant accounts amounted to JD 40.5 million, representing (0.9%) of total deposits as of December 31, 2009 (JD 31.5 million, representing (0.8%) of total deposits as of December 31, 2008).

16-MARGINS ACCOUNTS

This item consists of the following:

JD

	December 31,	
	2009	2008
Margins on direct credit facilities	160,035,718	162,605,508
Margins on indirect credit facilities	126,799,402	140,717,323
Margin dealings	2,675,101	361,608
Other margins	170,301	-
Total	289,680,522	303,684,439

17- SUNDRY PROVISIONS

This item consists of the following:

JD

2009	Beginning Balance	Provision for the Year	Provision Used During the Year	Reversed to Revenue	Ending Balance
Provision for end-of-service indemnity	12,163,717	3,110,926	(1,672,267)	-	13,602,376
Provision for lawsuits and contingent liabilities	582,811	257,649	(8,256)	-	832,204
Other provisions *	3,241,883	3,623,048	(2,580,207)	-	4,284,724
Total	15,988,411	6,991,623	(4,260,730)	-	18,719,304

JD

2008	Beginning Balance	Provision for the Year	Provision Used During the Year	Reversed to Revenue	Ending Balance
Provision for end-of-service indemnity	10,375,878	2,708,223	(920,384)	-	12,163,717
Provision for lawsuits and contingent liabilities	605,956	70,962	(94,107)	-	582,811
Other provisions *	2,588,953	1,586,523	(932,936)	(657)	3,241,883
Total	13,570,787	4,365,708	(1,947,427)	(657)	15,988,411

* Include provisions for due vacations .

18- INCOME TAX

A- Provision for Income Tax

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

	2009 JD	2008 JD
Beginning balance	50,089,827	48,325,011
Income tax paid	(45,329,196)	(43,454,311)
Provision for income tax for the year	26,579,301	45,219,127
Ending Balance	31,339,932	50,089,827

- Income tax has been settled up to the year 2008 for Jordan and Palestine branches and the Bank's subsidiaries.

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

	2009 JD	2008 JD
Provision for income tax	26,579,301	45,219,127
Deferred tax assets for the year	(4,422,497)	(9,547,989)
Amortization of deferred tax assets	8,294,810	5,027,875
Total	30,451,614	40,699,013

B- Deferred Income Tax Assets / Liabilities:

	2009					2008
	Beginning Balance JD	Amounts Released JD	Amounts Added JD	Ending Balance JD	Deferred Tax JD	Deferred Tax JD
Assets						
Suspended interest	1,603,592	1,603,589	554,497	554,500	157,367	530,950
Allowance for loans	8,411,249	8,411,251	5,473,205	5,473,203	1,553,295	2,784,965
Provision for indemnities	10,665,785	1,586,656	2,567,866	11,646,995	3,305,417	3,531,441
Impairment in real estate	128,431	-	-	128,431	36,449	42,524
Other provisions	3,563,201	2,588,463	3,622,108	4,596,846	1,304,585	1,179,776
Other assets	15,108,366	8,457,593	3,365,471	10,016,244	2,842,610	5,002,380
Total	39,480,624	22,647,552	15,583,147	32,416,219	9,199,723	13,072,036
Liabilities *						
Cumulative change in the fair value of financial assets available-for-sale	160,179	160,179	3,545,510	3,545,510	1,006,216	53,035
Total	160,179	160,179	3,545,510	3,545,510	1,006,216	53,035

* Deferred income tax liabilities as of December 31, 2009 include an amount of JD 1,006,216 (JD53,035 for last year) resulting from the cumulative change in fair value of financial assets available-for-sale that appears in the shareholders' equity.

The movements on the deferred income tax assets / liabilities is as follows:

	2009		2008	
	Assets JD	Liabilities JD	Assets JD	Liabilities JD
Beginning balance	13,072,036	53,035	8,551,922	1,438,411
Additions	4,422,497	1,006,216	9,547,989	10,155
Deductions	(8,294,810)	(53,035)	(5,027,875)	(1,395,531)
Ending Balance for the Year	9,199,723	1,006,216	13,072,036	53,035

C- Reconciliation of the accounting profit with taxable profit:

	2009 JD	2008 JD
Accounting profit for the year	97,014,124	142,021,758
Non taxable income	(35,491,119)	(18,650,431)
Expenses not deductible for tax purposes	7,719,743	21,919,411
Taxable Profit	69,242,748	145,290,738
Effective income tax rate	31%	29%

- The legal income tax rate on banks in Jordan amounted is 35% which has been decreased to 30% at the beginning of the year 2010 the effect of which was reflect in the determined deferred tax assets and liabilities. The income tax rates in the countries in which the Bank has investments range between 0% and 30%.
- The tax rate on deferred tax assets is between 25% and 30%.

19- OTHER LIABILITIES

This item consists of the following:

	December 31,	
	2009 JD	2008 JD
Accrued interest expenses	7,331,777	7,572,213
Interest and commissions received in advance	1,057,337	391,739
Accrued expenses	8,363,394	9,863,110
Certified cheques	26,377,012	20,681,386
Transfers deposits	5,072,918	13,342,944
Payment trusts	2,605,663	512,761
Prizes trusts	716,861	107,800
Correspondent banks trusts	595,205	452,285
General management trusts	1,008,152	651,554
Dividends payable *	783,982	770,756
Accounts payable	2,048,526	7,162,828
Jordanian Universities fees	958,009	1,243,929
Scientific Research Fund fees	719,717	917,726
Vocational and Technical Education and Training Support Fund fees	631,906	796,969
Other deposits	6,460,086	7,708,932
Other	3,910,608	3,981,558
Total	68,641,153	76,158,490

* This item represents prior years dividends payable to shareholders

20- PAID-IN CAPITAL AND SHARE PREMIUM

Paid-in capital

Authorized and paid in capital amounted to JD 252 million divided into 252 million shares at a par value of JD 1 per share.

Share premium

Share premium amounted to JD 357,925,469 as of December 31, 2009 and 2008.

21- RESERVES

Statutory Reserve

As required by the Jordanian Banks and companies laws, 10% of the profit before tax of the Jordan branches is to be transferred to the statutory reserve. The statutory reserve is not available for distribution to shareholders.

Voluntary Reserve

This reserve represents amounts transferred from the pre-tax profits at a rate not exceeding 20% during the previous years.

The voluntary reserve shall be utilized for the purposes determined by the Board of Directors. The General Assembly shall have the right to distribute it in whole or in part as dividends to shareholders.

General Banking Risk Reserve

This reserve represents general banking risks reserve according to the regulations of the Central Bank of Jordan.

Restricted reserves are as follows:

Reserve	December 31,		Type of Restriction
	2009 JD	2008 JD	
General banking risk reserve	22,450,000	23,702,983	According to the regulations of the Central Bank of Jordan
Statutory reserve	95,334,774	85,205,068	According to the companies and Banks Laws

22-FOREIGN CURRENCY TRANSLATION DIFFERENCES

This item represents the differences resulting from the translation of net investments in the foreign subsidiaries and branches upon the consolidation of the financial statements. The movements on this account are as follows:

	2009 JD	2008 JD
Beginning balance	1,057,229	4,232,617
Net changes during the year	676,403	(3,175,388)
Ending Balance	1,733,632	1,057,229

23- CUMULATIVE CHANGE IN FAIR VALUE - NET

This item consists of the following:

	December 31,				December 31,			
	2009				2008			
	Shares	Bonds	Investment Funds	Total	Shares	Bonds	Investment Funds	Total
	JD	JD	JD	JD	JD	JD	JD	JD
Beginning balance	(541,660)	(14,931,231)	(12,838,237)	(28,311,128)	5,364,137	(1,592,619)	(2,533,832)	1,237,686
Unrealized gain (losses)	505,953	10,900,099	13,807,628	25,213,680	(9,470,289)	(23,270,659)	(23,115,822)	(55,856,770)
Deferred tax liabilities	(953,181)	-	-	(953,181)	1,685,387	(200,162)	(99,849)	1,385,376
Realized (gain) losses transferred to the statement of income	3,528,182	-	1,360,442	4,888,624	(1,811,931)	97,843	911,389	(802,699)
Impairment charge (recovered) to the consolidated statement of income	-	196,471	(3,875,123)	(3,678,652)	3,691,036	10,034,366	11,999,877	25,725,279
Ending balance *	2,539,294	(3,834,661)	(1,545,290)	(2,840,657)	(541,660)	(14,931,231)	(12,838,237)	(28,311,128)

* The cumulative change in fair value is stated net of deferred tax liabilities amounting to JD 1,006,216 (JD 53,035 for the previous year).

24- RETAINED EARNINGS

An amount of JD 12,040,380 of retained earnings as of December 31, 2009 is restricted against deferred tax assets and the negative balances in the cumulative change in fair value (JD 41,383,164 as of December 31, 2008).

25- PROPOSED DIVIDENDS

The proposed cash dividends for the year amounted to JD 0.20 per share equivalent (20%) of paid-up capital subject to the approval of the General Assembly of Shareholders. Dividends distributed last year amounted to JD 0.25 per share at a rate of (25%).

26-INTEREST INCOME

This item consists of the following:

	2009 JD	2008 JD
Direct Credit Facilities:		
Individual retail customers:		
Overdraft facilities	936,432	1,945,220
Loans and discounted bills	41,260,566	38,866,288
Credit cards	2,501,718	2,251,253
Other	271,120	90,536
Residential and real estate mortgages	36,492,444	33,213,228
LARGE CORPORATE CUSTOMERS:		
Overdraft	21,856,390	18,415,837
Loans and discounted bills	52,844,741	60,321,569
SMEs		
Overdraft	9,692,866	6,990,537
Loans and discounted bills	16,122,382	11,110,823
Government and Public Sector	15,677,618	15,227,719
Balances with central banks	20,302,884	19,051,926
Balances and deposits with banks and financial Institutions	11,593,305	26,635,406
Financial assets held for trading	-	921,345
Financial available-for-sale	29,665,049	34,382,645
Financial assets held-to-maturity	33,689,046	31,565,717
Total	292,906,561	300,990,049

27- INTEREST EXPENSE

This item consists of the following:

	2009 JD	2008 JD
Banks and financial institutions deposits	3,364,333	3,315,623
Customers deposits :		
Current accounts and demand deposits	1,468,396	1,906,825
Saving deposits	10,427,820	11,423,096
Time and notice deposits	76,665,948	75,805,374
Certificates of deposit	107,877	77,918
Other	4,750	3,932
Margin accounts	5,107,542	4,898,074
Loans and borrowings	11,517	80,961
Deposits insurance fees	5,515,007	4,612,292
Total	102,673,190	102,124,095

28- NET COMMISSION INCOME

This item consists of the following:

	2009 JD	2008 JD
Commission income :		
Direct credit facilities	14,188,753	14,349,650
Indirect credit facilities	19,537,005	15,326,910
Less: Commission expense	(274,239)	(290,316)
Net Commission Income	33,451,519	29,386,244

29- FOREIGN EXCHANGE INCOME

This item consists of the following:

	2009 JD	2008 JD
From trading	4,671,674	2,667,092
From re-evaluation	5,143,867	8,372,054
Total	9,815,541	11,039,146

30- GAIN (LOSSES) FROM FINANCIAL ASSETS HELD-FOR-TRADING

This item consists of the following:

2009	Realized		Unrealized		Dividends Received JD	Total
	Gains JD	(Loss) JD	Gains JD	(Loss) JD		
Bonds	2,746	-	-	-	-	2,746
Shares	336,778	(95,773)	134,555	(315,186)	31,869	92,243
Total	339,524	(95,773)	134,555	(315,186)	31,869	94,989

2008	Realized		Unrealized		Dividends Received JD	Total
	Gains JD	(Loss) JD	Gains JD	(Loss) JD		
Shares	1,371,099	(679,383)	174,002	(1,172,598)	83,066	(223,814)
Total	1,371,099	(679,383)	174,002	(1,172,598)	83,066	(223,814)

31- GAIN (LOSSES) FROM FINANCIAL ASSETS AVAILABLE-FOR-SALE

This item consists of the following:

	2009 JD	2008 JD
Dividends income	2,355,592	1,414,483
(loss) from the sale of financial assets available-for-sale	(4,057,582)	(1,387,108)
Less : Recovered (losses) of impairment financial assets available-for-sale	3,669,639	(25,848,374)
TOTAL	1,967,649	(25,820,999)

32- OTHER INCOME

This item consists of the following:

	2009 JD	2008 JD
Fees on salaries accounts	2,835,533	2,848,504
Credit cards income	3,407,950	3,582,841
Safety deposit box rental income	253,937	220,458
Commissions on returned checks	632,969	452,286
Account management fees	4,175,776	4,265,528
Net income from recovered loans	998,759	1,441,456
Net bonded income	187,283	175,799
Income from brokerage services	1,599,444	3,373,177
Banking services fees	1,592,549	2,126,531
Income on transfers	6,092,383	6,493,903
Gain from selling associate companies	-	3,862,633
Miscellaneous income	2,512,643	3,119,093
Total	24,289,226	31,962,209

33- EMPLOYEES COSTS

This item consists of the following:

	2009 JD	2008 JD
Salaries benefits, and allowances	39,317,208	39,120,352
Bank's contribution to social security	3,490,778	3,264,741
Bank's contribution to the saving fund	123,167	96,097
End-of-service indemnity	3,110,926	2,708,223
Medical expenses	1,467,981	1,277,469
Training expenses	413,501	1,068,925
Travel and transportation expenses	880,703	1,036,777
Other	700,611	580,602
Total	49,504,875	49,153,186

34- OTHER EXPENSES

This item consists of the following:

	2009 JD	2008 JD
Computer software expenses	2,202,547	4,504,147
Stationary and printing	1,634,607	1,737,027
Maintenance and repairs	3,432,418	3,235,805
Post, telephone, telex, and internet	1,955,463	1,679,137
Rent	3,310,410	3,039,144
Water, fuel and electricity	1,918,784	1,598,015
Advertising	2,276,897	2,882,474
Donations	326,975	358,049
Hospitality	209,898	297,008
Financial institutions subscription fees	1,178,222	1,429,386
Fees on credit facilities processing	574,797	587,475
Bad debts written off	548,702	168,409
Board of Directors' transportation and meetings	1,992,528	1,756,937
Consultation and research	717,928	3,939,732
Jordanian Universities fees	958,009	1,243,929
Scientific Research Support fees	719,717	917,726
Vocational and Technical Education and Training Support Fund	631,906	796,969
Others	8,959,161	8,998,473
Total	33,548,969	39,169,842

35- EARNINGS PER SHARE

This item consists of the following:

	2009 JD	2008 JD
Profit for the year	59,896,310	95,950,612
Weighted average number of shares	252,000,000	250,596,505
Basic and diluted earnings per share from the profit for the year attributable to the Bank's shareholders	JD 0.238	JD 0.383

36- CASH AND CASH EQUIVALENTS

This item consists of the following:

	December 31,	
	2009 JD	2008 JD
Cash and balances with central banks maturing within 3 months	1,478,337,776	989,243,497
Add: Balances with banks and financial institutions maturing within 3 months	689,876,798	700,062,230
Less : Deposits Banks and financial institutions maturing within 3 months	283,583,878	305,527,771
Net cash and cash Equivalent	1,884,630,696	1,383,777,956

37- FINANCIAL DERIVATIVES INSTRUMENT

This item consists of the following:

2009	Positive Fair Value	Negative Fair Value	Nominal Value	Due in Three Months
	JD	JD	JD	JD
Financial derivatives held for Trading:				
Forward foreign currencies sale contracts	-	-	(22,187,383)	-
Forward foreign currencies purchase contracts	469	-	22,187,852	469
	469	-	469	469

2008	Positive Fair Value	Negative Fair Value	Nominal Value	Due in Three Months
	JD	JD	JD	JD
Financial derivatives held for Trading:				
Forward foreign currencies sale contracts	-	(7,929)	(746,920)	(746,920)
Forward foreign currencies purchase contracts	9,742	-	560,799	560,799
	9,742	(7,929)	(186,121)	(186,121)

38- RELATED PARTIES TRANSACTIONS

These consolidated financial statements include the financial statement of the Bank and the following subsidiaries:

Company Name	Ownership 2009	Company's Capital	
		December 31,	
		2009	2008
The Housing Bank for Trade and Finance / Algeria	61.171%	98,134,068	25,811,284
International Bank for Trade and Finance / Syria	49 %	41,920,486	41,920,486
Jordan and Palestine Financial Investment Co.	99.9%	2,500,000	2,500,000
International Financial Center	77.5%	4,000,000	4,000,000
Specialized Lease Finance Co.	100%	20,000,000	20,000,000
Jordan Real Estate Investment Co.	100%	40,000	40,000

The Bank entered into transactions with major shareholders, Board of Directors, and executive management in the course of its ordinary activities at commercial rates of interest and commissions . All facilities granted to related parties are performing and no provisions have been taken .

Summary of related party transactions during the year :

	Related Party			December 31,	
				2009	2008
	Major share-holders JD	Executive management JD	Others JD	Total JD	Total JD
Statement of financial position items					
Total deposits with related parties	135,504,231	-	24,361,024	159,865,255	163,643,868
Total deposits from related parties	157,007,074	717,230	-	157,724,304	233,219,519
Loans and advances given to related parties	594,868	441,567	2,765,100	3,801,535	18,630,771
Statement of Income items					
Interest and commissions income*	2,289,074	14,297	420,317	2,723,688	1,826,616
Interest and commissions expense**	4,407,302	11,039	-	4,418,341	1,953,099

* Credit interest rates 0.07%-10%

** Debit interest rates 0%-5.5%

The Bank's executive management remuneration (salaries, bonuses, and other benefits) were as follows:

	2009 JD	2008 JD
Salaries, bonuses, and other benefits	2,431,775	2,925,287

39- FAIR VALUE OF FINANCIAL INSTRUMENTS

This item consists of the following:

	2009 JD		2008 JD	
	Book Value JD	Fair Value JD	Book Value JD	Fair Value JD
Financial assets held-to-maturity	744,569,957	744,620,326	600,541,463	597,679,739

- As detailed in Note (9), financial assets available-for-sale include unquoted shares amounting to JD 16,646,313 as of December 31, 2009 (JD 18,109,002 as of December 31, 2008).

- The fair value of other financial assets does not substantially differ from their book value.

40- RISK MANAGEMENT POLICIES

The Bank manages the various banking risks based on several methods by means of a comprehensive strategy to limit risks and ways of combatting and mitigating them through managing risks, the Assets and Liabilities Committee, the Investment Committee, and the Credit Quality Assurance Unit. Moreover, all the Bank's departments are responsible for identifying the risks related to the banking operations, setting up the proper controls, and monitoring their effectiveness compatible with the risks control system to achieve the optimal risks – return balance.

Risks management includes the identification, measurement, management, and continuous control of financial and non-financial risks that may negatively affect the Bank's performance and reputation, in addition to guaranteeing the optimal allocation of capital to achieve the optimal returns against risks.

The Bank is exposed to the following risks:

- Market risk
- Information security risk.
- operating risks
- Business continuity risk
- credit risk.
- strategic risk.
- Liquidity risk
- Foreign currency and interest risk

Risk management at the Bank is carried out according to main principles compatible with the size of its activities, variety of its operations, and instructions of the regulatory authorities. These principles are as follows:

- Guidelines and strategies of the Board of Directors on managing risks.
- Policies on managing the various risks approved by the Board of Directors.
- Identification of acceptable risk limits.
- Distribution of control tasks and responsibilities to employees according to specialty.
- Risks Committee ensuing from the Board of Directors to ensure the effectiveness of the risk management policies and procedures at the Bank. This committee is responsible for sponsoring the application and guidelines of the Board of Directors in connection with risk management and the adoption of principles, general frameworks, and allowed limits.
The Assets and Liabilities Committee responsible for planning the optimal employment of capital, assets, and liabilities, and the constant monitoring of liquidity risks and market risks.
- The Risks Management Department is a department independent from the Bank's other activities. It manages credit risks, market risks, liquidity risks and operating risks management according to a comprehensive and central strategy inside the Bank while having systems that help in managing risks. The Risks Department is directly related to the General Manager and Risks Committee of the Board of Directors

Credit Risk:

Credit risk arises from the other parties inability or default to settle its obligation causing losses to the Bank. Moreover, the Bank manages credit risk through establishing credit ceilings for the credit facilities granted to customers (individual or corporate) and the total credit facilities for each sector or geographic location. The Bank monitors credit risks and continuously evaluates the customers' credit status in addition to obtaining proper collaterals from its customers.

Credit Risk Measurement:

1. Loans and Facilities:

The Bank's internal rating system (Moody's) is used to measure the degree of the risk associated with the commercial borrowers. On the basis of this system, borrowers are rated based on their quantitative and qualitative evaluation.

2. Debt Instruments

The external rating system issued by international rating agencies such as (Standard & Poor) and (Moody's) or their equivalent is used to manage debt instruments credit risk exposure.

Monitoring Credit Risk and Credit Risk Mitigating Policies:

The Bank manages credit limits and monitors the credit concentration risks at the level of the customer (individual or corporate) and size of credit exposure for each sector or geographic location.

Moreover, the Bank sets the levels for the acceptable credit risks through setting ceilings to the acceptable risks in relationship to the single borrower or group of borrowers for each sector or geographic location. These risks are monitored continuously and are subject to an annual or periodic review. Moreover, the actual exposure volume against the ceilings are monitored daily.

Credit Risk Mitigating Methods:

Risk management at the Bank depends on several methods to mitigate risks including:

Guarantees and ability to liquidate them and percentage of their coverage of the extended credit which is monitored and evaluated continuously.

The types of collaterals against the loans and credit facilities are as follows:

- Real estate and housing buildings mortgages.
- Financial instruments mortgages (bills and shares).
- Bank guarantees.
- Cash guarantee.
- Governmental guarantee.

