

ANNUAL REPORT 2011



بنك الإسكان للتجارة والتمويل
The Housing Bank for Trade & Finance

38th Board of Directors Report

For the Year Ending December 31, 2011

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His Majesty King Abdullah II Ibn Al Hussein

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Photos in this Report are taken from several locations in the Dead Sea area.



BOARD OF DIRECTORS





H.E. Dr. Michel Marto
Chairman



SHK Ali Jassim Al-Thani
Vice Chairman



Mr. Ali Ahmed Al-Kuwari
Qatar National Bank



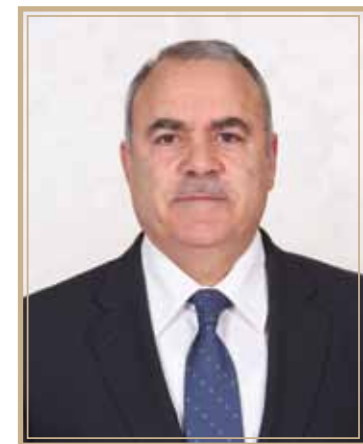
Mr. Abdulla Mubarak AlKhalifa
Qatar National Bank



Mr. Humoud Jassim Al Falah
Kuwait Real Estate Investment Consortium



Mr. Mohamed Mohamed Ben Yousef
Libyan Foreign Bank



Mr. Thabet Isaa Elwir
Social Security Corporation / Jordan



Mr. Yousef Mahmoud Al-Neama
Qatar National Bank



Mr. Ali Rashid Al-Mohannadi
Qatar National Bank



Mr. Mohammad Saad Al Munaifi
Kuwait Real Estate Investment Consortium



Mr. Jehad Ali Al Share
Social Security Corporation / Jordan



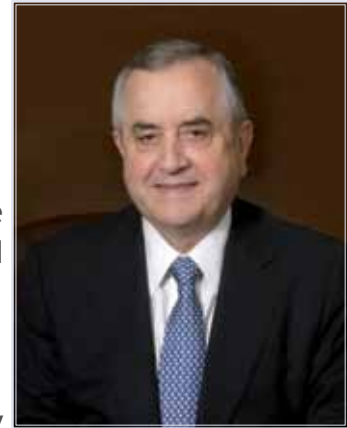
Mr. Ahmed Said Al Mahrezi
Ministry of Finance / Sultanate of Oman

Mr. Omar Zuheir Malhas - General Manager
Mr. Mohyeddin ElAli - Board Secretary

Chairman's Statement

To Our Shareholders:

On behalf of the Board of Directors, I am honoured to present the Group's 2011 Annual Report. It outlines our achievements, financial results and future plans.



Operating Environment

The beginning of 2011 signalled some hope that the global economy would show signs of recovery. But the problems in the Euro zone and the events in the Arab region resulted in significant uncertainties which did not help the recovery path. The Jordanian economy was impacted with such events, and as a result real GDP grew by only 2.6%.

2011 was a difficult year; the banking sector was cautious in its lending policies and continued to take additional provisions against non-performing loans (NPL) that were caused by the ongoing economic crisis.

Financial Performance

In 2011, HBTF achieved good financial results. Pretax net profit grew by 16.6% to JD135.7 million (US\$191.4 million) whereas after tax net profit grew by 13.1% to JD100 million (US\$141 million), and gross income grew by 13.9% to JD300.7 million (US\$424.1 million). The Bank was able to achieve these results after providing JD46 million (US\$65.4 million) against NPL.

A review of our balance sheet shows the strong and sound financial position of the Bank. Total assets increased to JD6.9 billion (US\$9.8 billion), total equity grew to JD1.05 billion (US\$1.5 billion), customer deposits increased to JD4.8 billion (US\$6.8 billion) and net credit portfolio grew to JD2.5 billion (US\$3.5 billion). This growth was achieved despite the drop in customer deposits and credit facilities at our Syria subsidiary, The International Bank for Trade and Finance (IBTF).

Key Performance

HBTF's performance reflected positively on the financial indicators. Capital Adequacy ratio stood at 20.7% (Central Bank of Jordan's minimum requirement is 12% and BIS Tier 1 capital minimum is 8%), deposit to loan ratio amounted to 51%, return on assets 1.5%, return on equity 9.7% and cost to income ratio was 38.6% (one of the best in Jordan's banking sector).

Based on this performance, The Banker magazine awarded HBTF, Jordan's "Bank of the Year" in 2011.

Market Share in Jordan

Two new branches were opened in 2011, bringing the number of branches to 112. HBTF has the largest branch and ATM networks in Jordan.

HBTF has a sizable market share of VISA credit and VISA electron cards. The Bank has the largest market share of savings accounts (41.6%) and the second largest market share of total assets (15.1%), deposits (15.9%) and credit facilities (11.9%).

International Subsidiaries' Performance

Despite the uncertainty in the regional and global economic environments, HBTF's branches in Palestine and Bahrain, and subsidiaries in Syria, Algeria and the UK achieved good results. Representative offices in Iraq, Libya and UAE continued their marketing role which resulted in enhancing relations with banks and customers.

Based on the good results achieved, the Board of Directors will recommend to the Shareholders' Ordinary General Assembly a dividend of 25% of the nominal share value.

Governance

The Bank is committed to the principles of its Corporate Governance Convention, which is based on the Corporate Governance Guidelines issued by the Central Bank of Jordan and Jordan Securities Commission.

Corporate Social Responsibility

We are proud of our social responsibility initiatives. In 2011, we supported and donated to a number of healthcare, educational, cultural, art, social, humanitarian, sport and environmental entities. We also sponsored and supported scientific and intellectual events that service and help develop local communities.

The Year Ahead

The Bank adopted an ambitious Business Plan for 2012. It focuses on achieving acceptable business growth, increased market share, and implementing prudent credit and investment policies based on prudent risk management, best market practices and Basel II regulations.

Gratitude

I would like to seize this opportunity to thank the Central Bank of Jordan for their support of the banking sector and Jordan Securities Commission for their role in managing the capital market.

I would also like to thank our shareholders, our customers, members of the Board, and the Bank's staff and management team for their commitment to the Bank.

May God bless and protect Jordan under the leadership of His Majesty King Abdullah II.

Respectfully,

Dr. Michel Marto
Chairman of the Board





THE BANK'S FINANCIAL PERFORMANCE

HBTF's Major Financial Indicators, 2007 – 2011

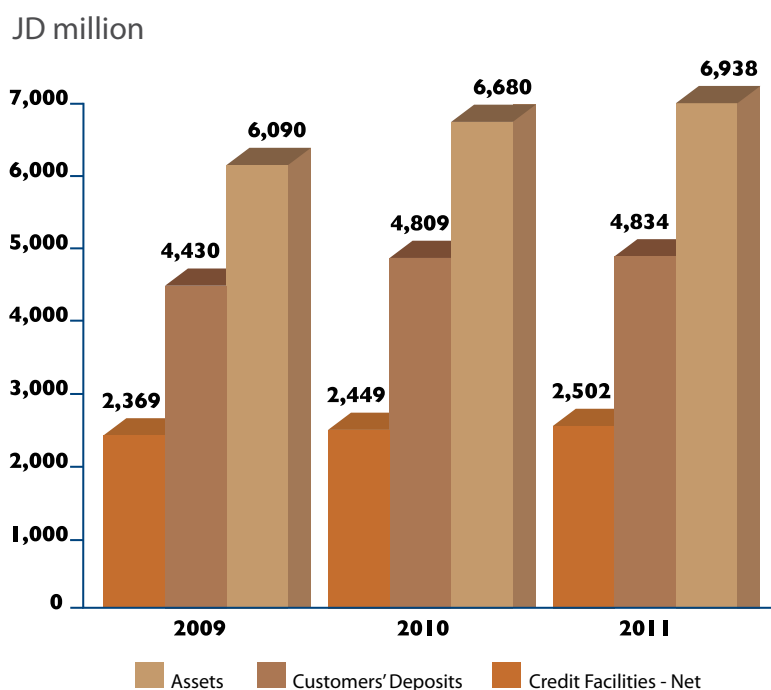
JD million*

Item / Year	2007	2008	2009	2010	2011
Total Assets	5,020.1	5,430.6	6,090.4	6,679.7	6,938.0
Customers' Deposits	3,500.6	3,764.5	4,430.4	4,808.6	4,833.9
Credit Facilities - Net	1,936.3	2,341.7	2,368.6	2,449.1	2,502.1
Total Equity	890.3	911.0	966.5	1,023.9	1,048.6
Gross Income	238.8	245.2	260.4	264.0	300.7
Profit before Income Tax	154.5	142.0	97.0	116.4	135.7
Profit after Income Tax	111.5	101.3	66.6	88.4	100.0
Cash Dividends	64.3	75.0	50.4	63.0	63.0**
Basic earnings per share to equity holders of the Bank (EPS)	0.435	0.383	0.238	0.313	0.349
Dividends / Per share (JD)	0.300	0.250	0.200	0.250	0.250
Share Price in Amman Stock Exchange (JD)	7.210	8.330	7.150	8.100	8.000

* JD = \$1.4104

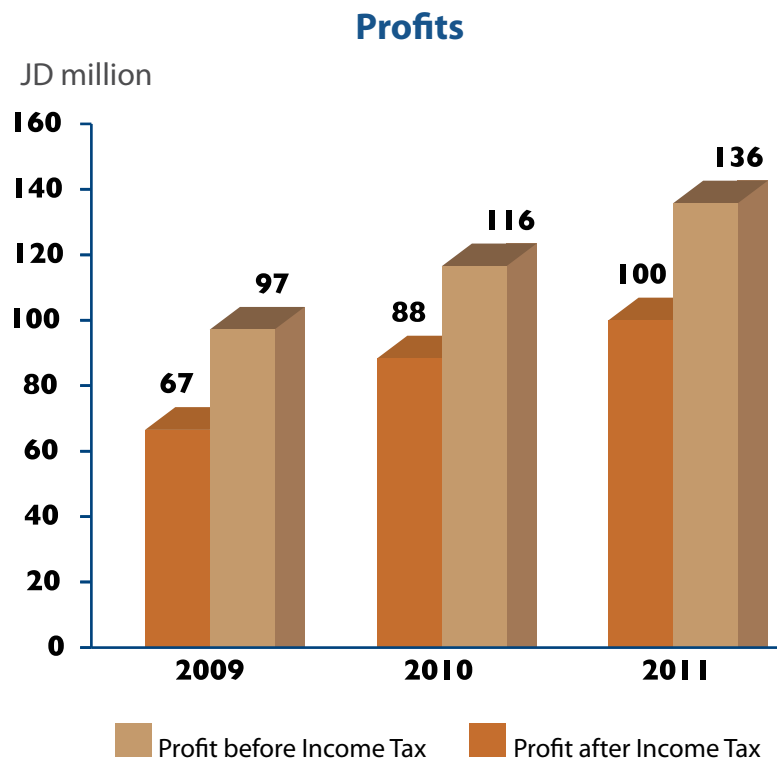
** Proposed Dividends for 2011

Major Financial Indicators



Analysis of Operational Results

In 2011, despite the local, regional and international instable economic environment, and the political circumstances in the Arab region, the HBTF Group posted net profits before tax equal to JD135.7 million, an increase of JD19.3 million, or 16.6% year-on-year (y-o-y). Meanwhile, the Group's net profit after tax and provisions amounted to JD100 million, an increase of JD11.6 million, or 13.1%.



The Group's operational results in 2011 were as follows:

- Gross income increased by 13.9% to JD300.7 million, compared to JD264 million in the year before. Net interests income was 67% of the gross income in 2011, compared to 71.8% in the previous year, which reflects the Bank's interest in increasing its non-interest income.
- Net interests and commissions' income increased from JD221.8 million during 2010 to JD236.6 million in 2011, or 6.7%. This increase could be attributed to an increase in net interests and net commissions by 6.3% and 8.8%, respectively. Improvement in the net interests and commissions resulted from the rise in the balances of credit facilities and loans, improvement in interest rates on money market instruments in Jordanian Dinar, in addition to the measures implemented by the Bank to decrease deposit cost.
- Total expenses increased from JD147.6 million in 2010 to JD165 million in 2011, an increase of 11.8%. This increase in total expenses resulted from continued investment in the Bank's infrastructure, as evident in the expansion of the branches network and ATMs, development of the existing branches, upgrading services provided through ATMs, the further development of the Bank's IT systems and heavy investment in human resources, as well as improvements to the Bank employees' payroll.

Analysis of Financial Position

The total assets of the HBTF Group reached JD6.9 billion as at the end-December 2011, an increase of JD258.3 million, or 3.9%. Such increase was achieved despite the fall of assets of the International Bank for Trade and Finance (IBTF) / Syria " a subsidiary bank " by JD270 million, due to the political circumstances in Syria, in addition to the devaluation in the exchange rate of the Syrian currency. It is worth mentioning that the HBTF retains a balanced fund sources and uses within its liquidity and profitability management system.

Total Deposits

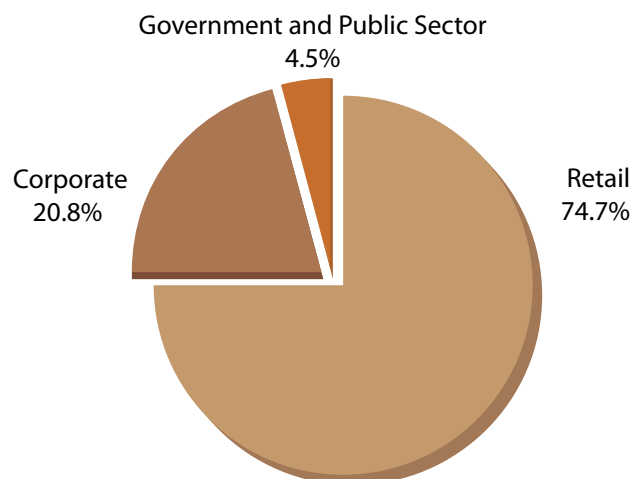
In the year 2011, the HBTF focused its efforts on attracting more customer deposits (demand deposits, saving deposits, and time deposits). This contributed to an increase in the total balance of deposits (customer deposits plus banks and financial institutions deposits) to JD5.4 billion, a rise of JD161 million, or 3.1%, compared to the balance in the year before.

Excluding deposits of banks and financial institutions, the balance of customer deposits totaled JD4.8 billion as at the end-December 2011, a rise of JD25.3 million, or 0.5%, compared to the same balance in the year before. This increase has been recorded despite the fall in customers' deposits with the IBTF / Syria in an amount equivalent to JD285 million.

The HBTF customers' deposits have been distinguished by their wide, diversified and stable base, indicating the high degree of trust customers have in the HBTF Group. Indeed, the Bank is proud that its branches in Jordan continue to possess the lion's share of the balance of savings deposits in JDs, at 41.6% in 2011.

Upon analyzing the customers' deposits structure, by depositors, retail deposits constituted about 74.7% of the total balance of customers' deposits as at the end of 2011, while SMEs and corporate deposits constituted 20.8%, and government and public sector deposits 4.5%.

Structure of Customers' Deposits



Meanwhile, upon analyzing the customers' deposits structure, by type, demand deposits constituted 24.3% of the total balance of customers' deposits at the end of 2011, and saving deposits were 29.7%, while time deposits constituted 46%.

Direct Credit Facilities

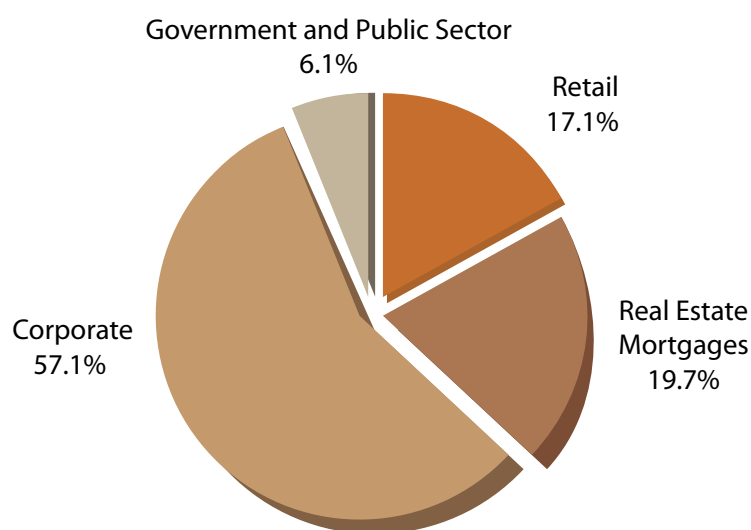
In the year 2011, the HBTF was very keen to raise the efficiency of fund deployment, aiming at increasing its returns, on the one hand and to enhance the Bank's positive participation in financing various economic projects in countries where it operates.

Credit facilities in 2011 recorded an increase of JD91.2 million, or 3.5%, to JD2.7 billion. In 2011, the balance of direct credit facilities (net), after deduction of provisions and suspended interest balances, amounted to JD2.5 billion, an increase of JD52.9 million, or 2.2%, compared to the year before. This increase in credit facilities came despite the decline in the volume of the credit portfolio of the IBTF / Syria, in about JD74 million.

Looking at the different lines of credit facilities, retail loans rose by 6.1%, real estate mortgages loans increased by 3.4%, while corporate facilities "large and SMEs" rose by 10.2%. By contrast, government and public sector Loans declined by 36.9%.

Upon analyzing total credit facilities structure, by borrowers, retail facilities constituted 17.1% of the total balance of credit facilities as at the end of 2011, and corporate facilities "large and SMEs" were 57.1%, and real estate mortgages facilities were 19.7%, while government and public sector facilities constituted 6.1%.

Structure of Credit Facilities



Shareholders' Equity

The Bank's consecutive plans have aimed at enhancing and solidification its capital balances, through increasing shareholders' equity to commensurate with growth in its various activities, to ensure high ratio of capital adequacy.

Total equity attributable to the Bank's shareholders amounted to JD938.6 million as at the end of 2011, compared to JD920.1 million in the year before, equivalent to a 2% increase y-o-y. By adding non-controlling interests in subsidiary companies, total equity rose from JD1023.9 million at the end of 2010 to JD1048.6 million at the end of 2011, an increase of 2.4%.

Analysis of Major Performance Indicators

Changes on both sides of the HBTF Group's financial position and income statement have resulted in the achievement of satisfactory performance indicators, as presented below:

- There was an increase in the ROaA to 1.5% in 2011 (1.4% in 2010), and a rise in the ROaE to 9.7% (8.9% in 2010). These ratios are considered satisfactory in light of the circumstances that prevailed in 2011, and among the highest in the industry.
- The Bank's capital adequacy ratio as at the end-December 2011 reached 20.7%, much higher than the 8% requirement under Basel II or that of the CBJ at 12%. This reflected the Group's financial strength, bolstering its capability to face challenges, and providing support to its future expansion plans.
- In 2011, the Bank's liquidity ratio stood at 172%, which is higher than the requirement of the CBJ at 100%.
- Cost-to-income ratio reached 38.6% in 2011, the latter is impressive when compared to the local and regional industry average.
- Basic earnings per share increased from JD0.313 at the end of 2010 to reach JD0.349 in 2011, an increase of 11.5%.

Competitive Position

The HBTF Group has substantiated its capability to work in a severely-competitive environment, based on its excellent reputation, strong financial position, large capital base, wide local branch network, well-studied foreign expansion plans and the provision of new and innovative banking services to its customers. This made the Bank the first choice for a wide range of customers, enhanced its competitive capabilities and solidified its leading position in the Jordanian banking sector.

In what follows is a short brief about the Bank's leading position in the local banking sector as at the end-December 2011:

- The Bank maintained its leading position in the balance of savings accounts in local currency, at 41.6%.
- The Bank preserved its leading position in terms of the number of branches, which reached 112, equivalent to a market share of 14.5%.
- The Bank has maintained its leading position in the number of ATMs it operates, the largest in the Kingdom, at 198, with a market share of about 16%.
- The Bank continued to enjoy a leading position in terms of customer numbers, which have exceeded 700,000. Not only has the Bank maintained its existing customers base, it has also managed to attract new customers, retail and corporate alike, thanks to its high quality and diversified services.
- The Bank maintained its leading position in the number of credit cards, with the number of Visa cards issued by the Bank during 2011 increasing by 10,000; bringing the total issued active cards to about 40,000. Likewise, the number of Visa Electron cards issued by the HBTF increased by 114,000; bringing the total issued active cards to about 480,000.
- The Bank came second in the rankings of banking assets, with a market share of 15.1%.
- Likewise, the Bank has acquired the second position in terms of banking deposits, with a market share of 15.9%.
- The Bank has also acquired the second position in terms of credit facilities, with a market share of 11.9%.

In the field of competitive qualitative indicators, the Bank has obtained many high credit ratings from international institutions, in addition to various distinguished certificates of appreciation and awards. What's more, the Bank has been successful in maintaining its leading position in banking technology through the application of systems necessary for steering the management and branches operations in conformity with the latest international standards.

It is worth mentioning that the Bank was the winner of "The Banker" magazine award, in November 2011, as "Bank of the Year – Jordan", after satisfaction of relevant qualification conditions, based on a bundle of financial principles and indicators. Those include capability and success in facing challenges, initiative and innovation in services and products, as well as performance efficiency, in addition to certain financial indicators, such as total shareholders' equity, total assets, capital adequacy ratio, equity to total assets ratio, and ROaA.

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 the E-Jordan Conference.
- Excellence award for quality performance on the national level.
- Visa international Award.
- The Best Jordanian Bank from The Banker Magazine.
- The Best Jordanian Bank from Euromoney.
- International Star Award, golden and platinum, from Business Initiative Directions.
- The highest levels of 'General Conformance Certificate' with International Internal Audit Standards, issued by the American Institute of Internal Auditors.



THE BANK'S ACTIVITIES



Retail Banking Services

The HBTF retail banking services strategy in 2011 focused on providing and development of a wide range of value added services and products, consistent with customers' diversified and ever increasing needs. Such services and products have been designed to serve wide segments of customers, provided directly through the Bank's branches network in Jordan or different electronic delivery channels.

Branch Network

The Bank in 2011 continued its internal expansion policy, as local branches network has been enhanced by inauguration of two new branches. This brings the total number of branches to 112, supported by a large number of ATMs, totaling at 198 after installation of 11 new machines. The Bank's branches and ATMs network is still the biggest in the Jordanian banking market.



Prince Nayef St. Branch - Irbid



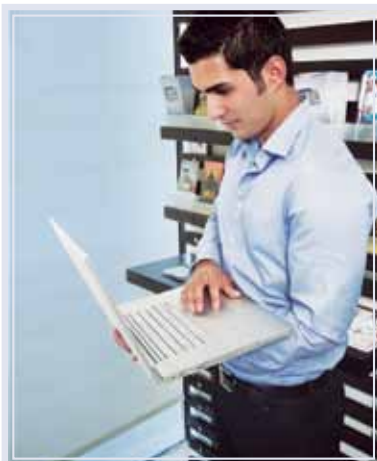
Mecca St. Branch

The new branches inaugurated this year, are distinguished by modern design, affording customers and employees distinctive banking experience, in addition to upgrading decorations and equipment of certain existing branches.

Electronic Banking Services

The Bank's electronic delivery channels provide developed, fast and secure services in their locations around the clock, without reaching the branches, and for relative low cost, which increased the number of users and enhanced the Bank's leading position in the electronic transactions field.

Among the new services introduced through such channels: an electronic payment settlement system; the ability to obtain information about accounts; make transfers from one account to another; wire money internally and abroad (in all currencies); apply for a cheque book; in addition to an SMS service that directly informs customers about all transactions carried out on their accounts.



Quality and Customers Service

Within the framework of the HBTF commitment to ensure quality service which established the Bank's distinguished image, the Bank has implemented the best relevant professional practices, by fostering communication channels with customers.

The Bank continued in 2011, to implement organized surveys and studies to measure customers satisfaction levels concerning services provided to them. This has been carried through the "Mystery Shopper" studies, responses to the customers' suggestions and enquiries, helping customers to finish their banking transactions 24/7 in various locations. These studies and surveys indicated a high degree of customer satisfaction.

Credit Cards

The HBTF has managed to maintain its leading position in the field of credit cards in Jordan, with the number of Visa cards issued by the Bank during 2011 increasing by 10,000; bringing the total issued active cards to about 40,000. Meanwhile, the number of Visa Electron cards issued by the HBTF increased by 114,000; bringing the total issued active cards to about 480,000.



The Bank in 2011, incepted the campaign "sell more" to market Visa credit cards for various segments of customers, which achieved its desired targets, in addition to continued application of Visa credit card "Bonus Points" system.

The HBTF started replacing the existing Visa Electron cards with Smart Cards (EMV). Hence, all the Bank cards are smart cards with high security specifications and protection.

Personal Products

The HBTF in 2011, offered many new programs aiming at attracting more segments of retail customers, and to meet their needs, through initiation of aggressive marketing and promotional campaigns. This has contributed in enhancing the Bank's strong position in the personal loans market.

Within the framework of cooperation and coordination with the Specialized Leasing Company, owned by the Bank, car loans product "my car" has been incepted based on finance lease and soft conditions. The Bank has also offered the "Business Loan" product with the objective of providing a wide and multiple range of alternatives for SMEs, professionals and craftsmen.

The new program "my clinic" has been offered for Doctors/practitioners to meet their needs and requirements such as financing the purchase of real estate/clinic and/or financing their different medical needs. It goes without saying, that the Bank continued in 2011, to conclude more agreements with big domestic companies to provide various banking services to their employees.

Commercial Banking Services

Despite prevailing difficult economic circumstances, the Bank continued to enforce prudent credit policies in financing operations in general, and in corporate financing in particular, at the same time, making no compromises on its strong performance, maintaining distinguished presence in this field, and utilizing available market opportunities.

The HBTF priorities in 2011, were focused on introducing more improvements on the quality of its credit portfolio to avoid making more provisions, in addition to activating the long term banking relations with its customers, developing business with them and attracting more new customers from various targeted economic sectors.

In the same context, the Bank maintained its image as a reliable banking partner in supporting local economy. The Bank continued to play a vital role in providing the widest range of direct and indirect credit services to its local corporate customers, focusing on financing important infrastructure projects as well as business development in Jordan.

In this connection, many projects were financed in both public and private sectors, in various economic activities such as food, pharmaceuticals, education, transportation, telecommunications and information technology.

The HBTF enhanced its activity in financing mega projects, as 2011 witnessed conclusion of many banks syndicate loan agreements, in addition to arrangement of many financing operations for other companies and institutions.

The Bank in 2011, focused on developing Jordan's regional and international trade activities, through activation and adoption of several agreements and programs related to financing exports and imports.

Investment and Treasury Services

In 2011, HBTF has managed to maintain a stable growth in treasury and investment activities through its adoption of an "investment policy" that takes into consideration the continued fluctuations in the international financial markets, resulting from the difficult economic circumstances of the world financial crisis. This has greatly contributed in strengthening the Bank's financial results in 2011.

HBTF has focused during 2011 on lowering the cost of funding, improving the interest rate margin and managing liquidity in a more efficient way in order to support its various banking activities and maintain healthy and robust liquidity in levels that exceed the minimum CBJ requirements. Moreover, the Bank has also preserved its leading position in the interbank deposit market and its key role in the FX market in Jordan.

The Bank has succeeded in 2011 in attracting new customers and continued to provide well-diversified products and services that meet their needs, including; FX and precious metals trading services through account/account and margin account, forward contracts services and brokerage services in local, regional and international financial markets, in addition to investment portfolios and mutual funds management services, custody and trustee services as well as other investment and treasury related services.

Correspondent Banks and Financial Institutions

The Bank successfully continued to establish new business relations with strategic local, regional and international banks and financial institutions, while maintaining its strong existing relations.

Notwithstanding the prevailing political circumstances in certain areas where the Bank operates through subsidiary banks, branches, and foreign offices; the Bank increased its revenues realized from commissions and interests by providing an array of high quality banking services that cater to the various needs of correspondent banks in international banking operations.

In 2011, the Bank continued to provide credit facilities to correspondent banks to facilitate and organize the increasing business volume in various fields of activity. Moreover, the Bank has closely monitored developments in world markets and economies, and took all preemptive measures necessary to effectively manage the heightened risks resulting from the global economic crisis, yet without compromising on profitability.

It is worth noting that HBTF has distinguished business relations with a wide network of more than 400 correspondent and financial institutions, distributed over more than 70 countries. This places the Bank in a strong position, enabling it to serve its customers in versatile international banking operations.

International Branches and Subsidiaries

In 2011, the Bank was able to expand its operations and activities as well as its customer base in the foreign markets where it operates, which enhanced its presence in those markets, and positively affected the results of the operations of the HBTF Group institutions outside Jordan, including the following:

Palestine Branches

Despite the difficult political and economic conditions that prevailed there, the twelve branches in Palestine continued their success journey in 2011, recording good results that surpassed those achieved in the previous year, and which are targeted in the estimated budget.

Bahrain Branch

Despite the political conditions that prevailed in the Kingdom of Bahrain, the branch recorded relatively good and satisfactory results.

The Housing Bank for Trade and Finance/Algeria

The Bank's stake in the capital of the Housing Bank/Algeria is 61.2%, operating through a network of five branches. In 2011, performance results of the Housing Bank/Algeria came excellent and unprecedented, whereas the bank recorded profits that surpassed those achieved and targeted in the previous year. Meanwhile, more profits are expected in the year 2012, through the implementation of a working plan targeted to achieve good growth rates, bolster the Bank's position in the Algerian banking market, through the creation of sound business opportunities with big reputable companies in Algeria.

The International Bank for Trade and Finance (IBTF)/Syria

The IBTF is considered one of the first private banks in Syria, which assumed a distinguished position in the Syrian banking sector. The Housing Bank's stake in the capital of this bank reaches 49%, and it operates through a network of thirty branches distributed in the main Syrian cities, with a strategic vision to achieve geographical expansion in all the Syrian governorates, to reach not less than 60 branches within the next four years.

On the level of performance and profitability in 2011, the IBTF achieved record accomplishments and high growth rates, despite the difficult political condition in Syria, and this confirmed the bank's capability to efficiently adapt with such circumstances.

Jordan International Bank (JIB) / London

In addition to its presence in certain countries in the region, and as part of its strategic options for foreign expansion, the Bank, in 2010, acquired a 68.6% stake in JIB / London.

In 2011, this bank successfully recorded profits that surpassed the previous years. JIB provides a wide range of banking and financial services for residents inside or outside the UK.

Representative Offices

Representative offices in Abu Dhabi/ United Arab Emirates, Tripoli/Libya, and Baghdad/ Iraq, played a vital role in enhancing the Bank's presence, through the introduction of its services in these countries, which attracted more financial institutions, and encouraged banks and financial institutions to increase volume of their business with the Bank.

Representative offices work as marketing centers and a connection link with banks so as to reach agreements in order to execute banking transactions that are related to various economic institutions which operate in those countries, on the one hand, and the Jordanian market through the IBTF in Jordan, on the other hand.

Administrative and Human Resources Development

Organizational Design & Structure

As part of the Bank's ongoing efforts to ensure operational effectiveness and efficiencies, changes have been made to the organizational structure of the Credit Department. Furthermore, the Risk Department has been separated from the Compliance Department and their respective roles and responsibilities have been reassigned accordingly.

Administrative Development

The Bank is constantly fine-tuning its processes and has set forth several HR initiatives during the 2011 year that are in support of the Bank's objectives. One of these projects is the "Competency Implementation" project, whereby the Bank is adopting a Competency-Based Management approach that will be linked to all its HR people-processes. Another one of the key projects that has been well underway is the implementation of a new Oracle-based Human Resources Management System. Full deployment of the system is expected during the coming year. In addition to automation of internal audit operations and activities, including, management and supervision, reporting and follow up operations.

