شركة التأمين الأردنية
Jordan Insurance Company
1951

عمّان 2017/05/23 3/2/500

السادة المحترمين،
هيئة الأوراق المالية،
عمـان.

الموضوع : التقرير السنوي 2016

تحية واحتراماً وبعد،

لاحقاً لكتابنا رقم 2/2/500 بتاريخ 2017/04/18 يَسُرنا أن نرفق لكم CD التقرير السنوي المفصل لعام 2016.

وتفضلوا بقبول فائق الإحترام،،،

شركة التأمين الأردنية ش.م.ع

خالد خليل

هيئة الأوراق المالية
الدائرة الإدارية / الديوان
٢٣ أيار ٢٠١٧
الرقم المتسلسل ٢٠١٧
الجهة المختصة ١/١ ا ص ح

المكتب الرئيسي، الدوار الثالث - جبل عمان، ص.ب ٢٧٩ عمان ١١١١٨ الأردن، تلفون ٦٤٦٣٤١٦١ (٩٦٢)، فاكس ٦٤٦٣٧٩٠٥ (٩٦٢)
HEAD OFFICE, 3rd Circle - Jabal Amman, P.O.Box 279 Amman 11118 Jordan, Tel. (962) 6 4634161, Fax (962) 6 4637905
www.jicjo.com

شركة التأمين الأردنية

Jordan Insurance Company

1951

You can rely on us

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2016 Annual Report

His Majesty
King Abdullah II Bin Al-Hussein

His Royal Highness
Crown Prince Al Hussein Bin Abdullah II

A.M. Best Company

certifies that

Jordan Insurance Company Plc.

has a

Best's Financial Strength Rating

of

B++ (Good)

Certificate Publication Date: February 10, 2017

Best's Ratings are subject to change.
To confirm the latest rating or to learn more
about A.M. Best's ratings, visit www.ambest.com
A.M. Best Company
Ambest Road, Oldwick, NJ 08858 USA

President

Chief Rating Officer

MENAIR
INSURANCE
AWARDS 2014
Jordan insurer
of the year
WINNER

WINNER

Jordan Insurer of the Year

Jordan Insurance Company

2011 MENA INSURANCE AWARDS WINNER
Jordan Insurer of the year
Jordan Insurance Co.

2012 MENA INSURANCE AWARDS
WINNER 2012
Jordan Insurance Company (JIC)
Jordan Insurer of the Year

2013 MENA INSURANCE AWARDS WINNER

EUROMONEY

Insurance survey 2010

This is to certify that the

Jordan Insurance Company

has won the award for

Best Insurance Company in Jordan

Clive Horwood, Editor

MEA RISK & INSURANCE EXCELLENCE AWARDS 2015

MEA COMMERCIAL INSURER INITIATIVE OF THE YEAR

JORDAN INSURANCE COMPANY

Brought to you by GR GLOBAL [RE]INSURANCE StrategicRISK

WORLD FINANCE

GLOBAL INSURANCE AWARDS

2016

This is to certify that

JORDAN INSURANCE COMPANY

has won the award

BEST LIFE INSURANCE COMPANY, JORDAN

WNM
PUBLISHED BY
WORLD NEWS MEDIA

Letter from the Chairman

Dear Shareholders,

May God's peace and blessings be upon you.

The Board of Directors is pleased to meet and welcome you to the Company's 65th Ordinary General Assembly meeting, and to present to you its annual financial report for the fiscal year ending on 31/12/2016.

In 2016 same as in 2015 diverse economic challenges continued in Jordan's public and private sectors largely related to inflation, budget deficit and high rates of unemployment. The continuing conflict in Syria and Iraq leading to accelerated influx of refugees. Latest numbers of Jordan's population has rapidly increased to reach 11 million exerting further pressure on the country's economy.

As Jordan tops the list of refugee host countries, the overall amount of foreign assistance, grants and soft loans committed to Jordan in the face of the refugee burden is less than required and does not cater for the provision of basic needs of shelter, food, health, education, and the relevant infrastructure.

The Jordanian economy remains resilient in the face of such challenges. The Gross Domestic Product has achieved a modest growth rate of 2% in 2016, compared with 2.3% in 2015. Whereas inflation rate hovered around 0% compared to 2.7% in 2015. The rate of unemployment registered 16% from 13% for the previous year.

Amidst regional turmoil, especially the Syrian crises and the closure of trade routes with Iraq and Syria ,imports & exports activities have slowed down, eventually causing slower market in Marine insurance.

The implementation of planned reforms related to the labor market, improving the investment climate and easing access to finance remain vital to stimulate economic activity.

New business opportunities in Jordan include the utilization of the massive oil shale reserves in addition to solar & wind energy for generating electric power. Our country has developed an Energy Master Plan requiring that 10% of its energy be generated from renewable resources by the year 2020.

Stock trading volume at the Amman Stock Exchange (ASE) reached 2.3 Billion compared to JD 3.4 billion in 2015. The ASE price index increased slightly to 2170.3 points by the end of 2016 from 2136.3 points at end of 2015, being an increase of 1.6% .Meanwhile, the market value of listed shares at the ASE has amounted to 17.3 billion at the end of 2016, down from JD18 billion for the previous year.

Investments portfolios of insurance companies backing up their reserves and capital are usually of a great importance in producing returns to meet liabilities, at the same time, their impact on company's balance sheets are key. Recent years sluggish market conditions have negatively affected the performance of such portfolios in most companies.

JIC has closed 2016 with a Gross Written Premium of JD 75.4 million compared to JD 67.2 million in the previous year, being 12% increase. Our underwriting profits stood at JD 1.4 million. Today, JIC continues to hold over 10% of the local market share among 25 insurance companies.

Letter from the Chairman

While our Net profit before taxes and fees reached JD 4.5 million in Jordan compared to JD 1.9 million in 2015, our regional branches, especially in the UAE have sustained a JD 2.1 million in losses due to underperforming insurance market in addition to new regulation in the UAE requiring additional provisions . For 2017, we expect a slow rebound due to recent regulatory reforms in the UAE's insurance market.

With regard to our ratings, following the latest review conducted by A.M. Best in October 2016, , our company has maintained FSR (Financial Strength Rating) at B++ (Good) and ICR (Issuer Credit Rating) at BBB+ despite the difficult investment and insurance market environment prevailing in the region.

Reinsurance

It is a well-known fact that the global and regional crises have had a direct impact on reinsurance companies, and therefore reinsurance contracts still face major difficulties year after year. Moreover, the result of a series of major insured losses, especially under property and engineering lines, which negatively affected reinsurers operating in the region over the past few of years have led to an ongoing hardline approach by global reinsurance companies, especially the major ones that hold leading positions in the reinsurance sector.

However, because of its disciplined underwriting philosophy and its excellent historical relationship with reinsurers that is based on trust and credibility, JIC was able to renew its reinsurance treaty program for 2017 with elite reinsurance companies in a manner that serves the best interest of all parties concerned with better terms and conditions.

Regional Branches

The increasingly hyper competition in the UAE's insurance sector coupled with new regulatory reforms on technical reserves introduced by the UAE's Insurance Authority in 2015, have resulted heavy losses among most companies in the market . This has negatively affected our branches' performance in Abu Dhabi, Dubai, and Sharjah, with a total underwriting loss of JD 2.1 million, , which in turn have weakened JIC's overall technical profit margin.

Gross Written Premiums by JIC's regional branches have reached 14 million in 2016 (increasing by JD 4 million from the previous year). This accounts for 19 % of JIC's overall premiums. The Company's management continues to exert additional efforts to deal with the difficult conditions under which its regional branches are operating, as part of a well strategic plan to improve premium volume and also technical results going forward.

Effective January 1, 2017, the UAE Insurance Authority has issued new motor vehicle insurance tarrif which sets the minimum and maximum premium for motor vehicle insurance, for both, third party liability and comprehensive insurance, in addition to new benefits under both policies.
Such increased pricing is expected to start improving the bottom line results of Insurance Companies that have suffered from financial losses over the past few years.

Real Estate and Financial Investments

The continuous slight decline in the performance of financial markets year after year has negatively impacted our investment portfolios, particularly the strategic ones. Such negative impact is evident on JIC's financial assets revaluation reserve through shareholders' assets, that have maintained shareholders' equity at JD 34.6 million compared to JD 33.9 million in 2015.

Our real estate investments continue to perform positively and they are annually re-evaluated by three accredited real estate appraisers. Thankfully, market values continue to appreciate year after year. Such strategic assets have long formed the backbone of JIC's financial solvency, with a total fair value of 40.9 million, being an increase of 20.4 million from book value being JD 20.5 million.

The occupancy ratio of our leased properties has registered 70% and we are always doing what is necessary to increase it further.

The Future Plan

1.Adhere to the Company's strategy of preserving its leading position in the local market through prudent and disciplined underwriting policies.

2.Continue to expand horizontally by opening new branches in neighboring markets and enhance overall performance of existing branches.

3.Maintain our Human Resources development policy in order to sustain high standards of client service.

4.Maintain our Company's financial strength rating by A M Best and work toward upgrading it.

5.Continue to expand in existing markets by possible mergers and acquisitions.

In conclusion, the Board of Directors would like to extend its sincere gratitude and appreciation to all our employee staff for their continued hard work and commitment to the success and accomplishments of our Company.

We would also like to thank our clients and agents for their consistent trust and support, as well as our Reinsurance partners for their continued solid support.

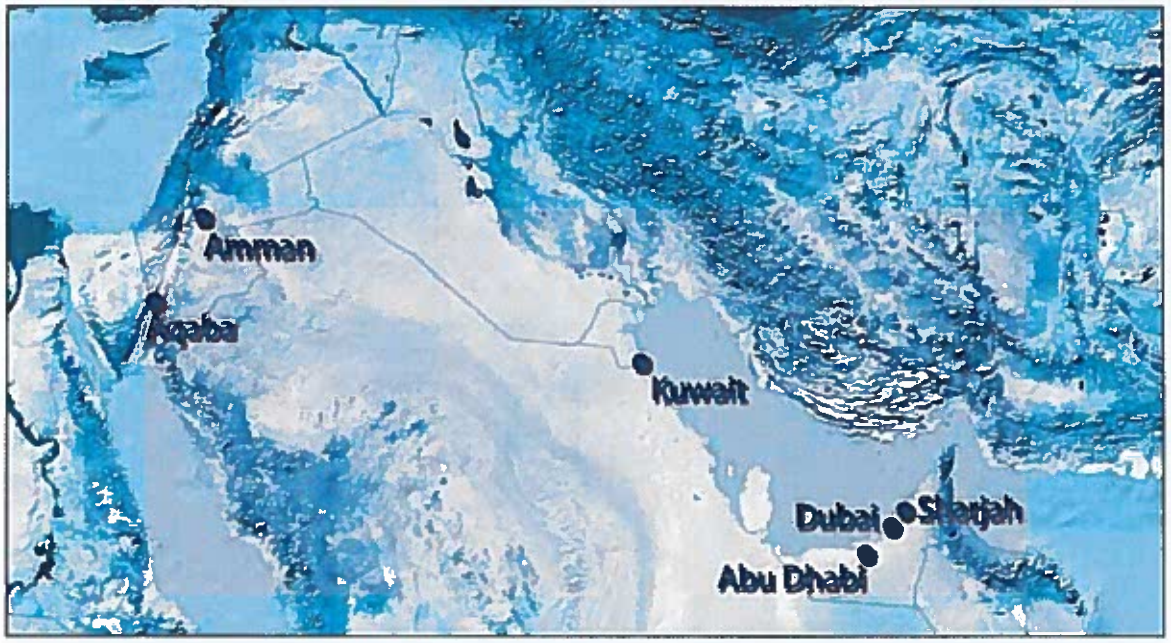
We ask God Almighty to guide us towards more success in the service of our national economy under the guidance of His Majesty King Abdullah II Bin Al-Hussein.

