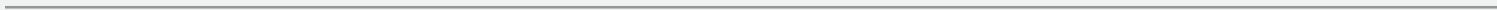


English Annual Report

2012





**His Majesty
King Abdullah II bin Al-Hussein**





**HRH Crown Prince
Hussein bin Abdullah II**

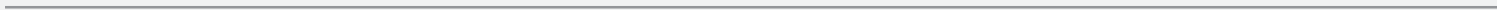


Table of Contents

Our Strategic Objectives	2
Our Vision	3
Board of Directors	4
Executive Management.....	5
Chairman's Letter	6

Economic Performance and BOD Report

Performance of the Jordanian Economy During 2012	8
Board of Directors Report on the Bank's Achievements During 2012	14
Corporate Culture	28
Code of Conduct	29
Strategic Plan for 2013	31
Social Initiatives for Change	32
Key Financial Analysis and Indicators for 2012	33

Financial Statements

Independent Auditor's Report	40
Financial Statements	42
Notes to the Consolidated Financial Statements	49

Disclosure Data

Jordan Securities Commission Requirements and Disclosure Data	122
Bank's Commitment to Corporate Governance Requirements	146
Corporate Governance Manual	149
The Executive Management's Evaluation of the Effectiveness of Inspection and Internal Control Systems	161
The Organizational Structure of the Bank and Its Affiliates	163
Branches and Offices Inside and Outside Jordan	169
ATMs	175

Our Strategic Objectives

For Shareholders: High and sustainable returns

For Customers: A wide range of products, excellent service and fair prices

For Personnel and Management: Rewarding careers and above average remuneration

For Society: Significant contributions to economic and social development

For the Regulators: Reliability, integrity, and compliance with Basel II

Our Vision

Jordan Ahli Bank's strategic goals are derived from its unwavering commitment to adhere to banking excellence through employing the best globally recognized banking standards and in achieving development throughout the following three phases:

Phase 1: Continuing growth and maximizing shareholders' equity

Phase 2: Obtaining best credit ratings

Phase 3: Expanding locally and regionally

Board of Directors

H.E. Dr. Rajai Saleh Muasher	Chairman Representative of Al Raja' for Investments
Mr. Nadim Yousef Muasher	Deputy Chairman

Members

H.E. Mr. Sami Haddad	Representing Byblos Bank (Lebanon) Until 14/6/2012
Dr. Henry Azzam	Representing Byblos Bank (Lebanon) From 15/6/2012
H.E. Mr. Marwan Awad	Representing Jordan Worsted Mills Company
H.E. Mr. Wasef Azar	Representing Jordan Investor Center
Mr. Emad Yousef Muasher	Representing Mouasher Investment and Trading Company
Mr. Rafiq Saleh Muasher	Representing Rajai Mouasher & Brothers Company
Mr. Mohammad Al Abdallat	Representing the Social Security Corporation
Mr. Hani Fraij	Representing Arabia S.A.L Holding Company (Lebanon)
Mr. Mahmoud Zuhdi Malhas	Member
Mr. Ala'adin Sami	Representing ZI&IME Co. (Saudi Arabia)
H.E. Mr. Karim Tawfik Kawar	Member
H.E. Mr. Abdel Elah Al Khatib	Member Until 6/5/2012

Auditors

Messrs. Deloitte & Touche (Middle East) – Jordan

Executive Management

H.E. Mr. Marwan Awad	Chief Executive Officer / General manager
Mr. Issa Khoury	Advisor to H.E the Chairman
Mr. Ahmad Al Khubb	First Deputy Chief Executive Officer / Head of Group Personal & Premium Banking and Branches Management
Mr. Saad Mouasher	First Deputy Chief Executive Officer / Head of Group Strategy and Corporate Communications
Mr. Ibrahim Ghawi	Deputy Chief Executive Officer/Head of Group Finance
Ms. Lina Bakhit	Deputy Chief Executive Officer / Head of Group Ahli Capital Markets and Investments
Mrs. Hadil Khalaf	Deputy Chief Executive Officer / Head of Group Operations
Mr. Hani Farraj	Deputy Chief Executive Officer / Head of Group Logistics and Secretary to the Board of Directors
Mr. Zahi Fakhoury	Deputy Chief Executive Officer / Head of Group Credit
Mr. Faleh Al Najjar	Deputy Chief Executive Officer / Head of Group Small and Medium Enterprises (SME) Banking Services
Mr. Bashar Al Bakri	Deputy Chief Executive Officer / Head of Group Human Resource
Mr. Kameel Haddad	Deputy Chief Executive Officer / Head of Group Remedial & Recoveries and Legal Affairs
Mr. Samer Abu Zayed	Deputy Chief Executive Officer / Head of Group Information Technology and Enterprise Programs
Mr. Abdul Aziz Sadaqa	Deputy Chief Executive Officer / Head of Group Corporate Banking
Mr. Rageb Halaseh	Assistant General Manager / Head of Group Internal Audit
Mr. George Farraj	Assistant General Manager / Branches Abroad Management
Mr. Basem Isleem	Deputy Assistant to the General Manager / Risk Management
Ms. Oraib Hammoudeh	Deputy Assistant to the General Manager / Inspection & Internal Control Department

Chairman's Letter

Honored Shareholders,

It is my pleasure to present to you Jordan Ahli Bank's 57th annual report. This report highlights the activities and accomplishments of the Bank during the past year, 2012's financial statements, a summary of the overall performance of Jordan's economy and its developments during 2012, as well as the Bank's future plans for 2013.

The Jordanian banking sector, which is considered the backbone for the Jordanian economy, has been able to preserve and maintain all factors that contribute to its reliability and overall stability, and therefore continued to gain headway in terms of its key performance indicators. As such, the soundness of the Jordanian banking sector has further reinforced its vital role in financing a variety of economic sectors, hence facilitating economic growth and contributing to surmounting the underlying economic challenges brought about by the "Arab Spring". Nonetheless, Jordan has had its share of the economic and political fallout associated with the recent Arab Spring events, which have mainly manifested themselves in the Kingdom's energy crisis and a further deterioration in the government's fiscal deficit.

In this context, the additional burdens brought about by the unfavorable circumstances unfolding during last year were overwhelming as they have weighed down the fiscal budget and inflated the Kingdom's public debt. In particular, public debt reached unprecedented levels in light of the notable decline in foreign grants during last year, which have historically been used to bridge the financing fiscal gap by channeling direct financial support to the treasury.

Such developments necessitate a concerted effort to address economic and financial abnormalities in order to restore balance to public finances and therefore minimize private sector's crowding out and rising interest rates. Nonetheless, the soundness of the adopted macroeconomic policies has contributed to the Kingdom's sustainable financial and monetary stability, which is considered one of the main factors and a prerequisite for attaining economic growth, which has proven to grow at a higher rate during last year compared to the year 2011.

Here, it is necessary to point out the easing of pressures on the Kingdom's foreign currency reserves, a source of concern during last year. In this regard, the Central Bank's decision to raise interest rates contributed to a rising demand on the Jordanian dinar, thus restoring its attractiveness as a currency capable of safeguarding the savings and capital of Jordanians and investors alike. Moreover, the Kingdom's foreign currency reserves will be further bolstered due to the recovery in tourism income and high remittances of Jordanian expatriates, which in turn shall contribute to sustaining investor's confidence, support the currency peg and maintain the Kingdom's appeal as an investment environment, while adding more flexibility in facing any future economic challenges.

In response to these difficult financial circumstances, the Jordanian government has taken the lead in announcing an ambitious economic and financial reform program for the years to come, featuring a series of procedures to restore balance to public finances, including public sector restructuring, reduction of operational expenses, energy saving procedures and cutting down funding for a number of government units. The government also minimized its subsidies toward oil derivatives, while channeling direct financial support to those most affected by the decision, in a move aiming to ease the burden on the state's budget. In this framework, 2013's budget indicates an improvement in the coverage ratio of domestic revenue directed toward financing current expenditures in view of the government measures mentioned earlier. On the other hand, capital expenditures are also expected to see a marked improvement, in light of the Gulf Development Fund's commitment to provide grants to finance the Kingdom's required capital investments over the next four years, the first installment of which came into effect during January 2013.

These primary indicators reveal both the government's credibility and its commitment to get the budget deficit under control; there is cause for optimism and for the belief that this exhibited discipline is but the first step on the road to financial reform and bridging the financing gap that has accumulated over the past years.

In light of all this, we therefore firmly believe in Jordan's ability to meet the challenges of this stage and to overcome these exceptional circumstances. Meanwhile, we strive to fulfill our duty to the fullest and to uphold

our professional and social responsibility to serve our customers, employees and the members of our society.

Jordan Ahli Bank is proud of its history of numerous quality accomplishments and in the efforts of those in charge, which together have formed a strong foundation for the application of our ambitious growth plans relying on the strategic transformation initiative that we began implementing during the past few years in support of the Bank's philosophy and policy based on the slogan, "The Power of Change... My Power of Change."

These accomplishments were crowned with the Bank's choice of a new Core Banking System, which is widely considered as the most modern, comprehensive and flexible system in the world, representing the technological platform for launching the Bank's organizational restructuring, thus providing valuable opportunities to expand our local and regional reach safely and professionally. In essence, it will enrich the Bank's ability to provide solutions and innovative banking services, increase its efficiency and competency, in addition to developing and enhancing the Bank's risk management system, treasury and financial analyses. It will also activate distribution channels to include enhanced electronic and customer relationship management services that better meet our customer's growing and changing needs. Accordingly, we have chosen to work with a pioneering and an international core banking solutions provider that shares our vision and believes in the importance of incorporating the latest technologies into our business in order to keep up with the continuously changing developments of the banking industry.

We also announced the launch of a banking unit as an academy specialized in Small and Medium Enterprises (SMEs), which we are proud to say is the first such initiative within the local banking sector. The SME academy provides small and medium enterprise owners, pioneers and other members of society from different segments and sectors, with the opportunity to develop their institutions and to develop themselves as individuals. This is done by providing free workshops and specialized training programs that aim to enrich their professional experiences and therefore increase their chances to succeed, grow and create jobs in the local economy.

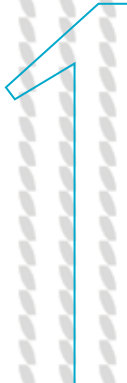
The launch of the academy, which took place alongside a partnership agreement with the International Finance Corporation (IFC) to launch online SME Toolkit Platform to also support knowledge transfer and skill building for small and medium enterprise owners, acts as a genuine implementation of our strategy to further develop this sector and to add value to its components as well as securing a sizable market share within this promising sector. This step adds to the Bank's long record of initiatives aiming to boost SMEs' progress and success. Jordan Ahli Bank believes in this sector's importance in supporting the national economy and the diversification of its production base, as well as its contribution to creating job opportunities and in channeling investments to various sectors.

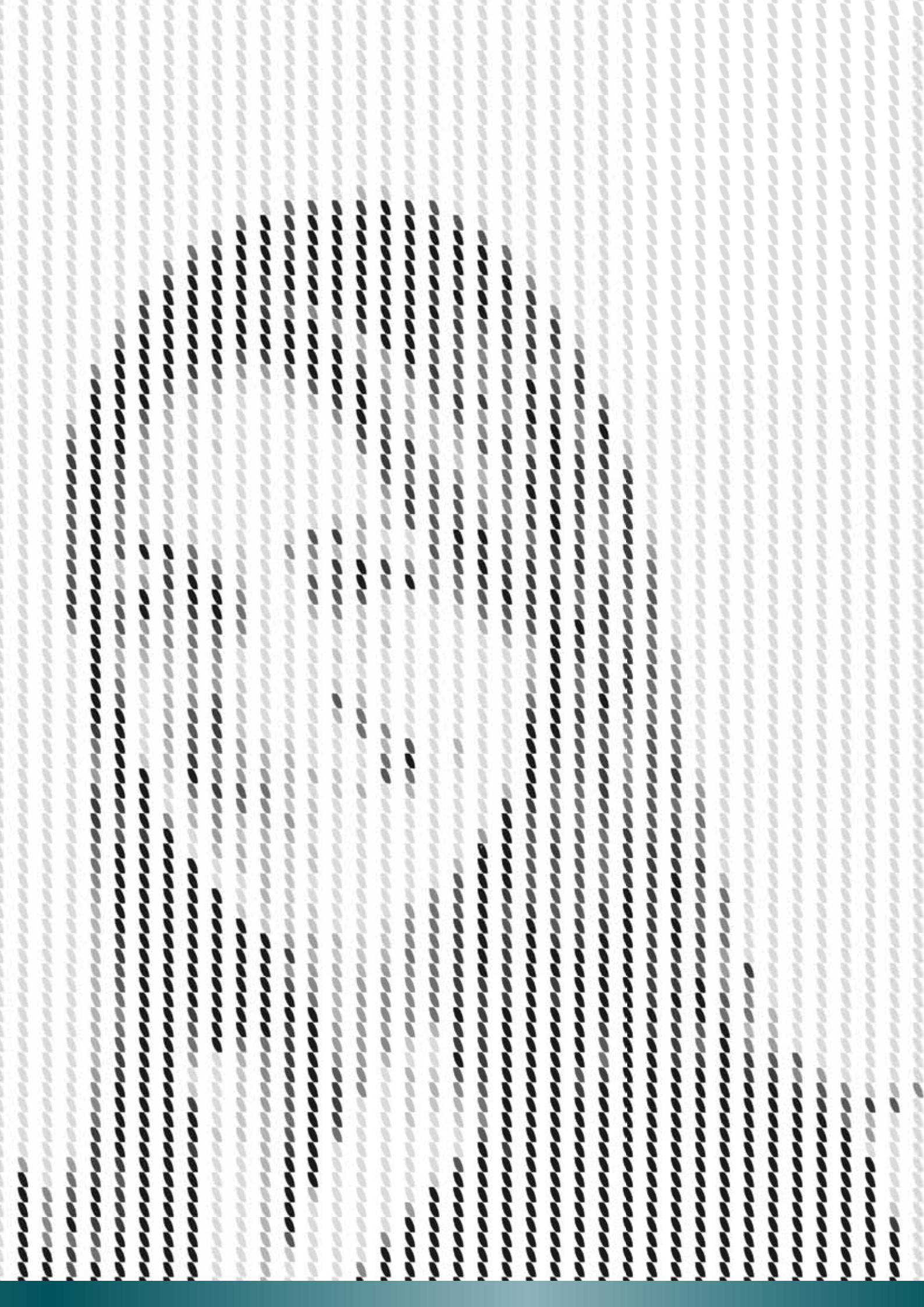
Moving on to the Bank's financial results, pre-tax net profits reached approximately JD33.9 million, while net profits after tax totaled approximately JD23.8 million, a 3% increase from 2011. Shareholders' equity improved by 6% by the end of 2012 to reach JD270 million, while return on equity reached 9%. On the other hand, the Bank's efficiency in managing its assets allowed it to maintain its pace of banking activities, as (net) direct credit facilities recorded a growth of 8.1% over the past year, reaching around JD1.274 billion. All the while, we have strengthened our customers' communication channels and were able to reach and serve a larger segment of the Jordanian society. In particular, our asset base has grown by 1.6%, totaling approximately JD2.65 billion, while non-performing facilities have dropped from 10.35% of total facilities to 10.07% by the end of 2012.

In conclusion, I would like to thank and commend our employees, our executive management and the Board of Directors. We appreciate their efforts and their commitment to their duties, as well as their outstanding work towards achieving the Bank's objectives and ambitious strategies. We would also like to thank the Bank's shareholders and our honored customers for the trust you have always shown us. We also extend our thanks to the Central Bank of Jordan, the Securities Commission, the Ministry of Industry and Trade, the Companies Control Department and all of the committees and parties that contribute to the advancement of the national economy under the wise leadership of His Majesty King Abdullah II.

Dr. Rajai Muasher
Chairman of the Board

ECONOMIC PERFORMANCE AND
THE BOARD OF DIRECTORS REPORT

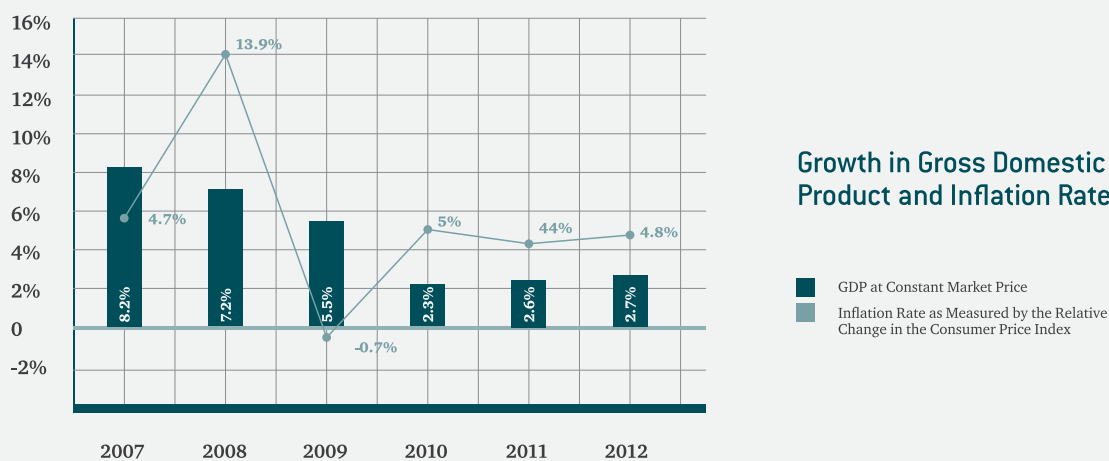




Performance of the Jordanian Economy During 2012

The performance of the Jordanian national economy was overshadowed by a number of challenges and economic difficulties in view of the setbacks that have hampered the global economic recovery during 2012. Nonetheless, political instability unfolding in some neighboring countries and the accompanying economic ramifications it has created represent - by far - the most challenging encumbrance confronting the Jordanian economy.

Such ramifications have manifested themselves in a rather accelerated rise in the Kingdom's overall public debt, reflecting the deterioration on the fiscal management front. In particular, the fiscal deficit was on the rise again during 2012 as it struggled to keep pace with the Kingdom's surging energy bill, which has been much inflated following repeated interruptions of the gas supply from Egypt, thus forcing the government to become dependent on more expensive alternatives to cover the Kingdom's needs of energy. The rise in the energy bill has also contributed to rising value of imports, thus casting its shadows over the Kingdom's trade balance and therefore widening the trade deficit as well. Meanwhile, foreign grants have witnessed a significant decline during 2012; dropping by over JD800 million, thus placing further pressure on Jordan's already strained fiscal budget and reflecting negatively on the volume of capital investments and representing a key bottleneck for growth. However, and despite all the hardships and economic constraints presented during last year, GDP growth was recorded at 2.7% during 2012 compared to a growth of 2.6% during 2011. Such growth was mainly driven by real estate, trade, finance and insurance sectors in addition to contribution of restaurants and hotels.



Credit facilities and loans granted by licensed banks operating in the Kingdom rose by 12.4% during the year 2012. This was reflected in a JD1.96 billion increase, which raised the standing balance of total credit facilities to approximately JD17.82 billion by the end of 2012. Both the trade sector and the construction sector were prime beneficiaries of these facilities, accounting together for more than 42% of total facilities during 2012, while the increase in the amount of facilities granted to the construction sector amounted to JD319 million. On the other hand, total deposits with licensed banks increased by approximately JD591 million during the same period to reach approximately JD24.9 billion at the end of 2012, which translates to an increase of 2.4% compared with the outstanding balance at the end of 2011.

On the fiscal management front, the latest statistics show an increase in the fiscal deficit by the end of December 2012 standing at JD1.808 billion compared to JD1.383 by the end of 2011. This was on the back of a rather significant drop in the foreign grants, which declined by more than JD800 million during last year to stand at JD327 million compared to approximately JD1.215 billion in foreign grants during 2011. However, and in light of the decline in foreign grants, it is expected that the Kingdom will receive over \$5 billion in financial support to finance its capital expenditures and projects in vital sectors over the coming five years in accordance to the Gulf Development Fund Initiative. The first installment amounting to \$1.25 billion was deposited at the Central Bank of Jordan during January 2013.

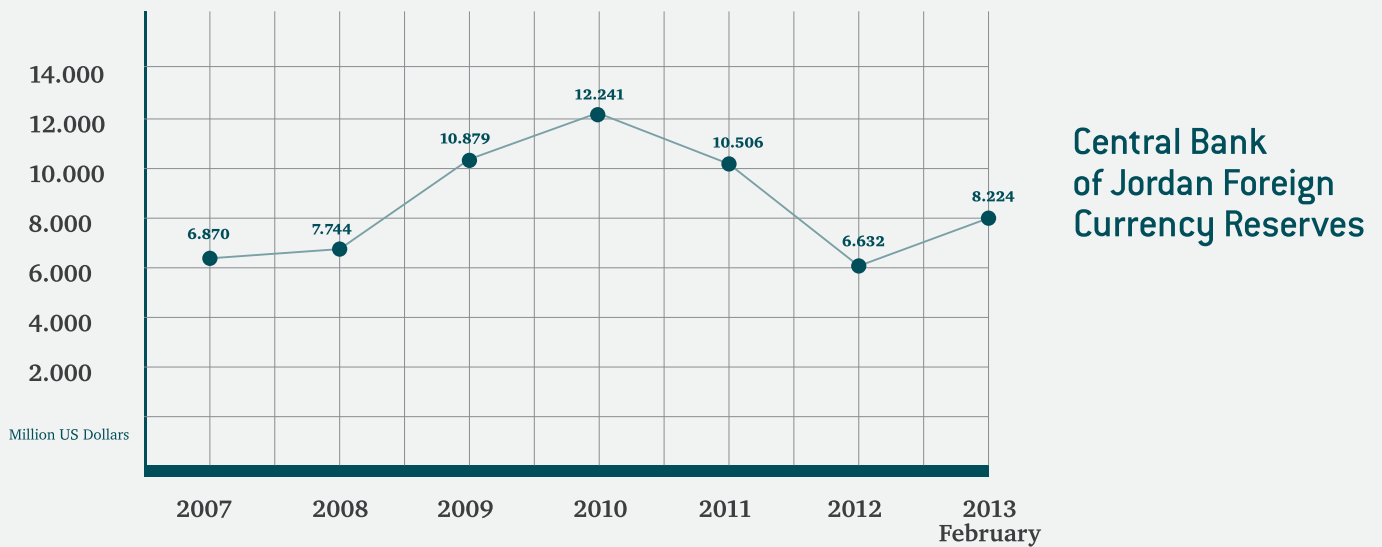


On a different note, and as of the end of December 2012, gross domestic public debt had increased by JD2.733 billion compared to the end of 2011, reaching JD11.648 billion. Meanwhile, the outstanding balance of external public debt increased by JD445.6 million standing at JD4.932 billion by the end of 2012. As such, net public debt (domestic and external) went up by JD3.178 billion by the end of 2012 to stand at JD16.580 billion compared to JD13.401 billion recorded at the end of 2011.

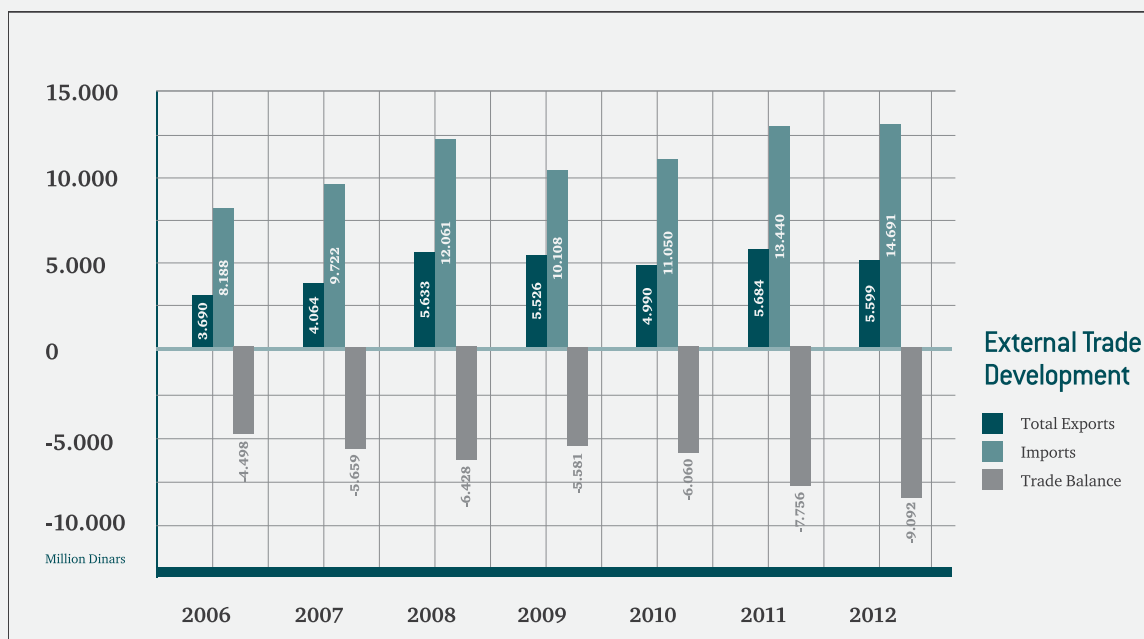
Moving on to the general price level, the inflation rate as measured by the percentage change in the consumer price index (CPI) stood at 4.8% by the end of 2012 compared to 4.4% during 2011, in view of the government’s decision to minimize fuel subsidies during the last quarter of 2012. On the other hand, the Central Bank of Jordan (CBJ) raised the interest rate on its monetary policy instruments by 50 basis points during 2012, including re-discount rate and interest rate on overnight repurchase agreements, while the overnight window deposit rate was raised by 175 basis points standing at 4% by the end of 2012.

Foreign currency reserves held at the Central Bank of Jordan have witnessed a notable decline during 2012, dropping by 37% to US \$6.632 billion by the end of the year compared to US \$10.529 billion

recorded at the end of 2011. However, foreign currency reserves have resumed their growth during the first quarter of 2013 standing at US \$8.220 billion by the end of February 2013 in light of the Gulf Development Fund's deposit of US \$1.25 billion that has taken place in early 2013 and in view of the CBJ's decision to raise interest rates, which contributed to a rather increased demand on the Jordanian Dinar.



In terms of external trade development, the trade balance deficit increased by 17.2% to approximately JD9.1 billion by the end of 2012, following a 9.3% increase in imports to JD14.69 billion. In particular, the Kingdom's imports of oil derivatives increased by JD863 million, representing approximately 29.3% of total imports during 2012. On the other hand, total exports (including re-exports) dropped by 1.5% standing at JD5.6 billion by the end of December 2012.



Amman Stock Exchange flipped the page on 2012 dealings with a registered 1.88% decline, as the general index closed at 1957.6 points in the final week of 2012, compared to 1995.13 points recorded by the end of 2011. Preliminary results for 225 listed companies show an increase of 24.1% in net profits after tax during 2012, standing at JD1.058 billion, of which, a little over 50% were allocated to the banking sector. Both the financial and the services sector indices have recorded a decline of 3.28% and 2.52% during 2012, respectively, while the industrial sector index managed to add 1.24% during the year. Moreover, overall market capitalization of shares listed on Amman Stock Exchange recorded a 0.8% decline during 2012 to stand at JD19.14 billion, while traded value suffered a 32% decline over the previous year coming at JD1.97 billion compared to approximately JD2.9 billion in 2011.

The Board of Directors' Report for 2012

During the year 2012, efforts of the senior management team were focused on attaining the Board of Director's set objectives through reliance on the executive management's proficiency in supporting the Bank's progressive development and further facilitating its growth. In particular, efforts exerted by the senior management were focused on carefully choosing and prioritizing discreet policies allowing the distribution and implementation of effective risk management controls, while taking into consideration the prevailing uncertainty and the underlying slowdown in economic activities, thus safeguarding the utmost of the rights and equity of shareholders and customers alike.

The Bank's key sectors and their respective achievements are as follows:

1) Banking Services Sector

This sector consists of several groups, which are as follows:

a- Corporate Banking Group

The Group was deliberate in its adherence to relevant policies incorporating a number of key themes aiming at minimizing risk and maintaining the Bank's assets. By engaging in short-term and diverse revenue operations involving self-liquidating sources that are associated with high turnover rates, the Group was able to further bolster its contribution towards the realization of the Bank's profit-related objectives and therefore its growth.

The Group was able to enter into a number of distinguished financing operations, supporting several key sectors, including energy, services, industrial and medical sectors, thus complementing and further strengthening Jordan Ahli Bank's role in supporting vital economic sectors and effectively contributing to the advancement of Jordan's economy.



In an effort to secure the Bank's assets and enhance their safety, the Group's strategies were successful in arranging safe exits from a number of high-risk credit portfolios, while reducing irregular and under-surveillance account balances and augmenting their guarantees. As such, Jordan Ahli Bank's credit portfolio ranks high in terms of available covered guarantees compared to other banks.

b- Small and Medium Enterprise (SME) Banking Services Group

In spite of the obstacles and challenges posed by current economic conditions, the SME Group managed to achieve exceptional growth rates, while adhering to the highest industry standards in the provision of banking services and products and catering to the needs of its SME customers. In this respect, the Group worked on expanding its base of products and services, signed partnership agreements and formed alliances with financial institutions and other SME sector supporters aiming at empowering SME owners and effectively improving the level of banking solutions available at the disposal of its diverse range of SME owners and maintained exceptional customer relations.

The Group was also able to play a strategic role by providing a full range of banking consultancies, technical support, guidance and training, all within quality service standards.

During 2012, a number of services and products were launched to meet the needs of SME customers. This step reflected our pioneering and strategic role in providing innovative financial solutions and advisory services. These products include:

SME Toolkit Website:

The online portal management system was prepared and designed in collaboration with the International Finance Corporation/World Bank Group. The website allows SME customers to communicate with the Bank by giving them access to forms and financial statements, rules and guidelines, as well as financial and technical research methodologies. In addition, users can access - free of charge - a rich content that includes the following: accounting, financing, human resources, international business, legal affairs, insurance, marketing and technological techniques. The website also offers a wide range of information necessary to SME business owners, raising their awareness to the market's developments and current circumstances using articles, local news and events, tenders, interactive tools, in addition to different business activities and models.



Business Credit Card:

The features of the specialized business credit card have been finalized, making it the first card of its kind in the Jordanian market. It is considered one of the most profitable products, serving a large segment of the Bank's SME customers.

Cash-Transfer Service:

The SME Services Group proposed the cash transfer service as an innovative answer to SME customers' needs. The service allows cash to be managed with ease, minimizing time and effort in handling the cash generated from daily sales.



Ahli SME Academy Unit:

Ahli Academy for Small and Medium Enterprises is a training and capacity building unit established to provide a full range of training programs, seminars and workshops on different topics related to the management and development of SMEs.



A digital database system containing information on SMEs in different economic sectors was established. This system provides information on each SME segment, assisting in the implementation of customers' geographic mapping, hence identifying all relevant institutions and companies that fall within the geographic reach of its operation centers. This allows users to better understand the nature of these markets and to formulate marketing strategies targeting such markets accordingly.

c- Personal and Premium Banking & Branches Management

Throughout the year of 2012, the Group strove to reaffirm the Bank's prominent role in the retail market. It maintained Jordan Ahli Bank's pioneering position at the forefront of banks in this field by expanding its customer base and diversifying its products and services, thereby accomplishing many feats, which have been summarized as follows:

Branch Management:

The Bank's existing network of branches was redistributed, while new and modern branches were opened to better fulfill customers' requirements and to meet their needs as well as distinguishing the Bank's presence throughout the Kingdom and among other banks. The new Khalda branch was inaugurated, bringing the total operating of branches in the Kingdom to 53 branches and offices. Also, several branches were renovated to reflect modern standards, with a focus on providing outstanding services to customers and promoting the concept of customer service in a friendly environment.



On another note, the branch restructuring process was completed, ensuring increased customer service efficiency and the time allocated for the sale of banking services. The Bank also held several workshops and specialized training courses, focusing on sales and technical skills and improving the quality of customer service.

Work procedures:

The Group updated work procedures related to cash management, branch policy regarding after-hours procedures, central signatures unit, as well as directives regarding inter-branch services.

Products and Services:

• Product Development

The Group launched a range of new banking products, while modifying some characteristics of existing products.

Ahli Mobile Service: the service allows customers to access their accounts on a 24/7 basis, including money transfer services and financial planning using smart mobile devices.

The Financing of Non-Perishable Household Goods: launched in 2009, the product was activated and restructured to meet the expectations of current and future customers. Strategic partnerships with other companies were initiated to include all sectors that the customer may need.

Special Deposits: this product was updated to suit both the needs of customers and to reflect current interest rates.



Credit Cards: the Bank has commenced issuing the World MasterCard, replacing all credit cards featuring magnetic strips with Smart Chips (MasterCard and Visa Cards), in addition to replacing all Charge credit cards with Revolving credit cards, with a 100% repayment rate.

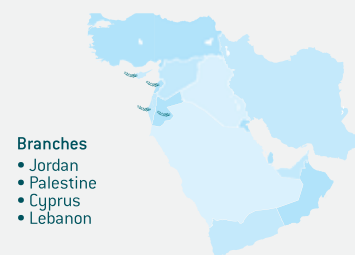
Upgrading credit card balance and transaction inquiry using Ahli Online and Ahli Mobile.



These achievements reflected on the Group's financial performance, leading to the growth in credit facilities targeting individuals by 13% by the end of 2012, while deposits grew at a rate of 5%. In particular, savings accounts witnessed a growth of 22% since the beginning of 2011, hence reflecting positively on the overall deposits.

d- Branches Abroad

The actual financial results achieved in the Palestine and Cyprus branches surpassed 2012's financial set targets. Both branches attracted numerous new accounts, expanding their customer bases, while reducing the volume of their bad debts.



A new operations center was opened in the city of Ramallah, while a new department that specializes in direct sale of retail sector services and SME project programs was established, aiming to increase the branches' shares in credit facilities, increase profit rates and increase returns on capital, which currently stands at \$50 million.

The "Salam" Branch in Hebron was upgraded to fulfil the requirements of a modern branch structure, ensuring customer satisfaction and comfort. This step came as part of the Bank's plans to upgrade all branches in Palestine and in accordance with the Bank's new slogan, "My Power of Change." A saving loan product (Borrow and Save) was launched at Ahli Bank's branches in Palestine.

Upgrading many of the existing banking products and services at the Palestine branches, such as consumer loans, personal loans and auto loans, in response to the needs of customers.

The Bank continued to improve the efficiency of its regional management staff and its employees at the Palestine branches through its implementation of specialized training courses.

A large number of existing work procedures and manuals related to the Bank's branches in Palestine and regional management were upgraded and modified by the Work Manual and Procedures Committee of regional management, in order to stay up to date with all provided banking services.

SMS services were implemented and became effective at the Palestine branches, contributing to the development and improvement of the level of services offered to customers in the realm of electronic banking.

A new credit system, EximBills, was implemented in the Cyprus branch to improve work efficiency in the area of commercial service.

The web pages associated with Ahli Bank's branches in Palestine and Cyprus were updated in accordance with the disclosure and transparency directives of the monetary authorities.

The corporate identity of Ahli Bank was further developed in the Palestinian market through the launch of several advertising and marketing campaigns, as well as the Bank's participation in various social events.

2) Support Services Sector

This sector is formed of several groups, as follows:

a- Strategy and Corporate Communications Group

Being responsible for promoting and coordinating the development of the Bank's corporate identity and its media presence in addition to supporting and further strengthening communication channels with the local community to effectively grow and improve the Bank's local presence, the marketing and corporate communications management indulged in the development and the implementation of a number of instrumental strategies during the year 2012 aiming at steering the Bank forward and transcending it towards new horizons.

Accomplishments attributed to marketing and corporate communications mirror the success in accentuating the Bank's community-based culture and effectively materializing its efforts and endeavors to become a key partner and a major player towards a comprehensive sustainable development within the Kingdom's various sectors. This was achieved through a full host of marketing and advertising campaigns, development of innovative marketing tools, sponsorships and participation in various activities along with the launch of leading community initiatives aiming at empowering the various segments of the local community and supporting national efforts to achieve sustainable development. These efforts and initiatives have reflected positively on the development of the local community.

Some of the Group's most significant contributions during last year were seen in its commitment to affect positive change through its support for leadership initiatives, especially women leadership. This was carried out through the Bank's sponsorship of the Global Thinkers Forum, an important event that focuses on prevailing global trends and strives to develop the minds of future generations. Additionally, the Group arranged for the Bank's sponsorship of a number of regional activities and important events. For example, the Bank sponsored the 76th Rotary District 2450 Conference, which was held under the slogan, "Rising Generations: The Path to the Future", and was attended by an elite group of Rotarian experts and other guests in the field. The conference highlighted the vital role young people play in shaping the future through their contribution and participation in leadership, service, project planning, health, the use of technology and other equally important fields.

In a step resembling Jordan Ahli Bank's commitment to supporting and empowering the youth, and in an effort reflecting the effective partnership between the private and public sectors, the Bank sponsored an Iftar banquet during the holy month of Ramadan hosted by the International Organization for Youth's "Youth for Action" program in support of the government efforts to cater for the needs of less fortunate community youth members. The program is part of the larger "Badir" program aiming to provide young leaders with the knowledge and skills they need to expand their business endeavors and to bring about positive changes.

Jordan Ahli Bank has continued its quest to support Jordan's youth leaders, to sponsor their technical projects and to develop their creative technological innovations as it sponsored Amman Tech Tuesday's anniversary conference, held at Zara Expo, and adopted five of the participants' pilot projects. Also, in its capacity as a strategic partner and platinum sponsor of the National Queen Rania Awards for Entrepreneurship, the Bank sponsored the fifth closing ceremony of the Awards' in 2012. Jordan Ahli Bank supports the Awards' efforts to motivate and encourage technological innovation among the youth, to unleash their pioneering ideas, and to assist them to transform these ideas into starters' projects.

In addition, the Bank sponsored the 32nd annual International Arab Youth Congress, further encouraging entrepreneurship and creativity amongst Jordanian and Arab youth. The Congress plays a key role in empowering the youth, promoting their talents and facilitating the utilization of their energies in a positive manner, empowering them to participate more effectively in the fields of media, culture and literature.

As part of Jordan Ahli Bank's interest to develop corporate competency and governance, and to further influence creativity and innovative aspects, it has sponsored "The Blue Ocean Strategy" introductory seminar, aiming at introducing strategic transformation mechanisms to private and public sectors, in addition to other related topics.

Jordan Ahli Bank also established the Ahli Small and Medium Enterprises (SME) Academy Unit, which is considered the first of its kind initiative among the local banking sector. The academy provides small and medium enterprise owners, pioneers and other members of society from different segments and sectors with the opportunity to develop their institutions and to develop themselves as individuals by providing free workshops and specialized training programs under the instructions of an elite group of trained professionals, thus enriching their professional experiences and increasing their chances to succeed.

As part of its ongoing work to reinforce sound corporate governance strategies, Jordan Ahli Bank acted as a platinum sponsor for the “Balanced Scorecard” seminar. Organized by Tanweer Business Consultancy and Training, the seminar featured the participation of the international global business strategy expert, Dr. Robert Kaplan.

In support of students and the educational sector in general, the Bank sponsored the Queen Rania Outstanding UK Learner Award 2012 Ceremony, which saw the distribution of awards to Jordanian students who received outstanding results on their International General Certificate Secondary Education (IGCSE) exams, which is established by Cambridge University and conducted under the supervision of the British Council in Amman. The Bank also sponsored the Sherkitna (Our Company) initiative, which seeks to plant seeds of entrepreneurship within the community with the objective of fostering future generations with an aptitude for productivity and innovation through offering grade-11 school students nationwide the guidance and training necessary to take the idea from concept to fruition.

Continuing within its list of sponsorships, Jordan Ahli Bank also acted as a platinum sponsor of the Jordan Model Economic Conference (JOMEC), which brought together students and professors from numerous schools and universities from a number of countries, including Italy, Egypt, Greece, Qatar, Turkey and Jordan. The goal of the conference is to broaden the participants’ knowledge by facilitating informed, directed discussion on the latest economic theories and sharing experiences in the economic field. The conference was held in the same spirit as prominent global economic conferences such as those planned by the World Trade Organization and the World Economic Forum.

As part of its longstanding endeavors to safeguard the rights of children and the youth, Jordan Ahli Bank sponsored “Our Goal Is the Future” initiative. The initiative is considered a substantial athletic gathering for young refugees of various nationalities between the ages of 8 and 12 years old that are residing in Jordan, offering a variety of fun-filled activities. The initiative plays an essential role in raising awareness on key refugee issues, creating appropriate environments for refugees to meet and interact with their peers, which is essential for their mental development and long-term self-actualization.

The Bank was also a silver sponsor to “Operation Smile”, contributing to the treatment of children suffering from cleft lips in the Mafraq Governorate. The Bank’s contribution came as part of a three-day medical mission held in Al Mafraq Hospital for Obstetrics and Gynecology. In addition, the Bank sponsored a fundraiser at the Four Seasons Hotel, with proceeds benefiting children suffering from birth defects.

In an effort to bolster the professional musical activities of the youth, the Bank’s extensive activities included the support of a diverse range of artistic events. The Bank sponsored the tenth “Dialogue of Civilizations” musical concert, as well as performances by the Palestine National Orchestra, which were held on the Al Hussein Cultural Center stage and organized by the Edward Said National Conservatory of Music and the Balad Theater.

The Bank also sponsored the fifth “Hakaya” Festival, which aimed to revive the art of storytelling

as a popular traditional art form. It also sponsored an exhibit by gallery artist and sculptor Majdi Masharqa, in addition to a photo gallery.

During 2012, the Bank also worked toward the realization of environmental goals and the preservation of the environment for future generations through its sponsorship of the 2011/2012 Queen Alia Competition for Social Responsibility. The objective of the competition was to reduce the use of plastic bags, to raise awareness of their potential harm to both health and the environment and to inform the public of the correct means of their disposal. The competition also encouraged the replacement of plastic bags with environmentally friendly bags made of paper or canvas. The Bank has also supported an environment-themed drawing competition in collaboration with the Friends of the Environment Association.

Regarding its scope of charitable and humanitarian work, the Bank lent its platinum sponsorship to the Black Iris Festival, with all proceeds donated to a variety of Jordanian charities. The Bank has consistently provided its support to charitable efforts concerned with the welfare and the empowerment of children, particularly those focused on the most unfortunate, including children with special needs and orphans, in addition to its support to youth activities and youth talents in the field of arts.

In a continuation of its extensive CSR efforts, the Bank hosted two Iftar banquets for orphans from the Ezz Eddin Orphan Care Center of the Al Mahatta Camp area and the Nour Orphan Care Center of the Quwaismeh area adding to the Bank's active partnership to all civil society organizations and offering support to deprived communities that surpass financial aid. In addition, in collaboration with the Children's Museum, the Bank sponsored an Iftar for 200 orphan and impoverished children. It also sponsored a Christmas charity event, which raised money for the children and women who benefit from the work of the YWCA organization in Amman.

In line with its aims to support initiatives that enhance the local sports scene, Jordan Ahli Bank sponsored the "Ayman Dais Academy" Basketball tournament, focusing on the development of young athletic talents. Consequently, the Bank sponsored the 17th season of the Super Little League basketball tournament, as well as little league basketball tournaments at the Ahliyyah School and Amman Academy.

The Bank's strive to support the local sports scene was also extended to include other sports, as it sponsored the 20th Prince Mohammad International Chess Tournament, as well as the Football Children's Little League organized by the Rosary College Prime School.

