



بنك الإستثمار العربي الأردني

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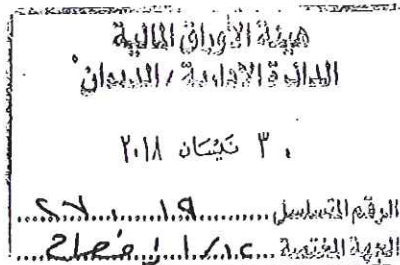
Date : 30<sup>th</sup> April, 2018

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\* بورصة عمان  
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الرقم : ض ح / ل ب 918

التاريخ : ٣٠ نيسان ٢٠١٨

To : Jordan Securities Commission Amman Stock Exchange	السادة / هيئة الأوراق المالية المحترمين السادة / بورصة عمان المحترمين ،
Subject : Quarterly Report as of 31/03/2018	الموضوع : التقرير ربع السنوي كما في ٢٠١٨/٣/٣١
Attached the Quarterly Report of Arab Jordan Investment Bank as of 31/03/2018 .	مرفق طيه نسخة من البيانات المالية ربع السنوية لشركة بنك الإستثمار العربي الأردني كما هي بتاريخ ٢٠١٨/٣/٣١ م .
Kindly Accept our highly appreciation and respect Arab Jordan Investment Bank	وتفضلوا بقبول فائق الاحترام ،، شركة بنك الإستثمار العربي الأردني
Dirar Haddadin Assistant General Manager	ضرار حدادين مساعد المدير العام



**ARAB JORDAN INVESTMENT BANK**  
**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(REVIEWED NOT AUDITED)**  
**31 MARCH 2018**

**REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
TO THE BOARD OF DIRECTORS  
ARAB JORDAN INVESTMENT BANK  
AMMAN - JORDAN**

We have reviewed the accompanying interim condensed consolidated financial statements of Arab Jordan Investment Bank as of 31 March 2018, comprising of the interim consolidated statement of financial position as of 31 March 2018 and the related interim consolidated income statement, interim consolidated statement of comprehensive income, interim consolidated statement of changes in equity and interim consolidated statement of cash flows for the three-months period then ended and explanatory notes. The Board of Directors is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34 - Interim Financial Reporting ("IAS 34"). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

**Scope of Review**

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34.

Amman – Jordan  
26 April 2018



**ARAB JORDAN INVESTMENT BANK**  
**(PUBLIC SHAREHOLDING COMPANY)**  
**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS OF 31 MARCH 2018**

	Notes	31 March 2018 JD (Reviewed not audited)	31 December 2017 JD (Audited)
<b><u>Assets</u></b>			
Cash and balances at Central Bank of Jordan	5	72,797,575	70,179,969
Balances at banks and financial institutions	6	238,302,368	254,895,109
Deposits at banks and financial institutions	7	17,013,415	16,535,460
Financial assets at fair value through profit or loss	8	166,987	169,390
Financial assets at fair value through comprehensive income	9	14,763,471	14,817,140
Direct credit facilities - net	10	802,612,420	755,162,896
Financial assets at amortized cost - net	11	596,783,370	597,569,867
Investment in an associate	12	20,858,627	19,947,778
Property and equipment – net		74,181,902	68,754,517
Intangible assets - net		820,640	930,783
Deferred tax assets		584,719	932,646
Other assets		35,287,606	38,130,272
<b>Total Assets</b>		<b>1,874,173,100</b>	<b>1,838,025,827</b>
<b><u>Liabilities and Equity</u></b>			
<b>Liabilities:</b>			
Banks and financial institutions' deposits		445,839,835	487,339,879
Customers' deposits		1,037,988,260	1,050,715,661
Borrowed money from the Central Bank of Jordan	14	100,872,535	161,422
Cash margins		45,890,046	59,693,044
Sundry provisions		926,694	1,923,950
Income tax provision	15	7,392,090	7,785,786
Other liabilities		13,020,198	11,047,721
<b>Total Liabilities</b>		<b>1,651,929,658</b>	<b>1,618,667,463</b>
<b>Equity:</b>			
Paid-in capital		150,000,000	150,000,000
Shares premium		1,418,000	1,418,000
Statutory reserve		29,279,131	29,279,131
General banking risks reserve		-	5,888,551
Foreign currency translation adjustments		(1,527,550)	(2,379,220)
Fair value reserve – net after tax		(1,677,523)	(1,673,812)
Retained earnings		20,849,963	16,168,304
Net Profit for the period		4,295,907	-
<b>Total Equity attributable to the bank's shareholders</b>		<b>202,637,928</b>	<b>198,700,954</b>
Non – controlling interests		19,605,514	20,657,410
<b>Total Equity</b>		<b>222,243,442</b>	<b>219,358,364</b>
<b>Total Liabilities and Equity</b>		<b>1,874,173,100</b>	<b>1,838,025,827</b>

**Chairman of Board of Directors**

**General Manager**

The accompanying notes from 1 to 24 are part of these interim condensed consolidated financial statements and should be read with them

**ARAB JORDAN INVESTMENT BANK**  
**(PUBLIC SHAREHOLDING COMPANY)**  
**INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT**  
**FOR THE PERIOD ENDED 31 MARCH 2018 (REVIEWED NOT AUDITED)**

	<u>Notes</u>	For the Three months ended 31 March	
		2018 JD	2017 JD
Interest income		20,922,237	19,533,616
Interest expense		(10,154,743)	(7,658,480)
<b>Net interest income</b>		<b>10,767,494</b>	<b>11,875,136</b>
Net commissions and fees income		2,120,394	2,014,463
<b>Net interest and commissions income</b>		<b>12,887,888</b>	<b>13,889,599</b>
Foreign currencies gain		1,094,177	1,077,306
Gain from financial assets at fair value through profit or Loss	17	2,590	11,388
Cash dividends from financial assets at fair value through comprehensive income	9	266,763	344,979
Other revenues		288,602	447,300
<b>Total Income</b>		<b>14,540,020</b>	<b>15,770,572</b>
Employees expenses		4,320,089	4,601,251
Depreciation and amortization		754,595	799,453
Other expenses		3,041,966	2,735,224
Provision for impairment		129,537	272,270
Sundry provisions		148,302	32,332
<b>Total Expenses</b>		<b>8,394,489</b>	<b>8,440,530</b>
Bank's share of profit of an associate	12	59,179	230,902
<b>Profit for the period before income tax</b>	15	<b>6,204,710</b>	<b>7,560,944</b>
Income tax expense		(1,602,890)	(2,311,555)
<b>Profit for the Period</b>		<b>4,601,820</b>	<b>5,249,389</b>
Attributable to:			
Bank's Shareholders		4,295,907	4,835,707
Non – controlling interests		305,913	413,682
		<b>4,601,820</b>	<b>5,249,389</b>
		<b>JD/ Share</b>	<b>JD/ Share</b>
<b>Basic and diluted earnings per share (Bank's shareholders)</b>	18	<b>0.029</b>	<b>0.032</b>