Chairman of the Board

Othman M. Bdeir

Branches

Contact Us:



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Aqaba Branch	Aqaba	P.O. Box 1415 Aqaba 77110 Jordan	+962 3 2039194	+962 3 2039193	allinsure@jicjo.com

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	Sharjah	+971 6 5395566	+971 6 5395556	khalidm@jicshj.ae
Kuwait	Kuwait	+965 2 2414124	+965 2 2457976	allinsure@jicjo.com

Board of Directors

Mr. Othman M. Bdeir (Representing Arab Technical Construction Co.)	Chairman
H.E. Mr. Waleed M. Asfour	Deputy Chairman
Mr. Osama J. Sha'sha'a	Director
Mr. Christian Kraut Until 30/9/2016 Mr. Bernd Kohn Since 1/10/2016 (Representing Munich Re Co.)	Director
Mr. Shehadeh Sh. Twal	Director
Mr. Imad M. Abdel Khaleq	Director
Mr. Kamal Gh. Al-Bakri	Director
Mr. Samih Madi	Director
Mrs. Huda Bdeir	Director
Mr. Mohammed M. Ennab (Representing Arab Supply & Trading Co.)	Director
Miss Aya Kh. Abu Hassan	Director

General Manager
Mr. Imad M. Abdel Khaleq

Deputy General Manager
Finance & Administration
Secretary of the Board
Mr. Mustafa M. Dahbour

Auditors
Deloitte & Touche (M.E.)

Income Statement Information

	2016	2015	2014	2013	2012
Gross Written Premium	75,420,000	67,216,415	60,283,593	58,704,944	52,058,615
Net Earned Premium	36,171,370	32,405,276	27,436,955	24,960,767	23,895,422
Investment Result	938,639	1,367,050	1,042,955	(178,794)	3,209,213
Other Revenue	4,916,339	6,691,640	6,810,594	5,934,536	4,138,020
Total Revenue	42,026,348	38,755,227	35,290,504	30,725,509	31,242,655
Net Claims Paid	27,693,288	22,693,791	18,741,770	18,901,788	16,498,424
Other Expenses	11,947,175	15,134,006	12,183,785	11,142,781	9,997,851
Total Expenses	39,640,463	37,827,797	30,925,555	30,044,569	26,496,275
Result Before Tax	2,385,885	927,430	4,364,949	680,940	4,746,380
Net Result After Tax	1,189,214	623,851	3,507,798	270,428	4,210,335

Insurance Premiums

The overall premiums written by the Company during 2016 were distributed between lines of business as follows:

- Marine:
Gross Written Premium during the year 2016 was JD 2,247 million compared to JD 3,101 million in 2015.
Net Loss Ratio in 2016 was 35.6% compared to 56.6 % in 2015.

- Fire & General Accidents:
Gross Written Premium during the year 2016 was JD 17,971 million compared to JD 17,312 million in 2015.
Net Loss Ratio in 2016 was 36.9% compared to 32.98 % in 2015.

- Motor:
Gross Written Premium during the year 2016 was JD 26,472 million compared to JD 23,407 million in 2015.
Net Loss Ratio in 2016 was 85.8% compared to 75.3 % in 2015.

- Life:
Gross Written Premium during the year 2016 was JD 18,367 million compared to JD 13,930 million in 2015.
Net Loss Ratio in 2016 was 58.57 % compared to 60.9 % in 2015.

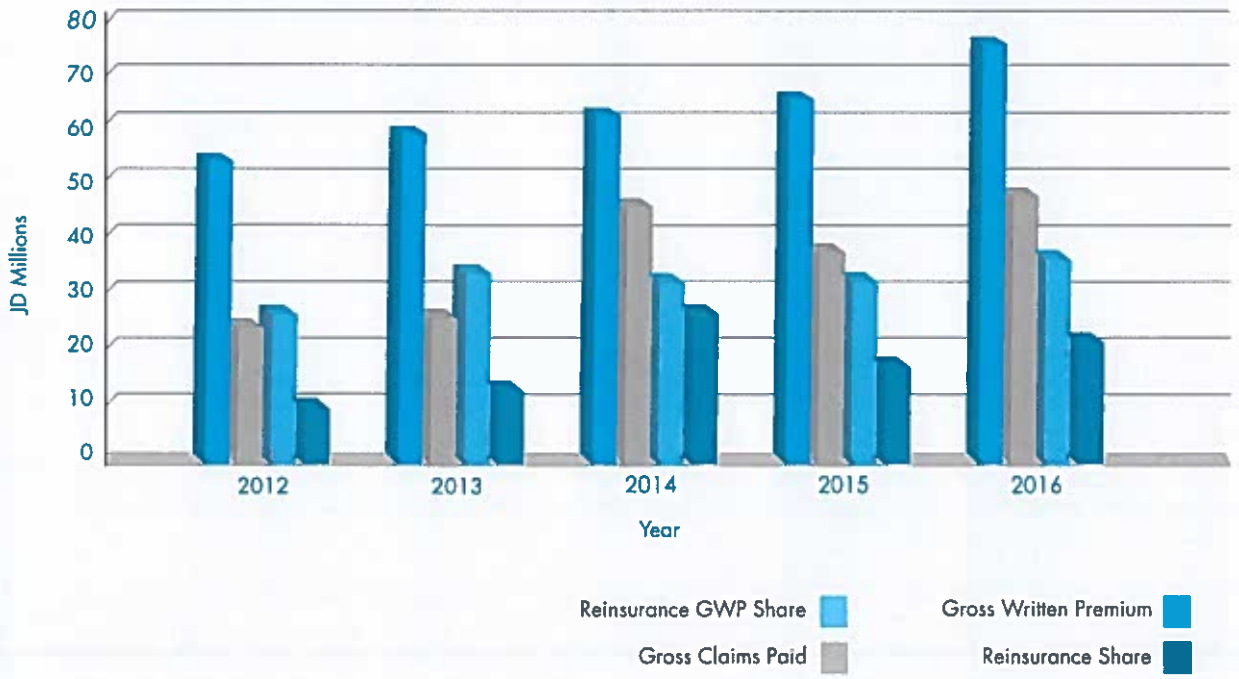
- Medical:
Gross Written Premium during the year 2016 was JD10,363 million compared to JD 9,466 million in 2015.
Net Loss Ratio in 2016 was 63.7 % compared to 61.5 % in 2015.

Balance Sheet Information

	2016	2015	2014	2013	2012
Investments	45,365,743	42,458,568	50,868,975	55,485,654	58,294,291
Real Estate	19,258,581	16,907,619	16,983,592	17,081,842	17,165,280
Financial Investments	26,080,150	25,516,121	33,827,222	38,319,973	41,043,463
Other	27,012	34,828	58,161	83,839	85,548
Total Assets	79,624,629	74,973,219	77,705,845	80,620,359	82,875,006
Shareholders' Equity	34,635,275	33,909,589	40,761,367	43,335,560	47,056,795

Insurance Premiums

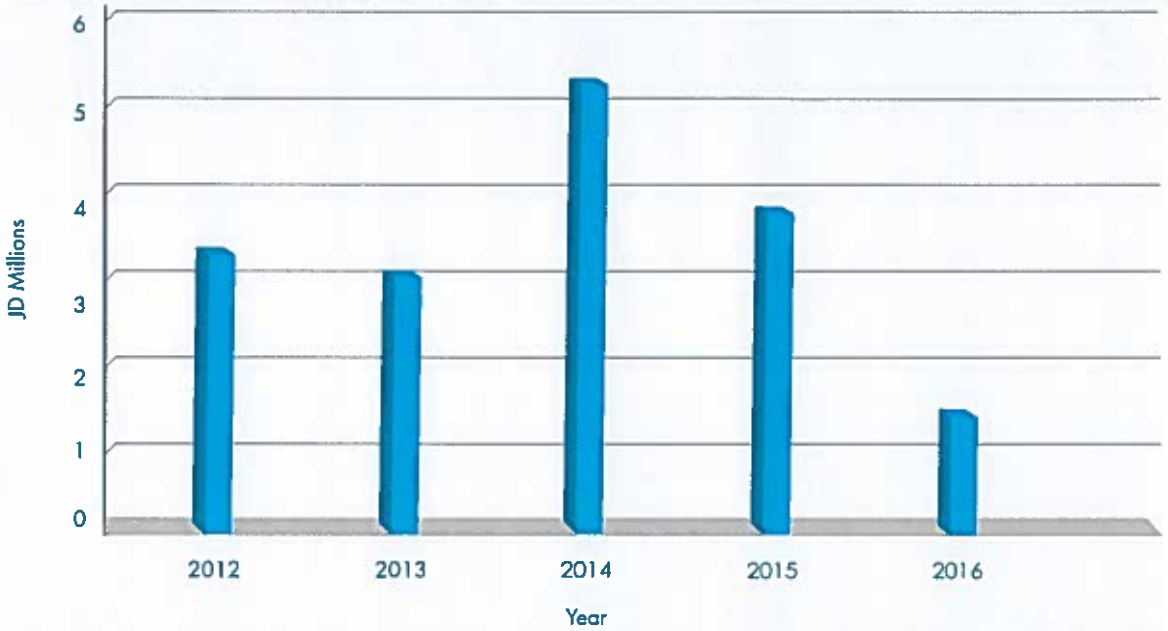
	2016	2015	2014	2013	2012
Gross Written Premium	75,420,000	67,216,415	60,283,593	58,704,944	52,058,615
Reinsurance GWP Share	35,827,389	32,385,435	30,918,582	33,052,216	27,067,650
Gross Claims Paid	46,454,104	37,265,140	44,518,276	28,227,721	24,861,602
Reinsurance Share	20,201,405	15,498,624	26,854,408	11,350,626	9,897,131



These statements are selective extracts from the English Financial Statement and should be read together with it.