As a leading institution in supporting women's empowerment, the Bank organized the first discussion forum for women managing small and medium enterprises (SMEs), focusing on business rehabilitation, while placing the spotlight on women running SMEs and the role they play in creating a more productive business environment. This forum was part of the Bank's efforts to give women business owners the support, information and knowledge they need to excel in their SME ventures. Moreover, the Bank also sponsored a concert by Naya on the occasions of Mother's Day, International Women's Day and Earth Day, in addition to its sponsorship of a charitable event held by a group of activists on Facebook, which aimed to promote starters projects.

b- Operations Group

Throughout 2012, the Operations Group continued to play a strategic role by rendering support to the business sector and providing supporting services to other Bank groups. The Operations

Group focused on restructuring banking service operations to attain higher degrees of competency and professionalism, aiming to centralize banking operations and to standardize the level of services provided to customers. Moreover, operating systems were upgraded and reengineered in coordination with the Personal Banking Services Group, hence facilitating the transfer of banking procedures that require more technical expertise from the Bank's branches to the centralized operations. Additionally, an upgrade was carried out to improve the performance of the Bank's electronic services network, including the Bank's ATM machines and electronic bank systems, facilitating and easing access to alternative banking channels for individual clients.

Treasury Operations Department:

The deployment of a centralized payroll system was completed at the end of March 2012, affecting a total of 144 bodies and approximately 30,000 beneficiaries. The system was established with the goal of transferring payrolls to beneficiaries in a most efficient manner.

Specialized and advanced training programs were provided for the department's staff members in order to further develop their skills and to enrich their experiences. In addition, a number of Department employees have contributed to offering training to their Bank colleagues. The Department also participated in the applications of the new core banking system, making sure that it is aligned with its objectives.

Electronic Banking (E-banking):

The issuance of MasterCard debit cards (EMV) commenced during last year, distributing a total of 10,594, in addition to the 73,957 effective Maestro cards in circulation. This debt card incorporates an international security feature and is universally accepted at ATM machines and automated procurement systems.



As part of its strategy to activate alternative electronic banking channels, the Bank launched the Ahli Mobile application, which utilizes a global system to serve customers using the most recent technologies available. The application, which also provides money transfer services, has been activated for nearly 6,550 customers. In addition, Phone Banking services were activated for approximately 6,460 of the Bank's customers, while Internet Banking services were activated for about 4,920 customers, and SMS services for about 7,042 customers.

Eight new ATMs were installed in the Aqaba City Center, InterContinental Hotel Aqaba, Rainbow Street and Customer Data Center, as well as branches in Irbid, Wasfi Al Tal, Khalda 1 and Khalda 2, arriving at a total of 82 ATMs. In addition, nine old ATMs were replaced with new ones, bringing the number of ATMs that accept immediate deposits to 65 machines as opposed to 47 machines in the previous year.

Commercial Services Department:

The Commercial Services Department relies heavily on its technical expertise to provide support services in a manner consistent with the Bank's strategic objectives. The ongoing training of staff has been a key focus of the Department, thereby ensuring a high level of efficiency. Moreover, the sharing and exchange of information and expertise among staff members has been another focus area aiming to further develop employees' skills and abilities through a number of internal training sessions and comprehensive discussion circles.

In an effort to improve customer service, standard forms related to letters of credit and guarantees were restated to better reflect the latest updates in these areas in accordance with publications issued by the International Chamber of Commerce during 2011. In addition, the Department launched

alternate-services channels through the application and circulation of the Bank's letter of credit program via Ahli Online.

Method and Procedure Documentation Department:

A large number of the Bank's adopted customer procedures and regulations were documented and modified based on the latest global models and ISO standards and have been circulated among all Bank employees to ensure the endurance of the Bank's secure and risk-free environment.

The Department finalized and approved a large number of work procedures and manuals related to banking services and other departments within the Bank, while adopting new procedures within the branches in Palestine.

c- Logistics Group

The Group equipped and upgraded a number of local and international branches as well as business centers.

Queuing systems were installed in 32 branches, thus organizing customer lineups inside the targeted branches and increasing the efficiency of customer service. Upgrading other branches is scheduled to take place soon.

The Group administered installing ATM machines at new locations.

Preparations of the technical creativity building related to IT have been completed.

Constructed and equipped the new center for the Bank's subsidiary "Ahli Micro Financing Company". The sale of a number of seized real estate properties at a value exceeding JD5.3 million.

Supplemented the bank's income by an amount equal to JD259.860 thousand representing revenue generated by real estate properties owned by the Bank.

d- Human Resources Group

The 2012 human resources agenda focused on promoting and strengthening a culture within the Bank that values quality performance. The Group remained committed to putting a set of comprehensive, objective standards in place, which linked the performances of individuals, departments and groups with the Bank's overall corporate performance. This approach, which has roots in goal-oriented management, had a positive effect on the Bank's ability to accomplish its goals. From this standpoint, and drawing on several large institutional steps that were brought into effect years ago, the Bank succeeded in achieving the following:

- The adoption of Service-Level Agreements (SLA) between a range of support centers and profit centers. These agreements define the means by which different parties relate in accordance to efficiency and performance standards. Approved SLAs were distributed to all related parties at all levels, thereby raising the caliber of the Bank's services, while also providing an easy means to ideal performance management.

- The development of an electronic system on the Bank's intranet for the use of branch and profit centers' employees. The program can be used to specify monthly goals, as well as yearly goals, accordingly. In addition, the program allows employees and management to concentrate on their strengths to identify the appropriate means to improve weaknesses and to tie incentives to performance. It should be noted that a similar, manual system is in place for the benefit of employees in other profit centers with a similar goal-oriented focus.

- Throughout 2012, a total of 394 specialized training courses were held, attended by a total of 5,212 participants. The cumulative amount of time dedicated to training Bank employees in Jordan and the Palestine branches exceeded 20,600 days.
- Three developmental programs were organized, each lasting an entire year, and two of which were designed specifically for new employees. Another program was organized for credit officers, the second such course offered within the last two years. Due to this intensive program, a number of employees became qualified to handle credit procedures, corporate customer service and SME, both from theoretical and practical standpoints.
- The Fast Track program was designed for exceptional Bank employees and aims to develop the skills of the Bank's most promising staff members.
- In 2012, the Bank launched a development program entitled "Ahli Leaders" for distinguished university students. This intensive program is intended to gather distinguished university students to form an elite group of young employee recruits, particularly those specialized in management and the humanities to prepare them to assume leadership roles within support groups.
- A "Mystery Customer" program was initiated to measure the level of service provided by branch employees and to determine the results of their training. The program was developed in line with the Bank's strategy to improve its services and raise customer satisfaction; its results were used to identify performance gaps and improvements that needed to be made among the staff. In coordination with other group heads, the Human Resources Group developed a set of protocols to deal with customer complaints, so that all issues could be handled effectively within a maximum of three days after the date of the complaint's receipt.
- The establishment of the Jordan Ahli Bank SME Academy Unit, the first training unit of its kind created by a local or regional bank. The Unit supports the SME sector, the largest sector of the national economy, and contributes to its empowerment by providing knowledge and training regarding the use of financial tools, as well as the basics of management and planning for those intending to enter the market. The Unit also reinforces customer loyalty among the Banks' SME customers.
- In the field of corporate social responsibility, the Bank provided more than 400 work-training opportunities for university, junior college and school students during 2012. Training was offered as part of students' overall education, providing them with practical experience that suited their different academic approaches and educational backgrounds.
- Selection and recruitment systems were updated, thereby prioritizing the deployment of the Bank's internal staff to fill up vacancies. The basis on which new employees are chosen was expanded; this particularly affected standards for the recruitment of recent graduates who are chosen from a wide selection of students making up a database of more than 40,000 online applicants. In cooperation with the King Abdullah II Development Fund and various universities, the Bank has access to distinguished graduate students, whereby applicants are entered into a yearlong qualifying program during which recruits undergo theoretical and practical training for their occupational duties.
- A benchmarks analysis study on a number of different positions was conducted in order to attain ideal work standards. Additionally, hiring procedures were documented and job description manuals were completed and adopted by regional management for the Bank's branches in Palestine and Cyprus.

- To maintain a healthy work environment, the Bank's management initiated an open-door policy and arranged for seminars and meetings between staff and administration. In addition, the Bank is continuously improving the level of benefits and incentives it offers to its employees and their families. In 2012, the Bank launched "My Ahli", an internal communication tool and a platform to discuss original ideas and to contribute to the improvement of all aspects of the work environment.



Trips and events, featuring live entertainment, were also arranged for employees and their families on many occasions, hence facilitating more than 17 planned events with more than 2,900 participating employees aiming to form strong communication channels between staff members.

- Human Resources completed the preparation of career development and career planning guides for each occupational group, acquainting employees with the requirements they would need to advance.

These manuals include replacement policies, which put focus on recruiting promising leaders and putting sufficient investments into the process, in order to recruit qualified replacements, particularly in rare and specialized fields.

- An automated system was developed to assess the quantitative performance of branch staff, allowing staff members and branch management to review their monthly and yearly goals, as compared to their actual achievement rates. This system contributes to an objective, transparent evaluation, thereby completing the monitoring process using a 360-degree assessment. This system was expanded to include the employees of all productive sectors among others.

e- Information Technology and Enterprise Management Program

The year 2012 saw the implementation of many large-scale projects in the realm of information technology (IT) and enterprises. The projects, which aimed to provide the best in electronic services to the Bank's customers and to increase competency on internal procedures, can be summarized as follows:

- Temenos, a leading international banking software company, was chosen to provide the Bank with its most recent, comprehensive and flexible system: "T24," which is used by many banks around the world. The new core banking system is part of the Bank's expansion strategy, which aims to improve its products and performance, to strengthen its market share and to diversify its selection of services offered to customers. This strategy will support the Bank's ambitious growth plans inside the Kingdom and throughout the Middle East, as well as ease the Bank's implementation of a strategic shift. Upon its launch, the banking system was dubbed "DNA" to reflect its vital role as the Bank's new technological platform. As such, the platform represents the focal point around which other banking processes revolve, aiming at maximizing shareholder and stakeholder returns by updating the Bank's organizational structure using the latest techniques and technologies.



- The Bank launched a leading mobile banking service, allowing customers to inquire about the state of their accounts and financial transactions, conduct banking operations and account transfers, as well as carry out their own financial planning. The mobile banking service also introduces customers to the Bank's new products and services while providing them with a direct link to bank employees and officials.



- A sophisticated, pioneering program to improve the Bank's transfer of transcripts to customers was

completed, improving the use of personal account statements and credit cards. The Bank offered customers the option to receive these documents by e-mail and through the Jordan Ahli Bank website.

- The centralization of payroll system was completed, giving Jordan Ahli Bank the potential to become the bank of choice for companies wishing to transfer and distribute their employees' payrolls inside the Kingdom. The money transfer process was streamlined, providing ease and speed while also minimizing errors.

f- Inspection and Internal Control Department

In 2012, Inspection and Internal Control processes were improved in all Bank departments and groups. The work of the Analysis and Research Department came into effect, as did the implementation of planned programs and follow-up audits of the Bank's employees.

The Department has worked to improve and develop the branches' monthly audit reports and their corresponding auditing assessment to better suit each branch according to its volume of work.

3) Other Groups Sector

This sector is made up of the following groups:

a- Credit Group

In 2012, the Credit Group continued to follow a carefully constructed credit facility plan by focusing on high-profit, low-risk sectors, effectively applying a risk management system to the Bank's credit portfolio on all levels. The Bank's financial portfolio was therefore secured due to steps taken to limit bad debts, non-performing loans and outstanding interest. Moreover, in order to keep pace with technological advancements, the Group has adopted Moody's risk classification and rating.

b- The Ahli Capital Markets and Investments Group

The Ahli Capital Markets and Investments Group managed to overcome the regional and local challenges of 2012, as well as their impact on its ability to make effective investment decisions. Throughout the year, the Group's actions were part of a clear and flexible strategy regarding the management of the Bank's assets and liabilities.

ahli | الأهلي

INVESTMENT استثمار

By endorsing its approved strategy and by building upon the principles of conservatism and safety, the Group was able to achieve high returns within an increasingly risky environment. Despite the stressful conditions and fierce competition between banks to attract deposits from the public, the Group was able to provide comfortable liquidity levels at typical financing costs.

The plummeting of key foreign currencies' interest rates made managing assets and liabilities in said currencies a more complicated process. Despite this, the Group continued to focus on non-interest related revenue. It also expanded its customer base by using the quality and diversity of the Bank's rendered services to draw in special customers.

Through the Financial Institutions Department, the Group was also able to develop its banking operations and offer its services to more Arab and foreign banks and financial institutions, many of which have chosen Jordan Ahli Bank to act as their main correspondent in Jordan due to the services it provides and the expertise it possesses.

The Group also strengthened its presence in the Kingdom and demonstrated its leadership in the field of investment banking. This was achieved by providing comprehensive basic and support services

to local companies in the market. From the outset, the Group has focused on its large collection of services, including financial solutions available to achieve the long-term aspirations of Bank customers, who are considered the main components to the investment banking industry. In 2012, the Group assumed the role of custodian, as well as paying and registrar agent for bonds issued in excess of JD100 million. Additionally, the Group supplied indicative and informative specialist reports and studies serving different sectors as an investment reference to be used at all levels of the decision-making process. The Group shall expand regionally through its participation and election as a representative within the corporate restructuring committee.

The Group spared no effort in training its staff members, sending them to attend courses, seminars and conferences held locally and abroad and undergoing training to raise their efficiency levels and enable them to achieve professional certifications. The Group's staff has transformed into an exceptional presence in the Jordanian market, with an impressive collection of experiences and earned professional certificates.

The Group will continue to manage its operations using the same approach it adopted in 2012. Nevertheless, the Group will remain ready to seize any new opportunities, which may present themselves in the local or global market in order to increase the Group's returns, and consequently, benefit both the Bank and its shareholders.

C - Finance Group

- The Group continued to apply recently added International Accounting Standards 8 and 9, incorporating a more transparent approach in the Bank's disclosure of financial statements including more detailed clarifications related to the Bank's financials in addition to adopting a new method for categorizing investments. It is worth noting that Jordan Ahli Bank began enforcing these new standards at the beginning of 2011.

- The Group prepared the 2013 draft budgets and action plans, drawing up separate plans for the Bank's different operations and support groups. The Group also assessed the performance of the Bank's different groups quarterly, measuring them against the work plans and budgets of 2012. In cooperation with business groups, the Finance Group evaluated the performance of the Bank's products, determining their profitability and analyzing alternative methods of development to maximize revenue. In addition, the Group calculated, allocated and monitored debt provisions, outstanding interest, write-offs and recoveries on monthly basis.

- The Group continued to enforce its existing policy regarding controlling the Bank's current and capital expenditures, hence overseeing the groups' adherence to their approved work plans and budgets as well as expenses related to new and existing projects.

D – Remedial & Recoveries and Legal Affairs Group

In 2012, the Remedial & Recoveries Group and its qualified staff contributed to supplementing the Bank's income by JD10,670 million from outstanding allocations and interest as a result of cash collections, which amounted to JD22,400 million.

E - Risk Management and Compliance Group

The Risk Management Group carried out a number of steps during 2012 contributing to the strengthening of the Bank's risk management processes and procedures in a manner consistent with the directives set by the Central Bank of Jordan as follows:

- The Group prepared a study on the impact of Basel III curricula applications and requirements,

which were recently issued by the Basel Committee on financial supervision.

- In line with the Central Bank of Jordan directives and taking into consideration the changing economic circumstances, amendments were made to the Bank's investment policy, while a model for calculating "Value at Risk" VAR was further developed for analytical purposes.
- The Group performed a comprehensive review of work procedures related to the Compliance and the Anti-Money Laundry policies in the Palestine branches.
- Customers' risk classifications were reviewed from a compliance perspective based on a theoretical framework and methodology, in preparation for an electronic application once the system becomes operational.
- A guide detailing work procedures and policies related to the currently used Moody's risk classification system was prepared.
- Work procedures regarding credit management and documentation were further developed and upgraded at the Cyprus branch.
- The Central Bank of Jordan directives regarding a review of Lebanese regulatory authorities regulations were enforced, making sure that Central Bank regulations are being adhered to.

F - Internal Audit Group

- Throughout the year of 2012, the Group implemented its operational plan, which was based on the established strategic plan approved by the Internal Audit Group of the Board of Directors. This was carried out in light of ongoing reviews of the audit plan and performance assessment results related to the Bank's different branches, departments and groups.
- The Group gave its utmost attention to the implementation of regulatory authorities' instructions and directives. Also, the Group completed its mission to further develop the skills of its staff members and employees, enrolling them in training courses in accordance to the development plan, and qualifying them to attain professional certifications in the field of internal auditing.
- The Group began implementing the final stage of the TeamMate project. In addition, the Group, in coordination with the Human Resources Group – Training and Development Department – began holding training courses for Bank employees focused on combating money laundry and terrorism financing. The training courses were hosted by auditors who specialize in the aforementioned fields.

Corporate Culture

Jordan Ahli Bank's Corporate Values are considered to be the backbone not only of its brand identity, but also of the bank's strong corporate culture. These Corporate Values can be summarized as follows:

Profit Focus – maintaining and growing the profits of the bank as ambitiously and as securely as possible.

Sales Focus – a constant focus on continuing to grow the sales intensity of the organization.

Client Focus – to grow into a financial services institution that places client needs and customer satisfaction in the heart of its strategic planning, execution, policies, and targets.

Strategic, Fact-Based Approach – to ensure that all decisions and policies within the bank are strategic, objective, well-studied and supported as scientifically as possible by facts and numbers.

Merit-Based Reward System – ensuring that rewards and promotions within the bank are purely merit-based, and tied to the objective performance of individuals.

Excellence – to build a culture of excellence, where employees are continuously learning how to improve their skills, abilities, and ideas, and where they see continuous improvements in products and services.

Creativity and Innovation – to encourage an environment where new ideas, creativity, and innovation thrive.

Technology Focus – to invest in information technology, and slowly yet surely transform IT in a source of major competitive advantage for the bank.

Code of Conduct

This code has been prepared with the aim of organizing the conduct of employees, work values and ethics, controls, and commitments at Jordan Ahli Bank and its subsidiaries and affiliates, whether in Jordan or other countries where the bank is active. Employees at different levels are committed to this code, which contains the following commitments, responsibilities and duties:

(1) Commitment towards shareholders:

- Reinforce shareholder confidence in the bank through persevering efforts to strengthen the bank and its capability, and increase its profits by transforming the bank to a banking establishment that adheres to international standards and seeks to compete on local, regional, and international levels.
- Commitment to seek, follow-up on, and develop all potential business opportunities, and make the most of them in order to achieve the highest profitability possible.
- Commitment to institutional loyalty to the bank and to safeguarding its confidential matters.
- The immediate disclosure of all substantial and material matters that pertain to shareholders and their rights.

(2) Commitment towards clients:

- Commitment to providing the best services to customers with a spirit of camaraderie, courteousness and respect to their persons, dignities, time, and interests that are not in conflict with those of the bank.
- Commitment to improving performance and efficiently completing tasks while applying the principles of integrity, fairness and objectivity in dealing with clients.
- Group commitment to innovation and application of banking products that serve customers in a wider and more effective manner, while achieving the interests of the bank.
- Commitment to the provision of clients with information, offers and responses to their queries in a professional, direct, unambiguous and transparent manner, in the quickest way possible, with the bank bearing no liability until implementation.
- Commitment to charging appropriate and fair commissions to clients, which concurrently reflect the quality of services, and degree of risk.
- Commitment to establishing relationships with clients on the basis of mutual respect impartial of personal interests.

(3) Commitment towards regulatory authorities:

- Commitment towards application of all laws, bylaws, and rules required in countries where the bank operates.
- Commitment to the true disclosure of information required by regulatory authorities expressly, clearly, efficiently, and respectfully.
- Commitment to safeguard professional relationships with officials in regulatory authorities and seek to gain their confidence in the bank, and its commitment to all stipulated rules.

-
- Unconditional commitment to cooperate with regulatory authorities on professional grounds and assist members of the Board of Directors in the superior performance of their commitments in this regard.

(4) Commitment towards colleagues:

- Commitment to team-spirit during work, as success in the performance of any employee depends, directly or indirectly, on the success of work performed by the team.
- Reinforce the ties of brotherhood, friendship, mutual respect, and appreciation among colleagues.
- Provide full support and advice to colleagues.
- Commitment to group work ethics represented in the following three rules: honesty, mutual respect, and readiness to build common grounds of agreement.
- Commitment to decrease the times set for meetings to the bare minimum so as to save the time and effort of colleagues. Also, commitment to dates set for meetings and preparation of an agenda ahead of the date set for the meeting.

(5) Commitment towards the community:

A- Professional commitments:

- Commitment to offer suggestions, programs, products, and services that contribute, either directly or indirectly, to social development and the improvement and expansion of banking opportunities to a wider base of clients.
- Commitment that bank advertisements and advertising campaigns shall always adhere to local cultural traditions, positively contribute to reinforcing social values, enlighten local communities, and endorse a sophisticated banking culture.
- Refrain from offering any programs or services that aim to cater to sectarian interests based on politics, sects or races.

B- Solidarity commitments:

- Commitment to fund a planned annual program to socially support volunteer institutions active in local communities, and also support cultural institutions and initiatives, publish books, and support other cultural activities.
- Encourage other social, productive and scientific initiatives, and improve the living standards of underprivileged sectors of society.

(6) Commitment towards Jordan:

- Jordan Ahli Bank is a Jordanian national establishment that will safeguard, in Jordan and abroad, at national, Arab and international levels, Jordan's economic interests, the Kingdom's image, and the traditions of the Jordanian nation and its reputation.

Strategic Plan 2013

In 2013, we at Ahli Bank will continue to take bold steps forward in improving our corporate value proposition to all stakeholder . Our strategic plan aims to improve shareholders' returns, while continuing to improve customer service quality, product innovatio, and employee satisfaction.

Project DNA: In 2012, we launched Project DNA, an enterprise-wide business transformation program driven by a new model banking system, enterprise architecture strateg and state of the art technolog . Project DNA is a 4-year program that aims to deploy the best practice financias services platform for Ahli Bank that will provide the Bank with superior capabilities to service all stakeholder interests, including advanced business analytics, advanced risk management systems, a full customer-centric solution with advanced customer service channels and functionalities, and so much mor . In 2013, our DNA team of 70 members will continue Project DNA implementation, preparing the bank for the future.

Small & Medium Enterprise (SME) Banking: Ahli Bank will continue to focus its efforts on deploying new products and services for SMEs all over Jordan and Palestin . Our product lineup will include financial as well as non-financial services that will support SMEs to become more competitive, more profitabl, and more likely to succeed. Our SME Academy Unit, which Ahli Bank deployed in 2012 to provide free business training for small business owners around the Kingdom, will expand its curriculum and continue to impact the quality of SME financial, strategic, marketin, and human resource planning capabilitie . In addition, Ahli Bank will launch, together with international financial partners, state of the art solutions to empower SMEs throughout themKingdom.

Personal Banking: Ahli Bank will continue its aggressive growth into the personal banking market, and will continue to innovate new products and services that will introduce delightful and productive personal banking solutions to customer . Ahli Bank, for example, will be launching, for the first time in the Jordan, a "Go Green" Program, which i; a loan that provides customers with financing on environmentally friendly products at 0% interest

Corporate Social Responsibility (CSR): In 2012, Ahli Bank launched its Corporate Social Responsibility (CSR) unit, and developed together with industry experts a detailed and exciting CSR strategy that aims to institutionalize Ahli Bank's long history of social and cultural developmen . In 2013, Ahli Bank will begin to deploy major components of the CSR strategy, with the objective of continuously improving the Bank's positive impact on all stakeholders, including society, customers, employees, partners, shareholders, regulator and the environment.

Financial Performance: Ahli Bank will continue to improve the cost-income ratio by both improving overall revenues through growth in both assets and liabilities, whilst controlling costs and continuing to improve operational efficiency, as well as managing risk intelligently and proactivel . Special focus will be given to proactive asset liability management, expediting sale of non-productive bank assets and improving investment portfolio performance, to name a few.

There are, of course, many more areas of focus and strategic imperatives for 2013, and we hope to continue to delight and please all our stakeholders with our growth, innovative solutions and unique financial services.

Social Initiatives for Change

Ever since the establishing of Jordan Ahli Bank, we have carried the responsibility of building a better future for generations to come. This responsibility mirrored through our never-ending commitment to support social, economic and environmental programs has been founded in accordance to the needs and priorities of the local community, as we have been the first to acknowledge the interrelation between corporate social responsibility and comprehensive development.

Throughout the years, we have worked extremely hard to encrypt social responsibility within the core of our adopted strategy by creating a unique blend of quality social responsibility and performance. This manifested a variety of social responsibility programs and activities directed towards economic, social and environmental development.

During year 2012, we embraced many social responsibility programs. Jordan Ahli Bank sponsored the “Our Company” initiative in collaboration with the Ministry of Education, which gave public schools’ students the opportunity to experience the true meaning of entrepreneurship that resulted in the launch of various projects.

Additionally, Jordan Ahli Bank sponsored “CSR in Action”, a program tailored by Ahli Holding Group working in parallel with the business development center to further enhance the Jordanian Youth’s skills and culture.

We were also one of the first banking institutions operating within the private sector to support the “Queen Alia Social Responsibility” contest 2011/2012, which aimed to limit the use of plastic bags and encourage the use of environmentally friendly paper bags, raising the slogan “khali kyasak ala gyasak o galel minha istihlakak”.

Jordan Ahli Bank also hosted an educational seminar about the disadvantages of smoking and its implications on the general health and environment, in addition to organizing a blood donation campaign for the National Blood Bank lending a helping hand for patients in need.

We also provided our financial support for the Cerebral Palsy Care Foundation, which helped cover the physiotherapy costs for one year at Irbid and Karak centers. Keeping in mind the importance of early childhood years, Jordan Ahli Bank was the silver sponsor for the Jordanian “Smile Foundation” taking part in the treatment of a group of children from Al Mafraq governorate suffering from harelip condition. Furthermore, Jordan Ahli Bank sponsored the “Seha o Khair” march for year 2012 that took place at the city of Irbid to stand by children with special needs, being the first of its kind granting all its proceeds to support the “Children Love Forum” and raising awareness regarding this issue.

We at Jordan Ahli Bank fully recognize our major role in helping the underprivileged. Adding more to our series of social accomplishments during year 2012, we granted orphans our undivided attention allowing them to take part of the Children’s Museum’s fifth anniversary festival with the sole purpose of spreading joy and happiness. We also hosted two Ramadan iftar feasts for Iz Al Deen Al Qassam refugee camp at al Mahatta and Markaz Aytam Al Noor at Al Qwaismeh as well as holding a charity lunch for YWCA during the Christmas holidays.

Jordan Ahli Bank’s social responsibility report for year 2012 includes detailed information with regards to the bank’s social responsibility efforts and strategies for the coming years, which can be found at www.ahli.com.

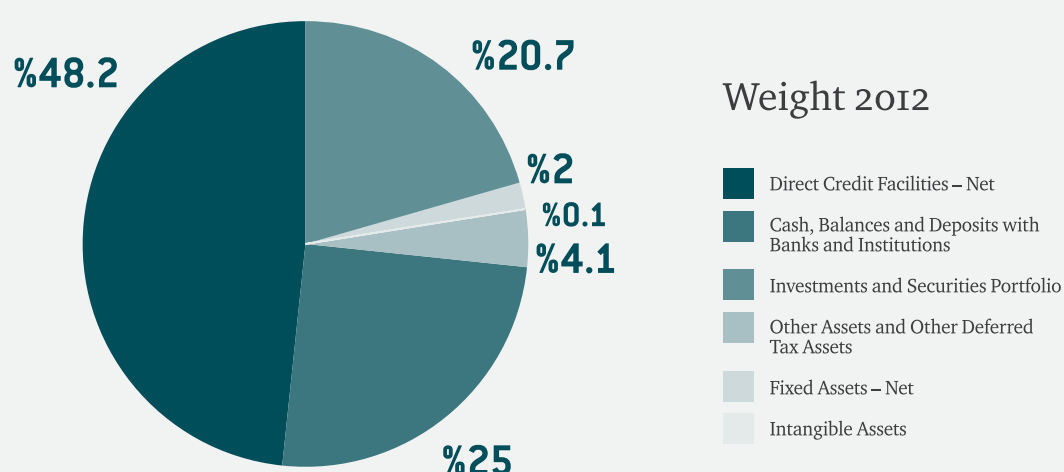
In conclusion, we at Jordan Ahli Bank renew our promise for a better life by accepting our responsibility towards our local community, further enhancing our Jordanian society with hopes of creating a brighter future and benchmarking the term “social responsibility”.

Key Financial Analysis and Indicators for 2012

The following are details of the changes and amendments to key items under assets, liabilities and contra accounts:

First: Assets

Bank Assets	2012	2011	% Change	Weight 2012	Weight 2011
Cash, Balances and Deposits with Banks and Institutions	663,268,491	648,733,396	2.2%	25.0%	24.8%
Direct Credit Facilities – Net	1,274,022,910	1,178,228,195	8.1%	48.1%	45.0%
Investments and Securities Portfolio	548,461,563	626,659,495	-12.5%	20.7%	23.9%
Fixed Assets – Net	52,888,938	52,743,439	0.3%	2.0%	2.0%
Intangible Assets – Net	3,458,438	3,741,207	-7.6%	0.1%	0.1%
Other Assets and Other Deferred Tax Assets	108,186,379	106,563,263	1.5%	4.1%	4.1%
Total Assets	2,650,286,719	2,616,668,995	1.3%	100.0%	100.0%



1. The Balance Sheet total (excluding contra accounts) amounted to JD2,650,286,719 by the end of 2012, compared to JD2,616,668,995 as of 31/12/2011; an increase of JD33,617,724. Inclusion of the contra accounts would bring the total to JD3,039,563,104 by the end of 2012, against JD3,061,748,227 registered at the end of 2011, amounting to a decrease of JD22,185,123.ht

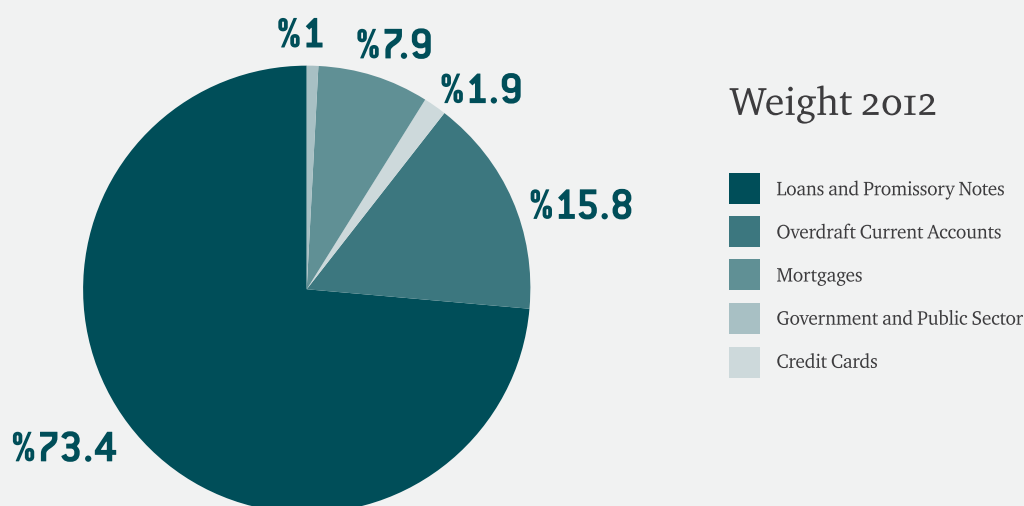
2. Cash in hand and at banks amounted to JD663,268,491 by the end of 2012, compared to JD648,733,396 at the end of 2011, an increase of JD14,535,095.

3. The net value of securities amounted to JD548,461,563 at the end of 2012, compared to JD626,659,495 at the end of 2011. This amount includes JD496,031,823 worth of treasury bonds, treasury bills and corporate debentures, which amounted to JD570,589,172 by the end of 2011.

4. The balance of credit facilities (before provisions and interest in suspense) was JD1,426,151,651 at the end of 2012, compared to JD1,313,768,908 at the end of 2011, an increase of JD112,382,743. This figure includes outstanding overdraft accounts amounting to JD225,232,327, in addition to loans, promissory notes and credit cards totaling JD1,200,919,324.

5. Net fixed assets amounted to JD52,888,938 by the end of 2012, compared to JD52,743,439 at the end of 2011.

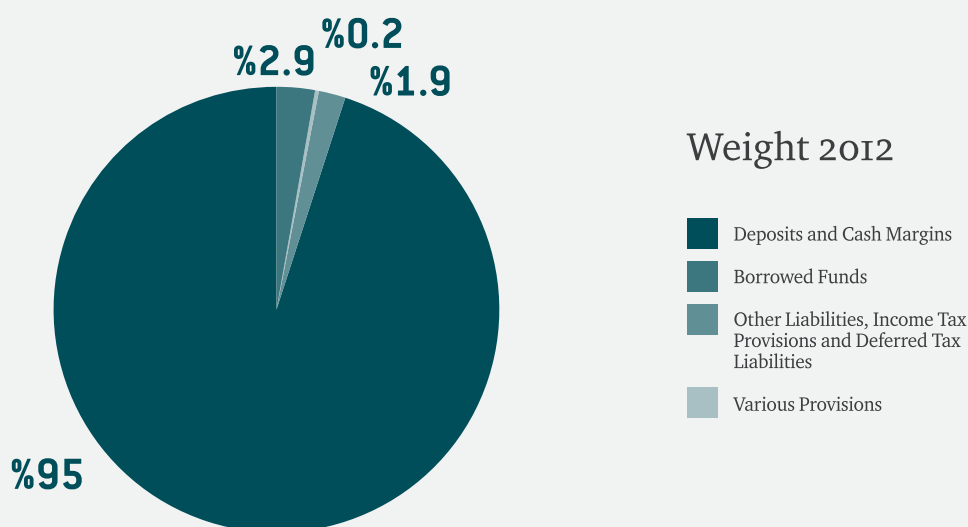
Direct Credit Facilities - Net	2012	2011	% Change	Weight 2012	Weight 2011
Overdraft Current Accounts	225,232,327	192,712,809	16.9%	15.8%	14.7%
Loans and Promissory Notes	1,046,209,900	997,930,852	4.8%	73.4%	76.0%
Credit Cards	13,809,671	12,968,422	6.5%	1.0%	1.0%
Mortgages	113,264,850	96,931,207	16.9%	7.9%	7.4%
Government and Public Sector	27,634,903	13,225,618	108.9%	1.9%	1.0%
Total Direct Credit Facilities	1,426,151,651	1,313,768,908	8.6%	100.0%	100.0%



Second: Liabilities

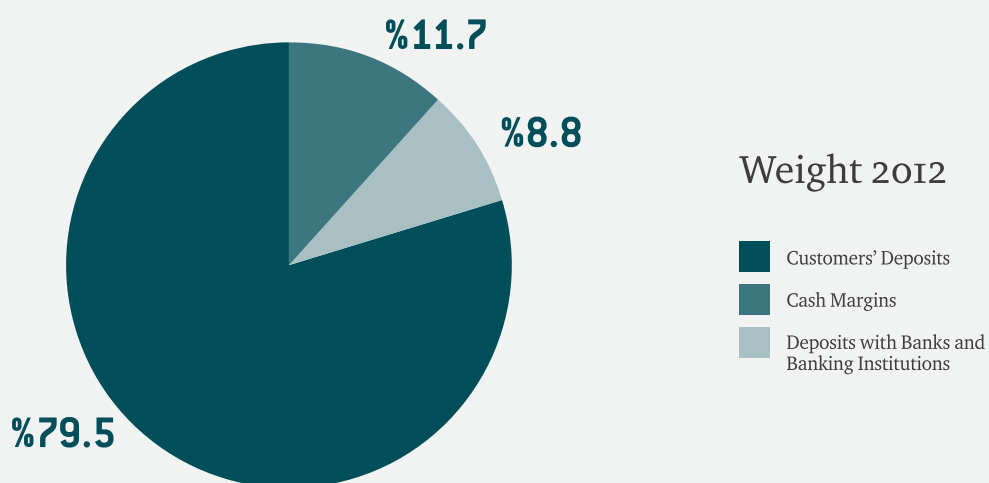
1. The balance of deposits in current and call accounts, savings, term and bank accounts amounted to JD 1,997,141,086 at the end of 2012, compared to JD 2,055,821,259 in 2011, a decrease of JD 58,680,173.

Bank Liabilities	2012	2011	% Change	Weight 2012	Weight 2011
Deposits and Cash Margins	2,260,756,201	2,298,205,922	-1.6%	95.0%	97.3%
Borrowed Funds	68,942,209	7,735,444	791.3%	2.9%	0.3%
Various Provisions	5,059,440	4,837,754	4.6%	0.2%	0.2%
Other Liabilities, Income Tax Provision and Deferred Tax Liabilities	45,413,895	51,010,628	-11.0%	1.9%	2.2%
Total Liabilities	2,380,171,745	2,361,789,748	0.8%	100.0%	100.0%

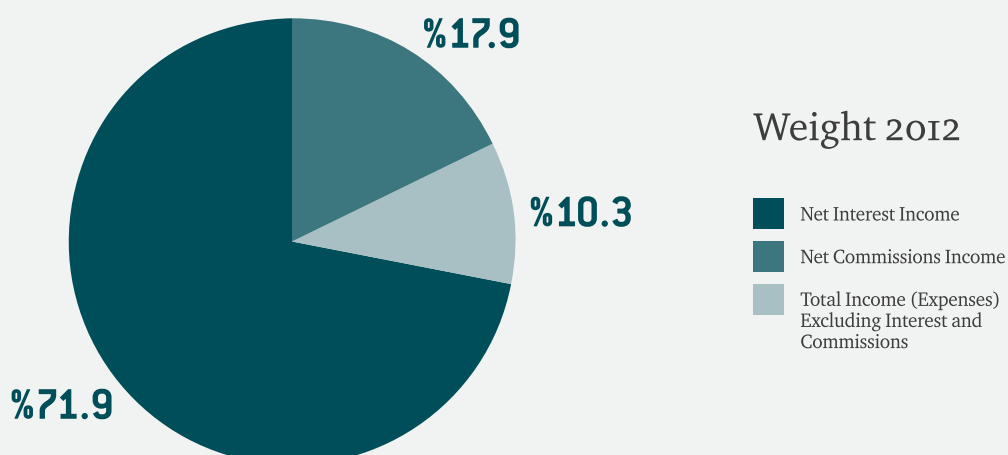


2. The balance of reserves and various provisions amounted to JD 82,513,555 by the end of 2012, compared to JD 74,031,466 at the end of 2011.

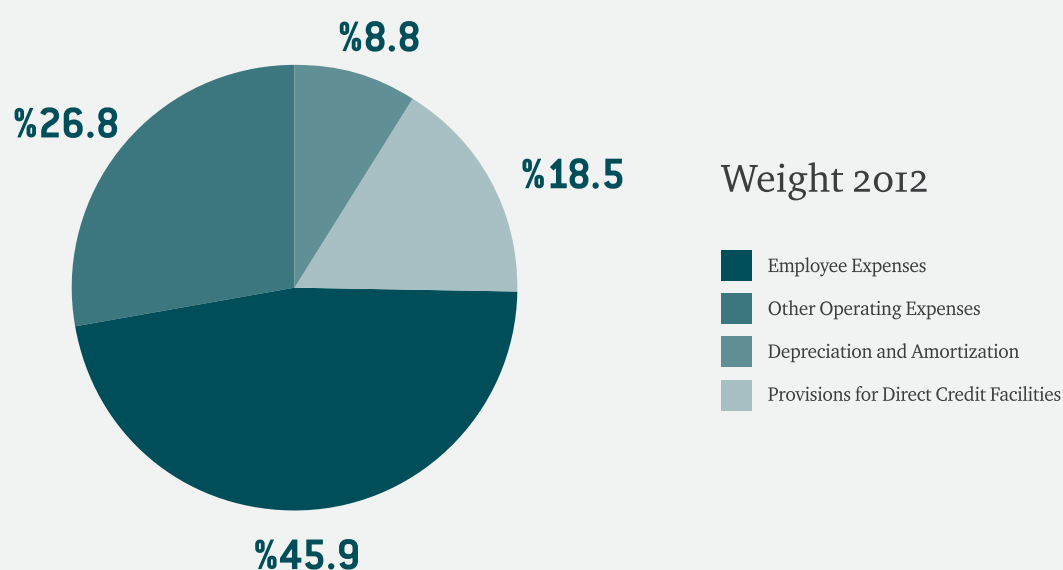
Deposits and Cash Margins	2012	2011	% Change	Weight 2012	Weight 2011
Deposits with Banks and Banking Institutions	200,070,160	350,561,822	-42.9%	8.8%	15.3%
Customers' Deposits	1,797,070,926	1,705,259,437	5.4%	79.5%	74.2%
Cash Margins	263,615,115	242,384,663	8.8%	11.7%	10.5%
Total Deposits and Cash Margins	2,260,756,201	2,298,205,922	-1.6%	100.0%	100.0%



Net Operating Income	2012	2011	% Change	Weight 2012	Weight 2011
Net Interest Income	83,857,835	78,174,559	7.3%	71.9%	69.9%
Net Commissions Income	20,865,949	20,514,187	1.7%	17.9%	18.3%
Total Income (Expenses) Excluding Interest and Commissions	11,982,947	13,152,698	-8.9%	10.3%	11.8%
Total Operating Income	116,706,731	111,841,444	4.4%	100.0%	100.0%



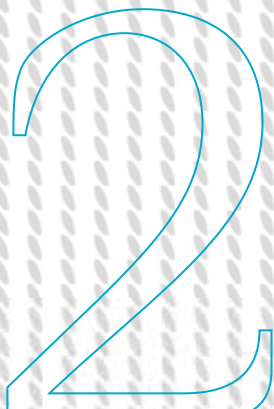
Operating Expenses	2012	2011	% Change	Weight 2012	Weight 2011
Employee Expenses	37,701,495	34,579,147	9.0%	45.9%	44.6%
Other Operating Expenses	22,036,848	20,951,222	8.4%	26.8%	27.0%
Depreciation and Amortization	7,236,853	6,402,472	13.0%	8.8%	8.3%
Provisions for Direct Credit Facilities	15,155,213	16,257,645	-6.8%	18.5%	20.2%
Total Operating Expenses	82,130,409	77,565,148	5.9%	100.0%	100.0%

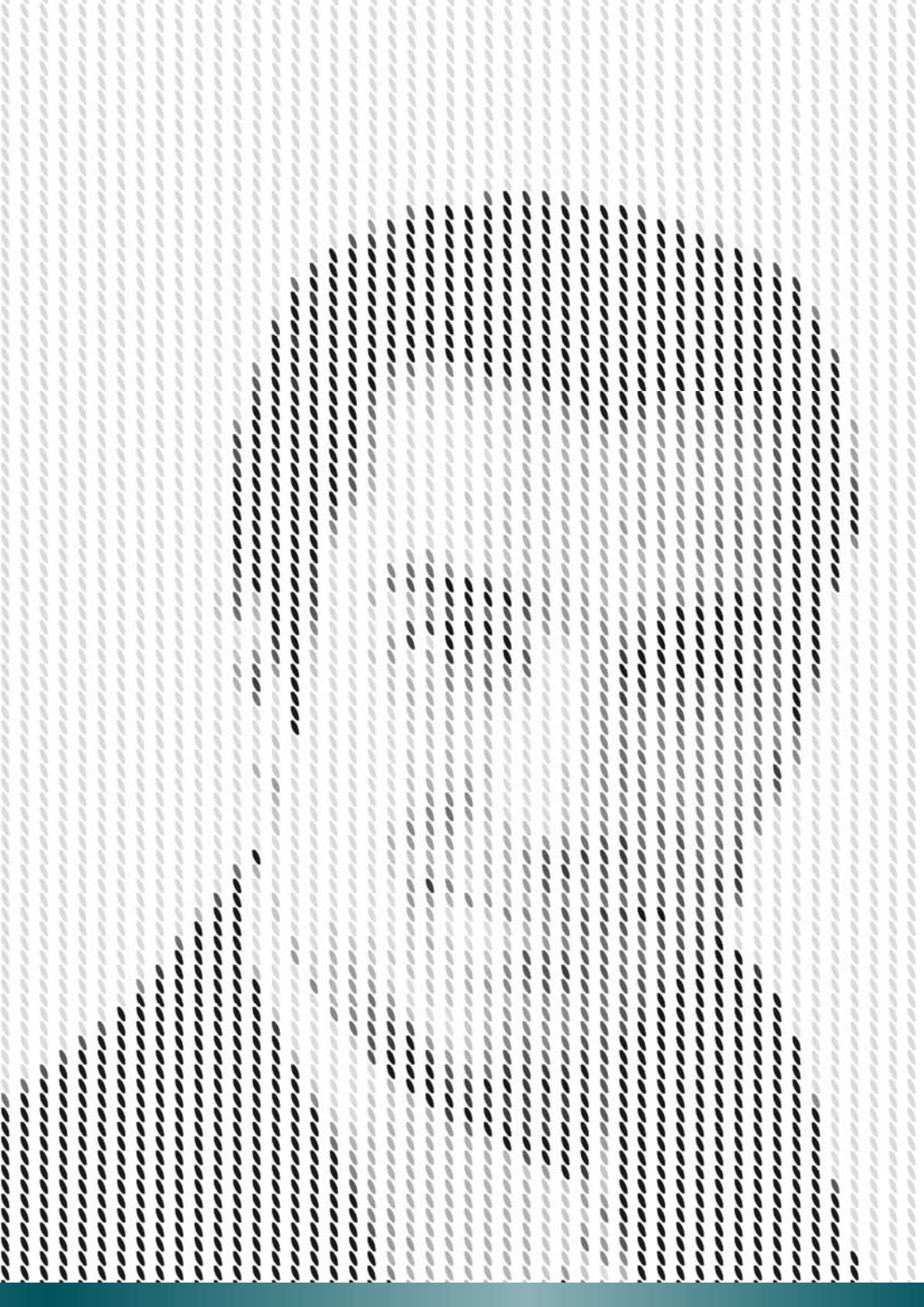


Third: Contra Accounts

1. The balance of letters of credit and acceptances decreased to JD 112,538,224 compared to JD 173,304,112 in 2011.
2. The balance of the non-utilized limits increased to JD 88,613,454 at the end of 2012, compared to JD 86,851,195 in 2011.
3. The balance of guarantees increased to JD 188,124,707 by the end of 2012, compared to JD 184,923,925 at the end of 2011.