Moreover, the Bank adopts the following methods to improve the quality of credit and mitigate risks:

- Adoption of the committees system for granting credit.
- Diversifying the credit facilities portfolio is a major principle in mitigating credit risk. Moreover, the Bank's annual plan includes the targeted distribution of credit and investments to several sectors and various markets based on the risk rating system for the economic and geographic sectors.
- Adoption of the system of three approvals for credit granting.
- Authority to approve credit varies from one management level to another based on the customer's portfolio size, level of exposure, maturity, and degree of customer's risk.
- There is complete separation between credit marketing management departments (business) and credit analysis and monitoring departments.

1- **Exposure to credit risk** (after impairment provisions and before collaterals held or other mitigating factors):-

	December 31,	
	2009 JD	2008 JD
On- Financial Position Items		
Balances with central banks	1,359,929,030	886,872,095
Balances with banks and financial institutions	689,876,798	700,062,230
Deposits with banks and financial institutions	53,097,828	20,416,501
Credit facilities		
Retail	392,886,463	401,748,087
Residential and rent estate mortgages	474,103,766	452,969,439
CORPORATE LENDING		
Large Corporate	1,103,424,758	1,104,137,415
SMEs	253,254,898	222,616,295
Government and public sector	144,978,863	160,224,831
Bonds debentures and treasury bills funds		
Held for trading	-	11,107,605
Available for sale	547,978,395	571,555,462
Held to maturity	744,569,957	600,541,463
Other assets	45,585,113	32,810,240
Total	5,809,685,869	5,165,061,663
Off- balance sheet items		
Letters of credit	764,266,760	534,264,261
Acceptances	63,191,399	92,887,266
Letters of guarantee	621,319,019	652,707,044
Un-utilized facilities	268,334,018	388,262,285
Total	1,717,111,196	1,668,120,856
	7,526,797,065	6,833,182,519

The above table represents the highest credit risk exposure for the Bank as of December 31, 2009 and 2008, without taking into account any collaterals held or any other credit risk mitigating factors.

Exposure to credit risk percentage distribution:

- 28% of the total exposure is derived from loans and balances with central banks and other banks and financial institutions. (24%: 2008).
- 31% from the total exposure results from loans and credit facilities (34%: 2008).
- 17% from the total exposure results from investment in bonds debentures and treasury bills and funds (18%: 2008).
- 24% from the total exposure results from off-financial position items and other assets. (24%: 2008).

2- CREDIT FACILITIES RATING CATEGORIES :-

2009	Retail	Residential and Real Estate Mortgages	CORPORATE ENTITIES		Government and Public Sector	Banks and other Financial Institutions	Total
			Large Companies	SMEs			
	JD	JD	JD	JD	JD	JD	JD
Grades:							
Low grade	59,980,219	15,231,807	134,810,840	47,294,713	81,872,623	2,102,903,656	2,442,093,858
Standard grade	321,674,671	419,810,572	878,718,256	187,273,312	63,106,240	-	1,870,583,051
From which past due*:							
Up to 30 days	7,749,494	20,148,048	18,077,022	16,980,341	-	-	62,954,905
From 31 to 60 days	480,648	115,994	6,138,616	1,309,340	4,088	-	8,048,686
Watch list	7,581,530	21,931,699	66,257,570	10,823,488	-	-	106,594,287
Non- performing:							
Sub-standard	2,512,030	7,771,841	4,173,342	3,075,571	-	-	17,532,784
Doubtful	2,811,431	4,074,890	69,597,275	2,852,431	-	-	79,336,027
Losses written-off	13,338,735	21,605,124	20,863,765	24,292,405	-	-	80,100,029
Total	407,898,616	490,425,933	1,174,421,048	275,611,920	144,978,863	2,102,903,656	4,596,240,036
Less: Interest in suspense	4,395,136	5,628,044	8,468,015	5,733,435	-	-	24,224,630
Allowance for impairment	10,617,017	10,694,123	62,528,275	16,623,587	-	-	100,463,002
Net	392,886,463	474,103,766	1,103,424,758	253,254,898	144,978,863	2,102,903,656	4,471,552,404

2008	Retail	Residential and Real Estate Mortgages	CORPORATE ENTITIES		Government and Public Sector	Banks and other Financial Institutions	Total
			Large Companies	SMEs			
	JD	JD	JD	JD	JD	JD	JD
Grades:							
Low grade	77,569,655	40,674,866	247,476,284	71,229,481	65,383,372	1,607,350,826	2,109,684,484
Standard grade	324,403,904	380,421,243	740,088,212	143,707,067	94,841,459	-	1,683,461,885
From which past due*:							
Up to 30 days	10,950,481	24,382,252	31,636,734	17,711,403	-	-	84,680,870
From 31 to 60 days	4,090,586	203,276	17,048,279	269,587	-	-	21,611,728
Watch list	2,543,196	20,257,224	108,549,629	10,596,598	-	-	141,946,647
Non- performing:							
Sub-standard	2,387,743	1,907,038	1,324,348	5,576,705	-	-	11,195,834
Doubtful	1,288,409	1,966,626	1,414,839	1,581,822	-	-	6,251,696
Losses written-off	7,321,790	17,118,944	17,881,856	5,507,204	-	-	47,829,794
Total	415,514,697	462,345,941	1,116,735,168	238,198,877	160,224,831	1,607,350,826	4,000,370,340
Less: Interest in suspense	4,750,015	2,051,542	4,864,689	3,081,616	-	-	14,747,862
Allowance for impairment	9,016,595	7,324,960	7,733,064	12,500,966	-	-	36,575,585
Net	401,748,087	452,969,439	1,104,137,415	222,616,295	160,224,831	1,607,350,826	3,949,046,893

* If one installment becomes due, the whole balance is considered due, while the overdraft account is considered due if the balance exceeds the ceiling.

Collateral:

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

2009	Retail	Residential and Real Estate Mortgages	CORPORATE ENTITIES		Government and Public Sector	Total
			Large Companies	SMEs		
	JD	JD	JD	JD	JD	JD
Collaterals against						
Low grade	37,185,493	16,519,100	72,791,060	63,058,614	81,872,623	271,426,890
Standard grade	92,677,233	357,844,497	391,509,673	99,147,529	63,106,241	1,004,285,173
Watch list	2,971,772	21,591,151	37,392,828	10,103,504	-	72,059,255
Non-performing :						
Sub – standard	796,999	3,454,078	1,410,764	6,504,039	-	12,165,880
Doubtful	1,101,658	3,487,103	24,702,267	1,748,748	-	31,039,776
Losses	3,734,947	23,527,313	11,726,902	13,408,693	-	52,397,855
Total	138,468,102	426,423,242	539,533,494	193,971,127	144,978,864	1,443,374,829
Including:						
Cash margins	19,085,259	5,599,313	67,509,177	23,966,076	20,757	116,180,582
Accepted bank guarantees	10,251	-	2,000,000	2,376,508	-	4,386,759
Residential mortgages	88,566,696	418,673,258	325,881,867	139,105,890	18,215,032	990,442,743
Listed shares	335,861	405,258	69,205,290	-	-	69,946,409
Equipment and vehicles	9,582,868	870,023	33,758,073	10,210,280	-	54,421,244
Total	117,580,935	425,547,852	498,354,407	175,658,754	18,235,789	1,235,377,737

2008	Retail	Residential and Real Estate Mortgages	CORPORATE ENTITIES		Government and Public Sector	Total
			Large Companies	SMEs		
	JD	JD	JD	JD	JD	JD
Collaterals against						
Low grade	34,602,837	28,123,497	207,182,080	59,690,390	65,383,372	394,982,176
Standard grade	85,193,036	381,234,941	339,634,419	78,450,516	17,931,566	902,444,478
Watch list	24,974,577	23,089,378	52,988,965	25,251,774	-	126,304,694
Non-performing :						
Sub – standard	1,085,052	1,897,828	50,000	5,337,614	-	8,370,494
Doubtful	688,587	1,911,033	-	1,455,232	-	4,054,852
Losses	4,327,075	17,564,023	2,759,660	8,481,326	-	33,132,084
Total	150,871,164	453,820,700	602,615,124	178,666,852	83,314,938	1,469,288,778
Including:						
Cash margins	21,518,843	13,970,684	58,417,700	27,274,428	5,669,330	126,850,985
Accepted bank guarantees	322,538	-	11,270,209	-	-	11,592,747
Residential mortgages	98,997,614	438,340,948	283,625,217	120,135,189	17,931,566	959,030,534
Listed shares	582,508	1,164,034	153,239,933	19,585,711	-	174,572,186
Equipment and vehicles	29,449,661	345,034	47,892,704	11,671,524	-	89,358,923
Total	150,871,164	453,820,700	554,445,763	178,666,852	23,600,896	1,361,405,375

For the purposes of the above table, credit guarantees should not exceed the loan balance for each client.

Reschedule Loans

These represent loans previously classified as non-performing loans and were reclassified as performing loans watch list. Moreover, they amounted to JD 43.6 million as of December 31, 2009 (JD 28.4 million as of December 31, 2008).

Restructured Loans

Restructuring means to re-arrange facilities installments by increasing their duration, postponing some installments or increasing the grace period. They are classified within facilities watch list and amounted to JD 13.8 million as of December 31, 2009 (JD 6.5 million as of December 31, 2008).

3- Debt Securities and Treasury Bills

The Schedule below shows the distribution of bonds and bills according to the international agencies classification:-

Rating grade JD	Rating agency JD	Held for Trading JD	Available for Sale JD	Held to Maturity JD	Total JD
AA+	S & P	-	14,637,421	-	14,637,421
AA-	S & P	-	7,289,664	36,365,484	43,655,148
A+	S & P	-	13,958,438	13,446,142	27,404,580
A	S & P	-	63,260,581	16,270,267	79,530,848
A-	S & P	-	10,163,290	-	10,163,290
BBB+	S & P	-	3,332,300	-	3,332,300
BBB	S & P	-	6,622,060	2,115,780	8,737,840
BBB-	S & P	-	25,134,987	3,059,726	28,194,713
BB+	S & P	-	219,790	-	219,790
BB-	S & P	-	4,991,252	-	4,991,252
B+	S & P	-	4,515,609	-	4,515,609
B	S & P	-	2,863,998	-	2,863,998
C	S & P	-	892,695	-	892,695
Unclassified		-	48,615,987	13,836,001	62,451,988
Governmental and government guaranteed		-	341,480,323	659,476,557	1,000,956,880
Total		-	547,978,395	744,569,957	1,292,548,352

4-The schedule below shows the geographical distribution of the credit risk exposure (after allowance and suspended interest):

Geographical area	Inside Jordan	Other Middle East Countries	Europe	Asia *	Africa *	America	Other Countries	Total
item	JD	JD	JD	JD	JD	JD	JD	JD
Cash and balances with central banks	1,016,992,403	239,329,335	-	-	103,607,292	-	-	1,359,929,030
Balances with banks and financial institutions	70,791,816	242,413,913	280,555,663	827,544	2,456,055	75,759,707	17,072,100	689,876,798
Deposits with banks and financial institutions	-	46,493,637	6,604,191	-	-	-	-	53,097,828
Credit Facilities								
Retail	315,591,502	59,522,200	-	-	17,706,808	65,953	-	392,886,463
Residential and real estate mortgages	423,593,170	45,482,871	-	-	5,027,725	-	-	474,103,766
CORPORATE ENTITIES								
Large companies	672,471,629	415,689,787	-	-	15,263,342	-	-	1,103,424,758
SMEs	119,550,528	109,802,296	-	-	23,902,074	-	-	253,254,898
Government and public sector	108,653,998	36,318,017	-	-	6,848	-	-	144,978,863
Bonds debentures and treasury bills								
Held for trading	-	-	-	-	-	-	-	-
Available for sale	427,210,276	45,626,803	10,123,963	-	-	65,017,353	-	547,978,395
Held to maturity	670,476,558	12,040,665	24,852,880	-	-	37,199,854	-	744,569,957
Other assets	42,126,333	1,478,616	-	-	1,980,164	-	-	45,585,113
Total 2009	3,867,458,213	1,254,198,140	322,136,697	827,544	169,950,308	178,042,867	17,072,100	5,809,685,869
Total 2008	3,349,208,037	1,151,191,635	426,297,169	334,800	80,470,504	145,778,026	11,781,492	5,165,061,663

5- The schedule below shows the credit risk exposure according to economic activities :-

Economic Activities Items	Finance	Manufacturing	Trade	Real Estate	Agriculture	Shares	Retail	Governmental and Public Sector	Other	Total
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balances with Central Banks	1,359,929,030	-	-	-	-	-	-	-	-	1,359,929,030
Balances with banks and financial institutions	689,876,798	-	-	-	-	-	-	-	-	689,876,798
Deposits with banks and financial institutions	53,097,828	-	-	-	-	-	-	-	-	53,097,828
Credit Facilities	39,128,032	289,536,365	436,322,676	646,004,376	18,690,768	41,434,042	537,692,357	144,978,863	214,861,269	2,368,648,748
Bonds debentures and treasury bills										
Available for sale	194,298,072	-	-	-	-	-	-	353,680,323	-	547,978,395
Held to maturity	75,093,400	-	-	-	-	-	-	669,476,557	-	744,569,957
Other assets	45,585,113	-	-	-	-	-	-	-	-	45,585,113
Total 2009	2,457,008,273	289,536,365	436,322,676	646,004,376	18,690,768	41,434,042	537,692,357	1,168,135,743	214,861,269	5,809,685,869
Total 2008	1,926,585,496	309,427,433	551,138,990	618,651,070	22,777,566	40,677,794	447,555,906	1,070,690,457	177,556,951	5,165,061,663

Market Risk

Market risk is defined as the risk of fluctuation in fair value or cash flows of financial assets arising from changes in market prices, such as interest, foreign currency risk, price and risks.

These risks arise from open position in interests currencies and investmens in shares.

Market risk is monitored through specialized committees, policies and procedures.

Market risk includes interst rate risks, foreign currency risk and equity securities risks

Market risk is measured and monitored through sensitivity analysis and VAR using a 99% confidence level according to Basel II policies, stop loss limits, and monotiring ceilings for tradies.

Sensitivity analysis is based on estimating the loss risk in fair value due to changes in interest rate and foreign currencies exchange rate. Moreover, fair value is calculated according to the current value of future money flows that will be affected by price changes. VAR is a statistical technique used to estimate the probability of portfolio losses based on unexpected changes in the market; VAR is not expected to exceed the maximum loss at the estimated confidence level of 99% during the specific holding period.

1. Interest rate risk:

It is the risk that results from the changes in market interest rate. It is a major risk faced by the Bank through its financial instruments in the held for trading portfolio.

The Bank manages the interest rate risk by applying sensitivity analysis for the interest rate sensitive instruments by shifting the yield curve a parallel shift of $\pm 1\%$.

Sensitivity Analysis 2009

Currency	Increase in interest rate by 1% on the consolidated statement of income	Decrease in interest rate by 1% on the consolidated statement of income	Increase in interest rate by 1% on equity	Decrease in interest rate by 1% on equity
Jordanian Dinar	(3,945,533)	4,031,553	(2,801,328)	2,862,403

Sensitivity Analysis 2008

Currency	Increase in interest rate by 1% on the consolidated statement of income	Decrease in interest rate by 1% on the consolidated statement of income	Increase in interest rate by 1% on equity	Decrease in interest rate by 1% on equity
US Dollar	(22,504)	22,835	(15,978)	16,213
Jordanian Dinar	(5,509,468)	5,641,986	(3,911,722)	4,005,810

2. Foreign Exchange risk

It is the risk that results from the changes in foreign exchange rates that might have an effect on the Bank's assets and liabilities held in foreign currency. The Bank manages the exchange rate risk by applying sensitivity analysis to the Bank's net foreign currencies positions by shifting the exchange rate $\pm 1\%$.

Sensitivity Analysis 2009

Currency	Increase exchange rate currency by 1% on the consolidated statement of income JD	Decrease exchange rate currency by 1% on the consolidated statement of income JD	Increase exchange rate currency by 1% on equity JD	Decrease exchange rate currency by 1% on equity JD
Euro	41,805	(41,805)	29,682	(29,682)
Sterling Pound	45,699	(45,699)	32,447	(32,447)
Austrlian Dollar	769	(769)	546	(546)
Swiss Frank	2,191	(2,191)	1,556	(1,556)
Canadian Dollar	1,089	(1,089)	773	(773)
Japanese Yen	668	(668)	474	(474)

Sensitivity Analysis 2008

Currency	Increase exchange rate currency by 1% on the consolidated statement of income JD	Decrease exchange rate currency by 1% on the consolidated statement of income JD	Increase exchange rate currency by 1% on equity JD	Decrease exchange rate currency by 1% on equity JD
Euro	(27,173)	27,173	(19,293)	19,293
Sterling Pound	59,264	(59,264)	42,077	(42,077)
Austrlian Dollar	764	(764)	542	(542)
Swiss Frank	1,367	(1,367)	971	(971)
Canadian Dollar	1,054	(1,054)	748	(748)
Japanese Yen	1,528	(1,528)	1,085	(1,085)

3. Price Risk:

It is the risk that results from the changes in stock prices in the Banks trading and available-for-sale portfolio. The Bank manages the price risk by applying the VAR methodology for a confidence level of 99% for one day.

Sensitivity Analysis VAR 2009

	VAR
Held-for-Trading	(74,980)
Available for sale	(536,276)

Sensitivity Analysis VAR 2008

	VAR
Held-for-Trading	(116,035)
Available for sale	(982,568)

Interest rate re-pricing gap:

Classification is done according to interest re-pricing or maturity, whichever is closer:

Interest rate sensitivity									
2009	Up to 1 Month JD	1 to 3 Months JD	3 to 6 Months JD	6 Months to 1 Year JD	1 to 3 Years JD	Over 3 Years JD	Non-Interest Bearing Items JD	Total JD	
ASSETS									
Cash and balances with Central banks	890,470,693	-	-	-	-	-	587,867,083	1,478,337,776	
Balances with banks and financial institutions	216,952,511	461,937,588	-	-	-	-	10,986,699	689,876,798	
Deposits with banks and financial institutions	-	-	49,758,530	3,339,298	-	-	-	53,097,828	
Financial assets held-for trading	-	-	-	-	-	-	1,495,880	1,495,880	
Direct credit facilities	351,061,114	287,427,089	312,385,097	318,211,891	549,968,174	545,056,069	4,539,314	2,368,648,748	
Available-for-sale investment	63,921,523	5,860,978	91,723,370	146,474,721	210,828,746	34,199,162	27,999,688	581,008,188	
Held-to-maturity investments	-	187,346,020	240,962,946	195,670,924	106,104,328	14,485,739	-	744,569,957	
Property and equipment	-	-	-	-	-	-	93,025,899	93,025,899	
Intangible assets	-	-	-	-	-	-	3,176,127	3,176,127	
Deferred tax assets	-	-	-	-	-	-	9,199,723	9,199,723	
Other assets	-	-	-	-	-	-	67,900,813	67,900,813	
TOTAL ASSETS	1,522,405,841	942,571,675	694,839,943	663,696,834	866,901,248	593,740,970	806,191,226	6,090,337,737	
LIABILITIES									
Banks and financial institutions deposits	126,982,857	49,236,460	-	483,408	-	-	107,364,561	284,067,286	
Customers' deposits	1,214,300,512	956,506,888	367,162,530	275,465,572	337,120,725	284,348,951	995,505,374	4,430,410,552	
Margin accounts	83,496,692	29,430,807	9,734,903	13,874,986	12,266,139	1,672,548	139,204,447	289,680,522	
Sundry provisions	-	-	-	-	-	-	18,719,304	18,719,304	
Income tax provision	-	-	-	-	-	-	31,339,932	31,339,932	
Deferred tax liabilities	-	-	-	-	-	-	1,006,216	1,006,216	
Other liabilities	-	-	-	-	-	-	68,641,153	68,641,153	
TOTAL LIABILITIES	1,424,780,061	1,035,174,155	376,897,433	289,823,966	349,386,864	286,021,499	1,361,780,987	5,123,864,965	
Interest rate re-pricing gap	97,625,780	(92,602,480)	317,932,510	373,872,868	517,514,384	307,719,471	(555,589,761)	966,472,772	
2008									
TOTAL ASSETS	1,279,307,476	387,848,370	563,370,373	467,842,058	1,135,282,441	713,857,453	883,070,873	5,430,579,044	
TOTAL LIABILITIES	1,313,393,121	986,831,946	322,158,704	222,401,161	574,229,181	624,646	1,099,927,310	4,519,566,069	
Interest rate re-pricing gap	(34,085,645)	(598,983,576)	241,211,669	245,440,897	561,053,260	713,232,807	(216,856,437)	911,012,975	

CONCENTRATION OF FOREIGN CURRENCY RISK 2009

Currency Items	US Dollar JD	Euro JD	Sterling Pound JD	Japanese Yen JD	Other JD	Total JD
ASSETS						
Cash and balances with Central banks	102,680,338	12,346,587	253,498	9,344	340,022,496	455,312,263
Balances with banks and financial institutions	375,688,114	105,076,546	25,902,621	(365,728)	78,984,405	585,285,958
Deposits with banks and financial institutions	-	-	-	-	53,097,828	53,097,828
Financial assets held-for-trading	738,257	-	-	-	-	738,257
Direct credit facilities	455,464,377	1,225,265	(187,717)	3,657,447	393,555,353	853,714,725
Financial assets available-for-sale	168,903,480	18,853,988	4,918,054	-	(1,639)	192,673,883
Financial assets held-to-maturity	74,101,413	3,059,724	-	-	-	77,161,137
Property and equipment	-	-	-	-	35,566,522	35,566,522
Intangible assets	-	-	-	-	1,189,331	1,189,331
Other assets	3,482,254	94,839	(2,422)	17	7,459,314	11,034,002
TOTAL ASSETS	1,181,058,233	140,656,949	30,884,034	3,301,080	909,873,610	2,265,773,906
LIABILITIES						
Banks and financial institutions deposits	157,426,258	18,137,066	948,932	3,593,065	27,169,192	207,274,513
Customers' deposits	921,325,009	103,004,692	21,414,726	90,131	637,166,673	1,683,001,231
Margin accounts	89,850,697	13,054,952	3,938,261	(448,886)	65,981,402	172,376,426
Sundry provisions	-	-	-	-	397,860	397,860
Income tax provision	-	-	-	-	4,967,966	4,967,966
Other liabilities	4,129,165	2,279,721	12,180	-	21,350,319	27,771,385
TOTAL LIABILITIES	1,172,731,129	136,476,431	26,314,099	3,234,310	757,033,412	2,095,789,381
Net position	8,327,104	4,180,518	4,569,935	66,770	152,840,198	169,984,525
Off-Financial Position contingent liabilities	536,810,838	600,219,070	5,972,267	532,560	220,135,223	1,363,669,958

2008

Currency Items	US Dollar JD	Euro JD	Sterling Pound JD	Japanese Yen JD	Other JD	Total JD
TOTAL ASSETS	1,235,359,479	143,271,169	23,495,123	196,280	712,559,711	2,114,881,762
TOTAL LIABILITIES	1,196,262,534	145,988,510	17,568,653	43,509	620,222,952	1,980,086,158
Net position	39,096,945	(2,717,341)	5,926,470	152,771	92,336,759	134,795,604
Off-Financial Position contingent liabilities	653,811,687	322,728,245	2,636,568	8,346,197	164,973,547	1,152,496,244

Liquidity Risk

Liquidity risk is defined as the Bank's failure to provide the required funding to cover its obligations at the due date.