Chairman of Board of Directors

General Manager

The accompanying notes from 1 to 24 are part of these interim condensed consolidated financial statements and should be read with them

**ARAB JORDAN INVESTMENT BANK**  
**(PUBLIC SHAREHOLDING COMPANY)**  
**INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE PERIOD ENDED 31 MARCH 2018 (REVIEWED NOT AUDITED)**

	For the Three Months Ended 31 March	
	2018	2017
	JD	JD
Profit for the period	4,601,820	5,249,389
<b><u>Comprehensive Income Items:</u></b>		
<b>Other comprehensive income items which will be reclassified to profit or loss in future periods:</b>		
Foreign Currency translation adjustments	851,670	216,761
<b>Other comprehensive income items which will not be reclassified to profit or loss in future periods</b>		
Cumulative change in fair value of financial assets through other comprehensive income - net after tax	(53,667)	(110,516)
Total other comprehensive income for the period	798,003	106,245
<b>Total comprehensive income for the period</b>	<b>5,399,823</b>	<b>5,355,634</b>
<b>Total Comprehensive Income Attributable to:</b>		
Bank's Shareholders	5,143,866	4,965,080
Non - Controlling interests	255,957	390,554
	<b>5,399,823</b>	<b>5,355,634</b>

The accompanying notes from 1 to 24 are part of these interim condensed consolidated financial statements and should be read with them

**ARAB JORDAN INVESTMENT BANK  
(PUBLIC SHAREHOLDING COMPANY)  
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 31 MARCH 2018 (REVIEWED NOT AUDITED)**

	Reserves					Fair Value Reserve - Net ***	Retained Earnings**	Profit for the period	Total Equity attributable to the bank's shareholders	Non - Controlling interests	Total Equity
	Paid-in Capital	Share Premium	Statutory Reserve	General Banking Risks Reserve*	Foreign Currency Translation Adjustments						
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
<b>For the three months ended 31 March 2018</b>											
Balance - beginning of the period	150,000,000	1,418,000	29,279,131	5,888,551	(2,379,220)	(1,673,812)	16,168,304	-	198,700,954	20,657,410	219,358,364
Effect of IFRS 9 adoption	-	-	-	-	-	-	(1,206,892)	-	(1,206,892)	(67,103)	(1,273,995)
Adjusted balance at 1 January 2018	150,000,000	1,418,000	29,279,131	5,888,551	(2,379,220)	(1,673,812)	14,961,412	-	197,494,062	20,590,307	218,084,369
Total comprehensive income for the period	-	-	-	-	851,670	(3,711)	-	4,295,907	5,143,866	255,957	5,399,823
Transferred from General Banking Risks Reserve	-	-	-	(5,888,551)	-	-	5,888,551	-	-	-	-
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	(1,240,750)	(1,240,750)
Balance - end of the period	150,000,000	1,418,000	29,279,131	-	(1,527,550)	(1,677,523)	20,849,963	4,295,907	202,637,928	19,605,514	222,243,442
<b>For the three months ended 31 March 2017</b>											
Balance - beginning of the period	150,000,000	1,418,000	26,957,710	5,788,551	(4,178,654)	(1,429,227)	20,603,714	-	199,160,094	21,254,186	220,414,280
Total comprehensive income for the period	-	-	-	-	216,761	(87,388)	-	4,835,707	4,965,080	390,554	5,355,634
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	(1,595,250)	(1,595,250)
Balance - End of the Period	150,000,000	1,418,000	26,957,710	5,788,551	(3,961,893)	(1,516,615)	20,603,714	4,835,707	204,125,174	20,049,490	224,174,664

\* The Central Bank of Jordan issued a circular No. 10/1/1359 dated 25 January 2018, in which it requested the transfer of the general banking risk reserve balance (calculated in accordance with Central Bank of Jordan's regulations) to the retained earnings to offset the effect of IFRS 9 on the opening balance of the retained earnings account as of 1 January 2018. The circular also instructs that the balance of the general banking risk reserve should be restricted and may not be distributed as dividends to the shareholders or used for any other purposes without prior approval from the Central Bank of Jordan. The amount of the restricted balance is JD 4.7M.

\*\* Retained earnings include a restricted amount of JD 584,719 against deferred tax benefits as of 31 March 2018. This restricted amount cannot be utilized through capitalization or distribution unless actually realized in accordance to the Central Bank of Jordan regulations.

\*\*\* The negative fair value reserve which amounts to JD 1,677,523 as of 31 March 2018 cannot be utilized through capitalization, distribution or any other way unless realized from the actual sales transactions in accordance to the Central Bank of Jordan regulations.

**The accompanying notes from 1 to 24 are part of these interim condensed consolidated financial statements and should be read with them**

**ARAB JORDAN INVESTMENT BANK**  
**(PUBLIC SHAREHOLDING COMPANY)**  
**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED 31 MARCH 2018 (REVIEWED NOT AUDITED)**