FINANCIAL DATA





Independent Auditor's Report

AM/ 4716

To the Shareholders of
Jordan Ahli Bank
Amman – Jordan

We have audited the accompanying consolidated financial statements of Jordan Ahli Bank (a public shareholding limited company), which comprise of the consolidated statement of financial position as of December 31, 2012, and the related consolidated statements of income, comprehensive income, changes in owners' equity and 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 necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Jordan Ahli Bank as of December 31, 2012, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards.

Report on Other Legal and Regulatory Requirements

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

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

Amman – Jordan
April 14, 2013

Deloitte & Touche (M. E.) - Jordan

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Assets	Notes	December 31	
		2012	2011
		JD	JD
Cash and Balances at Central Banks	4	352,763,581	349,318,749
Balances at Banks and Financial Institutions	5	279,234,910	284,095,141
Deposits at Banks and Financial Institutions	6	31,270,000	15,319,506
Financial Assets at Fair Value Through Profit or Loss	7	17,010,005	22,122,155
Direct Credit Facilities - Net	8	1,274,022,910	1,178,228,195
Financial Assets at Fair Value Through Other Comprehensive Income	9	24,150,414	22,282,330
Financial Assets Measured at Amortized Cost	10	496,031,823	570,589,172
Investments in Associates and Unconsolidated Subsidiary Company	11	11,269,321	11,665,838
Properties and Equipment - Net	12	52,888,938	52,743,439
Intangible Assets	13	3,458,438	3,741,207
Other Assets	14	104,029,777	102,630,400
Deferred Tax Assets	20	4,156,602	3,932,863
Total Assets		2,650,286,719	2,616,668,995

The accompanying notes from (1) to (47) constitute an integral part of these consolidated financial statements and should be read with them.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Liabilities and Owners' Equity		December 31	
		2012	2011
Liabilities	Notes	JD	JD
Banks and Financial Institutions Deposits	15	200,070,160	350,561,822
Customers Deposits	16	1,797,070,926	1,705,259,437
Cash Margins	17	263,615,115	242,384,663
Borrowed Funds	18	68,942,209	7,735,444
Various Provisions	19	5,059,440	4,837,754
Provision for Income Tax	20	9,176,344	9,704,710
Deferred Tax Liabilities	20	658,596	841,406
Other Liabilities	21	35,578,955	40,464,512
Total Liabilities		2,380,171,745	2,361,789,748
Owners' Equity:			
Equity - Bank Shareholders:			
Authorized Capital	22	150,000,000	150,000,000
Subscribed and Paid-up Capital	22	150,000,000	126,500,000
Capital Increase Payments	22	-	17,009,660
Share Premium	22	9,345,817	9,345,817
Statutory Reserve	23	41,600,704	38,206,182
Voluntary Reserve	23	23,889,679	20,495,157
Periodic Fluctuations Reserve	23	1,008,374	594,029
Special Reserve		213,054	213,054
General Banking Risk Reserve	23	14,275,658	12,566,854
Fair Value Reserve - Net	24	1,526,086	1,956,190
Retained Earnings	25	26,468,886	26,259,660
Total Shareholders' Equity		268,328,258	253,146,603
Non-Controlling Interest	26	1,786,716	1,732,644
Total Owners' Equity		270,114,974	254,879,247
Total Liabilities and Owners' Equity		2,650,286,719	2,616,668,995

The accompanying notes from (1) to (47) constitute an integral part of these consolidated financial statements and should be read with them.

CONSOLIDATED STATEMENT OF INCOME

	Notes	For the Year Ended	
		December 31	
		2012	2011
		JD	JD
Interest Income	27	140,460,623	126,672,532
Interest Expense	28	56,602,788	48,497,973
Net Interest Revenue		83,857,835	78,174,559
Commissions Revenue - Net	29	20,865,949	20,514,187
Net Interest and Commissions Revenue		104,723,784	98,688,746
Foreign Exchange Income	30	4,024,486	4,264,145
Gain (Loss) from Financial Assets at Fair Value Through Profit Or Loss	31	667,890	(873,029)
Dividends from Financial Assets at Fair Value Through			
Other Comprehensive Income		854,495	1,309,243
Other Revenue	32	6,436,076	8,452,339
Total Non-Interest and Non-Commissions Revenue		11,982,947	13,152,698
Gross Income		116,706,731	111,841,444
Expenses:			
Employees Expenses	33	37,701,495	34,579,147
Depreciation and Amortization	12,13	7,236,853	6,402,472
Other Expenses	34	22,036,848	20,325,884
Provision for Impairment in Direct Credit Facilities	8	15,155,213	15,632,307
Provision for Impairment of Financial Assets at Amortized Cost	10	-	625,338
Total Expenses		82,130,409	77,565,148
Income from Operations		34,576,322	34,276,296
Bank's Share of Associate Companies (Losses)	11	(631,099)	(645,278)
Income for the Year Before Taxes		33,945,223	33,631,018
Income Tax Expense	20	(10,099,527)	(10,389,094)
Income for the Year		23,845,696	23,241,924
Attributable to:			
Bank's Shareholders		23,791,624	23,195,332
Non-Controlling Interests	26	54,072	46,592
		23,845,696	23,241,924
Earnings Per Share for Bank's Shareholders:			
Basic	35	-/163	-/183
Diluted	35	-/159	-/155

The accompanying notes from (1) to (47) constitute an integral part of these consolidated financial statements and should be read with them.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	For the Year Ended	
	December 31	
	2012	2011
	JD	JD
Income for the Year	23,845,696	23,241,924
Other Comprehensive Income Items:		
(Loss) Gain from Sale of Financial Assets at Fair Value Through Other Comprehensive Income	(173)	2,420,640
Change in Fair Value Reserve - Net	(430,104)	(953,406)
Gross Comprehensive Income	23,415,419	24,709,158
Gross Comprehensive Income Attributable to:		
Bank's Shareholders	23,361,347	24,662,566
Non-Controlling Interests	54,072	46,592
	23,415,419	24,709,158

The accompanying notes from (1) to (47) constitute an integral part of these consolidated financial statements and should be read with them.

CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY

	Bank Shareholders' Equity														Total Owners' Equity		
	Reserves													Total Shareholders' Equity		Non-Controlling Interests	Total Owners' Equity
	Subscribed and Paid-up Capital	Capital Increase Payments	Share Premium	Treasury Shares	Statutory	Voluntary	Periodic Fluctuations	Special	External Branching	General Banking Risks	Cumulative Change in Fair Value - Net	Fair Value Reserve - Net	Retained Earnings				
JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	
For the Year Ended December 31, 2012																	
Balance - Beginning of the Year	126,500,000	17,009,660	9,345,817	-	38,206,182	20,495,157	594,029	213,054	-	12,566,854	-	1,956,190	26,259,660	253,146,603	1,732,644	254,879,247	
Income for the Year	-	-	-	-	-	-	-	-	-	-	-	-	23,791,624	23,791,624	54,072	23,845,696	
(Loss) from Sale of Financial Assets at Fair Value Through Other Comprehensive Income	-	-	-	-	-	-	-	-	-	-	-	-	(173)	(173)	-	(173)	
Net Change in Fair Value Reserve	-	-	-	-	-	-	-	-	-	-	-	(430,104)	-	(430,104)	-	(430,104)	
Total Comprehensive Income	-	-	-	-	-	-	-	-	-	-	-	(430,104)	-	(430,104)	-	(430,104)	
Increase in Paid-up Capital	22	23,500,000	(17,009,660)	-	-	-	-	-	-	-	-	-	-	23,361,347	54,072	23,415,419	
Transfers to Reserves	-	-	-	-	3,394,522	3,394,522	414,345	-	-	1,708,804	-	-	(8,912,193)	6,490,340	-	6,490,340	
Dividends Distributed	-	-	-	-	-	-	-	-	-	-	-	-	(14,670,032)	(14,670,032)	-	(14,670,032)	
Balance - End of the Year	150,000,000	17,009,660	9,345,817	-	41,600,704	23,889,679	1,008,374	213,054	-	14,275,658	-	1,526,086	26,468,886	268,328,258	1,786,716	270,114,974	
For the Year Ended December 31, 2011																	
Balance - Beginning of the Year	110,000,000	-	10,845,817	(332,195)	34,843,080	17,132,055	355,623	213,054	15,000,000	10,739,036	5,929,044	-	22,257,522	226,983,036	1,685,187	228,668,223	
The Affect of Adoption of IFRS (9)	-	-	-	-	-	-	-	-	-	-	(5,929,044)	2,909,596	(1,684,735)	(4,704,183)	865	(4,703,318)	
Adjusted Balance - Beginning of the Year	110,000,000	-	10,845,817	(332,195)	34,843,080	17,132,055	355,623	213,054	15,000,000	10,739,036	-	2,909,596	20,572,787	222,278,853	1,686,052	223,964,905	
Income for the Year	-	-	-	-	-	-	-	-	-	-	-	-	23,195,332	23,195,332	46,592	23,241,924	
Revenue from Sale of Financial Assets at Fair Value Through Other Comprehensive Income	-	-	-	-	-	-	-	-	-	-	-	-	2,420,640	2,420,640	-	2,420,640	
Net Change in Fair Value Reserve	-	-	-	-	-	-	-	-	-	-	-	(953,406)	-	(953,406)	-	(953,406)	
Total Comprehensive Income	-	-	-	-	-	-	-	-	-	-	-	(953,406)	25,615,972	24,662,566	46,592	24,709,158	
Increase in Paid-up Capital	16,500,000	17,009,660	(1,500,000)	-	-	-	-	-	(15,000,000)	-	-	-	-	17,009,660	-	17,009,660	
Treasury Shares	-	-	-	332,195	-	-	-	-	-	-	-	-	(136,671)	195,524	-	195,524	
Transfers to Reserves	-	-	-	-	3,363,102	3,363,102	238,406	-	-	1,827,818	-	-	(8,792,428)	-	-	-	
Dividends Distributed	-	-	-	-	-	-	-	-	-	-	-	-	(11,000,000)	(11,000,000)	-	(11,000,000)	
Balance - End of the Year	126,500,000	17,009,660	9,345,817	-	38,206,182	20,495,157	594,029	213,054	-	12,566,854	-	1,956,190	26,259,660	253,146,603	1,732,644	254,879,247	

- As of December 31, 2012, an amount of JD4,156,602 of retained earnings is restricted against deferred tax assets according to the Central Bank of Jordan's instructions (JD3,932,863 as of December 31, 2011).

- The general banking risks' reserve and periodic fluctuations reserve cannot be used except with the pre-approval of the Central Bank of Jordan and the Palestinian Cash Authority.

- According to the resolution of the General Assembly of Shareholders in its ordinary meeting held on March 14, 2012, 10% of capital equivalent to JD14/6 million were approved for distribution to shareholders for the year 2011.

- The General Assembly decided in its extraordinary meeting held on October 26, 2011 to decrease the Bank's authorized capital from JD135 million to JD126.5 million. In addition, the assembly approved to increase the Bank's authorized capital to JD150 million, i.e. to increase the paid-up capital by an amount of JD23.5 million.

The increase in capital has been distributed through a private offering to the Bank's shareholders for JD1 per share. Furthermore, the capital increase procedures have been approved by the Central Bank of Jordan on October 3, 2011, by the Jordan Securities Commission on October 22, 2011, by the Ministry of Industry and Trade on November 3, 2011 and by the Jordan Securities Depository Center on January 9, 2012.

The accompanying notes from (1) to (47) constitute an integral part of these consolidated financial statements and should be read with them.

CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	For the Year Ended	
		December 31,	
		2012	2011
Cash Flows from Operating Activities:		JD	JD
Income for the Year Before Taxes		33,945,223	33,631,018
Adjustments:			
Depreciation and Amortization	12,13	7,236,853	6,402,472
Provision for Impairment in Direct Credit Facilities	8	15,155,213	15,632,307
Various Provisions	19	678,567	1,608,873
Loss from Impairment of Foreclosed Assets	34	200,000	104,407
Loss from Impairment of Investments	34	210,000	-
Loss from Revaluation of Financial Assets at Fair Value Through Profit or Loss	31	202,626	931,677
(Gain) on the Sale of Properties and Equipment	32	(20,750)	(114,174)
Impairment in Financial Assets Measured at Amortized Cost	10	-	625,338
Bank's Share of the Associate Companies Losses	11	631,099	645,278
Interest Revenue - Net		(1,601,739)	(3,707,962)
Effect of Exchange Rate Fluctuations on Cash and Cash Equivalents		(2,522,563)	(3,311,576)
Net Income Before Changes in Assets and Liabilities		54,114,529	52,447,658
Changes in Assets and Liabilities:			
Decrease in Cash and Balances at Central Banks Due After 3 Months		13,673,442	19,929,926
(Increase) in Deposits at Banks and Financial Institutions Due After 3 Months		(15,950,494)	(14,466,028)
Decrease (Increase) in Financial Assets at Fair Value Through Profit or Loss		4,909,524	(15,430,972)
(Increase) in Direct Credit Facilities - Net		(110,949,928)	(127,013,912)
Decrease (Increase) in Other Assets		6,643,225	(6,738,958)
(Decrease) Increase in Banks and Financial Institutions Deposits Due After 3 Months		(121,732,321)	386,645
Increase in Customers' Deposits		91,811,489	40,926,004
Increase in Cash Margins		21,230,452	25,509,255
(Decrease) in Other Liabilities		(11,577,118)	(3,032,758)
Various Provisions Paid		(456,881)	(877,455)
Net Changes in Assets and Liabilities		(122,398,610)	(80,808,253)
Net Cash Flows (Used in) Operating Activities Before Income Tax		(68,284,081)	(28,360,595)
Income Tax Paid	20	(10,851,632)	(10,582,900)
Net Cash Flows (Used in) Operating Activities		(79,135,713)	(38,943,495)

The accompanying notes from (1) to (47) constitute an integral part of these consolidated financial statements and should be read with them.

CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	For the Year Ended	
		December 31,	
		2012	2011
Cash Flows from Investing Activities:		JD	JD
Investments in Associate Company		(234,582)	(2,800,000)
(Increase) Decrease in Financial Assets at Fair Value Through Other Comprehensive Income		(2,481,171)	3,636,154
Increase (Decrease) in Financial Assets at Amortized Cost		74,557,349	(35,774,184)
(Purchase) of Intangible Assets, Properties and Equipment	12,13	(7,808,305)	(5,248,769)
Proceeds from Sale of Properties and Equipment		729,472	1,121,914
Net Cash Flows Generated from (Used in) Investing Activities		64,762,763	(39,064,885)
Cash Flows from Financing Activities:			
Increase in Borrowed Funds		6,206,765	7,302,111
Proceeds from Sale of Treasury Stock		-	195,524
Proceeds from Capital Increase Underwriting		6,490,340	17,009,660
Dividends Paid to Shareholders		(14,829,334)	(10,713,371)
Net Cash Flows (Used in) Generated from Financing Activities		(2,132,229)	13,793,924
Effect of Exchange Rate Fluctuations on Cash and Cash Equivalents		2,522,563	3,311,576
Net (Decrease) in Cash and Cash Equivalents		(13,982,616)	(60,902,880)
Cash and Cash Equivalents - Beginning of the Year		424,131,897	485,034,777
Cash and Cash Equivalents - End of the Year	36	410,149,281	424,131,897

The accompanying notes from (1) to (47) constitute an integral part of these consolidated financial statements and should be read with them.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

1. General

Jordan Ahli Bank was established in the year 1955 as a Public Shareholding Limited Company under ID number (6) on the first of July 1955 in accordance with the Companies Law for the year 1927, with its headquarters in Amman. Its address is Queen Noor Street, P.O. Box 3103, Amman 11181 Jordan. The Business Bank was merged into the Bank effective from December 1, 1996. Moreover, Philadelphia Investment Bank was merged into Jordan Ahli Bank Company PSC effective from July 1, 2005.

- The Bank provides all banking and financial services related to its business through its main office, branches in Jordan (51 branches), external branches (6 branches) and subsidiary companies in Jordan and Lebanon.

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

- The consolidated financial statements for the year ended December 31, 2012 have been approved by the Bank's Board of Directors in its meeting No. (1) held on January 30, 2013 and are subject to the approval of the General Assembly of Shareholders.

2. Significant Accounting Policies

Basis of Preparation

- The accompanying consolidated financial statements of the Bank and its subsidiary companies are prepared in accordance with the standards issued by the International Accounting Standards Board (IASB), the interpretations issued by the International Financial Reporting Interpretation Committee of the IASB, the prevailing rules of the countries where the Bank operates and the instructions of the Central Bank of Jordan.

- The consolidated financial statements are prepared under the historical cost convention except for financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income and financial derivatives that are stated at fair value as of the date of the consolidated financial statements. Furthermore, hedged financial assets and financial liabilities are also stated at fair value.

- The reporting currency of the consolidated financial statements is the Jordanian Dinar, which is the functional currency of the Bank.

- The accounting policies adopted for the current year are consistent with those applied in the year ended December 31, 2011 except for what is stated in note (47.a) to the consolidated financial statements.

Basis of Consolidation and Presentation

- The accompanying consolidated financial statements include the financial statements of the Bank's branches in Jordan and abroad and the following subsidiary companies under its control. Moreover, control is achieved when the Bank has the ability to control the financial and operating policies of the subsidiary companies to obtain benefits from their activities. Additionally, transactions, balances,

revenue, and expenses between the Bank and its subsidiaries are eliminated. Transactions in transit are shown under “other assets” or “other liabilities” in the consolidated statement of financial position.

The Bank’s subsidiary companies are as follows:

a. A- Ahli International Bank

A- Ahli International Bank - Lebanon is 97.89% owned by Jordan Ahli Bank and 88.49% of the capital prepayments. The capital of Al-Ahli International Bank - Lebanon is equivalent to JD 14,015,390 in addition to capital prepayments in the amount of JD 9,686,546. Its total assets amounted to JD 514,319,068 and total liabilities to JD 472,844,361 as of December 31, 2012, while its total revenue amounted to JD 12,130,299 and total expenses to JD 9,568,028 for the year ended December 31, 2012.

A- Ahli International Bank - Lebanon is subject to the prevailing laws in Lebanon including the Banking Confidentiality Law.

b. Zarqa National College Company

Zarqa National College Company is wholly-owned by Jordan Ahli Bank. Its activities include establishing colleges for higher academic education as well as schools and kindergartens in Jordan. Its capital amounted to JD 800,000, total assets to JD 1,163,374 and total liabilities to JD 110,376 as of December 31, 2012. Its total revenue amounted to JD 561,341 and total expenses to JD 461,018 for the year ended December 31, 2012.

c. Ahli Micro Finance Company

Ahli Micro Finance Company is wholly-owned by Jordan Ahli Bank. The Company’s objective is to grant loans to limited-income individuals. Its paid-up capital amounted to JD 3.5 million, total assets to JD 8,018,716 and total liabilities to JD 2,374,757 as of December 31, 2012. Its total revenue amounted to JD 2,481,397 and total expenses to JD 1,977,121 for the year ended December 31, 2012.

d. Ahli Financial Brokerage Company

Ahli Financial Brokerage Company is wholly-owned by Jordan Ahli Bank with a capital of JD 15 million. Its total assets amounted to JD 17,138,850 and total liabilities to JD 3,903,428 as of December 31, 2012. Moreover, its revenue amounted to JD 745,364 and its expenses to JD 4,157,760 for the year ended December 31, 2012.

e. Ahli Financial Leasing Company

Ahli Financial Leasing Company is wholly-owned by Jordan Ahli Bank and its capital is JD 10 million. Its total assets amounted to JD 26,732,217 and total liabilities to JD 13,465,016 as of December 31, 2012. Moreover, its total revenue amounted to JD 2,259,786 and its total expenses amounted to JD 868,555 for the year ended December 31, 2012.

- The financial statements of the subsidiary companies are prepared for the same financial year using the same accounting policies adopted by the Bank. If the accounting policies adopted by the companies are different from those used by the Bank, the necessary adjustments to the financial statements of the subsidiary companies are made to comply with the accounting policies followed by the Bank.

- The results of the subsidiaries are incorporated into the consolidated statement of income from the effective date of acquisition, which is the date on which actual control over the subsidiaries is assumed by the Bank. Moreover, the operating results of the disposed subsidiaries are incorporated

into the consolidated statement of income up to the effective date of disposal, which is the date on which the Bank loses control over the subsidiaries.

- No – controlling interests represent the portion of owners' equity not owned by the Bank in the subsidiaries.

- In case separate financial statements are prepared for the Bank as a standalone entity, investments in subsidiary companies are shown at cost.

Sectors Information

- The business sector represents a group of assets and operations that share in providing products or services subject to risks and rewards different from those of other business sectors, which is measured according to the reports used by the executive manager and the Bank's main decision maker.

- The geographic sector relates to the provision of products or services in a specific economic environment subject to risks and rewards different from those of sectors operating in other economic environments.

Direct Credit Facilities

- The provision for the impairment of direct credit facilities is recognized when it is obvious that the amounts due to the Bank cannot be recovered; or, when there is objective evidence of an event negatively affecting the future cash flows of the direct credit facilities and the impairment amount can be estimated. The provision is taken to the consolidated statement of income.

- Interest and commission on non-performing credit facilities are suspended in accordance with the instructions of the Central Bank of Jordan and applicable laws in the countries where the Bank's branches or subsidiaries operate.

- Impaired credit facilities, for which specific provisions have been taken, are written off by charging the provision after all efforts have been made to recover the assets. Any surplus in the provision is taken to the consolidated statement of income, while debt recoveries are taken to income.

Financial assets measured at amortized cost

- Financial assets measured at amortized cost are the financial assets that the Bank's management intends, according to its business model, to hold to collect the contractual cash flows that comprise the contractual cash flows that are solely payments of principal and interest on the principal outstanding.

- Financial assets measured at amortized cost are recorded at cost upon purchase plus acquisition expenses. Moreover, the issue premium/discount is amortized using the effective interest rate method, and recorded to interest. Any allocations resulting from the decline in value of these investments leading to the inability to recover the investment or part thereof are recorded, and any impairment is recorded in the consolidated statement of income.

- Impairment in financial assets represent the difference between the book value recorded at amortized cost and the present value of the expected cash flows discounted at the market interest rate of similar instruments.

- It is not allowed to reclassify any financial assets to or from this item except for the cases specified in International Financial Reporting Standards (in case any of these assets were sold before their

maturity date, the result of this sale is recorded in the consolidated statement of income in a separate line item along with its explanation according to the IFRS requirements regarding this issue).

Financial assets at fair value through profit or loss

- Financial assets at fair value through profit or loss represent shares, bonds and debentures held by the company for the purpose of trading and achieving gains from the fluctuations in market prices in the short term.
- Financial assets at fair value through the statement of income are initially stated at fair value at the acquisition date (purchase costs are recorded on the statement of income upon purchase). They are subsequently re-measured to fair value as of the date of the financial statements. Moreover, changes in fair value are recorded in the consolidated statement of income, including the change in fair value resulting from foreign currency exchange translation of non-monetary assets. Gains or losses resulting from the sale of these financial assets are taken to the consolidated statement of income.
- It is not allowed to reclassify any financial assets to/from this item except for the cases specified in International Financial Reporting Standards.
- It is not allowed to reclassify any financial assets that do not have prices in active markets and active dealings in this item.
- Dividends and interests from these financial assets are recorded in the consolidated statement of income.

Financial assets at fair value through other comprehensive income

- These assets represent investments in equity instruments for the purpose of keeping them to generate profit over the long term and not for trading purposes.
- Financial assets at fair value through other comprehensive income are initially stated at fair value in addition to acquisition costs upon purchase. They are subsequently re-measured to fair value. The change in fair value appears in the consolidated statement of comprehensive income and in the owner's equity, including the change in fair value resulting from foreign currency exchange translation of non-monetary assets. Gains or losses resulting from the sale of these financial assets are taken to the consolidated statement of comprehensive income and owner's equity. The fair value reserve balance that belongs to the equity instruments sold is transferred directly to the retained earnings and not through the consolidated statement of income.
- There is no impairment testing on these assets.
- Dividends from these financial assets are recorded in the consolidated statement of income.

Fair Value

The fair value of a listed financial asset is based on its closing market price prevailing on the date of the consolidated financial statements.

For an unlisted financial asset with no quoted market price, no active trading for some financial assets or derivatives, or no active market, its fair value is estimated by one of the following ways:

- Comparing it to another financial asset with similar terms and conditions.

- Analyzing future cash flows and using the discounted cash flow technique through adopting a discount rate used in a similar instrument.
- Adopting options pricing models.
- Long-term, non-interest-bearing financial assets and financial liabilities are valued according to the discounted cash flows and the effective interest rate method. The discount interest is taken to interest income within the consolidated statement of income.

The valuation methods aim to obtain a fair value reflecting market expectations, taking into consideration market factors and any expected risks and benefits upon estimating the value of the financial assets. Moreover, financial assets' fair value that cannot be reliably measured is stated at cost net of any impairment in their value.

Impairment in the Value of Financial Assets

The Bank reviews the values of financial assets on the date of the consolidated statement of financial position in order to determine if there are any indications of impairment in their value individually or as a portfolio. In case such indications exist, the recoverable value is estimated so as to determine the impairment loss.

The impairment is determined as follows:

- The impairment in the financial assets measured at amortized cost is the difference between the book value and the present value of the future cash flows discounted at the original interest rate.
- The impairment in the financial assets at fair value through profit or loss income recorded at fair value represents the difference between the book value and fair value.
- The impairment in the financial assets recorded at cost is the difference between the book value and the present value of the expected cash flows discounted at a market interest rate of similar instruments.

The impairment in value is recorded in the consolidated statement of income. Any surplus in the subsequent period resulting from previous declines in the fair value of financial assets is taken to the consolidated statement of income— except for the impairment of financial assets at fair value through the statement of comprehensive income, in which case the impairment is recovered through the fair value reserve.

Investment in Associates and Unconsolidated Subsidiary Company

- Associated companies are those companies whereby the Bank exercises significant influence over their financial and operating policies but does not control them; and whereby the Bank owns between 20% to 50% of voting rights. Investments in associates are stated according to the equity method in the consolidated financial statements.
- Investment in the Kuwait Real Estate Company under liquidation, in which the Bank owns more than 50%, is stated according to the equity method.
- Investment in the Ahluna for Cultural and Social Work Company is shown at cost, as it is a not-for-

profit company. Its net income is used for social and charitable work.

- In the case that separate financial statements are prepared for the Bank as an independent entity, investments in subsidiaries are shown at cost.

Properties and Equipment

- Properties and equipment are stated at cost net of accumulated depreciation and any impairment in their values. Properties, and equipment (except for land) are depreciated when ready for use according to the straight-line method over their estimated useful lives using the following annual rates:

	%
Buildings	2
Furniture, fixtures and equipment	10 – 20
Vehicles	15
Computers	20 – 30
Other	15 – 20

- When the carrying amounts of properties and equipment exceed their recoverable values, assets are written down and impairment losses are recorded in the consolidated statement of income.

- The useful lives of properties and equipment are reviewed at the end of each year. In the case that the expected useful life is different from what was determined previously, the change in estimate is recorded in the following years as a change in estimate.

- Properties and equipment are derecognized upon their disposal or when there are no expected future benefits from their use or disposal.

Provisions

Provisions are booked when the Bank has an obligation on the date of the consolidated statement of financial position as a result of past events. It is probable to settle the obligation and a reliable estimate of the amount of the obligation can be made.

Provision for Employees' End-of-Service Indemnities

- A provision for legal and contractual commitments relating to employees' end-of-service indemnities is taken according to the Bank's internal regulations on the consolidated statements of financial position date.

- Payments to terminated employees are deducted from the provision amount. Moreover, the required provision for end-of-service indemnities for the year is charged to the consolidated statement of income.

Income Tax

- Income tax expenses represent accrued taxes and deferred taxes.
- Income tax expenses are accounted for on the basis of taxable income. Moreover, taxable income differs from income declared in the consolidated financial statements because the latter includes non-taxable revenue or tax expenses not deductible in the current year but deductible in subsequent years, accumulated losses accepted by the tax authorities and items not allowable for tax purposes or subject to tax.
- Taxes are calculated on the basis of the tax rates prescribed according to the prevailing laws, regulations, and instructions of the countries where the Bank operates.
- Deferred taxes are taxes expected to be paid or recovered as a result of temporary timing differences between the value of the assets and liabilities in the consolidated financial statements and the value of the taxable amount. Deferred tax is calculated on the basis of the liability method in the consolidated statement of financial position according to the rates expected to be applied when the tax liability is settled or tax assets are recognized.
- Deferred tax assets and liabilities are reviewed as of the date of the consolidated statement of financial position and reduced in case it is expected that no benefit will arise therefrom, partially or totally.

Capital

Costs of Issuing or Purchasing the Bank's Shares

Costs of issuing or purchasing the Bank's shares are recorded in retained earnings net of any tax effect of these costs. If the issuing or purchase process has not been completed, these costs are recorded as expenses in the consolidated statement of income.

Accounts Managed on Behalf of Customers

These represent the accounts managed by the Bank on behalf of its customers, but do not represent part of the Bank's assets. The fees and commissions on managing these accounts are taken to the consolidated statement of income. Moreover, a provision is taken for the decline in the value of capital-guaranteed portfolios managed on behalf of its customers.

Offsetting

Financial assets and financial liabilities are offset and the net amount is reflected in the consolidated statement of financial position only when there are legal rights to offset the recognized amounts. The Bank intends to settle them on a net basis or assets are realized and liabilities are settled simultaneously.

Realization of Income and Recognition of Expenses

- Income is realized and expenses are recognized on an accrual basis except for interest and commission on non-performing credit facilities, which are not recognized as revenue but taken to the interest and commission in suspense account.

- Commission is recorded as revenue when the related services are provided. Moreover, dividends are recorded when realized (approved by the General Assembly).

Recognition of Financial Assets

Financial assets are recognized on the trade date (the date on which the Bank commits itself to purchase or sell the financial assets).

Financial Derivatives and Hedge Accounting

- Hedged Financial Assets

For hedge accounting purposes, the financial derivatives are stated at fair value. Hedges are classified as follows:

- Fair value hedge:

hedge for the change in the fair value exposures of the Bank's assets and liabilities.

When the conditions of effective fair value hedge are met, the resulting gain or loss from re-measuring the fair value hedge as well as the change in the fair value of hedged assets and liabilities is recognized in the consolidated statement of income.

When the conditions of effective portfolio hedge are met, the gain or loss resulting from the revaluation of the hedging instrument at fair value and the change in the fair value of the assets or liabilities portfolio are recorded in the consolidated statement of income for the same period.

- Cash flow hedge:

hedge for the change in the current and expected cash flows exposures of the Bank's assets and liabilities.

When the conditions of effective cash flow hedge are met, the gain or loss of the hedging instruments is recognized in the consolidated statement of comprehensive income and owners' equity. Such gain or loss is transferred to the consolidated statement of income in the period in which the hedge transaction impacts the consolidated statement of income.

Hedge for net investments in foreign entities:

When the conditions of the hedge for net investment in foreign entities are met, fair value is measured for the hedging instrument of the hedged net assets. In the case of an effective relationship, the effective portion of the loss or profit related to the hedging instrument is recognized in the consolidated statement of comprehensive income and owners' equity. On the other hand, the ineffective portion is recognized in the consolidated statement of income. The effective portion is recorded in the consolidated statement of income when the investment in foreign entities is sold.

- When the conditions of the effective hedge do not apply, gain or loss resulting from the change in the fair value of the hedging instrument is recorded in the consolidated statement of income in the same period.

Financial Derivatives for Trading

The fair value of financial derivatives for trading (such as forward foreign currency contracts, future interest rate contracts, swap agreements and foreign currency options) is recorded in the consolidated statement of financial position. Fair value is measured according to the prevailing market prices, and if not available, the measurement method should be disclosed. The change in fair value is recognized in the consolidated statement of income.

Repurchase and Resale Agreements

- Assets sold with a simultaneous commitment to repurchase them at a future date continue to be recognized in the consolidated financial statements as a result of the Bank's continuous control over these assets and as the related risk and benefits are transferred to the Bank upon occurrence. They also continue to be measured in accordance with the adopted accounting policies. Amounts received against these contracts are recorded within liabilities under borrowed funds.

The difference between the sale price and the repurchase price is recognized as an interest expense amortized over the contract period using the effective interest rate method.

- Purchased assets with a corresponding commitment to sell at a specific future date are not recognized in the consolidated financial statements because the Bank has no control over such assets and the related risks and benefits are not transferred to the Bank upon occurrence. Payments related to these contracts are recorded under deposits with banks and other financial institutions, or loans and advances in accordance with the nature of each case. The difference between the purchase price and resale price is recorded as interest revenue amortized over the life of the contract using the effective interest rate method.

Foreclosed Assets

Assets that have been subject to foreclosure by the Bank are shown under "other assets" at the acquisition value or fair value, whichever is lower. As of the consolidated statement of financial position date, these assets are revalued individually at fair value. Any decline in their market value is taken as a loss to the consolidated statement of income whereas any such increase is not recognized. Subsequent increase is taken to the consolidated statement of income to the extent it does not exceed the previously recorded impairment.

Intangible Assets

A- Goodwill

- Goodwill is recorded at cost, and represents the excess amount paid to acquire or purchase the investment in an associate or a subsidiary on the date of the transaction over the fair value of the net assets of the associate or subsidiary at the acquisition date. Goodwill resulting from the investment in a subsidiary is recorded as a separate item as part of intangible assets, while goodwill resulting from the investment in an associated company constitutes part of the investment in that company. The cost of goodwill is subsequently reduced by any decline in the value of the investment.

- Goodwill is distributed over the cash generating units for the purpose of testing the impairment in its value.

- The value of goodwill is tested on the date of the consolidated financial statements. Goodwill value is reduced when there is evidence that its value has declined or the recoverable value of the cash generating units is less than book value. The decline in value is recorded in the consolidated statement of income as impairment loss.

B- Other Intangible Assets

- Other intangible assets acquired through merging are stated at fair value at the date of acquisition, while intangible assets purchased otherwise are recorded at cost.

- Intangible assets are to be classified on the basis of either definite or indefinite useful life. Intangible assets with definite useful economic lives are amortized over their useful lives using the straight-line method for a period not more than 5 years from the acquisition date and recorded as an expense in the consolidated statement of income. Intangible assets with indefinite lives are reviewed for impairment as of the consolidated financial statements date; impairment loss is recorded in the consolidated statement of income.

- No capitalization of intangible assets resulting from the Bank's operations is made. They are rather recorded in the consolidated statement of income in the same period.

- Any indications of impairment in the value of intangible assets as of the consolidated financial statements date are reviewed. Furthermore, the estimated useful lives of the impaired intangible assets are reassessed and any adjustment is made in the subsequent period.

- Software and computer programs are amortized over their estimated economic useful lives at rates ranging from 20% to 30%.

Foreign Currency

- 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 exchange rates prevailing on the consolidated statement of financial position date 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 recorded in the consolidated statement of income.

- Translation differences for non-monetary assets and liabilities denominated in foreign currencies are recorded as part of the change in fair value.

- When consolidating the financial statements, assets and liabilities of the branches and subsidiaries abroad are translated from the functional currency to the reporting currency using the average exchange rates prevailing on the consolidated statement of financial position date and declared by the Central Bank of Jordan. Revenue and expense items are translated using the average exchange rates during the year and exchange differences are shown in the consolidated statement of

comprehensive income and within owners' equity. When one of these subsidiaries or branches is sold, the related foreign currency differences are taken to the consolidated statement of income.

Cash and Cash Equivalents

Cash and cash equivalents comprise of cash balances with central banks and balances with banks and financial institutions maturing within three months, less balances due to banks and financial institutions maturing within three months and restricted funds.

3. Accounting Estimates

Preparation of the consolidated financial statements and the application of the accounting policies require the Bank's management to perform assessments and assumptions that affect the amounts of financial assets, financial liabilities, fair value reserve and to disclose contingent liabilities. Moreover, these assessments and assumptions affect revenues, expenses, provision, and changes in the fair value shown in the consolidated statement of other comprehensive income and owners' equity. In particular, this requires the Bank's management to issue significant judgments and assumptions to assess future cash flow amounts and their timing. Moreover, the said assessments are necessarily based on assumptions and factors with varying degrees of consideration and uncertainty. In addition, actual results may differ from assessments due to the changes resulting from the conditions and circumstances of those assessments in the future.

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

- A provision for non-performing loans is taken on the bases and estimates approved by management in conformity with International Financial Reporting Standards (IFRs). The outcome of these bases and estimates is compared against the provisions that should be taken under the instructions of the regulatory authorities, through which the Bank branches and subsidiary companies operate. Moreover, the strictest outcome that conforms to (IFR) is used.
- Impairment loss is taken after a sufficient and recent evaluation of the acquired properties has been conducted by approved surveyors. The impairment loss is reviewed periodically.
- Management estimates the impairment in value when the market prices reach a certain limit that indicates the impairment loss, provided that this does not contradict the instructions of the regulatory authorities or laws.
- The fiscal year is charged with its portion of income tax expenditures in accordance with the regulations, law, and accounting standards. Moreover, deferred tax assets and liabilities and the income tax provision are recorded.
- Management periodically reassesses the economic useful lives of tangible and intangible assets for the purpose of calculating annual depreciation and amortization based on the general condition of these assets and the assessment of their useful economic lives expected in the future. Impairment loss is taken to the consolidated statement of income.
- A provision is set for lawsuits raised against the Bank. This provision is based on an adequate legal study prepared by the Bank's legal advisor. Moreover, the study highlights potential risks that the

Bank may encounter in the future. Such legal assessments are reviewed periodically.

- Management frequently reviews financial assets stated at fair value or at cost to estimate any impairment in their value. The impairment amount is taken to the consolidated statement of income.

- Fair value hierarchy: The level in the fair value hierarchy is determined and disclosed into which the fair value measurements are categorised in their entirety, segregating fair value measurements in accordance with the levels defined in IFRS. The difference between Level 2 and Level 3 fair value measurements represents whether inputs are observable and whether the unobservable inputs are significant, which may require judgement and a careful analysis of the inputs used to measure fair value, including consideration of factors specific to the asset or liability.

4. Cash and Balances at Central Banks

This item consists of the following:

	December 31	
	2012	2011
	JD	JD
Cash in Vaults	40,606,914	34,796,619
Balances at Central Banks:		
- Current and Demand Accounts	48,638,791	21,967,201
- Time and Notice Deposits	128,380,866	161,898,820
- Mandatory Cash Reserve	135,137,010	130,656,109
Total Balances at Central Banks	312,156,667	314,522,130
Total Cash and Balances at Central Banks	352,763,581	349,318,749

- In addition to the cash reserve at the central banks, there are restricted balances amounting to JD295,416 as of December 31, 2012 (JD 71,121 as of December 31, 2011).

- Included in cash balances at central banks is an amount of JD224,249 as of December 31, 2012 (JD14,121,986 as of December 31, 2011) maturing within a period exceeding three months.

5. Balances at Banks and Financial Institutions

This item consists of the following:

	December 31	
	2012	2011
Local Banks and Financial Institutions:	JD	JD
Current and Demand Accounts	11,414	17,794
Deposits Due Within 3 Months or Less	62,917,101	77,083,386
Total Local	62,928,515	77,101,180
Banks and Financial Institutions Abroad:		
Current and Demand Accounts	67,688,977	64,246,162
Deposits Due Within 3 Months or Less	148,617,418	142,747,799
Total Abroad	216,306,395	206,993,961
	279,234,910	284,095,141

- Non-interest bearing balances at banks and financial institutions amounted to JD25,712,622 as of December 31, 2012 (JD8,477,889 as of December 31, 2011).

- There are no restricted balances as of December 31, 2012 and 2011.

6- Deposits at Banks and Financial Institutions

This item consists of the following:

Description	Local Banks and Financial Institutions		Banks and Financial Institutions Abroad		Total	
	December 31 2012	December 31 2011	December 31 2012	December 31 2011	December 31 2012	December 31 2011
Deposits Maturing Within a Period:	JD	JD	JD	JD	JD	JD
From 3 to 6 Months	-	14,963,000	-	356,506	-	15,319,506
From 9 to One Year	20,635,000	-	-	-	20,635,000	-
More Than One Year	10,635,000	-	-	-	10,635,000	-
Total	31,270,000	14,963,000	-	356,506	31,270,000	15,319,506

- Restricted balances amounted to JD10 million for borrowed funds by a subsidiary company as of December 31, 2012 and 2011.