Liquidity risk is managed through the following:

- Daily funding is managed through monitoring future cash flows and maintaining presence in the cash market.
- Holding liquid assets that could be liquidated within a short time at the market price to meet any unexpected liquidity requirements.
- Monitoring the liquidity ratios according to internal requirements and those of the regulatory authorities.
- Managing concentrations in assets/liabilities and their maturities.
- Maintaining a portion of the customer's deposits as a reserve with the Central Bank as a restricted reserve that can not be utilized except under certain condition according with the regulatory authorities.
- Liquidity is measured on the basis of normal and emergency conditions. This includes analyzing the remaining period of the contractual maturity and financial assets on the basis of their expected recoverability.

The Treasurer is in charge of controlling the liquidity of the Bank taking into consideration loans unutilized facilities, utilizing overdrafts and any commitments related to letters of credit any guarantees.

Sources of Funding:

The Bank works to diversify its sources of funds including the geographical sectors, currencies customers, facilities, and condition in order to attain financial flexibility and lowering financing costs, in addition to maintaining stable financing sources.

The Bank has a large customer base of individuals and corporations with varying deposit accounts, of which 49% are stable. The Bank is distinguished through maintaining 43% of the saving accounts in the Jordanian banking market.

The following table illustrates the distribution of the liabilities (not discounted) on the basis of the remaining period from the date of the financial statements until the date of contractual maturity.

	Up to 1 Month JD	1 to 3 Months JD	3 to 6 Months JD	6 Months to 1 Year JD	1 to 3 Years JD	Over 3 Years JD	Without Maturity JD	Total JD
2009								
LIABILITIES								
Banks and financial institutions deposits	125,792,389	49,318,521	-	487,034	-	-	108,659,769	284,257,713
Customers' deposits	1,343,770,973	643,421,558	131,541,516	120,530,217	-	-	2,200,049,886	4,439,314,150
Margin accounts	59,369,466	56,026,192	36,510,469	41,527,650	96,180,203	2,337,172	-	291,951,152
Sundry provisions	-	-	-	-	-	-	18,719,304	18,719,304
Income tax provision	21,499,456	-	-	7,825,471	-	-	2,015,005	31,339,932
Deferred tax liabilities	-	-	-	-	1,006,216	-	-	1,006,216
Other liabilities	54,495,686	1,044,143	2,652,762	334,588	399,556	365,955	9,348,463	68,641,153
TOTAL LIABILITIES	1,604,927,970	749,810,414	170,704,747	170,704,960	97,585,975	2,703,127	2,338,792,427	5,135,229,620
TOTAL ASSETS	1,938,809,302	944,266,928	696,905,999	666,281,148	868,878,999	594,044,777	381,150,584	6,090,337,737
2008								
LIABILITIES								
Banks and financial institutions deposits	184,796,751	29,728,444	1,593,914	42,276	-	-	93,420,448	309,581,833
Customers' deposits	1,092,739,389	692,932,415	135,239,775	94,009,606	4,681,385	-	1,773,121,465	3,792,724,035
Margin accounts	89,703,293	37,097,523	45,569,475	48,495,575	49,579,419	63,670,983	-	334,116,268
Loans and borrowings	1,788,885	68,625	62,262	11,827	52,507	2,856	-	1,986,962
Sundry provisions	-	-	-	-	-	-	15,988,411	15,988,411
Income tax provision	39,603,974	-	-	10,485,853	-	-	-	50,089,827
Deferred tax liabilities	-	-	-	-	53,035	-	-	53,035
Other liabilities	38,705,263	6,380,153	3,304,696	296,484	693,479	61,155	26,717,260	76,158,490
TOTAL LIABILITIES	1,447,337,555	766,207,160	185,770,122	153,341,621	55,059,825	63,734,994	1,909,247,584	4,580,698,861
TOTAL ASSETS	1,788,842,124	388,598,388	565,496,161	468,447,493	1,134,831,394	714,778,382	369,585,102	5,430,579,044

- Off- Financial Position items :

2009	Up to 1 Year JD	1-5 Years JD	Over 5 Years JD	Total JD
Letters of credit and acceptances	738,961,216	88,496,943	-	827,458,159
Un- utilized ceiling	268,334,018	-	-	268,334,018
Letters of guarantee	559,667,547	61,651,472	-	621,319,019
Total	1,566,962,781	150,148,415	-	1,717,111,196

2008	Up to 1 Year JD	1-5 Years JD	Over 5 Years JD	Total JD
Letters of credit and acceptances	568,753,685	58,397,842	-	627,151,527
Un- utilized ceiling	388,262,285	-	-	388,262,285
Letters of guarantee	652,707,044	-	-	652,707,044
Total	1,609,723,014	58,397,842	-	1,668,120,856

41- SEGMENT INFORMATION

A- Information on the Bank Activities:

For management purposes, the Bank is organized into four major business segments:

Retail Banking: Principally handling individual customers' and small businesses' deposits and providing loans, over-drafts, credit cards facilities and funds transfer.

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

Corporate Finance: Principally arranging structured finance and providing services relating to privatizations, IPO's, mergers and acquisitions.

Treasury: Principally providing trading and treasury services and the management of the Bank's funds.

	Retail Banking	Corporate	Corporate Finance	Treasury	Others	Elimination	Total	
							December 31,	
	JD	JD	JD	JD	JD	JD	2009	2008
Gross Income	163,288,939	160,201,705	1,149,554	128,565,448	6,833,020	(97,513,181)	362,525,485	347,332,835
Impairment of credit facilities	(3,166,947)	(60,945,952)	-	-	(429,583)	-	(64,542,482)	(3,784,251)
Recovered (impairment) of financial assets	-	-	-	3,669,639	-	-	3,669,639	(25,848,374)
Segment result	60,848,355	25,437,071	232,638	18,338,988	1,234,397	-	106,091,449	154,695,044
Unallocated costs	-	-	-	-	-	-	(9,077,325)	(12,673,285)
Income before tax							97,014,124	142,021,758
Income Tax							(30,451,614)	(40,699,013)
Profit for the year							66,562,510	101,322,745

Segment Assets	3,184,930,114	1,928,051,717	230,779	3,592,037,961	106,760,484	-	8,812,011,055	7,611,087,096
Elimination of assets between segments	(2,212,932,299)	(243,654,739)	(134,045)	(274,151,958)	-	-	(2,730,873,041)	(2,193,580,088)
Unallocated assets							9,199,723	13,072,036
Total Assets							6,090,337,737	5,430,579,044

Segment Liabilities	3,117,058,371	1,895,124,978	-	3,402,839,434	95,671,168	-	8,510,693,951	7,296,951,890
Elimination of liabilities between segments	(38,320,486)	(235,831,472)	-	(3,113,683,244)	-	-	(3,387,835,202)	(2,777,438,856)
Unallocated liabilities	-	-	-	-	-	-	1,006,216	53,035
Total Liabilities							5,123,864,965	4,519,566,069
Capital expenditures							24,529,631	24,197,233
Depreciation and amortization							11,361,148	9,422,875

B- Geographical Distribution:

The following is the geographical distribution of the Bank's operations. The Bank conducts its operations mainly in the Kingdom (local operations). Moreover, the Bank conducts international operations through its branches and subsidiaries in the Middle East, Asia, and Africa.

Herebelow is the distribution of the Bank's income, assets, and capital expenditure inside and outside the kingdom:

	Domestic		International		Total	
	December 31,					
	2009 JD	2008 JD	2009 JD	2008 JD	2009 JD	2008 JD
Gross income	268,530,109	290,921,154	93,995,376	56,411,681	362,525,485	347,332,835
Total assets	3,990,707,071	3,614,272,848	2,099,630,666	1,816,306,196	6,090,337,737	5,430,579,044
Capital expenditures	12,338,060	19,847,647	12,191,571	4,349,586	24,529,631	24,197,233

42- Capital Management :

Through the management of its paid-up capital, the Bank seeks to achieve the below goals:

- Compliance with the Central Bank requirements.
- Maintaining its ability as a going concern.
- Having a strong capital base for supporting the Bank's expansion and development.

Capital adequacy is reviewed monthly, and reported quarterly to the Central Bank.

According to the Central Bank Instructions, the minimum requirement for capital adequacy is 12%, banks are classified into 5 categories, the best one of which is the one having an average capital adequacy equal or more than 14% .

The Bank restructures and modifies its capital according to the business environment.

There are no amendments in the year 2009 on the goals, policies and procedures related to capital restructure.

The schedule below shows the capital components, amounts, total risk weighted assets, and capital adequacy ratio according to the instructions of the Central Bank, Based on the instructions of Basel II Committee.

	2009 JD	2008 JD
Primary capital items		
Paid-in capital	252,000,000	252,000,000
Statutory reserve	95,334,774	85,205,068
Voluntary reserve	33,222,068	33,222,068
Share premium	357,925,469	357,925,469
Retained earnings	71,643,483	67,789,409
Goodwill and the intangible assets	(2,710,520)	(3,638,743)
Total primary capital	807,415,274	792,503,271
Supplementary capital		
Foreign currency translation differences	1,733,632	1,057,229
Cumulative changes in fair values	(2,840,657)	(28,311,128)
General banking risks reserve	22,450,000	23,702,983
Total Supplementary Capital	21,342,975	(3,550,916)
Less :		
Capital investments in banks and subsidiaries	-	(36,940,051)
Capital investments in banks and other financial institutions	(10,618,572)	(11,493,028)
Total Regulatory Capital	818,139,677	740,519,276
Total Weighted Assets Risk Average	3,569,925,852	3,197,654,195
Capital Adequacy Ratio %	22.92%	23.16%
Primary Capital Ratio	22.47%	23.16%

43- Levels of the Fair Value

The following table analyzes the financial instruments recorded at fair value based on valuation method, which is defined at different levels as follows:

Level 1 : List prices (unadjusted) for identical assets or liabilities in active markets.

Level 2 : Information other than included in the advertised price level 1, which is monitored for the asset or liability, either directly (such as prices) or indirectly (ie, derived from the prices).

Level 3 : Information on the asset or liability is not based on those observed in the market (unobservable).

December 31,2009	Level 1 JD	Level 2 JD	Level 3 JD	TOTAL
Financial assets				
Financial assets held for trading	1,495,880	-	-	1,495,880
Financial assets available for sale	536,310,154	44,698,034	-	581,008,188
Financial assets held to maturity	730,315,956	14,254,001	-	744,569,957
Total financial assets	1,268,121,990	58,952,035	-	1,327,074,025

December 31,2008	Level 1 JD	Level 2 JD	Level 3 JD	TOTAL
Financial assets				
Financial assets held for trading	13,408,133	-	-	13,408,133
Financial assets available for sale	564,082,005	49,215,103	-	613,297,108
Financial assets held to maturity	584,154,336	16,387,127	-	600,541,463
Total financial assets	1,161,644,474	65,602,230	-	1,227,246,704

44-Fiduciary Accounts

Investment accounts managed on behalf of customers amounted to JD 2.8 million as of December 31, 2009 against JD 3.5 million as of December 31, 2008. These accounts are not included in the assets and liabilities of the Bank. The management commissions and fees on these accounts appear in the consolidated statement of income.

45- Assets and Liabilities Maturities:

This item consists of the following:

2009	Up to 1 Year JD	Over 1 Year JD	Total JD
Assets			
Cash and balances with Central Banks	1,478,337,776	-	1,478,337,776
Balances with banks and financial institutions	689,876,798	-	689,876,798
Deposits with banks and financial institutions	53,097,828	-	53,097,828
Financial assets held for Trading	1,495,880	-	1,495,880
Direct credit facilities – net	1,273,624,505	1,095,024,243	2,368,648,748
Financial assets available-for-sale	335,980,280	245,027,908	581,008,188
Financial assets held-to-maturity	623,979,890	120,590,067	744,569,957
Property and equipment – net	8,786,794	84,239,105	93,025,899
Intangible assets	2,574,354	601,773	3,176,127
Deferred tax assets	1,710,662	7,489,061	9,199,723
Other assets	65,619,255	2,281,558	67,900,813
TOTAL ASSETS	4,535,084,022	1,555,253,715	6,090,337,737
LIABILITIES			
Banks and financial institutions deposits	284,067,286	-	284,067,286
Customers' deposits	3,808,940,876	621,469,676	4,430,410,552
Margin accounts	193,138,924	96,541,598	289,680,522
Sundry provisions	4,260,730	14,458,574	18,719,304
Income tax provision	31,339,932	-	31,339,932
Deferred tax liabilities	-	1,006,216	1,006,216
Other liabilities	67,875,642	765,511	68,641,153
TOTAL LIABILITIES	4,389,623,390	734,241,575	5,123,864,965
Net	145,460,632	821,012,140	966,472,772

2008	Up to 1 Year JD	Over 1 Year JD	Total JD
Assets			
Cash and balances with Central Banks	994,243,497	-	994,243,497
Balances with banks and financial institutions	700,062,230	-	700,062,230
Deposits with banks and financial institutions	16,117,501	4,299,000	20,416,501
Financial assets held for Trading	13,408,133	-	13,408,133
Direct credit facilities – net	1,223,268,331	1,118,427,736	2,341,696,067
Financial assets available-for-sale	182,362,011	430,935,097	613,297,108
Financial assets held-to-maturity	311,749,753	288,791,710	600,541,463
Property and equipment – net	7,461,447	70,589,534	78,050,981
Intangible assets	1,951,836	3,146,358	5,098,194
Deferred tax assets	3,315,914	9,756,122	13,072,036
Other assets	43,536,601	7,156,233	50,692,834
TOTAL ASSETS	3,497,477,254	1,933,101,790	5,430,579,044
LIABILITIES			
Banks and financial institutions deposits	307,106,876	-	307,106,876
Customers' deposits	3,193,484,625	571,035,853	3,764,520,478
Margin accounts	215,608,353	88,076,086	303,684,439
Loans and borrowings	1,914,353	50,160	1,964,513
Sundry provisions	1,947,427	14,040,984	15,988,411
Income tax provision	50,089,827	-	50,089,827
Deferred tax liabilities	-	53,035	53,035
Other liabilities	75,403,856	754,634	76,158,490
TOTAL LIABILITIES	3,845,555,317	674,010,752	4,519,566,069
Net	(348,078,063)	1,259,091,038	911,012,975

46- Off-Financial Position Contractual Commitments and Contingent Liabilities

A- Credit commitments and contingent liabilities:-

	December 31,	
	2009 JD	2008 JD
Letters of credit	764,266,760	534,264,261
Acceptances	63,191,399	92,887,266
Letters of guarantee:		
• Payments	117,632,577	119,520,382
• Performance	229,895,962	222,237,791
• Other	273,790,480	310,948,871
Un-utilized direct credit facilities	268,334,018	388,262,285
Total	1,717,111,196	1,668,120,856

B- Contractual commitments:-

	December 31,	
	2009 JD	2008 JD
Purchase of fixed assets	2,824,850	2,369,890
Projects under construction	5,520,905	4,489,761
Other purchases contracts	5,065,185	2,152,212
Total	13,410,940	9,011,863

47- NEW AND AMENDED INTERNATIONAL FINANCIAL REPORTING STANDARDS

47.1 Standards affecting presentation and disclosure

The following new and revised Standards have been adopted in these consolidated financial statements for the current period. The details of other Standards and Interpretations adopted but that have had no effect on the financial statements are set out in section 47-2.

- IAS 1 (as revised in 2007) Presentation of Financial Statements
IAS 1 (2007) has introduced terminology changes (including revised titles for the financial statements) and changes in the format and content of the financial statements.
- Improving disclosures about Financial Instruments (Amendments to IFRS 7 Financial Instruments: Disclosures).

The Amendments to IFRS 7 expand the disclosures required in respect of fair value measurements and liquidity risk. The Group has elected not to provide comparative information for these expanded disclosures in the current year in accordance with the transitional reliefs offered in these amendments.

- IFRS 8 Operating Segments
IFRS 8 is a disclosure standard that has resulted in re-designation of the Group's reportable segments.

47.2 Standards and Interpretations adopted with no effect on the consolidated financial statements

The following new and revised Standards and Interpretations have also been adopted in these consolidated financial statements. Their adoption has not had any significant impact on the amounts reported in these consolidated financial statements but may affect the accounting for future transactions or arrangements.

- IFRS 8 OPERATING SEGMENTS

IFRS 8 is a disclosure Standard that requires re-designation of the Group's reportable segments based on the segments used by the Chief Operating Decision Maker to allocate resources and assess performance. [There was no material impact of this Standard on the previous disclosures and reported results or the financial position of the Group since the business segments reported earlier as per the requirements of IAS 14 Segment Reporting are also used by the General Manager to allocate resources to the segments and to assess its performance.]

- IFRS for SMEs Small and Medium-sized Entities

This Standard is available immediately but the adoption has to be decided by the jurisdiction of implementation.

- Amendments to IFRS 2 Share-based Payment - Vesting Conditions and Cancellations

The amendments clarify the definition of vesting conditions for the purposes of IFRS 2, introduce the concept of 'non-vesting' conditions, and clarify the accounting treatment for cancellations.

- IAS 23 (as revised in 2007) Borrowing Costs.

The principal change to the Standard was to eliminate the option to expense all borrowing costs when incurred. This change has had no impact on these financial statements because it has always been the Group's accounting policy to capitalise borrowing costs incurred on qualifying assets.

- Amendments to IAS 32 Financial Instruments: Presentation and IAS 1 Presentation of Financial Statements – Puttable Financial Instruments and Obligations Arising on Liquidation.

The revisions to IAS 32 amend the criteria for debt/equity classification by permitting certain puttable financial instruments and instruments (or components of instruments) that impose on an entity an obligation to deliver to another party a pro-rata share of the net assets of the entity only on liquidation, to be classified as equity, subject to specified criteria being met.

- IFRIC 13 Customer Loyalty Programmes.

The Interpretation provides guidance on how entities should account for customer loyalty programmes by allocating revenue on sale to possible future award attached to the sale.

- IFRIC 15 Agreements for the Construction of Real Estate.

The Interpretation addresses how entities should determine whether an agreement for the construction of real estate is within the scope of IAS 11 Construction Contracts or IAS 18 Revenue and when revenue from the construction of real estate should be recognized.

- IFRIC 16 Hedges of a Net Investment in a Foreign Operation.

The Interpretation provides guidance on the detailed requirements for net investment hedging for certain hedge accounting designations.

- IFRIC 18 Transfers of Assets from Customers (adopted in advance of effective date of transfers of assets from customers received on or after 1 July 2009).

The Interpretation addresses the accounting by recipients for transfers of property, plant and equipment from 'customers' and concludes that when the item of property, plant and equipment transferred meets the definition of an asset from the perspective of the recipient, the recipient should recognize the asset at its fair value on the date of the transfer, with the credit recognized as revenue in accordance with IAS 18 Revenue.

- Improvements to IFRSs (2008).

Amendments to IAS 1, IAS 16, IAS 19, IAS 20, IAS 27, IAS 28, IAS 29, IAS 31, IAS 36, IAS 38, IAS 39, IAS 40 and IAS 41 resulting from May and October 2008 Annual Improvements to IFRSs the majority of which is effective for annual periods beginning on or after 1 January 2009.

47.3 Standards and Interpretations in issue not yet effective

At the date of authorisation of these consolidated financial statements, the following new and revised Standards and Interpretations were in issue but not yet effective:

New Standards and amendments to Standards:

- IFRS 1 (revised) First time Adoption of IFRS and IAS 27 (revised) Consolidated and Separate Financial Statements – Amendment relating to Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate. Effective for annual periods beginning on or after 1 July 2009.
- IFRS 3 (revised) Business Combinations – Comprehensive revision on applying the acquisition method and consequential amendments to IAS 27 (revised) Consolidated and Separate Financial Statements, IAS 28 (revised) Investments in Associates and IAS 31 (revised) Interests in Joint Ventures. Effective on 1 July 2009.
- IAS 39 (revised) Financial Instruments: Recognition and Measurement – Amendments relating to Eligible Hedged Items (such as hedging inflation risk and hedging with options). Effective on 1 July 2009.
- IFRS 1 (revised) First time Adoption of IFRS – Amendment on additional exemptions for First-time Adopters. Effective on 1 January 2010.
- IAS 32 (revised) Financial Instruments: Presentation – Amendments relating to classification of Rights Issue. Effective on 1 February 2010.
- IAS 24 Related Party Disclosures – Amendment on disclosure requirements for entities that are controlled, jointly controlled or significantly influenced by a Government. Effective on 1 January 2011.
- IFRS 9 Financial Instruments: Classification and Measurement (intended as complete replacement for IAS 39 and IFRS 7). Effective on 1 January 2013.
- Amendments to IFRS 2, IFRS 5, IFRS 8, IAS 1, IAS 7, IAS 17, IAS 18, IAS 28, IAS 36, IAS 38 and IAS 39 resulting from April 2009 Annual Improvements to IFRSs.
The majority is effective for annual periods beginning on or after 1 January 2010.