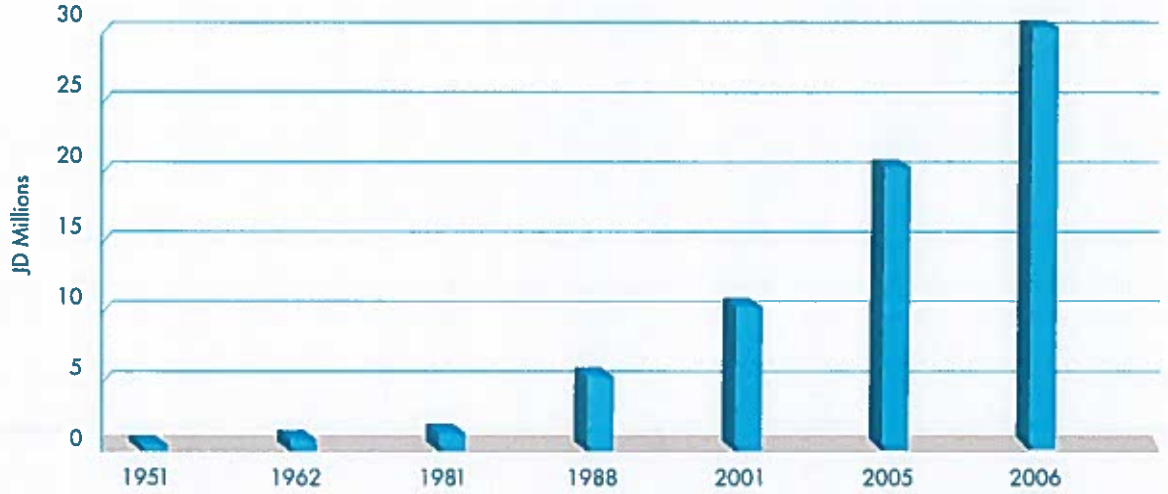
Technical Profit

	2016	2015	2014	2013	2012
Technical Profit	1,371,690	3,701,644	5,207,291	3,004,621	3,304,400



Capital Growth

	2006	2005	2001	1988	1981	1962	1951
Paid-Up Capital	30,000,000	20,000,000	10,000,000	5,000,000	1,100,000	400,000	100,000



These statements are selective extracts from the English Financial Statement and should be read together with it.

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FINANCIAL STATEMENTS

For the Year Ending 31/12/2016

Deloitte.

Deloitte & Touche (M.E.) - Jordan
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190 Zahran Street
P.O.Box 248
Amman 11118, Jordan

Tel : +962 (0) 6 5502200
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Independent Auditor's Report

AM/ 7953

To the Shareholders of
Jordan Insurance Company
(Public Limited Shareholding Company)
Amman – Jordan

Report on the Audit of the Financial Statements

Opinion
We have audited the financial statements of Jordan Insurance Company (A Public Limited Shareholding Company), which comprise the statement of financial position as of December 31, 2016, and the statement of income and other comprehensive income, statement of changes in shareholding and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2016, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for Opinion
We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants together with the other ethical requirements that are relevant to our audit of the Company's financial statements in Jordan, and we have fulfilled our other ethical responsibilities. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Explanatory paragraph
The accompanying financial statements are a translation of the statutory financial statements in Arabic language to which reference should be made.

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Key Audit Matters

Key audit matters, in our professional judgment, are the most significant matters in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters:

Technical Provisions

Technical provisions are key audit matters. Moreover, technical provisions amounted to JD 33,346,606, representing 74% of the total liabilities as of December 31, 2016. In addition, the Company assesses technical provisions according to International Financial Reporting Standards and the requirements of regulatory bodies. As such, technical provisions are calculated based on the adopted accounting policies, the Company's estimates, and historical data on claims. The reinsurers' share from the technical provision is re-calculated according to the related signed treaties. Furthermore, Executive Management appoints a certified actuary and a loss adjuster to periodically review the adequacy of the technical provisions.

Scope of Audit to Address Risks

The followed audit procedures include understanding the nature of the technical provisions, and the adopted system of internal control, assessing the reasonableness of the estimates and assumptions, and the adequacy of the provision prepared by management. This is carried out through studying a sample of the technical provisions and reinsurers' share and its calculation, obtaining the support of the loss adjuster and the Company's lawyer, and comparing the sample with the provisions taken. In addition, the actuary and his reports were relied on concerning the adequacy of the technical provisions. Moreover, we assessed the adequacy of disclosures on the technical provisions.

Evaluation of Unquoted Investments in Regulated Markets

The financial assets at fair value through comprehensive income unquoted in financial markets amounted to JD 4,445,551, representing 6% of the Company's total assets as of December 31, 2016. Moreover, these financial assets should be stated at fair value in accordance with International Financial Reporting Standards.

The Company should also determine the fair value of the financial assets based on the last available study on estimated future cash flows.

Determining the fair value of those financial assets requires the use of Company's management judgment and estimates, preparation of assumptions, and reliance on inputs other than quoted prices. Consequently, management's estimation of the fair value of these financial assets has been a key matter to our audit.

Scope of Audit to Address Risks

The followed audit procedures include understanding the internal procedures to determine the fair value of financial assets not quoted in financial markets, testing their effectiveness, assessing the reasonableness of the assumptions and estimates adopted by management for determining the fair value of unquoted financial assets. Moreover, these estimates have been compared with the requirements of International Financial Reporting Standards in light of the available information. In addition, audit procedures included evaluating the appropriateness of the assessment models and inputs used for determining the fair value of the investments and reviewing the reasonableness of the most significant inputs in the evaluation process. This was carried out through our review of the last available financial statements issued by the investee companies and other inputs, as well as the adequacy of the related disclosure.

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Evaluation of Investment Property
Investment property represents 24% of the Company's assets. Moreover, the Company should reevaluate its properties when preparing the financial statements to determine their fair value, and reflect the impact of any impairment in value in the statement of income, in line with the requirements of the International Financial Reporting Standards. Accordingly, the Company relies on independent real estate experts to determine the fair value of those evaluators investments and reflect any impairments in their value in the statement of income for that period. Consequently, fair value estimation of these assets was significant to our audit.

Scope of Audit to Address Risks
The followed audit procedures included understanding the procedures applied by the Company in evaluating investment property, testing the implemented internal control procedures, evaluating the reasonableness of the judgments used by the real estate experts, calculating the average fair value of those evaluations, recording any impairment in value in the statement of income, if any, and reviewing the appropriateness of the disclosure on the fair value of investment property.

Provision for Accounts Receivable
Accounts receivable are a key audit matter. It requires the Company's management to use assumptions to assess the collectability of accounts receivable based on the customers' financial conditions and related credit risks. The balance of accounts receivable amounted to JD 25,574,765, representing 32% of the total assets as of December 31, 2016.

The nature and characteristics of accounts receivable are varied. They include policyholders, agents, intermediaries, related parties, and other receivables as well as reinsurance receivables and checks under collection. This requires making assumptions and using estimates to take the provision for those receivables.

Scope of Audit to Address Risks
The followed audit procedures included understanding the nature of accounts receivable and testing the adopted internal control system in following up on accounts receivable monitoring credit risks. The procedures also included reviewing the internal control procedures relating to calculating the impairment provision for accounts receivable. As such, we have studied and understood the Company's adopted policy for calculating the provision, evaluated the factors affecting the calculation, and discussed those factors with Executive Management. We also selected a sample of those receivables after taking into consideration the risks related to payment methods and guarantee. In addition, we discussed management's viewpoint with regard to the customer's expected cash flows and the adequacy of guarantees. Furthermore, we recalculated the provisions to be taken and reviewed the aging and movements of receivables and the adequacy of the related disclosures.

Other Information
Management is responsible for other information which comprises information in the annual report excluding the financial statements and the independent auditor's report thereon. Furthermore, we expect the annual report to be made available to us after the date of our audit report. Our opinion on the financial statements does not cover other information, and we do not express any form of assurance or conclusion thereon.

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In connection with our audit of the financial statements, our responsibility is to read the other information when it becomes available to us. In doing so, we consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Financial Statements
Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, and disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISA's, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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- Conclude on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidenced obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company's audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguard procedures.

From the matters communicated with those charged with governance, we determine those matters of most significance in the audit of the financial statements of the current year, and are therefore, the key audit matters. We describe these matters in our auditor's report unless law and regulations preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Legal and Other Regulatory Requirements
The Company maintains proper accounting records that are consist, in all material respects, with the financial statements, and we recommend that they be approved by the general Assembly of Shareholders.

Amman – Jordan
March 19, 2017

elo itte & Touche (M.E.) – Jordan

D o T
el itte & ouche (M.E.)
Public Accountants
Amman - Jordan

Balance Sheet

Assets	Note Number	31 December 2016	31 December 2015
			JD
Deposits At Banks	4	5,935,575	4,912,908
Financial Assets At Fair Value Through Profit Or Loss Statement	5	4,124,466	4,748,521
Financial Assets At Fair Value Through Other Comprehensive Income	6	16,020,109	15,854,692
Property Investments	7	19,258,581	16,907,619
Loans And Advances Of The Life Department	8	27,012	34,828
Total Investments		**45,365,743**	**42,458,568**
Cash On Hand And At Banks	9	5,469,807	4,958,877
Checks Under Collection And Notes Receivable	10	4,397,221	3,134,953
Accounts Receivable - Net	11	16,803,007	14,797,209
Insurance Companies' Accounts - Debit	12	4,374,537	5,642,674
Assets Deferred Tax	13	801,042	1,348,096
Fixed Assets - Net	14	1,309,244	1,367,406
Intangible Assets - Net	15	91,264	95,473
Other Assets - Net	16	1,012,764	1,169,963
Total Assets		**79,624,629**	**74,973,219**

Liabilities	Note Number	31 December 2016	31 December 2015
Unearned Premiums Provision - Net		15,983,522	13,507,749
Outstanding Claims Provision - Net		14,894,014	13,546,036
Accumulated Mathematical Reserve - Net	17	2,290,070	1,769,830
Premium Deficiency Reserve		179,000	-
Total Insurance Contract Liabilities		**33,346,606**	**28,823,615**
Due to Bank			-
Accounts Payable	18	2,507,297	2,893,379
Insurance Companies' Accounts - Credit	19	6,827,610	7,347,826
Other Provisions	20	928,293	846,853
Income Tax Provision	13	231,803	352,005
Other Liabilities	21	1,147,745	799,952
Total Liabilities		**44,989,354**	**41,063,630**
Shareholder Equity			
Authorized And Paid-up Capital		30,000,000	30,000,000
Statutory Reserve		7,500,000	7,500,000
Financial Assets Revaluation Reserve	22	(7,708,452)	(7,244,924)
Retained Earnings		4,843,727	3,654,513
Total Shareholder Equity		34,635,275	33,909,589
Total Liabilities And Shareholder Equity		**79,624,629**	**74,973,219**

Mr. Othman M. Bdeir
Chairman

H.E. Waleed M. Asfour
Deputy Chairman

These statements are selective extracts from the English Financial Statement and should be read together with it.