	Note	For the three Months Ended 31 March	
		2018	2017
		JD	JD
<b><u>Operating activities</u></b>			
Profit before income tax		6,204,710	7,560,944
<b>Non – cash adjustments for:</b>			
Depreciation and amortization		754,595	799,453
Provision for impairment		129,537	272,270
Unrealized loss (gain) on financial assets at fair value through profit or loss		6,154	(1,438)
Provision for end-of-service indemnity		108,302	12,332
(Gain) from the sale of property and equipment		(3,774)	(12,099)
Bank's share of profit of an associate		(59,179)	(230,902)
Other sundry provision		40,000	20,000
Effect of exchange rate fluctuations on cash and cash equivalents		(62,734)	(50,892)
<b>Profit before changes in assets and liabilities</b>		<b>7,117,611</b>	<b>8,369,668</b>
<b><u>Changes in Assets and Liabilities</u></b>			
Deposits with the central bank (maturing over 3 months)		(486,112)	1,403,279
Financial assets at fair value through profit or loss		(3,751)	169,187
Direct credit facilities		(48,771,352)	28,164,443
Other assets		2,842,666	(1,578,468)
Customers' deposits		(12,727,401)	(95,021,704)
Cash margins		(13,802,998)	724,253
Other liabilities		2,989,056	(4,172,256)
<b>Net change in assets and liabilities</b>		<b>(69,959,892)</b>	<b>(70,311,266)</b>
<b>Net cash flows (used in) operating activities before taxes</b>		<b>(62,842,281)</b>	<b>(61,941,598)</b>
Income tax paid		(1,648,659)	(2,274,322)
Sundry provisions paid		(1,145,558)	(129,051)
<b>Net cash flows (used in) operating activities</b>		<b>(65,636,498)</b>	<b>(64,344,971)</b>
<b><u>Investing activities</u></b>			
Financial assets at amortized cost - net		712,950	(27,623,979)
Financial assets at fair value through comprehensive income		-	(154,462)
(Purchase) of property and equipment		(6,051,663)	(855,608)
Sale of a property and equipment		3,797	357,869
(Purchase) of intangible assets		(20,197)	(55,295)
<b>Net Cash Flows (used in) Investing Activities</b>		<b>(5,355,113)</b>	<b>(28,331,475)</b>
<b><u>Financing activities</u></b>			
Change in non-controlling interests		(1,240,750)	(1,595,250)
Dividends paid to shareholders		(1,016,578)	(874,216)
Borrowed money from the Central Bank of Jordan		100,711,113	-
<b>Net cash flows from (used in) financing activities</b>		<b>98,453,785</b>	<b>(2,469,466)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>27,462,174</b>	<b>(95,145,912)</b>
Effect of exchange rate fluctuations on cash and cash equivalents		62,734	50,892
Cash and cash equivalent at the beginning of the period		(82,264,801)	(122,688,755)
<b>Cash and Cash Equivalent at the end of the period</b>	<b>13</b>	<b>(54,739,893)</b>	<b>(217,783,775)</b>

The accompanying notes from 1 to 24 are part of these interim condensed consolidated financial statements and should be read with them

## **1 GENERAL**

The Arab Jordan Investment Bank is a public shareholding limited company with headquarter in Amman – Jordan, On 1 January 1978 it was registered according to the Companies Law and related subsequent amendments the last of which was amendment No, (22) for the year 1997, The Bank's authorized and paid-in capital was increased gradually the last of which was during the year 2014 to become JD 150 million at a par value of JD 1 each per share.

The Bank is engaged in commercial banking activities through its (33) branches and offices in Jordan and (1) branch in Cyprus and its subsidiaries in Qatar and Jordan (Arab Jordan Investment Bank - (Qatar) LLC and the United Arab Jordan Company for Investment and Financial Brokerage.

The Bank's shares are listed and traded in the Amman Stock Exchange.

The Interim condensed consolidated financial statements have been approved by the Board of Directors on 26 April 2018 .

## **2 SIGNIFICANT ACCOUNTING POLICIES**

### **Basis of Preparation of the interim condensed consolidated financial statements**

The accompanying interim condensed consolidated financial statements for the Bank and its subsidiaries have been prepared in accordance with the International Accounting Standard IAS 34 "Interim Financial Reporting", and in conformity with the applicable laws and regulations of the Central Bank of Jordan.

The interim condensed consolidated financial statements are prepared on the historical cost basis except for financial assets at fair value through profit and Loss and financial assets at fair value through comprehensive income and financial derivatives which have been measured at fair value at the date of the interim condensed consolidated financial statements.

The interim condensed consolidated financial statements are presented in Jordanian Dinar (JD) which is the functional currency of the Bank.

The accompanying interim condensed consolidated financial statements do not include all the information and disclosures to the financial statements required in the annual financial statements, which are prepared in accordance with International Financial Reporting Standards. Moreover, the results of the Bank's operations for the nine-month period ended on 31 March 2018 do not necessarily represent indications of the expected results for the year ending 31 December 2018. Therefore, these interim condensed consolidated financial statements should be read with The Bank's annual report for the year ended 31 December 2017 and it does not contain the appropriation of profit on for the three months period ended at 31 March 2018, which is usually performed at the year end.

**ARAB JORDAN INVESTMENT BANK  
(PUBLIC SHAREHOLDING COMPANY)  
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
AS AT 31 MARCH 2018**

**Basis of Consolidation of the Interim Condensed Financial Statements**

The interim condensed consolidated financial statements comprise of the financial statements of the Bank and the subsidiaries controlled by it. Control is achieved when the Bank is exposed, or has rights, to variable returns from its involvement with the subsidiaries and has the ability to affect those returns through its power over the subsidiaries. All balances and transactions between the bank and the subsidiaries are eliminated.

The financial statements of the subsidiaries are prepared for the same reporting period as of the Bank, using consistent accounting policies. If the subsidiaries has a different accounting policy than the Bank, necessary adjustments will be reflected to match the Bank's accounting policies.

As of 31 March 2018, the Bank owns the following subsidiaries:

<u>Company's Name</u>	<u>Paid-in Capital JD</u>	<u>Ownership Percentage</u>	<u>Industry</u>	<u>Location</u>	<u>Acquisition Date</u>
United Arab Jordan Company for Investment and Financial Brokerage	2,500,000	100%	Financial brokerage	Jordan	5 February 2003
Arab Jordan Investment Bank / Qatar	35,450,000	50% and two shares	Banking	Qatar	5 December 2005

The subsidiaries financial results are consolidated in the interim condensed consolidated statement of income from the date of their acquisition, which is the date on which the control of the bank on the subsidiary takes place. In addition, the financial results of the disposed subsidiaries are consolidated in the condensed consolidated interim statement of income up to the date of the disposal, which is the date on which the bank loses control over the subsidiary.

Non- controlling interests represent the portion that is not owned by the bank on the owner's equity in the subsidiaries.