New Interpretations and amendments to Interpretations:

- IFRS 17: Distributions of Non-cash Assets to Owners (1 July 2009).
- IFRIC 19: Extinguishing Financial Liabilities with Equity Instruments. (1 July 2010).
- Amendment to IFRIC 14: IAS 19: The limit on a Defined Benefit Asset, Minimum Funding Requirements and their interaction. (1 July 2011).
- Amendment to IFRIC 16: Hedges of a Net Investment in a Foreign Operation. (1 July 2009).
- Amendment to IFRIC 9 (revised): Reassessment of Embedded Derivatives relating to assessment of embedded derivatives in case of reclassification of a financial asset out of the 'FVTPL' category. (1 July 2009).

Management anticipates that each of these Standards and Interpretations will be adopted at the date of its initial application.

48- Lawsuits against the Bank

There were lawsuits raised against the Bank amounting to JD 17.6 million as of December 31, 2009 (JD 10.3 million as of December 31, 2008). These lawsuits raised to prevent the Bank from reclaiming amounts due and enforcing real estate mortgages. In the opinion of management and the legal advisor, no material liabilities will arise as a result of these lawsuits, exceeding the related provision amounting to JD 635,044 as of December 31, 2009 (JD 385,651 as of December 31 2008).

49- Comparative Figures

Some of the year 2008 figures have been reclassified to correspond with the year 2009 presentation. There is not effect on the income and equity as of December 31, 2008.

Corporate Governance



Back Elevation - New Headquarter Building Project "Shemeisani"



First: - Commitment to Corporate Governance

The Board of Directors of the bank strongly believes in the importance of corporate governance to provide a basis for the bank's future development and improve its performance, and to bolster trust in its activities with depositors and shareholders. Accordingly, the board has decided to adopt corporate governance consistent with international best practices, the principles of the Organization for Economic Cooperation and Development (OECD), the Basel Committee on Banking Supervision, Central Bank of Jordan regulations, the banks and companies' law, and the instructions of the Securities Commission. This corporate governance code has been prepared and approved by the bank in order to define and specify the bank's values and strategic directions in this field. The Bank publishes this code as part of its annual report, and on its website, in addition to preparing a report to the public showing the banks' compliance with its articles.

Second :- Definition of Corporate Governance

The bank applies the definition of the (OECD) approved by the Central Bank of Jordan which defines corporate governance as:-

"A set of relationships between the company's management, its board, its shareholders and other stakeholders. Corporate governance also provides the structure through which the objectives of the company are set, and the means of attaining those objectives and monitoring performance are determined. Good corporate governance provides the basis for the bank board, and management, to pursue objectives that are in the interest of the bank, and facilitate effective monitoring, and help banks to use their resources effectively".

Third:- Responsibilities of the Board

The Board of Directors has the overall responsibility for the operations and the financial soundness of the bank, and ensures that the interests of shareholders, depositors, creditors, employees, and other stakeholders, including the banking regulators and supervisors, are met. The Board ensures that the bank is managed prudently and within the framework of laws and regulations and the bank's own policies.

- The board approves the bank strategies and action plans, including, approval of risk policies, risk maname procedures, ensuring the availability of mechanisms to measure such risks, and to set necessary limits.
- Board members have the experience and expertise necessary to perform duties and functions required from the board. In cases requiring specialized expertise, the board could seek the assistance of consultants.
- The board selects, monitors, and when necessary replaces the bank's senior executive management to ensure its performance, and oversee the availability of a succession plan to effectively address the bank affairs.
- The board monitors and supervises the bank's senior executive management through practicing its authority of asking questions regarding the bank's position and getting relevant answers, requiring necessary reports on a timely basis to ensure the board's capability to judge management performance and implementation of the board's strategies and decisions.
- The board and the senior executive management follow clear policies consistent with relevant laws and regulations, related to any operations carried outside Jordan, through its external branches and/or subsidiaries.
- The board firmly believes that operations carried out by subsidiaries outside Jordan, may expose the bank to lawsuits, reputation risk or financial risks in such countries. In this context, such operations are subject to effective monitoring and supervision by the board and senior executive management.
- The board shall develop a management framework comprising an appropriate organizational structure that defines the lines of authority, responsibility, and management levels, an integrated system of corporate governance, an internal control system, risk management system, compliance and Anti Money Laundering policy, and a code of Ethics/Conduct.
- The board of directors is mostly composed of (non-executive) members, as well as executive members. Considerations are made to include at least three independent non-executive members in the board.
- Board members carry out their duties in loyalty and dedication, ensuring the availability of mechanisms that ensure the bank compliance with all laws and regulations applicable. Board members avoid actual or potential conflict of interests, and commit themselves to dedicate necessary time and effort to effectively fulfill their responsibilities towards the bank.

- The board of directors, through the nomination and remuneration committee, shall evaluate the board performance as a whole, at least annually.
- The board of directors evaluates the performance of the General manager annually.

Fourth:- Role of the Chairman

- The positions of the Chairman and General manager are separated according to a board written decision, and reviewed when the need arises, in conformity with the banks and companies' law, and both have no kinship less than third degree.
- The chairman of the board is dedicated, and practices all powers and authorities vested in him pursuant to the banks and companies' law, and practices powers and duties authorized to him by the board. The Chairman performs the following major roles :
- Supervise all the bank affairs, and shall be accountable to the board for the supervision and follow-up of the bank activities, as well as implementation of the board policies to achieve the bank objectives and purposes. The chairman shall follow up and evaluate the overall performance of the bank in line with the strategies, plans, objectives, policies and budgets approved by the board.
- The chairman ensures the availability of high standard and effective corporate governance in the bank. He shall promote a constructive relationship between the Board and the Bank's management. The Chairman shall promote a corporate culture at the board that encourages constructive criticism and alternative views on the issue under consideration, and consequent discussion and voting on individual recommendations. He also ensures that directors and shareholders receive adequate and timely information.

Fifth:- Board practices

- The board meetings are held on a regular basis in line with the requirements of the companies' law, at least six times annually. The agenda of each meeting is specified in order to ensure coverage of topics. The attendance of individual directors is recorded and made public.
- The bank provides adequate information to board members in advance to enable them to take informed decision. An official appointment letter is issued for each member indicating his/her rights, obligations and responsibilities. The bank provides members of the board with necessary information upon their appointment, and during their term of office. Categories of financial transactions which require board approval, including loans exceeding certain limits or related party transactions, are specified clearly in writing, and disclosed.

Sixth:- Role of the Board Secretary

- The secretary of the board arranges convening and meetings of the board and its committees, recording the minutes thereof, and ensuring implementation of the board decisions. The secretary ensures circulation of information among board members, committees, and the executive management. The secretary shall keep written records of the board discussions and the voting results. Appointment or replacement of the secretary shall be through a decision made by the board of directors.

Seventh:- Board Committees

- The Board is ultimately responsible for the management of the bank and its affairs. To ensure its effectiveness, the board shall form committees to assist it in carrying out its duties and obligations in a transparent manner. Those committees' report to the board. The duties, obligations, authorities, and responsibilities of such committees, as well as their terms of reference shall be determined in writing by the board in conformity with relevant laws.
- Members of the board committees are appointed in an official and transparent manner, their names together with a brief of their responsibilities and duties are disclosed in the bank's annual report. Each board committee has the right to directly address the bank executive management through the chairman and the General manager.
- The board of directors have five major committees:- Audit Committee, Corporate Governance Committee, Nomination and Remuneration Committee, Executive Committee, and Risk Management Committee. Each committee has a written Charter which is continuously revised and updated. Ad hoc specialized board committees dealing with specialized matters shall be formed when needed, and several Committees may be joined together if deemed appropriate.

(1) Audit Committee:

The audit committee is composed of five non-executive members, and considerations are made that most of them be independent. All members of the audit committee shall be highly qualified, with experience in accounting and financial management. The committee works under the supervision of the board, and submit its reports and recommendations to the board of directors.

- The audit committee meetings take place on a regular basis, at least four times annually, with the presence of the bank General Auditor. Minutes of such meetings shall be duly prepared and kept.
- The audit committee performs the duties and obligations as provided in laws and regulations, the instructions of the supervisory bodies, in addition to the best practices and Basel committee guidelines.

The audit committee shall be responsible of the following key functions :-

- Supervising external and internal auditors, ensuring the comprehensiveness of their scope of work, ensuring coordination between external auditors, reviewing the periodicity and scope of internal audit, and the approval of their working plans.
- Reviewing the notes mentioned in the reports of the Central Bank, internal, and external audit, and following up relevant measures taken, define weaknesses in control procedures, and non-compliance with laws & regulations, and ensure that management has taken necessary remedies.
- Reviewing the financial statements prior to their submission to the board, to ensure their correctness according to the applicable accounting standards, the central bank regulations, and laws, as well as, the sufficiency of necessary allocations.
- Studying the financial reports prior to their submission to the board, and present relevant recommendations, including reports on any changes in the accounting standards applied, or any changes in the bank accounts due to the audit process or the external auditor recommendations, and ensure that accounting and monitoring procedures are accurate and implemented.
- Submitting recommendations to the board concerning nomination, appointment, termination, and remuneration of the external auditor and its election by the general assembly, ensuring that the external auditor fulfills the requirements of the supervisory bodies, and that nothing shall impair its independence.
- Ensuring the independence of the internal audit department necessary to carry out its duties, and approval of the nomination or termination of the bank General Internal Auditor.
- Studying matters submitted to the committee by the board, or any matter deemed necessary to be discussed and give its opinion in this regard.
- Ensuring the sufficiency and efficiency of internal control and monitoring procedures, through reviewing reports of external and internal auditors, or any reports submitted to the audit committee.
- Ensuring the sufficiency and efficiency of the internal control system to avoid any potential conflict of interest, which may arise from the bank's transactions or contracts or entering into projects with related parties, and to ensure that audit plans cover this.
- Studying the debt amortization cases, giving its opinion, and submitting its recommendations to the board.
- The responsibility of the audit committee shall not substitute the responsibilities of the board or executive management related to overseeing the sufficiency of internal control and monitoring systems.

Authorities of the Audit Committee:-

- Request any information, or the presence of any bank employees, through coordination with the Chairman and the General Manager. Employees shall cooperate and provide such information in an accurate and timely basis.
- The audit committee has the right to ask for legal, financial, or administrative consultancy from any external counsel.
- The audit committee has the right to request the presence of the external auditor, if it deems necessary to discuss any matters related to its work, and has the right to inquire or request its views in writing.

(2) Corporate Governance Committee:

- The corporate governance committee is composed of Four members, the Chairman, three non-executive members, and the General Manager. The committee mission is to direct the preparation, implementation and updating of the corporate governance code, which has been approved by the board, and shall be reviewed and updated periodically.
- The board shall, periodically, evaluate its efficiency in practicing corporate governance, in order to pinpoint weaknesses, and make adjustments when necessary. The board shall also support all training programs for its members in the fields relevant to the functions of the board.

(3) Nomination and Remuneration Committee:

- The nomination and remuneration committee is composed of three non-executive members of the board, and considerations are made that most of them including the chair are independent. Duties and obligations of the committee shall be defined by a board decision.
- The nomination and remuneration committee nominates potential board members, taking into consideration the capabilities and qualifications of nominees, and in case of re-nomination, the committee shall take into consideration their attendance, as well as the quality and efficiency of their participation in board meetings.
- The nomination and remuneration committee is entitled to determine whether the member is independent, taking into consideration that all conditions of an independent member* are available, as mentioned in the corporate governance regulations issued by the central bank.
- The board of directors, through the nomination and remuneration committee, shall evaluate the performance of the board as a whole, at least once annually, in addition to the evaluation of member's participation in board discussions. The committee shall follow specific, approved and objective bases in the evaluation process of the board, in addition to the standards concerning the accuracy and correctness of the bank financial statements, and the extent of compliance with the laws and regulations.
- The nomination and remuneration committee recommends remunerations, including the monthly salary and other benefits of the General Manager. The committee shall also revise salaries and benefits of the executive management.
- The nomination and remuneration committee oversees the compensation policies, to ensure they are consistent with the bank values, objectives, long-term strategy, and the control environment. The bank's compensation strategy has sufficient incentives to attract and retain qualified employees, and that salaries and benefits are partially related to the bank performance. The compensation policy shall be disclosed in the bank's annual report.
- The nomination and remuneration committee shall be responsible for providing information and briefs/abstracts about the background of certain important matters in the bank for the board members when requested, and ensure that board members are aware of the most recent matters relevant to the banking industry. For this purpose, the bank encourages board members to attend seminars and events allowing them to meet with local and international corporations and companies.

* Definition of the Independent Member:-

The Independent member is defined as the one "himself or as a representative of a corporation", whose membership constitutes his only connection to the bank, and whose judgment is therefore unlikely to be influenced by external considerations. The Minimum standards for an 'independent' member include the following:-

- Has not been employed by the Bank for the preceding three years.
- Not an immediate family member of a bank Director beyond the second degree.
- Not receiving a salary or compensation from the Bank other than as a board member.
- Not a board member or owner of a company with which the Bank does business, except deals as a usual customer and without favorable treatment.
- Has not been a partner or employee of the external auditor for the preceding three years.
- Is not a significant shareholder of the Bank nor affiliated with one.

(4) Board Executive Committee

- The executive committee is formed by a decision of the board, and is headed by the Chairman. The committee meets periodically, at least four times annually, and as the need arises. The committee studies any matters referred to it by the board. All decisions passed shall be referred to the board for confirmation.
- The executive committee shall study the estimated budget, major policies related to the bank operations, such as, the credit policy, investment policies, personnel affairs, and the internal control policy. The committee also, studies the bank annual strategy, strategic capital or investment projects, such as merger & acquisition, partnership, establishment, partial or comprehensive take over of other corporations, and provide propositions related to the management of such investments. The committee also, studies recommendations submitted by the executive management concerning the establishment or purchase of premises for the bank, inside Jordan or abroad. The committee also, discusses the bank's final financial statements, and recommend to the board concerning the bank general organizational structure to take appropriate decision.
- The executive committee has authority for issues and amounts exceeding the authority mandated to the Chairman and the executive management which fall within its authority. The committee also, studies what exceeds its authority and submit its recommendations to the board, to take appropriate decision.

(5) Risk Management Committee

- The Risk management committee is composed of four members, the chairman, two board members, and the General Manager.
- The Risk management committee shall review risk management policies, strategies and framework, including risk limits acceptable by the bank, prior to their approval by the board. The executive management shall be responsible for the implementation of such strategies, as well as the development of policies and procedures for the management of various risks.
- The Risk management committee shall keep abreast of the developments in risk management inside the bank, and submit periodical reports to the board regarding these developments.

Eighth:- Internal Control Environment

- The bank's internal control system has been built based on the general framework of the internal control system prepared by Committee of Sponsoring Organizations (COSO). This system is reviewed by the internal and external auditors annually, in conformity with the requirements of the companies' law. The bank includes a statement in its annual report with regard to the sufficiency of internal control on the financial reports.
- The board of directors performs its responsibilities on the basis of the internal control framework, which enables the board to pursue its functions, and take relevant necessary measures. The bank's internal control system includes the annual budget developed and approved by management, monthly analysis of actual performance compared to the budget, financial reports submitted to the board members at each periodical meeting, publication of the financial statements on quarterly basis, forwarding financial reports and business plans to shareholders on an annual basis, employees competency and evaluation of their performance annually, professional standards guide, financial and administrative controls at work centers, documentation of information systems, and detailed policies and procedures manuals available for all employees.

(1) Code of Conduct/Ethics

- The bank applies a high standard Code of conduct/ethics, circulated to all employees and board members, and made accessible on the bank's intranet. At the beginning of every fiscal year, each employee signs a written acknowledgement, indicating that he had seen the code and any amendments, and agrees to them.
- The bank's Code of conduct/ethics has articulated the following points:- (unethical behaviors, commitments, penalties, reporting violations, conflict of interest, gifts and deductions, relations with suppliers/providers, employments of relatives, confidentiality of information and communications, competition, monopoly, and compliance with laws, regulations and policies of the bank).

(2) Loans or Bank Transactions with (board members, employees, shareholders, and related parties):-

- The bank policies approved by the board are in conformity with applicable laws and regulations issued by the Central Bank including the following:-
- Loans and facilities granted to board members, senior executive management and employees, are subject to the credit concentration instructions issued by the Central Bank.
- Loans and facilities granted to the Chairman or any board member shall be consistent with the bank's credit policy taking into consideration, the bank's interests first.
- Loans given to bank employees in various levels, shall be in accordance with the bank's internal regulations and instructions.
- Transactions, other than loans/credit, with related parties shall be in conformity with policies approved by the bank, and shall put the bank interest first.
- Loans and facilities granted to clients, employee, and related parties, shall be subject to periodical revisions by both internal and external auditors, to ensure their consistency with laws and regulations, and the bank's internal policies.
- Transactions with VIP clients, in loans and facilities, shall comply with the credit policy approved by the board. Statements of accounts of bank clients shall be thoroughly analyzed by competent employees.
- Corporate governance at large corporate/institutional clients shall be evaluated through the credit granting process, taking into consideration good corporate governance upon evaluation of clients.

(3) Hot Line/Whistle Blowing

- A set of arrangements has been designed to enable employees to confidentially report concerns about any potential violations, enabling the investigation and follow up of such concerns independently, through the hotline/whistle blowing, assigned to the General Auditor. Such arrangements shall be supervised by the audit committee, and in coordination with the General manager and the senior executive management.

Ninth:- Control and Monitoring Functions

(1) The Internal Audit Department

- The bank recognizes that an efficient internal audit department contributes to strengthening the internal control system, and the general framework of risk management related to various activities of the bank. The internal audit department shall report to management and the audit committee, to confirm the implementation of internal polices and procedures and their efficiency.
- The Internal audit department functionally reports to the audit committee, in order to strengthen its independence, and administratively is affiliated with the General manager.
- The Internal audit department carries out its duties pursuant to the audit charter approved by the audit committee, which determines its duties, responsibilities and authorities according to international standards.
- The Internal audit department prepares the annual audit plan for all work centers in the bank. The plan is based on the level of exposure to risks of the business centers (Risk based plan), in determining audit priorities, the more risk exposure, the more intensity of audit. The plan includes all working centers in the bank. Accordingly, human resources plan required for implementation is prepared to work-out the estimated budget of the audit department, which contains all human and financial resources necessary to carry out audit activities. The plan is approved by the audit committee after submission to the General manager.
- In order to ensure their objectivity, internal auditors shall not carry out any executive work. Any potential conflict of interest shall be reported to the audit committee.
- Internal audit reports are discussed with relevant departments and work centers. Internal audit is allowed to prepare its reports without any interference or impact of any other parties.
- The internal audit department coordinates with the external auditor when reviewing and examining the sufficiency of the bank internal control system.

(2) The Risk Management Department:-

- The Risk management department submits its reports to the Risk Management Committee of the board. As for the day to day operations, the department directly reports to the General Manager.

The functions, duties and responsibilities of risk management:

- Analysis of all risk types (credit, market, liquidity and operational risks), development of methods to measure and monitor each risk type, provide information regarding risk measures and structure to the board and the senior executive management, and ensures availability of such information to be included in the bank reports and statements.
- Preparing and submitting reports regarding exposure levels to the risk management committee, and monitoring portfolio concentrations, to ensure they are within limits granted. Provide the board and executive management with information regarding measuring risks and risk profiles.
- Coordinates with other departments to provide information necessary for risk management, continuous study of risks related to bank activities, preparation of recommendations, taking appropriate actions, and follow up on high risk matters, mentioned in relevant reports
- A network of authorized committees such as:- credit policies committee, and assets and liabilities committee (ALCO), participate in risk management at the bank.

(3) Corporate Governance and Compliance

- The corporate governance and compliance function is concerned with the design of mechanisms necessary to ensure compliance with all laws and regulations governing the activities of the bank in Jordan and a broad where the bank has branches and subsidiaries.
- The corporate governance and compliance function shall submit its reports and findings to the board corporate governance committee, and forward a copy to the General Manager. As for the day to day operations, the function reports to the General Manager.
- The board shall approve and monitor the bank's compliance policy. Preparations, development and ensuring implementation of the compliance policy, shall be the responsibility of the corporate governance and compliance function.
- With regard to Anti-Money Laundering, the corporate governance and compliance function acts as a contact point with the Central Bank of Jordan, and the Anti-Money Laundering Unit. It also develops the necessary policies and procedures, designing Know Your Customer policies, monitoring transactions, investigation of suspicious cases, as well as submitting Suspicious Activity Reports to the Anti-Money Laundering Unit.

Tenth:- External Audit

- The audit committee, in conformity with applicable laws and regulations, nominate an external auditor to be elected by the general assembly, making sure that the nominated external auditor fulfills the requirements of supervisory bodies, (Central Bank, and Securities Commission)
- The audit committee review and examine the external auditor report, to ensure that necessary remedies are taken. The external auditor carry out its duties in conformity with the provisions of the banks' and companies' laws. The external auditor shall review the sufficiency of internal audit and internal control procedures, and formulate its recommendations. The External auditor shall meet with the audit committee without the presence of executive management, at least once yearly.