7. Financial Assets at Fair Value Through Profit or Loss

This item consists of the following:

	December 31	
	2012	2011
	JD	JD
Company Shares	2,019,317	2,592,991
Bonds	11,401,777	19,529,164
Investment in a Mutual Fund*	3,588,911	-
	17,010,005	22,122,155

* This item represents investment made by the subsidiary company in Lebanon in a mutual fund by around \$5 million, which appears at fair value. This investment resulted in a revaluation gain by an amount of JD31,236 for the year 2012, the fund capital is not guaranteed.

8. Direct Credit Facilities - Net

This item consists of the following:

	December 31	
	2012	2011
	JD	JD
Individuals (Retail):		
Overdraft Accounts	22,211,257	17,643,096
Loans and Promissory Notes*	397,728,411	344,539,498
Credit Cards	13,809,671	12,968,422
Real Estate Loans	113,264,850	96,931,207
Companies:		
a. Corporate:		
Overdraft Accounts	131,520,657	98,574,159
Loans and Promissory Notes*	491,071,172	501,312,579
b. Small and Medium Companies:		
Overdraft Accounts	71,500,413	76,495,554
Loans and Promissory Notes*	157,410,317	152,078,775
Government and Public Sector	27,634,903	13,225,618
Total	1,426,151,651	1,313,768,908
(Less):		
Provision for Impairment in Direct Credit Facilities	(99,854,563)	(88,064,730)
Suspended Interest	(52,274,178)	(47,475,983)
Net Direct Credit Facilities	1,274,022,910	1,178,228,195

* Net after deducting interest and commissions received in advance of JD13,150,190 as of December 31, 2012 (JD10,455,574 as of December 31, 2011).

Provision for Impairment in Direct Credit Facilities

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

	2012					Total
	Companies				Government and Public Sector	
	Individuals	Property Loans	Corporate	Small and Medium		
	JD	JD	JD	JD	JD	JD
Balance – Beginning of the Year	17,908,909	1,854,293	55,934,987	12,366,541	-	88,064,730
Deduction (Surplus) for the Year Taken from Revenue	5,538,393	(27,778)	7,189,526	2,455,072	-	15,155,213
Used During the Year (Written-off)	(144,270)	-	-	(75,805)	-	(220,075)
Transfer to Off-Consolidated Statement of Financial Position Items	(329,180)	(127)	(915,501)	(1,960,853)	-	(3,205,661)
Foreign Currencies Evaluation Difference	25,603	-	30,081	4,672	-	60,356
Balance – End of the Year	22,999,455	1,826,388	62,239,093	12,789,627	-	99,854,563
Provision for Non-Performing Facilities on an Individual Customer Basis	22,937,628	1,807,673	60,742,384	12,482,373	-	97,970,058
Provision for Under Watch Facilities on an Individual Customer Basis	61,827	18,715	1,496,709	307,254	-	1,884,505
Balance – End of the Year	22,999,455	1,826,388	62,239,093	12,789,627	-	99,854,563

	2011					Total
	Companies				Government and Public Sector	
	Individuals	Property Loans	Corporate	Small and Medium		
	JD	JD	JD	JD	JD	JD
Balance – Beginning of the Year	15,132,975	2,450,470	46,869,553	16,985,991	-	81,438,989
Deduction (Surplus) for the Year Taken from Revenue	5,103,052	(577,351)	9,591,395	1,515,211	-	15,632,307
Used During the Year (Written-off)	(462,465)	-	(6)	(4,508)	-	(466,979)
Transfer to Off-Consolidated Statement of Financial Position Items	(1,808,043)	(18,826)	(499,953)	(6,127,107)	-	(8,453,929)
Foreign Currencies Evaluation Difference	(56,610)	-	(26,002)	(3,046)	-	(85,658)
Balance – End of the Year	17,908,909	1,854,293	55,934,987	12,366,541	-	88,064,730
Provision for Non-Performing Facilities on an Individual Customer Basis	17,848,943	1,835,578	54,070,356	12,059,287	-	85,814,164
Provision for Under Watch Facilities on an Individual Customer Basis	59,966	18,715	1,864,631	307,254	-	2,250,566
Balance – End of the Year	17,908,909	1,854,293	55,934,987	12,366,541	-	88,064,730

Suspended Interest

The movement on suspended interest was as follows:

	2012					
	Companies					Total
	Individuals	Property Loans	Corporate	Small and Medium	Government and Public Sector	
JD	JD	JD	JD	JD	JD	
Balance – Beginning of the Year	4,116,114	1,467,209	17,217,360	24,675,300	-	47,475,983
Add: Interest in Suspense for the Year	3,566,722	295,799	6,503,131	745,113	-	11,110,765
<u>(Less:)</u> Surplus Taken to Income	(490,081)	(265,041)	(581,694)	(347,870)	-	(1,684,686)
Interest in Suspense Written-off	(214,924)	(12,365)	(220,083)	(345,212)	-	(792,584)
Transferred to Off-Consolidated Statement of Financial Position Items	(975,892)	(8,825)	(595,055)	(2,202,749)	-	(3,782,521)
Translation of foreign currencies	(22,672)	-	(6,442)	(23,665)	-	(52,779)
Balance - End of the Year	5,979,267	1,476,777	22,317,217	22,500,917	-	52,274,178
	2011					
	Companies					Total
	Individuals	Property Loans	Corporate	Small and Medium	Government and Public Sector	
JD	JD	JD	JD	JD	JD	
Balance – Beginning of the Year	9,394,584	1,272,299	13,776,640	22,971,306	-	47,414,829
<u>Add:</u> Interest in Suspense for the Year	(2,083,670)	378,211	4,906,356	8,347,118	-	11,548,015
<u>(Less:)</u> Surplus Taken to Income	(694,037)	(163,079)	(570,859)	(930,881)	-	(2,358,856)
Interest in Suspense Written-off	(429,087)	(4,216)	(744,539)	(500,617)	-	(1,678,459)
Transferred to Off-Consolidated Statement of Financial Position Items	(2,078,483)	(16,006)	(163,959)	(5,216,818)	-	(7,475,266)
Translation of Foreign Currencies	6,807	-	13,721	5,192	-	25,720
Balance - End of the Year	4,116,114	1,467,209	17,217,360	24,675,300	-	47,475,983

Direct credit facilities are distributed according to geographic location and economic sector as follows before provisions and suspended interest

Economic Sector	Inside Jordan	Outside Jordan	December 31 2012	December 31 2011
	JD	JD	JD	JD
Financial	170,480,717	16,579,003	187,059,720	182,552,060
Industrial	117,319,463	11,088,401	128,407,864	119,130,497
Trade	380,925,327	158,797,364	539,722,691	501,265,104
Real Estate	149,770,986	25,638,836	175,409,822	151,278,844
Agricultural	10,567,659	659,647	11,227,306	9,446,838
Shares	16,139,649	-	16,139,649	20,832,573
Individuals	240,437,196	46,792,111	287,229,307	246,769,646
Government and Public Sector	2,338,436	25,296,467	27,634,903	13,225,618
Other	49,959,715	3,360,674	53,320,389	69,267,728
	1,137,939,148	288,212,503	1,426,151,651	1,313,768,908

- Non-performing credit facilities amounted to JD186,972,202, which is equivalent to 13.11% of total direct credit facilities as of December 31, 2012 (JD176,287,582, which is equivalent to 13.42% of total direct credit facilities as of December 31, 2011).

- Non-performing credit facilities excluding interest and commissions in suspense amounted to JD138,348,700 which is equivalent to 10.07% of total direct credit facilities net of interest and commission in suspense as of December 31, 2012 (JD131,052,467, which is equivalent to 10.35% of total direct credit facilities net of interest and commission in suspense as of December 31, 2011).

- There are no credit facilities granted to and guaranteed by the Government of Jordan as of December 31, 2012 (JD354,500, which is equivalent to 0.03% of total direct credit facilities as of December 31, 2011).

- The balance of non-performing loans transferred to off-consolidated statement of financial position amounted to JD43,250,973 up to December 31, 2012 (JD42,458,894 up to December 31, 2011). These loans are fully covered by provisions and interest in suspense.

- According to the Board of Directors' resolutions, the balance of non-performing debts in addition to the related interest in suspense of JD7,148,248 have been written off during the year 2012 to on and off-statement of financial position items (JD5,831,010 for the year 2011).

- The provision no longer needed due to settlements or debt repayments and accordingly transferred to other non-performing debts amounted to JD6,711,004 as of December 31, 2012 (JD14,595,417 as of December 31, 2011).

9. Financial Assets at Fair Value Through Other Comprehensive Income

This item consists of the following:

	December 31	
	2012	2011
	JD	JD
Quoted Shares	13,754,598	13,744,292
Unquoted Shares*	8,035,413	8,538,038
Mutual Funds**	2,360,403	-
	24,150,414	22,282,330

* The fair value for the unquoted shares is determined according to owners' equity method, which is considered the best tool available to measure the fair value of these investments.

** This item represents investment in Abraj Capital fund in the amount of \$3.5 million, which appears at fair value as of December 31, 2012. The total fund Capital amounted to \$2 billion, which has a non-guaranteed capital.

- Cash dividend distributions on the financial assets mentioned above amounted to JD854,495 for the year ended December 31, 2012. (JD1,309,243 for the year ended December 31, 2011).

10. Financial Assets Measured at Amortized Cost

This item consists of the following:

	December 31	
	2012	2011
	JD	JD
Treasury Bills and Bonds*	209,715,644	330,801,897
Governmental Bonds Guaranteed by the Government	280,111,949	237,078,995
Companies Bonds and Debentures	6,829,568	3,333,618
	496,657,161	571,214,510
<u>Less: Impairment Provision</u>	(625,338)	(625,338)
	496,031,823	570,589,172
Bonds Return Analysis:		
Fixed Return	496,031,823	570,589,172
Total	496,031,823	570,589,172

The maturity dates of financial assets measured at amortized cost are as follows:

	2012	2011
	JD	JD
During a Year	97,571,806	296,290,310
From 1 to 3 Years	191,583,222	108,661,292
More Than 3 Years	206,876,795	165,637,570
	496,031,823	570,589,172

* This item consists of Jordanian treasury bills and bonds restricted against repurchase agreement with an amount of JD55 million, which was executed with the Central Bank of Jordan on Jordanian treasury bills and bonds with an interest rate of 4%, with a maturity date January 2, 2013.

11. Investments in Associates and Unconsolidated Subsidiary Company

- The Bank owns shares in several associate companies and an unconsolidated subsidiary company as of December 31, 2012 and 2011. The details are as follows:

	Country of Establishment	Ownership Percentage %	Shareholders' Equity		Nature of Business	Bank's Share of Profit %	Calculation Method	Acquisition Date
			December 31,					
			2012 JD	2011 JD				
Kuwait Real Estate Company - Under Liquidation*	Lebanon	100	141,400	141,400	Real Estate	100	Equity	1986
Beach Hotels and Tourist Resorts Company**	Jordan	24.815	7,478,327	7,432,628	Hotel Services	24.815	Equity	2006
Ahluna for Social and Cultural Work Company***	Jordan	49.875	2,000,000	2,000,000	Charity	49.875	Cost	2006
Al-Ahli Investment Group Company****	Lebanon	37.500	834,665	475,450	Brokerage Company	37.500	Equity	2005
Middle East Payment Services Company*****	Jordan	20.669	814,929	1,616,360	Financial Services	20.669	Equity	2009
			11,269,321	11,665,838				

* The financial statements of Kuwait Real Estate Company have not been consolidated as the company is under liquidation and its financial statements are immaterial compared to the consolidated financial statements.

** The Bank's participation in the Tourist Resorts and Hotels Beach Company resulted from the merger of the National Real Estate Investments Company, which was wholly owned by the Bank, with the Tourist Resorts and Hotels Beach Company (related company). The book value of the land owned by the National Real Estate Investments Company has been adopted for merger purposes according to the approval of the General Assembly of the two merged Companies. Consequently, the merger resulted in reducing the Bank's share to 46% of the owners' equity of Tourist Resorts and Hotels Beach Company with a capital of JD10 million after the merger. During the year 2007, the Company's capital was increased through subscriptions of the old partners and entrance of new partners at the nominal value of JD1 per share. Consequently, paid-up capital became JD18 million. Thus, the Bank's participation in the Company decreased to 25.55% of paid-up capital.

During the first half of the year 2011, the Company's capital was increased to become JD20 million. Consequently the Bank's share in the Company was decreased to become 23% from the paid-up capital. During the second half of the year 2011, the Company's capital was increased to become JD27 million. The Bank's contribution in this increase amounted to JD2.1 million. Thus, the Bank's contribution share in the Company became 24.8%.

*** According to the resolution of Ahluna for Social and Cultural Work Company's representative partners (associate) in their meeting held on May 21, 2012, all partners withdrew from their contribution in the Company except for the Jordan Ahli Bank. Therefore, the Company became wholly owned by the Bank. The Ministry of Trade and Finance's approval has not yet been obtained.

**** During the year 2009, Al-Ahli Investment Group increased its capital from JD705,473 to JD1,883,612. Moreover, the Bank has not participated in this increase. Consequently, the Bank's ownership in this Company declined from 100% to 37.5%, and the Company has been classified as an associated company.

***** During the year 2012, Middle East Payment Services Company increased its capital several times to become JD8,225,000. Accordingly, the Bank's ownership in this Company declined from 25% to 20.669%. According to the resolution of the Jordan Ahli Bank's investment committee, it was agreed to sell 877,500 share from its shares in the Middle East Payment Services Company, which represents 1,700,000 share classified within the investments in associates. On August 30, 2012, the Bank signed a trading services agreement to sell the shares mentioned above with Emerging Markets Payments Holding. However, the selling procedures are not finalized yet.

The following is a summary of the movement on investments in associated companies and the unconsolidated subsidiary company:

	2012	2011
	JD	JD
Balance - Beginning of the Year	11,665,838	9,511,116
Additions	234,582	2,800,000
Bank's Share from Investing in Associated Companies (Losses)	(631,099)	(645,278)
Balance - End of the Year	11,269,321	11,665,838

- The Bank's voting rights in the General Assembly decisions for these companies is according to its ownership percentage in each company.

12. Properties and Equipments - Net

The details of this item are as follows:

For the Year Ended December 31, 2012							
	Lands	Buildings	Furniture, Fixtures and Equipment	Vehicles	Computers	Other	Total
Cost:	JD	JD	JD	JD	JD	JD	JD
Balance - Beginning of the Year	10,153,536	33,597,980	31,563,646	1,204,869	13,187,359	5,819,012	95,526,402
Additions	185,767	747,395	1,761,620	-	1,960,554	220,523	4,875,859
Disposals	-	-	(821,595)	(366,496)	(221,473)	(600)	(1,410,164)
Balance - End of the Year	10,339,303	34,345,375	32,503,671	838,373	14,926,440	6,038,935	98,992,097
Accumulated Depreciation:							
Balance - Beginning of the Year	-	8,160,479	21,936,337	837,723	10,606,081	1,839,733	43,380,353
Additions	-	735,257	2,508,633	114,433	1,542,052	288,831	5,189,206
Disposals	-	-	(207,871)	(296,750)	(196,221)	(600)	(701,442)
Balance - End of the Year	-	8,895,736	24,237,099	655,406	11,951,912	2,127,964	47,868,117
Net Book Value	10,339,303	25,449,639	8,266,572	182,967	2,974,528	3,910,971	51,123,980
Down Payments for Properties and Equipment	-	-	1,764,958	-	-	-	1,764,958
Balance - End of the Year	10,339,303	25,449,639	10,031,530	182,967	2,974,528	3,910,971	52,888,938
For the Year Ended December 31, 2011							
Cost:							
Balance - Beginning of the Year	14,510,662	33,944,411	30,087,820	1,146,661	12,064,466	5,185,423	96,939,443
Additions	-	91,978	2,096,888	99,411	1,124,374	642,061	4,054,712
Disposals*	(4,357,126)	(438,409)	(621,062)	(41,203)	(1,481)	(8,472)	(5,467,753)
Balance - End of the Year	10,153,536	33,597,980	31,563,646	1,204,869	13,187,359	5,819,012	95,526,402
Accumulated Depreciation:							
Balance - Beginning of the Year	-	7,578,393	19,985,271	751,302	9,413,497	1,052,884	38,781,347
Additions	-	731,657	2,021,534	118,392	1,193,957	786,849	4,852,389
Disposals	-	(149,571)	(70,468)	(31,971)	(1,373)	-	(253,383)
Balance - End of the Year	-	8,160,479	21,936,337	837,723	10,606,081	1,839,733	43,380,353
Net Book Value	10,153,536	25,437,501	9,627,309	367,146	2,581,278	3,979,279	52,146,049
Down Payments for Properties and Equipment	-	-	597,390	-	-	-	597,390
Balance - End of the Year	10,153,536	25,437,501	10,224,699	367,146	2,581,278	3,979,279	52,743,439
Annual Depreciation Rates %	-	2	10-20	15	20-30	15-20	

- The Properties and equipments balance as of December 31, 2012 includes an amount of JD21,648,325 representing fully depreciated assets (JD20,294,271 as of December 31, 2011).

* Disposals include an amount of JD4,206,630 which represents land transferred to the other assets item (real estate for sale) for the year 2011 as requested by the Central Bank of Jordan.

13. Intangible Assets

This item consists of the following:

	2012		
	Computer Software and Applications	Goodwill*	Total
	JD	JD	JD
Balance - Beginning of the Year	2,323,207	1,418,000	3,741,207
Additions	1,764,878	-	1,764,878
Amortization for the Year	(2,047,647)	-	(2,047,647)
Balance - End of the Year	2,040,438	1,418,000	3,458,438

	2011		
	Computer Software and Applications	Goodwill*	Total
	JD	JD	JD
Balance - Beginning of the Year	2,220,886	1,418,000	3,638,886
Additions	1,652,404	-	1,652,404
Amortization for the Year	(1,550,083)	-	(1,550,083)
Balance - End of the Year	2,323,207	1,418,000	3,741,207

*Goodwill resulted from the acquisition of Al-Ahli International Bank – Lebanon and Kuwait Real Estate Company. During the year 2007, part of Al-Ahli International Bank's goodwill has been amortized against the decline in its value.

14. Other Assets

This item consists of the following:

	December 31	
	2012	2011
	JD	JD
Real Estate Foreclosed by the Bank Against Debts*	59,598,397	55,364,311
Unpaid Accrued Interest and Commissions and Present Value		
Difference on Long-Term Financial Liabilities	8,452,602	9,615,889
Checks and Transfers Under Collection	4,112,599	8,333,123
Foreclosed Assets Sold**	5,726,943	7,969,553
Prepaid Expenses	2,836,592	2,766,143
Various Debtors	6,624,326	3,674,381
Real Estate for Sale	3,669,096	4,470,614
Prepaid Rent	1,730,100	1,057,145
Refundable Deposits***	1,426,442	2,006,660
Revenue Stamps	210,236	198,518
Advances to Employees	36,847	36,847
Temporary Advances	5,878,861	3,995,328
Other Debit Balances	3,726,736	3,141,888
Total	104,029,777	102,630,400

*The movement on foreclosed assets was as follows:

Description	2012	2011
	JD	JD
Balance - Beginning of the Year	55,364,311	50,179,483
Additions	8,600,225	14,283,604
Disposals	(4,166,139)	(8,994,369)
Impairment Loss	(200,000)	(104,407)
Balance - End of the Year	59,598,397	55,364,311

- According to the Banks' law, buildings and plots of land foreclosed by the Bank against debts due from customers should be sold within two years from the ownership date. For exceptional cases, the Central Bank of Jordan may extend this period for two additional years.

** During the year 2011, the Bank sold land number (879) basin number (3) qatna south and land number (418) basin number (3) qatna south from the village of Amman in installments for JD4.4 million to the South House Trade and Investment Company. An amount of JD3.4 million has been received during the year 2012.

*** This item includes an amount of JD1,202,204 as of December 31, 2012 that appears in net collected value after deducting an impairment provision of JD210 thousand. An amount of around JD424 thousand was collected during the year 2012 (JD1,836,021 as of December 31, 2011). This item represents cash deposits in a foreign trading and financial brokerage company, which is under liquidation, and is currently restricted until the liquidation procedures are finalized.

15. Banks and Financial Institutions Deposits

This item consists of the following:

	December 31, 2012			December 31, 2011		
	Inside Jordan	Outside Jordan	Total	Inside Jordan	Outside Jordan	Total
	JD	JD	JD	JD	JD	JD
Current Accounts and Demand Deposits	850,624	11,097,524	11,948,148	1,583,469	10,369,719	11,953,188
Time Deposits	119,639,716	68,482,296	188,122,012	267,441,436	71,167,198	338,608,634
Total	120,490,340	79,579,820	200,070,160	269,024,905	81,536,917	350,561,822

16. Customers Deposits

This item consists of the following:

	For the Year Ended December 31, 2012				
	Individuals	Corporate	Small and Medium Companies	Government and Public Sector	Total
	JD	JD	JD	JD	JD
Current Accounts and Demand Deposits	225,180,679	105,009,661	105,803,713	5,996,310	441,990,363
Saving Accounts	150,796,646	2,850,392	14,865,455	5,058	168,517,551
Time and Notice Deposits	826,147,075	132,459,649	130,134,776	74,955,006	1,163,696,506
Koshan Certificates of Deposit	1,596,506	-	-	-	1,596,506
Certificates of Deposit	21,270,000	-	-	-	21,270,000
Total	1,224,990,906	240,319,702	250,803,944	80,956,374	1,797,070,926

	For the Year Ended December 31, 2011				
	Individuals	Corporate	Small and Medium Companies	Government and Public Sector	Total
	JD	JD	JD	JD	JD
Current Accounts and Demand Deposits	211,116,118	96,851,798	104,486,077	7,802,529	420,256,522
Saving Accounts	126,565,760	2,012,274	13,398,974	13,689	141,990,697
Time and Notice Deposits	745,039,287	162,879,547	134,731,915	77,212,636	1,119,863,385
Koshan Certificates of Deposit	1,878,833	-	-	-	1,878,833
Certificates of Deposit	21,270,000	-	-	-	21,270,000
Total	1,105,869,998	261,743,619	252,616,966	85,028,854	1,705,259,437

- Government and public sector deposits inside Jordan amounted to JD68,884,006, which is equivalent to 3.83% of total deposits as of December 31, 2012 (JD65,973,018, which is equivalent to 3.87% of total deposits as of December 31, 2011).

- Non-interest bearing deposits amounted to JD343,728,919, which is equivalent to 19.13% of total deposits as of December 31, 2012 (JD353,337,988, which is equivalent to 20.72% of total deposits as of December 31, 2011).

- Restricted deposits amounted to JD819,088, which is equivalent to 0.05 % of total deposits as of December 31, 2012 (JD 5,083,146, which is equivalent to 0.3% as of December 31, 2011).

- Dormant accounts amounted to JD27,046,142 as of December 31, 2012 (JD55,246,979 as of December 31, 2011).

- Restricted fund deposits amounted to JD733,697, which is equivalent to 0.04% of total deposits as of December 31, 2012 (JD714,493, which is equivalent to 0.04% as of December 31, 2011).

17. Cash Margins

This item consists of the following:

	December 31	
	2012	2011
	JD	JD
Cash Margins on Direct Credit Facilities	191,616,179	170,044,582
Cash Margins on Indirect Credit Facilities	56,414,646	57,448,742
Marginal Deposits	4,682,520	3,982,456
Other Margins	10,901,770	10,908,883
Total	263,615,115	242,384,663

18. Borrowed Funds

This item consists of the following:

	Amount	Number of Installments		Installments		Guarantees	Relending	
		Total	Remaining	Maturity	Frequency		Interest Rate	Interest Rate
December 31, 2012	JD						%	%
Central Bank of Jordan *	55,000,000	1	1	One installment		Treasury bills and bonds/ Jordanian Government	4	-
Local Banks (Loan to Subsidiary)	6,778,333	24	15	24 monthly installments effective from the withdrawal date		10 million deposit belonging to the Jordan Ahli Bank	4.5	-
Jordan Mortgage Refinance Company (Loan to Subsidiary)	5,000,000	2	2	Semi annual installments		Without guarantees	6.25	-
Local Banks (Loan to Subsidiary)	1,195,820	24	24	24 monthly installments effective from the withdrawal date		Without guarantees	7.5	-
Development and Employment Fund (Loan to Subsidiary)	968,056	-	-	42 monthly installments effective from the withdrawal date		Without guarantees	6 - 7	6-7
	68,942,209							
December 31, 2011							%	%
Local Banks (Loan to Subsidiary)	7,003,500	24	24	24 monthly installments effective from the withdrawal date		10 million deposit belonging to the Jordan Ahli Bank	4.5	-
Development and Employment Fund (Loan to Subsidiary)	731,944	-	-	42 monthly installments effective from the withdrawal date		Without guarantees	6 - 7	6 - 7
	7,735,444							

- Loans with a fixed interest rate amounted to JD68,942,209 as of December 31, 2012 (JD7,735,444 as of December 31, 2011).

* This item consists of liabilities against repurchase agreement contracts in the amount of JD55 million, which was executed with the Central Bank of Jordan on Jordanian treasury bills and bonds with an interest rate of 4% to be used in temporary financing activities. It matures on January 2, 2013.

19. Various Provisions

This item consists of the following:

	Balance Beginning of the Year	Additions	Disposals	Reversals of Provision	Balance End of the Year
	JD			JD	JD
Year 2012	JD	JD	JD	JD	JD
Provision for End-of-Service Indemnity	3,347,551	657,128	(137,278)	-	3,867,401
Provision for the Decline in Foreign Currencies	13,639	-	-	-	13,639
Provision for Lawsuits	1,333,354	-	-	(300,000)	1,033,354
Other Provisions	143,210	21,439	(19,603)	-	145,046
	4,837,754	678,567	(156,881)	(300,000)	5,059,440
Year 2011					
Provision for End-of-Service Indemnity	2,985,580	836,651	(474,680)	-	3,347,551
Provision for the Decline in Foreign Currencies	415,653	-	-	(402,014)	13,639
Provision for Lawsuits	602,690	730,664	-	-	1,333,354
Other Provisions	102,413	41,558	(761)	-	143,210
	4,106,336	1,608,873	(475,441)	(402,014)	4,837,754

20. Provision for Income Tax

a) Income Tax Provision:

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

	2012	2011
	JD	JD
Balance Beginning of the Year	9,704,710	9,720,308
Income Tax Paid	(10,851,632)	(10,582,900)
Income Tax for the Year	10,207,777	9,588,450
Prior Years Income Tax	115,489	377,845
Income Tax / Profit from Financial Assets Through Other Comprehensive Income	-	601,007
Balance End of the Year	9,176,344	9,704,710

Income tax expense for the year, which appears in the consolidated statement of income, consists of the following:

	2012	2011
	JD	JD
Accrued Income Tax on the Year's Profit	10,207,777	9,588,450
Accrued Income Tax on Prior Years	115,489	377,845
Deferred Tax Assets for the Year	(638,626)	(561,705)
Amortization of Deferred Tax Assets	414,887	984,504
Balance - End of the Year	10,099,527	10,389,094

- The income tax rate for banks in Jordan is 30%, while the income tax rate for banks in the countries where the Bank has investments or branches ranges from 10% to 33%.

- A final settlement with the Income and Sales Tax Department has been reached for Jordan branches up to the year 2010.

- The income tax returns of the Bank have been submitted for the year 2011 and have been reviewed by the Income and Sales Tax Department. However, a final decision has not been reached yet.

- A final settlement with the Income Tax and Value-Added Tax Department has been reached for the Palestine branches up to the end of the year 2010. It is expected to complete the Settlement for the tax years after that during the year 2013.

- A final tax settlement has been reached for the subsidiary company in Lebanon up to the end of the year 2006. The tax returns of the Bank have been submitted for the year 2007, and have been reviewed. However, a final decision has not been reached yet. Moreover, the tax returns for the years 2008, 2009, 2010 and 2011 have been submitted. However, no related tax settlements have been reached yet.

- A final tax settlement has been reached for the Bank's branches in Cyprus up to the year 2009.

- A final tax settlement has been reached for the Subsidiary Company (Ahli Financial Brokerage Company) up to the year 2010.

- A final tax settlement has not been reached yet for the Subsidiary Company (Ahli Financial Leasing Company) for the period from inception on November 31, 2009 until December 31, 2011.

- A final tax settlement has been reached for the Subsidiary Company (Ahli Micro Finance Company) up to the year 2009. Moreover, income tax provision was not booked for the period starting from 2008 until mid 2012, since the Company was not subject to income tax during that period. However, the tax exemption was not renewed for the periods afterwards. Accordingly, income tax provision has been booked for the income related to the end of the exemption period until the end of the year 2012.

- Deferred tax assets and liabilities have been calculated as of December 31, 2012 and 2011 according to the following rates:

Income Tax Rate	December 31	
	2012	2,011
Jordan Branch	30%	30%
Palestine Branches	33%	28%

- A provision for income tax for the year ended December 31, 2012 has been booked for the Bank, its branches abroad and subsidiary companies. In the opinion of management and the Bank's tax advisor, the provision taken in the consolidated financial statements as of December 31, 2012 is adequate for meeting the expected tax liabilities.

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

	2012		2011	
	Assets	Liabilities	Assets	Liabilities
	JD	JD	JD	JD
Balance - Beginning of the Year	3,932,863	841,406	4,355,662	1,796,954
Additions	638,626	44	561,705	-
Amortized	(414,887)	(182,854)	(984,504)	(955,548)
Balance - End of the Year	4,156,602	658,596	3,932,863	841,406

b. Deferred Tax Assets / Liabilities:

The details of this item are as follows:

Description	2012				
	Balance - Beginning of the Year	Additions	Amounts Released	Balance - End of the Year	Deferred Tax
	JD	JD	JD	JD	JD
a. Deferred Tax Assets					
Prior Years' Provision for Non-Performing Loans	6,212,131	-	(673,759)	5,538,372	1,735,799
Interest in Suspense	2,519,036	-	(198,065)	2,320,971	766,849
Impairment Loss in Real Estate	1,063,078	200,000	(63,570)	1,199,508	359,853
Provision for Lawsuits	1,333,354	-	(300,000)	1,033,354	311,628
Provision for End-of-Service Indemnity	2,124,415	470,199	(119,349)	2,475,265	791,103
Impairment of Financial Assets Measured at Amortized Cost	349,801	275,537	-	625,338	187,601
Other Provisions	11,173	234	-	11,407	3,769
	13,612,988	945,970	(1,354,743)	13,204,215	4,156,602
b. Deferred Tax Liabilities*					
Fair Value Reserves for Financial Assets at Fair Value Through Other Comprehensive Income	2,804,686	146	(609,514)	2,195,318	658,596
	2,804,686	146	(609,514)	2,195,318	658,596
Description	2011				
	Balance Beginning of the Year	Additions	Amounts Released	Balance End of the Year	Deferred Tax
	JD	JD	JD	JD	JD
a. Deferred Tax Assets					
Prior Years' Provision for Non-Performing Loans	7,894,252	-	(1,682,121)	6,212,131	1,805,304
Interest in Suspense	3,373,814	59,727	(914,505)	2,519,036	696,866
Impairment Loss in Real Estate	1,422,061	73,974	(432,957)	1,063,078	318,923
Provision for Lawsuits	602,690	730,664	-	1,333,354	398,760
Provision for End-of -Service Indemnity	1,894,153	683,710	(453,448)	2,124,415	604,978
Impairment of Financial Assets Measured at Amortized Cost	-	349,801	-	349,801	104,940
Other Provisions	11,934	-	(761)	11,173	3,092
	15,198,904	1,897,876	(3,483,792)	13,612,988	3,932,863
b. Deferred Tax Liabilities *					
Fair Value Reserves for Financial Assets at Fair Value Through Other Comprehensive Income	7,699,258	-	(4,894,572)	2,804,686	841,406
	7,699,258	-	(4,894,572)	2,804,686	841,406

* Deferred tax liabilities include JD658,596 as of December 31, 2012 (JD841,406 as of December 31, 2011) resulting from changes in the fair value of financial assets at fair value through other comprehensive income, which is stated net of deferred tax liabilities within the fair value reserve under owners' equity.

c- Summary of the reconciliation between accounting income with taxable income:

	2012	2011
	JD	JD
Accounting Income	33,945,223	33,631,018
Tax exempted Income	(5,382,231)	(8,520,730)
Non-Deductible Expenses	7,377,973	4,851,279
Taxable Income	35,940,965	29,961,567

21. Other Liabilities

This item consists of the following:

	December 31	
	2012	2011
	JD	JD
Accepted Checks	7,991,147	10,652,533
Accounts Payable for Financial Brokerage Customers	793,700	825,648
Unpaid Accrued Interest	6,850,863	5,907,927
Temporary Deposits	6,262,675	8,789,162
Various Creditors	7,837,687	8,075,127
Unpaid Accrued Expenses	1,845,297	2,583,589
Interest and Commissions Received in Advance	1,313,371	704,316
Checks and Transfers - delayed in Payment	1,330,704	1,544,227
Provision for Technical and Vocational Education and Training Support Fund fees	157,255	157,255
Board of Directors' Remuneration	65,000	65,000
Unearned Revenue	66,285	72,297
Other Liabilities	1,064,971	1,087,431
	35,578,955	40,464,512

22. Capital and Share Premium

a. The Bank's authorized capital amounted to JD150 million divided into 150 million shares of JD1 each as of December 31, 2012 and 2011, whereas, subscribed and paid up capital amounted to JD150 million as of December 31, 2012 (JD126,5 million as of December 31, 2011).

- The General Assembly decided in its extraordinary meeting held on October 26, 2011 to decrease the Bank's authorized capital from JD135 million per share to JD126.5 million per share. In addition, the assembly approved to increase the bank's authorized capital by an amount of JD23.5 million to become JD150 million. The increase in capital has been distributed using a special underwriting procedure for the Bank's shareholders with an amount of one JD per share. Furthermore, the capital increase procedures have been approved by the Ministry of Industry and Trade on November 3, 2011, by the Central Bank of Jordan on October 3 2011, by the Jordan Securities Commission on October 22, 2011 and by the Jordan Securities Depository Center on January 9, 2012. Furthermore, the unsubscribed shares were sold in Amman Stock Exchange prior to the end of 2012.

b. Share premium amounted to JD9,345,817 as of December 31, 2012 and 2011.

c. According to the resolution of the General Assembly of Shareholders in its ordinary meeting held on March 14, 2012, 10% of capital equivalent to JD14.6 million were approved for distribution as a cash dividend to shareholders for the year 2011.

23. Reserves

The details of reserves as of December 31, 2012 and 2011 are as follows:

a. Statutory Reserve

The accumulated balances in this account represent appropriations from net income before tax at 10% during the year and previous years according to the Bank's law and the Companies' law. This reserve cannot be distributed to shareholders.

b. Voluntary Reserve

The accumulated balances in this account represent appropriations from net income before tax at a maximum of 20% during the year and previous years. The voluntary reserve can be used for the purposes decided by the Board of Directors. Moreover, the General Assembly of Shareholders have the right to distribute it as dividends to shareholders in part or in full.

c. General Banking Risks Reserve

This item represents the general banking risks reserve according to the Central Bank of Jordan's instructions.

d. Periodic Fluctuations Reserve

This reserve represents the periodic fluctuations reserve calculated according to the Palestinian Monetary Authority Instructions No. (1) for the year 2011 concerning all banks operating in Palestine on January 27, 2010. Moreover, the periodic fluctuations reserve is calculated at 15% of the net profit of the tax. Additionally, the Bank continues to make this annual deduction provided that this reserve balance does not exceed 20% of paid-up capital. The reserve cannot be used for any purpose unless a

prior written approval is obtained from the Palestinian Monetary Authority.
The restricted reserves are as follows:

Reserve	December 31,		Restriction nature
	2012	2011	
	JD	JD	
General Banking Risks Reserve	14,275,658	12,566,854	According to the Central Bank of Jordan's Instructions
Statutory Reserve	41,600,704	38,206,182	According to the Bank's and Companies' laws
Periodic Fluctuations Reserve	1,008,374	594,029	According to the Palestinian Monetary Authority Instructions

24. Fair Value Reserve - Net

The details are as follows:

Financial Assets at Fair Value Through Other Comprehensive Income	December 31,	
	2012	2011
	JD	JD
Balance - Beginning of the Year	1,956,190	-
The Effect of Applying IFRS (9)	-	2,909,596
Sold Shares	146	-
Deferred Tax Liabilities	182,809	405,563
Net Unrealized (Losses) Transferred to the Consolidated Statement of Comprehensive Income	(613,059)	(1,358,969)
Balance - End of the Year	1,526,086	1,956,190

* Fair value reserve is stated net of the deferred tax liabilities JD694,925 as of December 31, 2012 (JD841,406 as of December 31, 2011).

25. Retained Earnings

The details of this item are as follows:

	2012	2011
	JD	JD
Balance - Beginning of the Year	26,259,660	22,257,522
The Effect of Applying IFRS (9)	-	(1,684,735)
Income for the Year	23,791,624	23,195,332
Distributed Dividends*	(14,670,032)	(11,000,000)
Loss from Sale of Treasury Shares	-	(136,671)
Transfers to Reserves	(8,912,193)	(8,792,428)
(Loss) Income from Sale of Financial Assets at Fair Value Through Other Comprehensive Income	(173)	2,420,640
Balance - End of the Year	26,468,886	26,259,660

- Retained earnings include an amount of JD4,156,602 restricted by the Central Bank of Jordan against deferred tax assets as of December 31, 2012 (JD3,932,863 as of December 31, 2011).

* The Board of Directors resolved to recommend to the Bank's General Assembly to distribute 10% of the Bank's capital at the date of the General Assembly as free shares to the shareholders for the year 2012. Such distribution is subject to the approval of the Central Bank of Jordan and the General Assembly of shareholders. Furthermore, the percentage of cash dividends was 10% of the capital in the prior year.

26. Non-Controlling Interest

This item consists of the following:

	December 31, 2012			December 31, 2011		
	Percentage of Non- Controlling Interest*	Non- Controlling Interest Portion of Net Income	Non- Controlling Interest Portion of Net Assets	Percentage of Non- Controlling Interest*	Non- Controlling Interest Portion of Net Income	Non- Controlling Interest Portion of Net Assets
	%	JD	JD	%	JD	JD
Al-Ahli International Bank – Lebanon	2.110	54,072	1,786,716	2.110	46,592	1,732,644
		54,072	1,786,716		46,592	1,732,644

* Non-controlling interest in the subsidiary's capital (Al-Ahli International Bank – Lebanon) is 2.110% for the year 2012 and 2011 while maintaining 11.51% of capital prepayments.

27. Interest Income

This item consists of the following:

	2012	2011
	JD	JD
Direct Credit Facilities:		
Individuals (Retail):		
Current Accounts	1,582,967	1,361,297
Loans and Promissory Notes	28,828,296	24,498,427
Credit Cards	1,238,740	1,115,800
Real Estate Loans	8,707,665	7,193,373
Companies:		
Corporate:		
Current Accounts	7,479,344	6,554,043
Loans and Promissory Notes	34,746,916	34,621,752
Small And Medium Companies:		
Current Accounts	5,904,268	4,839,160
Loans and Promissory Notes	13,302,585	12,513,267
Government and Public Sector	1,242,679	771,593
Balances at Central Banks	2,196,883	2,085,228
Balances and Deposits at Banks and Financial Institutions	3,276,968	3,004,511
Financial Assets at Fair Value Through Profit or Loss	971,087	1,119,397
Financial Assets Measured at Amortized Cost	30,982,225	26,994,684
Total	140,460,623	126,672,532

28. Interest Expense

This item consists of the following:

	2012	2011
	JD	JD
Banks and Financial Institutions Deposits	3,227,770	2,923,368
Customers Deposits:		
Current and Demand Deposits	158,498	214,144
Saving Accounts	730,957	685,328
Time and Notice Deposits	42,415,720	36,507,325
Certificates of Deposit	1,013,093	887,148
Cash Margins	5,528,571	4,933,491
Borrowed Funds	1,158,542	35,583
Loan Guarantee Fees	2,369,637	2,311,586
Total	56,602,788	48,497,973

29. Commissions Revenue - Net

This item consists of the following:

	2012	2011
	JD	JD
Credit Commissions:		
Direct Credit Facilities	7,682,544	6,655,984
Indirect Credit Facilities	6,497,974	6,747,562
Other Commissions	8,041,428	7,646,111
<u>(Less):</u> Commissions Paid	(1,355,997)	(535,470)
Net Commissions Revenue	20,865,949	20,514,187

30. Foreign Exchange Income

This item consists of the following:

	2012	2011
	JD	JD
As a Result of Trading	1,024,891	952,569
As a Result of Evaluation	2,999,595	3,311,576
Total	4,024,486	4,264,145

31. Gain (Loss) from Financial Assets at Fair Value through Profit or Loss

This item consists of the following:

	Realized Profit	Unrealized (Loss)	Dividends	Total
December 31, 2012	JD	JD	JD	JD
Companies' Shares	(99,477)	(217,853)	9,309	(308,021)
Bonds	960,684	15,227	-	975,911
	861,207	(202,626)	9,309	667,890
December 31, 2011	JD	JD	JD	JD
Companies' Shares	(14,677)	(77,540)	13,056	(79,161)
Bonds	60,269	(854,137)	-	(793,868)
	45,592	(931,677)	13,056	(873,029)

32. Other Revenue

This item consists of the following:

	2012	2011
	JD	JD
Interest in Suspense Recovered*	1,938,987	2,513,028
Brokerage Commission Income	474,715	239,494
Income from Sale of Properties and Equipment	20,750	114,174
Income from Sale of Foreclosed Assets	1,057,640	289,338
Recovery of Debts Previously Written-off **	455,970	2,337,014
Income from Managing Investment Portfolios	202,071	577
Income from Check Books	198,707	266,867
Rental Income of Bank's Real Estate	211,767	329,675
Recovery of Real Estate Impairment Provision	-	400,552
Rental Income of Safe Deposit Boxes	145,462	125,575
Income from Cash Boxes Differences	17,310	17,886
Income from Credit Cards	183,365	66,382
Income from Student Fees	545,164	493,524
Other	984,168	1,258,253
	6,436,076	8,452,339

* The following are the details of recovered interest in suspense:

	2012	2011
	JD	JD
Recovered Interest in Suspense	1,684,686	2,358,856
Interest in Suspense from Debts Written-off	254,301	154,172
	1,938,987	2,513,028

** This account represents what has been recovered from debts fully provided for in previous years.

33. Employees' Expenses

This item consists of the following:

	2012	2011
	JD	JD
Salaries, Bonuses and Employees' Benefits	30,303,493	27,294,836
Bank's Contribution to Social Security	2,796,559	2,491,519
Bank's Contribution to Staff Provident Fund	1,506,487	1,436,046
Medical	1,337,956	1,245,411
End-of-Service Indemnity	657,128	836,651
Training	315,090	490,563
Travel Expenses	427,957	420,548
Employees' Life Insurance	162,151	155,864
Employees' Meals	172,238	153,668
Employees' Uniforms	22,436	54,041
	37,701,495	34,579,147

34. Other Expenses

This item consists of the following:

	2012	2011
	JD	JD
Fees and Subscriptions	2,516,114	2,175,310
Maintenance and Repair	4,162,935	3,831,007
Advertisement	3,122,760	3,599,966
Printing and Stationery	1,273,062	1,283,624
Rent and Key Money	1,613,064	1,442,946
Studies, Research and Consulting	53,892	205,678
Insurance Expenses	1,178,849	920,447
Water, Electricity and Heating	1,736,546	1,001,192
Legal Fees	1,237,023	1,040,035
Donations	794,557	567,577
Transportation	907,917	811,787
Telecommunication	1,046,714	675,835
Miscellaneous	412,842	340,213
General Assembly Meeting	368,688	394,149
Security	370,340	336,338
Professional Fees	408,042	337,713
Fees, Taxes and Stamps	207,566	255,042
Entertainment	102,740	127,267
Appraisal Expenses of Land and Real Estate	38,473	28,256
Cash Boxes Difference	7,976	4,990
Provision for Litigations	-	730,664
Losses on Real Estate Sales	1,748	46,441
Investment Impairment Losses	210,000	-
Real Estate Impairment Losses	200,000	104,407
Board of Directors' Remunerations	65,000	65,000
	22,036,848	20,325,884

35. Earnings Per Share for Bank's Shareholders

The details of this items are as follows:

	2012	2011
	JD	JD
Income For The Year	23,791,624	23,195,332
Weighted Average Number of Shares	145,844,652	126,500,000
Earnings Per Share - Bank Shareholders:		
Basic	-/163	-/183
Income for the Year		
	23,791,624	23,195,332
Weighted Average Number of Shares Authorized	150,000,000	150,000,000
Earnings Per Share - Bank Shareholders:		
Diluted	-/159	-/155

36. Cash and Cash Equivalents

The details of this items are as follows:

	2012	2011
	JD	JD
Cash and Balances at Central Banks Maturing Within 3 Months	352,539,332	335,196,763
<u>Add:</u> Balances at Banks and Financial Institutions Due Within 3 Months	279,234,910	284,095,141
<u>Less:</u> Banks and Financial Institutions Deposits Due Within 3 Months	(166,329,545)	(195,088,886)
Repurchase Agreements	(55,000,000)	-
Restricted Balances	(295,416)	(71,121)
	410,149,281	424,131,897

37. Related Party Balances and Transactions

a. The consolidated financial statements include the financial statements of the Bank and the following subsidiary companies:

Company Name	Equity Ratio	Capital of the Company	
		2012	2011
	%	JD	JD
Al-Ahli International Bank – Lebanon	97/889	14,015,390	14,015,390
Ahli Micro Finance Company	100	3,500,000	3,500,000
Zarqa National College Company	100	800,000	800,000
Ahli Financial Leasing Company	100	10,000,000	10,000,000
Ahli Financial Brokerage Company	100	15,000,000	15,000,000

The Bank entered into transactions with sister companies, major shareholders, Board of Directors and executive management within the normal banking practice according to the normal interest rates.