**3 Changes in accounting policies**

The accounting policies used in preparing the interim condensed consolidated financial statements are in accordance with the ones used in preparing the consolidated for the year ended 31 December 2017 except that the bank applied the following as of 1 January 2018.

**IFRS 9 (Financial Instruments)**

The Bank has adopted IFRS 9 (2014) Financial Instruments on the required effective date 1st January 2018, the date on which the Bank has assessed the requirements of a new expected loss impairment model, hedge accounting, and the revised guidance on the classification and measurement requirements of financial instruments. The Bank had previously implemented the first phase of IFRS 9 as issued during 2009. The date of initial implementation of the first phase of IFRS 9 was 1 January 2011.

The standard has been applied retrospectively and, in line with IFRS 9, comparative amounts have not been restated. The impact of the adoption of IFRS 9 as at 1st January 2018 has been recognised in retained earnings. The standard eliminates the use of the existing IAS 39 incurred loss impairment model approach, uses the revised hedge accounting framework, and the revised guidance on the classification and measurement requirements.

IFRS 9 (2014) provides revised guidance on how an entity should classify and measure its financial assets and financial liabilities. IFRS 9 requires all financial assets to be classified in their entirety on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. The Bank reviewed and assessed the classification and measurement of financial assets and financial liabilities on the adoption of IFRS 9 (2009) and has further reviewed and assessed the existing financial assets and financial liabilities at the date of the required application on 1 January 2018.

There have been no changes in the classification and measurement of financial assets or financial liabilities on the adoption of IFRS 9 (2014).

IFRS 9 (2014) replaces the incurred loss model in IAS 39 Financial Instruments: Recognition and Measurement with an expected credit loss model. The new impairment model also applies to certain loan commitments, financial guarantee contracts, and placements, but not to equity investments. If a financial asset had low credit risk at the date of initial application of IFRS 9, then the credit risk of the asset has been deemed to have not increased significantly since its initial recognition. Under IFRS 9, credit losses are recognized earlier than under IAS 39.

The impact of this change in accounting policy as at 1 January 2018 resulted in decreasing the retained earnings by JD 1,273,995 as follows:-

<b>Effect of implementing the Expected Credit Loss model</b>	<b>Notes</b>	<b>Retained earnings</b>
		<b>JD</b>
Deposits at Banks and financial institutions	7	8,157
Financial instruments at amortized cost	11	73,547
Credit facilities	10	1,192,291
<b>Total</b>		<b>1,273,995</b>
Attributable to:		
Bank's Shareholders		<b>1,206,892</b>
Non – controlling interests		<b>67,103</b>

#### **4 USE OF ESTIMATE**

##### **4.1 PROVISIONS FOR IMPAIRMENT / ALLOWANCE FOR DIRECT CREDIT FACILITIES**

In determining impairment of financial assets, judgement is required in the estimation of the amount and timing of future cash flows as well as an assessment of whether the credit risk on the financial asset has increased significantly since initial recognition and incorporation of forward-looking information in the measurement of ECL.

The Bank computes the provision for impairment of financial assets according to the International Financial Reporting Standards (IFRSs) and compares the outcome to the instructions of the Central Bank of Jordan. Moreover, the strictest outcome that conforms to the (IFRSs) is used.

**Inputs, assumptions and techniques used for ECL calculation – IFRS9 Methodology**

Key concepts in IFRS 9 that have the most significant impact and require a high level of judgment, as considered by the Bank while determining the impact assessment, are:

- **Assessment of Significant Increase in Credit Risk**

The assessment of a significant increase in credit risk is done on a relative basis. To assess whether the credit risk on a financial asset has increased significantly since origination, the Bank compares the risk of default occurring over the expected life of the financial asset at the reporting date to the corresponding risk of default at origination, using key risk indicators that are used in the Bank's existing risk management processes.

Our assessment of significant increases in credit risk will be performed at least quarterly for each individual exposure based on three factors. If any of the following factors indicates that a significant increase in credit risk has occurred, the instrument will be moved from Stage 1 to Stage 2:

1. We have established thresholds for significant increases in credit risk based on movement in PDs relative to initial recognition.
2. Additional qualitative reviews will be performed to assess the staging results and make adjustments, as necessary, to better reflect the positions which have significantly increased in risk.
3. IFRS 9 contains a rebuttable presumption that instruments which are 60 days past due have experienced a significant increase in credit risk.

Movements between Stage 2 and Stage 3 are based on whether financial assets are credit-impaired as at the reporting date. The determination of credit-impairment under IFRS 9 will be similar to the individual assessment of financial assets for objective evidence of impairment under IAS 39.

- **Macroeconomic Factors, Forward Looking Information (FLI) and Multiple Scenarios**

The measurement of expected credit losses for each stage and the assessment of significant increases in credit risk must consider information about past events and current conditions as well as reasonable and supportable forecasts of future events and economic conditions. The estimation and application of forward-looking information will require significant judgment.

PD, Loss Given Default (LGD) and Exposure At Default (EAD) inputs used to estimate Stage 1 and Stage 2 credit loss allowances are modelled based on the macroeconomic variables (or changes in macroeconomic variables) that are most closely correlated with credit losses in the relevant portfolio.

Each macroeconomic scenario used in our expected credit loss calculation will have forecasts of the relevant macroeconomic variables.

Our estimation of expected credit losses in Stage 1 and Stage 2 will be a discounted probability-weighted estimate that considers a minimum of three future macroeconomic scenarios.

Our base case scenario will be based on macroeconomic forecasts (e.g.: GDP, inflation, interest rate...). Upside and downside scenarios will be set relative to our base case scenario based on reasonably possible alternative macroeconomic conditions. Scenario design, including the identification of additional downside scenarios will occur on at least an annual basis and more frequently if conditions warrant.

Scenarios will be probability-weighted according to our best estimate of their relative likelihood based on historical frequency and current trends and conditions. Probability weights will be updated on a quarterly basis. All scenarios considered will be applied to all portfolios subject to expected credit losses with the same probabilities.

- **Definition of default**

The definition of default used in the measurement of expected credit losses and the assessment to determine movement between stages will be consistent with the definition of default used for internal credit risk management purposes. IFRS 9 does not define default, but contains a rebuttable presumption that default has occurred when an exposure is greater than 90 days past due.