Learning and Development

The HBTF has continued to heavily invest in its employees, conducting around 160 in-house training courses and providing over 3,500 training opportunities during 2011. These training programs cover a wide variety of skills and specializations enhancing the employee experience and knowledge and improving on overall performance.



Our main programs focus on the development of front-office employees, which make up around 50% of the Bank's employees to ensure delivery of exceptional customer service and professional excellence. Fresh graduates are entered into a three-month intensive and comprehensive training program that prepares them to assume their positions within the branches network. Fast-track programs are also provided to grant opportunities for the high-performers to advance in their careers.

Furthermore, the Bank has a policy that aims to develop its employees' educational and professional capabilities, as it offered a number of employees the opportunity to obtain university degrees and professional certifications, and the chance to pursue their higher academic studies and professional qualifications, inside and outside the Kingdom. Disclosure statements in the last part of this report include more details about the number and type of training courses provided by the Bank in 2011.

Recruitment and Selection

The HBTF applies a strategic and professional approach to recruitment and selection in order to help attract, appoint and retain employees with the necessary competencies that fulfill strategic goals and support the Bank's values.

The Bank strongly believes in building its own talent. Most of the external recruits were fresh graduates that have been carefully selected to join the expanding Retail branches network assuming entry-level positions. Regarding vacancies other than entry-level positions, they have been successfully filled internally from within the Bank's talent pipeline.

Compensation and Benefits

The Bank strives to provide an effective rewards system in efforts to create a positive and motivating working environment for its employees.

In 2011, amendments to the Compensation & Benefits policy have been made. The sixteenth salary and family allowance increase have been approved. Adjustments to the "Employee Housing Loans" system has been set up raising the loan ceiling to conform to the increases in housing and real estate prices.

Salary increases have also been granted to all employees in accordance with the increased cost of living for 2011. Furthermore, a percentage of the 2011 earned profits have been allocated for employee incentives to reward and motivate high performers.

Risk Management

During the year 2011, the Bank continued pursuing an effective "Risk Management" strategy covering all its operations by adopting a comprehensive methodology aiming to tackle challenges efficiently, thus achieving the optimal balance between risk and return.

In pursuit of compliance with regulatory bodies requirements the Bank has implemented the instructions of Pillar II "supervisory revision" of Basel committee.

In addition the Bank placed a detailed plan of measuring the capital adequacy requirements through gathering the required data which is related to credit risk, liquidity risk, interest rates, and credit concentrations, strategic and reputational risk. The Bank is currently reviewing Central Bank of Jordan instructions related to Basel III requirements.

As part of Control Risk Self Assessment (CRSA) implementation, the Bank has updated its "Risk Matrix" covering all its units. Moreover "Crisis Management and Business continuity plans" were updated and approved by the Board of Directors and emergency committee in addition to centralization the process of granting and managing users and password codes in a separate single designated unit, thus ensuring proper controls in place.

Declaration No.46 of the financial statements of this annual report shows detailed information regarding risk management.

Compliance

In 2011, HBTF continued its absolute commitment to apply the best practices in the fields of compliance and Anti - Money Laundering, as well as combating terrorism financing, in consistence with Laws, Regulations and Instructions issued by Local and International Regulators. This has been carried out by the application of Compliance Tests, preparation of periodical reports that include the evaluation of "compliance risks" and verification of customers' data, in addition to accurate and transparent disclosure about the Bank activities as well as reporting of any Suspicious Activities.

In this context, the Board of Directors approved the Amendments of the Anti- Money Laundering and Terrorism Financing Policy, as well as, the Compliance Policy, in conformity with regulations and instructions of CBJ, and other Regulatory bodies in the countries where the Bank operates.

Furthermore, HBTF adopted many steps to enhance the Compliance and Anti-Money Laundering Culture at the Bank, through conducting training workshops and seminars targeting all the Bank sectors. In addition to the preparation of awareness and orientation leaflets, and the issuing of special circulars.

It is worth mentioning, that the Bank has adopted a Corporate Governance Code, which complies with the disclosure and transparency regulations and guidelines issued by the CBJ and the Securities Commission. This Code is available at the end of this annual report, as well as on our website www.hbtf.com.

Information Technology

Stemming from a Business Aligned IT strategy, The HBTF launched and implemented several key initiatives and strategic projects to improve its internal operations and is planning to launch new products targeting operational excellence and customer satisfactions.

As part of HBTF's strategic plan to replace its current Core Banking System with international Core Banking Solution, The Bank has contracted a specialized provider in Core Banking Solutions and completed the gap analysis phase aiming to commence implementation by 2012.

It is worth mentioning that during 2011, HBTF successfully implemented its centralized Core Banking Solution and built its disaster recovery site for Palestine branches.

The Bank has launched ambitious projects to enhance its information Technology infrastructure and comply with international regulations by upgrading its ATM network in line with EMV international standards, deploying IP Telephony across HBTF branches and finally replacing its centralized systems with the latest technologies which had immeasurable positive impact over IT Systems availability, security, and scalability.

Social Responsibility

In 2011, the HBTF remained committed to its social responsibility towards local community, being persons or corporate, making more initiatives and achievements, to support national and social activities. This year, the Bank provided donations and support for many health, educational, cultural, artistic, social, humanitarian, sports and environmental centers and institutions.



This came in addition to sponsoring and supporting certain cultural and intellectual conferences and seminars, aiming to develop and serve various activities and objectives of civil community organizations

Within the framework of its persistence to communicate with various public organizations and institutions, in supporting social activities, the HBTF sponsored many social, sports and health festivals, and participated in various social and national events and occasions.

The HBTF has been relentlessly endeavoring to strengthen its relation and cooperation with Jordan's Blood Bank through organizing blood donation campaigns, as the Bank's employees participated in two blood donation campaigns in 2011.



Future Plan

Late in 2011, the HBTF adopted a prudent strategic plan for 2012. This plan has been distinguished by clarity and transparency, focusing on ensuring components of scrutinized growth. The plan took into consideration all variables surrounding operating environment, capitalizing on points of strength, competitive elements, and sound capital base of the Bank.

- The HBTF aspires for enhancing the Bank's financial capability, growth indicators, excellent image and culture focusing on the customers. The plan for 2012 includes the following main strategic goals:
- Achieve sustainable and rapid growth in profits, which should improve the rates of ROaA and the ROaE.
- Strengthen the Bank's strong financial position by increasing efficiency of its basic activities, and utilizing any new business opportunities.
- Increase the Bank's market share in various activities, through supporting marketing efforts, enhance selling culture concept, to ensure expansion of creditworthy profitable customers' base, and maintain present customers.
- Preserve and enhance the quality of the Bank's assets through lowering the percentage of NPLs.
- Focus on revenues generated from different banking and financial services.
- Expand the Bank's branches network in both Jordan and Palestine, concentrating, at the same time, on completion of the development and upgrading plan of the existing branches.
- Complete the construction works of the new Head office building at Shmeisani.
- Increase investment in the banking technology, focusing on application of the new Core Banking System, expansion of electronic distribution channels network, and diversify services provided through them.
- Improve service performance level, attempting to expand and develop financial and banking services in line with market requirements, focusing on small-size projects, in order to provide appropriate solutions for all customer segments and business sectors.
- Continue bolstering employees' capabilities, by retaining the best cadres, attracting distinguished competencies, together with continuous training and development programs, in addition to application of succession plans.
- Adhere to the best international practices and standards related to risk management, compliance and corporate governance.
- Improve customers' satisfaction, considered as one of the most important core values of the Bank, and a strategic goal.
- Continue commitment related to the Bank's social responsibilities towards local community, by providing all support and patronage to social initiatives, positively affecting life of individuals.







CONSOLIDATED FINANCIAL STATEMENTS

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, 2011, consolidated income statement, 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 information.

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, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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 entity'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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the 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, 2011 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 with the financial information presented in the Board of Directors' report.

Ernst and Young
Amman – Jordan
26 January 2012

Consolidated Statement of Financial Position

As of December 31, 2011

	Notes	2011 JD	2010 JD
Assets			
Cash and balances with central banks	4	1,103,176,880	1,560,185,378
Balances with banks and financial institutions	5	962,413,497	780,109,396
Deposits with banks and financial institutions	6	29,664,974	107,963,062
Financial assets at fair value through profit or loss	7	81,379,226	40,539,333
Direct credit facilities - net	8	2,502,052,866	2,449,148,398
Financial assets at fair value through other comprehensive income	9	614,253	-
Other financial assets at amortized cost	10	2,017,089,174	-
Financial assets held for trading	11	-	130,253
Financial assets available for sale	12	-	932,475,022
Financial assets held to maturity	13	-	600,167,401
Property and equipment- net	14	110,644,071	102,914,317
Intangible assets- net	15	8,886,861	5,901,181
Deferred tax assets	22	22,249,372	17,672,877
Other assets	16	99,798,513	82,453,825
Total Assets		6,937,969,687	6,679,660,443
Liabilities and Equity			
Liabilities			
Banks and financial institutions deposits	17	541,044,519	405,352,656
Customers' deposits	18	4,833,916,135	4,808,562,716
Margin accounts	19	333,320,855	295,034,707
Loans & Borrowing	20	10,138,185	-
Sundry provisions	21	25,128,736	22,342,648
Income tax provision	22	39,841,657	32,236,421
Deferred tax liabilities	22	700,000	652,748
Subordinated loans	23	7,868,753	7,885,154
Other liabilities	24	97,375,229	83,665,127
Total Liabilities		5,889,334,069	5,655,732,177
Equity			
Equity Attributable to the Bank's Shareholders			
Paid-in capital	25	252,000,000	252,000,000
Share premium	25	357,925,469	357,925,469
Statutory reserve	26	117,202,264	106,409,104
Voluntary reserve	26	33,222,068	33,222,068
General banking risks reserve	26	23,674,279	22,450,000
Special reserve	26	779,347	-
Foreign currency translation reserve	27	(7,670,194)	(980,308)
Revaluation reserve for financial assets- net	29	(286,779)	-
Cumulative change in fair value – net	28	-	332,052
Retained earnings	30	161,798,637	148,771,404
Total Equity Attributable to the Bank's Shareholders		938,645,091	920,129,789
Non – Controlling Interest		109,990,527	103,798,477
Total Equity		1,048,635,618	1,023,928,266
Total Liabilities and Equity		6,937,969,687	6,679,660,443

The accompanying notes from 1 to 58 are part of these consolidated financial statements, and should be read with them

Consolidated Income Statement

For the year ended December 31, 2011

	Notes	2011	2010
		JD	JD
Interest income	31	292,416,961	281,129,562
Interest expense	32	(90,896,732)	(91,560,962)
Net Interest Income		201,520,229	189,568,600
Net commission income	33	35,086,392	32,242,372
Net Interest and Commission Income		236,606,621	221,810,972
Net gain from foreign currency exchange	34	19,932,048	11,112,025
(Loss) from financial assets held for trading	35	-	(256,983)
Gain from financial assets designated at fair value through profit or loss	36	13,510,492	310,550
Gain from financial assets available-for-sale	37	-	6,744,248
Other income	38	30,653,885	24,296,242
Gross Income		300,703,046	264,017,054
Employees expenses	39	61,657,334	52,094,075
Depreciation and amortization	14,15	12,637,968	11,736,843
Other expenses	40	39,207,934	34,670,317
Impairment loss on direct credit facilities	8	46,347,888	46,193,594
Impairment loss on other financial assets at amortized cost	10	2,500,000	-
Sundry provisions	21	2,650,534	2,920,257
Total Expenses		165,001,658	147,615,086
Profit before income tax		135,701,388	116,401,968
Income tax expense	22	35,699,090	27,964,730
Profit for the year		100,002,298	88,437,238
Attributable to :			
Bank's Shareholders		87,848,233	78,976,269
Non-Controlling Interest		12,154,065	9,460,969
		100,002,298	88,437,238
Basic and diluted earnings per share attributable to the Bank's shareholders	41	J.D 0.349	0.313 J.D

The accompanying notes from 1 to 58 are part of these consolidated financial statements and should be read with them

Consolidated Statement of Comprehensive Income

for the year ended December 31, 2011

	2011	2010
	JD	JD
Profit for the year	100,002,298	88,437,238
Add : Other comprehensive income after tax		
Foreign currency translation adjustment	(8,820,060)	(4,766,822)
Net change in fair value reserve for financial assets at fair value through other comprehensive income after tax	(297,583)	-
Net change in fair value reserve for available for sale financial assets	-	3,172,709
Total Other Comprehensive Income (loss) for the year - Net of Tax	(9,117,643)	(1,594,113)
Total Comprehensive Income for the year	90,884,655	86,843,125
Attributable to:		
Bank's shareholders	80,860,764	79,435,038
Non-controlling interest	10,023,891	7,408,087
	90,884,655	86,843,125

The accompanying notes from 1 to 58 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, 2011

2011	Paid-in Capital		Share Premium		Equity Attributable to the Bank's Shareholders				Revaluation Reserve for Financial assets	Cumulative Change in Fair Value Net	Retained Earnings	Total Equity Attributable to the Bank's Shareholders		Non-Controlling Interest	Total Equity			
	Statutory		Voluntary		Reserves		Foreign Currency Translation Reserve	JD				JD	JD			JD	JD	JD
	JD	JD	JD	JD	Special	General Banking Risks												
Balance - beginning of the year	252,000,000	106,409,104	33,222,068	-	-	22,450,000	(980,308)	-	332,052	148,771,404	920,129,789	103,798,477	1,023,928,266					
Effect of implementation of IFRS 9	-	-	-	-	-	-	-	-	(332,052)	1,554,688	1,222,636	-	1,222,636					
Balance beginning of the year (restated)	252,000,000	106,409,104	33,222,068	-	-	22,450,000	(980,308)	-	-	150,326,092	921,352,425	103,798,477	1,025,150,902					
Total comprehensive income for the year	-	-	-	-	-	-	(6,689,886)	(297,583)	-	87,848,233	80,860,764	10,023,891	90,884,655					
(Loss) from sale of financial assets at fair value through other comprehensive income	-	-	-	-	-	-	-	10,804	-	(10,804)	-	-	-					
Transfer to reserves	-	10,793,160	-	779,347	1,224,279	-	-	-	-	(12,796,786)	-	-	-					
Dividends paid	-	-	-	-	-	-	-	-	-	(63,000,000)	(63,000,000)	(5,035,474)	(68,035,474)					
Others	-	-	-	-	-	-	-	-	-	(568,098)	(568,098)	1,203,633	635,535					
Balance - End of the Year	252,000,000	117,202,264	33,222,068	779,347	23,674,279	(7,670,194)	(286,779)	161,798,637	938,645,091	109,990,527	1,048,635,618							

- The general banking risks reserve is a restricted reserve that cannot be utilised without of the approval of the Central Bank of Jordan.
- The Bank cannot use a restricted amount of JD 60,857 from the retained earnings, which represents the effect of IFRS 9 early adoption, except for the amounts realized through the actual selling of the respective asset.
- The Bank cannot use a restricted amount of JD 8,115,776 which represents the unrealised gains on financial assets through profit or loss according to the regulations of Jordan Securities Commission.
- The Bank cannot use a restricted amount of JD 22,249,372 from the retained earnings, which represents deferred taxes. An amount of JD 286,779 which represents the negative revaluation reserve for financial assets through other comprehensive income is also required to be set aside from retained earnings. These amounts can not be used for capitalization or distribution except for the amounts actually realized according to the Central Bank of Jordan Regulations.

The accompanying notes from 1 to 58 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, 2010

2010	Paid-in Capital	Share Premium	Equity Attributable to the Bank's Shareholders						Cumulative Change in Fair Value Net	Retained Earnings	Total Equity Attributable to the Bank's Shareholders	Non-Controlling Interest	Total Equity	
			Reserves			Foreign Currency Translation Reserve	General Banking Risks	Voluntary						Statutory
			JD	JD	JD									
Balance - beginning of the year	252,000,000	357,925,469	96,660,257	33,222,068	22,450,000	1,733,632	(2,840,657)	129,917,723	891,068,492	75,404,280	966,472,772			
Total comprehensive income for the year	-	-	-	-	-	(2,713,940)	3,172,709	78,976,269	79,435,038	7,408,087	86,843,125			
Increase in capital of subsidiaries	-	-	-	-	-	-	-	-	-	23,749,742	23,749,742			
Transfer to reserves	-	-	9,748,847	-	-	-	-	(9,748,847)	-	-	-			
Dividends paid	-	-	-	-	-	-	-	(50,400,000)	(50,400,000)	(2,757,889)	(53,157,889)			
Others	-	-	-	-	-	-	-	26,259	26,259	(5,743)	20,516			
Balance - End of the Year	252,000,000	357,925,469	106,409,104	33,222,068	22,450,000	(980,308)	332,052	148,771,404	920,129,789	103,798,477	1,023,928,266			

The accompanying notes from 1 to 58 are part of these consolidated financial statements and should be read with them

Consolidated Statement of Cash Flows

for the year ended December 31, 2011

	Notes	2011	2010
		JD	JD
Operating Activities			
Profit before income tax		135,701,388	116,401,968
Adjustments for :			
Depreciation and amortization		12,637,968	11,736,843
Impairment loss on direct credit facilities		46,347,888	46,193,594
Unrealized gains on financial assets at fair value through profit or loss		(8,115,776)	-
Impairment loss on financial assets at amortized cost		2,500,000	-
Effect of change in exchange rates on cash and cash equivalents		(10,837,162)	(5,652,459)
End-of-service indemnity expense		3,783,557	2,535,584
Net interest and commission income		(5,281,732)	-
Premium and discount amortization		(9,029,973)	(7,441,271)
Others		2,611,785	(2,474,192)
Cash Flows from Operating Activities before Changes in Assets and Liabilities		170,317,943	161,300,067
Changes in Assets and Liabilities			
(Increase) in deposits with central banks (maturing after more than 3 months)		(25,100,000)	(34,900,000)
Decrease (Increase) in deposits with banks and financial institutions (maturing after more than 3 months)		78,298,088	(54,865,234)
(Increase) in direct credit facilities		(99,264,467)	(65,216,497)
Decrease in financial assets held for trading		-	1,176,774
Decrease in financial assets at fair value through profit or loss		40,092,914	2,823,201
(Increase) in other assets		(12,106,010)	(11,429,807)
Increase in banks and financial institutions deposits (maturing after more than 3 months))		39,083,196	34,424,718
Increase in customers' deposits		25,353,419	354,514,169
Increase in margin accounts		38,286,148	5,354,185
Increase in other liabilities		11,254,025	19,625,115
(Decrease) in sundry provisions		(3,648,003)	(1,832,497)
Net Cash Flows from Operating Activities before Income Tax Paid		262,567,253	410,974,194
Income tax paid		(32,864,025)	(30,317,150)
Net Cash Flows from Operating Activities		229,703,228	380,657,044
Investing Activities			
(Purchase) of financial assets available for sale		-	(656,794,605)
Proceeds from Sale of financial assets available for sale		-	302,853,704
(Purchase) of financial assets held to maturity		-	(558,482,878)
(Purchase) of financial assets at fair value through other comprehensive income		(830,991)	-
Sale of financial assets at fair value through other comprehensive income		599,528	-
Maturity of financial assets held for maturity		-	748,181,557
(Purchase) of financial assets at amortized cost		(1,490,035,429)	-
Maturity of financial assets at amortized cost		939,670,443	-
Cash paid to acquire subsidiary		-	(109,252,026)
Cash generated from sale a subsidiary company	56	386,058	-
(Purchase) of property and equipment - net		(18,860,471)	(20,506,736)
Sale of property and equipment - net		534,370	1,062,049
(Purchase) of intangible assets - net		(3,401,259)	(787,053)
Net Cash Flows (used in) Investing Activities		(571,937,751)	(293,725,988)
Financing Activities			
Transaction cost for subsidiaries capital increase		-	(75,272)
Proceeds from loans and borrowings		10,138,185	-
Dividends paid		(60,849,655)	(50,425,267)
Non-controlling interest – net		(7,597,946)	11,269,207
Net Cash Flows (used in) Financing Activities		(58,309,416)	(39,231,332)
Net (Decrease)Increase in Cash and Cash Equivalents		(400,543,939)	47,699,724
Effect of change in exchange rate on cash and cash equivalents		10,837,162	5,652,459
Foreign currency translation reserve		(6,706,287)	(3,032,635)
Cash and cash equivalents - beginning of the year		1,934,950,244	1,884,630,696
Cash and Cash Equivalents - End of the Year	42	1,538,537,180	1,934,950,244

The accompanying notes from 1 to 58 are part of these consolidated financial statements and should be read with them

Notes To The Consolidated Financial Statements

31 December 2011

1- General

The Housing Bank for Trade and Finance (the Bank) was established in 1973 and registered as a public shareholding company with its headquarters 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 headquarters in Amman and its branches in Jordan (112 branches) and abroad; Palestine and Bahrain and through its subsidiaries in Jordan, Syria, Algeria, and Great Britain.

The Bank's shares are traded on the Amman Stock Exchange.

The consolidated financial statements were approved by the Bank's Board of Directors in their meeting No.1\2012 dated January 26, 2012. 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 local 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, financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income which are presented 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 of the previous financial year, except for the following new and amended IFRS and IFRIC interpretations effective as of 1 January 2011:

IFRS 9 Financial Instruments:

The Bank and its subsidiaries early adopted IFRS 9 in the preparation of consolidated financial statements as of 1 January 2011 in accordance with the requirements of the Central Bank of Jordan, Jordan Securities Commission as well as the transitional provision of the standard. Accordingly, the bank elected not to restate the comparative financial statement as permitted by the standard. Investments have been reclassified and opening balances of retained earnings and accumulated change in fair value have been restated as of 1 January 2011.

The effect of the adoption of IFRS 9 is detailed in Note (54) to consolidated financial statements. The following is a summary of the categories of financial assets classification and measurement in accordance with IFRS 9:

Financial assets at amortized cost:

- a- Financial assets are measured at amortized cost only if these assets are held within a business model whose objective is to hold the asset to collect their contractual cash flows and that the contractual terms of the financial asset give rise, on specified dates, to cash flows constituting solely principal and interest on the outstanding principal amount.
- b- Debts instruments meeting these criteria are initially measured at amortized cost plus transaction costs. Subsequently they are amortized using the effective interest rate method, less allowance for impairment. The losses arising from impairment are recognized in the income statement.
- c- The amount of the impairment consists of the difference between the book value and present value of the expected future cash flows discounted at the original effective interest rate.
- d- It is not permitted to reclassify assets to or from this category except in certain circumstances determined in the International Financial Reporting Standards. If these assets are sold before maturity date, gain or loss from sale is recorded in a separate line item within the statement of comprehensive income.

Financial assets at fair value through profit or loss:

- a- Financial assets which are purchased with the aim of resale in the near future in order to generate profit from the short-term market prices fluctuation or the trading profit margins.
- b- Financial instruments at fair value through profit or loss are initially measured at fair value, transaction costs are recorded in the statement of income at the date of transaction. Subsequently, these assets are revalued at fair value. Gains or losses arising on subsequent measurement of these financial assets including the change in fair value arising from non-monetary assets in foreign currencies are recognized in the income statement. When these assets or portion of these assets are sold, the gain or loss arising are recorded in the income statement.
- c- Dividend and interest income are recorded in the income statement.
- d- It is not permitted to reclassify assets to or from this category except in certain circumstances determined in the International Financial Reporting Standards.

Financial assets at fair value through other comprehensive income:

- a- Equity investments that are not held for sale in the near future.
- b- These financial instruments are initially measured at their fair value plus transaction costs. Subsequently, they are measured at fair value. Gains or losses arising on subsequent measurement of these equity investments including the change in fair value arising from non-monetary assets in foreign currencies are recognized in other comprehensive income in the statement of changes in equity. The gain or loss on disposal of the asset is reclassified from fair value through other comprehensive income reserve to retained earnings.
- c- These financial assets are not subject to impairment testing.
- d- Dividend income is recognized in the statement of income.

IAS 24 Related Party Disclosures (Amendment)

The standard clarified the definition of a related party to simplify the identification of such relationships and to eliminate inconsistencies in its application.

No impact resulted from applying the amended standard on the statement of financial position and income statement .

IAS 32 Financial Instruments: Presentation – Classification of Rights Issues (Amendment)

This amended the definition of a financial liability in order to classify rights issues (and certain options or warrants) as equity instruments in cases where such rights are given pro rata to all of the existing owners of the same class of an entity's non-derivative equity instruments, or to acquire a fixed number of the entity's own equity instruments for a fixed amount in any currency.

No impact resulted from applying the amended standard on the statement of financial position and income statement.

IFRIC (19) Extinguishing Financial Liabilities with Equity Instruments

The adoption of this interpretation did not have any impact on the financial position or performance of the Bank.

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 Syrian Lira 5 billion, equivalent to JD 73.1 million, of which the Bank owns 49.063% as of December 31, 2011). 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. In addition, the International Bank for Trade and Finance has a subsidiary company – The International Financial Center/ Syria with an ownership percentage of 85% of the company's capital amounting to 100 Million SYL, whereas the Housing Bank for Trade and Finance owns a percentage of 5% of the company's capital.
- b. The Housing Bank for Trade and Finance – Algeria (paid-in capital Algerian Dinar 10 billion, of which the Bank owns 61.171% as of December 31, 2011). The main objective of this bank is to conduct commercial banking activities.
- c. International Financial Center Company- Jordan (paid-in capital JD 4.5 million, of which the Bank owns 77.5% as of December 31, 2011). The Company's main activity is financial brokerage in local and foreign markets, and conducts purchase and sales transactions of financial instruments for customers and for the company it self. The general Assembly decided in its extra-ordinary meeting held on 21st March 2010 to increase paid in capital by J.D 500,000 to be J.D 4,500,000 through the capitalization of retained earning of JD 500,000.
- d. Specialized Lease Finance Company - Jordan , of which the Bank owns 100% of paid- in capital of JD 20 million as of December 31, 2011. The Company's main activity is finance leases of various equipment and machinery in addition to real estate, land, and vehicles and other items that are purchased by the company for finance lease purposes.
- e. Jordan Real Estate Investments Company - Jordan. The Bank owns 100% of this company's paid- in capital of JD 40,000 as of December 31, 2011. The company's main activity is to manage non - banking services personnel.
- f- Jordan International Bank/ London (paid-in capital GBP 35 million equivalent to JD 39.3 million) of which the bank owns 68.571% as of 31, December 2011. The main objective of this bank is to conduct commercial banking activities.

- The results of operations of the subsidiaries are consolidated in the consolidated income statement 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 consolidated income statement 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 sent to the chief operating decision maker).

Geographical sector relates to the providing of products or services in a specific economic environment subject to risk and returns different from those of sectors functioning in other economic environments.

Financial Assets Held for Trading (according to IAS 39 implemented before January 1, 2011)

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 assets.

They are initially recognized at fair value when purchased (acquisition expenses are booked in the consolidated income statement). 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 income statement 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 income statement.

Direct Credit Facilities

Provision for impairment of direct credit facilities is recognized when there is an objective event occurring after the initial recognition of the facility, that has a negative impact on the estimated future cash flows of the facilities and that can be reliably estimated. The impairment is charged to the consolidated income statement.

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 income statement , and cash recoveries of loans previously written off are credited to income.

Financial Assets Available-for-Sale (according to IAS 39 implemented before January 1, 2011)

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. Unrealized gains and losses are recognized as 'cumulative change in fair value reserve' in the statement of comprehensive income. When this financial asset is disposed of (completely or partially) or has been impaired, the gains or losses resulting therefrom are charged to the consolidated income statement. In addition to amounts previously recognized in the consolidated statement of comprehensive income.

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

Gains or losses on debt instruments resulting from foreign exchange rate changes are transferred to the consolidated income statement. 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 rate method in the consolidated income statement.

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

Financial Assets Held-to-Maturity (according to IAS 39 implemented before January 1, 2011)

Financial assets held-to-maturity 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.

Financial assets held-to-maturity are recorded at cost (fair value) plus acquisition costs. Premiums and discounts are amortized in the consolidated income statement 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 income statement 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 into 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 statement 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 income statement.

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.

Impairment is recognized in the consolidated income statement. Any subsequent recovery of a previously recorded impairment of financial assets is charged to the consolidated income statement.

Investment in Associate

The Bank's investments in its associates are accounted for under the equity method of accounting. An associate is an entity in which the Group has significant influence (owns between 20%-50% of its voting rights).

Unrealised profits and losses resulting from transactions between the Bank and its associate are eliminated to the extent of the Bank's interest in the associate.

Investment in associate is carried at cost in the Bank's standalone financial statements.

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 income statement.

Useful life of property and equipment is reviewed at each year end, 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 at 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 consolidated 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 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 tax assets are reviewed at the date of the consolidated financial statement 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 tax asset to be utilized.

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 rate 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 income statement.

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).

Cost of Issuing and Purchasing Paid-in Capital

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

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 income statement. A provision is recognized for the decreases in the fair value of guaranteed fiduciary assets below their original principal amount.

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.

Financial Derivatives

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 income statement.

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 are 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 rate 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 the 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 rate method.

Mortgaged Financial Assets

These financial assets are mortgaged to third parties with the right to sell or re-mortgage. These financial assets are revalued according to the accounting policies at the date of initial classification.

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 statements on an individual basis and losses from impairment are transferred directly to the consolidated income statement, while revaluation gains are not recognized 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 income statement 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 or 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 consolidated 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 income statement.

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 their 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 income statement.
- Internally generated intangible assets are not capitalized and are expensed in the consolidated income statement.
- 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 statement 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 income statement.
- 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 statement 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 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 income statement.

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.

The Bank's management believe that the consolidated financial statements estimates are reasonable. The details of these estimates 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 repossessed 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 useful lives of the tangible and intangible assets in order to assess the depreciation and amortization for the year based on the useful life and the general status of these assets. Any related impairment is charged to the consolidated income statement.
- Legal provisions are taken for lawsuits raised against the Bank based on the Bank legal advisor's opinion.
- End of service indemnity provision for the employees is calculated based on the labor law and the bank regulations.

4- Cash And Balances with Central Banks

This item consists of the following:

	December 31,	
	2011	
	2010	
	JD	JD
Cash in treasury	170,730,095	130,419,933
Balances at central banks:		
Current accounts and demand deposits	421,999,683	853,414,252
Term and notice deposits	153,136,218	179,689,436
Statutory cash reserve	297,310,884	361,761,757
Certificates of deposit *	60,000,000	34,900,000
Total	1,103,176,880	1,560,185,378

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

*This item represents the certificates of deposits purchased from the Central Bank of Jordan maturing within a period of more than three months as of December 31, 2011 and 2010.

5- Balances with Banks and Financial Institutions

This item consists of the following:

	Local Banks and Financial Institutions		Foreign Banks and Financial Institutions		Total	
	December 31,		December 31,		December 31,	
	2011	2010	2011	2010	2011	2010
	JD	JD	JD	JD	JD	JD
Current accounts and demand deposits	5,998,434	2,075,962	187,124,559	113,906,951	193,122,993	115,982,913
Deposits maturing within or less than 3 months	53,256,103	2,127,000	712,014,203	661,999,483	765,270,306	664,126,483
Certificates of deposit	-	-	4,020,198	-	4,020,198	-
Total	59,254,537	4,202,962	903,158,960	775,906,434	962,413,497	780,109,396

- Non-interest bearing balances at banks and financial institutions amounted to JD 22,791,301 as of December 31, 2011 (JD 17,593,415 as of December 31, 2010).
- There are no restricted balances as of December 31, 2011 and 2010.