Financial Statements

Income Statement for the Year Ended

Revenues :	Note Number	31 December 2016 JD	31 December 2015 JD
Direct Insurance - Non-Life		57,052,699	53,286,093
Direct Insurance - Life		18,367,301	13,930,322
Deduct: Reinsurance Share		(24,144,883)	(23,561,325)
Deduct: Reinsurance Share		(11,682,506)	(8,824,110)
Net Written Premiums		**39,592,611**	**34,830,980**
Net Unearned Premium Provision		(2,722,001)	(2,484,605)
Net Mathematical Provision		(520,240)	58,901
Net Premium Deficiency Reserve		(179,000)	-
Net Earned Premium Income		**36,171,370**	**32,405,276**
Commissions Received		2,198,057	2,433,788
Issuing Fees		1,823,888	1,547,906
Interests Revenue	23	66,044	43,795
Income From Financial Assets And Investments - Net	24	938,639	1,367,050
Other Revenues	25	828,350	957,412
Total Revenues		**42,026,348**	**38,755,227**
Claims, Losses & Expenses:			
Claims Paid		51,461,382	40,396,892
Deduct: Recovery		(5,007,278)	(3,131,752)
Reinsurance Share		(20,201,405)	(15,498,624)
Maturity & Surrender Of Policies		92,611	188,016
Net Claims Paid		**26,345,310**	**21,954,532**
Change In Outstanding Provision		1,347,978	739,259
Allocated Employee Expenditure	26	4,304,327	4,416,268
Allocated Administrative Expenses	27	2,288,863	2,085,278
Excess Of Loss Premium		621,003	527,852
Commissions Paid		3,408,345	2,684,586
Other Expenses		1,356,730	1,208,899
Cost Of Claims Incurred		**39,672,551**	**33,616,674**
Unallocated Employee Expenditure	26	788,761	801,746
Depreciation & Amortization Expense		299,855	306,566
Unallocated General And Administrative Expenses	27	434,739	390,411
Provision For Doubtful Debts		(1,823,267)	2,303,075
Provision For Checks Under Collection		90,000	-
Fund Expenses		50,000	260,000
Other Expenses		127,824	149,324
Total Expenses		**(32,088)**	**4,211,123**
Net Income Before Income Tax		**2,385,885**	**927,430**
Income Tax Exp		(1,196,671)	(303,579)
Profit After Tax		**1,189,214**	**623,851**
Earnings Per Share	28	-/040	-/021

Other Comprehensive Income Statement

	31 December 2016 JD	31 December 2015 JD
Net Income	1,189,214	623,851
Comprehensive Income Items:		
Change In Financial Assets Revaluation Reserve	(463,528)	(4,927,699)
Net Realized Losses	-	(447,930)
Total Gross Comprehensive Income	**725,686**	**(4,751,778)**

These statements are selective extracts from the English Financial Statement and should be read together with it.

Consolidated Statements of Changes in Shareholders' Equity

	Paid-Up Capital	Statutory Reserve	Financial Assets Revaluation Reserve	Retained Earnings		Total
				Realized	Unrealized	
	JD	JD	JD	JD	JD	JD
31/12/2016						
Beginning Balance	30,000,000	7,500,000	(7,244,924)	1,043,255	2,611,258	33,909,589
Net Income	-	-		1,189,214	-	1,189,214
Change In Financial Assets Revaluation Reserve	-	-	(463,528) -	- -	- -	(463,528) -
Total Other Comprehensive Income	-	-	(463,528)	1,189,214	-	725,686
Cumulative Change in Fair Value - Net During the Year	-	-	-	263,079	(263,079)	-
Ending Balance	30,000,000	7,500,000	(7,708,452)	2,495,548	2,348,179	34,635,275
31/12/2015						
Beginning Balance	30,000,000	7,500,000	(2,317,225)	3,483,098	2,095,494	40,761,367
Net Income	-	-		623,851	-	623,851
Change In Financial Assets Revaluation Reserve	-	-	(4,927,699)	(447,930)	-	(5,375,629)
Total Other Comprehensive Income	-	-	(4,927,699)	175,921	-	(4,751,778)
Dividends Paid	-	-	-	(2,100,000)	-	(2,100,000)
Cumulative Change in Fair Value - Net During the Year	-	-	-	- (515,764)	- 515,764	-
Ending Balance	30,000,000	7,500,000	(7,244,924)	1,043,255	2,611,258	33,909,589

These statements are selective extracts from the English Financial Statement and should be read together with it.

Cash Flow Statement

Cash Flows From Operating Activities :	Note Number	31 December 2016 JD	31 December 2015 JD
Net Income Before Income Tax Fees		2,385,885	927,430
Adjustment For:			
Depreciation & Amortization Expenses		299,855	384,273
Recovered From Doubtful Debts Provision	11	(1,823,267)	2,303,075
Checks Under Collection Provision		90,000	-
Other Provisions		72,824	94,324
Loss Evalution Of Financial Assets At Fair Value Through Profit Or Loss Statement	28	66,328	181,721
(Gain) From The Sale Of Investm ents		27,543	(514,300)
Real Estate Investment Returns	7 or 28	(347,990)	-
Unearned Premiums Provision - Net		2,722,001	2,484,605
Outstanding Claims Provision - Net		1,347,973	739,259
Mathematical Provision - Net		520,240	(58,901)
Premium Deficiency Provision - Net		179,000	-
Net Income Before Changes In Working Capital		5,540,392	6,541,486
(Increase) Decrease In Current Assets:			
Financial Assets At Fair Value Through Profit Or Loss Statement		530,184	4,587,550
Checks Under Collection And Notes Receivable		(1,352,268)	(174,435)
Accounts Receivable		(1,932,523)	(3,239,443)
Insurance Companies Accounts - Debit		1,268,137	(1,501,260)
Other Assets		(89,029)	(544,511)
Increase (Decrease) In Current Liabilities:			
Accounts Payable		(386,085)	1,262,329
Insurance Companies' Accounts - Credit		(520,216)	743,480
Other Liabilities		429,220	(219,414)
Net Cash Flows From Operating Activities Before Tax		3,487,812	7,455,782
Income Tax Paid	13	(769,820)	(1,252,594)
Amount Paid from Other Provisions	20	(90,895)	(108,152)
Net Cash Flows From Operating Activities		2,627,097	6,095,036
Cash Flows From Investing Activities:			
Deposits At Banks		(10,101)	8,483
Financial Assets At Fair Value Through Other Comprehensive Income		(628,945)	(1,600,081)
Loans Of The Life Department		7,816	23,333
Property Investments & Fixed Assets - Net		(472,371)	(304,818)
Net Cash Flows (Used In) Investing Activities		(1,103,601)	(1,873,083)
Cash Flows From Financing Activities:			
Due To Bank		-	(207,683)
Dividends Paid	26	-	(2,100,000)
Net Cash Flows (Used In) Financing Activities		-	(2,307,683)
Net Increase In Cash		1,523,496	1,914,270
Cash On Hand And At Banks - Beginning Of The Year		7,683,510	5,769,240
Cash On Hand And At Banks - End Of The Year	34	9,207,006	7,683,510

These statements are selective extracts from the English Financial Statement and should be read together with it.

Underwriting Profit (Loss) Account for the Motor Department for the Period Ended December 31

Description	2016			2015		
	Jordan	Abroad	Total	Jordan	Abroad	Total
Written Premiums	JD	JD	JD	JD	JD	JD
Direct Insurance	16,863,221	8,787,705	25,650,926	16,129,532	6,302,023	22,431,555
Facultative Reinsurance Accepted	821,428	-	821,428	975,623	-	975,623
Local Reinsurance Share	3,073	-	3,073	120,813	-	120,813
Foreign Reinsurance Share	410,182	67,618	477,800	-	37,042	37,042
Net Written Premiums	17,271,394	8,720,087	25,991,481	16,984,342	6,264,981	23,249,323
Opening Balance						
Unearned Premium Provision	8,077,935	3,360,572	11,438,507	6,756,946	2,618,423	9,375,369
Deduct: Reinsurance Share	54,436	20,002	74,438	63,391	6,151	69,542
Net Unearned Premium Provision	8,023,499	3,340,570	11,364,069	6,693,555	2,612,272	9,305,827
Ending Balance						
Unearned Premium Provision	8,363,974	4,977,689	13,341,663	8,077,935	3,360,572	11,438,507
Deduct: Reinsurance Share	165,796	34,320	200,116	54,436	20,002	74,438
Net Unearned Premium Provision	8,198,178	4,943,369	13,141,541	8,023,499	3,340,570	11,364,069
Premium Deficiency Reserve	-	179,000	179,000	-	-	-
Change In Unexpired Risks Provision	(174,679)	(1,781,799)	(1,956,478)	(1,329,944)	(728,298)	(2,058,242)
Net Earned Premium Income	17,096,715	6,938,288	24,035,003	15,654,398	5,536,683	21,191,081
Claims Paid	18,658,144	5,749,312	24,407,456	13,537,887	4,497,444	18,035,331
Recoveries	3,835,118	945,990	4,781,108	2,105,355	606,163	2,711,518
Local Reinsurance Share	30,821	-	30,821	24,716	-	24,716
Foreign Reinsurance Share	38,403	35,753	74,156	-	-	-
Net Claims Paid	14,753,802	4,767,569	19,521,371	11,407,816	3,891,281	15,299,097
Closing Outstanding Claims Provision						
Reported	11,794,612	4,133,865	15,928,477	10,654,034	2,677,976	13,332,010
IBNR	686,452	1,302,298	1,988,750	1,012,218	667,469	1,679,687
Deduct: Reinsurance Share	459,618	58,143	517,761	279,022	3,700	282,722
Expected Recovery	3,406,924	987,055	4,393,979	1,806,517	1,020,337	2,826,854
Net Outstanding Claims Provision	8,614,527	4,390,962	13,005,489	9,580,713	2,321,408	11,902,121
Opening Outstanding Claims Provision						
Reported	10,654,034	2,677,976	13,332,010	9,390,136	2,132,190	11,522,326
IBNR	1,012,218	667,469	1,679,687	1,397,673	368,223	1,765,896
Deduct: Reinsurance Share	279,022	3,700	282,722	269,289	42,165	311,454
Expected Recovery	1,806,517	1,020,337	2,826,854	857,355	865,182	1,722,537
Net Outstanding Claims Provision	9,580,713	2,321,408	11,902,121	9,661,165	1,593,066	11,254,231
Change In Outstanding Provision	(966,186)	2,069,558	1,103,372	(80,452)	728,342	647,890
Cost Of Claims Incurred	13,787,616	6,837,123	20,624,739	11,327,364	4,619,623	15,946,987
Net Earned Premium Income	17,096,715	6,938,288	24,035,003	15,654,398	5,536,683	21,191,081
Cost Of Claims Incurred	13,787,616	6,837,123	20,624,739	11,327,364	4,619,623	15,946,987
Add						
Commissions Received	112,800	19,389	132,189	-	8,145	8,145
Issuing Fees	784,622	207,242	991,864	734,189	118,004	852,193
Other Revenues	147,944	264	148,208	124,804	1,872	126,676
Total Revenues	4,354,465	328,060	4,682,525	5,186,027	1,045,081	6,231,108
Deduct						
Commissions Paid	900,470	861,287	1,761,757	852,346	590,622	1,442,968
Excess Of Loss Premium	192,973	97,430	290,403	205,488	75,798	281,286
Allocated Administrative Expenses	1,734,209	1,154,738	2,888,947	1,646,387	1,127,010	2,773,397
Other Expenses	421,737	114,094	535,831	509,098	-	509,098
Total Expenses	3,249,389	2,227,549	5,476,938	3,213,319	1,793,430	5,006,749
Underwriting Profit (Loss)	1,105,076	(1,899,489)	(794,413)	1,972,708	(748,349)	1,224,359

These statements are selective extracts from the English Financial Statement and should be read together with it.