- **Expected Life**

When measuring ECL, the Bank must consider the maximum contractual period over which the Bank is exposed to credit risk. All contractual terms should be considered when determining the expected life, including prepayment options and extension and rollover options. For certain revolving credit facilities that do not have a fixed maturity, the expected life is estimated based on the period over which the Bank is exposed to credit risk and where the credit losses would not be mitigated by management actions.

**ARAB JORDAN INVESTMENT BANK**  
**(PUBLIC SHAREHOLDING COMPANY)**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**AS AT 31 MARCH 2018**

**5 CASH AND BALANCES AT CENTRAL BANK OF JORDAN**

The statutory cash reserve at the Central Bank of Jordan amounted to JD 55,775,279 as of 31 March 2018 (JD 49,864,247 as of 31 December 2017).

Except for the cash reserve, there are no restricted balances as of 31 March 2018 and 31 December 2017.

There are no certificates of deposit maturing within a period exceeding three months as of 31 March 2018 and 31 December 2017.

**6 BALANCES AT BANKS AND FINANCIAL INSTITUTIONS**

	Local Banks and Financial Institutions		Foreign Banks and Financial Institutions		Total	
	31 March 2018	31 December 2017	31 March 2018	31 December 2017	31 March 2018	31 December 2017
	JD	JD	JD	JD	JD	JD
	(Reviewed not audited)	(Audited)	(Reviewed not audited)	(Audited)	(Reviewed not audited)	(Audited)
Current and Call accounts	138,052	170,433	49,430,657	57,389,439	49,568,709	57,559,872
Deposits maturing within 3 months or less	13,116,150	18,302,183	175,617,509	179,033,054	188,733,659	197,335,237
	<u>13,254,202</u>	<u>18,472,616</u>	<u>225,048,166</u>	<u>236,422,493</u>	<u>238,302,368</u>	<u>254,895,109</u>

- The balances at banks and financial institutions that bears no interest amounted to JD 49,568,097 as of 31 March 2018 (JD 57,559,263 as of 31 December 2017).
- There are no restricted balances at banks and financial institutions as of 31 March 2018 and 31 December 2017.

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**7 DEPOSITS AT BANKS AND FINANCIAL INSTITUTIONS**

This item consist of the following :

	31 March 2018	31 December 2017
	JD	JD
	(Reviewed not audited)	(Audited)
Deposits maturing within a period more than 3 months	17,021,572	16,535,460
Net ECL charges	(8,157)	-
	<u>17,013,415</u>	<u>16,535,460</u>

- There are no restricted balances at banks and financial institutions as of 31 March 2018 and 31 December 2017.
- The movement on the estimated credit losses for Deposits at the banks and financial institutions :

	31 March 2018 (reviewed not audited)			
	Stage 1	Stage 2	Stage 3	Total
	JD	JD	JD	JD
Balance as of 1 January 2018	-	-	-	-
Effect of IFRS 9 adoption	8,157	-	-	8,157
<b>Amended Balance as of 1 January 2018</b>	<b>8,157</b>	<b>-</b>	<b>-</b>	<b>8,157</b>
Net ECL charges for the period	-	-	-	-
<b>Balance at the end of the period</b>	<b>8,157</b>	<b>-</b>	<b>-</b>	<b>8,157</b>

**8 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS**

	31 March 2018	31 December 2017
	JD	JD
	(Reviewed not audited)	(Audited)
Listed stocks in active markets	166,987	169,390
	<u>166,987</u>	<u>169,390</u>

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**9 FINANCIAL ASSETS AT FAIR VALUE THROUGH COMPREHENSIVE INCOME**

	31 March 2018 JD (Reviewed not audited)	31 December 2017 JD (Audited)
Listed stocks in active markets	13,330,984	13,384,653
Unlisted stocks in active markets *	1,432,487	1,432,487
<b>Total</b>	<b>14,763,471</b>	<b>14,817,140</b>

- \* The management believe that there is no need to book any impairment for these investments as the latest available audited financial statements issued by the investee companies has been relied on.
- Cash dividends on the investments above amounted to JD 266.763 for the period ended 31 March 2018 (JD 344.979 for the period ended 31 March 2017).

**10 DIRECT CREDIT FACILITIES – NET**

This item consists of the following:

	31 March 2018 JD (Reviewed not audited)	31 December 2017 JD (Audited)
<b>Individual (Retail):</b>		
Loans	99,274,343	92,585,951
Credit cards	9,692,433	9,448,232
Real-estate Loans	99,320,146	91,578,633
<b>Corporate</b>		
Loans *	250,671,005	246,844,342
Overdraft accounts	129,322,386	82,713,613
<b>Small and medium entities</b>		
Loans*	30,997,352	34,862,172
Overdraft accounts	11,536,608	8,209,895
<b>Government and public sector</b>	<b>186,288,573</b>	<b>202,870,110</b>
<b>Total</b>	<b>817,102,846</b>	<b>769,112,948</b>
<u>Deduct:</u> Provision for impairment of direct credit facilities	(11,649,379)	(11,093,862)
<u>Deduct:</u> Suspended interest	(2,841,047)	(2,856,190)
<b>Net credit facilities</b>	<b>802,612,420</b>	<b>755,162,896</b>

- \* Net after deducting interests and commission received in advance.

Non-performing credit facilities amounted to JD 15,231,073 representing 1.86% of direct credit facilities balance as of 31 March 2018 (JD 16,220,840 representing 2.11% as of 31 December 2017).

Non-performing credit facilities net of interest in suspense amounted to JD 13,007,839 representing 1.6% of direct credit facilities balance net of interest in suspense as of 31 March 2018 (JD 13,918,004 representing 1.82% as of 31 December 2017).

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Credit facilities granted to and guaranteed by the Jordanian Government amounted to JD 163,447,561 representing 20% of total direct credit facilities as of 31 March 2018 (JD 179,452,826 representing 23.33% as of 31 December 2017).

The provisions no longer needed due to settlements or repayments and transferred against other debts amounted to JD 1,049,303 for the period ended 31 March 2018 (JD 3,310,801 for the period ended 31 December 2017).