6- Deposits with Banks and Financial Institutions

This item consists of the following:

	Foreign Banks and Financial Institutions	
	December 31,	
	2011	2010
	JD	JD
Deposits maturing within		
3 to 6 months	15,234,974	98,978,678
6 month to 1 year	14,430,000	-
More than a year	-	2,060,323
Certificates of deposit maturing within		
More than a year		6,924,061
Total	29,664,974	107,963,062

- There are no restricted deposits as of december 31, 2011 and 2010.

7-Financial Assets at Fair Value through Profit or Loss

This item consists of the following:

	December 31,	
	2011	2010
	JD	JD
Quoted Financial Assets:		
Governmental guaranteed bonds	14,413,805	13,775,909
Corporate shares	5,537,141	-
Corporate bonds and debentures	33,935,134	26,763,424
Funds	7,595,221	-
Total Quoted Financial Assets	61,481,301	40,539,333
Unquoted Financial Assets :		
Corporate shares	19,897,925	-
Total Unquoted Financial Assets	19,897,925	-
Total	81,379,226	40,539,333
Analysis of debt instruments :		
Fixed rate return	48,348,939	40,539,333
Total	48,348,939	40,539,333

8- Direct Credit Facilities – Net

This item consists of the following:

	December 31,	
	2011	2010
	JD	JD
Retail Customers :		
Overdrafts	10,073,998	11,900,662
Loans and discounted bills *	445,541,879	417,674,068
Credit cards	10,881,206	10,289,191
Real Estate Mortgages	535,474,044	517,958,551
Includes:		
Housing loans	402,954,535	390,655,380
Corporate entities:		
Large Corporate Customers		
Overdrafts	274,218,547	279,660,397
Loans and discounted bills *	923,042,380	860,967,881
SMEs		
Overdraft	111,623,254	117,331,476
Loans and discounted bills *	243,853,259	150,940,251
Governmental and public sector	165,619,256	262,441,389
Total	2,720,327,823	2,629,163,866
Less: Allowance for impairment in direct credit facilities	(161,898,504)	(142,807,898)
Suspended interest	(56,376,453)	(37,207,570)
Net Direct Credit Facilities	2,502,052,866	2,449,148,398

* Net of interest and commission received in advance amounting to JD 23,530,824 as of December 31, 2011 (JD 23,526,283 as of December 31, 2010).

- Non-performing credit facilities amounted to JD 268,652,331 representing (9.88%) of total direct credit facilities as of December 31, 2011 (JD 261,941,456, representing (9.96%) as of December 31, 2010).
- Non-performing credit facilities net of interest in suspense amounted to JD 218,807,195 representing (8.19%) of total direct credit facilities net of interest in suspense as of December 31, 2011 (JD 226,264,216 representing (8.72%) as of December 31, 2010).
- Credit facilities granted to and guaranteed by the Jordanian Government amounted to JD 66,668,123 representing (2.45%) of total direct credit facilities as of December 31, 2011 (JD 82,410,650 representing (3.13%) as of December 31, 2010).

Allowance for impairment in direct credit facilities

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

2011	Retail	Real Estate Mortgages	Corporate entities		Total
			Corporate	SMEs	
	JD	JD	JD	JD	JD
Balance – beginning of the year	12,969,858	10,860,447	98,724,575	20,253,018	142,807,898
Allowance for the year	(2,412,182)	3,001,073	39,103,625	6,655,372	46,347,888
Amounts written off	(281,142)	(68,120)	(26,465,489)	(442,531)	(27,257,282)
Balance – End of the Year	10,276,534	13,793,400	111,362,711	26,465,859	161,898,504
Allowance for impairment	9,172,133	13,417,426	101,443,109	26,332,724	150,365,392
Watch list allowance	1,104,401	375,974	9,919,602	133,135	11,533,112
	10,276,534	13,793,400	111,362,711	26,465,859	161,898,504

2010	Retail	Real Estate Mortgages	Corporate entities		Total
			Corporate	SMEs	
	JD	JD	JD	JD	JD
Balance – beginning of the year	10,617,017	10,694,123	62,528,275	16,623,587	100,463,002
Allowance for the year	2,635,210	172,872	39,415,053	3,970,459	46,193,594
Balance resulting from acquisition of a subsidiary	-	-	436,258	-	436,258
Amounts written off	(282,369)	(6,548)	(3,655,011)	(341,028)	(4,284,956)
Balance – End of the Year	12,969,858	10,860,447	98,724,575	20,253,018	142,807,898
Allowance for impairment	12,318,883	10,509,391	97,543,962	20,138,152	140,510,388
Watch list allowance	650,975	351,056	1,180,613	114,866	2,297,510
	12,969,858	10,860,447	98,724,575	20,253,018	142,807,898

-The surplus in allowance which was due to settlements or debt repayments and was transferred against other debts, amounted to JD 17,265,915 as of December 31, 2011 (JD 5,503,830 as of December 31, 2010).

Interest in suspense

The movement on the interest in suspense is as follows:

2011	Retail	Real Estate Mortgages	CORPORATE ENTITIES		Governmental & public sector	Total
			Corporate	SMEs		
	JD	JD	JD	JD	JD	JD
Balance – beginning of the year	5,133,315	6,122,321	18,571,119	7,380,815	-	37,207,570
Add: Suspended interest during the year	1,705,901	3,258,847	14,925,946	4,833,380	1,845,912	26,569,986
Less: Interest transferred to income	(547,589)	(715,496)	(600,502)	(2,289,356)	-	(4,152,943)
Interest in suspense written off	(283,321)	(179,260)	(2,321,694)	(463,885)	-	(3,248,160)
Balance – End of the Year	6,008,306	8,486,412	30,574,869	9,460,954	1,845,912	56,376,453

2010	Retail	Real Estate Mortgages	CORPORATE ENTITIES		Governmental & public sector	Total
			Corporate	SMEs		
	JD	JD	JD	JD	JD	JD
Balance – beginning of the year	4,395,136	5,628,044	8,468,015	5,733,435	-	24,224,630
Add: Suspended interest during the year	1,554,409	3,537,320	12,979,209	5,117,558	-	23,188,496
Less: Interest transferred to income	(297,143)	(2,790,578)	(2,385,666)	(2,971,916)	-	(8,445,303)
Interest in suspense written off	(519,087)	(252,465)	(490,439)	(498,262)	-	(1,760,253)
Balance – End of the Year	5,133,315	6,122,321	18,571,119	7,380,815	-	37,207,570

9- Financial Assets at fair value through other comprehensive income

This item consists of the following:

	December 31, 2011
	JD
Listed shares	45,433
Unlisted shares	568,820
Total	614,253

Losses resulted from sale of financial assets at fair value through other comprehensive income amounted to JD 10,804 was transferred directly to retained earnings.

10- Financial Assets at amortized cost

This item consists of the following:

	December 31, 2011
	JD
Quoted Financial Assets:	
Treasury government bills	310,693,878
Treasury bonds	1,080,986,063
Governmental guaranteed bonds	342,927,462
Corporate bonds and debentures	255,477,623
Total Quoted Financial Assets	1,990,085,026
Unquoted Financial Assets :	
Corporate bonds and debentures	29,504,148
Impairment (loss) at financial assets	(2,500,000)
Total Unquoted Financial Assets	27,004,148
Total	2,017,089,174
Analysis of debt instruments :	
Fixed rate return	1,815,304,596
Variable rate return	201,784,578
Total	2,017,089,174

- The maturity of bonds range from one month to 8 years.
- The bonds mature on several batches in which the last payable batch in 2019.
- The bonds average annual interest rate range between 0.51% to 9.5% per year.

Following is a summary of the movement on the provision of financial assets at amortized cost:

	December 31, 2011
	JD
Balance – beginning of the year	
Additions	2,500,000
Disposals	-
Balance – end of the year	2,500,000

11- Financial Assets Held for Trading

This item consists of the following:

	December 31, 2010
	JD
Listed shares	130,253
Total	130,253

12- Financial Assets available for sale

This item consists of the following:

	December 31, 2010
	JD
Quoted Financial Assets:	
Governmental guaranteed bonds	706,450,071
Corporate bonds and debentures	141,290,911
Corporate shares	10,385,650
Investment funds	32,447,842
Total Quoted Financial Assets	890,574,474
Unquoted financial assets :	
Corporate bonds and debentures	27,911,262
Corporate shares	13,989,286
Total Unquoted Financial Assets	41,900,548
Total	932,475,022
Analysis of debt instruments :	
Fixed rate return	773,112,014
Variable rate return	102,540,230
Total	875,652,244

- The maturity of bonds range from one month to 5.9 years
- Included in investments in corporate shares an amount of JD 13,989,286 as of December 31, 2010 stated at cost since it's fair value can not be measured reliably.

13- Financial Assets Held-to-Maturity

This item consists of the following:

	December 31, 2010
	JD
Quoted Financial Assets:	
Treasury governmental bills	432,812,009
Governmental guaranteed bonds	74,228,942
Corporate bonds and debentures	86,290,449
Total Quoted Financial Assets	593,331,400
Unquoted Financial Assets :	
Corporate bonds and debentures	6,836,001
Total Unquoted Financial Assets	6,836,001
Total	600,167,401
Analysis of debt instruments:	
Fixed rate return	522,597,506
Variable rate return	77,569,895
Total	600,167,401

14- Property and Equipment - net

This item consists of the following:

2011	Lands	Buildings	Equipment, Furniture and Fixtures	Vehicles	Hardware	Others	Total
	JD	JD	JD	JD	JD	JD	JD
Cost:							
Balance – beginning of the year	19,781,423	39,281,262	58,967,781	2,002,013	34,169,450	5,835,022	160,036,951
Additions	3,487,964	3,390,645	6,622,302	188,443	2,377,007	-	16,066,361
Disposals	-	-	(1,109,225)	(174,814)	(1,712,503)	-	(2,996,542)
Foreign currency exchange differences	(1,205)	(581,432)	(230,565)	(8,907)	(67,129)	-	(889,238)
Balance – end of the year	23,268,182	42,090,475	64,250,293	2,006,735	34,766,825	5,835,022	172,217,532
Accumulated Depreciation :							
Balance - beginning of the year	-	5,707,436	36,431,448	1,516,746	22,542,805	4,594,090	70,792,525
Annual depreciation	-	847,304	5,819,187	252,994	3,214,601	452,372	10,586,458
Disposals	-	-	(678,315)	(135,515)	(1,677,418)	-	(2,491,248)
Foreign currency exchange differences	-	(35,693)	(57,620)	(5,183)	(39,403)	-	(137,899)
Balance – end of the year	-	6,519,047	41,514,700	1,629,042	24,040,585	5,046,462	78,749,836
Net book value of Property and Equipment	23,268,182	35,571,428	22,735,593	377,693	10,726,240	788,560	93,467,696
Payments on purchased property and equipment	-	1,960	1,376,048	-	-	-	1,378,008
Projects under construction	-	15,798,367	-	-	-	-	15,798,367
Net Book Value – End of the Year	23,268,182	51,371,755	24,111,641	377,693	10,726,240	788,560	110,644,071

2010	Lands	Buildings	Equipment, Furniture and Fixtures	Vehicles	Hardware	Others	Total
	JD	JD	JD	JD	JD	JD	JD
Cost:							
Balance – beginning of the year	16,551,241	34,609,231	51,045,954	2,014,364	29,017,258	5,858,315	139,096,363
Property and equipment from acquisition of subsidiary	-	-	661,018	-	433,193	-	1,094,211
Additions	3,223,003	4,557,536	7,900,770	146,969	7,195,781	-	23,024,059
Disposals	-	-	(548,836)	(156,026)	(2,464,159)	(23,293)	(3,192,314)
Foreign currency exchange differences	7,179	114,495	(91,125)	(3,294)	(12,623)	-	14,632
Balance – end of the year	19,781,423	39,281,262	58,967,781	2,002,013	34,169,450	5,835,022	160,036,951
Accumulated Depreciation :							
Balance - beginning of the year	-	4,884,907	31,660,794	1,438,050	20,916,862	4,113,515	63,014,128
Accumulated depreciation from acquisition of subsidiary	-	-	464,764	-	164,924	-	629,688
Annual depreciation	-	835,491	4,746,646	226,650	3,743,325	497,318	10,049,430
Disposals	-	-	(408,186)	(149,610)	(2,276,132)	(16,743)	(2,850,671)
Foreign currency exchange differences	-	(12,962)	(32,570)	1,656	(6,174)	-	(50,050)
Balance – end of the year	-	5,707,436	36,431,448	1,516,746	22,542,805	4,594,090	70,792,525
Net book value of Property and Equipment	19,781,423	33,573,826	22,536,333	485,267	11,626,645	1,240,932	89,244,426
Payments on purchased property and equipment	-	-	875,778	60,086	27,734	-	963,598
Projects under construction	-	12,706,293	-	-	-	-	12,706,293
Net Book Value – End of the Year	19,781,423	46,280,119	23,412,111	545,353	11,654,379	1,240,932	102,914,317

- Property and equipment include fully depreciated assets amounted to JD 32,456,659 as of December 31, 2011 (JD 29,704,190 as of December 31, 2010).
- Contractual commitments related to payments on purchases of property and equipment and projects under construction are included in Note (52).

15- Intangible Assets

This item consists of the following:

	December 31, 2011				December 31, 2011		
	Goodwill *	Software	Other**	Total	Goodwill *	Software	Total
	JD	JD	JD	JD	JD	JD	JD
Beginning Balance	3,927,627	1,973,554	-	5,901,181	358,397	2,817,730	3,176,127
Additions ***	-	3,401,259	5,205,161	8,606,420	3,569,230	843,237	4,412,467
Disposals	(3,569,230)	-	-	(3,569,230)	-	-	-
Amortization for the year	-	(2,051,510)	-	(2,051,510)	-	(1,687,413)	(1,687,413)
Ending Balance	358,397	3,323,303	5,205,161	8,886,861	3,927,627	1,973,554	5,901,181

* Goodwill was tested for impairment and no impairment was identified.

** The goodwill represents the license for conducting banking activities from the acquisition of 68.571% of Jordan International Bank.

*** The addition in the software includes JD 849,687 as of December 31, 2011 (JD 274,997 as of December 31, 2010), representing payments on account for purchase of computer software.

16- Other Assets

This item consists of the following:

	December 31,	
	2011	2010
	JD	JD
Accrued revenues and interests	22,490,288	16,681,364
Prepaid expenses	3,495,085	3,915,623
Assets seized by the Bank *	13,158,948	11,179,919
Cheques under collection	26,170,156	21,602,465
Other	34,484,036	29,074,454
Total	99,798,513	82,453,825

The regulations of Central Bank of Jordan require the disposal of the seized assets by the bank during a maximum period of two years from the date of the acquisition.

The movement on assets seized by the Bank is as follows:

	December 31, 2011			December 31, 2010
	Real estate	Other Assets	Total	
	JD	JD	JD	
Beginning Balance	11,179,919	-	11,179,919	5,899,515
Additions	1,817,476	645,688	2,463,164	5,792,792
Disposals	(188,835)	-	(188,835)	(130,439)
Impairment	(295,300)	-	(295,300)	(381,949)
Ending Balance	12,513,260	645,688	13,158,948	11,179,919

17- Banks and Financial Institutions Deposits

This item consists of the following:

	December 31, 2011			December 31, 2010		
	Inside Jordan	Outside Jordan	Total	Inside Jordan	Outside Jordan	Total
	JD	JD	JD	JD	JD	JD
Current accounts and demand deposits	2,281,796	172,183,120	174,464,916	2,171,274	83,660,106	85,831,380
Deposits due within 3 months	9,738	292,578,543	292,588,281	2,237,334	282,375,816	284,613,150
Deposits due within 3 - 12 months	60,000,000	13,991,322	73,991,322	34,900,000	8,126	34,908,126
Total	62,291,534	478,752,985	541,044,519	39,308,608	366,044,048	405,352,656

18- Customers' Deposits

This item consists of the following:

	Retail	Corporate	SMEs	Government & Public Sector	Total
	JD	JD	JD	JD	JD
December 31, 2011					
Current accounts and demand deposits	680,699,055	158,292,161	284,121,469	50,672,958	1,173,785,643
Saving deposits	1,409,155,203	817,485	26,384,584	207,671	1,436,564,943
Time and notice deposits	1,512,061,658	447,959,642	87,436,625	168,079,262	2,215,537,187
Certificates of deposit	7,486,358	-	-	-	7,486,358
Others	542,004	-	-	-	542,004
Total	3,609,944,278	607,069,288	397,942,678	218,959,891	4,833,916,135

December 31, 2010					
Current accounts and demand deposits	651,789,071	197,793,419	254,532,352	45,031,042	1,149,145,884
Saving deposits	1,305,673,879	12,110,946	32,384,458	387,652	1,350,556,935
Time and notice deposits	1,453,059,824	565,517,564	108,460,302	173,314,511	2,300,352,201
Certificates of deposit	7,919,644	-	-	-	7,919,644
Others	588,052	-	-	-	588,052
Total	3,419,030,470	775,421,929	395,377,112	218,733,205	4,808,562,716

- The deposits of the public sector and the government of Jordan inside Jordan amounted to JD 205.8 million, representing (4.3%) of total deposits as of December 31, 2011 (JD 208.6 million, representing (4.3%) of total deposits as of December 31, 2010).
- Non-interest bearing deposits amounted to JD 1.2 billion, representing (25%) of total deposits as of December 31, 2011 (JD 1.2 billion, representing 24.6% of total deposits as of December 31, 2010).
- Restricted deposits amounted to JD 72.8 million, representing (1.5%) of total deposits as of December 31, 2011 (JD 85.9 million, representing (1.8%) of total deposits as of December 31, 2010).
- Dormant accounts amounted to JD 47.5 million, representing (1%) of total deposits as of December 31, 2011 (JD 48.1 million, representing (1%) of total deposits as of December 31, 2010).

19- Margin Accounts

This item consists of the following:

	December 31,	
	2011	2010
	JD	JD
Margins against direct credit facilities	167,077,360	144,996,591
Margins against indirect credit facilities	164,677,374	148,762,096
Margin dealings	1,124,031	932,628
Other margins	442,090	343,392
Total	333,320,855	295,034,707

20- Loans and borrowings

December 31, 2011	Amount	Periodic Repayment	Guarantee	Borrowing interest rate	Re- lending interest rate
	JD				
From Local Companies					
Audi Bank loan	2,123,175	Once	Financial solvency	7.25%	10.5%
Societe Generale Bank loan	3,015,010	Once	Financial solvency	6.00%	10.5%
Real Estate Mortgage Re- Finance Company	5,000,000	Once	Financial solvency	5.95%	10.5%
	10,138,185				

- There are no repurchase agreements included in the loans and borrowings.
- All borrowed funds are with fixed interest rates.

21- Sundry Provisions

This item consists of the following:

2011	Beginning Balance	Provision for the year	Provision used during the year	Reversed to revenue	Ending Balance
	JD	JD	JD	JD	JD
Provision for end-of-service indemnity	15,177,974	3,783,557	(984,027)	-	17,977,504
Provision for outstanding lawsuits against the bank	874,407	272,939	(292,162)	-	855,184
Other provisions	6,290,267	2,377,595	(2,371,814)	-	6,296,048
Total	22,342,648	6,434,091	(3,648,003)	-	25,128,736

2010					
Provision for end-of-service indemnity	13,602,376	2,535,584	(959,986)	-	15,177,974
Provision for outstanding lawsuits against the bank	635,044	364,826	(125,463)	-	874,407
Other provisions	4,481,884	2,555,431	(747,048)	-	6,290,267
Total	18,719,304	5,455,841	(1,832,497)	-	22,342,648

22- Income Tax

A- Provision for Income Tax

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

	December 31,	
	2011	2010
	JD	JD
Beginning balance	32,236,421	31,339,932
Income tax paid	(32,864,025)	(30,317,150)
Provision for income tax for the year	40,469,261	31,213,639
Ending Balance	39,841,657	32,236,421

- Income tax has been settled up to the year 2010 for Jordan and Palestine branches and the subsidiary companies.

Income tax in the consolidated income statement represents the following:

	December 31,	
	2011	2010
	JD	JD
Current year provision for income tax	40,469,261	31,213,639
Deferred tax assets for the year	(11,313,190)	(7,510,455)
Deferred tax liability for the year	700,000	-
Amortization of deferred tax assets	6,756,424	4,261,546
Amortization of deferred tax liabilities	(588,001)	-
Prior years adjustments	(325,404)	-
	35,699,090	27,964,730

B- Deferred Income Tax Assets / Liabilities:

This item consists of the following:

	2011					2010
	Beginning Balance	Amounts Released	Amounts Added	Ending Balance	Deferred Tax	Deferred Tax
	JD	JD	JD	JD	JD	JD
Assets						
Suspended interest	1,186,124	-	6,083,672	7,269,796	2,064,106	336,775
Allowance for loans	6,037,018	6,037,019	14,675,531	14,675,530	4,166,809	1,714,084
Provision for indemnities	13,193,562	624,634	3,363,442	15,932,370	4,523,662	3,746,035
Impairment in real estate	265,199	265,199	-	-	-	75,298
Other provisions	6,622,211	2,457,127	2,218,023	6,383,107	1,812,349	1,880,238
Other assets	10,111,169	10,111,169	9,722,600	9,722,600	2,748,448	2,870,854
Accumulated losses Jordan International Bank/London	25,174,760	2,883,326	5,444,560	27,735,994	6,933,998	7,049,593
TOTAL	62,590,043	22,378,474	41,507,828	81,719,397	22,249,372	17,672,877
Liabilities						
Cumulative change in the fair value of financial assets available-for-sale	2,298,982	2,298,982	-	-	-	652,748
Revaluation of financial assets difference	-	-	2,465,405	2,465,405	700,000	-
TOTAL	2,298,982	2,298,982	2,465,405	2,465,405	700,000	652,748

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

	2011		2010	
	Assets	Liabilities	Assets	Liabilities
	JD	JD	JD	JD
Beginning balance	17,672,877	652,748	9,199,723	1,006,216
Additions	11,588,469	700,000	12,734,700	136,914
Deductions	(7,011,974)	(652,748)	(4,261,546)	(490,382)
Ending Balance	22,249,372	700,000	17,672,877	652,748

C- Reconciliation of the accounting profit with taxable profit:

	2011	2010
	JD	JD
Accounting profit for the year	135,701,388	116,401,968
Non taxable income	(34,751,494)	(25,043,249)
Expenses not deductible for tax purposes	43,112,396	18,658,933
Taxable Profit	144,062,290	110,017,652
Effective income tax rate	26%	24%

- The legal income tax rate on banks in Jordan is 30%. The income tax rates in the countries in which the Bank operates range between 0% and 30%.
- The tax rate on deferred tax assets is between 26% and 30%.

23- Subordinated loans

This item consists of the following:

December 31,2011	Amount	Periodic repayment	Guarantee	Borrowing interest rate
	JD			
Bank loans				
Subordinated loans with variable rate	7,868,753	once	-	Libor + agreed margin rate
	7,868,753			
December 31,2010				
Bank loans				
Subordinated loans with variable rate	7,885,154	once	-	Libor + agreed margin rate
	7,885,154			

24- Other Liabilities

This item consists of the following:

	December 31,	
	2011	2010
	JD	JD
Accrued interest	9,604,836	9,413,954
Interests and commissions received in advance	1,007,220	744,920
Accrued expenses	12,920,610	10,622,994
Certified cheques	34,411,648	31,518,525
Transfers deposits	6,311,582	2,492,825
Payment trusts	1,551,196	2,677,636
Prizes trusts	566,800	1,358,531
Correspondent banks trusts	337,750	452,608
General management trusts	1,682,004	1,450,128
Dividends payable *	2,909,060	758,715
Accounts payable	3,166,834	6,400,607
Jordanian Universities fees	-	814,230
Other deposits	11,558,782	7,471,156
Other	11,346,907	7,488,298
Total	97,375,229	83,665,127

* This item represents prior years dividends payable to shareholders.

25- 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, 2011 and 2010.

26- 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,		Regulation
	2011	2010	
	JD	JD	
General banking risk reserves	23,674,279	22,450,000	According to the regulations of the Central Bank of Jordan
Statutory reserve	117,202,264	106,409,104	According to the applicable laws and regulations

27- Foreign Currency Translation reserve

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 movement on this account is as follows:

	2011	2010
	JD	JD
Beginning balance	(980,308)	1,733,632
Net changes during the year	(6,689,886)	(2,713,940)
Ending Balance	(7,670,194)	(980,308)

28- Cumulative Change in Fair Value - Net

This item consists of the following:

	2011			
	Shares	Bonds	Investment Funds	Total
	JD	JD	JD	JD
Beginning balance	1,646,234	(1,154,742)	(159,440)	332,052
Effect of implementation of IFRS 9	(1,646,234)	1,154,742	159,440	(332,052)
Balance beginning of the year (restated)	-	-	-	-
Ending balance	-	-	-	-

	2010			
	Shares	Bonds	Investment Funds	Total
	JD	JD	JD	JD
Beginning balance	2,539,294	(3,834,661)	(1,545,290)	(2,840,657)
Unrealized gains	(823,972)	3,278,732	2,157,088	4,611,848
Deferred tax liabilities	353,468	-	-	353,468
Realized (gains) losses transferred to the consolidated income statement	(614,494)	-	308,101	(306,393)
Impairment charged (recovered) to the consolidated income statement	191,938	(598,813)	(1,079,339)	(1,486,214)
Ending balance	1,646,234	(1,154,742)	(159,440)	332,052

* The cumulative change in fair value is stated net of deferred tax liabilities amounting to JD 652,748.

29- revaluation reserve for financial assets

The movement on this items is as follows:

	2011
	JD
Beginning balance	(233,721)
Unrealized losses	(63,862)
Realized loss on financial assets at fair value through other comprehensive income	10,804
Ending Balance	(286,779)

30- Retained Earnings and Proposed Dividends

The proposed cash dividends for the current year amounted to JD 0.250 per share equivalent to (25%) of paid-up capital subject to the approval of the General Assembly of Shareholders. (25% for the prior year).

Retained earnings attributable to the Bank's shareholders:

This item consists of the following:

	2011	2010
	JD	JD
Beginning balance	148,771,404	129,917,723
Effect of IFRS 9 early adoption	1,554,688	-
Profit for the year	87,848,233	78,976,269
Realized (loss) from selling financial assets at fair value through other comprehensive income	(10,804)	-
Transfer to reserves	(12,796,786)	(9,748,847)
Dividends paid	(63,000,000)	(50,400,000)
Others	(568,098)	26,259
Ending Balance	161,798,637	148,771,404

- The general banking risks reserve is a restricted reserve that cannot be utilised without the approval of the Central Bank of Jordan.
- The Bank cannot use a restricted amount of JD 60,857 from the retained earnings, which represents the effect of IFRS 9 early adoption, except for the amounts realized through the actual selling of the respective asset.
- The Bank cannot use a restricted amount of JD 8,115,776 which represents the unrealised gains on financial assets through profit or loss according to the regulations of Jordan Securities Commission.
- The Bank cannot use a restricted amount of JD 22,249,372 from the retained earnings, which represents deferred taxes, and an amount of JD 286,779 which represents the negative revaluation reserve for financial assets through other comprehensive income, either through capitalization or distribution except for the amounts actually realized according to the Central Bank of Jordan Regulations.

31- Interest Income

This item consists of the following:

	2011	2010
	JD	JD
Direct Credit Facilities:		
Individual retail customer:-		
Overdraft	872,535	997,183
Loans and discounted bills	40,926,737	40,697,292
Credit cards	2,052,119	2,277,719
Other	342,104	412,630
Real estate mortgages	35,551,485	40,708,514
Large corporate customers:		
Overdraft	20,652,591	16,916,899
Loans and discounted bills	48,491,872	51,033,749
SMEs		
Overdraft	11,242,432	10,833,433
Loans and discounted bills	20,487,099	13,293,705
Government and Public Sector	16,631,801	15,897,837
Balances with central banks	11,394,618	17,117,764
Balances and deposits with banks and financial institutions	14,224,209	13,233,664
Financial assets at fair value through profit or loss	1,974,099	624,105
Financial assets available-for-sale	-	33,170,237
Financial assets held-to-maturity	-	23,914,831
Financial assets at amortized cost	67,573,260	-
Total	292,416,961	281,129,562

32- Interest Expense

This item consists of the following:

	2011	2010
	JD	JD
Banks and financial institutions deposits	2,977,848	2,553,195
Customers deposits		
Current accounts and demand deposits	998,477	1,013,206
Saving deposits	11,573,431	11,847,624
Time and notice deposits	62,590,541	62,464,308
Certificates of deposit	196,406	129,686
Other	976,223	417,695
Margin accounts	4,009,379	4,282,428
Subordinated loans	116,458	39,881
Loans and borrowings	238,315	2,192,354
Deposits insurance fees	7,219,654	6,620,585
Total	90,896,732	91,560,962

33- Net Commission Income

This item consists of the following:

	2011	2010
	JD	JD
Commission income:		
Direct credit facilities	12,696,634	12,520,618
Indirect credit facilities	22,432,625	19,858,267
Less: Commission expense	(42,867)	(136,513)
Net Commission Income	35,086,392	32,242,372

34- net gain from Foreign currency Exchange

This item consists of the following:

	2011	2010
	JD	JD
From trading	9,094,886	5,459,566
From re-valuation	10,837,162	5,652,459
Total	19,932,048	11,112,025

35- (Losses) from Financial Assets Held-For- Trading

This item consists of the following:

	Realized		Unrealized		Dividends	Total
	Gain	(Loss)	Gain	(Loss)	Received (shares)	
	JD	JD	JD	JD	JD	
Coprorate shares	44,910	(150,965)	2,008	(194,095)	41,159	(256,983)
Total	44,910	(150,965)	2,008	(194,095)	41,159	(256,983)

36- Gain from financial assets at fair value through profit or loss

This item consists of the following:

2011	Realized		Unrealized		Dividends	Total
	Gain	(Loss)	Gain	(Loss)	Received	
	JD	JD	JD	JD	JD	
Bonds	893,177	(59,909)	1,003,540	(779,376)	-	1,057,432
Coprporate shares	4,529,530	(119,447)	9,209,929	(541,510)	690,344	13,768,846
Investment funds	96,573	(936,503)	-	(776,807)	300,951	(1,315,786)
Total	5,519,280	(1,115,859)	10,213,469	(2,097,693)	991,295	13,510,492
2010						
Bonds	3,385	-	307,165	-	-	310,550
Total	3,385	-	307,165	-	-	310,550

37- Gains from Financial Assets Available-for-Sale

This item consists of the following:

	2010
	JD
Corporate shares dividends income	3,087,090
Gains from the sale of financial assets available-for-sale	1,010,692
Recovery of impairment of financial assets available-for-sale	1,477,421
Gains from revaluation of investments which have been re-classified as investments in subsidiaries	1,169,045
Total	6,744,248

38- Other Income

This item consists of the following:

	2011	2010
	JD	JD
Fees on salaries accounts	2,834,038	2,763,309
Credit cards income	4,339,899	3,777,995
Safety deposit box rental income	305,489	263,351
Commissions on returned checks	1,062,815	640,245
Management fees	5,571,486	4,553,861
Net income from recovered loans	2,535,463	417,265
Net bonded income	40,027	88,021
Miscellaneous income	2,645,570	1,603,732
Brokerage services fees	669,698	1,227,321
Banking services fees	1,430,406	2,063,648
Income on transfers	9,218,994	6,897,494
Total	30,653,885	24,296,242

39- Employees Expense

This item consists of the following:

	2011	2010
	JD	JD
Salaries, benefits and allowances	48,724,331	41,749,838
Bank's contribution in social security	4,710,258	3,778,960
Bank's contribution in the saving fund	135,929	118,757
End-of-service indemnity	3,783,557	2,535,584
Medical expenses	2,048,472	1,646,565
Training expenses	404,548	735,985
Travel and transportation expenses	1,138,779	864,135
Other	711,460	664,251
Total	61,657,334	52,094,075

40- Other Expenses

This item consists of the following:

	2011	2010
	JD	JD
Information technology	7,660,280	5,617,089
Marketing and promotion	3,624,899	3,846,347
External and professional services	919,623	1,062,754
Rents and workplace expenses	14,077,919	11,574,707
Financial institutions subscription fees	1,797,772	1,530,640
Stationary expenses	2,721,272	2,185,383
Jordanian universities fees	-	814,230
Fees on credit facilities processing	340,464	598,365
Other expenses	8,065,705	7,440,802
Total	39,207,934	34,670,317

41- Earnings per Share

This item consists of the following:

	2011	2010
	JD	JD
Profit for the year	87,848,233	78,976,269
Weighted average number of shares	252,000,000	252,000,000
Basic and diluted earnings per share attributable to the Bank's shareholders	JD 0.349	JD 0.313

The following represents the calculation of earning per share in accordance with IAS 39 had

IFRS 9 not been implemented:

	2011	2010
	JD	JD
Profit for the year	83,126,560	78,976,269
Weighted average number of shares	252,000,000	252,000,000
Basic and diluted earnings per share attributable to the Bank's shareholders	JD 0.330	JD 0.313

42- Cash and Cash Equivalents

This item consists of the following:

	December 31,	
	2011	2010
	JD	JD
Cash and balances with central banks maturing within 3 months	1,043,176,880	1,525,285,378
Add: Balances with banks and financial institutions maturing within 3 months	962,413,497	780,109,396
Less: Banks and financial institutions deposits maturing within 3 months	467,053,197	370,444,530
	1,538,537,180	1,934,950,244

43- Financial Derivative Instruments

This item consists of the following:

2011	Positive Fair Value	Negative Fair Value	Nominal Value	Due in Three Months	Due to 3-12 months	More than 3 years
	JD	JD	JD	JD	JD	JD
Forward foreign currencies sale contracts	1,096	-	15,638,869	7,134,886	8,503,983	-
Interest rate swap contracts	-	(85,328)	3,545,000	-	-	3,545,000
	1,096	(85,328)	19,183,869	7,134,886	8,503,983	3,545,000

2010	Positive Fair Value	Negative Fair Value	Nominal Value	Due from 3-12 Months
	JD	JD	JD	JD
Forward foreign currencies sale contracts	-	35,352	30,253,575	30,253,575
Interest rate swap contracts	46,817	3,175,364	45,645,746	45,645,746
	46,817	3,210,716	75,899,321	75,899,321

Nominal value represents the value of transactions outstanding at year-end and does not refer to market risks or credit risks.