Underwriting Profit (Loss) Account for the Marine Department for the Period Ended December 31

Description	2016			2015		
	Jordan	Abroad	Total	Jordan	Abroad	Total
Written Premiums	JD	JD	JD	JD	JD	JD
Direct Insurance	1,139,708	840,710	1,980,418	1,682,275	908,122	2,590,397
Facultative Reinsurance Accepted	266,095	-	266,095	510,336	-	510,336
Local Reinsurance Share	190,767	18,804	209,571	348,811	-	348,811
Foreign Reinsurance Share	989,510	692,587	1,682,097	1,562,974	788,453	2,351,427
Net Written Premiums	225,526	129,319	354,845	280,826	119,669	400,495
Opening Balance						
Unearned Premium Provision	401,994	158,368	560,362	563,215	190,250	753,465
Deduct: Reinsurance Share	340,979	129,687	470,666	490,875	160,831	651,706
Net Unearned Premium Provision	61,015	28,681	89,696	72,340	29,419	101,759
Ending Balance						
Unearned Premium Provision	454,760	208,819	663,579	401,994	158,368	560,362
Deduct: Reinsurance Share	395,040	174,457	569,497	340,979	129,687	470,666
Net Unearned Premium Provision	59,720	34,362	94,082	61,015	28,681	89,696
Change In Unexpired Risks Provision	1,295	(5,681)	(4,386)	11,325	738	12,063
Net Earned Premium Income	226,821	123,638	350,459	292,151	120,407	412,558
Claims Paid	292,083	171,829	463,912	963,546	433,903	1,397,449
Recoveries	1,328	2,070	3,398	14,846	16,649	31,495
Local Reinsurance Share	-	-	-	5,002	-	5,002
Foreign Reinsurance Share	246,369	148,229	394,598	796,427	373,933	1,170,360
Net Claims Paid	44,386	21,530	65,916	147,271	43,321	190,592
Closing Outstanding Claims Provision						
Reported	1,116,870	617,724	1,734,594	324,693	876,284	1,200,977
IBNR	18,000	28,000	46,000	18,937	4,063	23,000
Deduct: Reinsurance Share	989,672	572,132	1,561,804	251,133	812,907	1,064,040
Net Outstanding Claims Provision	145,198	73,592	218,790	92,497	67,440	159,937
Opening Outstanding Claims Provision						
Reported	324,693	876,284	1,200,977	188,704	483,288	671,992
IBNR	18,937	4,063	23,000	3,997	1,270	5,267
Deduct: Reinsurance Share	251,133	812,907	1,064,040	129,376	430,987	560,363
Net Outstanding Claims Provision	92,497	67,440	159,937	63,325	53,571	116,896
Change In Outstanding Provision	52,701	6,152	58,853	29,172	13,869	43,041
Cost Of Claims Incurred	97,087	27,682	124,769	176,443	57,190	233,633
Net Earned Premium Income	226,821	123,638	350,459	292,151	120,407	412,558
Cost Of Claims Incurred	97,087	27,682	124,769	176,443	57,190	233,633
Add						
Commissions Received	285,436	189,586	475,022	494,066	213,329	707,395
Issuing Fees	23,745	1,255	25,000	31,461	1,541	33,002
Other Revenues	204,216	-	204,216	255,553	-	255,553
Total Revenues	643,131	286,797	929,928	896,788	278,087	1,174,875
Deduct						
Commissions Paid	38,752	80,857	119,609	66,168	87,827	153,995
Excess Of Loss Premium	33,685	19,315	53,000	37,163	15,837	53,000
Allocated Administrative Expenses	124,215	84,487	208,702	152,030	138,426	290,456
Other Expenses	6,454	-	6,454	12,545	-	12,545
Total Expenses	203,106	184,659	387,765	267,906	242,090	509,996
Underwriting Profit (Loss)	440,025	102,138	542,163	628,882	35,997	664,879

These statements are selective extracts from the English Financial Statement and should be read together with it.

Underwriting Profit (Loss) Account for the Fire Department for the Period Ended December 31

Description	2016			2015		
	Jordan	Abroad	Total	Jordan	Abroad	Total
Written Premiums	JD	JD	JD	JD	JD	JD
Direct Insurance	9,491,084	949,773	10,440,857	8,654,531	956,627	9,611,158
Facultative Reinsurance Accepted	6,026,223	51,584	6,077,807	5,951,703	96,469	6,048,172
Local Reinsurance Share	6,412,703	5,147	6,417,850	6,383,881	19,769	6,403,650
Foreign Reinsurance Share	8,587,029	883,512	9,470,541	7,752,693	922,446	8,675,139
Net Written Premiums	517,575	112,698	630,273	469,660	110,881	580,541
Opening Balance						
Unearned Premium Provision	7,129,398	512,171	7,641,569	5,950,593	585,600	6,536,193
Deduct: Reinsurance Share	6,977,841	464,276	7,442,117	5,798,995	534,730	6,333,725
Net Unearned Premium Provision	151,557	47,895	199,452	151,598	50,870	202,468
Ending Balance						
Unearned Premium Provision	6,792,932	486,471	7,279,403	7,129,398	512,171	7,641,569
Deduct: Reinsurance Share	6,618,938	428,855	7,047,793	6,977,841	464,276	7,442,117
Net Unearned Premium Provision	173,994	57,616	231,610	151,557	47,895	199,452
Change In Unexpired Risks Provision	(22,437)	(9,721)	(32,158)	41	2,975	3,016
Net Earned Premium Income	495,138	102,977	598,115	469,701	113,856	583,557
Claims Paid	5,526,693	219,863	5,746,556	3,966,413	171,498	4,137,911
Recoveries	219,626	471	220,097	386,802	1,832	388,634
Local Reinsurance Share	65,307	-	65,307	(12,552)	2,982	(9,570)
Foreign Reinsurance Share	4,928,284	208,724	5,137,008	3,372,691	155,216	3,527,907
Net Claims Paid	313,476	10,668	324,144	219,472	11,468	230,940
Closing Outstanding Claims Provision						
Reported	6,054,254	2,959,392	9,013,646	11,290,727	2,996,083	14,286,810
IBNR	5,000	1,000	6,000	21,022	411	21,433
Deduct: Reinsurance Share	5,845,571	2,787,542	8,633,113	10,945,218	2,888,483	13,833,701
Net Outstanding Claims Provision	213,683	172,850	386,533	366,531	108,011	472,142
Opening Outstanding Claims Provision						
Reported	11,290,727	2,996,083	14,286,810	16,717,336	181,253	16,898,589
IBNR	21,022	411	21,433	17,690	449	18,139
Deduct: Reinsurance Share	10,945,218	2,888,483	13,833,701	16,284,929	161,245	16,446,174
Net Outstanding Claims Provision	366,531	108,011	474,542	450,097	20,457	470,554
Change In Outstanding Provision	(152,848)	64,839	(88,009)	(85,965)	87,553	1,588
Cost Of Claims Incurred	160,628	75,507	236,135	135,906	99,022	232,528
Net Earned Premium Income	495,138	102,977	598,115	469,701	113,856	583,557
Cost Of Claims Incurred	160,628	75,507	236,135	135,906	99,022	232,528
Add						
Commissions Receivd	1,153,218	242,175	1,395,393	1,128,428	268,873	1,397,301
Issuing Fees	113,353	1,984	115,337	146,881	1,951	148,832
Other Revenues	3,229	-	3,229	5,723	-	5,723
Total Revenues	1,604,310	271,629	1,875,939	1,614,827	285,658	1,902,885
Deduct						
Commissions Paid	64,458	87,915	152,373	50,868	101,758	152,626
Excess Of Loss Premium	236,023	41,577	277,600	159,499	34,067	193,566
Allocated Administrative Expenses	932,627	105,177	1,037,804	1,152,725	148,813	1,301,538
Other Expenses	70,358	2,135	72,493	71,066	51	71,117
Total Expenses	1,303,466	236,804	1,540,270	1,434,158	284,689	1,718,847
Underwriting Profit (Loss)	300,844	34,825	335,669	180,669	969	184,038

These statements are selective extracts from the English Financial Statement and should be read together with it.

Underwriting Profit (Loss) Account for the Liability Department for the Period Ended December 31

Description	2016			2015		
	Jordan	Abroad	Total	Jordan	Abroad	Total
Written Premiums	JD	JD	JD	JD	JD	JD
Direct Insurance	800,983	92,814	893,797	1,077,614	75,494	1,153,108
Facultative Reinsurance Accepted	145,597	4,517	150,114	161,503	-	161,503
Local Reinsurance Share	146,662	-	146,662	153,353	-	153,353
Foreign Reinsurance Share	754,494	75,189	829,683	1,052,725	61,456	1,114,181
Net Written Premiums	45,424	22,142	67,566	33,039	14,038	47,077
Opening Balance						
Unearned Premium Provision	603,483	31,525	635,008	817,864	29,999	847,863
Deduct: Reinsurance Share	588,330	25,141	613,471	797,568	23,901	821,469
Net Unearned Premium Provision	15,153	6,384	21,537	20,296	6,098	26,394
Ending Balance						
Unearned Premium Provision	513,511	42,552	556,063	603,483	31,525	635,008
Deduct: Reinsurance Share	492,248	34,512	526,760	588,330	25,141	613,471
Net Unearned Premium Provision	21,263	8,040	29,303	15,153	6,384	21,537
Change In Unexpired Risks Provision	(6,110)	(1,656)	(7,766)	5,143	(286)	4,857
Net Earned Premium Income	39,314	20,486	59,800	38,182	13,752	51,934
Claims Paid	205,902	-	205,902	34,286	-	34,286
Recoveries	2,675	-	2,675	105	-	105
Local Reinsurance Share	17,181	-	17,181	-	-	-
Foreign Reinsurance Share	174,070	-	174,070	29,753	-	29,753
Net Claims Paid	11,976	-	11,976	4,428	-	4,428
Closing Outstanding Claims Provision						
Reported	766,449	-	766,449	815,976	-	815,976
IBNR	6,000	-	6,000	149	-	149
Deduct: Reinsurance Share	751,981	-	751,981	796,491	-	796,491
Net Outstanding Claims Provision	20,468	-	20,468	19,634	-	19,634
Opening Outstanding Claims Provision						
Reported	815,976	-	815,976	457,863	-	457,863
IBNR	149	-	149	-	-	-
Deduct: Reinsurance Share	796,491	-	796,491	434,336	-	434,336
Net Outstanding Claims Provision	19,634	-	19,634	23,527	-	23,527
Change In Outstanding Provision	834	-	834	(1,494)	-	(1,494)
Cost Of Claims Incurred	12,810	-	12,810	535	-	535
Net Earned Premium Income	39,314	20,486	59,800	38,182	13,752	51,934
Cost Of Claims Incurred	12,810	-	6,810	535	-	535
Add						
Commissions Received	100,231	25,614	125,845	152,488	22,728	175,216
Issuing Fees	13,518	532	14,050	13,775	328	14,103
Other Revenues	-	-	-	-	-	-
Total Revenues	140,253	46,632	186,885	203,910	36,808	238,318
Deduct						
Commissions Paid	28,466	11,924	40,390	25,849	10,601	36,450
Excess Of Loss Premium	-	-	-	-	-	-
Allocated Administrative Expenses	76,720	5,929	82,649	106,684	8,367	115,051
Other Expenses	-	-	-	-	-	-
Total Expenses	105,186	17,853	123,039	132,533	18,968	151,501
Underwriting Profit (Loss)	35,067	28,779	63,846	71,377	17,840	86,817

These statements are selective extracts from the English Financial Statement and should be read together with it.