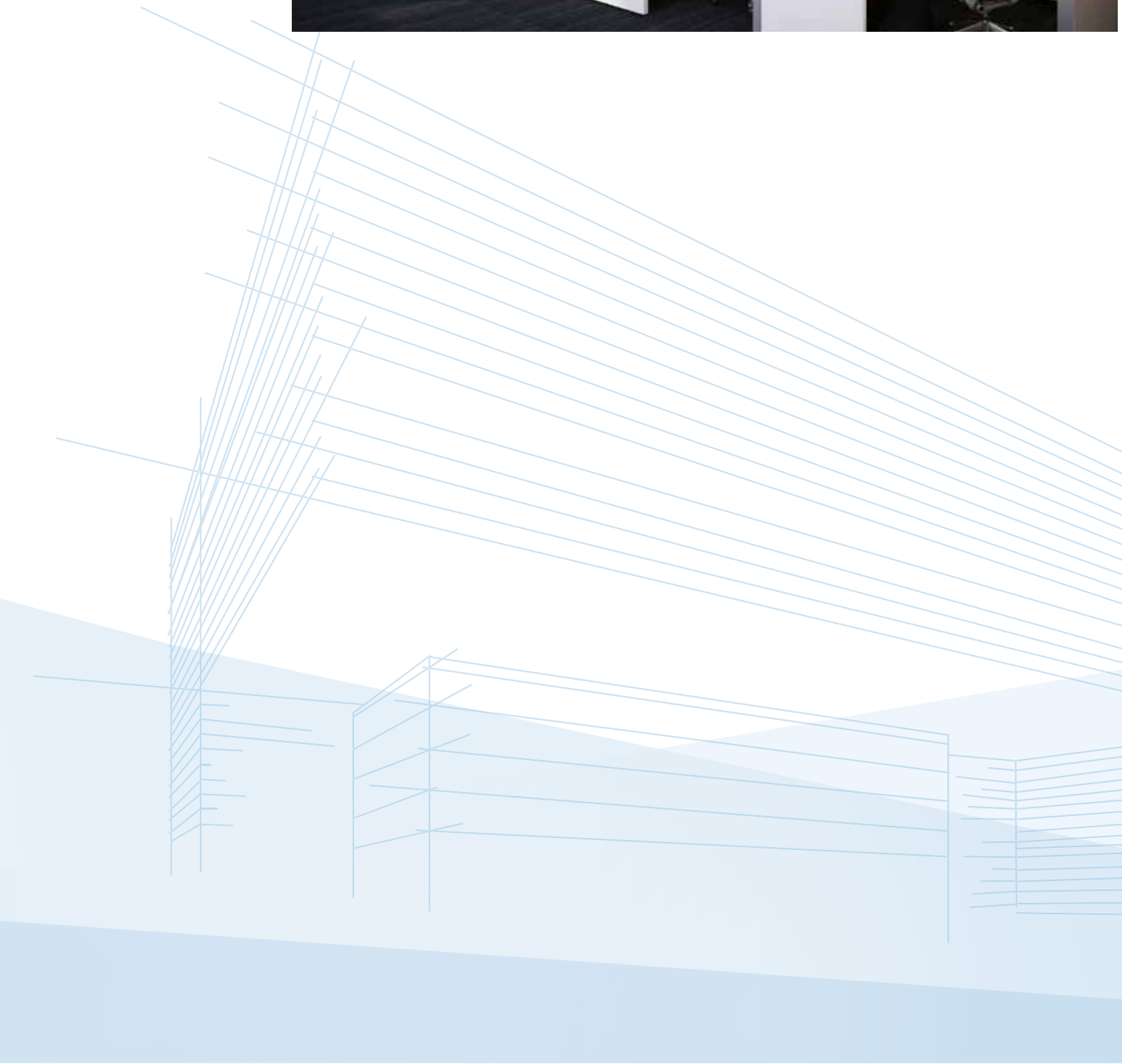
Eleventh:- Equitable Treatment of Shareholders & their Rights

- The structure of the bank shareholders is made up of government and financial institutions, and individuals. The law ensures the right for all shareholders to participate in voting in person or by proxy, at the general assembly, the right to discuss matters placed on the agenda of the general assembly on equitable basis, in addition to the shareholders right to place any matters on the agenda, provided that such placement is subject to the approval by not less than (10%) ten percent of the shares registered in the meeting.
- The bank takes efficient steps to encourage shareholders to participate in the general assembly, as all shareholders receive a copy of the annual report, invitations, the agenda of the meeting, and all information on their mailing address. All shareholders have the right to review the shareholders register related to their shareholding, in conformity with the applicable policies. Dividends are equitably distributed proportionate to shares held by each shareholder.
- Members of the board and heads of board committees, attend the general assembly, and answer shareholders questions and inquiries. Representatives of the external auditors also attend the general assembly to respond to any question concerning their audit results, and report. External auditors shall be appointed by a secret ballot at the general assembly. Board members shall be nominated for election or re-election by secret ballot in the general assembly.

Twelfth:- Transparency and Disclosure

- The board of directors strongly believes that transparency is a basic element of efficient corporate governance, and that appropriate disclosure shall enhance corporate governance, as well as supervisors' capability to control and monitor the sound position of the bank. The bank applies all valid disclosure regulations required by the banks' laws and the instructions of the Securities Commission.
- The bank follows up developments of the international best practices (accounting standards and financial reporting and disclosure of financial statements) in the field of financial reports, as well as disclosure and transparency, local and international. The senior executive management shall submit its reports on developments to the board, accompanied by relevant recommendations, to improve disclosure practices at the bank.
- The bank recognizes its duty to provide appropriate and timely information about its activities to the shareholders, depositors and counterparts in the financial market, control bodies and the public. Such information shall be disclosed to all parties in conformity with applicable laws.
- The bank publishes its Articles of Incorporation and Association on its website. Relevant laws provide that in case of any amendments to the Articles of Incorporation, an extraordinary general assembly shall be convened, and the invitation shall be accompanied by the proposed amendments. The board of directors shall provide the Securities Commission with a report concerning the election of the board and any changes in its composition, or members' identity. Such information shall be subject to disclosure in accordance with the instructions of the Securities Commission.
- The board shall be responsible for the accuracy and integrity of the financial statements of the bank, and the contents of the annual report. The bank shall be committed to maintain contact and information channels with the shareholders, investors, counterparts in the financial market and the public, through the investors' relations unit, which provides comprehensive objective and up-to-date information about the bank, its financial position, performance and activities. This shall be included in the annual report and quarterly reports that provide financial information about the bank and its financial position during the year.

Disclosure Statements and Corporate Governance



Declarations of the Board of Directors

First Declaration

The Board of Directors of the Housing Bank for Trade and Finance declares its responsibility for the correctness, accuracy and completeness of the data and the financial statements stated in the Annual Report 2009.

Second Declaration

The Board of Directors of the Housing Bank for Trade and Finance declares that there are no substantial matters that may affect the Bank's continuous effective performance during the next fiscal year 2010.

Third Declaration

The Board of Directors of the Housing Bank for Trade and Finance declares that the Bank's internal control and monitoring systems are efficient, as at the end of 2009.

Fourth Declaration

The Board of Directors of the Housing Bank for Trade and Finance declares its responsibility to ensure the availability and maintenance of internal control and monitoring systems on financial reporting. Such systems shall be in conformity with applicable regulations, legislations and laws and the best practices.

Fifth Declaration

The Board of Directors of the Housing Bank for Trade and Finance declares its responsibility to use a working framework for the evaluation of the efficiency of the Bank's internal control and monitoring systems.

Board Member	Title	Signature
H.E. Dr. Michel Marto	Chairman / General Manager	
Sheikh Ali Bin Jassim Al - Thani	Vice Chairman	
Mr. Abdulla Mubarak AlKhalifa	Board Member	
Mr. Yousef Mahmoud Al-Neama	Board Member	
Mr. Mohamed A. Al-Khulaifi	Board Member	
Mr. Ali Abdulla A. Darwish	Board Member	
Mr. Hamoud J. Al Falah	Board Member	
Mr. Mohammad S. Al Munaifi	Board Member	
Mr. Mohamed Ben Yousef	Board Member	
Mr. Mokhtar Ghenas	Board Member	
Mr. Thabet Elwir	Board Member	
Mr. Jehad Ali Al Share	Board Member	
Mr. Ahmed Al Mahrezi	Board Member	
Mr. Khaled Al-Thahabi	Chief Financial Officer	

Description of the bank's main activities

The Housing Bank for Trade and Finance provides versatile financial and banking services for the retail and corporate sectors, through a network of branches distributed all over Jordan. The bank carries out its activities mainly in Jordan, Palestine and Bahrain.

Size of capital investment

The authorized and paid up capital of the bank is JD 252 million.

The bank's training programs

Total training opportunities provided by the bank in 2009 were about 2374, in addition to holding internal seminars specialized in the field of banking industry, in which 828 employees participated. The bank also provided opportunities for 47 employees to get academic certificates, and 46 employees to obtain professional certificates.

Item	No. of Participants
Training programs held at the bank-based training center	2002
Training programs held in collaboration with specialized local training centers	353
Training courses in Arab and Foreign countries	19
Internal seminars	828
Academic certificates	47
Professional certificates in the fields of finance, accountancy, funding, computer and compliance	46
Total	3295

The most important courses held in 2009

Item	No. of Participants
Administrative courses	217
Financial, Accounting & Audit courses	96
Credit courses	84
Behavioral skills and Public Relations courses	533
Operations, Treasury and Investment courses	1107
Personal computer courses	117
Total	2154

Number of the employees

1. Number of the employees of the Housing Bank for Trade & Finance group, as to their qualifications at the end of 2009

Qualification	Branches inside & outside Jordan				Banks & Subsidiaries inside & outside Jordan						
	Jordan	Palestine	Bahrain	International Bank for Trade & Finance/ Syria	The Housing Bank for Trade & Finance / Algeria	Specialized Leasing Finance Co.	Jordan & Palestine Financial Investment Co.	International Financial Center Co.	Jordan Real – Estate Investments & Commercial Services		
Ph.D. degree	4	-	-	-	-	-	-	-	-		
Master degree	93	12	6	11	4	1	-	2	-		
High diploma	4	1	-	2	9	-	-	-	-		
Bachelor degree	1243	165	12	234	103	7	6	11	2		
Diploma	410	19	3	99	49	3	1	2	17		
General Secondary Certificate	103	49	5	52	33	3	2	7	396		
Total	1857	246	26	398	198	14	9	22	415		

2. Number of the employees of the bank branches in Jordan at the end of 2009

The number of the bank employees in Jordan totaled at 1857, out of which 871 employees working in various sectors, departments, and centers in the Head Office.

Branch	Number of employees	Branch	Number of employees	Branch	Number of employees	Branch	Number of employees
Main Branch	38	Qasr Shbeeb	11	Rusaifeh	9	Jabal Al Shamali	8
Luwibdeh	8	Um Othina	10	Ramtha	11	Airport	13
Al Madina	12	Al Jubeiha	13	North Shouna	7	Al Dleel	8
Jabal Amman	10	Al Fuhais	8	South Shouna	7	Al Edhaa	8
Jabal Al Husein	14	Saltt	13	Deir Abi Saeed	6	Al Barha	9
AlWehdatt	14	Sahab	11	Hakama	11	Sheidieh	3
Marka	14	Sweileh	9	Al Huson	11	Um Al Semaq	10
Qurish St.	13	Abu Alanda	11	Hiteen	7	North Azraq	4
Jabal al Taj	8	Juwaideh	9	Aidoun	7	Masoum Sub	8
Prince Hassan Sub.	12	Marj Al Hamam	11	Mashre	5	Children	3
North Hashmi	11	Na'our	8	Kufranjah	7	Wadi Saqra	7
Ras Al Ein	9	Muwaqar	4	Palestine St	10	Al Qaser	8
Ashrafieh	9	Tela' Al Ali	9	Al Karameh	3	Al Hasan Indust.city	6
Al Hawooz	8	King Abdullah II City	7	Oujan	8	Al Rabieh	9
Al Nuzha	10	Baqa'	9	Al Jaish St	8	Abdulah Ghoshe	13
Sport's City	14	Muqableen	10	Kraymeh	3	Central Market	6
Al Salam	8	Quwaismeh	9	Yarmouk	7	Al Quba Circle	12
Commercial Complex	17	Bayader	14	Aqaba	13	Zahran	11
Prince Moh'd St.	8	Zarqa	14	Tafeileh	8	Madina Munawarah	14
Tareq	11	Irbid	19	Ma'an	9	City Mall	10
Abu Nseir	8	Ajloun	11	Al Karak	11	Medical City St.	7
Nazal	11	Mafraq	15	Potash	7	Private Banking Services	7
Abdoun	13	Jarash	12	Petra	8	Al Mudawrah Exchange office	4
Sweifieh	13	Ma'daba	13	Shoubak	3	North border crossing	4
Gardens	14	Deir A'la	7	Mu'ta	10		
Shmeisani	11	Ghweirieh	8	Al Hasa	5		

3. Number of the employees of the bank branches in Palestine at the end of 2009

Branch	Number of employees
Regional Management	55
Ramallah	27
Gaza	15
Nablus	22
Khaleel	25
Halhoul	12
Beir Zeit	11
Khan Younis	12
Jenin	18
Bethlehm	14
Yata	11
Tormosaya	12
Dahriyeh	12
Total	246

4. Number of the employees of the International Bank for Trade & Finance / Syria at the end of 2009

Branch	Number of employees	Branch	Number of employees	Branch	Number of employees
Regional Management	159	Jaramana	8	Aleppo – ShahbaMall	8
Al Hejaz / Damascus	16	Qas'a	7	Dar'a	10
Al Pakistan / Damascus	16	Mezzeh	8	Hama	11
Meridian / Damascus	12	Homs	12	Hasakeh	7
Yarmouk Camp	9	Tartus	11	Latakia	15
Housh Plas	6	Aleppo – Faisal	14	Sweida	9
Duma	8	Aleppo – Sheraton	9	Zabadani	8
Dummar Project	8	Aleppo - Jmeleyeh	11	Kamishli	8
Al Hareeka	8	Aleppo – Sheikh Najjar	under establishment	Total	398

5. Number of the employees of the Housing Bank for Trade & Finance / Algeria at the end of 2009

Branch	Number of employees
Regional Management	112
Dali Ibrahim	27
Blida	15
Oran	22
Setif	13
Ad dar al bayda'	9
Total	198

Subsidiaries' business nature and their fields of activity

(JD Million)

Company name	Company Type	Main Activity	Paid up Share Capital	Bank's Share
International Bank for Trade & Finance / Syria	Anonymous Company	Commercial banking activities	41.9	49.0%
The Housing Bank for Trade & Finance / Algeria	Public Shareholding	Commercial banking activities	98.1	61.2%
Specialized Leasing Finance Co.	Private Shareholding	Lease Finance works	20.0	100.0%
Jordan & Palestine Financial Investment Co.	Private Shareholding	Financial Brokerage works	2.5	99.9%
International Financial Center Co.	L. L.C.	Financial Brokerage works	4.0	77.5%
Jordan Real-Estate Investments & Commercial Services	L. L.C.	Acquisition and management of Real Estate	0.04	100.0%

Board of Directors: Brief Resume (as on 31/12/2009)

H.E. Dr. Michel Marto / Chairman – General Manager

Date of Birth: 21/8/1940

Qualifications: Ph.D., Economics, 1970

Work Experience

- Minister of Finance, 1998 - 2003
- Chairman: Jordan Securities Commission, 1997 - 1998
- Deputy Governor: The Central Bank of Jordan, 1989 - 1997
- General Manager: Bank of Jordan, 1987 - 1989
- Deputy General Manager: Bank of Jordan, 1979 - 1987
- Deputy General Manager: Jordan Fertilizer Industry Co. Ltd, 1977 - 1979
- Economist, World Bank / Washington, 1975 - 1977
- Advisor to HRH Prince El – Hassan Bin Talal , and Head of Economics Dept. at Royal Scientific Society, 1971 - 1975
- Manager, Economic Research & Studies, Central Bank of Jordan, 1969 - 1971
- Chairman: Association of Banks in Jordan, 2005 - 2009
- Chairman: Jordan Mortgage Refinance Co., 1996 – 1997
- Chairman: Industrial Development Bank, 1994 - 1997
- Vice Chairman: Industrial Development Bank, 1992-1994
- Board Member: Union of Arab Banks, 2005 – 2009
- Board Member: The Arab Potash Co., 1991 - 1997

Membership in HBTF Board Committees

- Executive Committee
- Risk Management Committee
- Corporate Governance Committee

Memberships in other Boards

- Chairman: The International Bank for Trade & Finance / Syria.
- Chairman: The Housing Bank for Trade & Finance / Algeria.
- Chairman: Specialized Leasing Co.
- Chairman: International Financial Center Co.
- Vice Chairman: Jordan International Bank / London.
- Vice Chairman: Iskan Tourist & Hotels Investment Co.
- Board Member: association of Banks in Jordan.
- Board Member: Jordan International Insurance Co.
- Board of Trustees: King Hussein Cancer Foundation.
- Board of Trustees: Yarmouk University.
- Board Member: Al Hussein Fund for Excellence.
- Board Member of The Economic and Social Council and Chairman of the Economic Policy Committee.

Sheikh Ali Bin Jassim Al - Thani / Vice Chairman

Date of Birth: 1/1/1960

Qualifications: B.Sc. Economics and Political Science, 1983

Membership in HBTF Board Committees

- Audit Committee

Memberships in other Boards

- Chairman: Qatar Navigation Co.
- Board Member: Arab Maritime Co. / Kuwait
- Board Member: Qatari-Syrian Investment Co.
- Board Member: The International Bank for Trade & Finance / Syria

Mr. Abdulla Mubarak AlKhalifa

Representative of Qatar National Bank

Date of Birth: 25/9/1973

Qualifications: B.Sc. Business Administration, 1995

Membership in HBTF Board Committees

- Executive Committee

Memberships in other Boards

- Vice Chairman: Qatari Company for Meat and Live Stock Trading
- Board Member: Kuwaiti- Qatari Real-Estate Projects Management Co.
- Member: World Economic Forum, Qatari Businessmen Associates

Mr. Yousef Mahmoud Al-Neama

Representative of Qatar National Bank

Date of Birth: 5/1/1965

Qualifications: B.Sc. Aviation Mgt 1989, Diploma Business Administration 2004

Membership in HBTF Board Committees

- Audit Committee

Memberships in other Boards

- Board Member: The International Bank for Trade & Finance / Syria

Mr. Mohamed A. Al-Khulaifi

Representative of Qatar National Bank

Date of Birth: 16/6/1960

Qualifications: B.Sc. Computer Science, 1987

Membership in HBTF Board Committees

- Nomination & Remuneration Committee
- Risk Management Committee

Memberships in other Boards

- Vice Chairman: Mansour Bank / Iraq

Mr. Ali Abdulla A. Darwish

Representative of Qatar National Bank

Date of Birth: 1/1/1970

Qualifications: B.Sc. Business Administration, 1994

Membership in HBTF Board Committees

- Corporate Governance Committee

Memberships in other Boards

- N.A.

Mr. Hamoud J. Al Falah

Representative of Kuwait Real Estate Investment Consortium

Date of Birth: 15/6/1961

Qualifications: B.Sc. International Trade, 1987

Membership in HBTF Board Committees

- Audit Committee
- Corporate Governance Committee

Memberships in other Boards

- N.A.

Mr. Mohammad Al Munaifi

Representative of Kuwait Real Estate Investment Consortium

Date of Birth: 17/7/1959

Qualifications: B.A Law 1991, B.Sc. Engineering 1984

Senior Investment Officer / New Enterprises & Projects Dept. / Kuwait Investment Authority

Membership in HBTF Board Committees

- Executive Committee
- Nomination & Remuneration Committee

Memberships in other Boards

- Chairman: The Foundation Committee - Health Insurance Hospitals Co./ Kuwait
- Chairman: The Foundation Committee – Specialized Medical City in the south / Kuwait
- Vice Chairman: The Foundation Committee - Industrial Boarder Areas Co. / Kuwait
- Board Member: Bred Street Real Estate Co./ U.S.A
- Board Member: Electricity Link Commission for GCC countries / KSA
- Board Member: The Housing Bank for Trade & Finance / Algeria

Mr. Mohamed Ben Yousef

Representative of Libyan Foreign Bank

Date of Birth: 5/12/1960

Qualifications: Master, Finance & Banking 2004 / B.Sc. Accounting 1983

- Chief accountant: Libyan Foreign Bank
- Arabic legal accountant and auditor 2004
- Libyan legal accountant and auditor 1993

Membership in HBTF Board Committees

- Nomination & Remuneration Committee
- Audit Committee

Memberships in other Boards

- Chairman: National Banking Corporation / Libya
- Chairman: Executive Committee / National Banking Corporation / Libya
- Chairman: Leasing Law Project Committee / Libya
- Chairman of General Meeting: Union of Arab Banks / Beirut
- Board Member : Union of Arab Banks / Beirut
- Board Member : Audit Committee / Union of Arab Banks / Beirut
- Board Member: Libyan Leasing Co.
- Board Member: National Planning / Libya
- Board Member: Economic & Social Development Fund / Libya
- Ex - Chairman: Review & Risk Committee - Bank of Tropical Africa / Uganda
- Ex - Vice Chairman: Bank of Tropical Africa / Uganda
- Ex - Vice Chairman: National Bank / Libya

Mr. Mokhtar Ghenas

Representative of Libyan Foreign Bank

Date of Birth: 11/9/1953

Qualifications: Master, Comparative Law 1982

- Legal Counsel: Libya Insurance Company
- Secretary: African Union / Foreign Relations
- Secretary: Cooperation Affairs / Foreign Relations

Membership in HBTF Board Committees

- Executive Committee

Memberships in other Boards

- Board Member: Petroleum Investments Company
- Board Member: Bank of North Africa / Beirut
- Board Member: Arabian Petroleum Services Company

Mr. Thabet Elwir

Representative of Social Security Corporation / Jordan

Date of Birth: 11/2/1957

Qualifications: B.Sc., Agricultural Machines 1980

Membership in HBTF Board Committees

- Executive Committee
- Risk Management Committee

Memberships in other Boards

- Chairman: National Mineral Water Company "al sabeel" WLL
- Chairman: National Electronic Technologies Manufacturing Co. WLL
- Chairman: International Mineral Water Co.(Qatar) WLL
- Chairman: Water Industry & Investment Co. WLL
- Vice-Chairman: KADDB Industrial Estate Co. WLL
- Board Member: Jordan Water Co. (Miyahuna)
- Board Member: Jordanian Specialized Machines Manufacturing Co. WLL
- Board Member: Jordanian Developed Company for Minerals Formation Co. WLL
- Board Member: "We are all Jordan" Commission
- Board Member: King Abdullah II Design and Development Bureau
- Board Member: Jordan Chamber of Industry
- Board Member: Zarka Chamber of Industry
- Board Member: Scientific Research Board / University of Jordan

Mr. Jehad Ali Al Share

Representative of Social Security Corporation / Jordan

Date of Birth: 21/3/1958

Qualifications: Master, Economics 2003

Membership in HBTF Board Committees

- Corporate Governance Committee
- Audit Committee

Memberships in other Boards

- Board Member: Jordan Duty Free Shops Co.