44- Related Party Transactions

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

Company Name	Ownership	December 31,	
	2011	2011	2010
	%	JD	JD
The Housing Bank for Trade and Finance / Algeria	61.171	98,134,068	98,134,068
International Bank for Trade and Finance / Syria	49.063	73,085,321	73,085,321
International Financial Center	77.5	5,000,000	4,500,000
Specialized Lease Finance Co.	100	20,000,000	20,000,000
Jordan Real Estate Investment Co.	100	40,000	40,000
Jordan international bank / London	68.571	39,345,830	39,345,830
International financial center / Syria	46.704	1,495,780	1,495,780
Jordan and Palestine Financial Investment Co.	-	-	1,600,000

- The International Bank for Trade and Finance – Syria own's 85% of the company International Financial Centre – Syria and the Bank's ownership is 5% of the company.
- 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		Executive Management	December 31,	
	Major Shareholders	Board of directors		2011	2010
				Total	Total
	JD	JD		JD	JD
Financial position					
Total deposits with related parties	122,039,283	-	-	122,039,283	203,305,464
Total deposits from related parties	151,930,632	814,420	1,454,988	154,200,040	132,130,328
Loans and advances given to related parties	-	522,180	730,885	1,253,065	1,132,400
Commitments and contingent liabilities					
Letter of credit & letter of guarantee	1,246,800	-	5,000	1,251,800	1,574,000
Income statement					
Interest and commissions income	2,262,364	56,753	30,450	2,349,567	2,214,207
Interest and commissions expense	873,390	62,352	29,881	965,623	2,845,514
Other expenses *	-	171,182	-	171,182	177,518

- Interest income and interest expense rate ranges between 0.11% to 3.8% and 4% to 10% respectively.

* This item represents the commission and direct expenses against purchase services from related party during the year.

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

	2011	2010
	JD	JD
Salaries, bonuses, and other benefits	2,120,371	1,774,255

45- Fair Value of Financial assets and liabilities not presented at fair value in the financial statements

This item consists of the following:

	2011		2010	
	Book value	Fair Value	Book value	Fair value
	JD	JD	JD	JD
Financial assets held-to-maturity	-	-	600,167,401	600,343,857
Other financial assets at amortized cost	2,017,089,174	2,009,493,794	-	-

46- Risk Management

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
- Operating risks
- Credit risk
- Business continuity risk
- Strategic risk
- Liquidity risk
- Information security 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 are responsible for planning the optimal employment of capital, assets, and liabilities, and the constant monitoring of liquidity risks and market risks.
- The Risk Management Department is a department independent from the Bank's other activities. It manages credit risks, market risks, liquidity risks and operating risk 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 Chief Executive Officer and the 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 collatrls 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 Mitigatiing 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 collateral 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 to 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 suspended interest and before collaterals held or other risk mitigating factors):

	December 31,	
	2011	2010
	JD	JD
Statement of financial position		
Balances with central banks	932,446,785	1,429,765,445
Balances with banks and financial institutions	962,413,497	780,109,396
Deposits with banks and financial institutions	29,664,974	107,963,062
Credit facilities		
Retail	450,212,243	421,760,748
Real estate mortgages	513,194,232	500,975,783
CORPORATE		
Large Corporate	1,055,323,347	1,023,332,584
SMEs lending	319,549,700	240,637,894
Government and public sector	163,773,344	262,441,389
Bonds debentures and treasury bills funds		
Financial assets at fair value through profit or loss	55,944,160	40,539,333
Financial assets available for sale	-	905,532,960
Financial assets held to maturity	-	600,167,401
Other financial assets at amortized cost	2,017,089,174	-
Total	6,499,611,456	6,313,225,995
Commitments and contingent liabilities		
Letters of credit	521,865,371	585,012,717
Acceptances	64,219,756	68,784,894
Letters of guarantee	594,372,576	688,979,496
Un-utilized facilities	342,106,902	288,414,279
Total	1,522,564,605	1,631,191,386
	8,022,176,061	7,944,417,381

The above table represents the highest credit risk exposure for the Bank as of December 31, 2011 and 2010, without taking into consideration any collateral held or any other credit risk mitigating factors.

Exposure to credit risk is distributed as follows:

24% of the total exposure is derived from loans and balances with central banks and other banks and financial institutions. (29%: 2010).

31% from the total exposure results from loans and credit facilities (31%: 2010).

26% from the total exposure results from investment in bonds debentures and treasury bills and funds (19%: 2010).

19% from the total exposure results from off-financial position items and other assets. (21%: 2010).

2- The following table shows the distribution of credit* risk exposure according to credit risk rating:

2011	Retail	Real Estate Mortgages	Corporate entities		Government and Public Sector	Banks and other Financial Institutions	Total
			Large Companies	SMEs			
			JD	JD			
Low risk	29,866,347	47,645,308	64,765,581	110,779,290	1,848,497,619	1,924,525,256	4,026,079,401
Acceptable risk	406,258,182	424,947,606	1,024,226,755	159,536,967	52,751,542	141,772,941	2,209,493,993
From which past due**:							
Up to 30 days	12,303,630	25,165,326	35,041,651	17,816,643	-	-	90,327,250
From 31 to 60 days	325,923	572,876	383,778	3,121,823	-	-	4,404,400
Watch list	10,535,104	25,427,999	118,509,633	37,996,647	21,191,303	-	213,660,686
Non- performing:							
Sub-standard	2,053,021	3,319,096	5,182,408	7,266,997	-	-	17,821,522
Doubtful	2,087,360	6,199,028	10,352,094	6,089,271	-	-	24,727,753
Impaired	15,697,068	27,935,008	148,663,645	33,807,337	-	-	226,103,058
Total	466,497,082	535,474,045	1,371,700,116	355,476,509	1,922,440,464	2,066,298,197	6,717,886,413
Less: Interest in suspense	6,008,306	8,486,412	30,574,869	9,460,954	1,845,912	-	56,376,453
Allowance for impairment	10,276,534	13,793,400	111,362,711	26,465,859	-	-	161,898,504
Net	450,212,242	513,194,233	1,229,762,536	319,549,696	1,920,594,552	2,066,298,197	6,499,611,456

2010	Retail	Real Estate Mortgages	Corporate entities		Government and Public Sector	Banks and other Financial Institutions	Total
			Large Companies	SMEs			
			JD	JD			
Low risk	25,636,546	19,294,134	25,341,576	53,962,179	202,479,148	2,317,837,903	2,644,551,486
Acceptable risk	386,209,453	436,084,011	862,070,448	163,494,531	1,194,363,497	392,493,032	3,434,714,972
From which past due**:							
Up to 30 days	11,571,032	20,470,919	28,738,041	18,300,688	300,024	-	79,380,704
From 31 to 60 days	509,881	281,230	900,213	2,199,778	-	-	3,891,102
Watch list	8,604,164	26,063,492	87,395,452	10,625,035	19,345,406	-	152,033,549
Non- performing:							
Sub-standard	2,275,007	8,623,621	580,284	4,427,839	-	-	15,906,751
Doubtful	3,660,645	7,131,566	25,665,473	5,986,966	-	-	42,444,650
Impaired	13,478,106	20,761,727	139,575,045	29,775,177	-	-	203,590,055
Total	439,863,921	517,958,551	1,140,628,278	268,271,727	1,416,188,051	2,710,330,935	6,493,241,463
Less: Interest in suspense	5,133,315	6,122,321	18,571,119	7,380,815	-	-	37,207,570
Allowance for impairment	12,969,858	10,860,447	98,724,575	20,253,018	-	-	142,807,898
Net	421,760,748	500,975,783	1,023,332,584	240,637,894	1,416,188,051	2,710,330,935	6,313,225,995

* Credit exposures include credit facilities, balances and deposits with banks and financial institutions, bonds, treasury bills and some other assets.

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

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

2011 Collaterals against	Retail JD	Real Estate Mortgages JD	Corporate entities		Government and Public Sector JD	Total JD
			Large Companies JD	SMEs JD		
			Low risk	18,132,803		
Acceptable risk	64,129,146	263,292,462	340,312,881	101,279,781	24,355,319	793,369,589
Watch list	8,281,600	70,522,896	28,574,107	23,787,157	21,191,304	152,357,064
Non-performing :						
Sub – standard	897,467	3,103,342	2,687,932	4,967,955	-	11,656,696
Doubtful	956,731	4,036,559	1,075,719	2,191,372	-	8,260,381
Impaired	7,228,654	24,400,230	65,088,441	8,702,070	-	105,419,395
Total	99,626,401	390,779,681	460,638,950	230,495,181	122,214,746	1,303,754,959
Including:						
Cash margins	12,896,332	5,218,333	101,021,690	27,961,494	10,000,000	157,097,849
Accepted bank guarantees	-	-	8,747,182	7,493,516	66,668,123	82,908,821
Residential mortgages	58,575,874	382,493,554	257,967,877	168,894,378	45,546,623	913,478,306
Listed shares	7,179,856	605,055	50,046,464	52,186	-	57,883,561
Equipment and vehicles	20,953,535	1,232,561	38,037,686	13,575,822	-	73,799,604
Total	99,605,597	389,549,503	455,820,899	217,977,396	122,214,746	1,285,168,141

2010 Collaterals against	Retail JD	Real Estate Mortgages JD	Corporate entities		Government and Public Sector JD	Total JD
			Large Companies JD	SMEs JD		
			Low risk	24,191,290		
Acceptable risk	81,729,135	288,974,588	336,993,740	63,963,214	10,412,927	782,073,604
Watch list	6,181,218	25,058,030	84,512,124	21,659,136	19,345,390	156,755,898
Non-performing :						
Sub – standard	1,067,216	7,906,226	149,850	4,052,362	-	13,175,654
Doubtful	1,924,177	6,870,305	15,562,808	4,018,978	-	28,376,268
impaired	4,166,071	18,614,567	53,141,166	19,041,294	-	94,963,098
Total	119,259,107	368,680,102	505,894,862	163,583,155	133,941,559	1,291,358,785
Including:						
Cash margins	23,747,415	5,557,172	57,825,418	25,290,173	10,000,000	122,420,178
Accepted bank guarantees	22,600	-	4,350,632	4,224,220	94,178,160	102,775,612
Residential mortgages	62,198,966	361,927,096	271,110,851	99,436,834	29,758,317	824,432,064
Listed shares	297,505	353,145	91,416,428	-	-	92,067,078
Equipment and vehicles	24,231,390	783,089	27,595,737	4,809,904	-	57,420,120
Total	110,497,876	368,620,502	452,299,066	133,761,131	133,936,477	1,199,115,052

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

Rescheduled Loans

These represent loans previously classified as non-performing loans and were reclassified as performing loans watch list during the year 2011. Moreover, they amounted to JD 52.1 million as of December 31, 2011 (JD 64.1 million as of December 31, 2010).

Restructured Loans

Restructuring is the re-arrangement of facilities installments by increasing their duration, postponing some installments or increasing the grace period. During the year 2011 they were classified within watch list facilities under control and amounted to JD 5.6 million as of December 31, 2011 (JD 31.3 million as of December 31, 2010).

3- Debt Securities and Treasury Bills

The Schedule below shows the distribution of bonds and bills according to the international agencies classification (classification institution S&P):

Rating grade	Financial assets at fair value through P&L	Other Financial assets at amortized cost	Total
	JD	JD	JD
AA+	-	17,554,456	17,554,456
AA	-	8,802,499	8,802,499
AA-	6,959,296	17,508,220	24,467,516
A+	-	55,135,162	55,135,162
A	11,880,403	39,176,102	51,056,505
A-	4,486,403	69,743,710	74,230,113
BBB+	6,725,370	7,707,451	14,432,821
BBB	1,892,213	9,614,624	11,506,837
BBB-	6,724,620	12,166,230	18,890,850
BB	-	3,592,552	3,592,552
B	1,992,199	-	1,992,199
B-	-	2,449,063	2,449,063
Un-rated	869,851	39,031,703	39,901,554
Governmental or government guarantee	14,413,805	1,734,607,402	1,749,021,207
Total	55,944,160	2,017,089,174	2,073,033,334

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

Geographical Area	Item	Inside Jordan		Other Middle East Countries		Europe		* Asia		* Africa		America		Other Countries		Total	
		JD		JD		JD		JD		JD		JD		JD		JD	
	Cash and balances with central banks	604,139,583		181,343,691		-		-		146,963,511		-		-		932,446,785	
	Balances with banks and financial institutions	59,254,538		194,534,169		573,979,741		1,714,225		3,601,139		129,210,111		119,574		962,413,497	
	Deposits with banks and financial institutions	-		24,580,965		5,084,009		-		-		-		-		29,664,974	
	Credit Facilities																
	Retail	379,576,174		64,923,089		90,114		-		5,622,866		-		-		450,212,243	
	Real estate mortgages	444,238,127		66,049,379		1,999		-		2,904,727		-		-		513,194,232	
	CORPORATE ENTITIES																
	Large companies	664,517,599		385,679,960		368,788		-		4,757,000		-		-		1,055,323,347	
	SMEs	104,171,269		137,225,437		1,897,010		-		75,394,765		-		861,219		319,549,700	
	Government and public sector	156,399,188		7,369,074		-		-		5,082		-		-		163,773,344	
	Bonds debentures and treasury bills																
	Other financial assets at amortized costs	1,715,132,851		93,894,369		99,978,917		4,742,584		-		88,203,933		15,136,520		2,017,089,174	
	Financial assets at fair value through P&L	1,704,641		17,108,924		668,578		15,161,121		-		15,940,597		5,360,299		55,944,160	
	Total 2011	4,129,133,970		1,172,709,057		682,069,156		21,617,930		239,249,090		233,354,641		21,477,612		6,499,611,456	
	Total 2010	3,949,816,160		1,467,548,521		455,042,674		22,964,217		219,379,216		165,727,233		32,747,974		6,313,225,995	

* Excluding the Middle East countries.

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

Economic Sectors	Finance		Manufacturing		Trade		Real Estate		Agriculture		Shares		Retail		Governmental and Public Sector		Other		Total	
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balances with Central Banks	932,446,785	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	932,446,785
Balances with banks and financial institutions	962,413,497	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	962,413,497
Deposits with banks and financial institutions	29,664,974	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	29,664,974
Credit Facilities	24,539,167	346,449,044	625,841,796	513,194,233	12,202,840	15,950,891	450,212,242	163,793,344	349,869,309	2,502,052,866										
Bonds debentures and treasury bills																				
Other financial assets at amortized costs	262,361,636	10,858,802	2,707,682	5,440,685	-	-	1,112,966	1,734,607,403	-	-	-	-	-	-	-	-	-	-	-	2,017,089,174
Financial assets designated at fair value through P&L	32,016,212	6,225,089	6,359,039	-	-	-	-	11,343,820	-	-	-	-	-	-	-	-	-	-	-	55,944,160
Total 2011	2,243,442,271	363,532,935	634,908,517	518,634,918	12,202,840	15,950,891	451,325,208	1,909,744,567	349,869,309	6,499,611,456										
Total 2010	2,645,858,326	302,441,186	633,863,937	508,908,067	19,645,270	39,909,954	421,760,748	1,495,886,224	244,952,283	6,313,225,995										

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 other risks.

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

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

Market risk includes interest rate risk, foreign currency risk and equity securities risk.

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 monitoring ceilings for trades.

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 2011

Currency	Increase in interest rate by 1% on the consolidated income statement	Decrease in interest rate by 1% on the consolidated income statement	Increase in interest rate by 1% on equity	Decrease in interest rate by 1% on equity
US Dollars	(3,398,356)	3,169,662	(2,412,832)	2,250,460
Euro	(1,183,806)	(41,167)	(840,502)	(29,229)
Jordanian Dinar	(24,987,616)	25,718,250	(17,741,207)	18,259,957

Sensitivity Analysis 2010

Currency	Increase in interest rate by 1% on the consolidated income statement	Decrease in interest rate by 1% on the consolidated income statement	Increase in interest rate by 1% on equity	Decrease in interest rate by 1% on equity
US Dollars	(1,897,956)	2,070,005	(1,347,548)	1,469,704
Euro	(278,019)	296,781	(197,393)	210,714
Jordanian Dinar	(12,963,499)	13,352,332	(9,204,084)	9,480,156

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 $\pm 1\%$.

Currency	Increase exchange rate currency by 1% on the consolidated income statement	Decrease exchange rate currency by 1% on the consolidated income statement	Increase exchange rate currency by 1% on equity	Decrease exchange rate currency by 1% on equity
	JD	JD	JD	JD
Sensitivity Analysis 2011				
Euro	(17,054)	17,054	(11,938)	11,938
Sterling Pound	380,547	(380,547)	266,382	(266,382)
Austrlian Dollar	1,022	(1,022)	725	(725)
Swiss Frank	1,030	(1,030)	731	(731)
Canadian Dollar	958	(958)	680	(680)
Japanese Yen	(41)	41	(29)	(29)
Syrian Lira	763,111	(763,111)	534,178	(534,178)
Sensitivity Analysis 2010				
Euro	18,666	(18,666)	13,253	(13,253)
Sterling Pound	324,433	(324,433)	230,348	(230,348)
Austrlian Dollar	1,027	(1,027)	729	(729)
Swiss Frank	1,278	(1,278)	907	(907)
Canadian Dollar	374	(374)	266	(266)
Japanese Yen	37,819	(37,819)	26,852	(26,852)

3. Equity price risk:

It is the risk that results from the changes in equity instruments prices in the Banks financial assets at fair value through profit or loss and for financial assets at fair value through other comprehensive income. The Bank manages the price risk by applying the VAR methodology for a confidence level of 99% for one day.

Sensitivity Analysis VAR 2011

	VAR
	JD
Financial assets at fair value through profit or loss	(1,260,484)
Financial assets at fair value through other comprhensive income	(25,146)

Sensitivity Analysis VAR 2010

	VAR
	JD
Held-for-Trading	(5,844)
Available for sale	(646,464)

Interest rate re-pricing gap:

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

2011	Interest rate re-pricing																
	Up to 1 Month		1 to 3 Months		3 to 6 Months		6 Months to 1 Year		1 to 3 Years		Over 3 Years		Non-Interest Bearing Items		Total		
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	
ASSETS																	
Cash and balances with Central banks	458,622,699	-	-	-	-	-	-	-	-	-	-	-	644,554,181	-	-	1,103,176,880	
Balances with banks and financial institutions	770,088,235	168,824,962	-	-	-	709,000	-	-	-	-	-	-	22,791,300	-	-	962,413,497	
Deposits with banks and financial institutions	-	-	15,234,974	14,430,000	-	-	-	-	-	-	-	-	-	-	-	29,664,974	
Financial assets at fair value through profit or loss	4,905,593	-	4,291,780	13,684,666	23,081,170	9,761,447	25,654,570	81,379,226									
Direct credit facilities - net	151,463,767	1,544,996,492	131,592,322	150,923,338	259,256,152	195,378,992	68,441,803	2,502,052,866									
Financial assets available-for-sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Financial assets at fair value through other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-	614,253	-	-	614,253	
Other financial assets at amortized cost	122,398,536	293,202,960	157,011,055	138,718,867	1,265,696,273	40,061,483	-	2,017,089,174									
Property and equipment - net	-	-	-	-	-	-	-	110,644,071								110,644,071	
Intangible assets - net	-	-	-	-	-	-	-	8,886,861								8,886,861	
Deferred tax assets	-	-	-	-	-	-	-	22,249,372								22,249,372	
Other assets	-	-	-	-	-	-	-	99,798,513								99,798,513	
TOTAL ASSETS	1,507,478,830	2,007,024,414	308,130,131	318,465,871	1,548,033,595	245,201,922	1,003,634,924	6,937,969,687									
LIABILITIES																	
Banks and financial institutions deposits	237,451,675	86,115,516	-	21,096	-	-	-	217,456,232								541,044,519	
Customers' deposits	1,586,246,091	1,448,331,517	234,429,958	163,907,215	63,613,263	14,104,201	1,323,283,890	4,833,916,135									
Margin accounts	135,389,768	30,523,610	19,551,236	23,985,139	11,953,353	3,076,346	108,841,403	333,320,855									
Loans and Borrowing's	-	-	-	10,138,185	-	-	-	-								10,138,185	
Sundry provisions	-	-	-	-	-	-	-	25,128,736								25,128,736	
Income tax provision	-	-	-	-	-	-	-	39,841,657								39,841,657	
Deferred tax liabilities	-	-	-	-	-	-	-	700,000								700,000	
Other liabilities	-	-	-	-	-	-	-	97,375,229								97,375,229	
Subordinated loans	-	-	-	-	7,868,753	-	-	-								7,868,753	
TOTAL LIABILITIES	1,959,087,534	1,564,970,643	253,981,194	198,051,635	83,435,369	17,180,547	1,812,627,147	5,889,334,069									
Interest rate re-pricing gap	(451,608,704)	442,053,771	54,148,937	120,414,236	1,464,598,226	228,021,375	(808,992,223)	1,048,635,618									
2010																	
TOTAL ASSETS	1,975,012,659	656,258,923	798,493,918	590,101,011	1,120,259,264	681,540,829	857,993,839	6,679,660,443									
TOTAL LIABILITIES	1,461,711,085	1,152,962,068	443,433,675	340,429,807	414,310,647	315,624,294	1,527,260,601	5,655,732,177									
Interest rate re-pricing gap	513,301,574	(496,703,145)	355,060,243	249,671,204	705,948,617	365,916,535	(669,266,762)	1,023,928,266									

concentration OF Foreign currency risk

2011

Currency Items	US Dollar	Euro	Sterling Pound	Japanese Yen	Syrian pounds	Other	Total
	JD	JD	JD	JD	JD	JD	JD
ASSETS							
Cash and balances with Central banks	166,212,734	13,600,796	350,671	9,700	135,257,431	181,429,359	496,860,691
Balances with banks and financial institutions	498,486,518	119,129,665	33,661,506	(2,318,800)	70,414,966	112,555,633	831,929,488
Deposits with banks and financial institutions	1,063,811	-	-	-	24,580,965	4,020,198	29,664,974
Financial asset Designated at fair value through profit or loss	50,163,694	6,429,540	-	-	1,273	-	56,594,507
Direct credit facilities	406,366,497	12,864,320	19,742,146	2,981,297	338,386,270	155,390,633	935,731,163
Financial asset at fair value through other comprehensive income	99,760	-	-	-	-	-	99,760
Other Financial assets at amortized cost	256,723,012	10,021,296	12,863,822	-	-	-	279,608,130
Property and equipment - net	-	-	191,109	-	31,775,437	5,118,670	37,085,216
Intangible assets - net	-	-	5,446,804	-	58,341	464,610	5,969,755
Deferred tax assets	-	-	6,933,998	-	41,567	-	6,975,565
Other assets	11,819,846	780,810	12,993,102	144	4,306,322	9,169,764	39,069,988
Total assets	1,390,935,872	162,826,427	92,183,158	672,341	604,822,572	468,148,867	2,719,589,237
LIABILITIES							
Banks and financial institutions deposits	354,984,175	33,918,018	17,471,598	189,334	6,097,881	39,737,068	452,398,074
Customers' deposits	928,388,858	116,467,470	29,502,668	940,754	452,357,711	213,802,350	1,741,459,811
Margin accounts	86,605,948	12,831,086	1,196,507	(463,121)	46,298,111	57,806,566	204,275,097
Sundry provisions	-	-	-	-	-	122,710	122,710
Income tax provision	-	-	-	-	4,734,018	4,161,831	8,895,849
Other liabilities	1,799,780	1,315,248	5,957,690	9,521	19,023,714	19,459,559	47,565,512
Subordinated loans	7,868,753	-	-	-	-	-	7,868,753
Total liabilities	1,379,647,514	164,531,822	54,128,463	676,488	528,511,435	335,090,084	2,462,585,806
Net position	11,288,358	(1,705,395)	38,054,695	(4,147)	76,311,137	133,058,783	257,003,431
Off-financial position contingent liabilities	802,912,567	607,574,721	9,716,727	5,005,152	46,354,589	95,041,010	1,566,604,766

2010

Currency Items	US Dollar	Euro	Sterling Pound	Japanese Yen	Other	Total
	JD	JD	JD	JD	JD	JD
Total assets	1,231,424,363	167,445,391	79,851,350	4,461,455	1,204,398,281	2,687,580,840
Total liabilities	1,239,820,368	165,578,713	47,408,000	679,460	975,749,837	2,429,236,378
Net position	(8,396,005)	1,866,678	32,443,350	3,781,995	228,648,444	258,344,462
Off-financial position contingent liabilities	713,303,693	624,360,640	4,074,335	5,224,567	146,480,974	1,493,444,209

Liquidity Risk

Liquidity risk is defined as the Bank's failure to provide the required funding to cover its obligations at their respective due dates. Liquidity risk is managed through the following:

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

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

Sources of Funding:

The Bank works to diversify its sources of funds including geographical sectors, currencies, customers, facilities, and conditions in order to attain financial flexibility and lower 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 58% are stable and dominated in JD. The Bank maintain 42% of the Jordanian dominated saving accounts in the Jordanian banking market.

The following table illustrates the distribution of the liabilities (un-discounted) on the basis of the remaining period from the date of the consolidated financial statements until the date of contractual maturity.

2011	Up to 1 Month	1 to 3 Months	3 to 6 Months	6 Months to 1 Year	1 to 3 Years	Over 3 Years	Without Maturity	2010
	JD	JD	JD	JD	JD	JD	JD	JD
LIABILITIES								
Banks and financial institutions deposits	220,484,324	86,180,103	60,101,250	21,167	-	-	174,464,916	541,251,760
Customers' deposits	632,649,648	176,457,361	74,051,837	81,645,505	523,464,974	796,555,325	2,610,350,586	4,895,175,236
Margin accounts	96,599,335	56,701,929	35,898,210	44,489,575	43,741,759	59,901,888	-	337,332,696
Loans and Borrowings	-	-	-	10,776,891	-	-	-	10,776,891
Sundry provisions	1,804,590	1,804,590	-	3,609,180	10,827,541	-	7,082,835	25,128,736
Income tax provision	4,114,362	-	22,333,291	13,394,004	-	-	-	39,841,657
Deferred tax liabilities	-	-	-	-	-	-	700,000	700,000
Other liabilities	54,216,078	513,255	6,443,036	355,579	352,255	-	35,495,026	97,375,229
Subordinated loans	-	-	-	-	8,102,455	-	-	8,102,455
TOTAL LIABILITIES	1,009,868,337	321,657,238	198,827,624	154,291,901	586,488,984	856,457,213	2,828,093,363	5,955,684,660
TOTAL ASSETS	2,155,596,806	707,033,112	529,613,909	532,087,007	1,843,371,471	855,982,678	314,284,704	6,937,969,687

2010	Up to 1 Month	1 to 3 Months	3 to 6 Months	6 Months to 1 Year	1 to 3 Years	Over 3 Years	Without Maturity	2010
	JD	JD	JD	JD	JD	JD	JD	JD
LIABILITIES								
Banks and financial institutions deposits	176,236,145	108,704,619	35,030,875	8,187	-	-	85,831,380	405,811,206
Customers' deposits	1,379,242,579	646,108,162	124,719,618	151,284,333	13,472,953	816,876	2,500,290,871	4,815,935,392
Margin accounts	69,188,146	54,866,927	38,986,487	35,155,783	50,227,625	48,333,564	-	296,758,532
Sundry provisions	-	-	-	-	-	-	22,342,648	22,342,648
Income tax provision	1,674,723	-	20,600,991	9,960,707	-	-	-	32,236,421
Deferred tax liabilities	-	-	-	-	652,748	-	-	652,748
Other liabilities	60,639,557	949,565	1,205,048	1,797,608	3,272,727	3,285,345	12,515,277	83,665,127
Subordinated loans	-	-	-	-	7,885,154	-	-	7,885,154
TOTAL LIABILITIES	1,686,981,150	810,629,273	220,543,019	198,206,618	75,511,207	52,435,785	2,620,980,176	5,665,287,228
TOTAL ASSETS	2,348,234,303	610,756,266	800,685,076	622,991,076	1,120,299,669	697,209,277	479,484,776	6,679,660,443

- Off balance sheet items:

2011	Up to 1 Year	1-5 Years	Over 5 Years	Total
	JD	JD	JD	JD
Letters of credit and acceptances	1,017,428,678	67,155,536	5,785,332	1,090,369,546
Un- utilized ceilings	342,106,902	-	-	342,106,902
Letters of guarantee	525,153,779	69,218,797	-	594,372,576
Total	1,884,689,359	136,374,333	5,785,332	2,026,849,024

2010	Up to 1 Year	1-5 Years	Over 5 Years	Total
	JD	JD	JD	JD
Letters of credit and acceptances	911,882,347	49,840,686	-	961,723,033
Un- utilized ceiling	288,414,279	-	-	288,414,279
Letters of guarantee	599,645,962	89,333,534	-	688,979,496
Total	1,799,942,588	139,174,220	-	1,939,116,808

47- Segment analysis

Information on the bank segment activities

A- Information on the Bank Activities:

- For management purposes, the Bank is organized into four major business segments according to reports sent to the chief operating officer:
- **Retail Banking:** Principally handling individual customers' and small businesses' deposits and providing loans, overdrafts, 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.