	Related Party				Total
	Associates **	Board of Directors' Members	Executive Management	Other*	December 31, 2012
		JD	JD	JD	JD
On-Consolidated Statement of Financial Position Items:					
Credit Facilities	783,194	6,912,920	4,406,070	69,050,756	81,152,940
Customers' Deposits	10,976,540	35,172,730	3,873,529	15,601,466	65,624,265
Cash Margins	787,316	-	153,783	2,418,441	3,359,540
Off-Consolidated Statement of Financial Position Items:					
Letters of Guarantee	123,506	800	9,500	4,048,852	4,182,658
Consolidated Statement of Income:					
Interest and Commissions Income	63,250	261,366	228,004	5,356,962	5,909,582
Interest and Commissions Expense	512,922	1,538,199	96,854	565,785	2,713,760

	Related Party				Total
	Associates **	Board of Directors' Members	Executive Management	Other*	December 31, 2011
		JD	JD	JD	JD
On-Consolidated Statement of Financial Position Items:					
Credit Facilities	1,814,976	6,101,144	4,405,955	64,808,172	77,130,247
Customers' Deposits	13,406,895	29,611,335	3,376,227	21,478,005	67,872,462
Cash Margins	106,350	-	22,096	2,058,929	2,187,375
Off-Consolidated Statement of Financial Position Items:					
Letters of Guarantee	50,000	781	9,500	3,811,036	3,871,317
Consolidated Statement of Income:					
Interest and Commissions Income	80,262	178,230	219,523	3,730,463	4,208,478
Interest and Commissions Expense	291,780	2,313,618	66,382	641,384	3,313,164

* This item represents companies partially owned by members of the Bank's Board of Directors, Board of Directors' relatives, and Bank employees.

** According to the resolution of Ahluna for Social and Cultural Work Company's representative partners (associate) in their meeting held on May 21, 2012, all partners withdrew from their contribution in the Company except for the Jordan Ahli Bank. Therefore, the Company became wholly owned by the Bank. The Ministry of Industry and Trade approval has not yet been obtained.

- Interest income prices vary between 4.5% to 9.25%.

- Interest expense prices vary between zero% to 5.5%.

b. The salaries of executive management of the Bank and its subsidiaries amounted to JD5,184,981 for the year 2012 (JD4,977,915 for the year 2011), in addition to bonuses and incentives relating to performance.

38. Financial instruments that do not appear at fair value consolidated financial statements

There are no significant differences between the carrying value and fair value of financial assets and financial liabilities at the end of 2012 and 2011.

39. Risk Management

The Bank's risk management conducts its activities (identification, measurement, management, monitoring and controlling) through applying the best international practices in connection with risk management, administrative organization and risk management tools in accordance with the size of the Bank, its activities and types of risks it is exposed to.

The organizational structure of the Bank is integrated by risk management control according to each level. Moreover, the Corporate Governance Committee, at the Board of Directors' level, decides on the Bank's risk policy and strategy, and ensures the management of risk. This is to ensure setting up and controlling the policies and instructions at an appropriate level for the types of risks the Bank is exposed to until the achievement of the acceptable return for the shareholders without impacting the Bank's financial strength. In this context, the work of the Risk Management Department is complemented by the work of the committees of executive management such as the Assets and Liabilities Committee and the Credit Facilities Committee.

39 a. Credit Risk

The Bank's operations involve the Bank's exposure to many risks such as credit risk relating to the default or inability of the other party to the financial instrument to settle its obligations towards the Bank, which causes losses. An important duty of the Bank and its management is to ensure that these risks do not go beyond the general framework predetermined in the Bank's credit policy and maintain their levels within a balanced relationship among risk, return and liquidity. Credit management at the Bank is conducted by several committees from higher management and executive management. Moreover, credit facilities ceilings that can be granted to one client (individual or corporate) or related parties are specified in compliance with the ratios approved by the Central Bank of Jordan while relying on the credit facilities distribution method to each credit manager and sector. This is performed by taking into consideration the geographic area in a manner that achieves congruence among risks, returns and the optimal utilization of the available resources and the enhancement of the Bank's ability to diversify lending and allocate it to customers and economic sectors.

The Bank monitors credit risks by periodically evaluating the standing credit of the customers in accordance with the customers' credit evaluation system based on credit risk elements and probabilities of non-payment for financial, managerial or competition reasons; in addition, the Bank obtains proper guarantees from customers for the cases requiring that—according to each customer's risk level and extension of additional credit facilities.

Moreover, the Bank monitors credit risk and is continuously evaluating the credit standing of customers, in addition to obtaining proper guarantees from its customers.

The Bank's credit risk management policy includes the following:

1. Specifying credit ceilings and concentrations:

The credit policy includes specific and clear ratios for the maximum credit that can be granted to a customer. Moreover, there are different credit ceilings for each administrative level.

2. Determining the risk mitigation methods:

The Bank's risk management activity depends on several methods to mitigate risk, including the following:

- Collaterals and their convertibility to cash and coverage of the credit granted.
- Preapproval of the credit facilities committee on the extension of credit.
- Credit approval authority varies from one management level to another based on the customer's portfolio size, maturity and customer's risk degree.

3. Mitigating the assets and liabilities concentration risk:

The Bank works efficiently to manage this risk. Moreover, its annual plan includes the well-studied distribution of credit, focusing on the most promising sectors. In addition to that, it is distributed to several geographic areas inside and outside of the Kingdom.

4. Studying, monitoring and following up on credit:

The Bank developed the necessary policies and procedures to determine the study method of credit, maintaining the objectivity and integrity of decision-making and ensuring that credit risk is accurately evaluated, properly approved and continuously monitored.

The general framework of the credit policy includes setting up credit approval authorities and clarifying credit limits and the method of determining the risk degree.

The Bank's organizational structure involves segregating the work units responsible for granting credit from the work units responsible for monitoring credit as regards to the credit terms, soundness of the credit decision, implementation of all credit extension terms, adherence to the credit ceilings and determinants in the credit policy and other related matters.

Moreover, there are specific procedures for following up on performing credit facilities to keep them performing and non-performing credit facilities to treat them.

The Bank mitigates the assets and liabilities concentration risk through distributing its activities to various sectors and geographic areas inside and outside of the Kingdom. Moreover, the Bank adopts a specific policy that shows the credit ceilings granted to banks and countries with high credit ratings and reviews them continuously through the Assets and Liabilities Committee to distribute the risks and utilize the credit evaluation. The investment policy specifies the investment allocation ratios and their determinants in order to distribute them in a way that achieves a high return and lowers the risk.

Credit risk exposure (less impairment and interest in suspense and before guarantees and other risk-mitigating factors):

	December 31	
	2012	2011
	JD	JD
On the Consolidated Statement of Financial Position Items		
Balances at the Central Banks	312,156,667	314,522,130
Balances at Banks and Financial Institutions	279,234,910	284,095,141
Deposits at Banks and Financial Institutions	31,270,000	15,319,506
Direct Credit Facilities:		
Individuals	404,770,617	353,125,993
Property Loans	109,961,685	93,609,705
Companies:		
Corporate	538,035,519	526,734,391
Small and Medium Companies	193,620,186	191,532,488
Government and Public Sector	27,634,903	13,225,618
Bonds and Bills:		
Financial Assets at Fair Value Through Profit or Loss	11,401,777	19,529,164
Financial Assets Measured at Amortized Cost	496,031,823	570,589,172
Other Assets	10,736,925	12,007,504
Total	2,414,855,012	2,394,290,812
Off the Consolidated Statement of Financial Position Items		
Letters of Guarantee	188,124,707	184,923,925
Letters of Credit	72,381,681	121,205,599
Letters of Acceptance	40,156,543	52,098,513
Unutilized Facility Ceilings	88,613,454	86,851,195
Total	389,276,385	445,079,232

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

- Real Estate Mortgages
- Mortgage of Financial Instruments Such As Shares
- Government Guarantee
- Bank Guarantees
- Cash Collaterals

Credit exposures according to the degree of risk are categorized according to the following table:

As of December 31, 2012	Companies							Others	Total
	Individuals	Real Estate Loans	Corporate	Small and Medium Companies	Government and Public Sector	Banks and Other Financial Institutions			
	JD	JD	JD	JD	JD	JD			
Low Risk	59,820,981	2,849,700	71,842,882	30,392,632	827,280,727	-	-	992,186,922	
Acceptable Risk	328,248,079	104,345,191	332,566,420	144,135,300	13,740,213	316,709,140	10,736,925	1,250,481,268	
Of Which Is Due*:									
Within 30 Days	27,598	-	37,512	32,587	-	-	-	97,697	
From 31 to 60 Days	6,865	-	72,084	29,078	-	-	-	108,027	
Under Watch	4,519,975	1,109,644	108,409,444	23,304,298	-	-	-	137,343,361	
Non-Performing:									
Below Level	3,092,409	378,361	10,530,209	3,350,564	-	-	-	17,351,543	
Allowance Provided	13,154,815	315,663	24,237,506	8,770,756	-	-	-	46,478,740	
Bad Debt	24,913,080	4,266,291	75,005,368	18,957,180	-	-	-	123,141,919	
Total	433,749,339	113,264,850	622,591,829	228,910,730	841,020,940	316,709,140	10,736,925	2,566,983,753	
Less: Interest in Suspense	5,979,267	1,476,777	22,317,217	22,500,917	-	-	-	52,274,178	
Impairment Provision	22,999,455	1,826,388	62,239,093	12,789,627	-	-	-	99,854,563	
Net	404,770,617	109,961,685	538,035,519	193,620,186	841,020,940	316,709,140	10,736,925	2,414,855,012	

As of December 31, 2011	Companies							Others	Total
	Individuals	Real Estate Loans	Corporate	Small and Medium Companies	Government and Public Sector	Banks and Other Financial Institutions			
	JD	JD	JD	JD	JD	JD			
Low Risk	95,712,827	3,665,552	60,808,844	35,452,553	893,303,776	-	-	1,088,943,552	
Acceptable Risk	229,972,463	84,500,272	304,131,964	145,263,662	2,324,864	299,414,647	34,244,948	1,099,852,820	
Of Which Is Due*:									
Within 30 Days	14,852	-	16,520	27,140	-	-	-	58,512	
From 31 to 60 Days	11,341	-	41,983	42,853	-	-	-	96,177	
Under Watch	5,864,329	3,356,625	138,222,589	17,304,028	-	-	-	164,747,571	
Non-Performing:									
Below Level	2,775,755	337,631	1,987,263	2,388,125	-	-	-	7,488,774	
Allowance Provided	15,199,645	926,984	20,609,459	12,105,627	-	-	-	48,841,715	
Bad Debt	25,625,997	4,144,143	74,126,619	16,060,334	-	-	-	119,957,093	
Total	375,151,016	96,931,207	599,886,738	228,574,329	895,628,640	299,414,647	34,244,948	2,529,831,525	
Less: Interest in Suspense	4,116,114	1,467,209	17,217,360	24,675,300	-	-	-	47,475,983	
Impairment Provision	17,908,909	1,854,293	55,934,987	12,366,541	-	-	-	88,064,730	
Net	353,125,993	93,609,705	526,734,391	191,532,488	895,628,640	299,414,647	34,244,948	2,394,290,812	

Credit exposures according to the fair value of the collaterals held against credit facilities are as follows:

As of December 31, 2012	Companies					Total
	Individuals	Real Estate Loans	Corporate	Small and Medium Companies	Government and Public Sector	
	JD	JD	JD	JD	JD	
Guarantees Against:						
Low Risk	145,582,323	4,724,517	93,282,053	43,581,703	25,296,467	312,467,063
Acceptable Risk	236,158,054	97,787,105	344,745,246	135,985,309	2,338,436	817,014,150
Under Watch	358,848	-	14,509,773	490,572	-	15,359,193
Non-Performing:						
Below Level	2,780,555	426,401	9,380,839	3,924,947	-	16,512,742
Allowance Provided	11,825,052	353,195	22,527,326	8,479,683	-	43,185,256
Bad Debt	4,218,772	3,650,271	16,400,640	13,455,937	-	37,725,620
Total	400,923,604	106,941,489	500,845,877	205,918,151	27,634,903	1,242,264,024
Of It:						
Cash Margins	82,198,686	123,500	82,174,977	73,629,177	-	238,126,340
Accepted Letters of Guarantee	-	-	19,421,128	1,083,994	-	20,505,122
Real Estate	207,102,434	108,435,958	263,425,682	102,114,476	-	681,078,550
Quoted Stocks	6,875,510	-	10,871,920	1,600	-	17,749,030
Vehicles and Equipment	25,201,407	31,600	2,650,799	1,615,028	-	29,498,834
Total	321,378,037	108,591,058	378,544,506	178,444,275	-	986,957,876

As of December 31, 2011	Companies					Total
	Individuals	Real Estate Loans	Corporate	Small and Medium Companies	Government and Public Sector	
	JD	JD	JD	JD	JD	
Guarantees Against:						
Low Risk	92,316,672	3,665,552	62,859,653	35,366,686	3,931,849	198,140,412
Acceptable Risk	217,485,209	84,213,308	290,155,768	135,324,567	2,324,864	729,503,716
Under Watch	6,360,659	144,088	9,925,097	2,760,940	-	19,190,784
Non-Performing:						
Below Level	1,716,692	321,412	6,476,683	3,825,280	-	12,340,067
Allowance Provided	13,806,694	1,121,894	18,717,598	10,016,048	-	43,662,234
Bad Debt	5,790,685	4,570,892	23,286,043	9,032,262	-	42,679,882
Total	337,476,611	94,037,146	411,420,842	196,325,783	6,256,713	1,045,517,095
Of It:						
Cash Margins	81,809,716	59,121	77,726,296	58,700,724	-	218,295,857
Accepted Letters of Guarantee	76,879	-	18,859,453	851,994	-	19,788,326
Real Estate	179,835,775	94,096,267	272,331,428	44,886,897	-	591,150,367
Quoted Stocks	11,261,434	-	9,797,342	689,980	-	21,748,756
Vehicles and Equipment	12,947,936	-	4,632,789	1,781,168	-	19,361,893
Total	285,931,740	94,155,388	383,347,308	106,910,763	-	870,345,199

The Bank's management monitors the market value of those guarantees periodically. In case the value of the guarantee declines, the Bank requests additional guarantees to cover the shortage. Moreover, the Bank evaluates the guarantees against non-performing credit facilities periodically.

Scheduled Debts:

These are the debts that have been previously classified as non-performing credit facilities but taken out therefrom according to proper scheduling. These debts have been classified as watch list and amounted to JD7,655,410 for the year 2012 (JD32,018,121 for the year 2011).

Restructured Debts:

Restructuring means rearranging credit facilities through adjusting the installments, prolonging the credit facilities, postponing some installments or extending the grace period. These debts have been classified as watch list restructured debts amounted to JD23,265,902 for the year 2012 (JD6,514,035 for the year 2011).

Bonds, Bills, Debentures and Mutual Funds:

The following table illustrates the classification of bonds, bills, debentures and mutual funds according to external rating institutions:

As of December 31, 2012

Rating Grade	Rating Institution	Within Financial Assets at Fair Value Through Profit or Loss	Within Financial Assets at Fair Value Through Other Comprehensive Income	Within Financial Assets Measured at Amortized Cost	Total
		JD	JD	JD	JD
AA3	MOODYS	-	-	704,113	704,113
B+	S&P	3,588,911	-	-	3,588,911
Unclassified	-	-	2,360,403	5,500,117	7,860,520
Governmental	Governmental & Government Guaranteed Bonds	11,401,777	-	489,827,593	501,229,370
Total		14,990,688	2,360,403	496,031,823	513,382,914

As of December 31, 2011

Rating Grade	Rating Institution	Within Financial Assets at Fair Value Through Profit or Loss	Within Financial Assets at Fair Value Through Other Comprehensive Income	Within Financial Assets Measured at Amortized Cost	Total
		JD	JD	JD	JD
A	FITCH	7,023,199	-	-	7,023,199
A+	FITCH	-	-	709,000	709,000
A-3	S & P	5,465,794	-	-	5,465,794
AA3	MOODYS	1,451,408	-	-	1,451,408
Unclassified	-	-	-	1,999,280	1,999,280
Governmental	Governmental & Government Guaranteed Bonds	5,588,763	-	567,880,892	573,469,655
Total		19,529,164	-	570,589,172	590,118,336

Concentration on Credit Risk Exposure According to Geographical Areas:

Geographical Area	Inside Jordan	Other Middle East Countries	Europe	Asia*	America	Other Countries	Total
	JD	JD	JD	JD	JD	JD	JD
Balances at the Central Banks	221,293,047	90,012,575	851,045	-	-	-	312,156,667
Balances at Banks and Financial Institutions	62,917,221	37,545,950	136,918,889	434,706	41,418,144	-	279,234,910
Deposits at Banks and Financial Institutions	31,270,000	-	-	-	-	-	31,270,000
Credit Facilities:							
To Individuals	290,379,962	114,209,894	180,761	-	-	-	404,770,617
Property Loans	107,966,321	1,995,364	-	-	-	-	109,961,685
Corporate	432,110,749	63,324,957	42,599,813	-	-	-	538,035,519
Small and Medium Companies	191,636,220	1,777,712	206,254	-	-	-	193,620,186
Government and Public Sector	2,338,436	22,410,393	2,886,074	-	-	-	27,634,903
Bonds, Bills and Debentures:							
Financial Assets at Fair Value Through Profit or Loss	-	11,401,777	-	-	-	-	11,401,777
Financial Assets Measured at Amortized Cost	192,216,503	303,815,320	-	-	-	-	496,031,823
Other Assets	7,217,955	3,476,186	42,784	-	-	-	10,736,925
Total 2012	1,539,346,414	649,970,128	183,685,620	434,706	41,418,144	-	2,414,855,012
Total 2011	1,614,082,307	572,709,468	166,984,903	254,015	40,260,119	-	2,394,290,812

* Excluding Middle East Countries

Concentration on Credit Risk Exposure According to the Economic Sector:

Economic Sector	Financial	Industrial	Trade	Real Estate	Agriculture	Shares	Individuals	Government and Public Sector	Others	Total
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balances at the Central Banks	-	-	-	-	-	-	-	312,156,667	-	312,156,667
Balances at Banks and Financial Institutions	279,234,910	-	-	-	-	-	-	-	-	279,234,910
Deposits at Banks and Financial Institutions	31,270,000	-	-	-	-	-	-	-	-	31,270,000
Credit Facilities	178,560,457	120,749,683	432,906,344	151,249,258	11,104,244	6,348,907	292,168,506	27,634,903	53,300,608	1,274,022,910
Bonds, Bills and Debentures:										
Financial Assets at Fair Value Through Profit or Loss	11,401,777	-	-	-	-	-	-	-	-	11,401,777
Financial Assets Measured at Amortized Cost	496,031,823	-	-	-	-	-	-	-	-	496,031,823
Other Assets	10,736,925	-	-	-	-	-	-	-	-	10,736,925
Total 2012	1,007,235,892	120,749,683	432,906,344	151,249,258	11,104,244	6,348,907	292,168,506	339,791,570	53,300,608	2,414,855,012
Total 2011	1,075,823,477	112,108,339	444,362,573	129,267,306	9,370,295	7,832,573	231,179,689	327,747,748	56,598,812	2,394,290,812

39 b. Market Risk

Market risk is the potential loss that may arise from the changes in market prices, such as the change in interest rates, foreign currency exchange rates, equity instrument prices and, consequently, the change in the fair value of the cash flows for the financial instruments that are on and off-consolidated statement of financial position.

Within the Bank's investment policy approved by the Board of Directors, acceptable risks are set and monitored monthly by the Assets and Liabilities Committee, which provides guidance and recommendations thereon. Moreover, the available systems calculate the effect of the fluctuations in interest rates, exchange rates and share prices.

Interest Rate Risk:

Interest rate risk results from the potential change in interest rates and, consequently, the potential impact on the fair value of the financial instruments. The Bank is exposed to the risk of interest rates due to a mismatch or a gap in the amounts of assets and liabilities according to the various time limits or review of interest rates in a certain period. Moreover, the Bank manages these risks through reviewing the interest rates on assets and liabilities based on the risk management strategy.

The Bank is exposed to interest rate risks as a result of the timing gaps of re-pricing assets and liabilities. These gaps are periodically monitored by the Assets and Liabilities Committee through reviewing the report to identify interest rate risks in the short- and long-terms and taking the proper decisions to restrict these risks in light of the expectations of the interest rate trend through using all or some of the following methods:

- Re-pricing deposits and/or loans.
- Changing the maturities and size of the assets and liabilities sensitive to interest rates.
- Buying or selling financial investments.
- Using financial derivatives for interest rate hedging purposes.

Sensitivity Analysis:

Interest Rate Risk

December 31, 2012	Change (Increase) in Interest Rate	Interest Income Sensitivity (Gain and Loss)	Owners' Equity Sensitivity
Currency	%	JD	JD
US Dollar	1	4,261,967	1,541,035
Euro	1	25,831	31,087
GBP	1	13,391	-
Yen	1	5,183	44
Other Currencies	1	1,269,287	1,167,385

December 31, 2012	Change (Decrease) in Interest Rate	Interest Income Sensitivity (Gain and Loss)	Owners' Equity Sensitivity
Currency	%	JD	JD
US Dollar	1	(4,261,967)	(1,541,035)
Euro	1	(25,831)	(31,087)
GBP	1	(13,391)	-
Yen	1	(5,183)	(44)
Other Currencies	1	(1,269,287)	(1,167,385)

December 31, 2011	Change (Increase) in Interest Rate	Interest Income Sensitivity (Gain and Loss)	Owners' Equity Sensitivity
Currency	%	JD	JD
US Dollar	1	2,730,145	1,322,618
Euro	1	240,591	32,269
GBP	1	54,260	360
Yen	1	37,464	366
Other Currencies	1	1,016,014	935,685

December 31, 2011	Change (Decrease) in Interest Rate	Interest Income Sensitivity (Gain and Loss)	Owners' Equity Sensitivity
Currency	%	JD	JD
US Dollar	1	(2,730,145)	(1,322,618)
Euro	1	(240,591)	(32,269)
GBP	1	(54,260)	(360)
Yen	1	(37,464)	(366)
Other Currencies	1	(1,016,014)	(935,685)

Currencies Risk

The following table illustrates the currencies to which the Bank is exposed and the potential and reasonable change in their rates against the Jordanian Dinar and the related impact on the profit and loss statements. The currencies' positions are monitored daily to ensure that they are within the determined limits. Moreover, the related reports are submitted to the management.

December 31, 2012			
	Change in Foreign Currency Rate	Effect on Profit & Loss	Effect on Owners' Equity
Currency:	%	JD	
US Dollar	-	-	-
Euro	5	26,354	-
GBP	5	3,257	-
Yen	5	(26,985)	-
Other currencies	5	105,962	-

December 31, 2011			
	Change in Foreign Currency Rate	Effect on Profit & Loss	Effect on Owners' Equity
Currency:	%	JD	
US Dollar	-	-	-
Euro	5	32,164	-
GBP	5	3,044	-
Yen	5	(25,755)	-
Other currencies	5	106,914	-

Foreign Currency Risks

Within its approved investment policy, the Bank's Board of Directors sets up limits for the positions of all currencies at the Bank. These positions are monitored daily through the Treasury and Investment Department and are submitted to the executive management to ensure that the maintenance of the currencies' positions are within the approved limits. Moreover, the Bank follows the hedging policy to mitigate the risks of foreign currencies by using financial derivatives.

Risks of Changes in Share Prices:

This represents the risk resulting from the decline in the fair value of the investment portfolio of the shares due to the changes in the value of the shares' indicators and the change in the value of shares individually.

December 31, 2012			
	Change in Indicator	Impact on Profit and Loss	Impact on Owners' Equity
Indicator	%	JD	JD
Amman Stock Exchange	5	4,275	332,757

December 31, 2011			
	Change in Indicator	Impact on Profit and Loss	Impact on Owners' Equity
Indicator	%	JD	JD
Amman Stock Exchange	5	11,527	105,430

Share Price Risk

The Board of Directors adopts a specific policy in diversifying investments of the shares based on geographic and sectorial distribution at predetermined percentages that are monitored daily. According to this policy, it is recommended to invest in listed shares of well-reputed international markets that have a high liquidity rate to face any risks that might arise therefrom.

Interest Repricing Gap

The Bank adopts the policy of matching the amounts and maturities of assets and liabilities to narrow gaps through dividing assets and liabilities into several categories with different durations or interest rate review maturities, whichever are nearer. This policy reduces risks, includes a study of the related interest rate gaps, and uses hedging policies through developed tools.

Classification is based on interest rate repricing periods or maturities, whichever are nearer.

Interest rate sensitivity is as follows:

As of December 31, 2012	Up to 1 Month	More Than 1 Month up to 3 Months	More Than 3 Months up to 6 Months	More Than 6 Months up to 1 Year	From 1 Year up to 3 Years	More Than 3 Years	Non-Interest-Bearing	Total
	JD	JD	JD	JD	JD	JD	JD	JD
Assets								
Cash and Balances at the Central Banks	193,663,616	23,738,706	9,413	64,011	150,825	-	135,137,010	352,763,581
Balances at Banks and Financial Institutions	249,147,752	4,374,536	-	-	-	-	25,712,622	279,234,910
Deposits at Banks and Financial Institutions	-	-	-	20,635,000	10,635,000	-	-	31,270,000
Financial Assets at Fair Value Through Profit or Loss	3,587,595	-	-	-	2,562,711	8,840,382	2,019,317	17,010,005
Direct Credit Facilities - Net	95,628,421	171,781,018	123,204,836	124,041,196	254,184,532	474,068,511	31,114,396	1,274,022,910
Financial Assets at Fair Value Through Other Comprehensive Income	-	-	-	-	-	-	24,150,414	24,150,414
Financial Assets Measured at Amortized Cost	14,653,814	34,067,217	12,412,311	36,438,464	191,583,222	206,876,795	-	496,031,823
Investments in Associates and Unconsolidated Subsidiary Company	-	-	-	-	-	-	11,269,321	11,269,321
Properties and Equipment - Net	-	-	-	-	-	-	52,888,938	52,888,938
Intangible Assets	-	-	-	-	-	-	3,458,438	3,458,438
Other Assets	-	-	-	-	-	-	104,029,777	104,029,777
Deferred Tax Assets	-	-	-	-	-	-	4,156,602	4,156,602
Total Assets	556,681,198	233,961,477	135,626,560	181,178,671	459,116,290	689,785,688	393,936,835	2,650,286,719
Liabilities								
Banks and Financial Institutions Deposits	95,623,203	70,706,342	1,303,365	10,635,000	21,802,250	-	-	200,070,160
Customers' Deposits	549,952,870	269,358,638	258,328,041	157,249,437	95,173,651	123,279,370	343,728,919	1,797,070,926
Cash Margins	14,878,443	7,991,951	52,703,498	41,973,006	21,065,567	125,002,650	-	263,615,115
Borrowed Funds	55,000,000	-	-	9,489,854	4,452,355	-	-	68,942,209
Various Provisions	-	-	-	-	-	-	5,059,440	5,059,440
Provision for Income Tax	-	-	-	-	-	-	9,176,344	9,176,344
Deferred Tax Liabilities	-	-	-	-	-	-	658,596	658,596
Other Liabilities	-	-	-	-	-	-	35,578,955	35,578,955
Total Liabilities	715,454,516	348,056,931	312,334,904	219,347,297	142,493,823	248,282,020	394,202,254	2,380,171,745
Interest Rate Repricing Gap	(158,773,318)	(114,095,454)	(176,708,344)	(38,168,626)	316,622,467	441,503,668	(265,419)	270,114,974
As of December 31, 2011								
Total Assets	529,000,953	236,840,756	309,687,662	212,201,505	354,263,990	591,312,997	383,361,132	2,616,668,995
Total Liabilities	902,609,681	318,443,643	336,057,730	151,495,099	243,990,682	6,543	409,186,370	2,361,789,748
Interest Rate Repricing Gap	(373,608,728)	(81,602,887)	(26,370,068)	60,706,406	110,273,308	591,306,454	(25,825,238)	254,879,247

Concentration in Foreign Currencies Risk:

As of December 31, 2012	US Dollar	Euro	Sterling Pound	Japanese Yen	Others	Total
Assets:	JD	JD	JD	JD	JD	JD
Cash and Balances at the Central Banks	155,303,157	18,840,579	697,733	82	20,805,325	195,646,876
Balances at Banks and Financial Institutions	163,252,426	25,142,203	15,311,178	542,077	9,739,012	213,986,896
Deposits at Banks and Financial Institutions	21,270,000	-	-	-	-	21,270,000
Financial Assets at Fair Value Through Profit or Loss	14,017,512	-	-	-	973,176	14,990,688
Direct Credit Facilities - Net	260,736,827	5,845,311	-	306,964	65,776,561	332,665,663
Financial Assets at Fair Value Through Other Comprehensive Income	2,741,997	-	-	-	130,921	2,872,918
Financial Assets Measured at Amortized Cost	154,623,258	3,153,072	-	-	121,038,990	278,815,320
Investments in Associates and Unconsolidated Subsidiary Company	-	-	-	-	976,065	976,065
Properties and Equipment - Net	558,761	-	-	-	7,724,314	8,283,075
Intangible Assets	1,525,183	-	-	-	45,569	1,570,752
Other Assets	13,118,413	23,287	7,305	3,751,793	2,963,051	19,863,849
Total Assets	787,147,534	53,004,452	16,016,216	4,600,916	230,172,984	1,090,942,102

Liabilities:

Banks and Financial Institutions Deposits	73,612,863	9,498,253	5,453,790	-	3,327,649	91,892,555
Customers' Deposits	621,073,868	37,849,540	10,166,697	129,269	188,387,618	857,606,992
Cash Margins	78,859,380	5,870,050	495,120	167,883	12,425,071	97,817,504
Various Provisions	40,666	-	-	-	1,330,521	1,371,187
Provision for Income Tax	-	-	-	-	621,956	621,956
Other Liabilities	8,325,113	133,622	48,035	459,219	3,394,462	12,360,451
Total Liabilities	781,911,890	53,351,465	16,163,642	756,371	209,487,277	1,061,670,645
Net Concentration on the Consolidated Statement of Financial Position	5,235,644	(347,013)	(147,426)	3,844,545	20,685,707	29,271,457
Off the Consolidated Statement of Financial Position Contingent Liabilities	268,445,390	35,561,803	1,151,098	3,495,210	15,043,997	323,697,498

As of December 31, 2011

Total Assets	645,674,061	53,573,376	15,961,154	568,143	206,033,218	921,809,952
Total Liabilities	548,328,192	41,228,410	14,090,136	1,518,498	301,281,716	906,446,952
Net Concentration on the Consolidated Statement of Financial Position	97,345,869	12,344,966	1,871,018	(950,355)	(95,248,498)	15,363,000
Off the Consolidated Statement of Financial Position Contingent Liabilities	317,040,449	35,860,647	780,460	2,861,498	9,859,012	366,402,066

39 c. Liquidity Risks

Liquidity risk represents the Bank's inability to make available the necessary funding to fulfill its obligations on their maturities. To protect the Bank against these risks, the management diversifies funding sources, manages assets and liabilities, matches their maturities and maintains an adequate balance of cash and cash equivalents and marketable securities.

The Bank's liquidity management policy aims at enhancing the procurability of liquidity at the lowest costs possible. Through managing liquidity, the Bank seeks to maintain reliable and stable funding sources at a reasonable cost rate.

Management, measurement and control of liquidity are conducted based on normal and emergency conditions. This includes analyses of the maturities of assets and various financial ratios.

Fund Sources:

The Bank diversifies its funding sources to achieve financial flexibility and to lower funding costs.

Moreover, the Bank has a large customer base comprising of individuals, establishments and corporations. In addition, due to its financial strength, the Bank has an ability to access cash markets, which represents an additional available funding source.

The existence of the Bank in most of the cities of the Hashemite Kingdom of Jordan (51 branches) in addition to its branches in Palestine, Cyprus and its subsidiary company in Lebanon enables the Bank to diversify its funding sources and not to rely on one geographical area as a source of funding.

In order to comply with the instructions of the regulatory authorities, the Bank maintains part of its customers' deposits at the central banks as a restricted cash reserve that cannot be utilized except under specified regulations. In addition, the liquidity ratios are reserved at levels higher than the minimum imposed by the central banks in the countries in which the bank operates.

The contractual maturity dates of the assets and liabilities in the schedule have been determined based on the remaining period from the date of the consolidated statement of financial position until the contractual maturity date, regardless of the actual maturities reflected by historical events relating to maintaining deposits and the availability of liquidity.

- The distribution of liabilities (undiscounted) on the basis of the remaining period to the contractual maturity as of December 31, 2012:

	Up to 1 Month	More Than 1 Month up to 3 Months	More Than 3 Months up to 6 Months	More Than 6 Months up to 1 Year	From 1 Year up to 3 Years	More Than 3 Years	Without Maturity	Total
Liabilities:	JD	JD	JD	JD	JD	JD	JD	JD
Banks and Financial Institutions								
Deposits	95,623,203	70,706,342	1,303,365	10,635,000	21,802,250	-	-	200,070,160
Customers' Deposits	893,681,789	269,358,638	258,328,041	157,249,437	95,173,651	123,279,370	-	1,797,070,926
Cash Margins	14,878,443	7,991,951	52,703,498	41,973,006	21,065,567	125,002,650	-	263,615,115
Borrowed Funds	55,000,000	-	-	9,489,854	4,452,355	-	-	68,942,209
Various Provisions	-	-	-	-	-	-	5,059,440	5,059,440
Income Tax Provision	-	-	-	-	-	-	9,176,344	9,176,344
Deferred Tax Liabilities	-	-	-	-	-	-	658,596	658,596
Other Liabilities	-	-	-	-	-	-	35,578,955	35,578,955
Total Liabilities	1,059,183,435	348,056,931	312,334,904	219,347,297	142,493,823	248,282,020	50,473,335	2,380,171,745
Total Assets	750,664,543	233,961,477	135,626,560	181,178,671	459,116,290	689,785,688	199,953,490	2,650,286,719

-The distribution of liabilities (undiscounted) on the basis of the remaining period to the contractual maturity as of December 31, 2011:

	Up to 1 Month	More Than 1 Month up to 3 Months	More Than 3 Months up to 6 Months	More Than 6 Months up to 1 Year	From 1 Year up to 3 Years	More Than 3 Years	Without Maturity	Total
Liabilities:	JD	JD	JD	JD	JD	JD	JD	JD
Banks and Financial Institutions								
Deposits	165,350,388	29,738,498	155,472,936	-	-	-	-	350,561,822
Customers' Deposits	1,066,659,534	243,328,952	146,666,079	123,181,574	125,423,298	-	-	1,705,259,437
Cash Margins	23,937,747	45,376,193	33,918,715	28,313,525	110,831,940	6,543	-	242,384,663
Borrowed Funds	-	-	-	-	7,735,444	-	-	7,735,444
Various Provisions	-	-	-	-	-	-	4,837,754	4,837,754
Income Tax Provision	-	-	-	-	-	-	9,704,710	9,704,710
Deferred Tax Liabilities	-	-	-	-	-	-	841,406	841,406
Other Liabilities	14,092,363	805,180	496,463	510,615	1,091,611	-	23,468,280	40,464,512
Total Liabilities	1,270,040,032	319,248,823	336,554,193	152,005,714	245,082,293	6,543	38,852,150	2,361,789,748
Total Assets	705,130,121	243,876,523	311,646,549	213,413,288	422,380,105	576,975,679	143,246,730	2,616,668,995

Off- Consolidated Statement of Financial Position Items:

December 31, 2012	Up to One Year	More than One Year to 5 Years	More than 5 Years	Total
	JD	JD	JD	JD
Letters of credit and acceptances	252,788,557	99,442	-	252,887,999
Unutilized credit facilities	88,613,454	-	-	88,613,454
Letters of guarantee	183,122,184	5,002,523	-	188,124,707
Total	524,524,195	5,101,965	-	529,626,160

December 31, 2011	Up to One Year	More than One Year to 5 Years	More than 5 Years	Total
	JD	JD	JD	JD
Letters of credit and acceptances	312,470,912	141,325	-	312,612,237
Unutilized credit facilities	86,851,195	-	-	86,851,195
Letters of guarantee	170,884,166	14,039,759	-	184,923,925
Total	570,206,273	14,181,084	-	584,387,357

40. Sector Analysis

a. Information on the Bank's Activity Sectors

For managerial purposes, the Bank is organized into six major activity sectors, as well as financial brokerage and consultation services provided by Al-Ahli Financial Brokerage Company.

- **Accounts of individuals:** includes following up on individual customer deposits, granting them loans, debts, credit cards and other services.

- **Accounts of small & middle companies:** includes following up on deposits and credit facilities granted to the clients of this sector, who are classified according to their deposit and facility volumes in accordance to the Bank's established policies and procedures, which conform to the regulatory authorities' instructions.

- **Accounts of corporations:** includes following up on deposits and credit facilities granted to the clients of this sector, who are classified according to their deposit and facility volumes in accordance to the Bank's established policies and procedures, which conform to the regulatory authorities' instructions.

- **Treasury:** includes providing dealing, treasury, fund management services and long-term investments measured at amortized cost that are held until the collection of contractual cash flows.

- **Investment and foreign currency management:** includes the Bank's local and foreign investments recorded at fair value in addition to foreign currency trading services.

- **Other:** includes all accounts not listed in the above-mentioned sectors. For example, shareholder equity, investments in subsidiaries, property and equipment and general and supporting management accounts.

The following table represents information on the Bank's sectors according to activities:

	Individuals	Small and Medium Companies	Institutional Funding	Treasury	Investments and Foreign Currencies	Others	Total	
							2012	2011
							JD	JD
Gross Revenue	41,393,305	17,730,651	37,802,959	11,797,540	2,159,750	5,822,526	116,706,731	111,841,444
Provision for Impairment in Direct Credit Facilities	(5,352,433)	(2,613,254)	(7,189,526)	-	-	-	(15,155,213)	(15,632,307)
Results of Business Sector	36,040,872	15,117,397	30,613,433	11,797,540	2,159,750	5,822,526	101,551,518	96,209,137
Distributed Expenses	(30,939,265)	(11,080,555)	(15,564,158)	(3,533,723)	(809,698)	(5,047,797)	(66,975,196)	(61,932,841)
Bank's Share of Associate Company's (loss)	-	-	-	-	(631,099)	-	(631,099)	(645,278)
Income for the Year Before Taxes	5,101,607	4,036,842	15,049,275	8,263,817	718,953	774,729	33,945,223	33,631,018
Income Tax							(10,099,527)	(10,389,094)
Income for the Year							23,845,696	23,241,924
Additional Information								
Sector's Assets	474,060,817	248,970,879	568,154,328	1,129,289,121	40,863,492	73,648,984	2,534,987,621	2,504,208,778
Investments in Associates and Unconsolidated Subsidiary Company	-	-	-	-	-	11,269,321	11,269,321	11,665,838
Assets Not Distributed Over Sectors	-	-	-	-	-	104,029,777	104,029,777	100,794,379
Total Assets	474,060,817	248,970,879	568,154,328	1,129,289,121	40,863,492	188,948,082	2,650,286,719	2,616,668,995
Sector's Liabilities	1,252,518,164	324,787,046	407,676,281	278,647,902	19,541	80,943,856	2,344,592,790	2,321,325,236
Liabilities Not Distributed Over Sectors	-	-	-	-	-	35,578,955	35,578,955	40,464,512
Total Liabilities	1,252,518,164	324,787,046	407,676,281	278,647,902	19,541	116,522,811	2,380,171,745	2,361,789,748
Capital Expenditures							6,640,737	5,707,116
Depreciation and Amortization							7,236,853	6,402,472

b. Information on the Geographical Allocation:

This sector represents the geographical distribution of the Bank's operations. The Bank performs its operations mainly in the Kingdom, and these operations represent the local operations. Moreover, the Bank conducts regional operations through its branches in Palestine, Cyprus and its subsidiary in Lebanon.

The following are the Bank's revenue, assets, and capital expenditures according to geographical allocation:

	Inside Jordan*		Outside Jordan*		Total	
	2012	2011	2012	2011	2012	2011
	JD	JD	JD	JD	JD	JD
Total Revenue	94,460,924	92,498,913	22,245,807	19,342,531	116,706,731	111,841,444
Total Assets	1,900,475,894	1,948,061,213	749,810,825	668,607,782	2,650,286,719	2,616,668,995
Capital Expenditures	5,221,616	4,677,055	1,419,121	1,030,061	6,640,737	5,707,116

*After excluding balances and transactions between the external branches and subsidiaries of the Bank.