Mr. Ahmed Al Mahrezi

Representative of Ministry of Finance / Sultanate of Oman

Date of Birth: 23 /11/1961

Qualifications: M.A Law 2001

- General Manager: Civil Service Employees Pension Fund / Sultanate of Oman

Membership in HBTF Board Committees

- Risk Management Committee

Memberships in other Boards

- Board Member: Dofar Bank
 - Board Member: International Hotel Management Co.
 - Board Member: Omani International Development and Investment Co.
-

Mr. Mohyeddin ElAli

Board Secretary

Date of Birth: 14/5/1941

Qualifications: B.Sc., Accounting 1972

- Laureate of the Independence Medal, Third Class / 1988
- Laureate of the Independence Medal, Second Class / 2002

Current Memberships

- Vice Chairman: Union Advanced Industries Co.
- Board Member: International Bank for Trade & Finance / Syria
- Board Member: The Housing Bank for Trade & Finance / Algeria

Previous Memberships

- Board member: Union Bank for Saving & Investment (Board Member: Executive Committee, Chairman: Audit Committee), 1984 – 2007
- Vice Chairman & Board Member: United Arab Investors Co., 1994 – 2007
- Vice Chairman & Board Member: Union Investment Corporation, 1996 – 2007

Position of each Board Member

Board Member	Date of Appointment	Body Represented	Classification	% in the Bank Capital *
H.E. Dr. Michel Marto	8/4/2004	Himself	Executive Non-Independent	0.113%
Sheikh Ali Bin Jassim Al - Thani	5/5/1997	Himself	Non-Executive Independent	0.004%
Mr. Abdulla Mubarak AlKhalifa	31/1/2008	Qatar National Bank	Non-Executive Non-Independent	33.950%
Mr. Yousef Mahmoud Al-Neama	31/1/2008		Non-Executive Non-Independent	
Mr. Mohamed A. Al-Khulaifi	31/1/2008		Non-Executive Non-Independent	
Mr. Ali Abdulla A. Darwish	19/4/2009		Non-Executive Non-Independent	
Mr. Hamoud J. Al Falah	5/4/2009	Kuwait Real Estate Investment Consortium	Non-Executive Non-Independent	18.613%
Mr. Mohammad S. Al Munaifi	2/4/2005		Non-Executive Non-Independent	
Mr. Mohamed Ben Yousef	14/6/2007	Libyan Foreign Bank	Non-Executive Non-Independent	15.873%
Mr. Mokhtar Ghenas	14/6/2007		Non-Executive Non-Independent	
Mr. Thabet Elwir	1/10/2007	Social Security Corporation / Jordan	Non-Executive Non-Independent	15.389%
Mr. Jihad Ali Al Share	25/2/2009		Non-Executive Non-Independent	
Mr. Ahmed Al Mahrezi	2/4/2005	Ministry of Finance / Sultanate of Oman	Non-Executive Independent	2.976%

* Share of the body represented by the member.

The number of securities owned by Board Members, their relatives, and controlled companies

Board Member	Nationality	Number of Securities owned by the member		Number of Securities owned by wife and minor children		Companies controlled by the member		Companies controlled by wife and minor children	
		2008	2009	2008	2009	2008	2009	2008	2009
H.E. Dr. Michel Marto	Jordanian	270,000	285,135	-	-	-	-	-	-
Sheikh Ali Bin Jassim Al - Thani	Qatari	-	10,000	-	-	-	-	-	-
Mr. Abdulla Mubarak AlKhalifa	Qatari	-	-	-	-	-	-	-	-
Mr. Yousef Mahmoud AlNeama	Qatari	-	-	-	-	-	-	-	-
Mr. Mohamed A. Al-Khulaifi	Qatari	-	-	-	-	-	-	-	-
Mr. Ali Abdulla A. Darwish	Qatari	-	-	-	-	-	-	-	-
Mr. Hamoud J. Al Falah	Kuwaiti	-	-	-	-	-	-	-	-
Mr. Mohammad S. Al Munaifi	Kuwaiti	-	-	-	-	-	-	-	-
Mr. Mohamed Ben Yousef	Libyan	-	-	-	-	-	-	-	-
Mr. Mokhtar Ghenas	Libyan	-	-	-	-	-	-	-	-
Mr. Thabet Elwir	Jordanian	-	-	-	-	-	-	-	-
Mr. Jihad Ali Al Share	Jordanian	-	-	-	-	-	-	-	-
Mr. Ahmed Al Mahrezi	Omani	-	-	-	-	-	-	-	-

Compliance with Corporate Governance Code

The provisions of Corporate Governance Code have not been complied with concerning:

* Number of independent members in the Board of Directors.

* Number of independent members in the Audit Committee, and Nomination & Remuneration committee.

This is due to the special structure of the Bank's share capital, as six shareholders having judicial public personalities hold 228,860,001 shares, at the rate of 90.817% of the share capital. Pursuant to provisions of Article no. 135 of the Companies' Law, such personalities are qualified to be represented in the Board of Directors, in proportion to their shareholding in the Bank's share capital, if their shareholding qualifies them, by one Board membership or more.

Number and dates of the Board meetings

The Bank's Board of Directors held eight meetings in 2009 dated as follows: 28/1, 19/2, 26/3, 30/4, 11/6, 30/7, 28/10 and 24/12. All Board members attended the meetings.

Committees of Board of Directors

The Board has five committees. Each committee has its reference and powers. Following is a brief about these committees:

Executive Committee

The executive committee is composed of five members, and held five meetings in 2009. The present members of this committee are as follows:

- Dr. Michel Marto
- Mr. Mohammad Al Munaifi
- Mr. Abdulla M. Al Khalifa
- Mr. Thabet Elwir
- Mr. Mokhtar Ghenas

Audit Committee

The audit committee is composed of five members, and held eight meetings in 2009. The present members of this committee are as follows:

- Sheikh Ali Bin Jassim Al – Thani
- Mr. Yousef Mahmoud Al-Neama
- Mr. Mohamed Ben Yousef
- Mr. Hamoud J. Al Falah
- Mr. Jehad Ali Al Share

Nomination and Remuneration Committee

The nomination and remuneration committee is composed of three members, and held one meeting in 2009. The present members of this committee are as follows:

- Mr. Mohamed Ben Yousef
- Mr. Mohamed A. Al-Khulaifi
- Mr. Mohammad Al Munaifi

Risk Management Committee

The risk management committee is composed of four members, and held one meeting in 2009. The present members of this committee are as follows:

- Dr. Michel Marto
- Mr. Mohamed A. Al- Khulaifi
- Mr. Thabet Elwir
- Mr. Ahmed Al Mahrezi

Corporate Governance Committee

The corporate governance committee is composed of four members, and did not hold any meeting in 2009. The present members of this committee are as follows:

- Dr. Michel Marto
- Mr. Hamoud J. Al Falah
- Mr. Ali Abdulla A. Darwish
- Mr. Jehad Ali Al Share

Senior Executive Management: Brief Resume (as on 31/12/2009)

Mr. Omar Zuheir Malhas / Chief Banking Officer (CBO)

Date of Birth: 30/3/1960

Date of Appointment: 1/8/2002

Qualifications: MBA International Banking and Finance, 1991

Mr. Malhas has more than twenty years banking experience. He started his career with the Housing Bank for Trade & Finance in 1985. In 1999 he became the deputy general manager of Doha Bank, and then worked for Alliance Capital Management, Bahrain office (one of the world's largest investment managers). Mr. Malhas rejoined the Housing Bank in 2002 as Head of Treasury & Investment Department, until he became the Chief Banking Officer in March 2009.

Membership in HBTF Board Committees:

N.A.

Membership in the Other Boards

- Vice Chairman: Jordan Water Co. (Miyahuna)
- Board Member: International Bank for Trade & Finance / Syria
- Board Member: Investment Unit of the Social Security Corp./ Jordan
- Board Member: International Financial Center Co.
- Board Member: King Abdullah II Design and Development Bureau (KADDB)

Mr. Osama Al Haj Yahya / Chief Operating Officer (COO)

Date of Birth: 22/11/1963

Date of Appointment: 11/8/1988

Qualifications: MA Financial & Banking Sciences, 1995

Professional Qualifications:

- Certification in Control & Risk Self Assessment / CCSA 2002, the Institute of Internal Auditors (the IIA /USA).
- Certified Fraud Examiner, CFE 2007, Association of certified Fraud Examiners
- Certified Internal Auditor, CIA 2009, the Institute of Internal Auditors (the IIA / USA).

Mr. Osama has worked, throughout the last two decades, with the Housing Bank for Trade & Finance in the field of Internal Audit. He has been promoted to various positions in the Internal Audit functions, until assuming the position of the Bank's General Auditor in 2007. He has, during that period, gained the necessary educational and practical experiences that qualified him to manage and direct the Bank's internal audit function, and later assuming the role of Chief Operating Officer of the Bank in March 2009.

Membership in HBTF Board Committees:

N.A.

Membership in the Other Boards

- Board Member: Jordan Real Estate Enterprises Co.

Mr. Kamal Hamdi Yaghmour / Head of Retail Banking Group

Date of Birth: 10/6/1956

Date of Appointment: 25/6/1975

Qualifications: B. Sc. Accounting, 1984

Mr. Yaghmour has worked with the Housing Bank for Trade & Finance since 1975, and his experiences are mainly in the management of consumer banking services, as executive manager of branches & sales dept., and the general manager of the Housing Bank for Trade and Finance / Algeria.

Membership in HBTF Board Committees:

N.A.

Membership in the Other Boards:

- Board Member: Specialized Leasing Co.
- Board Member :Union Developed Industries Co.
- Board Member: Jordan Vet. Medicine Manufacturing Co. (JOVET)
- Board Member : Middle East Payment Services Co. (Master Card)

Mr. Mohammed Ali Ibrahim / Head of Commercial Banking Group

Date of Birth: 26/2/1969

Date of Appointment: 4/11/2004

Qualifications: Diploma in Accounting, 1988

Mr. Mohammed Ibrahim held managerial positions in many local, regional, and international banks in Jordan.

Membership in HBTF Board Committees:

N.A.

Membership in the Other Boards:

- Board Member: Specialized Leasing Co.
- Board Member: International Financial Center Co.

Mr. Caesar Hani Qulajen / Head of Corporate & Investment Banking Group

Date of Birth: 22/8/1964

Date of Appointment: 2/11/2008

Qualifications: MBA – Corporate Finance, 1997

Before joining HBTF, Mr. Caesar was the CEO / Vice Chairman in a Saudi based private equity firm, Ebram Investments, where he coordinated and executed investment and business strategies, had the leading role in setting up all investment policies and procedures and finalized major commercial / investment transactions. Such transactions include mergers & acquisitions, capital structuring and restructuring, debt & equity financing, strategic partnerships and alliances with various industries' know-how providers.

Prior to Ebram, Caesar was an Assistant General Manager in the CIBG with Samba Financial Group in Saudi. He was based in the Eastern Province in Saudi and involved in Corporate Credit, Corporate Finance & Project Finance, Relationship Management and Risk Management.

Earlier experience included Arthur Andersen as a Global Corporate Finance VP responsible for Business Valuations, Private Placements, Mergers & Acquisitions, Sales & Divestitures (equity), Project Finance and Corporate Advisory. In addition, Caesar was working with the Social Security Corporation (Jordan) as Treasury Officer and Liabilities Manager.

Membership in HBTF Board Committees:

N.A.

Membership in the Other Boards:

N.A.

Mr. Nimer Zaki Al-Bakri / Chief Credit Officer

Date of Birth: 12/9/1944

Date of Appointment: 29/10/2007

Qualifications: B.Sc. Accounting, 1967

Mr. Al Bakri has wide and long banking experience in the field of banking operations and credit facilities. Joined the Arab Bank in 1967, as his last position was Regional Manager / Credit Facilities Dep. / Arab Branches, in the Arab Bank.

Membership in HBTF Board Committees:

N.A.

Membership in the Other Boards:

- Board Member: Jordan Industrial Estates Corporation

Mr. Riyadh Ali Al - Taweel / Head of Treasury Division

Date of Birth: 1/9/1971

Date of Appointment: 22/7/2007

Qualifications: B.Sc. Economics, 1992

Professional Qualifications: Chartered Financial Analyst / CFA 2000

Mr. Riyadh started his career as Forex dealer with Treasury Dept., the Housing Bank for Trade & Finance in 1992, and assumed many important positions reflecting his distinguished experience and competency in internal audit and international investments. He worked with other Jordanian and regional banks (Capital Bank / Jordan, and ABC/ Bahrain), then Mr. Riyadh rejoined the Bank as Manager of International Investments Center, until assuming his current position as Head of Treasury, in April 2009.

Membership in HBTF Board Committees:

N.A.

Membership in the Other Boards:

- Board Member: ALDaman Investments Co.

Dr. Mohammad Abdul Fattah Turki / General Auditor

Date of Birth: 19/4/1963

Date of Appointment: 3/12/1988

Qualifications: Ph.D., Finance, 2006

Mr. Turki worked with the Bank for more than Twenty years, with intensive experience in audit field. He has been promoted in various levels of audit activity, until he reached his current position as General Auditor. During his career Mr. Turki has been distinguished in education and practice, as he obtained his Ph.D. degree in Financing.

Membership in HBTF Board Committees:

N.A.

Membership in the Other Boards:

N.A.

Mr. Khaled Mahmoud Al-Thahabi / Chief Financial Officer (CFO)

Date of Birth: 20/6/1963

Date of Appointment: 3/8/1985

Qualifications: B.Sc. Accounting, 1985

Professional Qualifications: CPA, 1995

Mr. Khaled has extensive and versatile experiences in the fields of accounting, tax, financial management, financial planning, and development of accounting policies, procedures, and systems.

Membership in HBTF Board Committees:

N.A.

Membership in the Other Boards:

- Board Member: Union Tobacco & Cigarette Industries
- Chairman: Audit Committee / Union Tobacco & Cigarette Industries

Mr. Issam Fouad Hudroj / Head of Human Resources Division

Date of Birth: 8/5/1973

Date of Appointment: 14/4/1994

Qualifications: MBA Banking & Finance, 2005

Professional Qualifications:

- CPA, 1997

- Professional in Human Resources Management (PHR), 2008

Mr. Hudroj joined the Housing Bank for Trade & Finance fifteen years ago as L/C officer. His commitment to training & development of his academic and professional capabilities over the last years, enabled him to develop his job level. Mr. Hudroj was promoted from L/C officer at the International Trade Operations Center, to Research and Planning Officer / Administrative Affairs Dept., then as a Manager of Consultations Services at the Corporate & Investment Banking Group. In February 2009, he was designated as the Head of Human Resources Division. He has played an active and positive role in supporting the Bank's social committee.

Membership in HBTF Board Committees:

N.A.

Membership in the Other Boards:

- Chairman: Jordan Real-Estate Investments & Commercial Services

Mr. Jamal Ridda Doqqa / Head of Compliance & Group Risk Mgt. Division

Date of Birth: 21/10/1969

Date of Appointment: 6/6/1993

Qualifications: MBA, 1999

Professional Qualifications: CISA, CAMS, CCO

During the past sixteen years, Mr. Doqqa, has worked, in the fields of Internal Audit, and Control at the Housing Bank for Trade & Finance. He then became in charge of Quality Management, and then responsible for the Bank Electronic Channels, then he became Head of Compliance, and since April 2009 till now he is the Head of Compliance & Group Risk Mgt. Division.

Membership in HBTF Board Committees:

N.A.

Membership in the Other Boards:

N.A.

Mr. Ra'ad Ahmed Abu Al-Sa'ad / Chief Information Officer (CIO)

Date of Birth: 29/3/1965

Date of Appointment: 11/11/2007

Qualifications: MBA, 2006

Mr. Ra'ad has extensive experiences in the Information Technology fields, as he worked with many reputable local and regional institutions, companies and banks such as: Industrial Development Bank, Capital Bank, Cairo Amman Bank / Jordan, Saraya Development Group, and Deloitte and Touche / Qatar, in addition to participation in various seminars and courses specialized in Information Technology.

Membership in HBTF Board Committees:

N.A.

Membership in the Other Boards:

N.A.

Mr. Ramez Thrwat Al Barghouti / Head of Legal Group

Date of Birth: 27/5/1970

Date of Appointment: 16/3/2008

Qualifications: LL.M, 1994.

Mr. Barghouti has extensive legal experience, particularly in the areas related to commercial, banking and corporate transactions. He has started his career in 1994 with a locally and internationally reputable law office. In 2003 he joined the foreign Legal Department at the Head Office of the Arab Bank, then he started his career from his private office since 2006 until he has joined the Bank.

Membership in HBTF Board Committees:

N.A.

Membership in the Other Boards:

N.A.

Remunerations Policy: Brief

The Housing Bank for Trade & Finance applies & implements an incentive-based remuneration policy, through appropriation of about 5% of the after- tax profits for this purpose. Such profits are distributed on employees according to a special plan relating achievement of the objectives and levels of performance with the remuneration.

Benefits and Remunerations

- The total salaries, remunerations and other benefits received by the Chairman and the Board of Directors in 2009 amounted to JD 1,861,423
- The total salaries, remunerations and other benefits received by the Senior Executive Management in 2009 amounted to JD 2,431,775
- The Chairman and board members didn't receive any benefits in-kind in 2009.

Major Shareholders (5% or more)

Shareholder	Number of Shares as at the end of 2008	(%) of Capital	Number of Shares as at the end of 2009	(%) of Capital
Qatar National Bank	83,595,346	33.173%	85,553,386	33.950%
Kuwait Real Estate Investment Consortium	46,904,045	18.613%	46,904,045	18.613%
Libyan Foreign Bank	39,541,835	15.691%	40,000,000	15.873%
Social Security Corporation / Jordan	38,764,081	15.383%	38,780,231	15.389%
Total	208,805,307	82.859%	211,237,662	83.825%

- Number of Jordanian Shareholders is 3332 holding a stake of 20.523% of Capital.
- Number of Arab & Foreign Shareholders is 475 holding a stake of 79.477% of Capital.

The Bank's competitive position & its market share

Domestic Market Share in 2009

Item	Market share
Assets	15.1%
Customers' Deposits	16.7%
Loans & Credit Facilities	12.7%

The extent of dependence upon specific suppliers and /or major clients (Local and International)

There are no specific suppliers or customers, local or foreign, whose dealings with the Bank exceed 10% of the total purchases and/or sales.

Description of any Government protection or any privileges granted to the Bank, or to any of its products; as well as a description of any Patents or Licensing Rights

Neither the Housing Bank for Trade & Finance nor any of its products enjoy any Government protection or privileges pursuant to the laws and regulations. The Bank has not gained any patents or intellectual rights.

Description of any decisions by the Government, International Organizations or others, having material effect on the Bank's business, products or competitiveness

No resolutions issued by the Government, International organizations or others having financial impact on the Bank, its products or competitiveness, as the bank implements and applies international quality standards.

Description of the Bank's risk exposure

The Bank, due to the nature of its business, is facing various risks, as set out in the Note 40 in the Financial Statements 2009.

The Bank's accomplishments supported by figures, and description of significant occurrences in 2009

Such accomplishments has been set out in the analysis of the Bank's financial performance (pages 13 to 18).

The financial impact of non-recurrent transactions during 2009, which are not part of the Bank's main activities

There are no non- recurrent transactions or substantial matters included in the Bank's core activities.

Chronology of the realized profits, shareholders' net equity, the market prices of the Bank's share and its dividends

Stated on page 15 of this report

Analysis of the Bank's financial position, and the results of its operations for the fiscal year 2009

Stated on pages 13-18 of this report

Important prospective developments including any new expansions or projects; and the Bank's future plan

Set out in the Bank's future plan for 2010

Auditor's fees for the year 2009

(JD)

Item	Audit Fees	Consultations & other fees	Total
The Bank & Foreign branches	283,210	665,057	948,267
International Bank for Trade & Finance / Syria	34,733	21,418	56,151
The Housing Bank for Trade & Finance / Algeria	39,056	24,853	63,909
Specialized Leasing Finance Co.	5,220	6,600	11,820
Jordan & Palestine Financial Investment Co.	5,000	-	5,000
International Financial Center Co.	5,000	-	5,000
Jordan Real-Estate Investments & Commercial Services	2,000	-	2,000
Total	374,219	717,928	1,092,147

Donations and Grants in 2009

The Housing Bank for Trade and Finance continued performance of its social mission through providing donations, financial and in-kind support for many charitable and voluntary societies and institutions in the Kingdom, in addition to supporting the scientific research projects, environment protection, and childhood care. The bank contributed in supporting social, educational, cultural, sports, and health sectors. The most important recipients of the donations and grants in 2009 included: Jordan River Institution, King Hussein Cancer Center, Aman Fund for Orphans Future, Jordanian Hashemite Fund, Al Ber wa Al Ehssan Campaign, Tekeiat Um Ali projects, Arab Children Conference, Queen Rania Distinguished Teacher Award, The Royal Society for the conservation of nature, Traffic Safety Programs to curb road accidents, as well as many other entities and institutions. It is worth mentioning that donations and grants provided by the bank in 2009 amounted to JD 307,000.