Underwriting Profit (Loss) Account for the Other Classes Department for the Period Ended December 31

Description	2016			2015		
	Jordan	Abroad	Total	Jordan	Abroad	Total
Written Premiums	JD	JD	JD	JD	JD	JD
Direct Insurance	178,616	228,413	407,029	130,388	199,012	329,400
Facultative Reinsurance Accepted	1,712	-	1,712	8,638	-	8,638
Local Reinsurance Share	-	-	-	-	-	-
Foreign Reinsurance Share	106,082	13,299	119,381	90,993	9,944	100,937
Net Written Premiums	74,246	215,114	289,360	48,033	189,068	237,101
Opening Balance						
Unearned Premium Provision	45,881	94,174	140,055	90,133	84,822	174,955
Deduct: Reinsurance Share	26,307	3,818	30,125	56,074	3,316	59,390
Net Unearned Premium Provision	19,574	90,356	109,930	34,059	81,506	115,565
Ending Balance						
Unearned Premium Provision	65,183	109,777	174,960	45,881	94,174	140,055
Deduct: Reinsurance Share	40,162	5,699	45,861	26,307	3,818	30,125
Net Unearned Premium Provision	25,021	104,078	129,099	19,574	90,356	109,930
Change In Unexpired Risks Provision	(5,447)	(13,722)	(19,169)	14,485	(8,850)	5,635
Net Earned Premium Income	68,799	201,392	270,191	62,518	180,218	242,736
Claims Paid	19,021	69,212	88,233	49,546	19,538	69,084
Recoveries	-	-	-	-	-	-
Local Reinsurance Share	-	-	-	-	-	-
Foreign Reinsurance Share	12,075	27,454	39,529	31,135	-	31,135
Net Claims Paid	6,946	41,758	48,704	18,411	19,538	37,949
Closing Outstanding Claims Provision						
Reported	122,859	94,653	217,512	77,228	75,975	153,203
IBNR	-	17,000	17,000	2,941	32	2,973
Deduct: Reinsurance Share	83,113	-	83,113	50,117	-	50,117
Net Outstanding Claims Provision	39,746	111,653	151,399	30,052	76,007	106,059
Opening Outstanding Claims Provision						
Reported	77,228	75,975	153,203	118,996	47,880	166,876
IBNR	2,941	32	2,973	54	1,846	1,900
Deduct: Reinsurance Share	50,117	-	50,117	78,924	-	78,924
Net Outstanding Claims Provision	30,052	76,007	106,059	40,126	49,726	89,852
Change In Outstanding Provision	9,694	35,646	45,340	(10,074)	26,281	16,207
Cost Of Claims Incurred	16,640	77,404	94,044	8,337	45,819	54,156
Net Earned Premium Income	68,799	201,392	270,191	62,518	180,218	242,736
Cost Of Claims Incurred	16,640	77,404	94,044	8,337	45,819	54,156
Add						
Commissions Received	15,782	4,988	20,770	15,095	3,976	19,071
Issuing Fees	3,739	301	4,040	3,125	357	3,482
Other Revenues	-	-	-	-	-	-
Total Revenues	71,680	129,277	200,957	72,401	138,732	211,133
Deduct						
Commissions Paid	4,693	25,823	30,516	6,058	19,381	25,439
Excess Of Loss Premium	-	-	-	-	-	-
Allocated Administrative Expenses	14,254	17,861	32,115	12,075	26,338	38,413
Other Expenses	-	-	-	-	-	-
Total Expenses	18,947	43,684	62,631	18,133	45,719	63,852
Underwriting Profit (Loss)	52,733	85,593	138,326	54,268	93,013	147,281

These statements are selective extracts from the English Financial Statement and should be read together with it.

Underwriting Profit (Loss) Account for the Medical Department for the Period Ended December 31

Description	2016			2015		
	Jordan	Abroad	Total	Jordan	Abroad	Total
Written Premiums	JD	JD	JD	JD	JD	JD
Direct Insurance	7,391,338	2,971,178	10,362,516	7,648,370	1,817,833	9,466,203
Local Reinsurance Share	10,533	3,716	14,249	17,135	-	17,135
Foreign Reinsurance Share	2,829,779	1,944,197	4,773,976	3,121,123	1,117,714	4,238,837
Net Written Premiums	4,551,026	1,023,265	5,574,291	4,510,112	700,119	5,210,231
Opening Balance						
Unearned Premium Provision	2,838,714	497,305	3,336,019	2,551,058	409,920	2,960,978
Deduct: Reinsurance Share	1,461,338	397,844	1,859,182	1,361,911	327,936	1,689,847
Net Unearned Premium Provision	1,377,376	99,461	1,476,837	1,189,147	81,984	1,271,131
Ending Balance						
Unearned Premium Provision	2,999,899	1,583,664	4,583,563	3,037,905	544,342	3,582,247
Deduct: Reinsurance Share	1,178,481	1,047,201	2,225,682	1,461,338	397,844	1,859,182
Net Unearned Premium Provision	1,821,418	536,463	2,357,881	1,576,567	146,498	1,723,065
Change In Unexpired Risks Provision	(444,042)	(437,002)	(881,044)	(387,420)	(64,514)	(451,934)
Net Earned Premium Income	4,106,984	586,263	4,693,247	4,122,692	635,605	4,758,297
Claims Paid	5,650,926	1,512,357	7,163,283	5,830,814	1,212,720	7,043,534
Local Reinsurance Share	-	-	-	-	-	-
Foreign Reinsurance Share	2,973,479	1,216,307	4,189,786	2,929,295	970,443	3,899,738
Net Claims Paid	2,677,447	296,050	2,973,497	2,901,519	242,277	3,143,796
Closing Outstanding Claims Provision						
Reported	254,712	146,523	401,235	251,288	79,928	331,216
IBNR	381,000	288,844	669,844	437,863	218,867	656,730
Deduct: Reinsurance Share	318,065	363,384	681,449	375,871	239,037	614,908
Net Outstanding Claims Provision	317,647	71,983	389,630	313,280	59,758	373,038
Opening Outstanding Claims Provision						
Reported	251,288	79,928	331,216	248,716	24,611	273,327
IBNR	437,863	218,867	656,730	657,818	77,347	735,165
Deduct: Reinsurance Share	375,871	239,037	614,908	487,904	81,568	569,472
Net Outstanding Claims Provision	313,280	59,758	373,038	418,630	20,390	439,020
Change In Outstanding Provision	4,367	12,225	16,592	(105,350)	39,368	(65,982)
Cost Of Claims Incurred	2,681,814	308,275	2,990,089	2,796,169	281,645	3,077,814
Net Earned Premium Income	4,106,984	586,263	4,693,247	4,122,692	635,605	4,758,297
Cost Of Claims Incurred	2,681,814	308,275	2,990,089	2,796,169	281,645	3,077,814
Add						
Commissions Received	416	433	849	-	-	-
Issuing Fees	242,664	67	242,731	237,454	-	237,454
Other Revenues	6,181	-	6,181	3,560	-	3,560
Total Revenues	1,674,431	278,488	1,952,919	1,567,537	353,960	1,921,497
Deduct						
Commissions Paid	189,222	173,359	362,581	187,279	134,044	321,323
Excess Of Loss Premium	-	-	-	-	-	-
Allocated Administrative Expenses	601,171	330,998	932,169	505,339	283,963	789,302
Other Expenses	435,191	105,557	540,748	375,006	92,036	437,042
Total Expenses	1,225,584	609,914	1,835,498	1,067,624	510,043	1,577,667
Underwriting Profit (Loss)	448,847	(331,426)	117,421	499,913	(156,083)	343,830

These statements are selective extracts from the English Financial Statement and should be read together with it.

Underwriting Profit (Loss) Account for the Life Department for the Period Ended December 31

Description	31 December	
	2016	2015
Written Premiums	JD	JD
Direct Insurance	18,367,301	13,930,322
Local Reinsurance Share	556,957	527,854
Foreign Reinsurance Share	11,125,549	8,296,256
Net Written Premiums	6,684,795	5,106,212
Opening Balance		
Mathematical Provision	2,920,612	2,719,074
Deduct: Reinsurance Share	1,150,782	890,343
Net Mathematical Provision	1,769,830	1,828,731
Ending Balance		
Mathematical Provision	3,809,172	2,920,612
Deduct: Reinsurance Share	1,519,102	1,150,782
Net Mathematical Provision	2,290,070	1,769,830
Change In Mathematical Provision	(520,240)	58,901
Net Earned Premium Income	6,164,555	5,165,113
Claims Paid	13,386,040	9,679,297
Maturity & Surrender Of Policies	92,611	188,016
Local Reinsurance Share	149,491	188,615
Foreign Reinsurance Share	9,929,458	6,630,968
Net Claims Paid	3,399,702	3,047,730
Ending Balance		
Reported	3,564,784	2,639,254
Deduct: Reinsurance Share	2,843,079	2,128,549
Net Outstanding Claims Provision	721,705	510,705
Opening Balance		
Reported	2,639,254	1,513,832
Deduct: Reinsurance Share	2,128,549	1,101,135
Net Outstanding Claims Provision	510,705	412,697
Change In Outstanding Provision	211,000	98,008
Cost Of Claims Incurred	3,610,702	3,145,738
Net Earned Premium Income	6,164,555	5,165,113
Cost Of Claims Incurred	3,610,702	3,145,738
Add		
Commissions Received	47,989	126,660
Issuing Fees	430,866	258,840
Investment Income Attributable To U/W	224,501	90,037
Other Revenues	264,095	449,799
Total Revenues	3,521,304	2,944,711
Deduct		
Commissions Paid	941,119	551,785
Allocated Administrative Expenses	1,410,805	1,193,389
Other Expenses	201,204	149,097
Total Expenses	2,553,128	1,894,271
Underwriting Profit (Loss)	968,177	1,050,440

These statements are selective extracts from the English Financial Statement and should be read together with it.

65 ANNIVERSARY

NOTES TO FINANCIAL STATEMENTS

1. General

a. The Company was established in 1951 and is registered as a Jordanian Public Shareholding Company under Number (11) with a paid-up capital of JD 100,000. On July 12, 1981, the Company's capital was raised to JD 1,100,000.

On May 1, 1988, the Company merged with General Assurance Company for the Near East (National Union) in Jordan, after the evaluation of the two companies' assets. Accordingly, the Company's capital was increased to JD 5,000,000 divided into 5,000,000 shares.

The Company's capital was raised gradually with the latest increase in 2006, in which the authorized Company capital was raised by JD 10,000,000 to reach JD 30,000,000 divided into 30,000,000 shares. The Company is involved in various insurance activities and has branches in Abu Dhabi, Sharjah, Dubai and marketing insurance policies in Kuwait through an agency.

b. The financial statements were approved by the Board of Directors on 23/2/2017, subject to the approval of the General Assembly of Shareholders.

2. Significant Accounting Policies

Basis of Preparation

- The financial statements have been prepared according to the Standards issued by the International Accounting Standards Board and in accordance with the forms prescribed by the Jordanian Insurance Commission.

- The financial statements have been prepared according to the historical cost convention except for financial assets and financial liabilities at fair value through the statement of income and financial assets at fair value through the statement of comprehensive income that are presented at fair value at the date of the financial statements. Moreover, financial assets and financial liabilities that have been hedged for the risk of change in fair value are presented in fair value.