The following table shows the Bank's business segments:

	Retail Banking	Corporate	Corporate Finance	Treasury	Others	Elimination	Total	Total
							December 31,	
							2011	2010
							JD	JD
Gross Income	165,425,799	155,163,478	1,017,248	145,855,989	8,833,639	(84,696,375)	391,599,778	355,578,016
Impairment of credit facilities	(1,348,477)	(44,999,411)	-	-	-	-	(46,347,888)	(46,193,594)
Recovered (impairment) of financial assets	-	-	-	(2,500,000)	-	-	(2,500,000)	1,477,421
Segment result	64,369,847	38,068,534	127,158	33,098,523	6,981,849	-	142,645,911	125,439,926
Unallocated costs	-	-	-	-	-	-	(6,944,523)	(9,037,958)
Income before tax	-	-	-	-	-	-	135,701,388	116,401,968
Income Tax	-	-	-	-	-	-	(35,699,090)	(27,964,730)
Profit for the year	-	-	-	-	-	-	100,002,298	88,437,238
Segment Assets	3,659,719,670	1,964,678,763	18,873	4,169,741,392	1,024,456,352	-	10,818,615,050	10,378,687,167
Elimination of assets between segments	(2,562,672,083)	(309,283,777)	-	(319,816,948)	(711,121,927)	-	(3,902,894,735)	(3,716,699,601)
Unallocated assets	-	-	-	-	-	-	22,249,372	17,672,877
Total Assets	-	-	-	-	-	-	6,937,969,687	6,679,660,443
Segment Liabilities	3,616,280,474	1,948,335,443	-	3,991,416,498	232,530,563	-	9,788,562,978	9,371,779,032
Elimination of liabilities between segments	(31,799,166)	(288,017,782)	-	(3,580,111,961)	-	-	(3,899,928,909)	(3,716,699,603)
Unallocated liabilities	-	-	-	-	-	-	700,000	652,748
Total Liabilities	-	-	-	-	-	-	5,889,334,069	5,655,732,177
Capital expenditures	-	-	-	-	-	-	22,261,730	21,293,789
Depreciation and amortization	-	-	-	-	-	-	12,637,968	11,736,843

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, Africa and Europe.

Here below is the distribution of the Bank's income, assets, and capital expenditure inside and outside the kingdom "Based on the Bank's internal policy, the way it is been measured and based on the reports used by the Chief Executive Officer and the main decision maker in the Bank":

	Inside Jordan		Outside Jordan		Total	
	2011	2010	2011	2010	2011	2010
	JD	JD	JD	JD	JD	JD
Gross income	268,770,700	252,803,753	122,829,078	102,774,263	391,599,778	355,578,016
Total assets	4,446,542,813	4,160,417,349	2,491,426,874	2,519,243,094	6,937,969,687	6,679,660,443
Capital expenditures	8,254,637	15,397,886	14,007,093	5,895,903	22,261,730	21,293,789

48- Capital Management:

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

- Compliance with the Central Bank capital related 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 equals or more than 14%.

The Bank restructures and modifies its capital according to the business environment. There are no amendments in the goals, policies and procedures related to capital management during the year and the previous years.

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

	2011	2010
	JD	JD
Primary capital items		
Paid-in capital	252,000,000	252,000,000
Statutory reserve	117,202,264	106,409,104
Voluntary reserve	33,222,068	33,222,068
Special reserve	779,347	-
Share premium	357,925,469	357,925,469
Retained earnings	78,405,656	68,098,527
Goodwill and other intangible assets	(6,994,330)	(5,584,115)
Assets repossessed by the bank more than 4 years	(3,837,348)	-
Total primary capital	828,703,126	812,071,053
Supplementary capital		
Foreign currency translation reserve	(7,670,194)	(980,308)
Revaluation reserve for financial assets -net	(259,393)	-
Cumulative changes in fair value	-	149,423
General banking risks reserve	23,674,279	22,450,000
Total Supplementary Capital	15,744,692	21,619,115
Less		
Capital investments in banks and other financial institutions	(616,898)	(837,858)
Total Regulatory Capital	843,830,920	832,852,310
Total Weighted Assets Risk Average	4,078,498,272	3,710,512,953
Capital Adequacy Ratio %	%20.69	22.45%
Primary Capital Ratio %	%20.31	21.87%

49- Levels of the Fair Value

The following table analyzes the financial instruments recorded at fair value based the 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).

2011	Level 1	Level 2	Level 3	Total
	JD	JD	JD	JD
Financial assets				
Financial assets at fair value through other comprehensive income	45,433	568,820	-	614,253
Financial assets at fair value through P&L	61,481,301	19,897,925	-	81,379,226
Other financial assets at amortized cost	1,992,921,026	24,168,148	-	2,017,089,174
Total financial assets	2,054,447,760	44,634,893	-	2,099,082,653

2010	Level 1	Level 2	Level 3	Total
	JD	JD	JD	JD
Financial assets				
Financial assets held for trading	130,253	-	-	130,253
Financial assets available for sale	890,574,473	41,900,549	-	932,475,022
Financial assets held to maturity	593,331,400	6,836,001	-	600,167,401
Financial assets at fair value through P&L	40,539,333	-	-	40,539,333
Total financial assets	1,524,575,459	48,736,550	-	1,573,312,009

50- Fiduciary Accounts

Investment accounts managed on behalf of customers amounted to JD 1.4 million as of December 31, 2011 against JD 2.3 million as of December 31, 2010. These accounts are not included in the assets and liabilities of the Bank. The management commissions and fees on these accounts are recorded in the consolidated income statement.

51- Assets and Liabilities Expected Maturities

The following table illustrates the assets and liabilities according to expected maturity periods:

2011-	Up to 1 Year	Over 1 Year	Total
	JD	JD	JD
Assets			
Cash and balances with Central Banks	1,038,495,901	64,680,979	1,103,176,880
Balances with banks and financial institutions	962,413,497	-	962,413,497
Deposits with banks and financial institutions	29,664,974	-	29,664,974
Financial assets at fair value through profit or loss	28,637,411	52,741,815	81,379,226
Direct credit facilities – net	1,073,106,301	1,428,946,565	2,502,052,866
Financial assets at fair value through other comprehensive income	-	614,253	614,253
Other financial assets at amortized cost	744,477,692	1,272,611,482	2,017,089,174
Property and equipment – net	-	110,644,071	110,644,071
Intangible assets - net	-	8,886,861	8,886,861
Deferred tax assets	15,273,807	6,975,565	22,249,372
Other assets	32,261,251	67,537,262	99,798,513
Total assets	3,924,330,834	3,013,638,853	6,937,969,687
Liabilities			
Banks and financial institutions deposits	541,044,519	-	541,044,519
Customers' deposits	2,654,646,196	2,179,269,939	4,833,916,135
Margin accounts	232,934,224	100,386,631	333,320,855
Loans and borrowings	10,138,185	-	10,138,185
Sundry provisions	7,218,360	17,910,376	25,128,736
Income tax provision	39,841,657	-	39,841,657
Deferred tax liabilities	-	700,000	700,000
Other liabilities	61,527,948	35,847,281	97,375,229
Subordinated loans	-	7,868,753	7,868,753
Total liabilities	3,547,351,089	2,341,982,980	5,889,334,069
Net	376,979,745	671,655,873	1,048,635,618

2010	Up to 1 Year	Over 1 Year	Total
	JD	JD	JD
Assets			
Cash and balances with Central Banks	1,560,185,378	-	1,560,185,378
Balances with banks and financial institutions	780,109,396	-	780,109,396
Deposits with banks and financial institutions	98,978,678	8,984,384	107,963,062
Financial assets held for Trading	130,253	-	130,253
Financial assets at fair value through P&L	-	40,539,333	40,539,333
Direct credit facilities – net	1,379,159,734	1,069,988,664	2,449,148,398
Financial assets available-for-sale	290,322,225	642,152,797	932,475,022
Financial assets held-to-maturity	536,263,978	63,903,423	600,167,401
Property and equipment – net	10,049,429	92,864,888	102,914,317
Intangible assets	1,687,413	4,213,768	5,901,181
Deferred tax assets	-	17,672,877	17,672,877
Other assets	28,372,141	54,081,684	82,453,825
Total assets	4,685,258,625	1,994,401,818	6,679,660,443
Liabilities			
Banks and financial institutions deposits	405,352,656	-	405,352,656
Customers' deposits	4,097,064,119	711,498,597	4,808,562,716
Margin accounts	197,918,538	97,116,169	295,034,707
Sundry provisions	1,832,497	20,510,151	22,342,648
Income tax provision	32,236,421	-	32,236,421
Deferred tax liabilities	-	652,748	652,748
Other liabilities	64,591,778	19,073,349	83,665,127
Subordinated loans	-	7,885,154	7,885,154
Total liabilities	4,798,996,009	856,736,168	5,655,732,177
Net	(113,737,384)	1,137,665,650	1,023,928,266

52- Contractual Commitments and Contingent Liabilities (statement of financial position)

A- Credit commitments and contingent liabilities:

	December 31,	
	2011	2010
	JD	JD
Letters of credit	1,026,149,790	892,938,139
Acceptances	64,219,756	68,784,894
Letters of guarantee:		
Payment	120,870,751	148,007,249
Performance	229,094,526	236,059,355
Other	244,407,299	304,912,892
Un-utilized direct credit facilities	342,106,902	288,414,279
Total	2,026,849,024	1,939,116,808

B- Contractual commitments:-

	December 31,	
	2011	2010
	JD	JD
Purchase of property and equipment contracts	987,190	2,309,301
Construction Projects contracts	5,327,485	5,499,173
Other purchases contracts	4,973,360	6,118,738
Total	11,288,035	13,927,212

53- Lawsuits against the Bank

There are lawsuits raised against the Bank amounting to JD 34.8 million as of December 31, 2011 (JD 27.6 million as of December 31, 2010). These lawsuits are raised to prevent the Bank from reclaiming amounts due and enforcing real estate mortgages. In the opinion of Bank's management and the legal advisor, no material liabilities will arise as a result of these lawsuits exceeding the related provision amounting to JD 855,184 as of December 31, 2011 (JD 874,407 as of December 31 2010).

54- Effect of Implementation of IFRS 9

The Bank and its subsidiaries early adopted IFRS (9) as of 1 January 2011 and the effect of this early adoption is show below:

A - Reclassification of financial assets into equity instruments and debt instruments as follows:

Financial assetclassification	Measurement category		IFRS 9	IAS 39	Change
	IFRS 9 Classification	IAS 39 Classification	JD	JD	JD
Shares	Fair value through other comprehensive income	Available for sale	610,187	833,169	(222,982)
Shares	Fair value through profit and loss	Held for trading	130,253	130,253	-
Shares	Fair value through profit and loss	Available for sale	24,356,262	23,541,765	814,497
Bonds	Fair value through profit and loss	Available for sale	14,928,841	15,432,940	(504,099)
Bonds	Fair value through profit and loss	Fair value through profit and loss	40,539,333	40,539,333	-
Funds	Fair value through profit and loss	Available for sale	32,447,842	32,447,842	-
Bonds	Amortized cost	Available for sale	861,354,526	860,219,306	1,135,220
Bonds	Amortized cost	Held to maturity	600,167,401	600,167,401	-
Total			1,574,534,645	1,573,312,009	1,222,636

B- The Bank's management elected to classify financial investments in equity instruments which are expected to be sold in near future as financial assets at fair value through profit or loss. Investments in equity instrument that meet the management business module as strategic investment that is expected to be held for the long term are classified as financial assets at fair value through other comprehensive income. Consequently, the Bank reclassified JD 1,554,688 from cumulative change in fair value for available for sale investments to retained earnings as of 1 January 2011.

C- IFRS 9 early adoption had an effect on the consolidated income statement as follow:

- Increase in profit by JD 8,104,972 resulted from the fair value adjustment for financial assets at fair value through profit or loss, which were previously classified as financial assets available for sale.
- Decrease in profit by JD 1,511,110, representing the positive cumulative change in fair value for the financial assets available for sale which were sold during the year ended 31 December 2011, and were reclassified as financial assets at fair value through profit or loss. This resulted in the recognition of the cumulative change in fair value directly to retained earnings on the initial implementation of IFRS (9), and not in the income statement upon the sale of the financial asset as previously treated under IAS 39.

55 - Discontinued Operations

On 29 June 2011 the Bank sold its investment (99.9%) in Jordan and Palestine Financial Investment company for JD 1,485,000. Consequently, it has been classified as discontinued operations according to International Financial Reporting Standard No. 5.

56- Business Combination

On 6 October 2010 the Bank acquired an additional stake in the Jordan International Bank (JIB) capital to become 12.750 million shares equivalent to 63.75% of the total capital of 20 million shares. JIB is a public limited company based in London and engaged in providing banking services.

On October 28, 2010 JIB raised its capital from 20 million shares to 35 million shares, and the Housing Bank for Trade and Finance ownership percentage increased to 68.571%.

The fair value of JIB assets and liabilities at the acquisition date is as follows:

	Fair value as of 6 october 2011	Book value as of 6 october 2011
	JD	JD
Cash and balances with banks	73,589,034	73,589,034
Financial investments	80,906,532	80,906,532
Direct credit facilities-net	62,011,802	62,011,802
Property an equipment-net	8,754,024	8,754,024
Intangible assets resulting from acquisition*	5,205,161	-
Total assets	230,466,553	225,261,392
Banks and financial institutions deposits	158,074,109	158,074,109
Customers' deposits	23,637,995	23,637,995
Other liabilities	1,865,949	1,865,949
Subordinated loans	10,608,549	10,608,549
Total liabilities	194,186,602	194,186,602
Net assets	36,279,951	31,074,790
Non – controlling interests	(9,299,953)	-
Net assets acquired	26,979,998	-
Goodwill arising from acquisition	-	-
Consideration paid for the acquisition of 68.571% of the bank	26,979,998	-
Analysis of cash flows on acquisition		
Consideration paid to acquire 68.571%	(26,979,998)	-
Less : fair value of the exsisting ownership percentage of 22.1%	4,983,506	-
Add : Net cash acquired from the subsidiary	(87,255,534)	-
Net cash flow on acquisition	(109,252,026)	-

* The bank completed the pruchase price allocation during the 12 months after acquisition according to IFRS 3, the allocation resluted in the recognition of an intangible assets represented by Bank license amounted to JD 5,205,161.

57- New And Amended International Financial Reporting Standards

The following new and revised IFRS have been issued up to December 31, 2011. However, these IFRS were not effective and were not applied by the bank:

IFRS (10) Consolidated Financial Statements

IFRS 10 replaces the portion of IAS 27 Consolidated and Separate Financial Statements that addresses the accounting for consolidated financial statements. It also includes the issues raised in SIC-12 Consolidation — Special Purpose Entities.

IFRS 10 establishes a single control model that applies to all entities including special purpose entities. The changes introduced by IFRS 10 will require management to exercise significant judgement to determine which entities are controlled, and therefore, are required to be consolidated by a parent, compared with the requirements that were in IAS 27.

This standard becomes effective for annual periods beginning on or after 1 January 2013.

IFRS (11) Joint Arrangements

IFRS 11 replaces IAS 31 Interests in Joint Ventures and SIC-13 Jointly-controlled Entities — Non-monetary Contributions by Venturers.

IFRS 11 removes the option to account for jointly controlled entities (JCEs) using proportionate consolidation. Instead, JCEs that meet the definition of a joint venture must be accounted for using the equity method. The application of this new standard will impact the financial position of the Bank. This is due to the cessation of proportionate consolidating the joint venture in to equity accounting for this investment **or** the new standard will have no impact on the Bank's financial position of performance. This standard becomes effective for annual periods beginning on or after 1 January 2013.

IFRS (12) Disclosure of Involvement with Other Entities

IFRS 12 includes all of the disclosures that were previously in IAS 27 related to consolidated financial statements, as well as all of the disclosures that were previously included in IAS 31 and IAS 28. These disclosures relate to an entity's interests in subsidiaries, joint arrangements, associates and structured entities. A number of new disclosures are also required. This standard becomes effective for annual periods beginning on or after 1 January 2013.

IFRS (13) Fair Value Measurement

IFRS 13 establishes a single source of guidance under IFRS for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted. The Bank is currently assessing the impact that this standard will have on the financial position and performance. This standard becomes effective for annual periods beginning on or after 1 January 2013.

Amended Standards

IAS (1) Financial Statement Presentation – Presentation of Items of Other Comprehensive Income

The amendments to IAS 1 change the grouping of items presented in OCI. Items that could be reclassified (or 'recycled') to profit or loss at a future point in time (for example, upon derecognition or settlement) would be presented separately from items that will never be reclassified. The amendment affects presentation only and has no impact on the Bank's financial position or performance. The amendment becomes effective for annual periods beginning on or after 1 July 2012.

IAS (12) Income Taxes – Recovery of Underlying Assets

The amendment clarified the determination of deferred tax on investment property measured at fair value. The amendment introduces a rebuttable presumption that deferred tax on investment property measured using the fair value model in IAS 40 should be determined on the basis that its carrying amount will be recovered through sale. Furthermore, it introduces the requirement that deferred tax on non-depreciable assets that are measured using the revaluation model in IAS 16 always be measured on a sale basis of the asset. The amendment becomes effective for annual periods beginning on or after 1 January 2012.

IAS (19) Employee Benefits (Amendment)

The IASB has issued numerous amendments to IAS 19. These range from fundamental changes such as removing the corridor mechanism and the concept of expected returns on plan assets to simple clarifications and re-wording. The Bank does not expect any impact and the financial position of financial statements. **or** The Bank is currently assessing the full impact of the remaining amendments. The amendment becomes effective for annual periods beginning on or after 1 January 2013.

IAS (27) Separate Financial Statements (as revised in 2011)

As a consequence of the new IFRS 10 and IFRS 12, what remains of IAS 27 is limited to accounting for subsidiaries, jointly controlled entities, and associates in separate financial statements. The Bank does not present separate financial statements. The amendment becomes effective for annual periods beginning on or after 1 January 2013.

IAS (28) Investments in Associates and Joint Ventures (as revised in 2011)

As a consequence of the new IFRS 11 and IFRS 12, IAS 28 has been renamed IAS 28 Investments in Associates and Joint Ventures, and describes the application of the equity method to investments in joint ventures in addition to associates. The amendment becomes effective for annual periods beginning on or after 1 January 2013.

IFRS (7) Financial Instruments: Disclosures — Enhanced Derecognition Disclosure Requirements

The amendment requires additional disclosure about financial assets that have been transferred but not derecognised to enable the user of the Bank's financial statements to understand the relationship with those assets that have not been derecognised and their associated liabilities. In addition, the amendment requires disclosures about continuing involvement in derecognised assets to enable the user to evaluate the nature of, and risks associated with, the entity's continuing involvement in those derecognised assets. The amendment becomes effective for annual periods beginning on or after 1 July 2011. The amendment affects disclosure only and has no impact on the Bank's financial position or performance.

58- Comparative Figures

Some of the year 2010 figures have been reclassified to correspond with the year 2011 presentation. There is no effect on the income and equity for the year 2010.



CORPORATE GOVERNANCE CODE



First: – Commitment to Corporate Governance

The board of directors of HBTF strongly believes in the importance of corporate governance as a means of providing a basis for the Bank's future development and improved performance while bolstering trust in its activities with depositors and shareholders alike. Accordingly, the board of directors has decided to adopt a corporate governance code that is consistent with international best practices, including: the principles of the Organization for Economic Cooperation and Development (OECD), the Basel Committee on Banking Supervision, CBJ regulations, the Banking and Companies' laws, in addition to the instructions of the Securities Commission. This corporate governance code has been prepared and approved by the HBTF in order to define and specify the Bank's values and strategic directions in this area. HBTF publishes this code in its annual report, and on its website, in addition to preparing a report to the public detailing the Banks' compliance with its articles.

Second: – Definition of Corporate Governance

The Bank applies the definition adopted by the OCED and approved by the CBJ, which define 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's 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 approves the bank's strategies and action plans, including endorsing risk policies and risk management procedures and ensuring the availability of mechanisms to measure such risks and to set necessary limits.
- 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 the laws and regulations governing it as well as the Bank's own policies.
- Board members have the experience and expertise necessary to perform the duties and functions required from the board. In cases where specialized expertise is needed, 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 also to oversee the availability of a succession plan to effectively address the Bank's affairs.
- The board monitors and supervises the Bank's senior executive management by exercising its authority of asking questions regarding the Bank's position and getting relevant answers, and by requiring necessary reports on a timely basis to ensure the board's strategies and decisions.
- The Bank's board and its 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; a 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. The Bank does its utmost to ensure that of the board's non-executive members at least three should be independent.
- Board members carry out their duties in loyalty and dedication, ensuring the availability of mechanisms that enable the Bank to comply with all laws and regulations applicable. Board members avoid actual or potential conflict of interest 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's performance as a whole, at least once a year.
- The board of directors evaluates the performance of the general manger annually.

Fourth: – Role of the Chairman

- The positions of the chairman and general manager are separated, as per a board of director's decision, and reviewed when the need arises, in conformity with the Banking and Companies' laws. The chairman and general manger may not be blood related within the third degree of kinship.
- The chairman of the board is dedicated and practices all powers and authorities vested in him pursuant to the Banking and Companies' laws and board of directors' decisions.

The chairman shall perform the following major roles:

- Supervise all of the Bank's affairs and shall be accountable to the board for the supervision and follow-up of the bank's activities, as well as implementation of the board's policies to achieve set objectives. 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 of directors.
- Ensure the availability of high standard and effective corporate governance principles in the bank. The chairman shall promote a constructive relationship between the board of directors and the bank's executive management. The chairman shall also promote a corporate culture at the board of directors that encourages constructive criticism and alternative views on issues under consideration, and consequent discussion and voting on individual recommendations. What's more, it is up to the chairman to ensure that directors and shareholders receive information in an adequate and timely manner.

Fifth: – Board Practices

- Board of directors' meetings are held on a regular basis, in line with the requirements of the Companies' law, at a rate of at least six times a year. The agenda of each meeting is specified in order to ensure coverage of all topics pending. 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 decisions. 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 throughout their term in office. Categories of financial transactions that 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 of directors arranges convening and meetings of the board and its committees, records the minutes thereof and ensures full implementation of board decisions. The secretary has to make sure such information is disseminated to the board members, committees and executive management. The secretary shall keep written records of the board discussions and voting results. Appointment or replacement of the secretary can only take place by virtue of 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, with those committees' reporting directly 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's executive management through the chairman and the general manager.
- The board of directors has five major committees: the Audit Committee, the Corporate Governance Committee, the Nomination and Remuneration Committee, the Executive Committee and the Risk Management Committee. Each committee has a written charter, which is continuously revised and updated. Ad hoc specialized board committees dealing with specific 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 efforts are always made to ensure that most of them are independent. All members of the Audit Committee shall be highly qualified individuals with experience in accounting and financial management. The committee works under the supervision of the board and submits its reports and recommendations to the board of directors.
- Audit Committee meetings take place on a regular basis, at least four times a year, with the presence of the Bank's 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 best international practices and Basel Committee guidelines.

The Audit Committee shall be responsible of the following key functions:

1. Supervising external and internal auditors; ensuring the comprehensiveness of their scope of work; guaranteeing coordination between external auditors; reviewing the periodicity and scope of internal audit; and approving their working plans.
2. Reviewing the notes mentioned in the reports of the Central Bank; internal and external auditing; following up on relevant measures taken; identifying weaknesses in control procedures and non-compliance with laws and regulations; and ensuring that management has taken necessary remedies.

3. Reviewing the financial statements prior to their submission to the board of directors to ensure their accuracy according to the applicable accounting standards, Central Bank regulations and laws, as well as the sufficiency of necessary allocations.
4. Studying the financial reports prior to their submission to the board, and presenting relevant recommendations – including reports on any changes in the accounting standards applied, or any changes in the Bank’s accounts due to the audit process or the external auditor recommendations – and ensuring that accounting and monitoring procedures are accurate and implemented.
5. 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 fulfils the requirements of the supervisory bodies and that nothing shall impair its independence.
6. Ensuring the independence of the Internal Audit Department, and approving the nomination or termination of the Bank’s General Auditor.
7. Studying matters submitted to the Audit Committee by the board, or any matter deemed necessary to be discussed and give its opinion in this regard.
8. Ensuring the sufficiency and efficiency of internal control and monitoring procedures through reviewing the reports prepared by the external and internal auditors, or any reports submitted to the Audit Committee.
9. Ensuring the sufficiency and efficiency of the internal controls system to avoid any potential conflict of interest, which may arise from the Bank’s transactions or contracts, or from entering into projects with related parties, and to make sure that audit plans cover this.
10. Studying debt amortization cases, giving its opinion and submitting its recommendations to the board.
11. The responsibility of the Audit Committee shall not substitute the responsibilities of the board or executive management as they relate to overseeing the Bank’s sufficiency of internal control and monitoring systems.

Authorities of the Audit Committee:

1. The Audit Committee can request any information, or the presence of any Bank employee, through coordination with the chairman and general manager. Employees shall cooperate and provide such information in an accurate and timely basis.
2. The Audit Committee has the right to ask for legal, financial or administrative consultancy from any external counsel.
3. The Audit Committee has the right to request the presence of the Bank’s external auditor, if it deems it necessary to discuss any matters related to its work, and also has the right to inquire or request its views in writing.

(2) Corporate Governance Committee:

- The Corporate Governance Committee is composed of five 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 where necessary. The board shall also support all training programs for its members in fields it deems relevant to its functions.

(3) Nomination and Remuneration Committee:

- The Nomination and Remuneration Committee is composed of three non-executive members of the board, and efforts are always made to ensure most of them, including the chairman, are independent. The duties and obligations of the Nomination and Remuneration Committee shall be defined by a board decision.
- The Nomination and Remuneration Committee nominates potential board members, taking into consideration their capabilities and qualifications, and in cases 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 board member is independent, taking into consideration that all conditions of an independent member are available, as outlined in the corporate governance handbook issued by the CBJ.
- 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 evaluating members' 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's financial statements and the extent of compliance with the laws and regulations.
- The Nomination and Remuneration Committee can recommend remunerations, including the monthly salary and other benefits of the general manager. The committee also revises salaries and benefits of the executive management.
- The Nomination and Remuneration Committee oversees the compensation policies to ensure they are consistent with the Bank's values, objectives, long-term strategy and the control environment. The Bank's compensation strategy has sufficient incentives to attract and retain qualified employees while partially linking salaries and benefits to the Bank's performance. The compensation policy shall be disclosed in the Bank's annual report.
- When requested, the Nomination and Remuneration Committee shall be responsible for providing background information and briefs about certain important matters in the Bank. It is also responsible for ensuring that board members are made aware of the most recent matters relevant to the banking industry. For this purpose, the Bank encourages its board members to attend seminars and events where they can meet with local and international corporations and companies.

* Definition of an Independent Member:

An independent member is defined as one who was appointed in his personal capacity or as a representative of a corporation, and whose membership constitutes his only connection to the Bank. As such, such a member is unlikely to be influenced by external considerations. The minimum standards for an "independent" member include:

1. Has not been employed by the Bank for the preceding three years.
2. Not an immediate family member of a Bank director beyond the second degree.
3. Not receiving a salary or compensation from the Bank other than as a board member.
4. Not a board member or owner of a company with which the Bank does business, except deals as a regular customer and without favorable treatment.
5. Has not been a partner or employee of the external auditor for the preceding three years.
6. Is not a significant shareholder of the Bank or affiliated with one.

(4) Executive Committee

- The Executive Committee is formed by a decision of the board and is headed by the Bank's chairman. The committee meets periodically, at least four times annually, and whenever 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 and major policies related to the Bank's operations, such as the credit policy, investment policies, personnel affairs and the internal control policy. The committee also studies the Bank's annual strategy, strategic capital or investment projects – such as mergers and acquisitions, partnership, establishment, partial or comprehensive takeover of other corporations – and provides 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. Moreover, the committee discusses the bank's final financial statements and makes recommendations to the board concerning the bank's general organizational structure.
- The Executive Committee has authority for issues and amounts exceeding the authority mandated to the chairman and the executive management that fall within its authority. The committee also studies what exceeds its authority and submits its recommendations to the board to take appropriate decisions.

(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 frameworks, including risk limits acceptable by the Bank, prior to their approval by the board of directors. The executive management shall be responsible for the implementation of such strategies, as well as for the development of policies and procedures for the management of various risks.
- The Risk Management Committee shall keep abreast of the latest developments in risk management inside the Bank and shall 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 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/she had seen the code and any amendments, and agrees to them.

- The Bank's code of conduct/ethics has articulated the following points: unethical behavior, commitments, penalties, reporting violations, conflict of interest, gifts and deductions, relations with suppliers/providers, employment 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's policies, as approved by the board, are in conformity with applicable laws and regulations issued by the CBJ.

- Loans and facilities granted to board members, senior members of the Bank's executive management and employees are subject to the credit concentration instructions issued by the CBJ.
- 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 own interests first.
- Loans given to Bank employees from different 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's interests first.
- Loans and facilities granted to clients, employees, 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 involving VIP clients, whether 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) Hotline/Whistle Blowing

A set of arrangements has been designed to enable employees to privately report concerns about any potential violations, enabling the investigation and follow up of such concerns independently through the hotline/whistle blowing, assigned to the Bank's General Auditor. Such arrangements are 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 verify the implementation of internal policies and procedures and their efficiency.
- The Internal Audit Department reports to the Audit Committee in order to strengthen its independence. Administratively, the Audit Department is affiliated with the Bank's 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 best 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 the intensity of the audit. The plan includes all working centers in the Bank. Accordingly, human resources plans required for implementation are 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. The Internal Audit Department 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's 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 the Risk Management Department include:

- Analyzing all risk types (credit, market, liquidity and operational); developing methods to measure and monitor each risk type; providing information regarding risk measures and structures to the board and the Bank's senior executive management; and ensuring the availability of such information to be included in the bank's reports and statements.
- Preparing and submitting reports regarding exposure levels to the risk management committee and monitoring portfolio concentrations to ensure they are within the limits granted. And Providing the board and executive management with information regarding measuring risks and risk profiles.
- Coordinating with other departments at the Bank to provide information necessary for risk management, continuous study of risks related to Bank's activities, preparing recommendations, taking appropriate actions and following up on high risk matters.
- A network of authorized committees, such as the Credit Policies Committee and the 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 in other countries, where the Bank has branches and subsidiaries.
- The corporate governance and compliance function shall submit its reports and findings to the board's Corporate Governance Committee, and forward a copy to the general manger. As for the day-to-day operations, the corporate governance and compliance function reports to the general manager.
- The board shall approve and monitor the Bank's compliance policy. Preparing, developing and ensuring implementation of the compliance policy shall be the responsibility of the corporate governance and compliance function.
- With regards to anti-money laundering, the corporate governance and compliance function acts as the Bank's point of contact with the CBJ and the Anti-Money Laundering Unit. It also develops the necessary policies and procedures, designing Know Your Customer policies, monitoring transactions, investigating 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, nominates an external auditor to be elected by the general assembly, making sure that the nominated external auditor fulfils the requirements of supervisory bodies, namely: the CBJ and the Securities Commission. Also reviews and examines the external auditor report to ensure that necessary remedies are taken. The external auditor carries out his duties in conformity with the provisions of the Banking 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 the executive management, at least once yearly.