**Provision for impairment of direct credit facilities:**

The following is the movement on the provision for impairment of direct credit facilities:

	31 March 2018 (reviewed not audited)			
	Stage 1	Stage 2	Stage 3	Total
	JD	JD	JD	JD
Balance as of 1 January 2018	-	2,479,988	8,613,874	11,093,862
Effect of IFRS 9 adoption	1,192,291	-	-	1,192,291
Amended Balance as of 1 January 2018	1,192,291	2,479,988	8,613,874	12,286,153
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Net ECL charges for the period	-	35,104	94,433	129,537
Used from provision (written off of transferred to off condensed consolidated interim statement of financial position)	-	-	(766,311)	(766,311)
Balance at the end of the period	1,192,291	2,515,092	7,941,996	11,644,379

	Individual	Housing loans	Large companies	Small and midum enterprizes	Total
	JD	JD	JD	JD	JD
<b><u>For the year ended 31 December 2017</u></b>					
<b>(audited)</b>					
Balance at the beginning of the year					
Provision for the year taken from revenues	2,270,177	2,058,376	1,064,000	4,843,729	10,236,282
Provision taken from Revenues	783,777	-	-	987,890	1,771,667
Transferred to off-balance sheet accounts	(500,104)	(298,511)	-	(115,472)	(914,087)
Balance at the end of the Year	2,553,850	1,759,865	1,064,000	5,716,147	11,093,862
Provision on a single client basis	2,232,403	1,686,606	1,064,000	3,630,865	8,613,874
Collective provision for watchlist loans	321,447	73,259	-	2,085,282	2,479,988
Balance at the end of the year	2,553,850	1,759,865	1,064,000	5,716,147	11,093,862

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**Interest in suspense:**

The following is the movement on the interest in suspense:

	Individual	Real-estate Loans	Small and medium entities	Total
	JD	JD	JD	JD
<b><u>For the Three months ended 31 March 2018</u></b> <b><u>(reviewed not audited)</u></b>				
Balance at the beginning of the period	336,486	910,490	1,609,214	2,856,190
Add: Interest suspended during the period	103,722	109,279	164,489	377,490
Less: Interest in suspense transferred to revenues	(6,475)	(26,847)	(281,077)	(314,399)
Less: Interest in suspense transferred to off –balance sheet accounts	(9,101)	(54,715)	(14,418)	(78,234)
Balance at the end of the period	424,632	938,207	1,478,208	2,841,047
<b><u>For the year ended 31 December 2017</u></b> <b><u>(audited)</u></b>				
Balance at the beginning of the year	253,496	749,639	1,007,637	2,010,772
Add: Interest suspended during the year	272,656	455,817	789,179	1,417,652
Less: Interest in suspense transferred to revenues	(90,516)	(234,261)	(9,291)	(334,068)
Less: Interest in suspense transferred to off –balance sheet accounts	(97,268)	(55,925)	(78,311)	(231,504)
Less : Interest in suspense written off	(1,882)	(4,780)	-	(6,662)
Balance at the end of the year	336,486	910,490	1,609,214	2,856,190

**11 FINANCIAL ASSETS AT AMORTIZED COST - NET**

This item consists of the following:

	31 March 2018 JD (Reviewed not audited)	31 December 2017 JD (Audited)
Unquoted financial assets:		
Governmental bonds and with their guarantee	566,513,159	561,521,617
Foreign government bonds	6,069,081	6,026,881
Companies bonds	24,347,677	30,094,369
	596,929,917	597,642,867
Less: Net ECL charges / Provision for impairment	(146,547)	(73,000)
Total unquoted financial assets	596,783,370	597,569,867

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	Stage 1	Stage 2	Stage 3	Total
Balance as of 1 January 2018	-	-	73,000	73,000
Effect of IFRS 9 adoption	73,547	-	-	73,547
Amended Balance as of 1 January 2018	73,547	-	73,000	146,547
Net ECL charges for the period	-	-	-	-
Balance at the end of period	73,547	-	73,000	146,547

This movement of the impairment provision is as follows:

	For the year ended at 31 December 2017 JD (Audited)
Balance at the beginning of the year	36,500
Provision for the year	36,500
Balance at the end of the year	73,000

The comparative figures for the year ended 31 December 2017 for the impairment provision for the financial assets at amortized cost are presented according to IAS 39, while the opening balance for the expected credit loss provision is according to IFRS 9.

## **12 INVESTMENT IN ASSOCIATE COMPANY**

The following is the movement on the investment in the associate company:

	For the three months ended 31 March 2018 JD (Reviewed not audited)	For the year ended 31 December 2017 JD (Audited)
Balance at the beginning of the period/ year	19,947,778	17,376,287
The Bank's share in the associate company's profit	59,179	772,057
Foreign currency translation adjustment	851,670	1,799,434
<b>Balance at the end of the period/ year</b>	<b>20,858,627</b>	<b>19,947,778</b>

The Bank's investment represents the Bank share of Jordan International Bank with a contribution of 25% of the capital which amounted to 65,000,000 GBP. The bank's share of the associates profit is calculated according to the latest unaudited financial statements available as of 31 March 2018, with the Bank contribution in the capital of 25%.

The bank's right in voting of general assembly decisions is according to percentage of the ownership in the investment.

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**13 Cash and Cash Equivalents**

This Item consists of the following :

	For the three months ended 31 March (reviewd not audited)	
	2018 JD	2017 JD
Cash and Balances at the Central Bank of Jordan Maturing within 3 months	72,797,575	66,745,373
Add : Balances at banks and other financial Institutions Maturing within 3 months.	238,302,368	222,234,322
Less : Deposits from banks and financial Institutions maturing within 3 months	(365,839,836)	(506,763,470)
	<u>(54,739,893)</u>	<u>(217,783,775)</u>

**14 BORROWED MONEY FROM THE CENTRAL BANK OF JORDAN**

This item represents a repurchase agreement between the Central Bank of Jordan and Arab Jordan Investment Bank; through which the Bank sold treasury bonds and treasury bills to the Central Bank of Jordan, with a commitment to repurchase these treasury bonds and treasury bills at the maturity date of the agreement noting that these bonds mature within a period of a month or less, and payable in cash with interest 4.25%.

In addition to refunds to customer for financing productivity projects with interest rate 1.75% .