- The Jordanian Dinar is the functional and reporting currency of the financial statements.

Basis of Consolidating the Financial Statements

- The financial statements include the financial statements of the Company with its foreign branches.

- The accounting policies adopted in the financial statements are consistent with those applied in the year ended December 31, 2015.

Sector Information

- The business sector represents a set of assets and operations that jointly provide products and services subject to risks and returns different from those of other business sectors that are measured in accordance to the reports used by the executive manager and the main decision maker in the Company.

- The geographic sector relates to the provision of products and services in a defined economic environment subject to risks and returns different from those of other economic environments.

Financial Assets at Fair Value Through Profit or Loss

Financial assets at fair value through profit or loss represent shares and bonds 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 profit or loss are initially stated at fair value at 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 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 statement of income.

Dividends and interest from these financial assets are recorded in the statement of income.

These financial assets are not subject to revaluation for impairment losses.

Financial Assets at Fair Value Through Other Comprehensive Income

- Financial assets at fair value through other comprehensive income represent strategic investments in the Company's shares for the purpose of keeping them in the long term.

- Financial assets at fair value through other comprehensive income are initially stated at fair value including acquisition costs upon purchase, and are subsequently re-measured to fair value. Moreover, changes to fair value

are recorded in the statement of other comprehensive income and in shareholders' equity including the change in fair value resulting from foreign currency exchange translation of non-monetary assets. If these financial assets were sold, the resulting gains or losses are taken to the statement of other comprehensive income and in shareholders' equity. The valuation reserve of sold financial assets is transferred directly to retained earnings, but not through the statement of income.

- Dividends from these financial assets are recorded in the statement of income.

Date of Recognition of Financial Assets

Financial assets are recognized on the trading date (which is the date the Company commits itself to purchase or sale of the financial assets).

Fair Value

Closing market prices (acquiring assets/selling liabilities) in the active market at the date of the financial statement represent the fair value of financial derivatives traded. In case declared market prices do not exist, active trading of some financial assets and derivatives is not available or the market is inactive, fair value is estimated by one of several methods including the following:

- Comparison with the market value of another financial asset with similar terms and conditions.
- Analysis of the present value of expected future cash flows for similar instruments.
- Adoption of the option pricing models.

The valuation methods aim at providing a fair value reflecting the expectations of the market, expected risks and expected benefits. Moreover, financial assets, the fair value of which can not be reliably measured, are stated at cost, less any impairment.

Impairment in the Value of Financial Assets

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

Impairment Is Determined as Follows:
Impairment in financial assets recorded at amortized cost is determined on the basis of the present value of the expected cash flows discounted at the original interest rate.

The impairment in value is recorded in the statement of income. Any surplus in the following period resulting from previous declines in the fair value of financial assets is taken to the statement of income.

Property Investment

Property investment is stated at cost, not of accumulated depreciation (except land). Moreover, property investment is depreciated according to its productive useful life at a rate of 2%. Any impairment is taken to the statement of income. Furthermore, gains or operating costs are recorded in the statement of income.

Property investment is evaluated in accordance with the regulations of the insurance commission and its fair value is disclosed in the financial statements.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash balances with banks and financial institutions maturing within three months, less bank accounts payable and restricted funds.

Reinsurance Accounts

Reinsurers' shares of insurance premiums, paid claims, technical provisions and all other rights and obligations resulting from reinsurance based on contracts concluded between the Company and reinsurers are accounted for on the accrual basis.

Impairment in Reinsurance Assets

In case there is any indication as to the impairment of the reinsurance assets of the Company, which possesses the reinsured contracts, the Company has to reduce the present value of the contracts and record the impairment in the statement of income. The impairment is recognized in the following two cases only:

1. There is objective evidence resulting from an event that took place after the recording of the reinsurance assets confirming the Company's inability to recover all the amounts under the contract terms.
2. The event has a reliably and clearly measurable effect on the amounts that the Company will recover from reinsurers.

Acquisition Costs of Insurance Policies

Acquisition costs represent the costs incurred by the Company against selling, underwriting, or starting new insurance contracts. The acquisition costs are recorded in the statement of income.

Property and Equipment

Property and equipment are stated at cost, net of accumulated depreciation and accumulated impairment. Moreover, fixed assets (except land) are depreciated according to the straight-line method over their estimated useful lives using the following yearly rates. Depreciation is recorded in the statement of income as follows:

Buildings	2%
Furniture, fixtures, and equipment	7% - 25%
Vehicles	15%

Property and equipment are depreciated when ready for their intended use.

When the recoverable values of property and equipment is less than their carrying amounts, assets are written down and impairment losses are recorded in the statement of income.

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

The gains or losses resulting from the disposal or derecognition of property and equipment, representing the difference between the property and equipment sale proceeds and their book value, are recorded in the statement of income.

Property and equipment are derecognized when disposed of or when there is no expected future benefit from their use or disposal.

Pledged financial assets

Financial assets that are pledged by other parties are given with the right to have control over them (sell or re-pledge). Continuous valuation of these assets is made in accordance with the accounting policies adopted, based on each asset's original classification.

Provisions

Provisions are recognized when the Company has an obligation on the date of the 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.

Amounts recognized as provisions represent the best evaluation of the amounts required to settle the obligation as of the financial statements date, taking into consideration risks and the uncertainty relating to the obligation. When the provision amount is determined on the basis of the expected cash flows for the settlement of the current obligation, its book value represents the present value of these cash flows.

When it is expected that some or all of the economic benefits required from other parties to settle the provision will be recovered, the receivable is recognized within assets if receipt of the compensations is actually certain and their value can be reliably measured.

a. Technical Provisions

Technical provisions are taken and maintained according to the regulations of the Insurance Commission as follows:

1. The provision for unearned premiums for general insurance activities is calculated according to the remaining days up to the expiry date of the insurance policy after the financial statements date on the basis of a 365-day year except for marine and land transport insurance for which the provision is calculated on the basis of written premiums of the policies issued on the date of the financial statements according to laws, regulations and instructions issued for this purpose.

2. The provision for (reported) claims is computed by determining the maximum total expected costs for each claim on an individual basis.

3. Additional provisions for incurred but not reported claims are calculated based on the Company's experience and estimates.

4. Unearned premium reserved for life insurance is calculated based on the Company's experience and estimates, in addition to the actual expert.

5. Mathematical reserve for life insurance policies is calculated based on actuarial formulas that are reviewed periodically by an independent actuarial expert.

b. Provision for Doubtful Debts

A provision for doubtful debts is taken when there is objective evidence that whole or part of these debts has become irrecoverable. The provision is calculated as the difference between the book value and recoverable value.

c. End of Service Indemnity Provision

End of Service indemnity provision is calculated based on the internal regulations prepared by the Company in accordance with the Jordanian Companies Law.

Annual compensations paid to the terminated employees are charged to the End of Service indemnity provision when paid. Moreover, an allowance for the Company's liabilities in connection with End of Service compensations is taken to the statement of income.

Liability Adequacy Test

At the statement of financial position date, the adequacy and suitability of the insurance liabilities are evaluated through the calculation of the present value of the future cash flows relating to the outstanding insurance policies.

If the evaluation shows that the present value of the insurance liabilities (various purchase expenses less suitable and related intangible assets) is inadequate compared to the expected future cash flows, the full impairment is recorded in the 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 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 acceptable by the tax authorities, as well as unallowable and non-taxable items.

- Taxes are calculated on the basis of the tax rates prescribed according to the prevailing laws, regulations and instructions in the countries the company operates in.

Deferred Taxes

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 financial statements and the value of the taxable amount.

Moreover, deferred taxes are calculated according to the statement of financial position liability method based on the tax rates expected to be applied at the tax settlement date or the realization of the deferred tax assets or liabilities.

- The balances of deferred tax assets and liabilities are reviewed at the statement of financial position date and reduced in case they are expected not to be utilized or are no longer needed, wholly or partially.

Issuance or Purchase Costs of the Insurance Company Shares

Any costs resulting from the issuance or purchase of the Company's shares are posted to the retained earnings (net of the tax effect on these costs). Moreover, if the issuance or purchase process was not complete, the costs will be posted as expenses in the statement of income.

Offsetting

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

Revenue Recognition

a. Insurance Contracts

Insurance premiums arising from insurance contracts are recorded as revenue for the year (earned insurance premiums) on the basis of the maturities of time periods and in accordance with the insurance coverage periods. Insurance premiums from insurance contracts unearned at the date of the statement of financial position are recorded as unearned insurance premiums within liabilities.

Claims and incurred losses settlement expenses are recorded in the statement of income based on the expected liability amount of the compensation relating to the insurance policyholders or other affected parties.

b. Dividends and Interest

Dividends from investments are recorded when the right of the shareholder to receive dividends arises upon the related resolution of the General Assembly of Shareholders.

Interest income is calculated according to the accrual basis based on the maturities of the time periods, original principals and earned interest rate.

c. Rent

Rent revenue is recognized from property investments through operating rent contracts, using the straight line method over the contracts' periods. Other expenses are recognized on the accrual basis.

Expense Recognition
All commissions and other costs relating to the acquisition of new or renewed insurance policies are amortized in the statement of income upon their occurrence. Other expenses are recognized on the accrual basis.

Insurance Compensations
Insurance compensations represent the claims paid during the period and the change in the claims provision. The insurance compensations represent all the amounts paid during the year whether they relate to the current year or previous years. Moreover, outstanding claims represent the highest estimated amount for the settlement of all claims resulting from events that took place prior to the statement of financial position date but were still unsettled at that date. Moreover, outstanding claims are calculated on the basis of the best information available at the date of the financial statements and include the incurred but not reported claims provision.

Salvage and Subrogation Reimbursements
Estimates of salvage and subrogation reimbursements are considered as an allowance in the measurement of the insurance liability for claims.

General, Administrative and Employee Expenses
All distributable general and administrative expenses are loaded on insurance branches separately. Moreover, 80% of undistributable general, administrative and employee expenses have been allocated to the various insurance departments on the basis of the earned premiums of each department in proportion to total premiums.

Foreign Currencies
Transactions during the year in foreign currencies are recorded at the exchange rates prevailing at the transaction date.

Financial assets and financial liabilities denominated in foreign currencies are translated according to the average exchange rates issued by the Central Bank of Jordan at the date of the statement of financial position.

Non-monetary assets and non-monetary liabilities denominated in foreign currencies are translated at fair value at the date of the determination of their fair value.

Exchange gains or losses resulting therefrom are taken to the statement of income.

Translation differences are posted to the assets and liabilities items in non-monetary foreign currencies as part of the change in fair value.

3. Use of Estimates

Preparation of the financial statements and application of the accounting policies require the Company's management to perform estimates and judgments that affect the amounts of the financial assets and liabilities, and disclosures relating to contingent liabilities. These estimates and judgments also affect revenues, expenses, provisions and changes in the fair value shown within shareholders' equity. In particular, management is required to issue significant judgments to assess future cash flows and their timing. The above-mentioned estimates are based on several assumptions and factors with varying degrees of estimation and uncertainty. Moreover, the actual results may differ from the estimates due to changes resulting from the circumstances and situations of those estimates in the future.

Management believes that the estimates within the financial statements are reasonable. The details are as follows:

- A provision for accounts receivable is made according to the various assumptions and basis adopted by management to evaluate the required provision as per International Financial Reporting Standards.