Eleventh : Equitable Treatment of Shareholders and Their Rights

- The structure of the Bank's shareholders is made up of governments, 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 shareholders' rights to place any matters on the agenda, provided that such placement is subject to the approval by not less than (10%) of the shares registered in the meeting.
- The Bank takes efficient steps to encourage shareholders to participate in the general assembly, as all shareholders are sent a copy of the annual report, invitations, the agenda of the meeting and all related information to 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 Banking Law and the instructions of the Securities Commission.
- The Bank follows up developments of international best practices (accounting standards as well as financial reporting and disclosure of financial statements) in the field of financial reporting, as well as disclosure and transparency – both 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 Bank's 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 elections results 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, as well as of the contents of the annual report. The bank shall be committed to maintain contact and information channels with 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, general performance and activities. This shall be included in the annual report and quarterly reports, which both provide financial information about the Bank and its financial position during the year.





DISCLOSURE STATEMENTS

Declarations of the Board of Directors

First Declaration

The Board of Directors of the HBTF declares its responsibility for the correctness, accuracy and completeness of the data and the financial statements stated in this annual report.

Second Declaration

The Board of Directors of the HBTF declares that there are no lingering problems that may affect the Bank's continuous effective performance during the next fiscal year 2012.

Third Declaration

The Board of Directors of the HBTF declares that the Bank's internal control and monitoring systems are efficient, as at end-December 2011.

Fourth Declaration

The Board of Directors of the HBTF declares its commitment to applying the most stringent internal control and monitoring systems in as far as financial reporting is concerned. Such systems shall be in conformity with applicable regulations, legislations, laws and international best practices.

Fifth Declaration

The Board of Directors of the HBTF 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	
SHK Ali Jassim Al - Thani	Vice Chairman	
Mr. Ali Ahmed Al-Kuwari	Board Member	
Mr. Abdulla Mubarak AlKhalifa	Board Member	
Mr. Yousef Mahmoud Al-Neama	Board Member	
Mr. Ali Rashid Al-Mohannadi	Board Member	
Mr. Mohammad Saad Al Munaifi	Board Member	
Mr. Humoud Jassim Al Falah	Board Member	
Mr. Mohamed Mohamed Ben Yousef	Board Member	
Mr. Thabet Isaa Elwir	Board Member	
Mr. Jehad Ali Al Share	Board Member	
Mr. Ahmed Said Al Mahrezi	Board Member	
Mr. Omar Zuheir Malhas	General Manager	
Mr. Khaled Al-Thahabi	Chief Financial Officer	

Description of the Bank's Main Activities

The HBTF provides versatile financial and banking services for the retail and corporate sectors through a network of branches distributed across Jordan and other countries in the region. The Bank carries out the bulk of its activities in Jordan, Palestine and Bahrain.

Size of Capital Investment

The authorized and paid-up capital of the Bank is JD252 million.

The Bank's Training Programs

Total training opportunities provided by the Bank in 2011 were equal to 2871. Moreover, the Bank held in 2011 a number of internal seminars specialized in the field of the banking industry, in which 912 employees took part. The Bank also provided opportunities for 50 employees to gain academic certificates, and 23 employees to obtain professional certificates.

Item	Number of Participants
Training programs held at the Bank's training center	2306
Training programs held in collaboration with specialized local training centers	541
Training courses in Arab and Foreign countries	24
Internal seminars	912
Academic certificates	50
Professional certificates in the fields of finance, accountancy, funding, computer, and compliance.	23
Total	3856

The most important courses held in 2011 were:

Item	Number of Participants
Administrative courses	89
Financial, accounting and audit courses	49
Credit courses	293
Behavioral skills and public relations courses	441
Operations, treasury and investment courses	1111
Personal computer courses	151
Total	2134

Number of Employees

In what follows is a table detailing the total number of employees at the HBTF Group and their qualifications as at end-December 2011.

Qualification	Branches inside and outside Jordan				Banks and Subsidiary Companies inside and outside Jordan						
	Jordan	Palestine	Bahrain		International Bank for Trade & Finance / Syria	The Housing Bank for Trade & Finance / Algeria	Jordan International Bank / London	Specialized Leasing Finance Co.	International Financial Center Co.	Jordan Real -Estate Investments & Commercial Services Co.	Representative Offices (Libya, Iraq, U.A.E)
Ph.D. degree	4	-	-	-	-	-	-	-	-	-	-
Masters degree	117	15	4	8	9	2	1	2	-	-	-
High diploma degree	6	1	-	-	11	-	-	-	-	1	-
Bachelors degree	1413	161	11	269	108	6	7	6	4	4	3
Diploma degree	388	17	3	107	64	2	2	4	17	2	2
General Secondary Certificate	89	46	4	63	26	15	6	4	413	3	3
Total	2017	240	22	447	218	25	16	16	435	8	8

In what follows is a table detailing the total number of the employees at the Bank's Jordan branches as of 2011. The table reveals that the total number of employees working in Jordan reached 2017 as at end-December 2011, of whom 940 worked at the head office.

Branch	Number	Branch	Number	Branch	Number	Branch	Number
Main Branch	39	Jubeiha	13	Deir Abi Saeed	6	Um Al Sumaq	11
Luweibdeh	8	Fuhais	8	Hakama	11	North Azraq	4
Al Madina	12	Salt	13	Huson	11	Masoum Sub.	8
Jabal Amman	10	Sweileh	11	Hiteen	7	Children	3
Jabal Al Hussein	14	Sahab	9	Aidoun	7	Wadi Saqra	7
Wehdat	14	Abu Alanda	11	Mashre'	5	Qaser	8
Marka	14	Juwaideh	9	Kufranjah	7	Al Hassan Industrial City	6
Qurish St.	13	Marj Al Hamam	11	Palestine St.	10	Rabiyah	10
Jabal Al Taj	8	Na'our	8	Karameh	3	Abdullah Ghoshe	13
Prince Hassan Sub.	12	Muaqqar	4	Oujan	8	Central Market	6
North Hashmi	11	Tla' Al Ali	10	Jaish St.	8	Quba Circle	11
Ras Al Ein	9	King Abdullah II City	7	Kraymeh	4	Zahran	11
Ashrafieh	9	Baqa'	9	Yarmouk	7	Madina Munawarah	14
Hawooz	8	Hurria St.	10	Aqaba	14	City Mall	12
Nuzha	10	Quaismeh	9	Tafeileh	9	Medical City St.	7
Sport's City	14	Bayader	14	Ma'an	9	Free Zone / Zarqa	6
Salam	8	Zarqa	15	Karak	11	Abdoun Park	7
Commercial Complex	17	Irbid	19	Potash	7	New Zarqa	8
Prince Moh'd St.	8	Ajloun	11	Petra	9	Dahyat Al-Yasmeen	8
Tareq	11	Mafraq	16	Shoubak	3	Mecca St.	11
Abu Nussair	8	Jarash	12	Mu'ta	10	Private Banking Services	7
Nazal Sub.	11	Madaba	13	Hasa	5	Call Center	21
Abdoun	13	Deir Alla	7	Jabal Al Shamali	8	Sweifieh	4
Park Plaza	20	Ghweirieh	8	Airport	8	Muqableen	3
Gardens	14	Russeifa	9	Dleel	8	Prince Nayef St.	4
Shmeisani	11	Ramtha	11	Ethaa'	8	Amman Customs	3
Qasr Shbeeb	11	North Shouna	7	Barha	9	Mudawrah	6
Um Othina	11	South Shouna	7	Sheidieh	3	North Border Crossing	4
Total							1077

As for the number of the employees working at the Bank's Palestine branches as at end-December 2011, the breakdown is as follows:

Branch	Number
Regional Management	61
Ramallah	24
Gaza	15
Nablus	22
Khaleel	22
Halhoul	12
Beir Zeit	11
Khan Younis	8
Jenin	17
Bethlehm	15
Yata	10
Tormosaya	11
Dahriyeh	12
Total	240

Looking at the number of employees working at the International Bank for Trade and Finance / Syria as at end-December 2011 reveals the following breakdown:

Branch	Number	Branch	Number	Branch	Number
Regional Management	188	Mezzeh	8	Dar'a	8
Hejaz	17	Tijarah	7	Hama	11
Pakistan	16	Fardous	7	Muhardeh	5
Dedeman	10	Zabadani	6	Hasakeh	7
Yarmouk	7	Homs	10	Latakia	16
Housh Plas	7	Tartus	11	Sweida	9
Duma	8	Faisal	12	Kamishli	6
Dummar Project	7	Sheraton	5	DerZor	7
Hareeka	9	Jmeleyeh	10	Masaken Barzeh	7
Jaramana	8	Sheikh Najjar	4	Total	447
Qas'a	7	Shahba Mall	7		

As for the number of employees working at the Housing Bank for Trade and Finance / Algeria as at end-December 2011, the breakdown is as follows:

Branch	Number
Regional Management	132
Dali Ibrahim	27
Blida	15
Oran	22
Setif	13
Ad dar al bayda'	9
Total	218

Subsidiaries' Business Nature / 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	73.1	49.1%
The Housing Bank for Trade & Finance / Algeria	Public Shareholding	Commercial banking activities	98.1	61.2%
Jordan International Bank / London	P.L.C	Commercial banking activities	39.3	68.6%
Specialized Leasing Finance Co.	Private Shareholding	Lease finance activities	20.0	100.0%
International Financial Center Co.	L. L.C.	Financial brokerage activities	5.0	77.5%
Jordan Real - Estate Investments & Commercial Services Co.	L. L.C.	Manage non – banking activities and services	0.04	100.0%

Board of Directors: Brief Resume (as on 31/12/2011)

H.E. Dr. Michel Marto

Title: Chairman

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, D.C. 1975-1977
- Advisor to HRH Prince El-Hassan Bin Talal , and Head of Economics Department at the Royal Scientific Society, 1971-1975
- Director, 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

Memberships 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: Board of Trustees/Yarmouk University
- Board Member: Association of Banks in Jordan
- Board Member: Jordan International Insurance Co.
- Board of Trustees: King Hussein Cancer Foundation
- Board Member: Al Hussein Fund for Excellence
- Board Member of The Economic and Social Council and chairman of the Economic Policy Committee

SHK Ali Jassim Al-Thani

Title: Vice Chairman

Date of Birth: 1/1/1960

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

Memberships in HBTF Board Committees

- Audit Committee

Memberships in other boards

- Chairman: Qatar Navigation Co.
- Board Member: Arab Maritime Co./Kuwait
- Board Member: Champs-Élysées/Paris
- Board Member: The International Bank for Trade & Finance/Syria

Mr. Ali Ahmed Al-Kuwari

Representative of Qatar National Bank

Title: Board Member

Date of Birth: 15/10/1961

Qualifications: Master of Science in Management Info. Systems, 1987

- Executive General Manager and Chief Business Officer/QNB

Memberships in HBTF Board Committees

- Nomination & Remuneration Committee

Memberships in other boards

- Member of MasterCard Worldwide Advisory Board for APMEA (Asia, Pacific, Middle East and Africa)
- Vice Chairman: Commercial Bank International/United Arab Emirates
- Vice Chairman and Executive Managing Director: QNB Capital (QNB Investment Banking Arm)
- Board Member: Qatar National Navigation Company
- Board Member: Halul Marine Services
- Board Member: Qatar International Holding/Luxembourg (Holding Company for QNB overseas subsidiaries)
- Board Member: Tunisia Qatar Bank/Tunisia
- Board Member: Qatar Exchange

Mr. Abdulla Mubarak AlKhalifa

Representative of Qatar National Bank

Title: Board Member

Date of Birth: 25/9/1973

Qualifications: B.Sc. Business Administration, 1995

- General Manager, Corporate Banking/QNB

Memberships in HBTF Board Committees

- Executive Committee

Memberships in other boards

- Board Member: QNB Capital (QNB Investment Banking Arm)
- Board Member: Kuwaiti-Qatari Real-Estate Projects Management Co.
- Member: World Economic Forum, Qatari Businessmen Association

Mr. Yousef Mahmoud Al-Neama

Representative of Qatar National Bank

Title: Board Member

Date of Birth: 5/1/1965

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

- Assistant General Manager, New Ventures/QNB

Memberships in HBTF Board Committees

- Audit Committee

Memberships in other boards

- Board Member: The International Bank for Trade & Finance/Syria
- Board Member: Libyan-Qatari Bank
- Board Member: Syrian Islamic Insurance Co.
- Board & Managing Director QNB/Syria

Mr. Ali Rashid Al-Mohannadi

Representative of Qatar National Bank

Title: Board Member

Date of Birth: 24/11/1972

Qualifications: B.Sc. Computer Science, 1996

- General Manager, Retail Banking/QNB

Memberships in HBTF Board Committees

- Risk Management Committee
- Corporate Governance Committee

Memberships in other boards: N.A.

Mr. Mohammad Saad Al Munaifi

Representative of Kuwait Real Estate Investment Consortium

Title: Board Member

Date of Birth: 17/7/1959

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

- Manager of New Enterprises and Projects Department (Acting)/Kuwait Investment Authority

Memberships in HBTF Board Committees

- Executive Committee
- Nomination & Remuneration Committee

Memberships in other boards

- Chairman: The Foundation Committee-Health Insurance Hospitals Co./Kuwait 2010
- Chairman: The Foundation Committee-Specialized Medical City in the south/Kuwait 2010
- Vice Chairman: The Foundation Committee-Industrial Border Areas Co./Kuwait 2010
- Board Member: Bred Street Real Estate Co./U.S.A 2002-2008
- Board Member: Electricity Link Commission for GCC countries/KSA 2006
- Board Member: The Housing Bank for Trade & Finance/Algeria 2008
- Board Member: St Martins Property Co./United Kingdom 2009-2011

Mr. Humoud Jassim Al Falah

Representative of Kuwait Real Estate Investment Consortium

Title: Board Member

Date of Birth: 15/6/1961

Qualifications: B.Sc. International Trade, 1987

- Senior Investment Officer/Kuwait Investment Authority

Memberships in HBTF Board Committees

- Audit Committee
- Corporate Governance Committee

Memberships in other boards: N.A.

Mr. Mohamed Mohamed Ben Yousef

Representative of Libyan Foreign Bank

Title: Board Member

Date of Birth: 5/12/1960

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

- General Manager: Libyan Foreign Bank, from 18/8/2010
- General Manager: Libyan-Qatari Bank, until 31/12/2010
- Arabic legal accountant and auditor 2004
- Libyan legal accountant and auditor 1993

Memberships in HBTF Board Committees

- Nomination & Remuneration Committee
- Audit Committee

Memberships in other boards

- Chairman: National Financial Leasing/Libya.
- Chairman: Libya Africa Portfolio for Technology.
- Board Member: Arab International Bank/Cairo.
- Board Member: Executive Committee - Arab International Bank/Cairo.
- Board Member: Suez Canal Bank/Cairo.
- Board Member: The Housing Bank for Trade & Finance/Algeria
- Member of the Follow-up Committee to lift the sanctions on Libya
- Chairman of General Meeting: Union of Arab Banks/Beirut, 2009.
- Board Member: Union of Arab Banks/Beirut, 2008-2010.
- Board Member: Audit Committee - Union of Arab Banks / Beirut, 2008-2010.
- Ex-Chairman: Leasing Law Project Committee/Libya.
- Chairman: North Africa Bank (National Banking Corporation)/Libya, until 14/4/2010.
- Ex-Chairman: Review and Risk Committee-Bank of Tropical Africa/Uganda.
- Ex-Chairman: Assets and Liabilities Committee-Bank of Tropical Africa/Uganda.
- Ex-Vice Chairman: Bank of Tropical Africa/Uganda.
- Ex-Vice Chairman: National Bank/Libya.
- Ex-Board Member: Libyan Financial Leasing Company
- Ex-Board Member: National Planning/Libya.
- Ex-Board Member: Libya Africa Portfolio.

Mr. Thabet Isaa Elwir

Representative of Social Security Corporation/Jordan

Title: Board Member

Date of Birth: 11/2/1957

Qualifications: B.Sc., Mechanized Agricultural 1980

Memberships in HBTF Board Committees

- Executive Committee
- Risk Management Committee

Memberships in other boards

- Chairman: North West Inves. Co. Ltd.
- Chairman: NMW (Sabeel) Co. Ltd.
- Chairman: Aqua Industrial & Investment Co. Ltd.
- Chairman: Jordan AMCO
- Vice Chairman: The American Chamber of Commerce in Jordan
- Board Member: King Abdullah II Design and Development Bureau (KADDB)
- Board Member: King Abdullah II Special Operation training Center (KASOTC)
- Board Member: Millennium Challenge Account – Jordan (MCA)
- Board Member: Zarqa Chamber of Industry
- Board Member: KADDB Investment Co. (KIG)
- Board Member: Jordan Light Vehicle Manufacturing (JLVM)

Mr. Jehad Ali Al Share

Representative of Social Security Corporation/Jordan

Title: Board Member

Date of Birth: 21/3/1958

Qualifications: Master, Economics 2003

- Research and Portfolio Support Department Manager-Social Security Investment Fund/Jordan

Memberships in HBTF Board Committees

- Corporate Governance Committee
- Audit Committee

Memberships in other boards

- Representative Of Social Security Corporation in many Jordanian companies

Mr. Ahmed Said Al Mahrezi

Representative of Ministry of Finance/Sultanate of Oman

Title: Board Member

Date of Birth: 23/11/1961

Qualifications: M.A. Law 2002

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

Memberships in HBTF Board Committees

- Risk Management Committee

Memberships in other boards

- Board Member: Dofar Bank
 - Board Member: International Hotel Management Co.
-

Mr. Mohyeddin ElAli

Title: 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

- Board Member: The Housing Bank for Trade and Finance/Algeria

Previous Memberships

- Board member: Union Bank for Saving and Investment (Board Member: Executive Committee, Chairman: Audit Committee), 1984–2007
- Vice Chairman and Board Member: United Arab Investors Co., 1994–2007
- Vice Chairman and Board Member: Union Investment Corporation, 1996–2007
- Board Member: International Bank for Trade and Finance/Syria, 2004–2009

Position of Each Board Member

Board Member	Date of Appointment	Body Represented	Classification	Percentage in the Bank Capital *
H.E. Dr. Michel Marto	8/4/2004	Himself	Executive Non- independent	0.123%
SHK Ali Jassim Al-Thani	5/5/1997	Himself	Non-Executive Independent	0.004%
Mr. Ali Ahmed Al-Kuwari	1/4/2011	Qatar National Bank	Non-Executive Non-Independent	34.481%
Mr. Abdulla Mubarak AlKhalifa	31/1/2008		Non-Executive Non-Independent	
Mr. Yousef Mahmoud Al-Neama	31/1/2008		Non-Executive Non-Independent	
Mr. Ali Rashid Al-Mohannadi	1/4/2011		Non-Executive Non-Independent	
Mr. Mohammad Saad Al Munaifi	2/4/2005		Kuwait Real Estate Investment Consortium	
Mr. Humoud Jassim Al Falah	5/4/2009	Non-Executive Non-Independent		
Mr. Mohamed Mohamed Ben Yousef	14/6/2007	Libyan Foreign Bank	Non-Executive Non-Independent	15.938%
Mr. Thabet Isaa 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 Said Al Mahrezi	2/4/2005	Ministry of Finance/ Sultanate of Oman	Non-Executive Independent	2.976%

* Share of the body represented by the member.

Number of Securities Owned by Board Members and Their Relatives

Board Member	Nationality	Number of securities owned by the member		Number of securities owned by wife and minor children	
		2010	2011	2010	2011
H.E. Dr. Michel Marto	Jordanian	310,000	310,000	-	-
SHK Ali Jassim Al-Thani	Qatari	10,000	10,000	-	-
Mr. Ali Ahmed Al-Kuwari	Qatari	-	-	-	-
Mr. Abdulla Mubarak AlKhalifa	Qatari	-	-	-	-
Mr. Yousef Mahmoud Al-Neama	Qatari	-	-	-	-
Mr. Ali Rashid Al-Mohannadi	Qatari	-	-	-	-
Mr. Mohammad Saad Al Munaifi	Kuwaiti	-	-	-	-
Mr. Humoud Jassim Al Falah	Kuwaiti	-	-	-	-
Mr. Mohamed Mohamed Ben Yousef	Libyan	-	-	-	-
Mr. Thabet Isaa Elwir	Jordanian	-	-	-	-
Mr. Jihad Ali Al Share	Jordanian	-	-	-	-
Mr. Ahmed Said Al Mahrezi	Omani	-	-	-	-

Companies Controlled by Board Members and Their Relatives

Board Member	Nationality	Companies controlled by the member		Companies controlled by wife and minor children	
		2010	2011	2010	2011
H.E. Dr. Michel Marto	Jordanian	-	-	-	-
SHK Ali Jassim Al-Thani	Qatari	-	-	-	-
Mr. Ali Ahmed Al-Kuwari	Qatari	-	-	-	-
Mr. Abdulla Mubarak AlKhalifa	Qatari	-	-	-	-
Mr. Yousef Mahmoud Al-Neama	Qatari	-	-	-	-
Mr. Ali Rashid Al-Mohannadi	Qatari	-	-	-	-
Mr. Mohammad Saad Al Munaifi	Kuwaiti	-	-	-	-
Mr. Humoud Jassim Al Falah	Kuwaiti	-	-	-	-
Mr. Mohamed Mohamed Ben Yousef	Libyan	-	-	-	-
Mr. Thabet Isaa Elwir	Jordanian	-	-	-	-
Mr. Jihad Ali Al Share	Jordanian	-	-	-	-
Mr. Ahmed Said Al Mahrezi	Omani	-	-	-	-

Board of Directors Committees

The Board has five committees, each with its own reference and powers. The Bank's Board of Directors held seven meetings in 2011, in the following chronological order: 27/1, 31/3, 28/4, 9/6, 28/7, 20/10, and 14/12. All board members attended the meetings.

Name of Committee	Current Members	Number of meetings
Executive Committee	H.E. Dr. Michel Marto Mr. Abdulla Mubarak Al Khalifa Mr. Mohammad Saad Al Munaifi Mr. Thabet Isaa Elwir	4
Audit Committee	SHK Ali Jassim Al-Thani Mr. Yousef Mahmoud Al-Neama Mr. Humoud Jassim Al Falah Mr. Mohamed Mohamed Ben Yousef Mr. Jehad Ali Al Share	5
Nomination and Remuneration Committee	Mr. Ali Ahmed Al-Kuwari Mr. Mohammad Saad Al Munaifi Mr. Mohamed Mohamed Ben Yousef	2
Risk Management Committee	H.E. Dr. Michel Marto Mr. Ali Rashid Al-Mohannadi Mr. Thabet Isaa Elwir Mr. Ahmed Said Al Mahrezi Mr. Omar Malhas	3
Corporate Governance Committee	H.E. Dr. Michel Marto Mr. Ali Rashid Al-Mohannadi Mr. Humoud Jassim Al Falah Mr. Jehad Ali Al Share Mr. Omar Malhas	-

Senior Executive Management: Brief Resume (as on 31/12/2011)

Mr. Omar Zuheir Malhas

Title: General Manager

Date of Birth: 30/3/1960

Date of Appointment: 1/8/2002

Qualifications: MBA International Banking and Finance, 1991

Mr. Malhas has more than 25 years banking experience. He started his career with the HBTF in 1985. In 1999, he became the deputy general manager of Doha Bank, and then worked for Alliance Capital Management, the Bahrain office (one of the world's largest investment managers). Mr. Malhas rejoined the HBTF in 2002 as Head of the Treasury and Investment Department. He became the Chief Banking Officer in March 2009 and was appointed General Manager in 2010.

Memberships in HBTF Board Committees:

- Risk Management Committee
- Corporate Governance Committee

Memberships in other boards:

- Vice Chairman: Specialized Leasing Co. (Jordan)
- Board Member: International Bank for Trade and Finance (Syria)
- Board Member: Jordan International Bank (UK)
- Board Member: International Financial Center Co. (Jordan)
- Board Member: King Abdullah II Design and Development Bureau / KADDB (Jordan)
- Board Member: The Investment Fund of the Social Security Corp. (Jordan)
- Board Member: Electricity Distribution Co. (Jordan)

Mr. Osama Al Haj Yahya

Title: Chief Operating Officer

Date of Birth: 22/11/1963

Date of Appointment: 11/8/1988

Qualifications: MA Financial & Banking Sciences, 1995

Professional Qualifications:

- Certification in Control and 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. Al Haj Yahya has worked, throughout the last two decades, with the HBTF 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.

Memberships in HBTF Board Committees: N.A.

Memberships in other boards:

- Board Member: Jordan Real Estate Enterprises Co.
- Board Member: Jordan Industrial Estates Corporation

Mr. Caesar Hani Qulajen

Title: Chief Banking Officer

Date of Birth: 22/8/1964

Date of Appointment: 2/11/2008

Qualifications: MBA – Corporate Finance, 1997

Before joining the HBTF, Mr. Qulajen 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 included mergers and acquisitions, capital structuring and restructuring, debt and equity financing, strategic partnerships and alliances with various industries' know-how providers.

Prior to Ebram, Qulajen 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 and 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 and Acquisitions, Sales and Divestitures (equity), Project Finance and Corporate Advisory. In addition, Qulajen was working with the Social Security Corporation (Jordan) as Treasury Officer and Liabilities Manager.

Memberships in HBTF Board Committees:

- N.A.

Memberships in other boards:

- Board Member: Jordan Pipes Manufacturing CO.
- Board Member: Executive Committee/Jordan International Bank (UK)

Mr. Kamal Hamdi Yaghmour

Title: Assistant General Manager for Retail Banking

Date of Birth: 10/6/1956

Date of Appointment: 25/6/1975

Qualifications: B.Sc. Accounting, 1984

Mr. Yaghmour has worked with the HBTF since 1975, and his experiences are mainly in the management of consumer banking services, as executive manager of branches and sales department, and the General Manager of the HBTF/Algeria.

Memberships in HBTF Board Committees:

- N.A.

Memberships in 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

Title: Assistant General Manager for Commercial Banking

Date of Birth: 26/2/1969

Date of Appointment: 4/11/2004

Qualifications: Diploma in Accounting, 1988

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

Memberships in HBTF Board Committees:

- N.A.

Memberships in other boards:

- Board Member: Specialized Leasing Co.
- Board Member: International Financial Center Co.
- Member: Jordan Europe Business Association/JEBA

Mr. Adel Ibrahim Assad

Title: Assistant General Manager for Credit

Date of Birth: 29/1/1967

Date of Appointment: 2/1/1994

Qualifications: MBA, Finance, 1993

Professional Qualifications:

- Certified Anti-Money laundering Specialist/CAMS 2004
- Certified Public Accountant/CPA 1998

Mr. Assad has started his career life at the HBTF Since the beginning of 1994, he has acquired diverse array of practical experience; including credit, risk, and financial analysis. He has been promoted throughout this period to hold Managerial positions, the Risk Manager, Head of SMEs, Executive Manager of Credit Review, and is presently the Assistant General Manager for Credit. It is noteworthy that in 2001 Mr. Assad earned the Fulbright Fellowship award at Jordan's level from Boston University in USA to study and obtain career development where he obtained high level training at Boston Federal Reserve Bank, World Bank, Security Exchange Commission and worked in Risk Management Dept. at Citizens Bank/USA. He also obtained training at many other recognized institutions.

Memberships in HBTF Board Committees:

- N.A.

Memberships in other boards:

- Board Member: Jordan Mortgage Refinance Company
- Board Member: Jordan Loan Guarantee Corporation

Mr. Riyadh Ali Taweel

Title: Assistant General Manager for Treasury

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. Taweel started his career as FX dealer with Treasury department, the HBTF in 1992 and assumed many important positions reflecting his distinguished experience and competency in internal audit and international investments. After working with other Jordanian and regional banks (Capital Bank/Jordan, and ABC/Bahrain), Mr. Taweel rejoined the Bank as Manager of International Investments Center, until being appointed Assistant General Manager for Treasury.

Memberships in HBTF Board Committees: N.A.

Memberships in other boards:

- Board Member: ALDaman Investments Co.

Mr. Khaled Mahmoud Al-Thahabi

Title: Chief Financial Officer

Date of Birth: 20/6/1963

Date of Appointment: 3/8/1985

Qualifications: B.Sc. Accounting, 1985

Professional Qualifications: CPA, 1995

Mr. Al-Thahabi has extensive and versatile experiences in the fields of accounting, tax, financial management, financial planning, as well as development of accounting policies, procedures, and systems.

Memberships in HBTF Board Committees: N.A.

Memberships in other boards: N.A.

Dr. Mohammad Abdul Fattah Turki

Title: 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 20 years, with intensive experience in the 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, having successfully obtained his Ph.D. degree in Financing.

Memberships in HBTF Board Committees: N.A.

Memberships in other boards: N.A.

Mr. Issam Fouad Hudroj

Title: Executive Manager/Human Resources Department

Date of Birth: 8/5/1973

Date of Appointment: 14/4/1994

Qualifications: MBA Banking and Finance, 2005

Professional Qualifications:

- CPA, 1997
- Professional in Human Resources Management (PHR), 2008

Mr. Hudroj joined the HBTF 17 years ago as L/C officer. His commitment to training and 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 department, then as a Manager of Consultations Services at the Corporate and Investment Banking Group, until he became Executive Manager for Human Resources Department.

Memberships in HBTF Board Committees:

- N.A.

Memberships in other boards:

- Chairman: Jordan Real-Estate Investments and Commercial Services

Mr. Mahmoud Mohammad Al-Adgham

Title: Executive Manager/Risk Department "Acting"

Date of Birth: 12/9/1969

Date of Appointment: 1/11/2010

Qualifications: B.Sc. Accounting, 1992

Professional Qualifications: Certified Internal Auditor, CIA 2005, the Institute of Internal Auditors (the IIA/USA).

Mr Al-Adgham began his practical since the beginning of 1993 as an estimator tax in Income Tax Department for two years. He also has 16 years of banking experience in internal auditing at various local and non-local banks. In 1995 he started his professional career at the HBTF as Chief Auditor for Credit and Risk. In 2006 he worked as Audit Manager for Credit and Risk at both the Doha Bank and the Jordan Kuwait Bank. In 2007 he joined the Arab Bank-Syria as Chief Audit Executive for over 3 years. In 2010 Mr Al-Adgham returned to the HBTF, and assuming the role of the Acting Executive Manager/Risk Department.

Memberships in HBTF Board Committees:

- N.A.

Memberships in other boards:

- N.A.

Mr. Ra'ad Ahmed Abu Al-Sa'ad

Title: Executive Manager/IT Department

Date of Birth: 29/3/1965

Date of Appointment: 11/11/2007

Qualifications: MBA, 2006

Mr. Abu Al-Sa'ad has extensive experiences in the Information Technology and Management fields, as he worked with many reputable local and regional institutions, companies and banks such as: the 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 as well as management.

Memberships in HBTF Board Committees:

- N.A.

Memberships in other boards:

- N.A.

Mr. Ahmed Rateb Al-Juneidi

Title: Chief Legal Officer

Date of Birth: 14/9/1970

Date of Appointment: 1/6/2011

Qualifications: LLM, International Business Law, 1994

Mr. Al-Juneidi has a wide range of legal experience in various fields, particularly in the areas related to commercial, banking and corporate transactions. He started his professional career as a lawyer in 1994 where he worked at local law office. During the period of 1995-1997, Mr. AL- Juneidi worked as a lawyer for the HBTF. Thereafter, he moved to the U.A.E. where he worked as the Legal Manager for a local company named "Independent Enterprises Companies Representations" during the period of 1998-2002. After that, he joined Al-Ghurair Group of Companies where he was the Group Vice President- Legal for the period of 2002 till 2011, and in June 2011 he rejoined the HBTF as Chief Legal Officer.

Memberships in HBTF Board Committees:

- N.A.

Memberships in other boards:

- N.A.