41. Capital Management

a. Description of what is considered as paid-up capital

Capital is categorized into paid-up capital, economic capital and regulatory capital, whereby regulatory capital is defined, according to the Banks Law, as the total value of the items determined by the Central Bank for control purposes to meet the requirements of the capital adequacy ratio as per the Central Bank of Jordan's instructions. Furthermore, capital consists of two parts: Primary Capital (Tier 1) made up of paid-up capital, declared reserves (including statutory reserve, voluntary reserve, share premium and treasury share premium) and retained earnings, excluding restricted and minority interest amounts net of loss for the period, costs of the acquisition of treasury stock, decrease in the provisions required from the Bank and goodwill; and Support Capital (Tier 2) consisting of the undeclared reserves, exchange rate differences, general banking risk reserves, instruments with debt-equity shared characteristics, support debts and 45% of the cumulative change in fair value, if positive, and 100%, if negative. A third part of capital (Tier 3) might be formed in case the capital adequacy ratio goes below 12% due to factoring capital adequacy ratio into market risks. Investments in subsidiary banks and financial institutions are deducted (if their financial statements are not consolidated). Moreover, investments in the capitals of banks and financial institutions are deducted.

b. Regulatory parties' requirements concerning capital and the manner in which they are met

Instructions of the Central Bank of Jordan require that paid-up capital be not less than JD 100 million and equity-to-assets ratio be not less than 6%. Moreover, the Central Bank of Jordan's instructions require that the ratio of regulatory capital to assets weighted by risks and market risks (capital adequacy ratio) be not less than 12%, which is considered by the Bank.

Additionally, the Bank complies with Article (62) of the Banks Law, which requires the Bank to appropriate 10% of its net profits in the Kingdom and continue to do so until the reserve equals the Bank's paid-up capital. This meets the requirements of the statutory reserve prescribed by the Companies Law.

The Bank complies with Article (41) of the Banks Law, which requires adherence to the limits set by the Central Bank of Jordan relating to:

1. The percentage of risks relating to its assets and assets weighted by risks, elements of capital, reserves and contra accounts.
2. Ratio of total loans to regulatory capital the Bank is allowed to grant to one person, his allies or to related stakeholders.
3. Ratio of total loans granted to the major ten customers of the Bank to total loans extended by the Bank.

c. Method of achieving capital management objectives

Capital management includes the optimal employment of funds to achieve the highest return on capital possible while maintaining the minimum required by laws and regulations. The Bank adopts a policy of exerting efforts to reduce the cost of funds as much as possible through finding low-cost funds, increasing the customer base and optimally employing these funds in acceptable risk activities to achieve the highest return possible on capital.

d. Capital Adequacy

The capital adequacy ratio is calculated according to the instructions of the Central Bank of Jordan based on Basel Committee resolution. The following is the comparative capital adequacy ratio:

	December 31,	
	2012 (In Thousand)	2011 (In Thousand)
Primary Capital Items		
Subscribed and Paid-up Capital	150,000	126,500
Payments to Increase Capital	-	17,010
Statutory Reserve	41,601	38,206
Voluntary Reserve	23,890	20,495
Share Premium	9,346	9,346
Other Reserves	1,221	807
Retained Earnings	22,313	8,327
Less:		
Real Estate Foreclosed by the Bank Against Debts	(24,944)	(21,591)
Goodwill and Other Intangible Assets	(3,458)	(3,741)
Investment in Insurance Companies and Unconsolidated Financial Institutions	(1,447)	(1,697)
Total Primary Capital	218,522	193,662
Supplementary Capital Items:		
General Banking Risks Reserve	14,276	12,567
Fair Value Reserve	687	880
Less:		
Investments in Insurance Companies and Unconsolidated Financial Institutions	(1,447)	(1,697)
Total Supplementary Capital	13,516	11,750
Total Regulatory Capital	232,038	205,412
Total Risk-Weighted Assets	1,920,895	1,755,244
Regulatory Capital Adequacy Ratio (%)	12.08	11.70
Primary Capital Adequacy Ratio (%)*	11.38	11.03

*Primary capital is calculated net of investments in banks and subsidiary financial institutions, as their financial statements were not consolidated.

The capital adequacy ratio has been calculated according to Basel II resolution as of December 31, 2012 and as of December 31, 2011.

42. Analysis of the Maturities of Assets and Liabilities:

The following table illustrates the analysis of assets and liabilities according to the expected period of their recoverability or settlement:

December 31, 2012	Up to One Year	More Than One Year	Total
	JD	JD	JD
Assets:			
Cash and Balances at Central Banks	352,612,756	150,825	352,763,581
Balances at Banks and Financial Institutions	279,234,910	-	279,234,910
Deposits at Banks and Financial Institutions	20,635,000	10,635,000	31,270,000
Financial Assets at Fair Value Through Profit or Loss	5,606,912	11,403,093	17,010,005
Direct Credit Facilities - Net	545,769,867	728,253,043	1,274,022,910
Financial Assets at Fair Value Through Other Comprehensive Income	24,150,414	-	24,150,414
Financial Assets Measured at Amortized Cost	97,571,806	398,460,017	496,031,823
Investments in Associates and Unconsolidated Subsidiary Company	-	11,269,321	11,269,321
Properties and Equipment - Net	-	52,888,938	52,888,938
Intangible Assets	-	3,458,438	3,458,438
Other Assets	-	104,029,777	104,029,777
Deferred Tax Assets	-	4,156,602	4,156,602
Total Assets	1,325,581,665	1,324,705,054	2,650,286,719
Liabilities:			
Banks and Financial Institutions Deposits	178,267,910	21,802,250	200,070,160
Customers Deposits	1,578,617,905	218,453,021	1,797,070,926
Cash Margins	117,546,898	146,068,217	263,615,115
Borrowed Funds	64,489,854	4,452,355	68,942,209
Various Provisions	5,059,440	-	5,059,440
Provision for Income Tax	9,176,344	-	9,176,344
Deferred Tax Liabilities	-	658,596	658,596
Other Liabilities	-	35,578,955	35,578,955
Total Liabilities	1,953,158,351	427,013,394	2,380,171,745
Net	(627,576,686)	897,691,660	270,114,974

December 31, 2011	Up to One Year	More than One Year	Total
	JD	JD	JD
Assets:			
Cash and Balances at Central Banks	343,910,125	5,408,624	349,318,749
Balances at Banks and Financial Institutions	285,931,162	-	285,931,162
Deposits at Banks and Financial Institutions	15,319,506	-	15,319,506
Financial Assets at Fair Value Through Profit or Loss	22,122,155	-	22,122,155
Direct Credit Facilities - Net	512,165,536	666,062,659	1,178,228,195
Financial Assets at Fair Value Through Other Comprehensive Income	22,282,330	-	22,282,330
Financial Assets Measured at Amortized Cost	296,290,310	274,298,862	570,589,172
Investments in Associates and Unconsolidated Subsidiary Company	-	11,665,838	11,665,838
Properties and Equipment - Net	-	52,743,439	52,743,439
Intangible Assets	-	3,741,207	3,741,207
Other Assets	36,997,938	63,796,441	100,794,379
Deferred Tax Assets	-	3,932,863	3,932,863
Total Assets	1,535,019,062	1,081,649,933	2,616,668,995
Liabilities:			
Banks and Financial Institutions Deposits	350,561,822	-	350,561,822
Customers Deposits	1,579,836,139	125,423,298	1,705,259,437
Cash Margins	131,546,180	110,838,483	242,384,663
Borrowed Funds	-	7,735,444	7,735,444
Various Provisions	4,837,754	-	4,837,754
Provision for Income Tax	9,704,710	-	9,704,710
Deferred Tax Liabilities	-	841,406	841,406
Other Liabilities	28,522,321	11,942,191	40,464,512
Total Liabilities	2,105,008,926	256,780,822	2,361,789,748
Net	(569,989,864)	824,869,111	254,879,247

43. Accounts Managed on Behalf of Customers

	December 31,	
	2012	2011
	JD	JD
Accounts Managed on Behalf of Customers*	27,816,323	33,325,376

*This item represents accounts with no guaranteed capital managed on behalf of customers. These accounts do not appear on the consolidated statement of financial position.

44. Fair Value Hierarchy

The table below analyzes financial instruments carried at fair value by the valuation method. The different levels have been defined as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1	Level 2	Level 3	Total
December 31, 2012	JD	JD	JD	JD
Financial Assets:				
Financial Assets Through Profit or Loss	2,019,317	-	-	2,019,317
Financial Assets Through Other Comprehensive Income	13,754,598	10,395,816	-	24,150,414
	15,773,915	10,395,816	-	26,169,731

	Level 1	Level 2	Level 3	Total
December 31, 2011	JD	JD	JD	JD
Financial Assets:				
Financial Assets Through Profit or Loss	2,592,991	-	-	2,592,991
Financial Assets Through Other Comprehensive Income	13,744,292	8,538,038	-	22,282,330
	16,337,283	8,538,038	-	24,875,321

45. Commitments and Contingent Liabilities

Commitments and Contingent Liabilities:	December 31,	
	2012	2011
	JD	JD
Letters of Credit:		
Letters of Credit	72,381,681	121,205,599
Letters of Credit-Incoming	140,349,775	139,308,125
Acceptances	40,156,543	52,098,513
Letters of Guarantee:		
- Payments	101,546,837	97,138,998
- Performance Bonds	64,549,239	64,662,581
- Other	22,028,631	23,122,346
Unutilized Credit Facilities	88,613,454	86,851,195
Total	529,626,160	584,387,357

46. Lawsuits against the Bank

The lawsuits filed against the Bank amounted to JD4,464,287 as of December 31, 2012 (JD6,247,140 as of December 31, 2011). In the opinion of the Bank's management and its legal advisors, no liabilities exceeding the provision of JD1,033,354 as of December 31, 2012 are expected to arise.

47. Adoption of new and revised International Financial Reporting Standards (IFRSs)

a. Amendments to IFRSs were applied with no material effect on the consolidated financial statements:

The following new and revised IFRSs have been adopted in the preparation of the consolidated financial statements for which they did not have any material impact on the amounts and disclosures of the financial statements; however, they may affect the accounting for future transactions and arrangements.

Amendments to IFRS 1: Severe Hyperinflation (Effective for annual periods beginning on or after July 1 2011)

The amendments regarding severe hyperinflation provide guidance for entities emerging from severe hyperinflation either to resume presenting IFRS financial statements or to present IFRS financial statements for the first time.

Amendments to IFRS 1: Removal of Fixed Dates for First-time Adopters (effective for annual periods beginning on or after July 1 2011)

The amendments regarding the removal of fixed dates provide relief to first-time adopters of IFRSs from reconstructing transactions that occurred before their date of transition to IFRSs.

Amendments to IFRS 7: Disclosures – Transfers of Financial Assets (effective for annual periods beginning on or after July 1 2011)

The amendments to IFRS 7 increase the disclosure requirements for transactions involving transfers of financial assets. These amendments are intended to provide greater transparency around risk exposures of transactions where a financial asset is transferred but the transferor retains some level of continuing exposure in the asset.

Amendments to IAS 12: Deferred Tax – Recovery of Underlying Assets (effective for annual periods beginning on or after January 1 2012)

Amends IAS 12 Income Taxes to provide a presumption that recovery of the carrying amount of an asset measured using the fair value model in IAS 40 Investment Property will, normally, be through sale.

As a result of the amendments, SIC-21 Income Taxes — Recovery of Revalue Non-Depreciable Assets would no longer apply to investment properties carried at fair value. The amendments also incorporate into IAS 12 the remaining guidance previously contained in SIC-21, which is accordingly withdrawn.

b. New and revised IFRSs issued but not yet effective

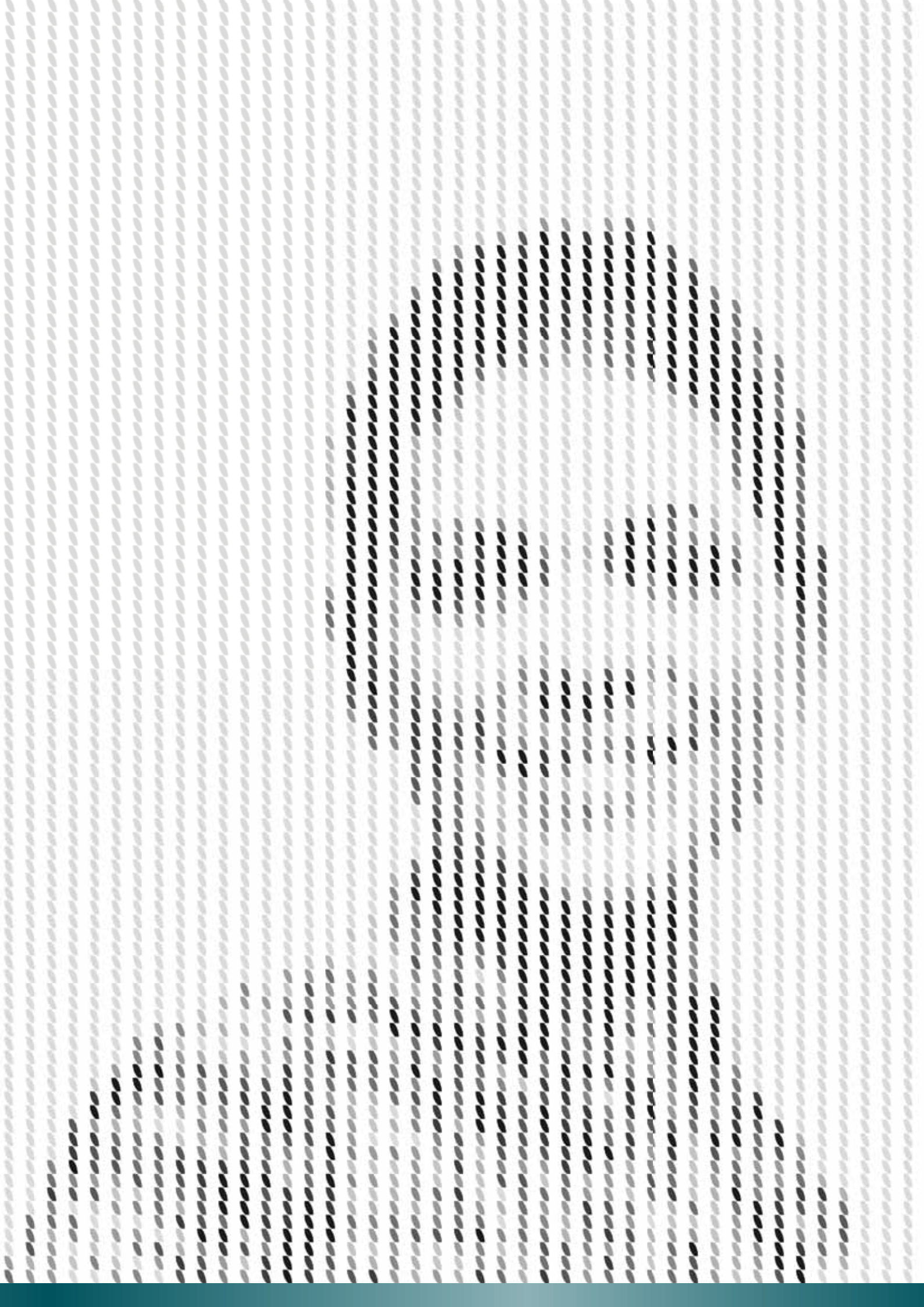
The Bank and its subsidiaries have not applied the following new and revised IFRSs that have been issued and are available for early application but are not effective yet:

	Effective for annual periods beginning on or after
Amendments to IFRS 7	January 1 2015
IFRS 10: Consolidated Financial Statements	January 1 2013
IFRS 11: Joint Arrangements	January 1 2013
IFRS 12: Disclosure of Interests in Other Entities	January 1 2013
Amendments to IFRS 10, IFRS 11 and IFRS 12: Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance	January 1 2013
IAS 27: Separate Financial Statements (as revised in 2011)	January 1 2013
Amendments to IFRS 10 and IFRS 12: Consolidated Financial Statements, and Disclosure of Interests in Other Entities: Transition Guidance and IAS 27: Separate Financial Statements (as revised in 2011)	January 1 2014
IAS 28: Investments in Associates and Joint Ventures (as revised in 2011)	January 1 2013
IFRS 13: Fair Value Measurement	January 1 2013
IAS 19: Employee Benefits (as revised in 2011)	January 1 2013
Amendments to IAS 32: Financial Statements Offsetting Financial Assets and Liabilities	January 1 2014
Amendments to IFRS 1: Government Loans	January 1 2013
Amendments to IFRS 7: Disclosures – Offsetting Financial Assets and Financial Liabilities	January 1 2013
Annual Improvements to IFRSs' 2009 – 2011 Cycle	January 1 2013
IFRIC 20: Stripping Costs in the Production Phase of a Surface Mine	January 1 2013

The Bank and its subsidiaries' management anticipates that each of the above standards and interpretations will be adopted in the consolidated financial statements by its date mentioned above without having any material impact on the Bank's consolidated financial statements.

DISCLOSED DATA

3



Jordan Ahli Bank

Jordan Securities Commission Requirements

Disclosure Data for 2012

1. (a) Description of Bank's Main Activities

The Bank provides comprehensive banking and financial services, supplying its customers with a comprehensive range of services and technological developments in the field of banking, and in all economic sectors on the national and regional level.

(b) Location of Branches

The Jordan Ahli Bank's general management and headquarters is located in Shmeisani, Queen Nour St., and hosts a total of (712) employees. The Jordan Ahli Bank's network of (53) branches and offices is ideally distributed among Jordan's governorates, concentrated particularly in Amman. The Bank also provides coverage to Lebanon, which hosts nine branches operated through the subsidiary Ahli International Bank Co., in addition to the Bank's five branches in Palestine, and one branch in Cyprus. Details of the aforementioned branches are presented at the end of this Annual Report. The total number of employees working for the Bank during 2012 reached (1,646) employees, distributed among the branches as follows:

Branch Name	No. Of Employees	Branch Name	No. Of Employees	Branch Name	No. Of Employees
Main Branch	40	Mecca St.	12	Chamber of Industry Building	10
Corporate	38	Queen Rania Al Abdullah St.	12	Jabal Amman	14
Middle East Circle	11	Culture St.	13	Wadi Saqra	9
Hurriya St.	9	Abdoun	10	Wasfi Al Tal St.	13
Sweifieh	10	Hashmi Al Shamali	8	Jabal Al Hussein	10
Dahiyat Al Yasmeen	9	Zarqa	13	Sweileh	10
Marka	10	Zarqa/ Free Zone	7	Salt	12
University St.	5	Ruseifah	6	Deir Alla	8
Bayader Wadi Al Seer	11	Downtown – Amman	21	Irbid	17
Abdullah Ghosheh St.	11	Ibn Khaldoun St.	4	Hashmi St. – Irbid	14
Sweifieh/ Al Wakalat	9	Marj Al Hamam	8	Ramtha	11
Mafrq	9	Abu Nseir	5	Maan	12
Jerash	10	Aqaba	18	Tafilah	10
Karak	13	Madaba	13	Bawabat Al Salt	8
Sahab	7	Khreibet Al Souk	8	City Mall	7
Arabella Mall	6	Taj Mall	6	Balqa University	6
Um Uthaina Souk	8	Khalda	6	New Zarqa	7

Al-Ahli International Bank - Lebanon

Jdeideh	9	Dora	8	Verdun	8
Hamra	7	Kaslik	8	Tripoli	13
Bab Idriss	11	Samaan Gallery	8	Sidon	11

Palestine

Nablus	22	Bireh – Ramallah	17	Bethlehem	22
Shallalah St. - Hebron	5	Salam St. – Hebron	18		

Cyprus

Limassol	14				
----------	----	--	--	--	--

(c) Capital Investment Volume

As of December 31, 2012, the capital investment volume of Jordan Ahli Bank amounted to JD 52.89 million.

2. As of the end of 2012, the Bank's numerous subsidiaries were as follows:

No.	Company Name	Main Activity	No. Of Employees	Capital in Millions	Ownership Percentage
1	Ahli Micro Financing Co. LLC	Micro-projects financing	120	3.5	100 %
2	Zarqa National College LLC	Educational assessment services	63	0.8	100 %
3	Al Ahli Brokerage Co. PS	Brokerage	13	15	100 %
4	Al Ahli Financial Leasing Co. PS	Financial leasing	9	10	100 %
5	Al Ahli International Bank S.A.L	Financial institution – Lebanon	189	29.8	97.89%

3. (a) Brief introduction of the members of the Jordan Ahli Bank Board of Directors:

Name	Position	Year of Birth	Nationality	Educational Qualifications	Experience	Year of Appointment
H.E. Dr. Rajai Muasher	Chairman of the Board	1944	Jordanian	PhD Business Administration/ Marketing, USA; Master of Business Administration (MBA), USA; BA Chemistry, American University of Beirut	Deputy Prime Minister; Former Minister of State; Former Minister of Industry and Trade; Minister of Supply - multiple cycles; Member of the Senate - multiple cycles; Chairman and member of various companies	1997
Representative, Al Raja' for Investments	Executive					
H.E. Mr. Nadim Yousef Muasher	Deputy Chairman Part-time	1950	Jordanian	MSc Civil Engineering, USA; BA Architecture	Former member of the Senate; Chairman to the following companies: Arab International Hotels Co. (Marriott); El Zay Ready Wear Manufacturing Co.; Jordan Worsted Mills Co.; Ad Dawliya for Hotels and Malls Co. (Sheraton); Business Tourism Co.	1997
Dr. Henry Azzam	Member	1949	Jordanian	Ph.D. Economics; MA Statistics and Finance	Chairman and CEO, Deutsche Bank MENA; CEO, Amwal Invest / Jordan 2005-2007; Managing Director, Middle East Capital Group in Amman and Beirut 1998-2001; Assistant General Manager, National Commercial Bank in Saudi Arabia 1990-1998	2012
Representative, Byblos Bank	Non-Executive					

Name	Position	Year of Birth	Nationality	Educational Qualifications	Experience	Year of Appointment
H.E. Mr. Marwan Awad	Member	1951	Jordanian	Master of Economics, Vanderbilt University, USA; Higher Diploma in Economic Development, Vanderbilt University, USA; BA Business Administration, University of Jordan	Current CEO / General Manager of Jordan Ahli Bank; Head of Association of Banks in Jordan - multiple cycles; Former Minister of Finance; Former General Secretary, Ministry of Industry and Trade; Former General Manager, Industrial Development Bank; Former General Manager, Qatar Islamic Bank; Former General Manager of Middle East Investment Bank; Central Bank of Jordan – several positions; Author of several books and publications dealing with foreign exchange, investment, finance, and economic studies; Board Member of several companies	2009
Representative, Jordan Worsteds Mills Co.	Executive					
H.E. Mr. Wasef Azar	Member	1936	Jordanian	Master of Economics and Development Management, USA; Bachelor of Law (LLB), Damascus	Member of the House of Senate; Former Minister of Industry and Trade; Board Member of various companies; many years experience in both the public and private sectors, and in various fields; Former Minister of Industry and Trade; Manager of several establishments and companies	1997
Representative, Jordan Investor Centre	Independent					
Mr. Emad Yousef Muasher	Member	1957	Jordanian	MA International Business Administration, USA; BA Economics	Deputy Chairman and Board Member of various companies, including Muasher Co., part of Muasher Group	1997
Representative, Muasher Investment and Trading Co.	Non-Executive					
Mr. Rafiq Saleh Muasher	Member	1949	Jordanian	MSc Construction Engineering; MSc Engineering, Project Management, USA	Ranco Co. for Contracting and Trade (1976–1980); Rajai Muasher & Brothers Co. (1980–1985); Al Ahliyya Financial Investments (1985–1988); National Securities Co. (1988 to date)	1997
Representative, Rajai Muasher & Brothers Co.	Non-Executive					

Name	Position	Year of Birth	Nationality	Educational Qualifications	Experience	Year of Appointment
Mr. Mohammad Al Abdullat	Member	1946	Jordanian	BA Commerce, Cairo University	Executive Director, Nuqul Group; Board Member/Treasurer, Chamber of Industry, Amman; Board Member, Arab Union Council for Paper Industry; Chairman of the Board, Pearl Sanitary Paper Converting Co. PLC; Advisor to the Office of the Prime Minister; Deputy Chairman, Civil Service Consumer Cooperation; Board Member in various foreign companies	2010
Representative, Investment Unit, The Social Security Corporation	Independent					
Mr. Hani Atallah Fraij	Member	1940	Lebanese	BA Business Administration, American University of Beirut	General Manager of Atallah Fraij Institution, Beirut; Deputy Chairman of Arabia Insurance Co., Beirut; Chairman of Andlosya Co., Beirut	1997
Representative, Arabia S.A.L. Holding Co., Lebanon	Independent					
Mr. Mahmoud Zuhdi Malhas	Member	1935	Jordanian	BA Economics, American University of Beirut	Prominent businessman and owner of Al Mahmoudiah Trading Co., operating in general trade and trademarks representation since 1994; Chairman and Board Member to several banks and companies	1997
Independent	Independent					
Mr. Ala'adin Sami	Member	1953	Egyptian	MA Financial Management; BA Accounting	Deputy Chairman of Al Zahid Group, S.A.; Chairman of Arab-Sudanese Truck Co.; Board Member of Arab Truck and Vehicle Saudi Co.; Board Member of Laguna Tourism Development Co., Egypt	1997
Representative, ZI & IME Co.	Independent					

Name	Position	Year of Birth	Nationality	Educational Qualifications	Experience	Year of Appointment
Mr. Karim Tawfik Kawar	Member Independent	1966	Jordanian	BA Financial Management and Computer Science, Boston College	Former Jordanian Ambassador to the USA; Former Managers' Committee Member at: Ideal Group, Vision Investment, Batelco Jordan and National Equipment and Technical Services; Former Economic Advisory Board Member; Current Chairman of the Board, Kawar Group; Board Member, JWICO; Head of Managers' Committee at: Iris Guard, Nathealth, Kawar Power Co., King Abdullah II Development Fund Board of Trustees, Jordan River Foundation Board of Trustees; Founder and President of the Management Committee for the Information Technology Companies' Society; President of Jordan Computer Society, as well as various other initiatives, societies, and groups	2008
H.E. Dr. Abdel Elah Al Khatib	Member Independent	1953	Jordanian	MA International Media Master of International Economics and Development BA Political Science	Member of the House of Senate; Several-time Former Minister of Foreign Affairs; Chairman of Lafarge Jordan Cement Co.; Occupied several diplomatic posts in the Ministry of Foreign Affairs; President of the Royal Society for the Conservation of Nature; Member in Board of Trustees of King Hussein Foundation; Member in Board of Trustees of Hussein Cancer Center; Member in Board of Trustees of American Center of Oriental Research; Former Board Member, Central Bank of Jordan	2009

(b) Brief introduction to the members of the Jordan Ahli Bank Senior Executive Management:

Name	Position	Date of Birth	Nationality	Educational Qualifications	Experience
H.E. Mr. Marwan Awad	Chief Executive Officer; General Manager	1951	Jordanian	Masters in Economics, Vanderbilt University, USA; High Diploma in Economic Development, Vanderbilt University, USA; BA Business Administration, University of Jordan	Current CEO/ General Manager, Jordan Ahli Bank; President, Jordan Banking Society – current cycle; Former Minister of Finance; Former Secretary General of Ministry of Industry and Trade; General Manager, Industrial Development Bank; General Manager, Qatar Islamic Bank; General Manager, Middle East Investment Bank; Held several positions at the Central Bank of Jordan; Authored several books and publications in the fields of foreign currency, investment, finance and economics; Board member of several companies
Mr. Issa Khoury	Advisor to H.E. the Chairman of the Board	1941	Jordanian	Higher Diploma in Administration, Bierzeit University	Teacher in Catholic School in Ramallah (1962–1963); Ottoman Bank/Grindlays Bank (1963 - 1978); Petra Bank (1978-1992); Business Bank/Jordan Ahli Bank (1992–present); Deputy Chairman, Al Ahli Brokerage Co. PS
Mr. Ahmad Al Khub	First Deputy Chief Executive Officer, Head of Personal and Premium Banking Group and Local Branches Management	1957	Jordanian	BA Economics, Finance and Banking, Yarmouk University, 1993	ABC Bank, Jordan (1993); Jordan Gulf Bank (1988); Petra Bank (1985); Jordan Gulf Bank (1980); Arab Bank (1975)
Mr. Saad Muasher	First Deputy Chief Executive Officer; Head of Strategy and Corporate Communications Group	1974	Jordanian	MBA Stanford University; BA Economics, Northwestern University	Assistant General Manager, Al Dawliyah for Hotels and Malls Co./Sheraton Hotel; Board Member in several companies
Mr. Ibrahim Ghawi	Deputy Chief Executive Officer; Head of Finance Group	1954	Jordanian	MA International Management, Phoenix University, USA; BA Accounting, University of Jordan	Financial Controller, Cairo Amman Bank; Deputy General Manager / Financial Manager, Palestine Telecom

Name	Position	Date of Birth	Nationality	Educational Qualifications	Experience
Ms. Lina Bakhit	Deputy Chief Executive Officer; Head of Ahli Capital Markets & Investments Group	1963	Jordanian	BA Business Administration, American University of Beirut (AUB)	Chairman of the Board of Al Ahli Brokerage Co. PS; Former Head of Treasury Department, Jordan Investment and Finance Bank
Mrs. Hadeel Khalaf	Deputy Chief Executive Officer; Head of Operations Group	1959	Jordanian	BA Business Administration, American University of Beirut (AUB)	Jordan Ahli Bank since 1997; Business Bank since 1990
Mr. Hani Farraj	Deputy Chief Executive Officer; Head of Logistics Group & Secretary to the Board of Directors	1946	Jordanian	BA Literature; Diploma in Management	Past experience in the fields of administration, finance and law at the Radio and Television Corp. and the Arab Radio Stations Union for 27 years; Most recently held the position of Assistant General Manager for Administrative and Financial Affairs at the Radio and Television Corp
Mr. Zahi Fakhoury	Deputy Chief Executive Officer; Head of Credit Group	1974	Jordanian	BA Accounting	Arab Bank; Credit and Commerce Bank
Mr. Faleh Al Najjar	Deputy Chief Executive Officer; Head of SME Banking	1955	Jordanian	BA Economics and Political Science, Al Rabat	Bank of Jordan; ABC Bank; National Bank of Kuwait
Mr. Bashar Al Bakri	Deputy Chief Executive Officer; Head of Human Resources Group	1963	Jordanian	BA Business Administration and Economics, University of Jordan; Higher Studies in Enterprise Management	Administrative Manager for Makshaf Holding, Riyadh; Human Resources Manager, Royal Jordanian
Mr. Kameel Haddad	Deputy Chief Executive Officer; Remedial, Recoveries, and Legal Affairs Group	1959	Jordanian	BA Statistics, University of Baghdad, Iraq	Manager Statistics Unit, Manager Deposits Department, Amman Investment Bank; Clearance Manager, Mdanat Commercial Establishment

Name	Position	Date of Birth	Nationality	Educational Qualifications	Experience
Mr. Samer Abu Zayed	Deputy Chief Executive Officer; Head of Group Information Technology and Enterprise Programs	1963	Jordanian	MA in Computer Science, University of Kuwait	Executive Manager of Enterprise Programs, Kuwait National Bank (2006–2009); Banking Group Manager, International Integrated Information Systems Co. (1999-2006); Executive Manager, Middle East Investment Bank (1995–1998); Information Systems Manager, Ahli Bank (1993–1995)
Mr. Abdul Aziz Sadaqa	Deputy Chief Executive Officer; Head of Corporate Banking Group	1965	Jordanian	Master in Banking, Arab Academy for Banking and Financial Sciences; BA Public Administration, University of Jordan	Manager of Credit Marketing Unit, Jordan Bank; Manager of Credit Unit, ABC Bank
Mr. Ragheb Halaseh	Assistant General Manager; Head of Internal Audit Group	1950	Jordanian	BA Business Administration, Minor in Accounting, University of Damascus	Jordan Ahli Bank since 1973, Main Branch, Internal Audit, Branch Management, Internal Audit
Mr. George Farraj	Assistant General Manager of Branches Abroad	1969	Jordanian	BA Business Administration and Economics, University of Jordan	Executive Manager Personal Banking Services, HSBC Bank (2000-2004); Cairo Amman Bank (1992-2000)
Mr. Basem Isleem	Deputy Assistant General Manager; Risk Management	1966	Jordanian	BA Business Administration, Yarmouk University	Bank of Credit and Commerce (1990-1991); Business Bank (1991-1992)
Ms. Oraib Hammoudeh	Deputy Assistant General Manager; Inspection and Internal Control Department	1969	Jordanian	Diploma in Programming and System Analysis; Diploma in Financial and Banking Sciences	Inspection and Internal Control Department since 2005; Jordan Ahli Bank branches (1990–2005)

4- Major Shareholders, owning 5% or more of Jordan Ahli Bank's Capital:

No.	Name	Total Shares 2012	Ownership Percentage	Total Shares 2011	Ownership Percentage
1	Byblos Bank	15.571.022	10.38%	15.571.022	10.38%
2	Abraaj Capital Co. – UAE	13.989.648	9.32%	13.989.648	9.32%
3	Jordan Worsted Mills Co.	9.180.152	6.12%	8.873.603	5.92%
4	Jordan Investor Centre Co.	8.499.747	5.67%	8.218.636	5.48%
	Total	47.240.569	31.49%	46.652.909	31.10 %

5. Competition and Ranking:

The Jordan Ahli Bank ranks fourth in terms of capital and net credit facilities, and fifth in terms of shareholders' equity; it is currently ranked third regarding total assets and deposits. The Bank operates in Jordan, Lebanon, Palestine, and Cyprus, and enjoys an excellent market share in each of the aforementioned locations.

6. There are no specific suppliers or primary clients, internally or externally, which form 10% of the Bank's purchases or revenues.

7. Neither Jordan Ahli Bank nor any of its products enjoy any government protection or privilege pursuant to laws, regulations or any other means.

* Jordan Ahli Bank has no patents or franchises.

8. There have been no decisions issued by the government, international organizations or any similar institutions that have had a material impact on the Bank, its products or its competitiveness.

* The Bank adheres to specific quality standards regarding its activities, especially those related to the quality of the Bank's services and products, in addition to the quality of internal audit activities. International quality standards do not apply to the Bank.

9. a) The organizational structure of Jordan Ahli Bank and its subsidiaries:

The Bank and its subsidiaries' organizational structures are outlined in the final pages of the Annual Report.

b) Jordan Ahli Bank and its subsidiaries' employees by numbers, categories and qualifications:

	Less than High School	High School	Community College	Bachelor's Degree	Graduate Diploma	Master's Degree	Ph.D.	Total
Jordan Branches	56	145	192	807	-	105	6	1,311
Cyprus	-	4	3	4	-	3	-	14
Palestine	4	9	22	92	-	5	-	132
Lebanon (Ahli International Bank)	12	34	33	82	-	28	-	189
Total	72	192	250	985	-	141	6	1,646
Al Ahliya Micro Finance	5	13	28	74	-	2	-	120
Zarqa National College	13	6	7	23	-	9	5	63
Al Ahli Brokerage	3	-	2	8	-	-	-	13
Al Ahli Leasing	-	1	1	2	-	5	-	9

c) Training and Qualification Programs for Jordan Ahli Bank Employees:

Throughout 2012, Jordan Ahli Bank held 394 training courses, adding up to the equivalent of more than 20,600 training days, with a total of 5,212 participants in Jordan and the Bank's Palestine branches. Also, three year-long developmental courses were organized, two of which were designed for new employee recruits. Another specialized program was organized for credit officers; this intensive program, the second of its kind within the last two years, trained employees to handle credit operations, customer relations and SMEs from theoretical and practical perspectives. The details of the training courses are as follows:

Training Courses Attended by Jordan Ahli Bank Employees During 2011		
Type of Course	No. of Courses	No. of Participants
Computer Courses	1	2
Audit Courses	2	6
English Courses	3	4
Information Technology Courses	6	15
Marketing Courses	6	25
Operations Courses	6	58
Treasury and Financial Market Courses	7	53
Methods and Procedures Courses	9	139
Credit and Risk Courses	30	231
Human Resources Courses	13	61
Compliance and Legal Courses	40	472
Financial and Accounting Courses	20	130
Management Courses	22	214
Sales Skills and Customer Service Courses	29	308
Banking Products Awareness Courses	35	571
Functional Courses	45	747
Technical Courses	55	1253
Personal Skills	65	923
Total	394	5,212

10. There are no potential risks facing Jordan Ahli Bank during the coming financial year that may have a material effect on the Bank.

11. The Bank did not witness, during 2012, any significant process or event which affected its position.

* The Bank's record of achievements: as detailed and supported by numbers in the Board's report on the Bank's achievements.

12. Non-reoccurring operations that do not fall under the Bank's principle activities had no financial impact during 2012.

13. Timeline of the development of Jordan Ahli Bank's financial indicators during the last five years:

Financial Year	Net Owners' Equity (in JD million)	Cash Dividends Percentage	Value of Cash Dividends (in JD million)	Pre-Tax Net Profit (in JD million)	Share Market Price (in JD)
2008	202.4	10%	10.5	24.9	1.65
2009*	216.2	10%	11	27.3	1.52
2010	228.7	10%	11	34.4	1.92
2011*	253.1	10%	14.5	33.6	1.43
2012**	268.3	-	-	33.9	1.26

*In 2009, Treasury shares were distributed to shareholders amounting to 5% per shareholder.

*In 2011, free shares were distributed to shareholders amounting to 15% per shareholder.

**The Public Authority advised to distribute 10% as free shares for the year 2012.

14. Analysis of the Bank's Financial Position

	2012	2011
Return on Owners' Equity (ROE)	8.87 %	9.16%
Return on Assets (ROA)	0.90 %	0.87%
Return on Paid-Up Capital	15.86 %	18.34%
Credit to Assets Ratio	48.07 %	45.03%
Credit to Total Deposits Ratio	70.89 %	57.31%
Non-Performing Facilities to Total Facilities Ratio	13.11 %	13.42%
Profit After Tax Per Employee	JD 14.454	JD 15.038

15. Jordan Ahli Bank's key developments and plans for the future are listed separately in the Board of Directors Report.

16. Audit fees for Jordan Ahli Bank and its subsidiaries in the year 2012 amounted to JD 140,674, detailed as follows:

No.	Company Name	Audit Fee (in JD)
1	Jordan Ahli Bank	140,674
2	Ahli International Bank (Lebanon)	113,440
3	Ahli Microfinance Co.	9,450
4	Ahli Brokerage Co.	14,399
5	Ahli Financial Leasing Co.	5,829
6	Zarqa National College	1,392
	Total	285,184

17. a) Share Ownership of Board Members and their Relatives:

No.	Name	No. of Shares 2012	Ownership Percentage	No. of Shares 2011	Ownership Percentage
1	Al Raja' for Investments	2.389.090	1.59%	2.389.090	1.59%
	H.E. Dr. Rajai Saleh Muasher	33.888	0.02%	64.024	0.04%
	Mrs. Huda Muasher	486.295	0.32%	486.295	0.32%
2	H.E. Mr. Nadim Muasher	5.454.545	3.64%	5.454.545	3.64%
	Mrs. Rania Dallal	37.447	0.02%	37.447	0.02%
3	Byblos Bank	15.571.022	10.38%	15.571.022	10.38%
	Dr. Henry Azzam	-	0.0%	-	0.0%
4	Jordan Worsted Mills	9.180.152	6.12%	8.873.603	5.92%
	Co. H.E. Mr. Marwan Awad	20.000	0.01%	20.000	0.01%
5	Jordan Investor Centre Co.	8.499.747	5.67%	8.218.636	5.48%
	H.E. Mr. Wasef Azar	84.238	0.06%	84.238	0.06%
	Mrs. Abla Muasher	112.947	0.08%	112.947	0.08%
6	Muasher Investment and Trading Co.	395.637	0.26%	395.637	0.26%
	Mr. Imad Muasher	5.479.349	3.65%	5.479.349	3.65%
	Ms. Nadine Halasa	75.519	0.05%	75.519	0.05%
	Mr. Tareq Imad Muasher	80.002	0.05%	80.002	0.05%
7	Rajai Muasher & Brothers	7.793	0.01%	9.793	0.01%
	Co. H.E. Mr. Rafiq Muasher	2.450.000	1.63%	2.523.626	1.68%
8	The Social Security Corporation	3.559.569	2.37%	3.559.569	2.37%
	Mr. Mohammad Al Abdallat	-	-	-	-
9	Arabia S.A.L. Holding Co.	2.302.860	1.54%	2.302.860	1.54%
	Mr. Hani Fraij	16	0.0%	16	0.0%
10	Mr. Mahmoud Zuhdi Malhas	1.673.238	1.12%	1.673.238	1.12%
11	ZI & IME Co. (Saudi Arabia) Mr	1.058.897	0.71%	1.058.897	0.71%
	Ala'adin Sami	27.203	0.02%	27.203	0.02%
12	Mr. Karim Tawfik Kawar	98.670	0.07%	98.670	0.07%

b) Share Ownership of Senior Executive Management Members and their Relatives:

No.	Name	Title	No. of Shares 2012	No. of Shares 2011
1	H.E. Mr. Marwan Awad	CEO/General Manager	20.000	20.000
2	Mr. Issa Khoury Mrs. Nuha Shamiyyeh	Advisor to the Chairman Wife	15.841 1.860	15.841 1.860
3	Mr. Ahmad Al-Khub	Deputy CEO/Head of Personal and Premium Banking Group and Branch Management	0	0
4	Mr. Saad Muasher Ms. Tania Harb Mr. Rakan Saad Ms. Sara Saad	Deputy CEO/Head of Strategy and Corporate Communications Group Wife Son Daughter	1.802.104 110.369 39.667 37.233	1.802.104 110.369 39.667 37.233
5	Mr. Ibrahim Ghawi Ms. Hanan Kattoura	Deputy CEO/Head of Financial Management Group Wife	0 0	0 0
6	Ms. Lina Bakhit	Deputy CEO/Head of Ahli Capital Markets and Investments Group	30.276	30.276
7	Ms. Hadeel Khalaf	Deputy CEO/Head of Operations Group	13.075	13.075
8	Mr. Hani Farraj	Deputy CEO for Administrative Affairs/ Head of Logistics Group and Secretary of Board of Directors	18.120	18.120

No.	Name	Title	No. of Shares 2012	No. of Shares 2011
9	Mr. Zahi Fakhoury	Deputy CEO/Head of Credit Group	128.863	128.863
10	Mr. Faleh Al Najjar	Deputy CEO/Head of SME Banking Services Group	0	0
11	Mr. Bashar Al Bakri	Deputy CEO/Head of Human Resources Group	0	0
12	Mr. Kameel Haddad	Deputy CEO for Remedial and Recoveries Group	10.157	10.157
13	Mr. Samer Abu Zayed	Deputy CEO/Head of Information Technology Group and Enterprise Programs	177	177
14	Mr. Abd Al Aziz Rida	Deputy CEO/ Head of Corporate Banking Group	7.596	7.596
15	Mr. Ragheb Halaseh	Assistant General Manager/Internal Audit Group	7.466	7.466
16	Mr. George Farraj	Assistant General Manager/ Branches Abroad	0	0
17	Mr. Basem Isleem	Deputy Assistant General Manager/ Risk Management	748	748
18	Ms. Oraib Hammoudeh	Deputy Assistant General Manager/ Inspection and Internal Control Department	492	492

c) Companies Controlled by the Board of Directors and their Relatives:

No.	Board of Directors Member	Companies Controlled by Member	Shares Owned in Ahli Bank 2012	Shares Owned in Ahli Bank 2011
1	Al Raja' for Investments H.E. Dr. Rajai Muasher	Jordan Green Valley	514.415	514.415
2	H.E. Mr. Nadim Muasher	Jordan Fabric & Worsted Mills Manufacturing Co. Arab International Hotels Co. Beaches for Hotels and Spas Co. Al Zay Ready Wear Manufacturing Co. Ranko Public Contracting and Housing Co. World Fashion Trading Jordan Investor Centre Co. Ahluna Social and Cultural Association	2,651.649 841.576 898.173 287.181 726.728 85.909 8,499.747 0	2,522,727 518,984 898,173 287,181 726,728 85,909 8,218,636 1,133,522
3	Jordan Worsted Mills Co. H.E. Mr. Marwan Awad	Jordan Investor Centre Co. Ahluna Social and Cultural Association	8,499.747 0	8,218,636 1,133,522
4	Jordan Investor Centre Co. H.E. Mr. Wasef Azar	Middle East Insurance Co.	100,000	149,318
5	Muasher Investment and Trading Co. Mr. Imad Muasher Mr. Mohammad Abdullat	World Fashion Trading Ahluna Social and Cultural Association Jordanian Investor Centre Co. Arab International Hotels Co. Ranko Public Contracting and Housing Co. Jordan Fabric & Worsted Mills Manufacturing Co. Beaches for Hotels and Spas Co.	85,909 0 8,499.747 841.576 726.728 2,651.649 898.173	85,909 1,133,522 8,218,636 518,984 726,728 2,522,727 898,173
6	Rajai Muasher & Brothers Co. Mr. Rafiq Muasher	Jordan Worsted Mills Co. Arab International Hotels Co.	9,180.152 841.576	8,873,603 518,984
7	Mr. Mahmoud Zuhdi Malhas	Al Mahmodieh Trading Co.	47.059	47,059
8	ZI & IME (Saudi Arabia) Mr Ala'adin Sami	Arab International Hotels Co.	841.576	518,984
9	Mr. Karim Kawar	United Insurance Co.	179,028	179,028

d) Companies Controlled by Senior Executive Management and their Relatives:

No.	Senior Executive Management Member	Companies Controlled by Member	Shares Owned in Ahli Bank 2012	Shares Owned in Ahli Bank 2011
1	H.E. Mr. Marwan Awad	Jordan Investor Centre Co.	8,499,747	6,931,050
		Ahluna Social and Cultural Association	0	1,133,522
2	Mr. Saad Muasher	Al Nabeel for Investments and Trading	1,897,260	1,600,024
		Arabia Insurance-Jordan	941,240	793,780
		International Hotels and Malls	37,254	0
3	Mr. Hani Farraj	Al Ruwwad For Security	17,181	14,490

18) The total salaries, benefits and remunerations granted to members of the Board of Directors and Senior Executive Management in 2012 amounted to JD (3,664,008) distributed as follows:

a) Benefits and Remunerations of Members of the Board of Directors

Name	Transportation and Travel Allowance	Per Diems	Remunerations	Total
H.E. Dr. Rajai Saleh Muasher	8,735	5,565	4,792	19,092
H.E. Mr. Nadim Muasher	7,400	-	5,000	12,400
H.E. Dr. Sami Haddad (until 14/6/2012) Dr. Henry Azzam (since 15/6/2012)	3,900	-	5,000	17,045
Representative, Byblos Bank	4,545	3,600	-	
H.E. Mr. Marwan Awad Representative, Jordan Worsted Mills Co.	9,100	4,805	5,000	18,905
H.E. Mr. Wasef Azar Representative, Jordan Investor Centre Co.	7,700	-	5,000	12,700
Mr. Imad Muasher Representative, Muasher Investment and Trading Co.	7,300	-	5,000	12,300
Mr. Rafiq Muasher Representative, Rajai Muasher & Brothers Co.	7,600	-	5,000	12,600
Mr. Mohammad Al Abdallat Representative, Social Security Corporation	7,400	-	5,000	12,400
Mr. Hani Frajj Representative, Arabia S.A.L. Holding Co.	8,860	4,800	5,000	18,660
Mr. Mahmoud Zuhdi Malhas	7,200	-	5,000	12,200
Mr. Ala'adin Sami ZI & IME Co. (Saudi Arabia)	9,130	3,600	5,000	17,730
Mr. Karim Kawar	7,500	-	5,000	12,500
Mr. Abdel-Elah Al-Khatib	4,200	-	5,000	9,200

b) Benefits and Remunerations of Executive Management

Name	Transportation and Travel Allowance	Per Diems	Total
H.E. Mr. Marwan Awad Representative, Jordan Worsted Mills Co.	9,100	4,805	13,905
Mr. Issa Khoury Advisor to the Chairman	2,040	2,635	4,675
Mr. Ahmad Al Khub Head of Personal Banking Group and Local Branch Management	370	750	1,120
Mr. Saad Muasher Head of Strategy and Corporate Communications Group	1,600	2,595	4,195
Mr. Ibrahim Ghawi Head of Financial Management Group	4,272	3,000	7,272
Ms. Lina Al Bakhit Head of Capital Markets and Investments Groups	615	300	915
Mrs. Hadeel Khalf Head of Operations Group	-	-	-
Mr. Hani Farraj Head of Logistics Group & Board of Directors' Secretary	2,040	312	2,352
Mr. Zahi Fakhoury Head of Credit Group	-	-	-
Mr. Faleh Al Najjar Head of SME Banking Group	-	-	-
Mr. Bashar Al Bakri Head of Human Resources Group	503	187	690
Mr. Kameel Haddad Head of Remedial Recoveries and LegalAffairs Group	550	1,200	1,750
Mr. Samer Abu Zayed Head of Information Technology Group and Enterprise Program	1,788	1,737	3,252
Mr. Abdul Aziz Sadaqa Head of Corporate Banking Group	-	-	-
Mr. Ragheb Halaseh Head of Internal Audit Group	-	-	-
Mr. George Farraj Assistant General Manager Branches Abroad	-	-	-
Mr. Basem Isleem Deputy Assistant to the General Manager, Risk Management	-	-	-
Ms. Oraib Hammoudeh Deputy Assistant to the GeneralManager, Inspection & Internal Control Department	-	-	-

19. Total donations granted to various parties during the year 2012 amounted to JD 351,058, distributed as follows:

Donations Granted During 2012	
Name	Amount (in JD)
King Abdullah Fund	90,074
National societies	70,071
Sport and culture clubs	14,525
Religious activities	2,950
Art and culture forums	33,950
Social development funds and charity organizations	60,138
Cultural centers/ universities/ schools/ education	72,850
Unions	6,000
Governorates and official departments	500
Total	351,058

20. Jordan Ahli Bank did not enter any contracts, projects or financial dealings with the Chairman of the Board, Board Members, General Manager, any Bank employee or any of their relatives.