**15 INCOME TAX**

**A- Income tax provision**

The movement on the income tax provision is as follows:

	For the three months ended 31 March 2018 JD (Reviewed not audited)	For the year ended 31 December 2017 JD (Audited)
Balance at the beginning of the period / year	7,785,786	9,975,825
Income tax paid	(1,648,659)	(10,785,573)
Accrued income tax expense	1,254,963	8,595,534
Balance at the end of the period / year	<u>7,392,090</u>	<u>7,785,786</u>

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B - Income tax in the interim condensed consolidated statement of income represents the following:

	For the three months ended 31 March 2018 JD (Reviewed not audited)	For the three months ended 31 March 2017 JD (Reviewed not audited)
Accrued income tax expense for the period	1,254,963	2,296,443
Deferred tax assets for the period	347,927	15,112
Total	<u>1,602,890</u>	<u>2,311,555</u>

**C- Tax Status**

- The Bank has reached a final settlement with the Income and Sales Tax Department for all years up to 2014 and during 2017 the file of the year 2014 was reopened and no additional tax obligation for the year 2014 will result.
- The Bank has submitted its tax returns for the years 2015, 2016 and 2017 and paid the declared taxes and have not yet been reviewed by the Income and Sales Tax Department.
- United Arab Jordan Company for Investment and Financial Brokerage (a subsidiary) has reached a final settlement with the Income and Sales Tax Department in Jordan up to the year 2014, In addition the company has already submitted its tax returns for the year 2015, 2016 and 2017 which haven't been audited by the Income Tax and Sales Department until the date of the interim condensed consolidated financial statements.
- A tax accrued has been paid for the bank in Qatar for the year 2017.
- A tax accrued has been paid for Cyprus branch for the year 2017.
- The Bank has booked a provision against any expected tax liabilities for the period ended 31 March 2018 and the above-mentioned years, In the opinion of the bank's management and its tax consultant the income tax provision booked in the interim condensed consolidated financial statements is sufficient to cover any future tax liabilities that may arise.

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**16 DIVIDENDS TO THE GENERAL ASSEMBLY**

The General Assembly recommended in thier meeting on 26 April 2018 distribution of 9% of capital as cash dividends to the shareholders equivalent to JD 13.500.000 subject to the approval of the General Assembly of shareholders ( during the year 2017 the Bank distributed 12% of capital as cash dividends to shareholders equivalent to JD 18.000.000 )

**17 GAIN FROM FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS**

This item consists of the following:

	Realized Gain (losses)	Unrealized (losses) gain	Total
	JD	JD	JD
<b><u>For the three months ended 31 March 2018</u></b>			
<b><u>(Reviewed not audited)</u></b>			
Companies' shares	8,744	(6,154)	2,590
Total	8,744	(6,154)	2,590
<b><u>For the three months ended 31 March 2017</u></b>			
<b><u>(Reviewed not audited)</u></b>			
Companies' shares	9,950	1,438	11,388
Total	9,950	1,438	11,388

**18 EARNINGS PER SHARE FOR THE PERIOD**

This item consists of the following:

	For the Three Months Ended 31 March	
	2018	2017
	JD	JD
	(Reviewed not audited)	(Reviewed not audited)
Profit for the period	4,295,907	4,835,707
Weighted average number of shares	150,000,000	150,000,000
Basic and diluted earnings per share (Bank shareholders)	0.029	0.032

The diluted earning per share for the period is equivalent to the basic earning per share for the period.

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**19 SEGMENT ANALYSIS**

Information about the bank's business segments

- The Bank is organized for administrative purposes and divided into four main business segments:

- 1- Individual accounts: include following up on individual customers accounts real estate loans overdrafts credit cards and transfers.
- 2- Corporate accounts: include corporate transactions on loans credit facilities and deposits and the corporate customers' current accounts.
- 3- Treasury: principally providing money market trading and treasury services as well as management of the Bank's funding operations through treasury bills government securities placements and acceptances with other banks and that is through treasury and banking services.
- 4- Institutional Financing: The activity of this sector is related to arrangements for the structure of financing and shares underwriting.

For the Three Months Ended 31  
March

	Individual JD In Thousands	Corporate JD In Thousands	Treasury JD In Thousands	Others JD In Thousands	2018 JD In Thousands (Reviewed not audited)	2017 JD In Thousands (Reviewed not audited)
<b>Gross revenues</b>	4,312	7,639	10,682	2,062	24,695	23,429
Bank's share in profit of associate company	-	-	59	-	59	231
Provision for impairment of direct credit facilities	(70)	(60)	-	-	(130)	(272)
Segment results	4,242	7,579	10,741	2,062	24,624 (18,419)	23,388 (15,827)
Undistributed expenses					6,205	7,561
Income before tax					(1,603)	(2,312)
Income tax expense					4,602	5,249
<b>Net income for the period</b>					6,072	910
Capital expenditures					755	799
Depreciation and amortization						
					31 March 2018 (Reviewed not audited)	31 December 2017
<b>Segments' Assets</b>						(Audited)
Investments in associate Company	182,510	620,095	939,835	-	1,742,440	1,709,330
Undistributed assets	-	-	20,859	-	20,859	19,948
	-	-	-	110,874	110,874	108,748
<b>Total Segments' Assets</b>	<u>188,510</u>	<u>620,103</u>	<u>960,694</u>	<u>110,874</u>	<u>1,874,173</u>	<u>1,838,026</u>
<b>Segments' liabilities</b>						
Undistributed liabilities	704,381	379,497	546,712	-	1,630,590	1,597,909
	-	-	-	21,340	21,340	20,758
<b>Total Segments' Liabilities</b>	<u>704,381</u>	<u>379,497</u>	<u>546,712</u>	<u>21,340</u>	<u>1,651,930</u>	<u>1,618,667</u>

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**20 RELATED PARTIES TRANSACTIONS**

The following is a summary of the transactions with related parties during the period / year:

There are no restricted amounts at banks and financial institutions as of 31 March 2018 and 31 December 2017:

	Related party				Total	
	Subsidiaries	Board of Directors Members and Management Executives	Associate company	Other *	31 March 2018	31 Decmber 2017
	JD	JD	JD	JD	JD	JD
<b><u>Statement of Financial Position Items:</u></b>					(Reviewed not audited)	(Audited)
Total Deposits for related parties	32,595,911	48,781,036	4,678,852	7,736,016	93,791,815	157,919,709
Total Bank Deposits with related parties	22,739,806	1,063,531	23,791,117	2,375,298	47,594,454	39,432,463
Loans and credit facilities granted to related parties	-	330,374	-	--	2,705,672	2,694,975
<b><u>Off-Statement of Financial Position Items:</u></b>						
Letter of Credit and Guarantee	11,240,649	-			11,240,649	17,098,081
Managed Accounts	9,231,495	-			9,231,495	9,237,422
					For the three Months Ended 31 March	
					2018	2017
					JD	JD
					(Reviewed not audited)	(Reviewed not audited)
Credit interest and commission	44,461	3,400	77,693	37,245	162,799	266,938
Debit interest and commission	288,494	459,092	53,898	95,258	896,742	299,881

This item represents employees' deposits and facilities for other than Board of Directors and the executive management.