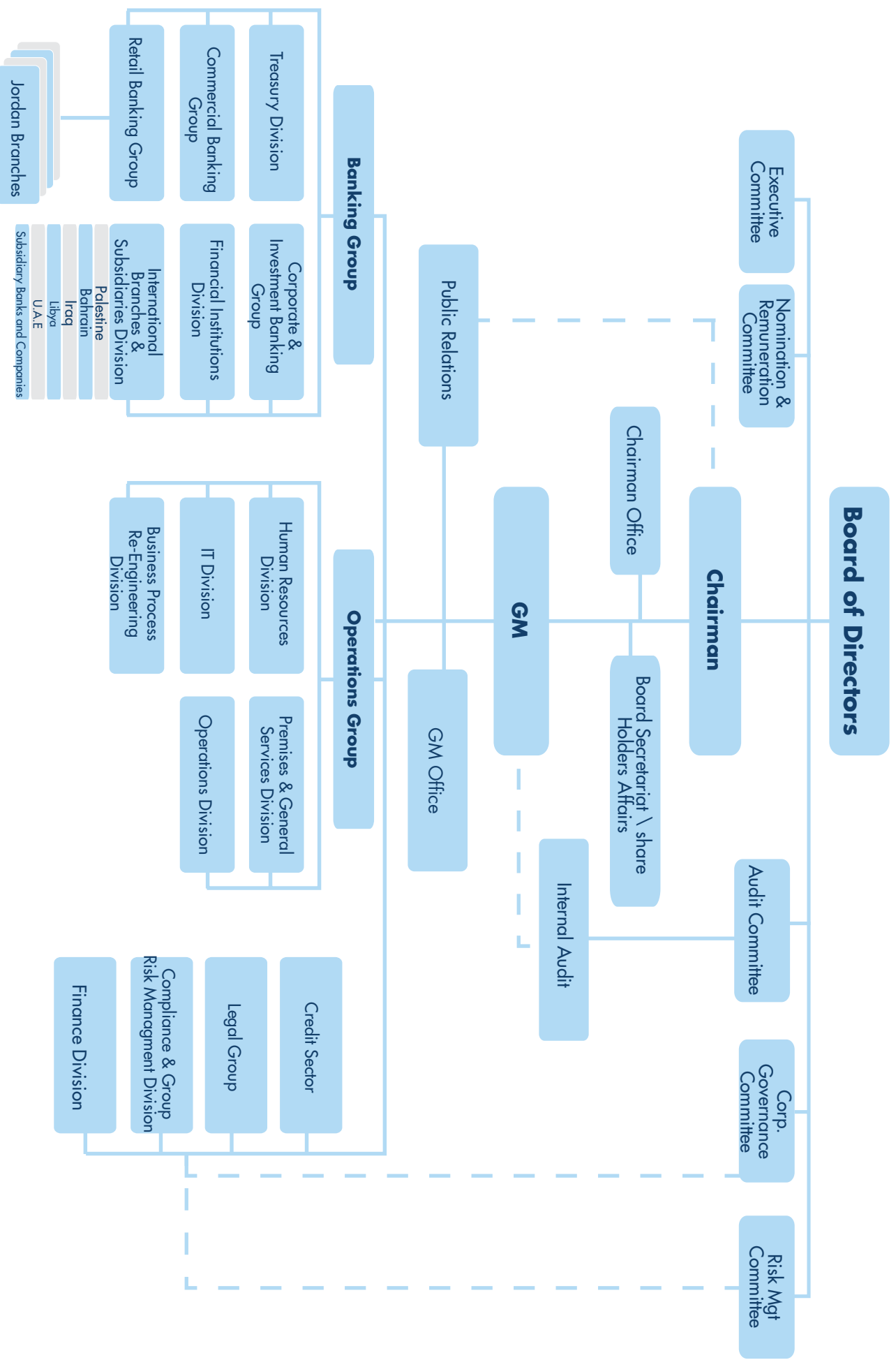
The Bank's contracts, projects and engagements concluded with its Subsidiaries, Sister Companies or Affiliates, as well as those with the Chairman and Members of the Board of Directors, the General Manager or any employee of the Company or their relatives

As set out in Note 38 in the Financial Statements 2009, the Bank entered into transactions with major shareholders, members of the Board of Directors, Senior Management, in the course of ordinary activities, at the commercial rates of interest and commissions. All facilities granted to related parties are considered performing and no provisions have been made.

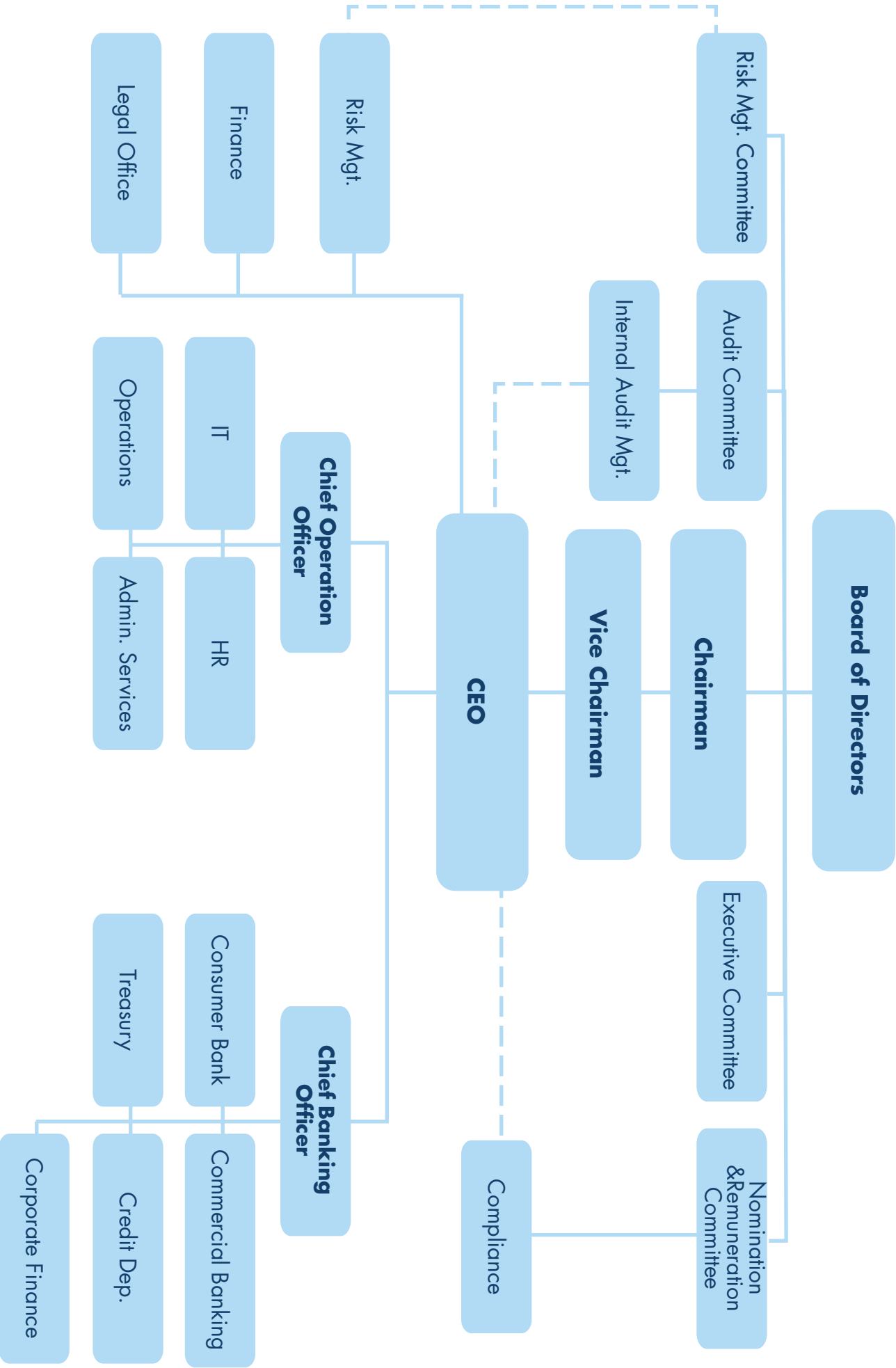
The Bank's contribution to environmental protection and local community service

setout page 28.

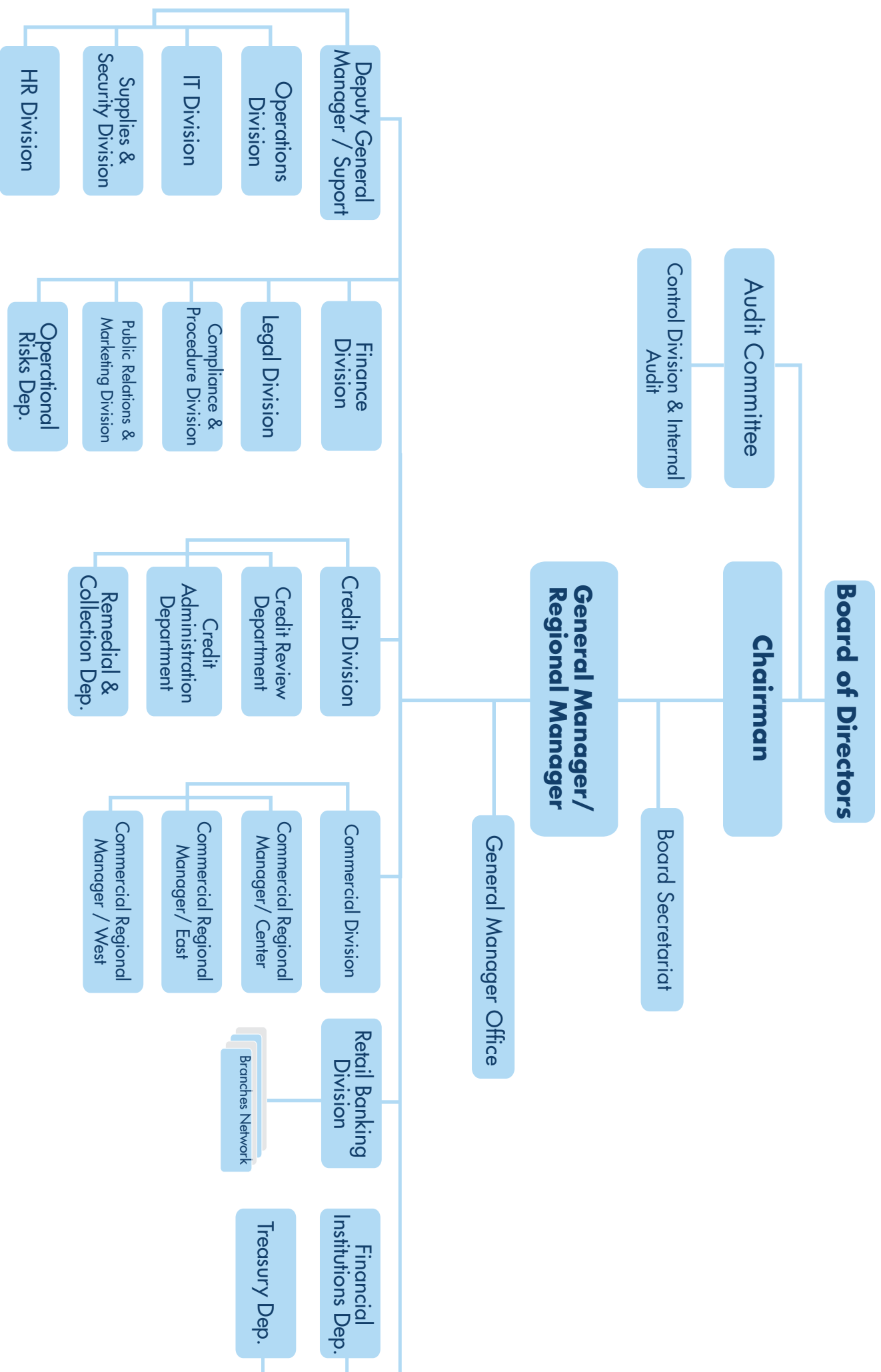
Organizational Chart / The Housing Bank for Trade and Finance



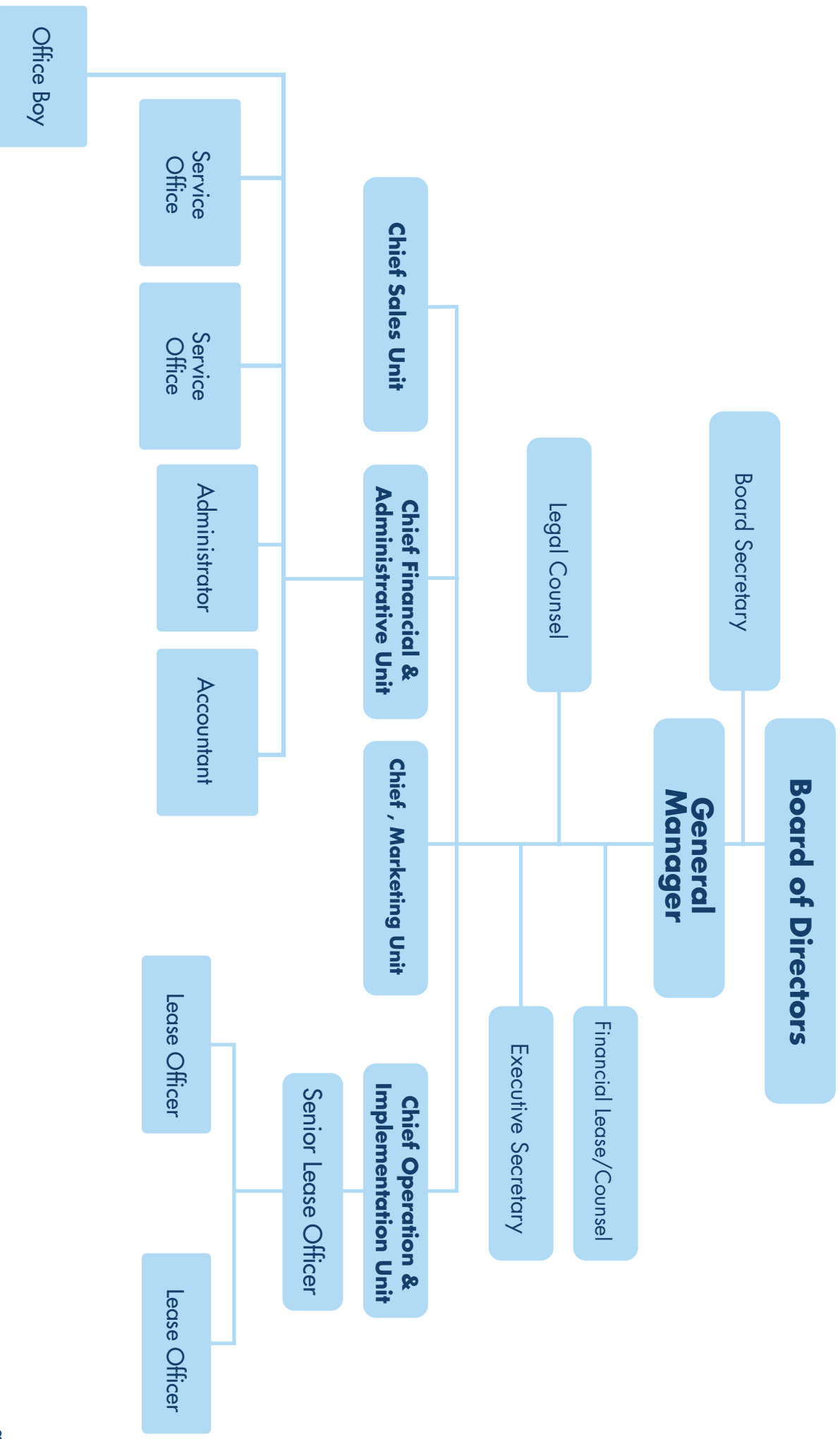
Organizational Chart /International Bank for Trade and Finance - Syria



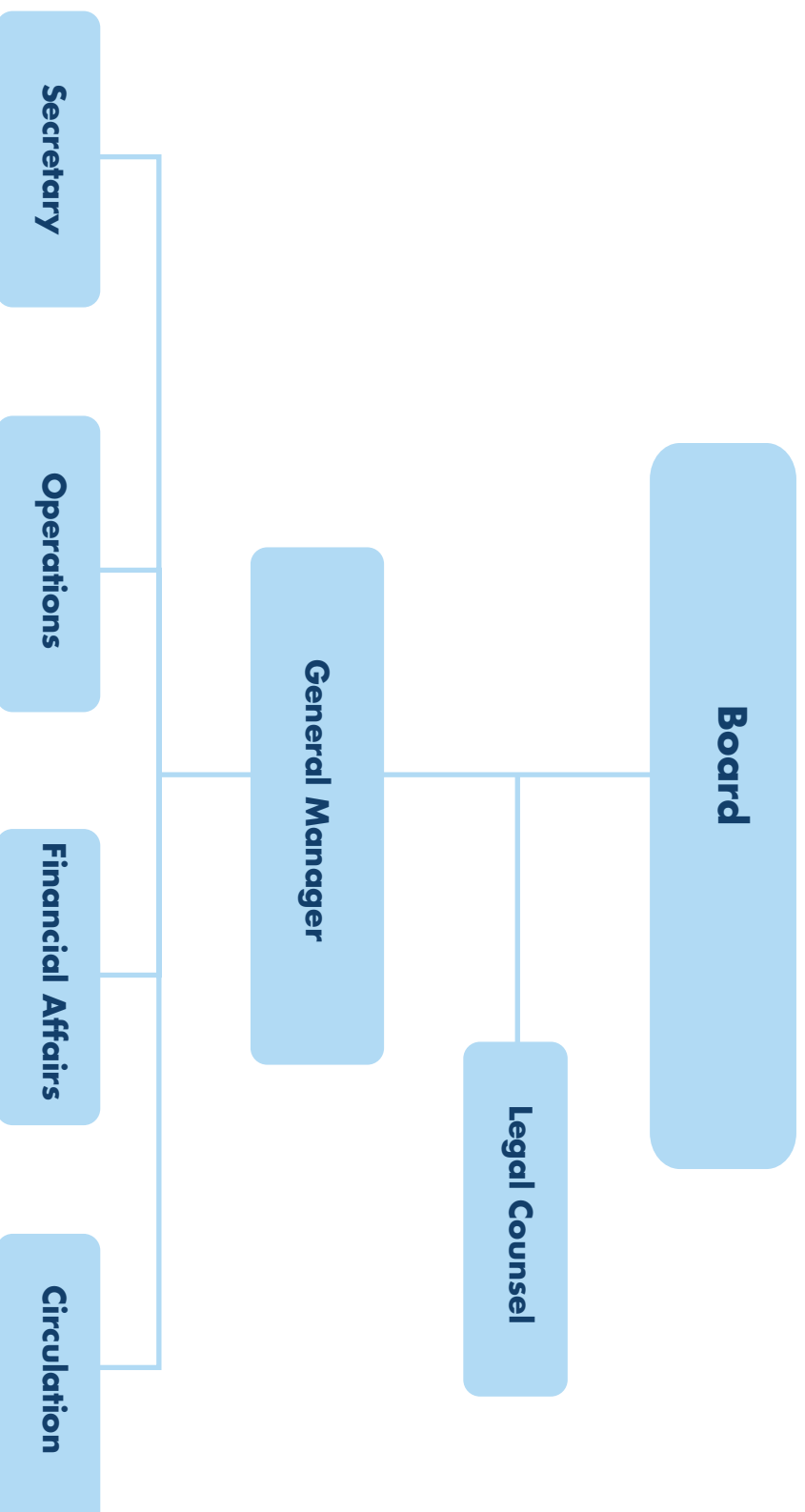
Organizational Chart / The Housing Bank for Trade and Finance - Algeria



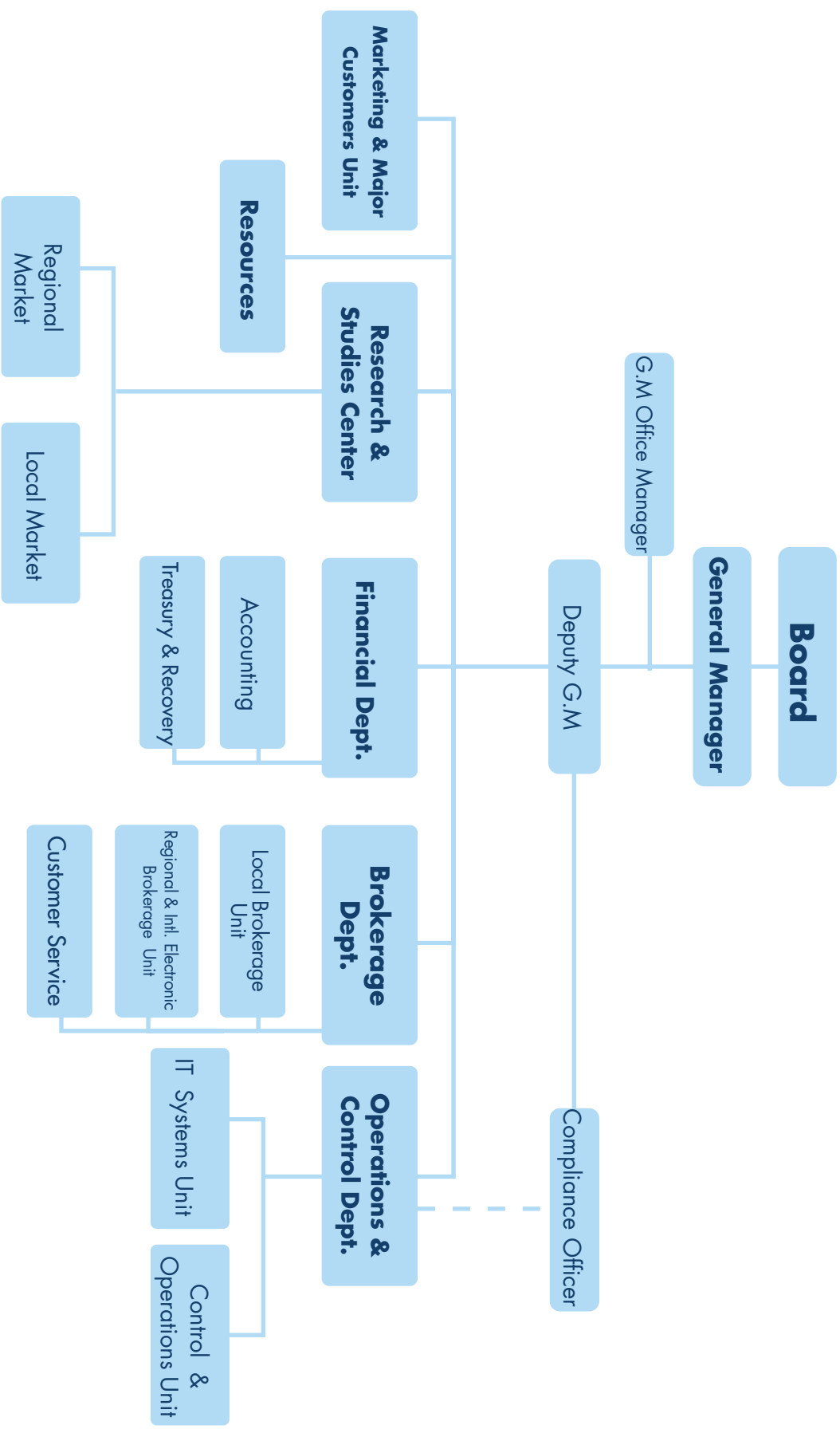
Organizational Chart / Specialized Leasing Company