Number of Securities Owned by Senior Executive Management and Their Relatives

Executive Member	Nationality	Title	Number of Securities owned by the member		Number of Securities owned by wife and minor children	
			2010	2011	2010	2011
Mr. Omar Malhas - His son Faisal Omar Malhas	Jordanian Jordanian	General Manager	10,000	10,000	215	215
Mr. Osama Al Haj Yahya	Jordanian	Chief Operating Officer	-	-	-	-
Mr. Caesar Qulajen	Jordanian	Chief Banking Officer	-	-	-	-
Mr. Kamal Yaghmour	Jordanian	Assistant General Manager for Retail Banking	-	-	-	-
Mr. Mohammed Ibrahim	Jordanian	Assistant General Manager for Commercial Banking	-	-	-	-
Mr. Adel Asaad	Jordanian	Assistant General Manager for Credit	-	-	-	-
Mr. Riyad Taweel	Jordanian	Assistant General Manager for Treasury	-	-	-	-
Mr. Khaled Al-Thahabi	Jordanian	Chief Financial Officer	2,000	2,000	-	-
Dr. Mohammad Turki	Jordanian	General Auditor	-	-	-	-
Mr. Issam Hudroj	Jordanian	Executive Manager / Human Resources Department	-	-	-	-
Mr. Mahmoud Al-Adgham	Jordanian	Executive Manager / Risk Department "Acting"	-	-	-	-
Mr. Ra'ad Abu Al-Sa'ad	Jordanian	Executive Manager / IT Department	-	-	-	-
Mr. Ahmed Rateb Al-Juneidi	Jordanian	Chief Legal Officer	-	-	-	-
Mr. Mohyeddin ElAli - His wife Husnia Zaki Al-Zeyoud	Jordanian Jordanian	Board Secretary	43,500	43,500	132,500	132,500

Companies Controlled by Senior Executive Management and Their Relatives

Executive Member	Nationality	Title	Companies controlled by the member		Companies controlled by wife and minor children	
			2010	2011	2010	2011
Mr. Omar Malhas	Jordanian	General Manager	-	-	-	-
Mr. Osama Al Haj Yahya	Jordanian	Chief Operating Officer	-	-	-	-
Mr. Caesar Qulajen	Jordanian	Chief Banking Officer	Canadian Coffee Services Company	Canadian Coffee Services Company	-	-
Mr. Kamal Yaghmour	Jordanian	Assistant General Manager for Retail Banking	Furat Plastic Industries Co.	Furat Plastic Industries Co.	-	-
Mr. Mohammed Ibrahim	Jordanian	Assistant General Manager for Commercial Banking	-	-	-	-
Mr. Adel Asaad	Jordanian	Assistant General Manager for Credit	-	-	-	-
Mr. Riyad Taweel	Jordanian	Assistant General Manager for Treasury	-	-	-	-
Mr. Khaled Al-Thahabi	Jordanian	Chief Financial Officer	-	-	-	-
Dr. Mohammad Turki	Jordanian	General Auditor	-	-	-	-
Mr. Issam Hudroj	Jordanian	Executive Manager / Human Resources Department	-	-	-	-
Mr. Mahmoud Al-Adgham	Jordanian	Executive Manager / Risk Department "Acting"	-	-	-	-
Mr. Ra'ad Abu Al-Sa'ad	Jordanian	Executive Manager / IT Department	-	-	-	-
Mr. Ahmed Rateb Al-Juneidi	Jordanian	Chief Legal Officer	-	-	-	-
Mr. Mohyeddin ElAli	Jordanian	Board Secretary	-	-	-	-

Remunerations Policy: Brief

The HBTF applies and implements an incentive-based remuneration policy, which appropriates about 5% of the Bank's after-tax profits for this purpose. Such profits are distributed among the Bank's employees according to a special plan linking performance with pay.

Board Remunerations and Benefits in 2011:

Salaries, remunerations, board committee memberships and transportation allowances paid to the Chairman, the board members and to the executives management in 2011 amounted to JD3,771,372 (excluding performance incentives and bounces).

Each board member receives a total of JD5000 per year as board membership allowance, in addition to allowances in lieu of travel, transportation and board committees membership.

(JD)

Board Member	Title	Transportation allowances, committees membership and remunerations
H.E. Dr. Michel Marto	Chairman	120,000
SHK Ali Jassim Al - Thani	Vice Chairman	160,000
Qatar National Bank represented by:		
Mr. Ali Ahmed Al-Kuwari*	Board Member	65,000
Mr. Abdulla Mubarak AlKhalifa	Board Member	155,000
Mr. Yousef Mahmoud Al-Neama	Board Member	150,000
Mr. Ali Rashid Al-Mohannadi*	Board Member	70,000
Kuwait Real Estate Investment Consortium represented by:		
Mr. Mohammad Saad Al Munaifi	Board Member	155,000
Mr. Humoud Jassim Al Falah	Board Member	160,000
Libyan Foreign Bank represented by**:		
Mr. Mohamed Mohamed Ben Yousef	Board Member	155,000
Social Security Corporation/Jordan represented by:		
Mr. Thabet Isaa Elwir	Board Member	155,000
Mr. Jehad Ali Al Share	Board Member	160,000
Ministry of Finance/Sultanate of Oman represented by:		
Mr. Ahmed Said Al Mahrezi	Board Member	130,000

* Mr. Ali Al-Kuwari and Mr. Ali Al-Mohannadi were named as members of the board of directors on 1/4/2011 succeeding Mr. Mohamed Al-Khulaifi and Mr. Ali Darwish who were paid JD60000 and JD65000, respectively, for transportation allowances, committee membership and remunerations.

** The board membership of Mr. Mokhtar Ghenas was terminated on 1/9/2011 and he was paid JD100000 for transportation allowances, committee membership and remunerations.

Senior Executive Management Salaries and benefits in 2011

(JD)

Name	Title	Salaries and transportation allowances
H.E. Dr. Michel Marto	Chairman	408,744
Mr. Omar Malhas	General Manager	337,017
Mr. Osama Al Haj Yahya	Chief Operating Officer	147,168
Mr. Caesar Qulajen	Chief Banking Officer	158,256
Mr. Kamal Yaghmour	Assistant General Manager for Retail Banking	139,144
Mr. Mohammed Ibrahim	Assistant General Manager for Commercial Banking	127,293
Mr. Adel Asaad	Assistant General Manager for Credit	85,561
Mr. Riyad Taweel	Assistant General Manager for Treasury	105,749
Mr. Khaled Al-Thahabi	Chief Financial Officer	94,904
Dr. Mohammad Turki	General Auditor	73,529
Mr. Issam Hudroj	Executive Manager / Human Resources Department	80,542
Mr. Mahmoud Al-Adgham	Executive Manager / Risk Department "Acting"	45,190
Mr. Ra'ad Abu Al-Sa'ad	Executive Manager / IT Department	88,807
Mr. Ahmed Rateb Al-Juneidi	Chief Legal Officer	60,400
Mr. Mohyeddin ElAli	Board Secretary	168,067

The Bank's competitive Position and Market Share

Domestic Market Share in 2011

Item	Market share
Assets	15.1%
Customers' Deposits	15.9%
Loans and Credit Facilities	11.9%

Major Shareholders (5% or more)

Shareholder	Number of Shares as at end of 2010	(%) of Capital	Number of Shares as at end of 2011	(%) of Capital
Qatar National Bank	86,755,160	34.4%	86,892,662	34.5%
Kuwait Real Estate Investment Consortium	46,904,045	18.6%	46,904,045	18.6%
Libyan Foreign Bank	40,095,639	15.9%	40,163,375	15.9%
Social Security Corporation/Jordan	38,780,231	15.4%	38,780,231	15.4%
Total	212,535,075	84.3%	212,740,313	84.4%

- Number of Jordanian Shareholders is 3023 holding a stake of 20% of Capital.
- Number of Arab & Foreign Shareholders is 501 holding a stake of 80% of Capital.

Shareholders Categories Breakdown as of 31/12/2011

Shareholders Categories	Number of Shareholders	Total Number of Shares	(%) of capital
1 - 1,000	2,351	722,977	0.3%
1,001 - 10,000	961	2,869,527	1.1%
10,001 - 100,000	173	4,534,492	1.8%
100,001 - 1,000,000	30	8,541,429	3.4%
1,000,001 - 10,000,000	4	12,025,655	4.8%
More than ten million shares	5	223,305,920	88.6%
Total	3,524	252,000,000	100%

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 exceeded 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 list of any patents or licensing rights

Neither the HBTF nor any of its products enjoy any government protection or privileges. The Bank has not gained any patents or intellectual property 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 have had any impact on the Bank, its products or competitiveness.

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 46 in the 2011 Financial Statements.

The Bank's accomplishments supported by figures, and description of significant occurrences in 2011

Such accomplishments have been set out in the analysis of the Bank's financial performance.

The financial impact of non-recurrent transactions during 2011, 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

set out in the analysis of the Bank's financial performance.

Analysis of the Bank's financial position and the results of its operations for the fiscal year 2011

set out in the analysis of the Bank's financial performance.

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

Set out in the Bank's future plan for 2012.

Auditor's Fees, 2011

(JD)

Item	Audit Fees	Consultations and Other Fees	Total
Jordan Branches	81,200	23,200	104,400
Palestine Branches	18,893	4,866	23,759
Bahrain Branch	25,000	-	25,000
International Bank for Trade and Finance/Syria	52,750	-	52,750
The Housing Bank for Trade and Finance/Algeria	69,842	-	69,842
Jordan International Bank/London	150,810	10,396	161,206
Specialized Leasing Finance Co.	3,480	-	3,480
International Financial Center Co.	3,480	-	3,480
Jordan Real Estate Investments and Commercial Services Co.	1,740	-	1,740
Total	407,195	38,462	445,657

Donations and Grants in 2011

As one of the largest banks in Jordan, the HBTF takes its responsibility as a corporate citizen very seriously by supporting socially- and scientifically-meaningful projects and contributing actively to those in need. The most important recipients of the HBTF donations and grants during 2011 included: the Jordan River Institution, the King Hussein Cancer Center, the Jordanian Hashemite Fund for Human Development, the Arab Thought Forum, the Haya Cultural Center, the Royal Society for the Conservation of Nature, the Jordanian Association for the Protection of Road Accidents, the Jordan Cancer Society, the Mabarrat Um Al Hussein, just to name a few. It is worth mentioning that cash donations provided by the Bank in 2011 amounted to JD331,600 while in-kind donations reached JD71,400.

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 group or their relatives

As set out in Note 44 in the Financial Statement for 2011, the Bank has been engaged in transactions with major shareholders, members of the board of directors and 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 29

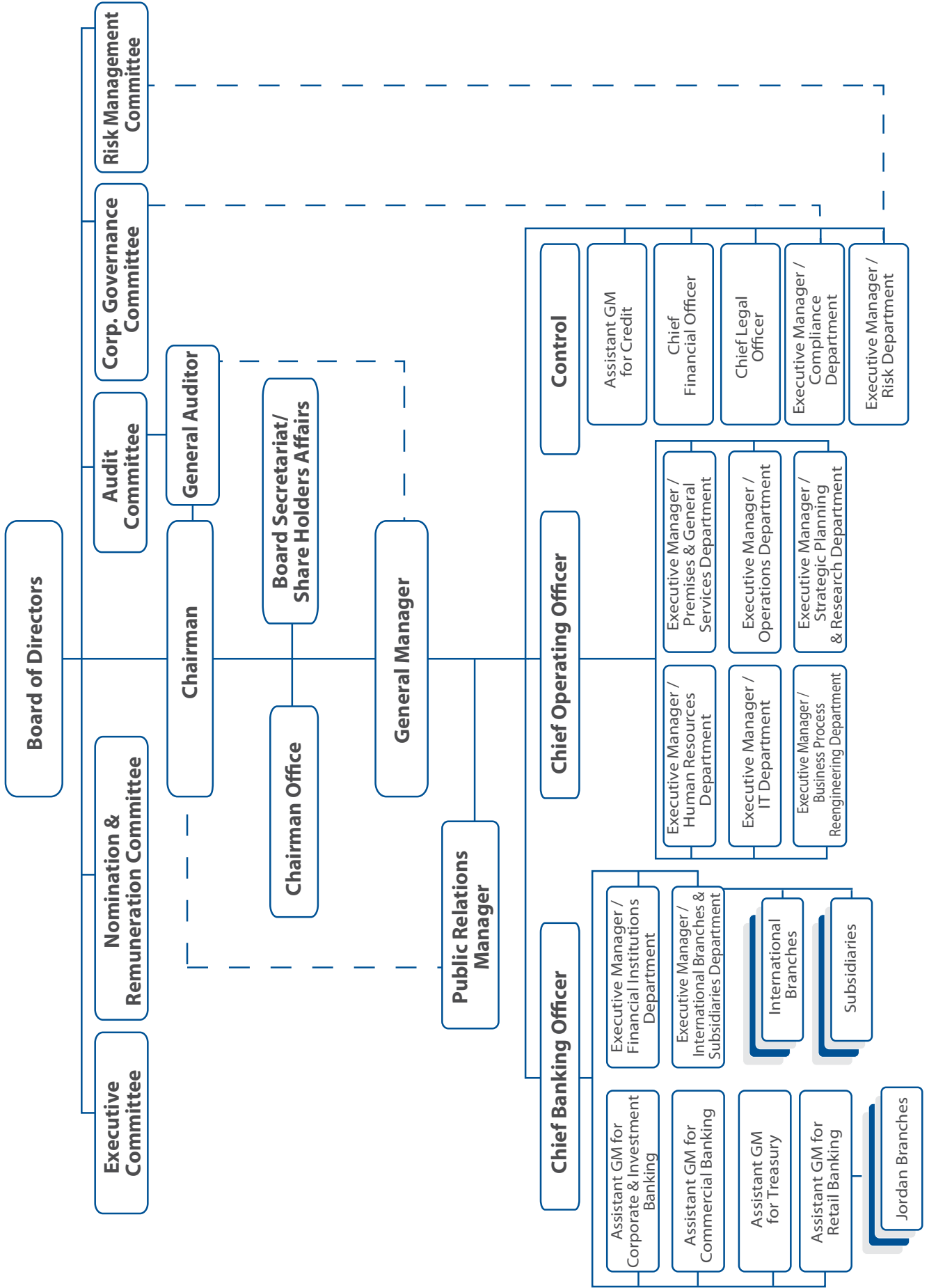
Compliance with Corporate Governance Code

Though in recent years, the board of directors of the HBTF has adhered to best practices in corporate governance (internally known as the Bank's Corporate Governance Code), in fulfillment of the requirements of the CBJ and the Securities Commission on the one hand, and its responsibilities towards the shareholders on the other, the Bank has so far failed to meet two of the Code's provisions:

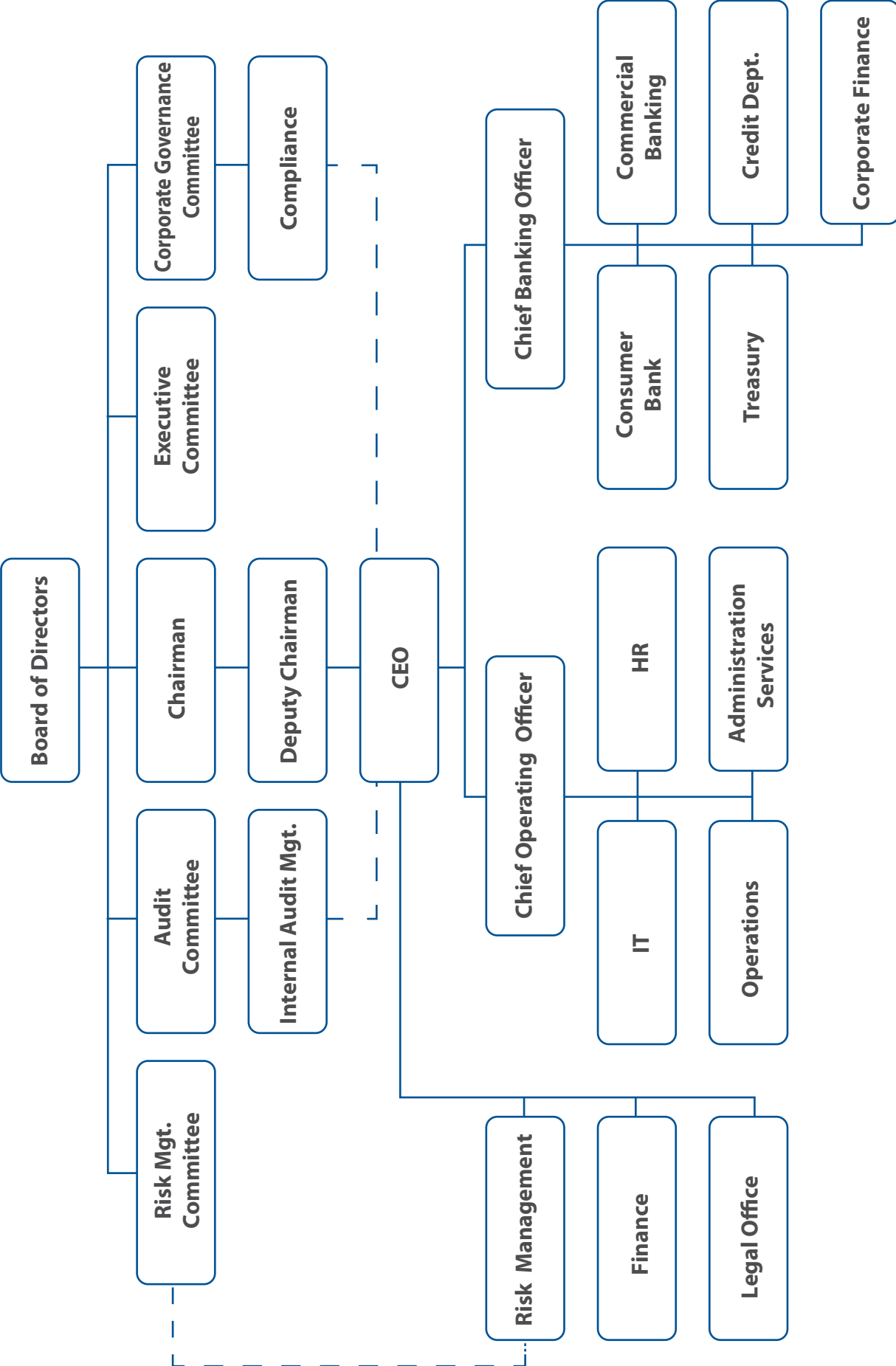
- Number of independent members in the board of director; and
- Number of independent members in the Audit Committee as well as the Nomination and Remuneration Committee

This is due to the current structure of the Bank's share capital, as six shareholders having judicial public personalities hold 230,805,920 shares, equal to 91.6% of the share capital. Pursuant to 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 and when their shareholding qualifies them for one board membership or more.

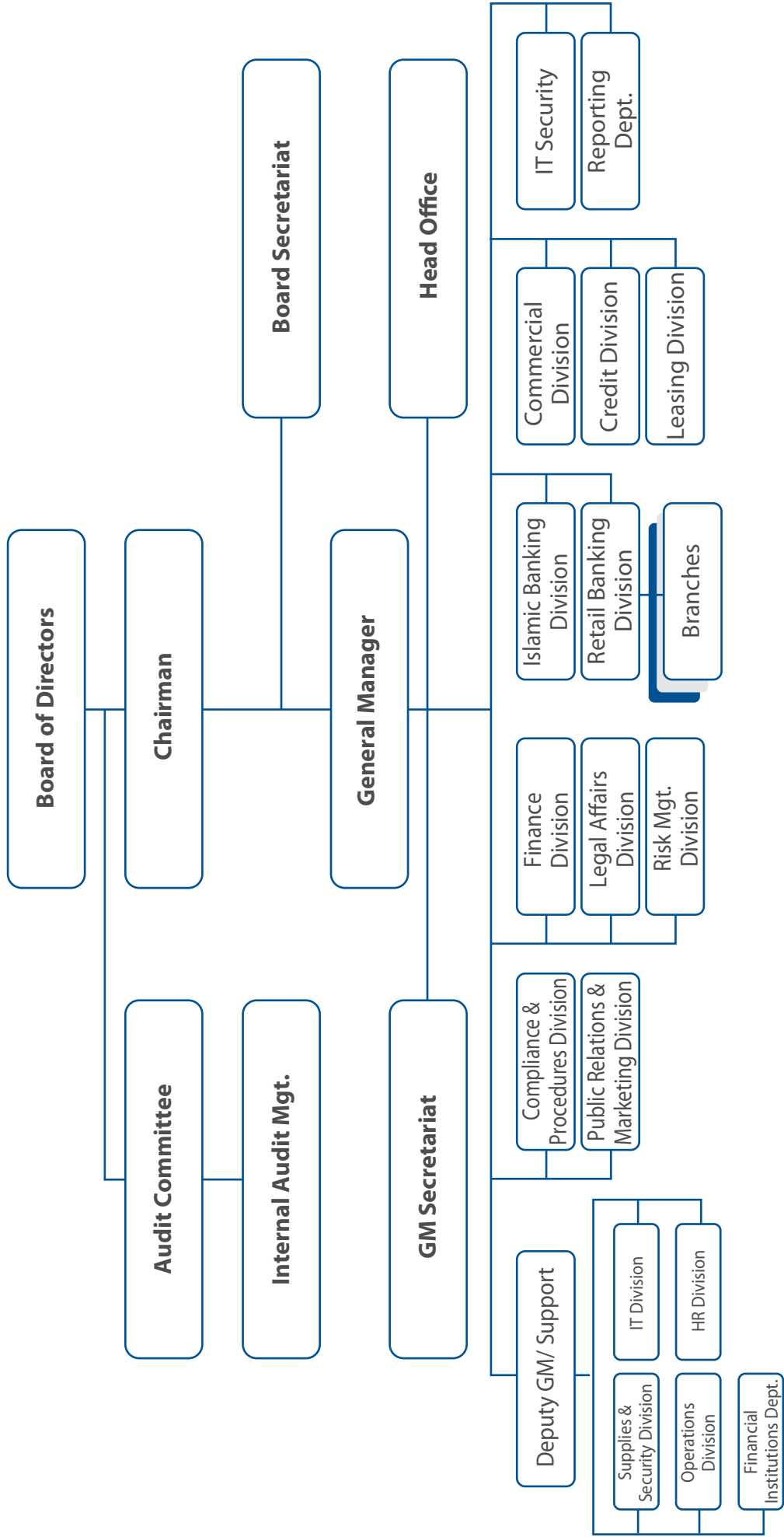
Organizational Chart / The Housing Bank for Trade & Finance



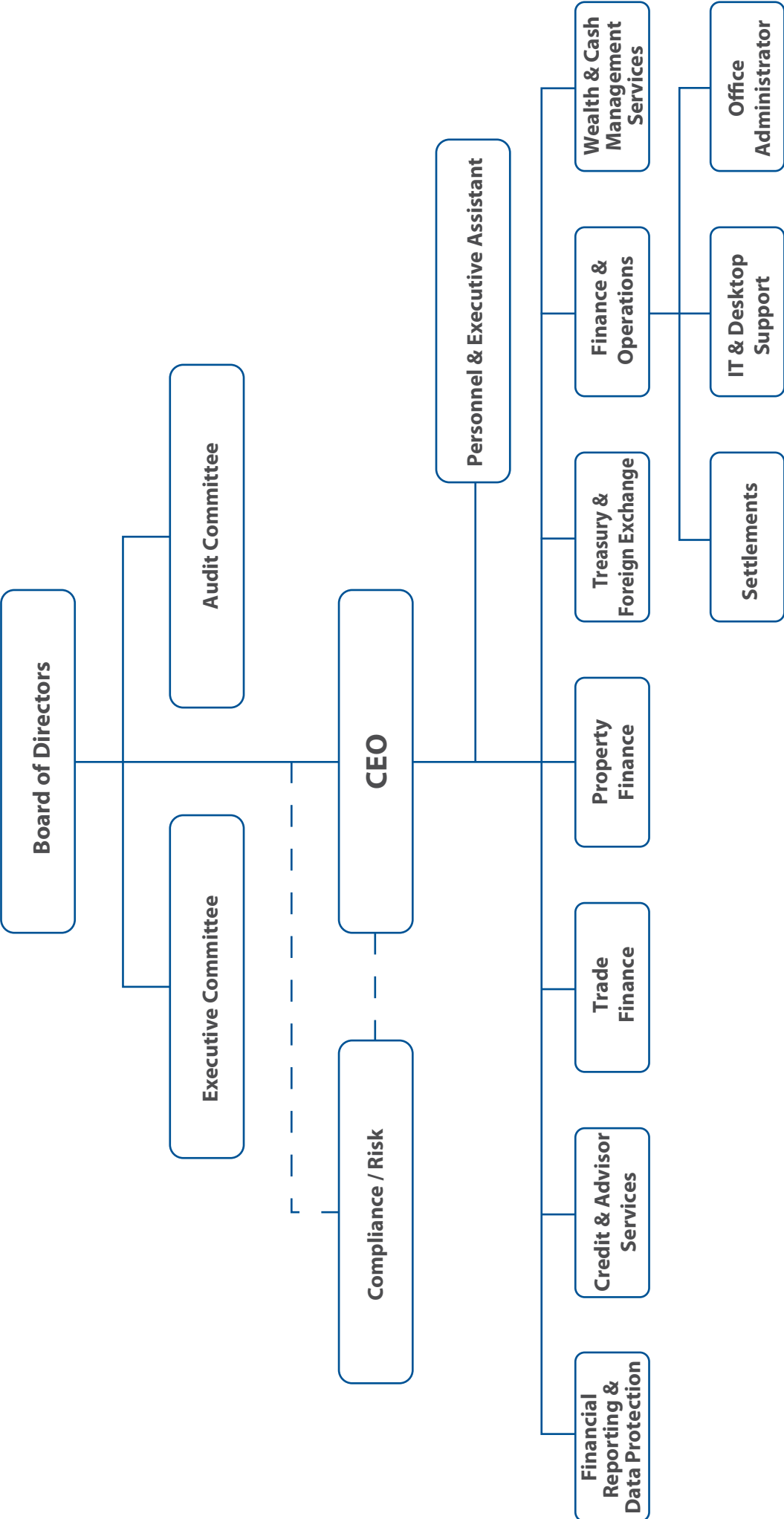
Organizational Chart / International Bank for Trade & Finance – Syria



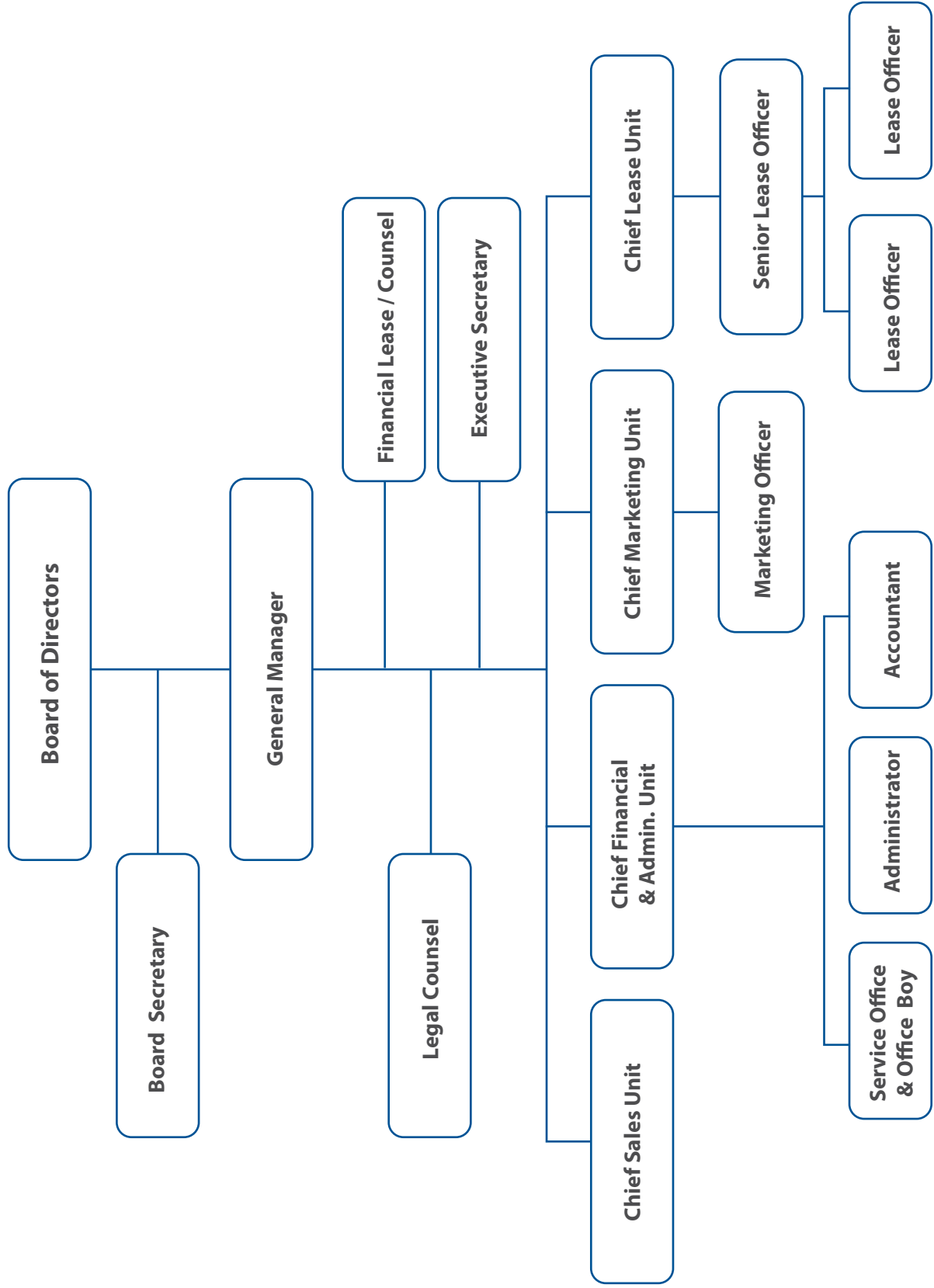
Organizational Chart / The Housing Bank for Trade & Finance – Algeria