- Balances transactions revenues and expenses between the Bank and the subsidiaries are eliminated.
- The Interest rate received on amounts granted as facilities to related parties reached 4% annually which the interest rete paid reached 7.25% annually.
- All Credit facilities granted to related parties are performing and consequently no related provisions have been booked.

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The following is a summary of the benefits (salaries, remunerations plus and other benefits) of the executive management of the Bank:

	For the three Months ended 31 March	
	2018	2017
	JD	JD
	(Reviewed not audited)	(Reviewed not audited)
Salaries, remunerations and other benefits	612,793	768,219
Travel and transportation	3,345	11,110
	<u>616,138</u>	<u>779,329</u>

## **21 COMMITMENTS AND CONTINGENT LIABILITIES**

The following represents liabilities that may arise at the date of the interim condensed consolidated financial statements.

	31 March 2018	31 December 2017
	JD	JD
	(Reviewed not audited)	(Audited)
<b><u>Letters of credits</u></b>		
Export	27,162,686	32,202,294
Import (backed)	1,060,223	691,585
Import (not backed)	71,327,409	70,358,389
<b><u>Acceptances</u></b>		
Export / letter of credit	40,375,635	45,703,226
Export / policies	8,557,703	9,570,701
Import (not backed)	5,298,013	6,143,745
<b><u>Letters of guarantees</u></b>		
Payments	24,811,665	23,233,230
Performance	27,021,121	30,372,402
Other	24,092,328	23,044,828
Forward contracts	20,354,185	-
Un-utilized facilities	<u>31,322,054</u>	<u>48,350,039</u>
	<u>281,383,022</u>	<u>289,670,439</u>

The operating leases contracts at Arab Jordan Investment Bank/ Qatar (subsidiary) amounted to JD 181,161 as of 31 March 2018 (31 December 2017 JD 181.161).

## **22 LAWSUITS AGAINST THE BANK**

Lawsuits raised against the Bank in its ordinary course of business amounted to JD 10,061,717 as of 31 March 2018 (JD 10,234,144 as of 31 December 2017). In the opinion of the management and the Bank's lawyer, the Bank will not incur any significant amount other than an amount of JD 127,000 as of 31 March 2018 (31 December 2017: JD 127,000). Moreover, the amounts paid by the Bank against concluded or settled lawsuits are taken to the interim condensed consolidated statement of income upon payment.

## **23 STATUTORY RESERVES AND FEES**

The Bank did not deduct any statutory reserve in accordance with the Companies Laws and the Regulations issued, as these financial statements are interim statements and the deduction is made at the end of the year.

## **24 FAIR VALUE HIERARCHY**

### **A- Fair value of financial assets and financial liabilities that are measured at fair value**

Some of the financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair value of these financial assets and financial liabilities are determined (valuation techniques and key inputs).

Financial Assets / Financial Liabilities	Fair Value		Fair Value Hierarchy	Valuation techniques and key inputs
	31 March	31 December		
	2018	2017		
	JD	JD		
	(Reviewed not audited)	(Audited)		
Financial assets at fair value through profit or loss				
Companies shares	166,987	169,390	Level 1	Quoted rates in financial markets
<b>Total</b>	<b>166,987</b>	<b>169,390</b>		
Financial assets at fair value through comprehensive income				
Quoted shares	13,330,984	13,384,653	level 1	Quoted rates in financial markets
Unquoted shares	1,432,487	1,432,487	level 2	Compare to similar financial instruments
<b>Total</b>	<b>14,930,458</b>	<b>14,986,530</b>		

There were no transfers between level 1 and 2 during the three months period ended at 31 March 2018 and during the year ended 31 December 2017.

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**B- Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis:**

Except what is detailed in following table, the carrying amounts of financial assets and liabilities recognized in the Bank's financial statements approximate their fair values, due to that the bank's management believes that the item's book value are similar to the fair value which is due to its short term maturity or to the interest rates being repriced during the period.

	31 March 2018		31 December 2017		
	(Reviewed not audited)		(Audited)		
	Book value	Fair value	Book value	Fair value	Hierarchy
	JD	JD	JD	JD	
Balances at central banks	55,775,279	55,775,279	51,725,082	51,725,082	level 2
Balances at banks and financial institutions	238,302,368	238,679,517	254,895,109	255,101,343	level 2
Deposits at banks and financial institutions	17,013,415	17,065,446	16,535,460	16,571,563	level 2
Loans and other bills	802,612,420	810,054,739	755,162,896	760,572,218	level 2
Financial assets at amortized costs	596,783,370	603,771,196	597,569,867	607,355,672	level 2
<b>Total Financial assets not measured at fair value</b>	<b>1,710,486,852</b>	<b>1,725,346,177</b>	<b>1,675,888,414</b>	<b>1,691,325,878</b>	
Banks and financial institution deposits	445,839,835	447,687,179	487,339,879	488,053,997	level 2
Customer deposits	1,037,988,260	1,041,555,152	1,050,715,661	1,053,821,803	level 2
Cash margins	45,890,046	45,961,560	59,693,044	59,769,606	level 2
Borrowed money from Central Bank of Jordan	100,872,535	100,885,642	161,422	161,958	
<b>Total Liabilities not measured at fair value</b>	<b>1,630,590,676</b>	<b>1,636,089,533</b>	<b>1,597,910,006</b>	<b>1,601,807,364</b>	

The fair values of the financial assets and liabilities included in level 1 and level 2 categories above have been determined in accordance with accepted pricing models reflecting the credit risks with the other parties.