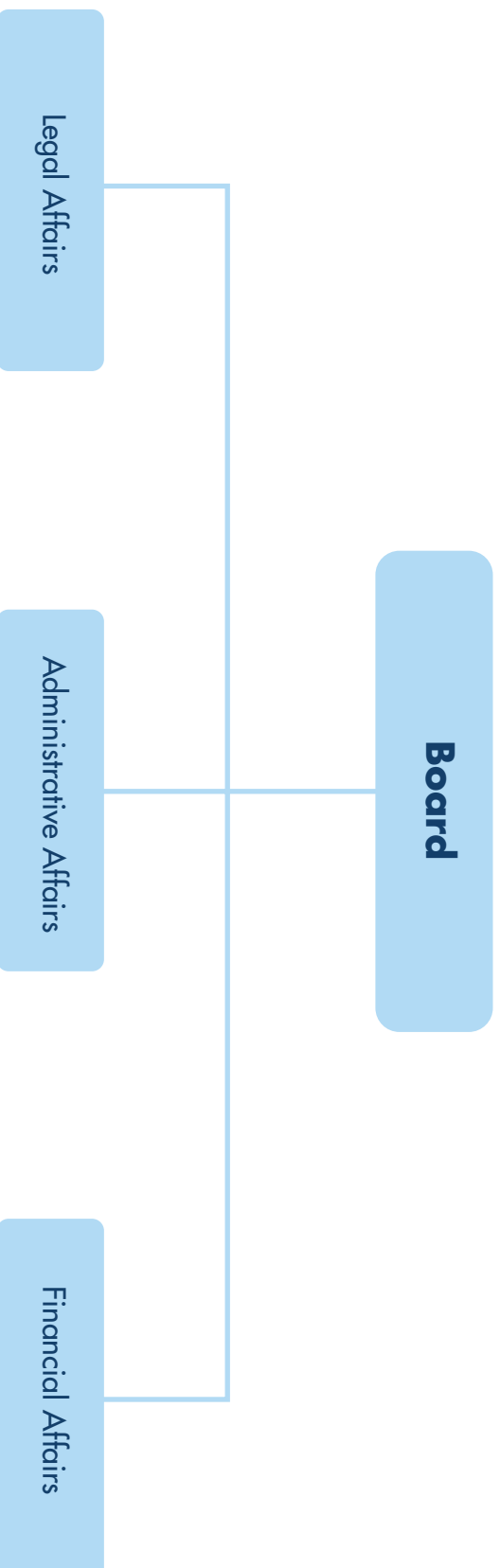
Organizational Chart /Jordan & Palestine Financial Investment Co.



Organizational Chart / International Financial Center



Organizational Chart / Jordan Real Estate Investment & Commercial Services



The Housing Bank for Trade & Finance Branches – Jordan

Branch	Address	Phone	E-mail
Main Branch	Amman – Al Abdali – Parliament Str.	5005555	br-001@hbtbf.com.jo
Luwibdeh	Amman, Abdali, Opp. to Foreign Travels Complex	5663798	br-002@hbtbf.com.jo
Al Madina	Amman, King Hussein Str.	4622631	br-003@hbtbf.com.jo
Jabal Amman	Amman, Jabal Amman, 3rd Circle, Prince Moh'd Str.	4642826	br-004@hbtbf.com.jo
Jabal Al Husein	Amman, Jabal Al Hussein, Khaled Bin Al Waleed Str.	4654697	br-005@hbtbf.com.jo
Al Wehdat	Amman, Al Wehdat, Madaba Str.	4778620	br-006@hbtbf.com.jo
Marka	Amman, Marka, King Abdullah Str.	4893611	br-007@hbtbf.com.jo
Qurish St.	Amman, Quraish Str.	4622041	br-008@hbtbf.com.jo
Jabal al Taj	Amman, Jabal Al Taj, Main Str.	4787544	br-009@hbtbf.com.jo
Prince Hassan Sub.	Amman, Jabal Al Nasr, Main Str.	4908975	br-010@hbtbf.com.jo
North Hashmi	Amman, North Hashmi, Prince Rashed Str.	4919541	br-011@hbtbf.com.jo
Ras Al Ein	Amman, Ras Al Ain, Al Quds Str.	4778595	br-012@hbtbf.com.jo
Ashrafieh	Amman, Ashrafieh, Imam Al Shafe' Str.	4753957	br-013@hbtbf.com.jo
Al Hawooz	Amman, Jabal Amman, Omar Bin Al Khattab Str.	4653534	br-014@hbtbf.com.jo
Al Nuzha	Amman, Jabal Al Nuzha, Schools Sub.	5662136	br-015@hbtbf.com.jo
Sport's City	Amman, Sports City, Al Shaheed Str.	5154171	br-016@hbtbf.com.jo
Al Salam	Amman, Jabal Luweibdeh, Shari'a College Str.	4653899	br-017@hbtbf.com.jo
Commercial Complex	Amman, Shmeisani, Queen Noor Str.	5677251	br-018@hbtbf.com.jo
Prince Moh'd St.	Amman, 9th Sha'ban Str., Tala't Al Hayek	4616090	br-019@hbtbf.com.jo
Tareq	Amman, Tareq, Main Str.	5054535	br-020@hbtbf.com.jo
Abu Nseir	Amman, Abu Nseir, Opp. To Commercial Complex	5234964	br-023@hbtbf.com.jo
Nazal	Amman, Nazal, Main Str.	4396961	br-024@hbtbf.com.jo
Abdoun	Amman, Abdoun .Cairo Str.	5929586	br-025@hbtbf.com.jo
Sweifieh	Amman, Sweifieh Commercial Market	5854733	br-026@hbtbf.com.jo
Gardens	Amman, Tela' Al Ali, Wasfi Al Tall Str.	5695838	br-027@hbtbf.com.jo
Shmeisani	Amman, Shmeisani, Abdul Hameed Sharaf Str.	5606173	br-028@hbtbf.com.jo
Qasr Shbeeb	Zarqa, King Hussein Str., Housing Bank Complex	3987778	br-029@hbtbf.com.jo
Um Othina	Amman, Um Othina, Sa'ad Ibn Abi Waqas Str.	5514074	br-030@hbtbf.com.jo
Al Jubeiha	Amman, Al Jubeiha, opp. to Jubeiha Directorate	5350551	br-031@hbtbf.com.jo
Al Fuhais	Al Fuhais, Main Str.	4729177	br-032@hbtbf.com.jo
Saltt	Al Salt, Al Maydan Str. Little Mosque Road	3555101	br-033@hbtbf.com.jo
Sweileh	Amman, Sweileh, Princess Raya Bint Al Hussein Str.	4023074	br-034@hbtbf.com.jo
Sahab	Amman, Sahab, Main Str.	5350473	br-035@hbtbf.com.jo
Abu Alanda	Amman, Abu Alanda Main Str.	4161545	br-038@hbtbf.com.jo

The Housing Bank for Trade & Finance Branches – Jordan

Branch	Address	Phone	E-mail
Juwaideh	Amman, Al Juwaideh, Main Str.	4127762	br-039@hbtf.com.jo
Marj Al Hamam	Amman, Marj Al Hamam, Main Str.	5712051	br-041@hbtf.com.jo
Na'our	Na'our, King Hussein Str.	5727671	br-042@hbtf.com.jo
Muwaqar	Amman, Al Muwaqar, Down Town	4059350	br-043@hbtf.com.jo
Tela' Al Ali	Amman, Tela' Al Ali, Wasfi Al Tall Str.	5525860	br-044@hbtf.com.jo
King Abdullah II City	Amman, Sahab, Amman Industrial Estate	4029329	br-045@hbtf.com.jo
Baqa'	Amman, Al Baqa' Camp, Near Al Baqa' Sports Club	4726802	br-046@hbtf.com.jo
Muqableen	Amman, Al Muqableen, Main Str.	4201271	br-047@hbtf.com.jo
Quwaismeh	Amman, Al Quwaismeh, Bader New Building	4786768	br-048@hbtf.com.jo
Bayader	Amman, Bayader Wadi Al seer, Main Str.	5857076	br-049@hbtf.com.jo
Zarqa	Zarqa, Sultan Abdel Hameed Str.	3935295	br-051@hbtf.com.jo
Irbid	Irbid, Prince Nayef Str., Awqaf Building	7242175	br-052@hbtf.com.jo
Ajloun	Ajloun, Main Square	6420930	br-053@hbtf.com.jo
Mafraq	Mafraq, King Talal Str.	6231295	br-054@hbtf.com.jo
Jarash	Jarash, King Abdullah Str.	6354443	br-055@hbtf.com.jo
Ma'daba	Ma'daba, King Abdullah Str.	3246980	br-056@hbtf.com.jo
Deir A'la	Deir A'la, Al Sawalha, Main Str.	3573202	br-057@hbtf.com.jo
Ghweirieh	Zarqa, Ghweirieh, Intersection of King Ghazi Str. & Algeria Str.	3979050	br-058@hbtf.com.jo
Rusaifeh	Zarqa, Rusaifeh, King Hussein Str.	3742332	br-059@hbtf.com.jo
Ramtha	Ramtha, Down Town, Nasser Al Tallaq Str.	7383110	br-060@hbtf.com.jo
North Shouna	North Shouna, King Faisal Str.	6580340	br-061@hbtf.com.jo
South Shouna	South Shouna, Government Depts. Complex	3581153	br-062@hbtf.com.jo
Deir Abi Saeed	Deir Abi Saeed, Main Str.	6521033	br-063@hbtf.com.jo
Hakama	Irbid, Hakma Str., Hanina Intersection	7405045	br-064@hbtf.com.jo
Al Huson	Al Huson, Wasfi Al Tall Str.	7010042	br-065@hbtf.com.jo
Hiteen	Zarqa, Hiteen Camp, Main Str.	3610290	br-066@hbtf.com.jo
Aidoun	Aidoun, Main Str.	7103484	br-067@hbtf.com.jo
Mashre'	Al Mashare', Main Str.	6529009	br-070@hbtf.com.jo
Kufranjah	Kufranjah, Main Str.	6454370	br-072@hbtf.com.jo
Palestine St.	Irbid, Palestine Str., Othman Naseef Building	7273076	br-073@hbtf.com.jo
Al Karameh	Al Karameh, Main Str.	3539060	br-074@hbtf.com.jo
Oujan	Zarqa, Oujan, Main Str., Opp. Yajoz Intersection	3657034	br-077@hbtf.com.jo
Al Jaish St.	Zarqa, Al Jaish Str., Near Internal Travels Complex	3936647	br-078@hbtf.com.jo
Kraymeh	Al Kraymeh, Main Str.	6575223	br-079@hbtf.com.jo
Yarmouk	Irbid, Shafiq Irsheedat Str.	7278483	br-080@hbtf.com.jo

The Housing Bank for Trade & Finance Branches – Jordan

Branch	Address	Phone	E-mail
Aqaba	Aqaba Cornich Str.	2035924	br-081@hbtf.com.jo
Tafeileh	Tafeileh, Main Str.	2200203	br-082@hbtf.com.jo
Ma'an	Ma'an, King Hussein Str.	2139010	br-083@hbtf.com.jo
Al Karak	Karak, Municipality Building, Al Nuzha Str.	2396029	br-084@hbtf.com.jo
Potash	Karak, Ghour Al Mazra' , Housing City	2305159	br-085@hbtf.com.jo
Petra	Wadi Mousa, Main Str.	2157082	br-086@hbtf.com.jo
Shoubak	Shoubak, Main Str.	2169050	br-087@hbtf.com.jo
Mu'ta	Mu'ta ,University Str.	2370509	br-088@hbtf.com.jo
Al Hasa	Al Hasa, Housing City, New Commercial Market	2277046	br-089@hbtf.com.jo
Jabal Al Shamali	Zarqa, Rusaifeh, Yajoz Road, Jabal Shamali	3759025	br-093@hbtf.com.jo
Airport	Amman, Queen Alia International Airport	4459276	br-097@hbtf.com.jo
Al Dleel	Zarqa , Al Dleel, Qasr Al Halabat Intersection	3824333	br-101@hbtf.com.jo
Al Edhaa	Amman, Ma'daba Str., Al Edhaa Intersection	4752201	br-102@hbtf.com.jo
Al Barha	Irbid ,Al Barha Str., Opposite Irbid Municipality	7269015	br-103@hbtf.com.jo
Sheidieh	Maan, Al Sheidieh Mine	2132796	br-104@hbtf.com.jo
Um Al Sumaq	Amman, Um Al Sumaq, Main Str.	5536696	br-106@hbtf.com.jo
North Azraq	North Azraq, Baghdad Main Str.	3834207	br-107@hbtf.com.jo
Masoum Sub.	Zarqa , Masoum Circle	3979098	br-108@hbtf.com.jo
Children	Amman, Shmeisani, Haya Cultural Center	5680070	br-109@hbtf.com.jo
Wadi Saqra	Amman, Wadi Saqra Str.	4632305	br-111@hbtf.com.jo
Al Qaser	Near Gov. Depts. Complex	2315430	br-113@hbtf.com.jo
Al Hasan Indust.city	Irbid, Al Hassan Industrial City	7395327	br-114@hbtf.com.jo
Al Rabieh	Amman, Al Rabieh, Mahmood Al Tahir Str.	5539384	br-115@hbtf.com.jo
Abdulah Ghoshe	Amman, 7 th Circle, Abdulah Ghoshe Str.	5863899	br-117@hbtf.com.jo
Central Market	Amman, Near Central Vegetable Market	4127514	br-119@hbtf.com.jo
Al Quba Circle	Irbid, Al Quba Circle, Al Jaish Str. , Feras Al Ajlouni Str.	7251103	br-120@hbtf.com.jo
Zahran	Amman, Ibin Khaldon Str. (Al Khaldi Hospital)	4642568	br-121@hbtf.com.jo
Madina Munawarah	Amman, Tela' Al Ali, Al Madina Al Munawarah Str.	5521011	br-122@hbtf.com.jo
City Mall	City Mall, Carefour, Amman, Banks floor	5005555/4040	br-123@hbtf.com.jo
Medical City St.	King Abdullah II Str., Near Khalda Circle	5357487	br-124@hbtf.com.jo
Private Banking Services	5 th Circle, Riad almeflih Str.	5937785	br-145@hbtf.com.jo
Al Mudawrah Exchange office	Al Modawara Border Station	2130976	br-831@hbtf.com.jo
North border crossing	Sheikh Hussein Bridge, North Ghor	6550489	-

The Housing Bank for Trade & Finance Branches – outside Jordan

Branch	Address	Phone	E-mail
Regional Mgt/ Palestine	Ramallah, Al Bareed Str., Rukab Building, P.O Box 1473	+ 970 2 2986270	pal_ho_group@hbtf.com.jo
Ramallah	Al Bareed Str., Rukab Building, P.O Box 1473	+ 970 2 29862712	br-401@hbtf.com.jo
Gaza	Al Shuhada' Str., Palestine Tower, P.O Box 5010	+ 970 8 2826322	br-402@hbtf.com.jo
Nablus	Al Hussein Circle, Al Huwari Building, P.O Box 1660	+ 970 9 2386060	br-403@hbtf.com.jo
Khaleel	Wadi Al Tufah Str., Al Manarah Circle, P.O Box 285	+ 970 2 2250055	br-404@hbtf.com.jo
Halhoul	Al Khaleel Str., P.O Box 1	+ 970 2 2299602	br-405@hbtf.com.jo
Beir Zeit	Main Str., Near Main Circle, P.O Box 40	+ 970 2 2819334	br-406@hbtf.com.jo
Khan Younis	Abu Humaid Circle, Jalal Str., P.O Box 7073	+ 970 8 2079401	br-407@hbtf.com.jo
Jenin	Abu Baker Str., P.O Box 50	+ 970 4 2505223	br-408@hbtf.com.jo
Bethlehm	Al Mahd Str., City Center (Bus Station), P.O Box 30	+ 970 2 2740375	br-409@hbtf.com.jo
Yata	Al Khaleel, Roqa'a Str., Near Police Department	+ 972 5 98905821	br-410@hbtf.com.jo
Tormosaya	Ramallah, Tormosaya, Main Str.	+ 970 2 2805353	br-411@hbtf.com.jo
Dahriyeh	Al Kaleel, Dahriyeh, Main Str., Near Dahriyeh Security Station	+ 970 2 2266778	br-412@hbtf.com.jo
Bahrain Branch	Bahrain, Al Manama Center, Govt. Str., P.O Box 5929	+ 973 17 225227	bahrain@hbtf.com.bh

Subsidiary Banks

Bank	Address	Phone
International Bank for Trade & Finance / Syria	Damascus , Head Office , sabe'a Bahrat , Pakistan Str., P.O Box 10502 Web Site: www.ibtf.com.sy E-mail: info@ibtf.com.sy	+ 963 11 2325780
Al Hejaz Branch	Damascus – Al Hejaz circle	+ 963 11 2460500
Pakistan Branch	Damascus – Pakistan Str.	+ 963 11 2388000
Meridian Branch	Damascus – Meridain Hotel	+ 963 11 2241140
Yarmouk Camp Branch	Damascus – Yarmouk Camp Str.	+ 963 11 6376400
Housh Plas Branch	Damascus – Der'a highway – opp. to town center	+ 963 11 6227711
Duma Branch	Damascus – Duma	+ 963 11 5750766
Dummar Project Branch	Damascus – Dumar Project – Cham Central Market	+ 963 11 3123505
Al Hareeka Branch	Damascus – Al Hareeka Str.	+ 963 11 2460222
Jaramana Branch	Damascus – Al Ra'aees Circle – beside Syriatell	+ 963 11 5636337
Qas'a Branch	Damascus – Al Ros Tower	+ 963 11 4430195
Mezzeh Branch	Damascus – Mezzeh – opp. Jala'a Club	+ 963 11 6117164
Homs Branch	Homs – Engineers Pension Fund Building	+ 963 31 2485979
Tartus Branch	Tartus – Banks Str.	+ 963 43 321355
Aleppo Branch – Faisal	Aleppo – Faisal Str.	+ 963 21 2262303
Aleppo Branch – Sheraton	Aleppo – Sheraton Hotel	+ 963 21 2125301
Aleppo Branch - Jmeleyeh	Aleppo - Jmeleyeh	+ 963 21 2231945
Aleppo Branch – Sheikh Najjar	Under establishment	-
Aleppo Branch – Shahba Mall	Aleppo – Kafr al Hamra'- Shahba Mall	+ 963 21 2520092
Dar'a Branch	Dar'a – Hanano Str.	+ 963 15 210291
Hama Branch	Hama – Al Alameen Str.	+ 963 33 243100
Hasakeh Branch	Al Hasakeh- Al Ra'ees Circle – Salah Al Din Str.	+ 963 52 316543
Latakia Branch	Latakia – Baghdad Str.	+ 963 41 459373
Sweida	Sweida - Construction of the Umayyad	+963 16 322191
Zabadani	Zabadani – Mahatta Str. – Opp. Engineers Association	+963 11 7111792
Kamishli	Kamishli-Quwatli str. - opp.simonides resturant	+963 52 431789
The Housing Bank for Trade & Finance / Algeria	Head office -Algeria , 16 Ahmad Waked Str.,Dali Ibrahim Web Site: www.housingbankdz.com E-mail: ancer.abdelaziz@housingbankdz.com	+ 213 21 918881
Dali Ibrahim Branch	Algeria – 16 Ahmad Waked Str. – Dali Ibrahim	+ 213 21 918787
Blida Branch	Algeria – 92 Mohammad Budiaf Str. – Al Blida	+ 213 25 311310
Oran Branch	Algeria – 3 Shiekh Al Arabi Tabsi – Oran	+ 213 41 331080
Setif Branch	Algeria -20 First Nov. 1954 – Setif	+ 213 36 834953
Ad dar al bayda' Branch	Algeria – 59 Mohammad Khemisti Str. Ad dar al bayda'	+ 213 21 754684

Subsidiaries

Company	Address	Phone	Website	E-mail
Specialized Leasing Company	Um Othina – Sa'ad Ibn Abi Waqas Str., P.O Box 1174 – Amman 11118	+ 962 6 5521230	www.hbtf.com	slc@hbtf.com.jo
Jordan & Palestine Financial Investment Co. / Ramallah	Ramallah, Rukab Circle, Al Farah Building , 2nd floor, P.O Box 1922	+ 970 2 2987778	www.jopfico.com	jopfico@palnet.com
International Financial Center Co.	Shmeisani, Housing Bank Complex ,2nd Floor,P.O Box 940919, Amman 11194	+ 962 6 5696724	www.ifc.com.jo	info@ifc.com.jo
Jordan Real Estate Investment & Commercial Services	Jabal Amman, Al Hayek Str, Municipality Previous Building, 7th Floor	+ 962 6 5005555	www.hbtf.com	info@hbtf.com.jo

Representative Offices

Office	Address	Phone	E-mail
Tripoli/ Libya	Tripoli, Zat Al Emad Administrative Complex, P.O Box 91270	+ 218 912132515	salahabuhelga@littnet.net
Abu Dhabi/ U.A.E	Abu Dhabi, Hamoudeh Bin Ali Building, 12th Floor, Sheikh Khalifa Str., P.O Box 44768	+971 26270280	hbtf@eim.ae
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