1- Facilities granted to Board Members under non-preferential terms:

Board Member	Balance as of 31/12/2012 (in JD)	Cash Securities (in JD)
H.E. Mr. Nadim Muasher	1,140,554	-
Jordan Worsted Mills Co.	1,144,807	-
Jordan Investor Centre Co.		
Within the Kingdom	52,544	-
Outside the Kingdom	3,013,250	-
H.E. Mr. Rafiq Muasher		
a) Within the Kingdom	175,117	-
b) Outside the Kingdom	1,276,200	-
Muasher Investment and Trading Co.	961,486	-
H.E. Mr. Emad Muasher	293,720	-

2- Facilities granted to relatives of Board Members:

Board Member	Balance as of 31/12/2012 (in JD)	Cash Securities (in JD)
a) Related to H.E. Mr. Nadim Muasher, Ranko Public Contracting and Housing Co.	1,083,357	-
M/S Nadim and Imad Muasher, and Nabil Muasher's sons Guarantees	947,358 5,000	- -
Jordan Fabric and Worsted Mills Co. Guarantees	250,000	500,000
Yousef Muasher Sons Co.	94,362	-
World Fashion Trading Co. Guarantees	467,294 170,681	4,343 -
Business Tourism Co. Guarantees	4,964,076 26,000	7,100 -
Al Remah Contracting and Enterprise Management Guarantees	6,000	600
Interior Design Studio Guarantees	45,531 1,000	100 -
Jordan Tourism and Hotels Education Guarantees	627,868 28,616	82,279 -
Beaches for Hotels and Spas Guarantees	783,194 123,506	784,469 -
Arab Real Estate Co.	1,226,255	-
b) Related to Rajai Muasher & Brothers Co. Ahli Stock Exchange Co. Beta Housing Co.	36,766 553,908	- -
c) Related to Jordan Investor Centre Co. Jordan Tourism and Hotels Education Guarantees	627,868 28,616	82,279 -
d) Related to Mahmoud Malhas Al Mahmoudiah Car Trading Co.	221,716	-
e) Related to H.E. Dr. Rajai Muasher Jordan Green Valley (Outside of Kingdom)	1,093,962	-
f) Related to Mr. Karim Kwar Amin Kwar & Sons Co.	510,124	-
Arab Directory for Websites	768,843	-
Kwar Power Co.	92,045	-

*According to the definition of "relative" as defined by the Central Bank of Jordan, regulation number 9/2001, dated 1/8/2001.

21. The Bank's Contribution to Environmental Protection:

a) Jordan Ahli Bank supports environmental conservation activities through its care and maintenance of "Al-Ahli Park," located opposite to the Bank's head office.

b) Jordan Ahli Bank contributes to the support of members of the local community in various areas, as detailed below:

Bank's Contribution to Environmental Conservation and Local Community Service in 2012	
Name	Amount (in JD)
Local societies dedicated to community members	3,874
The Children's Museum	53,100
Dead Sea Co.	2,891
Total	59,865

The Bank's Commitment to Corporate Governance Requirements

Based on the regulations of the Central Bank of Jordan and the Jordanian Securities Commission, and, under the supervision of the Board of Directors' various offshoot committees, the Bank's Executive Management continued to monitor the full implementation of the Bank's adopted Corporate Governance Code.

The Bank exhibited its strong commitment to the regulations set out in the Code and those specified by the government; its monitoring of adherence to both is ongoing, ensuring the Bank's total compliance.

The established board committee is as follows:

a) Corporate Governance Committee, comprised of:

- | | |
|---------------------------------|--|
| 1. H.E. Dr. Rajai Muasher | Committee Head |
| 2. H.E. Mr. Nadim Muasher | Member |
| 3. H.E. Mr. Wasef Azar | Member/Representative, Jordan Investor Centre Co. |
| 4. H.E. Mr. Mohammad Al Abdalat | Member/Representative, Social Security Corporation |

Committee Duties:

The Corporate Governance Committee, formed by the Board, will be comprised of a Chairman and two non-executive Members.

The Committee shall supervise the development of the Bank's Corporate Governance Code and shall oversee its implementation. In addition, the Committee shall ensure that effective follow-up mechanisms are in place for the Code's implementation across all managerial levels. The Committee shall also supervise all updates to the manual, in accordance with the directives of the Central Bank of Jordan and with the approval of the Board.

b) Audit Committee, comprised of:

- | | |
|----------------------------------|--|
| 1. H.E. Mr. Wasef Azar | Committee Head/ Representative, Jordan Investor Centre Co. |
| 2. H.E. Mr. Karim Kawar | Member |
| 3. H.E. Mr. Mohammad Al Abdallat | Member/Representative, Social Security Corporation |

Committee Duties:

The Audit Committee will be comprised of three non-executive members, provided that at least two members possess academic qualifications and/or practical experience in the field of financial management. In addition, no less than two members should be independent.

The Committee shall carry out the responsibilities and authorities assigned to it by the Banking Law and any other relevant legislation, which include the review of the following:

1. The scope, results and adequacy of external and internal audits of the Bank
2. Accounting issues with material effect on financial statements
3. The Bank's internal monitoring and control systems

- The Committee shall submit recommendations to the Board regarding the appointment, termination, remuneration and any other relevant contractual issues related to the external auditor. The Committee will also assess the objectivity of the external auditor, taking into account any actions undertaken outside the realm of auditing.

- The Committee shall have the authority to access any information from Executive Management and to call on any executive staff or Board Member to attend its meetings. These terms should be documented in the Committee's charter.
- The Committee shall meet with the external auditor and the Head of Compliance in the absence of Executive Management at least once per year.
- It is agreed that the responsibilities of the Audit Committee do not absolve the Bank's Board or Executive Management of their responsibilities with respect to overseeing the effectiveness of the internal monitoring and controlling systems.

c) Risk Management Committee, comprised of:

- | | |
|----------------------------------|---|
| 1. H.E. Mr. Nadim Muasher | Committee Head |
| 2. H.E. Mr. Hani Fraij | Member / Representative, Arabia/Lebanon S.A.L. |
| 3. H.E. Mr. Rafiq Muasher | Member / Representative, Rajai Muasher & Brothers Co. |
| 5. H.E. Mr. Mohammad Al Abdullat | Member / Representative, Social Security Corporation |

Committee Duties:

- The Risk Management Committee shall review all risks to which the Bank is exposed. The Committee shall be comprised of Board Members and may also include members of Executive Management.
- The Committee shall review the Bank's risk management policies and strategies before they are endorsed by the Board. The Bank's Executive Management is responsible for implementing said strategies and developing policies and procedures for managing the various types of risks.
- The Bank's Executive Management shall propose a structure for the Risk Management Committee and its development process; the suggested structure shall be reviewed by the Committee and must be endorsed by the Board.
- The Committee shall stay abreast of the rapid developments and many complexities that have the potential to impact the Bank's risk management process; the Committee shall submit regular reports on these developments to the Board.

d) Nominations and Remunerations Committee, comprised of:

- | | |
|----------------------------|---|
| 1. H.E. Mr. Wasef Azar | (Independent) Committee Head |
| 2. H.E. Mr. Rafiq Muasher | (Non-executive) Member / Representative, Rajai Muasher & Brothers Co. |
| 3. H.E. Mr. Ala'adin Sami | (Independent) Member / Representative, ZI & IME Co. (Saudi Arabia) |
| 4. H.E. Mr. Mahmoud Malhas | (Independent) Member |

Committee Duties:

- The Nominations and Remunerations Committee shall be formed by the Board, consisting of its own, independent members.
- The Committee shall put forward the names of nominated Board Members for consideration, taking nominees' abilities and qualifications into consideration. In the event of a re-nomination, the nominee's attendance record, and the quality and effectiveness of his/her participations during Board meetings shall be taken into consideration.
- The Committee is responsible for determining whether or not a nominee qualifies as an independent

member as defined by the Central Bank of Jordan.

- The Committee shall assess the Board's effectiveness according to specific, standardized criteria.
- The Committee is responsible for supplying Board members with information and briefs providing background information on various important Bank issues upon their request. The committee must ensure that the Board is always up to date on the latest issues of importance in the banking industry.
- The Committee shall recommend the extent of remuneration (including bonuses, monthly salary and other benefits) to be received by the CEO/General Manager. The committee shall also review remuneration (including salaries) granted to the remainder of Executive Management.
- The Committee shall assume the responsibility of devising a remunerations policy which ensures bonuses/salaries that would be sufficient to attract and retain qualified personnel to work at the Bank. Remuneration policies should be in line with those offered by other, comparable banks in the market.

e) Executive Committee, comprised of:

1. H.E. Dr. Rajai Muasher	Committee Head
2. H.E. Mr. Nadim Muasher	Deputy Committee Head
3. H.E. Mr. Rafiq Muasher	Member / Representative, Rajai Muasher & Brothers Co.
4. H.E. Mr. Wasef Azar	Member/ Representative, Jordan Investor Centre Co.
5. H.E. CEO/General Manager	Member
6. H.E. Mr. Karim Kawar	Member
7. H.E. Mr. Emad Muasher	Member/ Representative, Muasher Investment and Trading Co.

Committee Duties:

- Reviewing credit facilities which exceed the Senior Credit Committee's authority, and reviewing any requests any Committee members express reservations about.
- Writing off outstanding (and other types of) interest, in addition to overdue interest payments on discounted promissory notes, outstanding due guaranteed withdrawals, unpaid withdrawals, and withdrawals from the special reserve, as well as any amount in excess of the authority of the CEO/General Manager and the Chairman. This must occur upon the recommendation of the Credit Committee and the CEO/General Manager.

Board and Committee Meetings held during 2012:

- 1- The Board held nine meetings.
- 2- The Audit Committee held six meetings.
- 3- The Nominations and Remunerations Committee held one meeting.
- 4- The Risk Management Committee held one meeting.
- 5- The Executive Committee held three meetings.
- 6- The Corporate Governance Committee held one meeting.

Corporate Governance Code

Preamble

According to the definition of corporate governance provided by the Organization for Economic Cooperation and Development (OECD), corporate governance organizes the rights and responsibilities of those in charge of running a corporation, such as the Board of Directors, shareholders and its other stakeholders. It also illustrates the mechanism used to determine the corporation's objectives as well as its means to achieving and monitoring said objectives. Therefore, quality corporate governance is the key to providing each member of the Board and of Executive Management with the motivation to achieve these goals for the betterment of the institution. It also provides the drive to initiate an effective control system, thereby helping the corporation to make the best use of its resources.

Corporate governance's importance to the Bank stems from the fact that it provides a base upon which the corporation's future performance is built. It aims to instill confidence in the Bank as a recipient of depositor and shareholders' funds, and to enable the Bank to successfully develop the banking services offered in Jordan, thereby contributing to a more efficient national economy. Because of this, the Board of Directors decided to create the "Corporate Governance Code," which abides with all Central Bank of Jordan guidelines and international best practices. The Code focuses on the four following guiding principles:

- Fairness in the treatment of all stakeholders (e.g., shareholders, depositors, bank employees, regulatory authorities)
- Transparency and disclosure, allowing stakeholders to assess the status of the Bank and its financial performance
- Accountability in relations between the Bank's Executive Management and the Board of Directors, between the Board of Directors and shareholders, and between the Board of Directors and other concerned bodies.
- Responsibility achieved through a clear separation of responsibilities and delegation of authority.

Introduction

Jordan Ahli Bank strives to achieve the goals of its shareholders, customers and employees, while conforming to the highest ethical standards in professional banking conduct. It values excellence in performance, accurate and transparent disclosure of operations, and absolute compliance to the rules, regulations and guidelines that regulate the Bank's activities.

In an affirmation of the main principles outlined above, the Jordan Ahli Bank Corporate Governance Code was prepared and adopted by the Board of Directors, and implemented as of 1/1/2008. The Code documents a number of procedures that were previously applied at the Bank. However, by including such procedures in the Code, the Bank has made its policies and procedures available to all parties interested in dealing with the Bank. Concerned parties can now be reassured of the Bank's main guiding principles, as well as its control, internal auditing, transparency and disclosure mechanisms.

In adopting the Corporate Governance Code, the Board of Directors assures its complete compliance with its content and its absolute support of its application. The Corporate Governance Committee, an offshoot of the Board, will be responsible for following up on the Code's application and on the accountability of all responsible parties, in their various administrative positions, as mentioned in the Code, to ensure that all of the Code's provisions are being effectively applied as outlined.

The Corporate Governance Code is being published as part of the Bank's Annual Report; any updated versions will be published on the Bank's website. The Code's provisions apply to its branches operating within the Hashemite Kingdom of Jordan, as well as to branches operating abroad to the extent permitted by the laws and regulations of the countries in which they operate; in the case of a contradiction, the laws and regulations of the country in which the branch operates shall be applied.

Amendments to the Code are made according to legislative and regulatory developments under the supervision of the Corporate Governance Committee of the Board. Amendments go into effect after being endorsed by the Board.

In an effort to strengthen the culture of corporate governance, as part of the Bank's approval process for granting credit, it will evaluate the corporate governance standards of its corporate customers, particularly those from public shareholder companies. This will thereby guarantee the assessment of each customer's risks, determining their strengths and weaknesses in respect of practices related to governance.

Definitions

The following terms as used throughout the Code will signify the following meanings:

Bank:	Jordan Ahli Bank
Code:	The Jordan Ahli Bank Corporate Governance Code
Board:	The Jordan Ahli Bank Board of Directors
Chairman:	Chairman of the Jordan Ahli Bank Board of Directors
Deputy Chairman:	Deputy Chairman of the Jordan Ahli Bank Board of Directors
Board members:	Members of the Jordan Ahli Bank Board of Directors
CEO/General Manager:	CEO/General Manager of the Jordan Ahli Bank
Secretary:	Secretary of Jordan Ahli Bank Board of Directors
Executive member (of the Board):	Board member who occupies a position at the Bank
Independent member* (of the Board):	Board member (whether in his/her personal capacity or as a representative of a corporate body) with no relationship to the Bank outside of Board membership, rendering him/her with impartial judgment, unaffected by external factors
Board committees:	Committees formed by Jordan Ahli Bank listed in the Code
Executive Management:	Jordan Ahli Bank Executive Management

*The minimum qualifications required of an Independent Member (in accordance with the Central Bank of Jordan's definition) are as follows:

1. That the member has not worked in the Bank for at least three years prior to the date of his/her candidacy for membership of the Board.
2. That the member must not be related to any administrative official above the secondary degree.
3. That the member does not receive any salary or compensation from the Bank with the exception of what he/she receives due to membership on the Board.
4. That the member is not a Board member or owner of a company which deals with the Bank, with the exception of interactions initiated through the regular services or operations of the Bank with its customer; these regular services shall be governed by the same conditions governing similar transactions with any other party and without any preferential terms.
5. That the member not be a partner or employee of the external auditor during the three years prior to his/her candidacy for membership of the Board.
6. That his/ her contributions to the Bank do not form a significant interest to the Bank's capital and that he/she is not an ally to another shareholder.

1- Board of Directors

1/1 General Principles

1. The Board bears all responsibility for the Bank's operations and its financial integrity. It must ensure that the Bank meets the requirements of the Central Bank of Jordan, as well as the interests of its shareholders, depositors, creditors, employees and other stakeholders. It is also responsible for ensuring that the Bank is run prudently and within the framework of the Bank's rules, regulations and internal policies.
2. The Board guarantees the commitment of each of its members toward the Bank and all of its shareholders, and not towards any one shareholder in particular.
3. The Board shall draft the strategic objectives of the Bank and will monitor the actions of Executive Management, which is responsible for the Bank's day-to-day operations.
4. The Board shall ratify inspection and internal control policies, and ensure their effectiveness. The Board shall also ascertain the Bank's measure of adherence to its strategic plan, to its policies, to the procedures it has adopted or that are required under law and to the regulations issued thereafter. In addition, the Board shall ensure that all risks undertaken by the Bank have been managed soundly.

1/2 Chairman of the Board and Chief Executive Officer (CEO)/General Manager

1. The posts of Chairman of the Board and the CEO/General Manager shall be separated. The holders of each post should bear no direct relation to each other, i.e., they should not be related above the secondary degree.
2. The division of responsibilities between the two posts listed above will be according to the directives of a written manual endorsed by the Board and revised when necessary.
3. If the Chairman of the Board should hold executive powers, the Bank shall appoint an independent member, such as the Deputy Chairman, to ensure the presence of an independent spokesperson on behalf of the shareholders. The status of the Chairman, whether executive or non-executive, shall be disclosed.

1/3 Role of the Chairman of the Board

1. The Chairman establishes a constructive relationship between the Board and the Bank's Executive Management, and between executive members and non-executive members.
2. Through the utilization of board meetings, the Chairman will create a culture encouraging constructive criticism on issues on which Board members display differences of opinion, and encourage members to debate and vote on said issues.
3. The Chairman shall make sure that all Board members and shareholders receive relevant information in a timely matter.
4. The Chairman shall ensure that the Bank operates according to high corporate governance standards.

1/4 Board Composition

1. When forming the Board, diversity in practical experience, professional experience and specialized skills shall be taken into consideration.
2. The Board will consist of executive members (members who occupy positions within the Bank) and non-executive members (members who do not occupy positions within the Bank), taking into

account that it is preferable for the majority of the Board to consist of non-executive members.

3. Among the Board's non-executive members, there should be at least three independent members; an appropriate number of independent members should be maintained to ensure that decisions are made objectively. This policy aims to secure high standards of internal controls, thereby allowing decisions to be weighed depending on their effects on all parties, including Executive Management and key shareholders, and ensuring that all decisions made are in the best interests of the Bank.

1/5 Organization of Board Operations

1. The responsibilities of each Board member should be specific and clearly outlined in accordance with relevant legislation. The Bank must also present each Board member with a document illustrating his/her rights, responsibilities and duties upon his/her election.
2. Board members must always be up to date on developments within the Bank and within the local and international banking sector. The Bank must provide Board members with a suitable compendium on its operations upon each member's appointment, throughout his/her tenure or any other time upon his/her request.
3. Board members must be informed in writing on the procedures involved in all Bank operations that require the Board's approval (e.g., the Board's authority regarding granting loans in excess of a certain amount, its authority regarding transactions with related parties or any other banking operations under the jurisdiction of the Board).
4. The Board must establish an organizational structure illustrating the administrative hierarchy (including Board committees and Executive Management). The aforementioned passages must be disclosed to the public.
5. Members of the Board and of the Board committees must have access to direct contact with Executive Management.
6. Executive Management shall propose the topics that they deem relevant for the agenda of every Board meeting. This is to ensure the comprehensiveness of topics discussed at Board meetings, which should occur no less than six times a year.
7. The Bank shall provide Board members with sufficient information and with sufficient notice before Board meetings, allowing them the resources they need to make appropriate decisions. If necessary, members of the Board and its committees have the authority to utilize external resources to assist them in performing their designated duties to the fullest.
8. The Secretary of the Board must record all the conversations, suggestions and votes of Board members during their meetings.
9. The Secretary of the Board must ensure that Board members adhere to the Board's approved protocol and that information is successfully circulated between members of the Board, its committees and Executive Management. The Secretary must also determine Board meeting dates, as well as record the minutes of the meetings.
10. The Board shall officially define the duties of the Secretary of the Board in writing, in accordance with the level of responsibilities outlined above. Any move to appoint or remove a Secretary must be a unanimous decision of the Board.

1/6 Board Activities

1/6/1 Appointments and Replacements

1. The Board shall appoint a CEO/General Manager who possesses integrity, technical competence and banking experience.
2. The approval of the Board must be obtained for appointments made to specific positions, such as

President of the Financial Management Group and head of the Internal Auditing Group. The Board must ensure that appointees to these positions possess the required experience.

3. The Board shall adopt succession plans for the Bank's chief executives that include the qualifications and requirements that those who occupy those positions must possess.

1/6/2 Self-Assessment and Evaluation of the Performance of the Chief Executive Officer (CEO)/General Manager

1. The Board, through the actions of the Nomination and Remuneration Committee, shall evaluate its performance as a whole at least once per year.

2. The Board shall evaluate the CEO/General Manager annually.

1/6/3 Planning, Control and Audit Systems, Code of Ethics and Conflicts of Interest

1. The Board shall determine the Bank's objectives and shall direct Executive Management to draft a strategy to achieve said goals.

2. Executive Management shall lay out plans of action in accordance with the Bank's strategies and incorporating all of its departments. The Board shall endorse the devised strategy and plans of action, and then ensure that Executive Management monitors the results achieved accordingly, taking corrective measures where necessary. The preparation of the budget shall be considered part of the short-term planning and performance evaluation process.

3. The Board must ensure that the Bank operates with the utmost integrity. To achieve this, the Bank will provide a guide to its policies as well as a Code of Ethics, which includes the Bank's definition of a conflict of interest. The Charter also includes the definition of transactions undertaken by Bank employees for their own personal benefit, which are based upon insider information received through the access granted to them by the Bank. These policies and the Code of Ethics apply to all Bank employees and Board members. Board members must approve said documents, as well as their dissemination to the public. The following policies must be included:

a- Rules and regulations governing operations with related parties, whether between the Bank and its employees, members of its Board or their companies, or related parties, including those involved in mutual lending or trading transactions with the Bank. These rules must include provisions ensuring that Board members and their companies are granted a level of credit in accordance with prevailing market rates; they shall not receive any preferential treatment or participate in any meeting in which their personal transactions or dealings are discussed or come to a vote. Furthermore, Board members' personal Bank transactions shall be disclosed in the Bank's Annual Report. Bank departments concerned with control systems and internal inspections must ensure that all stakeholder procedures are conducted according to this policy.

b - Clear audit systems in place prohibiting the Board and Bank employees from exploiting insider information for their own personal benefit.

4. The Bank must possess written policies that cover all of its banking activities, which must be circulated to employees of all administrative levels. These policies must be regularly revised to include any amendments or changes to rules, regulations, economic conditions and any other Bank-related issues.

2- Board Committees

2/1 General Principles

The Board shall form offshoot committees with specific goals, awarding them with authorities and responsibilities for a specified time period. Committees shall submit periodic reports to the remainder of the Board. A charter shall be prepared outlining the mechanism of these committees' formation, describing their objectives, duties and authorities. The formation of Board committees does not absolve the Board as a whole from their direct responsibility toward all Bank-related matters.

Transparency will be upheld upon the appointment of Board committee members. The names of committee members and a summary of their duties and responsibilities will be disclosed within the Bank's Annual Report.

The Board may merge the duties of multiple committees if it is appropriate or more administratively convenient.

2/2 Audit Committee

The Board shall form an Audit Committee consisting of three non-executive members. At least two committee members must hold academic credentials and/or professional experience in the field of financial management. At least two members of the committee must be independent members.

The Audit Committee shall exercise the responsibilities and powers allocated to it under the Banking Law and any other relevant legislation, including a review of the following:

The scope, results and adequacy of the Bank's internal and external audits.

Accounting issues with a material impact on financial statements.

The Bank's internal audit and inspection systems.

The Audit Committee shall provide recommendations to the Board on decisions regarding the appointment, termination, remuneration and any other contractual issues related to the external auditor. The committee shall also assess the objectivity of the external auditor, taking any relevant actions taken outside of the scope of his/her auditing into consideration.

The Audit Committee has the authority to obtain any information it deems necessary from Executive Management, as well as the right to summon any executive or Board member to attend its meetings. This must be stated in the Committee's charter, which specifies the Committee's duties and responsibilities.

The Audit Committee shall meet with the External Auditor, Internal Auditor and the Compliance Manager at least once per year, in the absence of Executive Management.

It is agreed upon that the responsibilities allocated to the Audit Committee do not absolve the Board or the Bank's Executive Management of their responsibilities to monitor the adequacy of the Bank's internal audit and inspection systems.

2/3 Nomination and Remuneration Committee

1. The Board shall form the Nomination and Remuneration Committee from among its own members. The committee shall consist of at least three non-executive members, and the majority of members (including its chairman) must be independent members.

2. The Nomination and Remuneration Committee shall put forward the names of nominated Board members, taking nominees' abilities and qualifications into consideration. In the event of a re-nomination, the nominee's attendance record and the quality and effectiveness of his/her participation during Board meetings shall be taken into consideration.

-
3. The Nomination and Remuneration Committee is responsible for determining whether or not a nominee qualifies as an independent member based on the definition provided by the Central Bank of Jordan.
 4. The Nomination and Remuneration Committee shall assess the Board's effectiveness according to specific, standard criteria, which should be objective and include comparisons to other Banks. The committee shall also assess the soundness and accuracy of the Bank's financial statements, as well as its compliance with regulatory requirements.
 5. The Nomination and Remuneration Committee is responsible for supplying Board members with information and briefs providing background information on various important Bank issues upon their request. The committee must ensure that the Board remains continuously up to date on the latest issues of importance in the banking industry.
 6. The Nomination and Remuneration Committee shall recommend the extent of remuneration (including bonuses, monthly salary and other benefits) to be received by the CEO/General Manager. The committee shall also review remuneration (including salaries) granted to the remainder of Executive Management.
 7. The Nomination and Remuneration Committee shall assume the responsibility of devising a remunerations policy that ensures bonuses/salaries are sufficient to attract and retain qualified personnel to work at the Bank. Remuneration policies should be in line with the bonuses/salaries offered by other, comparable banks in the market.
 8. A summary of the Bank's remuneration policy shall be disclosed in the Bank's Annual Report, detailing the remunerations received by each Board member and the maximum salaries paid to non-Board member executives throughout the year.

2/4 Risk Management Committee

The Risk Management Committee, which will consist of Board members and may also include members of Executive Management, shall evaluate the risks to which the Bank is exposed. The Risk Management Committee shall review the Bank's risk management policies and strategies before they are adopted by the Board. Executive Management shall uphold the responsibility to carry out these strategies and to develop policies and procedures to manage a variety of types of risks. The Bank's Executive Management shall propose and develop an organizational structure for the Risk Management Group. The proposed structure shall be reviewed by the Risk Management Committee and adopted by the Board.

The Risk Management Committee shall remain up to date on the rapid developments and the growing complexities which may arise within the Bank's risk management process. The committee shall prepare periodic reports on these developments, to be submitted to the Board.

2/5 Corporate Governance Committee

The Corporate Governance Committee shall consist of the Chairman of the Board and two non-executive members.

The Corporate Governance Committee shall oversee the production of the Bank's Corporate Governance Code. It shall also manage its application and ensure the existence of effective evaluation mechanisms to ensure that its provisions are implemented at all administrative levels. It shall also oversee any updates of the Code, according to Central Bank of Jordan directives and with the approval of the Board.

3 – Inspection and Internal Control

3/1 General

The Bank's Inspection and Internal Control systems' organizational structure shall be reviewed by the internal auditor and external auditor at least once per year.

The Board shall include within the Bank's Annual Report an account of the adequacy of the Bank's Inspection and Internal Control system with regards to financial reporting. The report should include the following:

A passage describing Executive Management's responsibility to establish and maintain an Inspection and Internal Control system on the Bank's financial reporting.

A passage outlining the basis upon which Executive Management assesses the effectiveness of the Inspection and Internal Control system.

Executive Management's assessment of the effectiveness of the Inspection and Internal Control system as is, on the date that appears on financial statements included in the Bank's Annual Report.

The disclosure of any material weaknesses in the Inspection and Internal Control systems (a material weakness is defined as any clear point of weakness or group of weaknesses that could potentially result in the inability to prevent the creation or detection of a false, significant financial statement).

The External Auditor's report, in which he/she expresses his/her opinion on the Executive Management's assessment of the effectiveness of the Inspection and Internal Control system.

3. The Bank shall establish procedures that allow staff to submit immediate, confidential reports in the case of concerns regarding potential irregularities. These procedures shall allow for an independent investigation and follow-up of these concerns. The Audit Committee shall oversee the implementation of these procedures.

3/2 Internal Audits

The Bank shall provide the Internal Audit Group with a sufficient cadre of qualified human resources who will be trained and compensated appropriately. The Internal Audit Group has the right to obtain any information and to contact any employee within the Bank, and is also granted the authority necessary to perform the duties assigned to it in the required manner.

The Internal Audit Group shall submit its reports to the chairman of the Audit Committee.

Internal auditing employees may not be assigned any executive responsibilities. The Internal Audit Group is responsible for proposing the structure and scope of an internal audit, and must also inform the Audit Committee of the presence of any potential conflicts of interest.

The Internal Audit Group shall perform its duties and prepare its report in full with no external interference. The Group has the right to discuss its report with the departments that were audited.

The primary responsibilities of the Internal Audit Group – whose operations should be based on a risk-based audit – are to review, at a minimum, the following:

The Bank's financial reporting operations (ensuring the accuracy, reliability and timeliness of key information regarding financial, executive and procedural issues).

Compliance with the Bank's internal policies and standards, as well as international procedures, laws and related regulations.

3/3 External Audits

The position of external auditor shall be rotated regularly among audit firms. If this policy becomes difficult to apply in practice, the Bank shall request the regular rotation of the principal partner

responsible for the external audit of the Bank.

The external auditor shall provide the Audit Committee with a copy of his/her report. The external auditor shall meet with the Audit Committee in the absence of Executive Management at least once per year.

3/4 Risk Management

The Bank's Risk Management Group shall submit its reports to the Risk Management Committee. However, day-to-day transactions shall be reported to the CEO/General Manager.

The responsibility of the Bank's Risk Management Group include the following:

Analyzing all risks, whether they be credit risks, market risks, liquidity risks or operational risks.

Developing methodologies for the measurement and control of each type of risk.

Providing recommendations to the Risk Management Committee on appropriate risk limits and approvals, while submitting reports and documenting exceptions to risk management policies.

Providing the Board and senior Executive Management with information on the Bank's risk measurement and its risk profile. (The Board shall, at every meeting, regularly review the Bank's quality and quantity of risk statistics).

Providing information on the Bank's risks to be disclosed or published for the public.

The Bank's other committees, such as the Credit Committee, Assets and Liabilities Management Committee/Treasury and the Operational Risk Committee will assist the Risk Management Group in the performance of its duties, according to the authority granted to each committee.

The Bank's Annual Report will include information on the Risk Management Group regarding its structure, nature of operations and its latest developments.

3/5 Compliance

1. An independent Compliance Department shall be established in accordance with the relevant Central Bank of Jordan directives.

2. The Compliance Department will prepare an effective methodology to ensure that the Bank is in compliance with all valid laws and legislation, as well as any other relevant directives. The Bank will document the duties, authorities and responsibilities of the Compliance Department, and then circulate said document within the Bank.

3. The Board will adopt and monitor the compliance policy. The Compliance Department will be responsible for its preparation, development and application at the Bank.

4. The Compliance Department shall report on the outcome of its operations and its monitoring of compliance to the Board or its offshoot committee. A copy will be sent to Executive Management, in accordance with the relevant directives of the Central Bank of Jordan.

4. Shareholder Relationships

1. The Bank will take steps to encourage shareholders, particularly minority shareholders, to attend the annual meeting of the General Assembly and vote either in person or, in the event of their absence, by proxy.

2. The chairmen of the Audit Committee, the Nominations and Remunerations Committees and any other offshoot committees of the Board shall attend the annual meeting of the General Assembly.

3. Representatives of the external auditors shall attend the annual meeting of the General Assembly in order to answer any questions attendees may have regarding the auditing process and audit report.

4. Separate voting shall be taken into consideration on every issue raised during the General

Assembly's annual meeting.

5. In accordance with the Companies Law, Board members shall be elected or re-elected during the annual meeting of the General Assembly. Voting on the external auditor shall also be carried out during the same meeting.

6. Following the conclusion of the General Assembly's annual meeting, a report shall be prepared and provided to shareholders. The report must contain the comments made during the meeting and the meeting's outcomes, including voting results, shareholder inquiries and the responses provided by Executive Management.

5. Transparency and Disclosure

1- The Bank is committed to disclosure, which shall occur in accordance with International Financial Reporting Standards (IFRSs) and in line with current Central Bank of Jordan directives, issued under the Bank Law and other relevant legislation. Executive Management is responsible for following up on potential changes to international financial reporting practices and the extent of transparency required of financial institutions. Executive Management must also ensure the application of said standards, thereby reinforcing the Bank's commitment to disclosure.

2- The Bank shall commit to providing valid and meaningful information on its activities to the Central Bank of Jordan, its shareholders, its depositors, other banks and the public in general, while focusing on issues that may be of concern to shareholders. The Bank must periodically disclose this information and make it available to the public.

3- The Bank shall clarify, in its Annual Report, its responsibility to ensure the accuracy and adequacy of its financial statements and of the information stated within the report.

4- The Bank is committed to keeping its lines of communication open to regulatory authorities, shareholders, depositors, other banks and the public in general. These communication channels shall be established through the post of Investor's Relations, the dissemination of the Annual Report, the quarterly and periodic financial reports and by regularly submitting briefs to shareholders. Information contained in the Bank's Annual Report, its quarterly reports or in the lectures presented by Executive Management shall also be made available through the Investor's Relations post or in an update to the Bank's website, posted in both Arabic and English.

5- The Bank's annual and quarterly reports shall include a Management Discussion and Analysis disclosure from Executive Management. This disclosure allows investors to understand the results of current and future operations, as well as the Bank's financial position and the possible ramifications of common trends, events and uncertain circumstances. The Bank vows that all explanatory notes contained in this disclosure shall be reliable, comprehensive, fair, balanced and clear, and that they shall be based on the Bank's published financial records.

6- As part of its commitment to transparency and absolute disclosure, the Bank's Annual Report shall contain the following:

The Bank's Corporate Governance Code, as well as a yearly report on the Bank's commitment to each of the Code's clauses, including any reasons for non-compliance with a particular clause.

Information on each individual Board member: his/her qualifications and experience; his/her share of the Bank's capital; whether the member is independent, executive or non-executive; membership to any Board committees; date of appointment to the Board; any membership to other boards; remunerations/salaries received from the Bank; loans granted by the Bank; any other operations

between the Bank and the Board member, their companies or any other related parties.

Disclosures of credit facilities obtained by Board members and their companies in accordance with approved prevailing market rates and not at preferential terms. Members must not participate in any meetings in which their personal transactions or contracts are discussed or come to vote.

A summary of the Bank's organizational structure.

A summary of the Board committees' duties and responsibilities, as well as any authorities they have been granted by the Board.

The number of meetings held by the Board and Board committees.

A summary of the Bank's remuneration policies and the highest salary paid to Executive Management.

The Board's statement verifying the adequacy of its Inspection and Internal Control system.

A description of the structure and activities of the Risk Management Group.

The Bank's principle shareholders (such as the shareholders or related parties that own or control more than 10% of the Bank's capital), identifying the ultimate beneficial owners, who are principle shareholders at companies considered principal shareholders of the Bank (where applicable).

Disclosure of any other matters that may strengthen the Bank's commitment to disclosure and transparency. These other matters must be proposed by Executive Management and approved or requested by the Board.

Executive Management's Assessment of Internal Inspection and Control Systems:

Executive Management is responsible for preparing and developing the Bank's strategies and policies, as well as enforcing said policies after their adoption by the Board. Executive Management also prepares work procedures for all managerial levels of the Bank's various departments and activities, specifying means to identify and control potential risks to the Bank. Through supervision and regular ongoing reviews of internal inspection and control systems, Executive Management ensures competency across the board, protecting the Bank and guaranteeing sound banking practices and secure dealings at all times.

Internal inspection and control procedures are carried out according to the following framework:

Human Resources: Work procedure references refer to: operational structure, job descriptions, occupational development and career path manuals, termination policies, the Bank employee manual, employee loan manual, pension fund regulations, recruitment procedures, incentive regulations, training policies, performance evaluation methods and promotion. Manuals and instructions shall be reviewed and updated to be consistent with legislative and regulatory changes, as well as best practices, in the field of human resource management.

Internal Audit: Auditing procedure references include the Internal Audit Charter, audit procedure guide and adopted plans. Audit reports are verified through follow-up procedures, which include providing corrective measures to all branches and departments where required. The Audit Group is also currently developing risk management-based work methods to increase effectiveness. Audit procedures are fully independent, with all reports being submitted to the Audit Committee, an offshoot of the Board of Directors.

Strategy and Corporate Communications Group: The Strategy and Corporate Communications Group's responsibilities include following up on the execution of the annual plans of action prepared by each of the Bank's groups. The Strategy and Corporate Communications Group must also verify that the Bank's plans for different groups are complementary and do not conflict with each other. Adherence to plans of action is reviewed on a monthly basis, and any deviations found are noted before performance is assessed.

Risk Management: Work procedure references refer to general risk management policies, which include credit risk policies, operational risk management policies and market risk management policies, in addition to compliance inspection and anti-money laundering policies and procedures.

The Risk Management Group is represented on both the Products Committee and the Methods and Procedure Committee. Its presence ensures that any new product, procedure or system will be reviewed before its launch to verify that it is compatible with the Bank's regulatory policies and regulations, and that the level of risk associated with it has been identified and found to be within the Bank's acceptable risk level.

Financial Group: The Bank's financial and accounting systems are compatible with international standards of financial reporting. The Bank's financial status is accurately divulged, thereby providing customers with the information necessary to the decision-making process. The performance of the Bank's different groups is evaluated objectively and impartially on a quarterly basis, and based on their identified goals and allocated budgets.

Operations Group: Through its various subsections, the Operations Group applies the many steps integrated into banking procedure; its primary goal is to ensure that each operation is carried out in accordance with banking standards and within a tight regulatory framework. The Group also develops and documents banking procedures and methods in manuals, which are prepared according to international quality standards and endorsed by a specialized, neutral committee. The Inspections and Reporting Unit also operates within the Group, carrying out daily auditing tasks and drafting regular reports regarding computers, restrictions, reconciliations, bank accounts, external balances, investments, etc. The Group makes sure that implementation is in line with adopted directives.