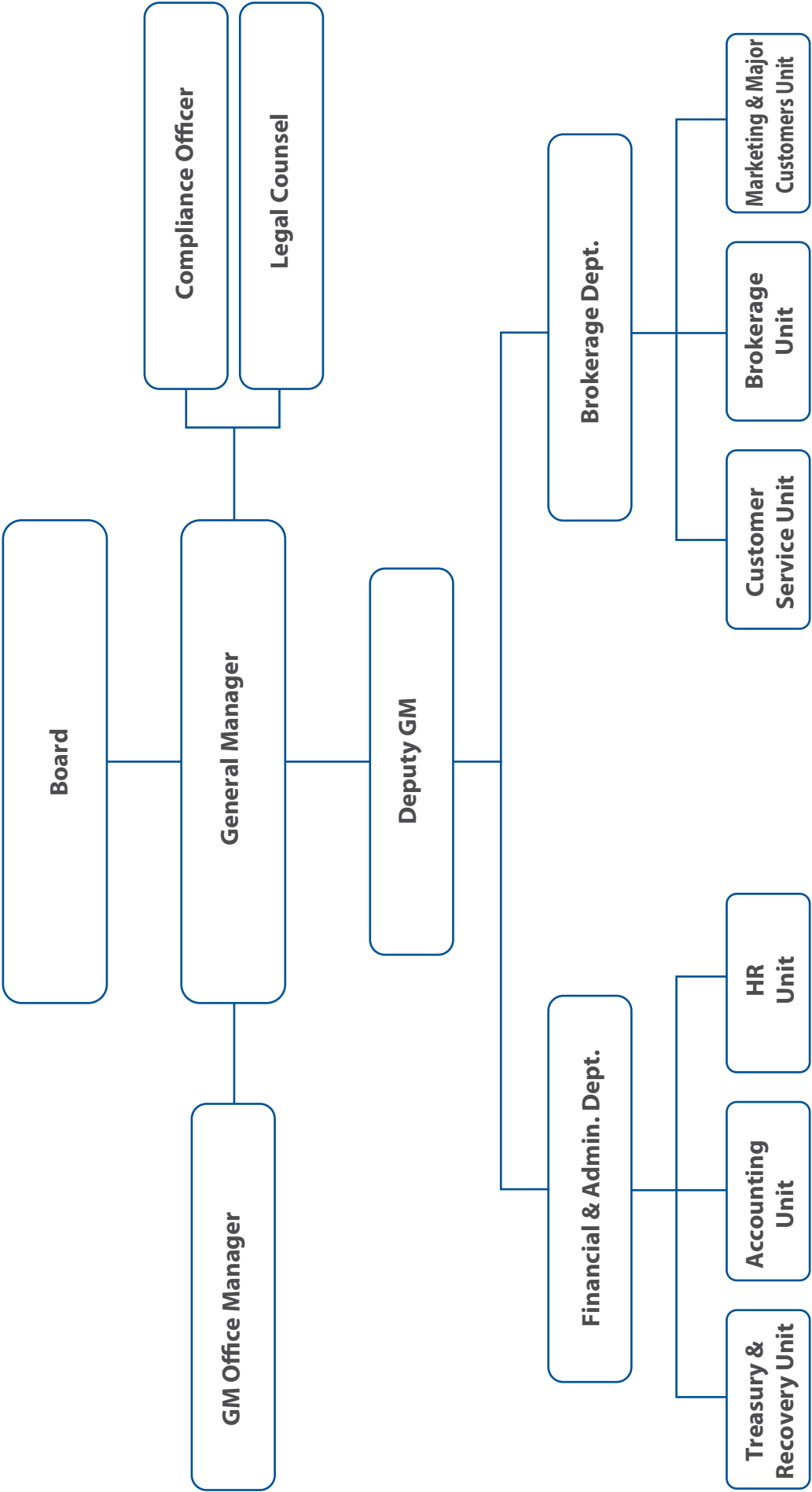
Organizational Chart / Jordan International Bank – London



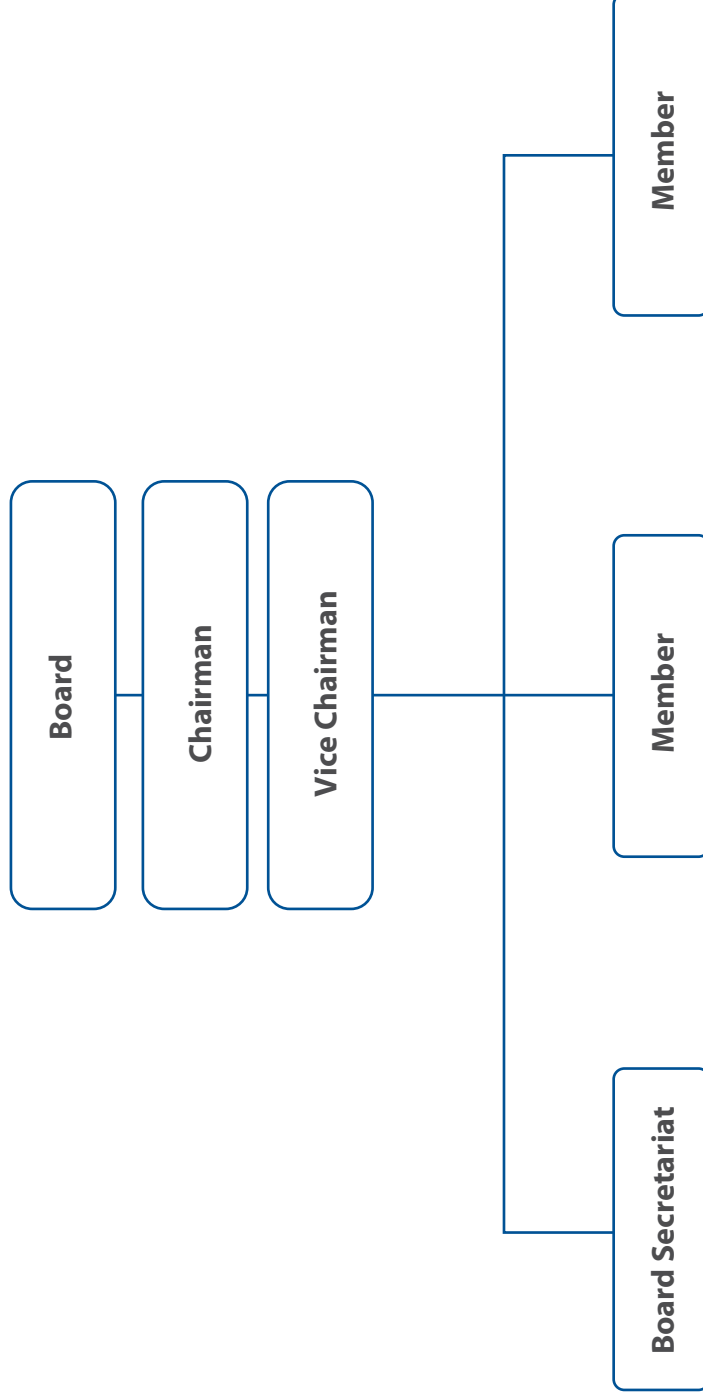
Organizational Chart / Specialized Leasing Co.



Organizational Chart / International Financial Center



Organizational Chart / Jordan Real Estate Investments and Commercial Services Co.



The Housing Bank for Trade & Finance Branches – Jordan

Branch	Phone	Address	Coordinates		E-mail
			Latitude	Longitude	
Main Branch	06-5005555	Amman, Abdali, Parliament St.	31.96103	35.91165	br001@hbtf.com.jo
Luweibdeh	06-5663736	Amman, Abdali, Sulayman Al-Nablsi St., Building No. 183	31.96056	35.91536	br002@hbtf.com.jo
Al Madina	06-4637188	Amman, King Hussein St., Building No. 33	31.95382	35.93195	br003@hbtf.com.jo
Jabal Amman	06-5005555 Ext. 4064	Amman, Jabal Amman, Prince Moh'd St., Building No. 252	31.95472	35.91380	br004@hbtf.com.jo
Jabal Al Hussein	06-4654697	Amman, Jabal Al Hussein, Khaled Bin Al Waleed St., Building No. 121	31.96462	35.92163	br005@hbtf.com.jo
Wehdat	06-4778620	Amman, Wehdat, Prince Hassan St., Building No. 263	31.92592	35.93813	br006@hbtf.com.jo
Marka	06-4893611	Amman, Marka, King Abdullah St., Building No. 423	31.97965	35.98427	br007@hbtf.com.jo
Qurish St.	06-4656504	Amman, Quraish St., Building No. 45	31.94665	35.93279	br008@hbtf.com.jo
Jabal Al Taj	06-4753922	Amman, Jabal Al Taj, Al Taj St., Building No. 76	31.95282	35.95528	br009@hbtf.com.jo
Prince Hassan Sub.	06-5005555 Ext. 4130	Amman, Jabal Al Nasr, Al Nasr St., Building No. 1	31.96048	35.96710	br010@hbtf.com.jo
North Hashmi	06-4919541	Amman, North Hashmi, Prince Rashed St., Building No. 105	31.96888	35.95991	br011@hbtf.com.jo
Ras Al Ein	06 – 5005555 Ext. 4143	Amman, Ras Al Ain, Al Quds St., Building No. 10	31.94335	35.92226	br012@hbtf.com.jo
Ashrafieh	06-4753957	Amman, Ashrafieh, Imam Al Shafe' St., Building No. 52	31.93715	35.93356	br013@hbtf.com.jo
Hawooz	06-5005555 Ext. 4160	Amman, Jabal Amman, Omar Bin Al Khattab St., Building No. 104	31.94829	35.92220	br014@hbtf.com.jo
Nuzha	06-5005555 Ext. 4039	Amman, Nuzha, Said ibn Al- Musayyib St., Building No. 28	31.97419	35.92624	br015@hbtf.com.jo
Sport's City	06-5005555 Ext. 4169	Amman, Sport's City, Al Shaheed St., Building No. 35	31.98749	35.90217	br016@hbtf.com.jo

The Housing Bank for Trade & Finance Branches – Jordan

Branch	Phone	Address	Coordinates		E-mail
			Latitude	Longitude	
Salam	06-4622168	Amman, Jabal Luweibdeh, Shari'a College St., Building No. 8	31.95699	35.92137	br017@hbtf.com.jo
Commercial Complex	06-5005555 Ext. 2372	Amman, Shmeisani, Queen Noor St.	31.97083	35.90711	br018@hbtf.com.jo
Prince Moh'd St.	06-5005555	Amman, 9th Sha'ban St., Tala't Al Hayek	31.95168	35.92780	br019@hbtf.com.jo
Tareq	06-5005555 Ext. 4187	Amman, Tareq, Tareq St., Building No. 83	31.99933	35.94442	br020@hbtf.com.jo
Abu Nussair	06-5005555 Ext. 4194	Amman, Abu Nussair, Alarab St.	32.05075	35.88336	br023@hbtf.com.jo
Nazal Sub.	06-4396962	Amman, Nazal Sub., Banu Thaqif St., Building No. 6	31.93614	35.91569	br024@hbtf.com.jo
Abdoun	06-5005555 Ext. 4211	Amman, Abdoun, Cairo St., Building No. 100	31.95356	35.87937	br025@hbtf.com.jo
Park Plaza	06-5005555 Ext. 2884	Amman, Sweifeh, Salah Shemat St., Park Plaza Mall	31.95851	35.86907	br026@hbtf.com.jo
Gardens	06-5005555 Ext. 4233	Amman, Tla' Al Ali, Wasfi Al Tall St., Building No. 18	31.98398	35.89000	br027@hbtf.com.jo
Shmeisani	06-5005555 Ext. 4246	Amman, Shmeisani, Abdul Hameed Shoman St., Building No. 18	31.96803	35.89784	br028@hbtf.com.jo
Qasr Shbeeb	06-5005555 Ext. 4255	Zarqa, King Hussein St., Housing Bank Complex, Building No. 96	32.06366	36.08439	br029@hbtf.com.jo
Um Othina	06-5005555 Ext. 4274	Amman, Um Othina, Sa'ad Ibn Abi Waqas St., Building No. 47	31.96794	35.87724	br030@hbtf.com.jo
Jubeiha	06-5005555 Ext. 4284	Amman, Jubeiha, Abdullah Ali Lozi St., Building No. 31	32.02273	35.86558	br031@hbtf.com.jo
Fuhais	06-5005555 Ext. 4294	Fuhais, Al-alali, King Abdullah II St.	32.00183	35.77698	br032@hbtf.com.jo
Salt	05 - 3555101	Salt, Al Maydan St.	32.03933	35.72857	br033@hbtf.com.jo

The Housing Bank for Trade & Finance Branches – Jordan

Branch	Phone	Address	Coordinates		E-mail
			Latitude	Longitude	
Sweileh	06-5005555 Ext. 4305	Amman, Sweileh, Princess Raya Bint Al Hussein St., Building No. 26	32.02336	35.84156	br034@hbtf.com.jo
Sahab	06-5005555 Ext. 4320	Amman, Sahab, Prince Hassan St.	31.87155	36.00453	br035@hbtf.com.jo
Abu Alanda	06-5005555 Ext. 4334	Amman, Abu Alanda, Ibrahim Rashed Al-hunaiti St., Building No. 32	31.90248	35.96082	br038@hbtf.com.jo
Juwaideh	06-5005555 Ext. 4030	Amman, Al Juwaideh, Madaba St., Al-waleed Building	31.87917	35.93285	br039@hbtf.com.jo
Marj Al Hamam	06-571 2051	Amman, Marj Al Hamam, Nueran St., Dallah Circle	31.89412	35.83853	br041@hbtf.com.jo
Na'our	06-5005555 Ext. 4347	Na'our, King Hussein St., Near the great Mosque	31.87697	35.82818	br042@hbtf.com.jo
Muaqqar	06-4059620	Amman, Muaqqar, Down Town	31.81191	36.10645	br043@hbtf.com.jo
Tla' Al Ali	06-5005555 Ext. 4357	Amman, Tla' Al Ali, Wasfi Al Tall St., Building No. 193	31.99303	35.86269	br044@hbtf.com.jo
King Abdullah II City	06-4023251	Amman, Sahab, King Abdullah II Industrial Estate	31.85266	36.00782	br045@hbtf.com.jo
Baqa'	06-5005555 Ext. 4380	Amman, Baqa' Camp, Near Salah Al Din Mosque	32.07647	35.84209	br046@hbtf.com.jo
Hurria St.	06-5005555 Ext. 4898	Amman, Muqableen, Hurria St., Building No. 140	31.89591	35.91651	br047@hbtf.com.jo
Quaismeh	06-4786769	Amman, Quaismeh, Bin Alforat St., Building No. 79	31.91776	35.94836	br048@hbtf.com.jo
Bayader	06-5005555 Ext. 4399	Amman, Bayader Wadi Al seer, Husni Sober St., Building No. 47	31.95463	35.84010	br049@hbtf.com.jo
Zarqa	06-5005555 Ext. 4415	Zarqa, Commercial Center, Sultan Abdel Hameed St.	32.06194	36.09196	br051@hbtf.com.jo
Irbid	06-5005555 Ext. 4939	Irbid, Al Hashmi St., Near Al Hashmi Mosque	32.55705	35.85337	br052@hbtf.com.jo
Ajloun	02 - 6420230	Ajloun, Alqalaa St., Opp. to Municipal Building	32.33277	35.75162	br053@hbtf.com.jo

The Housing Bank for Trade & Finance Branches – Jordan

Branch	Phone	Address	Coordinates		E-mail
			Latitude	Longitude	
Mafrqa	06-5005555 Ext. 4445	Mafrqa, King Talal St.	32.34390	36.20735	br054@hbtf.com.jo
Jarash	06-5005555 Ext. 4451	Jarash, King Abdullah St., Opp. to Water Authority	32.27922	35.89497	br055@hbtf.com.jo
Madaba	06-5005555 Ext. 4979	Madaba, King Abdullah St.	31.71831	35.79277	br056@hbtf.com.jo
Deir Alla	06-5005555 Ext. 4468	Deir Alla, Al Sawalha, Abu Ubaidah St.	32.18395	35.62135	br057@hbtf.com.jo
Ghweirieh	05 - 3979140	Zarqa, Ghweirieh, Intersection of King Ghazi St., & Algeria St., Building No. 51	32.07223	36.09445	br058@hbtf.com.jo
Russeifa	05 - 3742743	Zarqa, Russeifa, King Hussein St., Building No. 184	32.01724	36.04349	br059@hbtf.com.jo
Ramtha	02 - 7383110	Ramtha, Down Town, Nasser Al Tallaq St.	32.56160	36.01133	br060@hbtf.com.jo
North Shouna	02 - 6587104	North Shouna, King Faisal St.	32.61007	35.60973	br061@hbtf.com.jo
South Shouna	06-5005555 Ext. 4505	South Shouna, Al Salt St., Government Depts. Complex	31.90027	35.62122	br062@hbtf.com.jo
Deir Abi Saeed	02 - 6521419	Deir Abi Saeed, King Hussein St.	32.50267	35.68424	br063@hbtf.com.jo
Hakama	06-5005555 Ext. 4521	Irbid, Hakma St., Hanina Intersection	32.56922	35.85809	br064@hbtf.com.jo
Huson	02 - 7109008	Irbid, Huson, Irbid Amman St.	32.48774	35.88387	br065@hbtf.com.jo
Hiteen	05 - 3610290	Zarqa, Hiteen Camp, King Hussein St., Building No. 452	32.00715	36.00723	br066@hbtf.com.jo
Aidoun	02 - 7101579	Irbid, Aidoun, Main St.	32.50868	35.85600	br067@hbtf.com.jo
Mashre'	06-5005555 Ext. 4547	Irbid, Mashare', Main St.	32.44021	35.59592	br070@hbtf.com.jo
Kufranjah	02 - 6454270	Ajloun, Kufranjah, Main St.	32.29800	35.70330	br072@hbtf.com.jo

The Housing Bank for Trade & Finance Branches – Jordan

Branch	Phone	Address	Coordinates		E-mail
			Latitude	Longitude	
Palestine St.	06-5005555 Ext. 4570	Irbid, Palestine St., Wasfi Al-Tal Circle	32.55461	35.84791	br073@hbtf.com.jo
Karameh	05 - 3595068	Karameh, Main St.	31.95269	35.58008	br074@hbtf.com.jo
Oujan	05 - 3652103	Zarqa, Oujan Intersection, Building No. 2, Opp. Military Consumer Establishment	32.02902	36.07322	br077@hbtf.com.jo
Jaish St.	06-5005555 Ext. 4587	Zarqa, Jaish St., behind the Complex of King Abdullah	32.06325	36.09600	br078@hbtf.com.jo
Kraymeh	02 - 6575047	Kraymeh, Main St.	32.27536	35.59847	br079@hbtf.com.jo
Yarmouk	06-5005555 Ext. 4601	Irbid , Shafiq Irsheedat St.	32.54237	35.85069	br080@hbtf.com.jo
Aqaba	06-5005555 Ext. 4613	Aqaba, Cornich St.	29.52611	35.00178	br081@hbtf.com.jo
Tafeileh	06-5005555 Ext. 4624	Tafeileh, Main St.	30.83691	35.60570	br082@hbtf.com.jo
Ma'an	06-5005555 Ext. 4633	Ma'an, King Hussein St.	30.19577	35.73526	br083@hbtf.com.jo
Karak	03 - 2396029	Karak, Municipality Building, Al Nuzha St.	31.18576	35.70357	br084@hbtf.com.jo
Potash	03 - 2305159	Karak, Ghour Al Mazra' , Housing City	31.26130	35.52066	br085@hbtf.com.jo
Petra	03 - 2157082	Wadi Mousa, Main St., Martyr Circle	30.32098	35.48066	br086@hbtf.com.jo
Shoubak	06-5005555 Ext. 4662	Shoubak, Njil, Main St.	30.51918	35.54177	br087@hbtf.com.jo
Mu'ta	03 - 2370509	Mu'ta , University St.	31.09143	35.70168	br088@hbtf.com.jo
Hasa	06-5005555 Ext. 4676	Hasa, Housing City, New Commercial Market	30.85554	35.97288	br089@hbtf.com.jo
Jabal Al Shamali	06-5005555 Ext. 4686	Russeifa, Jabal Shamali, King Abdullah II St. , Building No. 237	32.02865	36.04170	br093@hbtf.com.jo

The Housing Bank for Trade & Finance Branches – Jordan

Branch	Phone	Address	Coordinates		E-mail
			Latitude	Longitude	
Airport	06-4459276	Amman, Queen Alia International Airport	31.72291	35.98907	br097@hbtf.com.jo
Dleel	06-5005555 Ext. 4697	Zarqa , Dleel, Jaish St., Qasr Al Halabat Intersection	32.13201	36.27267	br101@hbtf.com.jo
Ethaa'	06-4752201	Amman, Prince Hassan St., Opp. to Hiteen College	31.90856	35.93842	br102@hbtf.com.jo
Barha	02 - 7269016	Irbid , Barha St., Opp.Irbid Municipality	32.55658	35.84700	br103@hbtf.com.jo
Sheidieh	06-5005555 Ext. 4715	Maan, Sheidieh Mine	29.93314	36.14091	br104@hbtf.com.jo
Um Al Sumaq	06-5005555 Ext. 4728	Amman, Um Al Sumaq, Aosrah St. , Building No. 17	31.98179	35.84758	br106@hbtf.com.jo
North Azraq	05 - 3834207	North Azraq,Baghdad Main St.	31.88292	36.83278	br107@hbtf.com.jo
Masoum Sub.	06-5005555 Ext. 4740	Zarqa , Masoum Sub., King Abdullah II Circle	32.07775	36.07479	br108@hbtf.com.jo
Children	06-5864766	Amman, Abdullah Ghoshe St. , Building No. 15	31.96015	35.85725	br109@hbtf.com.jo
Wadi Saqra	06-5005555 Ext. 4756	Amman, Wadi Saqra St. , Building No. 89	31.95649	35.91388	br111@hbtf.com.jo
Qaser	06-5005555 Ext. 4764	Karak , Qaser, Main St.	31.31107	35.74353	br113@hbtf.com.jo
Al Hassan Industrial City	02 - 7109010	Irbid , Al Hassan Industrial Estate	32.49989	36.02071	br114@hbtf.com.jo
Rabiyah	06-5511830	Amman, Rabiyah,Mahmoud Al Tahir St. , Building No. 7	31.97616	35.88479	br115@hbtf.com.jo
Abdullah Ghoshe	06-5005555 Ext. 4782	Amman, Abdullah Ghoshe St., Al Husini Complex, Building No. 55	31.96666	35.85522	br117@hbtf.com.jo
Central Market	06-4127514	Amman, Near Central Vegetable Market	31.86427	35.95792	br119@hbtf.com.jo
Quba Circle	02 - 7251106	Irbid , King Abdullah II St., Quba Circle	32.54566	35.85664	br120@hbtf.com.jo
Zahran	06-4642568	Amman, Ibin Khaldon St., (Al Khaldi Hospital) , Building No. 54	31.95226	35.90151	br121@hbtf.com.jo

The Housing Bank for Trade & Finance Branches – Jordan

Branch	Phone	Address	Coordinates		E-mail
			Latitude	Longitude	
Madina Munawarah	06-5005555 Ext. 4908	Amman, Tla' Al Ali, Madina Munawarah St. , Building No. 194	31.98745	35.86693	br122@hbtf.com.jo
City Mall	06-5005555 Ext. 4041	Amman, City Mall, Banks floor	31.98061	35.83666	br123@hbtf.com.jo
Medical City St.	06-5005555 Ext. 4846	King Abdullah II St., Near Khalda Circle, Building No. 185	31.99716	35.83093	br124@hbtf.com.jo
Free Zone / Zarqa	06-5005555 Ext. 4839	Zarqa, Free Zone	32.08969	36.21489	br127@hbtf.com.jo
Abdoun Park	06-5005555 Ext. 4115	Amman, Saad Abdo Shamout St., Near Abdoun mall	31.94104	35.88410	br128@hbtf.com.jo
New Zarqa	06-5005555 Ext. 4918	Zarqa, New Zarqa, Mecca St., Kurdi Plaza Complex	32.08550	36.08674	br129@hbtf.com.jo
Dahyat Al-Yasmeen	06-5005555 Ext. 4951	Amman, Dahyat Al-Yasmeen, Jabal Arafat St., Building No. 13	31.91937	35.89410	br131@hbtf.com.jo
Mecca St.	06-5005555 Ext. 4958	Amman, Mecca St., Al Hussini Complex, Building No. 141	31.97540	35.86042	br132@hbtf.com.jo
Private Banking Services	06-5005555 Ext. 4003	Amman, 5 th Circle, Riad almeflih St. , Building No. 7	31.95869	35.88891	br145@hbtf.com.jo
Call Center	06-5200400	Amman, 9 th Sha'ban St., Tala't Al Hayek	31.95168	35.92780	br152@hbtf.com.jo
Sweifeh	06-5826292	Amman, Sweifeh, Commercial Market, Mahmoud Obeidat St.	31.95806	35.86480	br026@hbtf.com.jo
Muqableen	06-5005555 Ext. 4382	Amman, Muqableen, Bishar bin Baraa St., Building No. 13	31.90590	35.91056	br047@hbtf.com.jo
Prince Nayef St.	06-5005555 Ext. 4422	Irbid, Prince Nayef St.,Awqaf Building	32.55599	35.85219	br052@hbtf.com.jo
Amman Customs	06-5005555 Ext. 4872	Amman, Amman Customs	31.89920	35.93936	br126@hbtf.com.jo
Mudawrah	03 - 21 30976	Mudawrah, Mudawrah Border Station	29.19314	36.07291	br083@hbtf.com.jo
North Border Crossing	02 - 6550901	Sheikh Hussein Bridge, North Ghor	32.49741	35.57792	br061@hbtf.com.jo

The Housing Bank for Trade & Finance Branches – outside Jordan

Branch	Phone	Address	E-mail
Regional Mgt. / Palestine	+ 970 2 2986270	Ramallah, Al Bareed St., Rukab Building, P.O. Box 1473	Info.pal@hbtbf.com.jo
Ramallah	+ 970 2 29862712	Al Bareed St., Rukab Building, P.O. Box 1473	br401@hbtbf.com.jo
Gaza	+ 970 8 2826322	Al Shuhada' St., Palestine Tower, P.O. Box 5010	br402@hbtbf.com.jo
Nablus	+ 970 9 2386060	Al Hussein Circle, Al Huwari Building, P.O. Box 1660	br403@hbtbf.com.jo
Khaleel	+ 970 2 2250055	Wadi Al Tufah St., Al Manarah Circle, P.O. Box 285	br404@hbtbf.com.jo
Halhoul	+ 970 2 2299602	Main Al Khaleel - Alaquds St., P.O. Box 1	br405@hbtbf.com.jo
Beir Zeit	+970 2 2819334	Main St., Near Main Circle, P.O. Box 40	br406@hbtbf.com.jo
Khan Younis	+970 8 2079401	Abu Humaid Circle, Jalal St., P.O. Box 7073	br407@hbtbf.com.jo
Jenin	+ 970 4 2505223	Abu Baker St., P.O. Box 50	br408@hbtbf.com.jo
Bethlehem	+970 2 2740375	Al Mahd St., City Center (Bus Station), P.O. Box 30	br409@hbtbf.com.jo
Yata	+ 970 2 2273301	Al Khaleel, Yata, Roqa'a St., Near Police Department	br410@hbtbf.com.jo
Tormosaya	+ 970 2 2805263	Ramallah, Tormosaya, Main St.	br411@hbtbf.com.jo
Dahriyeh	+ 970 2 2266778	Al Kaleel, Dahriyeh, Main St., Near Dahriyeh Security Station	br412@hbtbf.com.jo
Bahrain Branch	+973 17 225227	Bahrain, Al Manama Center, Govt. St., P.O. Box 5929	bahrain@hbtbf.com.bh

The International Bank for Trade & Finance/ Syria

Branch	Phone	Address
Head Office	+ 963 11 23880000	Damascus , Sabe'a Bahrat , Pakistan St., P.O. Box 10502 Web Site: www.ibtf.com.sy e-mail: info@ibtf.com.sy
Hejaz	+ 963 11 2260500	Damascus – Hejaz Square
Pakistan	+ 963 11 23880000	Damascus – Pakistan St.- opp. Maraya restaurant
Dedeman	+ 963 11 2241140	Damascus – Dedeman Hotel
Yarmouk	+ 963 11 6376400	Damascus – Yarmouk St.
Housh Plas	+ 963 11 6212241	Damascus – Der'a highway – opp. to town center
Duma	+ 963 11 5750766	Damascus – Duma
Dummar Project	+ 963 11 3123671	Damascus – Dummar Project – Cham Central Market
Hareeka	+ 963 11 2260222	Damascus – Hareeka Square
Jaramana	+ 963 11 5615020	Damascus – Ra'aees Circle
Qas'a	+ 963 11 4430195	Damascus – Ros Tower
Mezzeh	+ 963 11 6117086	Damascus – Mezzeh – opp. Jala'a Club
Tijarah	+ 963 11 4434210	Damascus – Kornesh Tijarah
Fardous	+ 963 11 2327081	Damascus – Fardous St.
Zabadni	+ 963 11 7111792	Damascus – Zabadni – Al mahta St.
Masaken Barzeh	+ 963 11 5117774	Damascus – Masaken Barzeh – opp. Hamich Hospital
Homs	+ 963 31 2485979	Homs – Engineers Pension Fund Building
Tartus	+ 963 43 321355	Tartus – Banks St.
Faisal	+ 963 21 2262303	Aleppo – King Faisal St.- opp. George Salem Church
Sheraton	+ 963 21 2125303	Aleppo – Sheraton Hotel
Jmeleyeh	+ 963 21 2231945	Aleppo – Jmeleyeh
Sheikh Najjar	+ 963 21 4712860	Aleppo – Sheikh Najjar – Industrial City
Shahba Mall	+ 963 21 2520092	Aleppo –Shahba Mall
Dar'a	+ 963 15 210291	Dar'a – Hanano St.
Hama	+ 963 33 2243100	Hama – Alameen St.
Muhardeh	+963 33 4731072	Hama – Muhardeh – Gadah shoa'a' St.
Hasakeh	+ 963 52 316543	Hasakeh - Al Ra'ees Circle – Salah Al Din St.
Latakia	+ 963 41 459373	Latakia – Baghdad St.
Sweida	+ 963 16 322191	Sweida – Teshreen Square
Kamishli	+ 963 52 431789	Kamishli – Quwatli circle
DerZor	+ 963 51 241800	DerZor – Main St.- opp. Al-Kndi Cinema

The Housing Bank for Trade & Finance/ Algeria

Branch	Phone	Address	E-mail
Head Office	+ 213 21 918881	Algeria , 16 Ahmad Waked St., Dali Ibrahim Web Site: www.housingbankdz.com	housingbank@housingbankdz.com
Dali Ibrahim	+ 213 21 918787	Algeria – 16 Ahmad Waked St.–Dali Ibrahim	Agence-101@housingbankdz.com
Blida	+ 213 25 311310	Algeria – 92 Mohammad Budiaf St.–Blida	Agence-102@housingbankdz.com
Oran	+ 213 41 331080	Algeria – 3 Shiekh Al Arabi Tabsi–Oran	Agence-103@housingbankdz.com
Setif	+ 213 36 834953	Algeria -20 First Nov. 1954 St.–Setif	Agence-104@housingbankdz.com
Ad dar al bayda'	+ 213 21 754684	Algeria – 59 Mohammad Khemisti St -Ad dar al bayda'	Agence-105@housingbankdz.com
Jordan International Bank/London	+44 20 74937528	103 Mount Street, London W1K 2AP, UK Web Site: www.jordanbank.co.uk	info@jordanbank.co.uk

Subsidiary Companies

Company	Phone	Address	Web Site	E-mail
Specialized Leasing Co.	+ 962 6 5521230	Um Othina – Sa'ad Ibn Abi Waqas St., Housing Bank Building, P.O. Box 1174 – Amman 11118	www.hbtf.com	slc@hbtf.com.jo
International Financial Center Co.	+ 962 6 5696724	Shmeisani, Housing Bank Complex ,2 nd Floor, P.O. Box 940919, Amman 11194	www.ifc.com.jo	info@ifc.com.jo
Jordan Real Estate Investments & Commercial Services Co.	+ 962 6 5005555	Jabal Amman, Al Hayek St., Municipality Previous Building, 7 th Floor	www.hbtf.com	info@hbtf.com.jo

Representative Offices

Office	Phone	Address	E-mail
Tripoli/Libya	+ 218 213350610	Tripoli, Al-Fateh Tower ,First Tower , Floor (15), Office(155), P.O. Box 91270	hbtfly@yahoo.com
Abu Dhabi/U.A.E	+971 26268855	Abu Dhabi, Hamoudeh Bin Ali Building,12 th Floor,Sheikh Khalifa St., P.O. Box 44768	hbtf@eim.ae
Baghdad/Iraq	+964 17182027	Baghdad, Al arasat Al Hindeya St.,Area No. 929, St. No. 30, Building No. 108 Babel Sub.	hbiraq@yahoo.com