Credit Group: The Credit Group is fully independent from the business sector and from the Bank's financing services. It participates in the credit decision-making process after impartially and objectively reviewing facility applications. The Group is represented in the Facilities Committee and possesses all the necessary powers to carry out its tasks.

In addition, the Group continuously monitors facilities' activities through reviews, which focus on credit portfolios; the Group also studies business sectors and assesses them from a risk-management perspective. Procedurally, before any facilities are disbursed, the Group relies on a number of regulatory standards to ensure their sufficient authority levels, their soundness and the completeness of securities offered to the Bank. The Group also reviews existing security safeguards, which are subject to a change in value, as well as securities with specified end dates. Thus, facilities are only activated following the verification of the soundness of all granting procedures and related documentation.

In the case of accounts that show the beginning signs of collapse, early warning methods and diligent follow-up procedures ensure that the appropriate corrective and preventative measures can be taken. These actions are based upon extremely conservative standards, allowing for rapid response, tightly-run account management and whatever else may be required, depending on the situation.

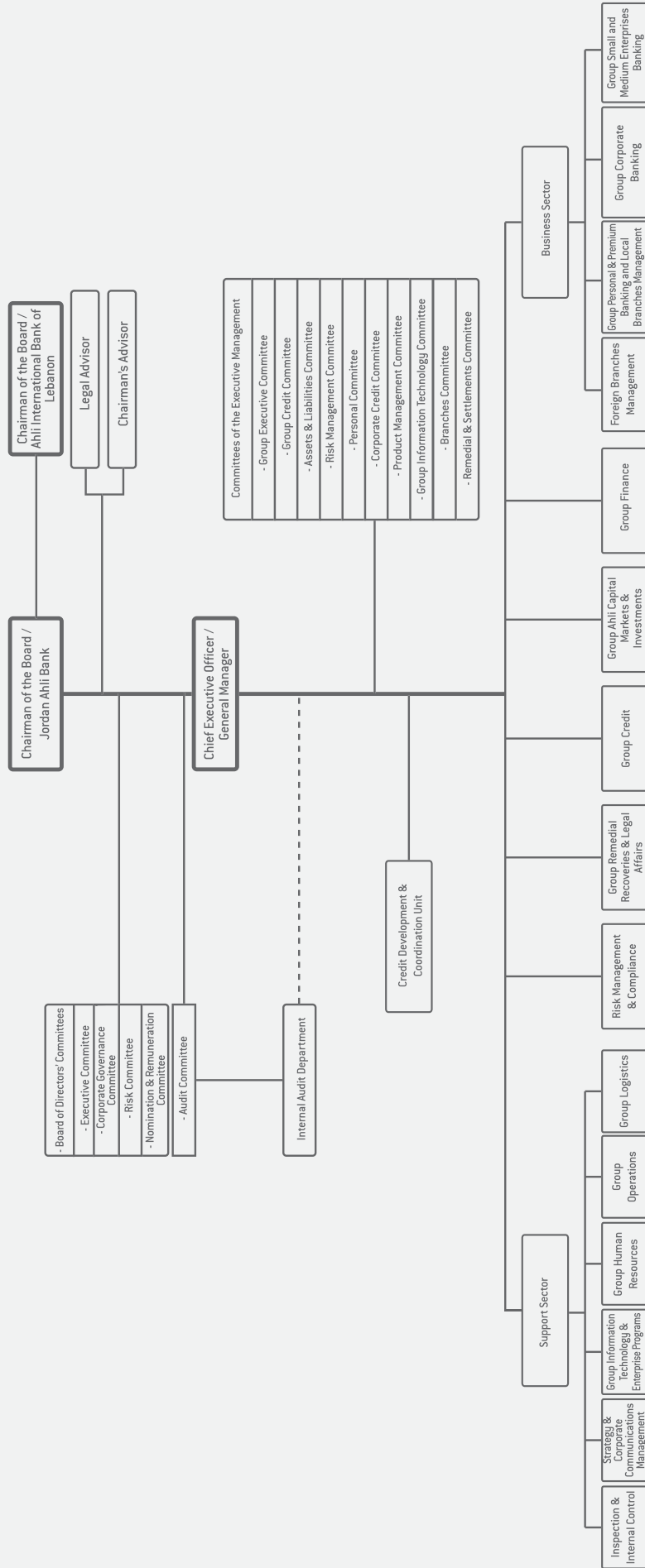
Inspection and Internal Control: The Inspection and Internal Control Group is responsible for the rigorous application of measures to verify that banking operations and their accompanying records are carried out correctly, in line with adopted directives and work procedure guides. These measures include prevention, warning, correction and follow-up. All are carried out regularly – daily, monthly or annually – through reviews and audits of the branches' daily accounting portfolios, as well as extraordinary reports issued automatically at closures. These measures also include the preparation of reconciliations for branches' checking accounts, along with management of procedures and foreign bank accounts through field visits. Recently, a workshop for branch employees was held under the title, "Employee Oversight Awareness," in a preventative step among the department's other standard controls.

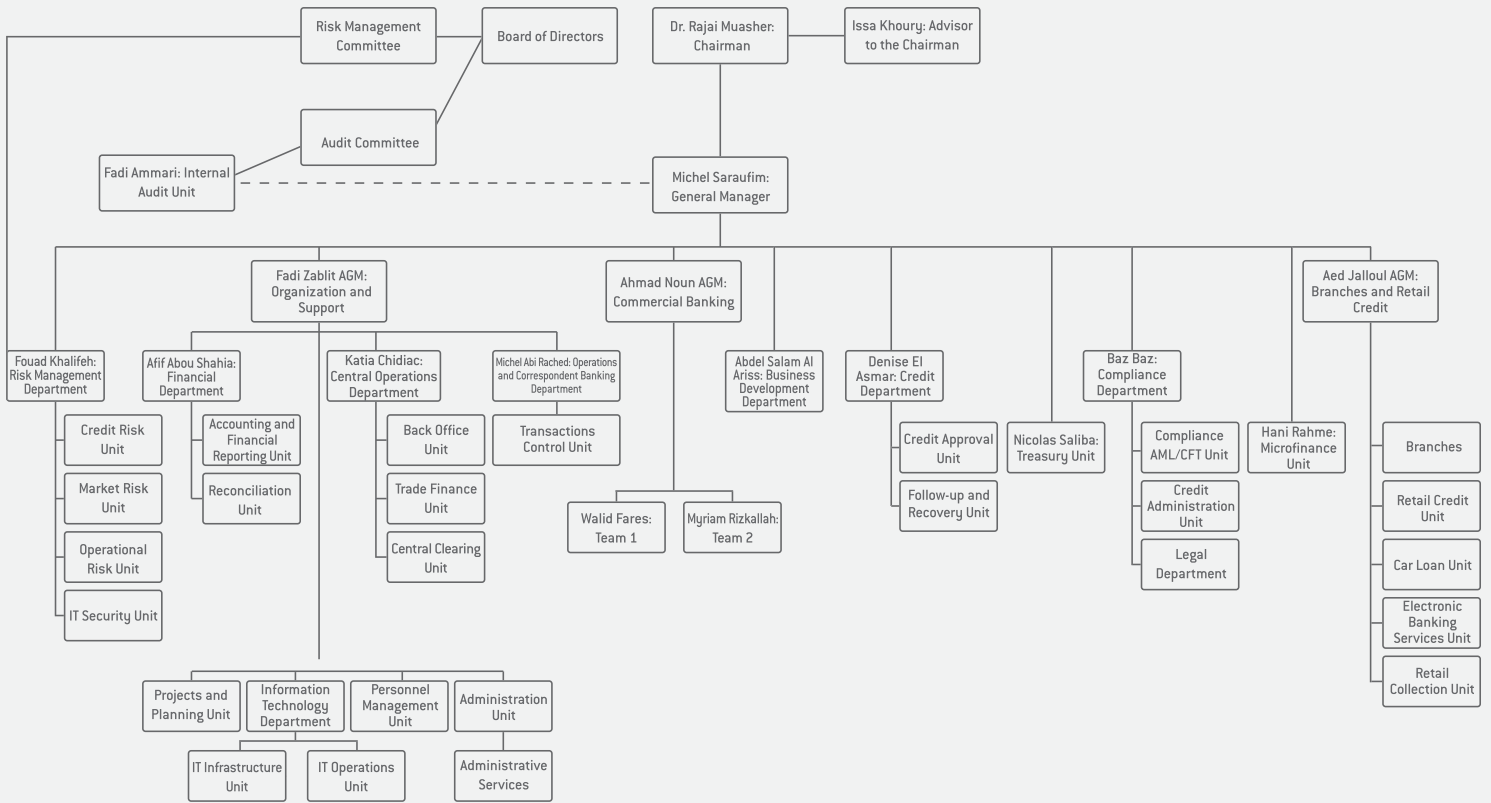
Information Technology: The Information Technology Group works according to a comprehensive and coherent plan laid out by the creators of the Bank's systems. The Group ensures the safe use of the automated system according to the tight controls built into it, allowing performance monitoring and exclusivity of responsibilities.

Security and Safety Requirements: The Bank is committed to applying strict security and safety standards that meet regulatory requirements. The effectiveness and preparedness of the Bank, in addition to the efficacy of its protective measures, are under ongoing review to ensure the safety of the Bank's employees and assets.

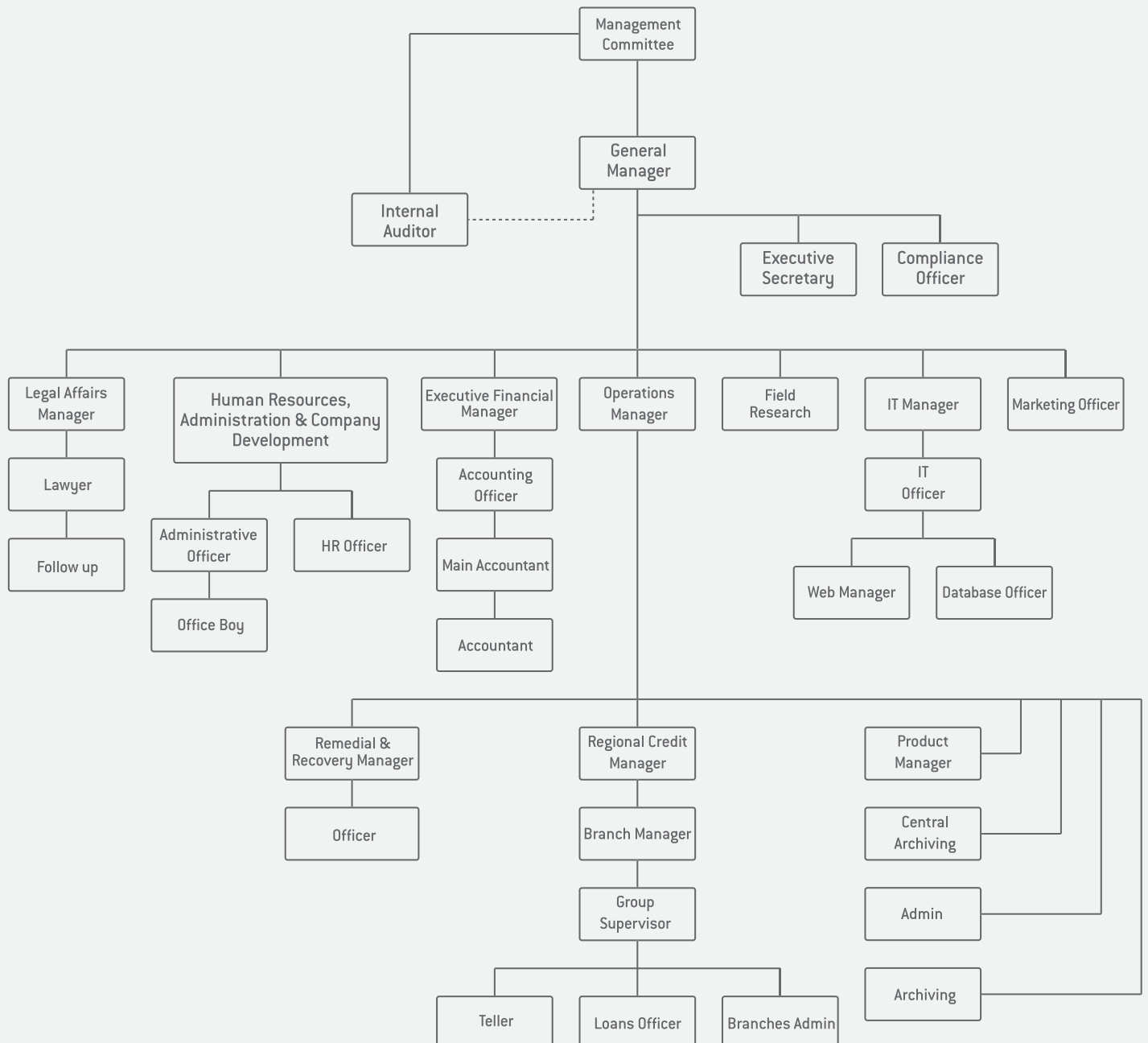
Through this evaluation, Executive Management can determine that departments concerned with internal inspection and control have carried out their set plans and that their work has adhered to the Bank's high standards of discipline and professionalism.

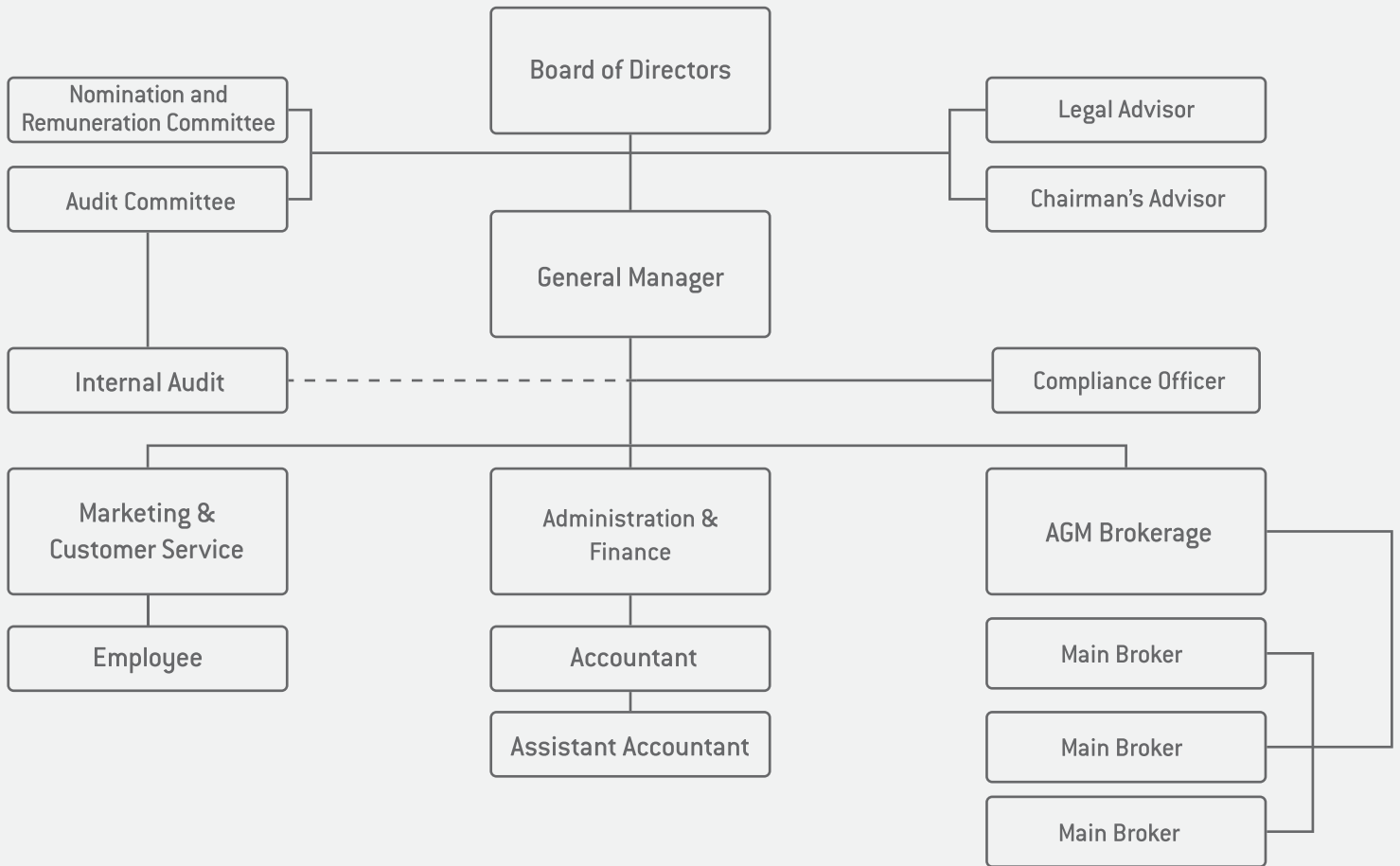
Jordan Ahli Bank



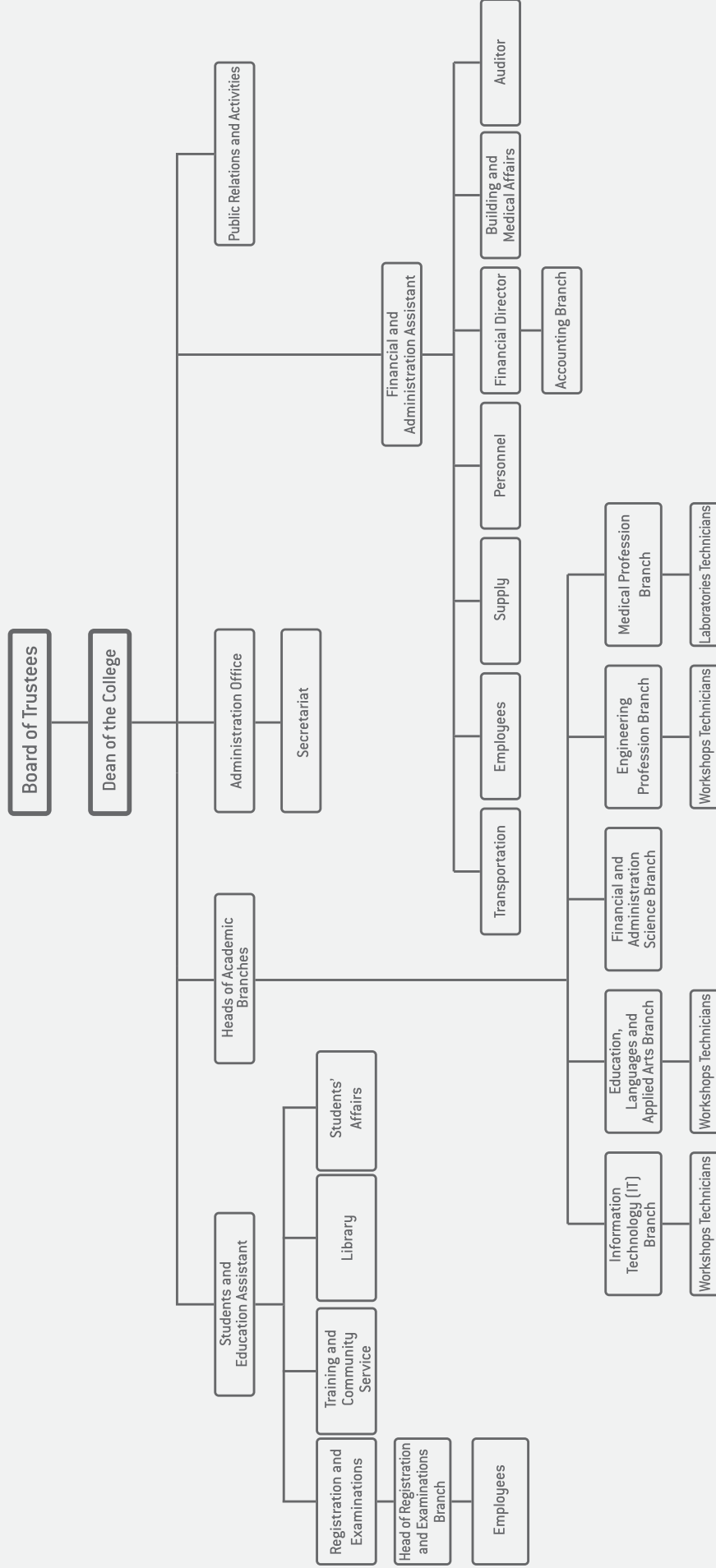


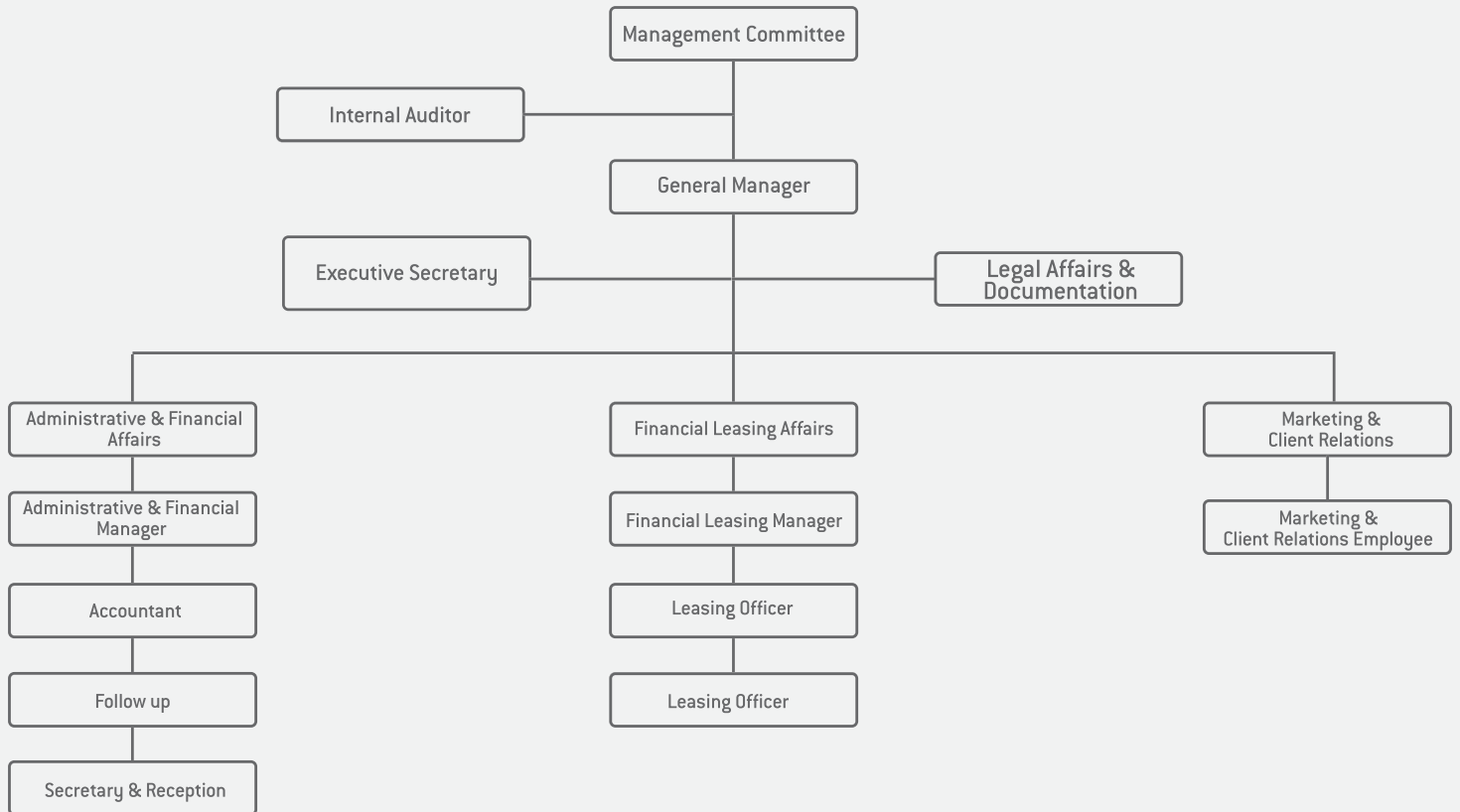
Ahli Microfinance Company





Organization Chart of Zarqa National College





Ahli Branches Inside the Hashemite Kingdom of Jordan

Main Branch

Queen Noor St. - Shmeisani
P.O. Box 3103 Amman 11181 Jordan
Tel.: 5622282/5, 5622621
Fax: 5622281
SWIFT Code: JONB JOAX
Website: www.ahli.com
E-mail: info@ahlibank.com.jo

Operations Management

3rd Circle - Jabal Amman
P.O. Box 1578 Amman 11118 Jordan
Tel.: 4342391/3, 4657601
Fax: 4628801
Telex: 21820

Credit Management

Yaqoub Sarrouf Street - Shmeisani
P.O. Box 3103 Amman 11181 Jordan
Tel.: 5609800
Fax: 5663145

Main Branch

Amman- Shmeisani - Queen Noor Street
P.O. Box 941273 Shmesani 11194 Jordan
Tel.: 5638800
Manager: 5685901
Fax: 5699867

Corporate Branch

Amman- Shmeisani - Yaqoub Sarrouf Street -
Building No. 2
P.O. Box 925993 Amman 11118 Jordan
Tel.: 5608730
Fax: 5699867

Abdoun

Amman-Abdoun-Cairo Street
P.O. Box 850454 Swaifieh 11185 Jordan
Tel.: 5929397, 5929431
Manager: 5923024
Fax: 5929652

Jabal Amman

3rd Circle- The Islamic Scientific College Street.
P.O. Box 35011 Amman InterContinental 11180 Jordan
Tel.: 5002130, 4653645
Manager: 4628819
Fax: 4611541

Mecca Street

Amman-Mecca Street
P.O. Box 973 Tla Al Ali 11821 Jordan
Tel.: 5856017, 5866197
Manager: 5852511
Fax: 5866097

Sweifieh

Amman- Sweifieh
Haddad Commercial Complex
P.O. Box 850663 Sweifieh 11185 Jordan
Tel.: 5865401
Manager: 5825651
Fax: 5865402

Sweifieh - Wakalat

Amman- Sweifieh- Wakalat Street
P.O. Box 852126 Amman 11185 Jordan
Tel.: 5852486
Manager: 5821509
Fax: 5854283

Thaqafa Street

Amman-Shmesani- Al-Thaqafeh Street
P.O. Box 940017 Shmesani 11194 Jordan
Tel.: 5681382
Manager: 5673578
Fax: 5681326

Queen Rania Al-Abdullah Street

Amman-Arab Printers Building, Sport City Circle
P.O. Box 19285 Amman, 11196 Jordan
Tel.: 5698883, 5698619
Manager: 5699042
Fax: 5699742

Jabal Al-Hussein

Amman- Jabal Al-Hussein, Beer Al-Sabe
P.O. Box 921085 Jabal Al-Hussein 11192 Jordan
Tel.: 5667216
Manager: 5673984
Fax: 5698069

Wasfi Al-Tal

Amman - Wasfi Al-Tal Street, Muhtaseb Building
P.O. Box 1114 Tla Al Ali 11953 Jordan
Tel.: 5682124
Manager: 5682177
Fax: 5682188

Wadi Saqra Branch

Wadi Saqra - Saqra Mall
Arar Street - Building No. 238B
P.O. Box 182352 Amman 11118 Jordan
Tel.: 5679138
Manager: 5679317
Fax: 5678612

City Center Branch

Reda Street - Amman
P.O. Box 791 Amman 11118 Jordan
Tel.: 4625126 / 7
Manager: 4624218
Fax: 4625120

Middle East Circle

Middle East Circle - Wehdat
P.O. Box 620190 Amman 11162 Jordan
Tel.: 4777279
Manager: 4777288
Fax: 4777289

Bayader - Wadi Seer

Main Street
P.O. Box 140278 Amman 11814 Jordan
Tel.: 5857791
Manager: 5859934
Fax: 5819834

Chamber of Industry Building

Jabal Amman -2nd Circle
P.O. Box 2958 Amman 11181 Jordan
Tel.: 4644896, 4644391
Manager: 4641142
Fax: 4649564

Abdullah Ghosheh Street

Amman- 7th Circle
P.O. Box 850664 Swaifieh 11185 Jordan
Tel.: 5817920, 5828717
Manager: 5857782
Fax: 5817921

City Mall

Amman- Medical City Street
P.O. Box 4822 Amman 11953 Jordan
Tel.: 5823156
Manager: 5823154
Fax: 5825174

Sweileh

Amman- Main Street
P.O. Box 15 Amman 11910 Jordan
Tel.: 5343143/4
Manager: 5343357
Fax: 5333632

Abu Nussair

Amman- Abu Nussair- Karameh Street
P.O. Box 542113 Abu Nussair 11937 Jordan
Tel.: 5105137
Manager: 5105146
Fax: 5105142

Al-Hashmi Al-Shamali

Amman- Prince Rashed Street
P.O. Box 230120 Al-Hashmi Al-Shamali 11123 Jordan
Tel.: 4901343, 4901363
Manager: 4901334
Fax: 4901302

Qwaismeh

Amman- Madaba Street, near Customs
Department
P.O. Box 38108 Qwaismeh 11593 Jordan
Tel.: 4778951
Manager: 4773630
Fax: 4746996

Sahab

Sahab – Prinace Hassan Street - Main Street
P.O. Box 2 Sahab 11511 Jordan
Tel.: 4021092
Manager: 4025673
Fax: 4021609

Marka

Amman- Marka- Opposite to Military Hospital
P.O. Box 15397 Marka 11134 Jordan
Tel.: 4894825/7
Manager: 4890970
Fax: 4890360

Dahiyat Al Yasameen Branch

Amman - Bader area - Al Yasameen
Neighborhood – Jabal Arafat Street – Building
No. 9
P.O. Box: 630688 Al Zuhour Area, 11163
Amman – Jordan.
Tel.: 4206842
Fax: 4206759

Al-Rusaifeh

P.O. Box 2000 Rusaifeh
Amman 13710 Jordan
Tel.: 05 3746190, 05 3746191
Manager: 053 746190
Fax: 05 3746192

Ibn Khaldoun Street Branch

Jabal Amman, Ibn Khaldoun Street (Al-Khalidi
Street), Building No. 67
P.O. Box 3103 Amman 11181 Jordan
Tel.: 4641310, 4641320
Fax: 4641399

University Street

Queen Rania Al-Abdullah Street
P.O. Box 2666 Amman 11941 Jordan
Tel.: 5354843
Manager: 5349836
Direct: 5349813
Fax: 5354782

Khreibet El-Suq

Madaba Street - Near Taibeh Bridge
P.O. Box 665 Amman 11621 Jordan
Tel.: 4126522
Manager: 4125088
Fax: 4127610

Marj Al-Hamam

Princess Taghreed Street
P.O. Box 776 Amman 11732 Jordan
Tel.: 5716133/4
Manager: 5716906
Fax: 5716915

Madaba

Madaba - King Hussein Street , near the
Municipality Building
P.O. Box 295 Madaba 17110 Jordan
Tel.: 05 3244254
Manager: 05 3245181
Fax: 05 3240260

Salt

Municipality Street
P.O. Box 50 Salt 19110 Jordan
Tel.: 05 3555771/2/3
Manager: 05 3558014
Fax: 05 3555774

Al-Balqa Applied University Office

Salt - Balqa University
P.O. Box 50 Salt 19110 Jordan
Via Balqa University Telephones
Tel: 05 3532691, Ext.: 3610
Fax: 05 3532690

Bawabat Al-Salt Branch

Salt town entrance, next to the Palace of
Justice
P.O. Box 106 Salt 19110 Jordan
Tel.: 05 3553358, 05 3553443, 05 3555218,
05 3532748
Manager: 05 3533144
Fax: 05 3551440

Deir Alla

Main Street
P.O. Box 99 Deir Alla 18110 Jordan
Tel.: 05 3573057
Manager: 05 3573161
Fax: 05 3573186

Zerka

Zerka - King Hussein Street
P.O. Box 111 Zerka 13110 Jordan
Tel: 05 3983363/4
Manager: 05 3983150
Fax: 05 3996555

New Zarka Branch

New Zarka, Al Kurdi Plaza, 36 Street
P.O. Box 12499 Zerka 13115 Jordan
Tel.: 05 3858951, 05 3858993, 05 3859637,
05 3858321
Manager: 05 3859697
Fax: 05 3859110

Free Zone - Zerka

Free Zone
P.O. Box 60 Zerka 13134 Jordan
Tel.: 05 3826214, 05 3826626
Manager: 05 3826171
Fax: 05 3826200

Jerash

Jerash - King Abdulla Street
P.O. Box 125 Jerash 26110 Jordan
Tel.: 02 6351891/2
Manager: 02 6351890
Fax: 02 6351893

Mafraq

Mafraq - Al-Shaheed Farhan Al-Husban Street
P.O. Box 510 Mafraq 25110 Jordan
Tel.: 02 6232501
Manager: 02 6232435
Fax: 02 6230303

Ramtha

Banks Street
P.O. Box 198 Ramtha 21410 Jordan
Tel.: 02 7383817
Manager: 02 7381670
Fax: 02 7382610

Irbed

Irbed - Army Street
P.O. Box 61 Irbed 21110 Jordan
Tel.: 02 7242201/2
Manager: 02 7242686
Fax: 02 7276146

Hashimi Street - Irbed

Irbed - Hashimi Street
P.O. Box 368 Irbed 21110 Jordan
Tel.: 02 7278613, 02 7250374 02 7250376
Manager: 02 7250371
Fax: 02 7278614, 02 7250364

Hakama Street

Irbed - Hakama Street
P.O. Box 368 Irbed 22110 Jordan
Tel.: 02 7278613, 02 7254377
Manager: 02 7254378
Fax: 02 7278614

Industrial City Office - Irbed

P.O. Box 61 Irbed 21110 Jordan

Telefax: 02 7400055

Manager: 02 7404143

Kerak

Kerak - Italian Hospital Street

P.O. Box 177 Kerak 61110 Jordan

Tel.: 03 2351248/9

Manager: 03 2354200

Fax: 03 2351676

Tafila

Tafila - Main Street

P.O. Box 13 Tafila 66110 Jordan

Tel.: 03 2241120

Manager: 03 2243945

Fax: 03 2241710

Maan

Maan - King Hussein Street

P.O. Box 114 Maan 71111 Jordan

Tel.: 03 2132347 / 8

Manager: 03 2133749

Fax: 03 2132799

Aqaba

Aqaba, Hammamat Street

P.O. Box 49 Aqaba 77110 Jordan

Tel.: 03 2022350/1/2

Manager: 03 2013535

Fax: 03 2022353

Jordan Ahli Bank's Branches and Offices Abroad

Palestine Branches

Regional Management – Palestine Branches

Address: Al-Zahra Street – Ramallah
 Manager's Tel.: 00972 (2) 2959340
 Mob.: 00972 599 520360
 Assistant Regional Manager's
 Tel.: 00972 (2) 2989382
 Mob.: 00972 599 318346
 Operator: 00972 (2) 2959343 / 4
 Fax: 00972 (2) 2959341
 P.O. Box 550
 Ramallah – Palestine
 E-mail: regional@ahlibank.com.ps
 info@ahlibank.com.ps
 Website: www.ahli.com

Nablus Branch

Address: Commercial Center (B) – Building No. 8
 Manager's Tel.: 00972 (9) 2374501
 Tel.: 00972 (9) 2382280 / 1 / 2
 Mob.: 00972 599 418689
 Fax: 00972 (9) 2382283
 P.O. Box: 40
 E-mail: Nablus@ahlibank.com.ps

Shallaleh Street Branch – Hebron

Address: Shallaleh Street – No. 15
 Manager's Tel.: 00972 (2) 2224804
 Tel.: 00972 (9) 2224801 / 2 / 3
 Mob.: 00972 599 839723
 Fax: 00972 (2) 2224805
 P.O. Box 623
 E-mail: shallaleh@ahlibank.com.ps

Salam Street Branch – Hebron

Address: Al-Salam Street
 Manager's Tel.: 00972 (2) 2212770
 Tel.: 00972 (2) 2226713 / 4
 Mob.: 00972 599 674938
 Fax: 00972 (2) 2226712
 P.O. Box: 718
 E-mail: salam@ahlibank.com.ps

Ramallah Branch

Address: Al-Zahra Street
 Manager's Tel.: 00972 (2) 2986310
 Tel.: 00972 (2) 2986313 / 4
 Mob.: 00972 599 929991
 Fax: 00972 (2) 2986311
 P.O. Box 550
 E-mail: ramallah@ahlibank.com.ps

Bethlehem Branch

Address: Al-Mahd Street
 Manager's Tel.: 00972 (2) 2770353
 Tel.: 00972 (2) 2770351 / 2
 Mob.: 00972 599 674941
 Fax: 00972 (2) 2770354
 P.O. Box 807
 E-mail: bethlehem@ahlibank.com.ps

Cyprus Branches

Jordan Ahli Bank - Cyprus

Pecora Tower, 2nd Floor, 1 Anexartisias Street
 P.O. Box 53587 3303 Limassol Cyprus
 Tel.: 00357 25 356669
 Fax: 00357 25 356673
 E-mail: jnb@cytanet.com.cy
 info@ahlibank.com.cy
 humanresources@ahlibank.com.cy
 treasury@ahlibank.com.cy

Dealing Room

Tel.: 00357 25 371118
 Routers Code: JNBC
 SWIFT Code: JONB CY 2I

Lebanon Branches (International Ahli Bank)

Headquarters

Bab Idriss, Omar Daouk Street
Tel.: 00961 (1) 970921 - 00961 (1) 970929
General Manager's Fax: 00961 (1) 970944
Operations Fax: 00961 (1) 970935
Facilities Fax: 00961 (1) 970946
P.O. Box 11-5556 Riad El Solh –
Beirut 11072200 Lebanon
SWIFT: JNBB LB BE
E-mail: info@ahli.com.lb
gm@ahli.com.lb

Treasury and Private Banking

General Administration Building – Bab Idriss,
Omar Daouk Street
Tel.: 00961 (1) 970960 – 970957 / 8
Fax: 00961 (1) 970959
P.O. Box 11-5556 Riad El Solh – Beirut
11072200

Bab Idriss

Bab Idriss – Omar Daouk Street, Ahli
International Bank Building, Ground Floor
Manager's Telefax: 00961 (1) 970951
Tel.: 00961 (1) 970921
Fax: 00961 (1) 970952
P.O. Box 11-5556
Beirut 11072200 Lebanon
E-mail: idriss@ahli.com.lb

Verdun

Rashid Karamah Street – Diamond Tower, 1st Floor
Manager's Telefax: 00961 (1) 797083
Tel.: 00961 (1) 797078 – 00961 (1) 797079
Fax: 00961 (1) 797082
P.O. Box 11-5556
Beirut 11072200 Lebanon
E-mail: verdun@ahli.com.lb

Jdeideh

Barbar Bou-Jawdeh Street – Bou-Jawdeh Building, 1st Floor
Manager's Tel.: 00961 (1) 883890
Tel.: 00961 (1) 881680 – 00961 (1) 881719
Fax: 00961 (1) 883891
P.O. Box 20012 – Bouchrieh – Beirut
E-mail: jdeideh@ahli.com.lb

Hamra

Emile Edde Street – Hoss Building, 2nd Floor
Hamra – Beirut
Manager's Tel.: 00961 (1) 355069
Tel.: 00961 (1) 350303 – 00961 (1) 340270
Fax: 00961 (1) 742843
P.O. Box 11-5556
Beirut 11072200 Lebanon
E-mail: hamra@ahli.com.lb

Dora

Dora Highway – Kassardjian Building, 1st Floor
Beirut – Lebanon
Manager's Tel.: 00961 (1) 883722
Tel.: 00961 (1) 899121 – 00961 (1) 875570
Fax: 00961 (1) 894721
P.O. Box 11-5556
Beirut 11072200 Lebanon
E-mail: dora@ahli.com.lb

Kaslik

Zouk Highway – Damaa Center, Ground Floor
Kaslik – Lebanon
Manager's Tel.: 00961 (9) 210760
Tel.: 00961 (9) 210769 – 00961 210770210
00961 (9) 210773
Fax: 00961 (9) 210773
P.O. Box 11-5556
Beirut 11072200 Lebanon
E-mail: kaslik@ahli.com.lb

Tripoli

Fouad Chehab Boulevard – Awkaf Building,
Ground Floor
Manager's Tel.: 00961 (6) 430105
Tel.: 00961 (6) 430106 / 7
Fax: 00961 (6) 432720
P.O. Box 900 Tripoli – Lebanon
E-mail: tripoli@ahli.com.lb

Saida

Fakhreddine Street – Moukhlasih Building,
1st Floor
Manager's Tel.: 00961 (7) 720418
Tel.: 00961 (7) 728930 – 00961 (7) 720458
Fax: 00961 (7) 728931
P.O. Box 116 Saida – Lebanon
E-mail: saida@ahli.com.lb

Ahli Branches That Have ATM Machines

Main Branch Branch - Shmeisani
Thaqafa Street Branch - Shmeisani
Financial Leasing Company Branch - Shmeisani
Jabal Amman Branch
Chamber of Industry Building Branch - Jabal Amman
Wasfi Al-Tal Street Branch
Jabal Al-Hussein Branch
Queen Rania Al-Abdullah Street Branch
Abdoun Branch
Taj Mall Branch
Sweifieh Branch
Wakalat Street Branch - Sweifieh
Wadi Saqra Branch
Mecca Street Branch
City Mall Branch
Abdullah Ghosheh Street Branch
University Street Branch
Bayader Branch
Middle East Circle Branch
Marj Al-Hamam Branch
Um Uthaina Branch
City Center Branch
Marka Branch
Al-Rusaifeh Branch
Al-Hashmi Al-Shamali Branch
Abu Nussair Branch
Al- Horryah Street BranchDahiyat Al Yasameen Branch
Khreibet El-Suq Branch
Sahab Branch
Sweileh Branch
Salt Branch
Bawabat Al-Salt Branch
Al-Balqa Applied University Office Branch - Salt
Deir Alla Branch
Al-Sa'adeh Street Branch - Zerka
New Zarka Branch
Madaba Branch
Kerak Branch
Tafila Branch
Maan Branch
Aqaba Branch
Jerash Branch
Irbed Branch
Arabella Mall Branch - Irbed
Hashimi Street Branch - Irbed
Mafraq Branch
Ramtha Branch

Other Retail Outlets That Have ATM Machines from Ahli Bank

Plaza Super Stores - Shmeisani
Marriott Hotel - Shmeisani
Sheraton Hotel - Jabal Amman
Safeway - Shmeisani
Corner Super Market - 5th Circle
Safeway - 7th Circle
Cosmo - 7th Circle
Al Baraka Mall - Sweifieh
Maxim Mall - Jabal Al-Hussein
Mecca Mall
Plaza Mall - Al-Hashmi Al-Shamali
King Hussein Cancer Center - Queen Rania Al-Abdullah Street
The University of Jordan
Al Mukhtar Mall - Sport City Circle
Eye Specialty Hospital - Al Madina Al Monawara Street
Amman Mall - Tla'a Al Ali
Kiswani Gas Station - Al Madina Al Monawara Street
Al Salam Stores - Kursi Area
Queen Alia International Airport
Isra University
Safeway Retail Store - Radio and TV Street
Vehicle Licensing Department - Marka
Safeway - Zarka
Safeway - Irbed
Marriott Hotel - Dead Sea
Safeway - Aqaba
City Center - Aqaba