- Management periodically reevaluates the productive lives of tangible assets for the purpose of calculating annual depreciation based on the general condition of those assets and the estimates of their expected productive lives in the future. Any impairment loss is taken to the statement of income.

- Income tax provision: the financial year is charged with its part from income tax according to the prevailing regulations and the international financial reporting standards. The required income tax provision is calculated and posted.

The claims provision and technical provisions are taken based on technical studies, and according to the instructions of the Insurance Commission. Moreover, the mathematical reserve is taken based on actuarial studies.

- A provision for lawsuits against the Company is based on a legal study conducted by the Company's lawyer, according to which probable future risks are

determined. A review of such studies is performed periodically.

- Management reviews the financial assets, shown at amortized cost, to evaluate any impairment in their value. Such impairment is taken to the statement of income.

- Property investments are evaluated by independent real estate experts in accordance with the regulations of the Insurance Commission. Moreover, the fair value of the property investments is disclosed in the financial statements.

- Fair value hierarchy: the standard requires the Company to determine and disclose the level in the fair value hierarchy into which the fair value measurements are categorized in their entirety, segregating fair value measurements in accordance with the levels defined in IFRS. Differentiating between Level 2 and Level 3 fair value measurements, i.e., assessing whether inputs are observable and whether the unobservable inputs are significant may require judgment and a careful analysis of the inputs used to measure fair value, including consideration of factors specific to the asset or liability.

4. Deposits at Banks:

Description	31/12/2016			31/12/2015
	Deposits due in three months	Deposits due more than one year	Total	Total
	JD	JD	JD	JD
Inside Jordan	3,098,949	435,322	3,534,271	2,826,104
Outside Jordan	638,250	1,763,054	2,401,304	2,086,804
Total	3,737,199	2,198,376	5,935,575	4,912,908

5. Financial Assets at Fair Value Through Profit or Loss Value:

Description	31 December	
	2016	2015
	JD	JD
Company Shares Listed	4,124,466	4,748,521
Total	4,124,466	4,748,521

6. Financial Assets at Fair Value Through Other Comprehensive Income:

Description	31 December	
	2016	2015
	JD	JD
Inside Jordan		
Shares	4,667,867	4,381,033
Total Inside Jordan	4,667,867	4,381,033
Outside Jordan		
Shares	11,352,242	11,473,659
Total Outside Jordan	11,352,242	11,473,659
Total	16,020,109	15,854,692

These statements are selective extracts from the English Financial Statement and should be read together with it.

7. Property Investments - Net:

Description	31 December 2016 JD	31 December 2015 JD
Lands	15,263,864	13,836,252
Buildings - Net	3,994,717	3,071,367
Total	19,258,581	16,907,619

8. Loans and Advances of the Life Department:

Description	31 December 2016 JD	31 December 2015 JD
Loans For Policyholders - Less Than Surrender Value	27,012	34,828
Total	27,012	34,828

9. Cash on Hand and at Banks:

Description	31 December 2016 JD	31 December 2015 JD
Cash On Hand	134,092	108,499
Cash At Banks (Current Accounts)	5,335,715	4,850,378
Total	5,469,807	4,958,877

10. Checks Under Collection and Notes Receivable:

Description	31 December 2016 JD	31 December 2015 JD
Notes Receivable	35,350	35,350
Checks Under Collection	4,451,871	3,099,603
Deduct : Provision For Checks Under Collection	(90,000)	-
Total	4,397,221	3,134,953

These statements are selective extracts from the English Financial Statement and should be read together with it.

11. Accounts Receivable - Net:

Description	31 December 2016 JD	31 December 2015 JD
Policyholder	16,614,413	14,386,008
Agents	2,029,650	2,168,852
Employees	101,095	87,394
Others	873,173	2,925,509
Deduct: Provision For Doubtful Debts	(2,815,324)	(4,770,284)
Total	16,803,007	14,797,209

12. Insurance Companies Accounts:

Description	31 December 2016 JD	31 December 2015 JD
Local Insurance Companies	3,058,518	3,121,018
Foreign Reinsurance Companies	1,563,333	2,638,970
Deduct: Provision For Doubtful Debts	(247,314)	(117,314)
Total	4,374,537	5,642,674

13. Income Tax

a. Income Tax Provision:

Description	31 December 2016 JD	31 December 2015 JD
Beginning Balance	352,005	962,700
Income Tax Paid	(769,820)	(1,252,594)
Provision For Income Tax	649,618	641,899
Ending Balance	231,803	352,005

b. Assets Deferred Tax:

Description	31/12/2016 Beginning Balance JD	Adjustments JD	Release JD	Ending Balance JD	Deferred Tax JD	31/12/2015 Deferred Tax JD
Assets Deferred Tax						
Doubtful Debts Provision	3,962,273	230,000	2,108,767	2,083,506	500,041	950,946
Provision For Staff End Of Service Indemnity	161,664	36,056	40,000	157,720	37,853	38,799
IBNR Provision	1,493,130	-	396,678	1,096,452	263,148	358,351
Total	5,617,067	266,056	2,545,445	3,337,678	801,042	1,348,096

These statements are selective extracts from the English Financial Statement and should be read together with it.

14. Fixed Assets - Net:

Description	31/12/2016			31/12/2015		
	Cost	Accumulated Depreciation	Net Book Value	Cost	Accumulated Depreciation	Net Book Value
	JD	JD	JD	JD	JD	JD
Lands	511,113	-	511,113	511,113	-	511,113
Buildings	586,730	164,972	421,758	570,958	154,103	416,855
Equipment, Machinery & Furniture	1,415,612	1,157,674	257,738	1,322,781	1,037,049	285,732
Vehicles	348,659	230,024	118,635	367,437	213,731	153,706
Total	2,861,914	1,552,670	1,309,244	2,772,289	1,404,883	1,367,406

15. Intangible Assets - Net:

Description	31 December	
	2016	2015
	JD	JD
	Computer System & Software	Computer System & Software
Beginning Balance	579,606	497,503
Additions	35,205	82,103
Amortization	(523,547)	(484,133)
Ending Balance	91,264	95,473

16. Other Assets:

Description	31 December	
	2016	2015
	JD	JD
Refundable Deposits	434,090	499,650
Prepaid Expenses	560,600	606,023
Accrued Revenues	2,665	3,192
Others	15,409	61,098
Total	1,012,764	1,169,963

17. Accumulated Mathematical Reserve - Net:

Description	31 December	
	2016	2015
	JD	JD
Company's Share From Mathematical Reserve	2,290,070	1,769,830
Total	2,290,070	1,769,830

These statements are selective extracts from the English Financial Statement and should be read together with it.

18. Accounts Payable:

Description	31 December 2016 JD	31 December 2015 JD
Policyholders	813,045	1,319,980
Garages And Spare Parts	341,328	456,200
Agents	759,180	695,342
Others	593,744	421,857
Total	2,507,297	2,893,379

19. Insurance Companies Accounts:

Description	31 December 2016 JD	31 December 2015 JD
Local Insurance Companies	1,780,770	1,712,987
Foreign Reinsurance Companies	5,046,840	5,634,839
Total	6,827,610	7,347,826

20. Other Provisions:

Description	31 December 2016 JD	31 December 2015 JD
Annual Leaves Provision	3,278	3,278
Provision For Accrued Policies Matured	151,118	57,730
Insurance Regulatory Commission Fees Provision	20,637	20,637
Provision For Staff End Of Service Indemnity	33,650	27,527
Provision For Group Life Policies Profit Commission	719,610	737,681
Total	928,293	846,853

21. Other Liabilities:

Description	31 December 2016 JD	31 December 2015 JD
Unearned Revenues	386,433	370,520
Accrued Expenses	263,858	189,650
Board Of Directors' Remuneration	55,000	55,000
Premiums In Advance	273	273
Car Parking Deposits	4,655	4,655
The Ministry Of Finance Deposits	431,835	173,145
Other Deposits	5,681	6,709
Total	1,147,745	799,952

These statements are selective extracts from the English Financial Statement and should be read together with it.

22. Financial Assets Revaluation Reserve:

Description	31 December 2016 JD	31 December 2015 JD
Beginning Balance	(7,244,924)	(2,317,225)
Change In Fair Value	(463,528)	(4,927,699)
Ending Balance	(7,708,452)	(7,244,924)

23. Interest Revenue:

Description	31 December 2016 JD	31 December 2015 JD
Bank Interest	66,044	43,795
Dividends Received	48,337	90,037
Total	114,381	133,832
Amount Transferred To Underwriting Accounts/Life Dep	48,337	90,037
Amount Transferred To Statement Of Income	66,044	43,795

24. Income from Financial Assets and Investments - Net:

Description	31 December 2016 JD	31 December 2015 JD
Dividends Received	320,311	700,397
Loss From The Sale Of Financial Assets At Fair Value Through Profit Or Loss Value	(27,543)	514,300
Gain From The Revaluation Of Financial Assets At Fair Value Through Profit Or Loss Value	(66,328)	(181,721)
Real Estate Investment Returns	347,990	-
Rental Income - Net	364,209	334,074
Total	938,639	1,367,050

25. Other Revenues:

Description	31 December 2016 JD	31 December 2015 JD
Foreign Exchange Differences	(44,606)	14,775
Other	872,956	942,637
Total	828,350	957,412

These statements are selective extracts from the English Financial Statement and should be read together with it.

26. Employee Expenses:

Description	31 December 2016 JD	31 December 2015 JD
Salaries & Bonuses	3,984,044	4,116,594
Provident Fund	209,044	211,928
Company Contributions To Social Security	324,249	323,328
Medical Expenses	348,904	261,787
Employee Training & Development	16,635	35,814
Travel & Transportation	210,212	268,563
Total	5,093,088	5,218,014
Allocated Employee Expenses - General Insurance	4,304,327	4,416,268
Unallocated Employee Expenses	788,761	801,746
Total	5,093,088	5,218,014

27. Administrative and General Expenses:

Description	31 December 2016 JD	31 December 2015 JD
Rents	113,959	124,991
Stationary & Publications	179,938	114,730
Advertisements	16,783	24,513
Bank Interest	11,562	9,845
Electricity, Heating & Water	61,070	63,521
Repairs	11,516	17,138
Post & Telecommunication	126,701	177,169
National Agent Commission/Outside Jordan	40,700	40,700
Professional Fees	69,491	61,398
Hospitality	67,684	87,867
Lawyer Fees & Expenses	132,129	106,669
Revaluation Expenses	6,864	4,450
Computer Maintenance	12,487	10,471
Computer Program Licences	30,698	24,014
Computer Program Service	98,577	76,213
Subscriptions	22,359	23,412
Board Members' Transportation Fees	132,000	132,000
Tenders Expenses	114,556	94,179
Legal Fees & Expenses	188,690	150,290
Donations	118,275	112,581
Insurance Expenses	45,629	30,897
Marketing Expenses	365,595	399,614
Discount Allowed & Bad Debts Expenses	199,844	58,930
Others	556,495	530,097
Total	2,723,602	2,475,689
Allocated General And Administrative Expenses - General Insurance	2,288,863	2,085,278
Unallocated General And Administrative Expenses	434,739	390,411
Total	2,723,602	2,475,689

These statements are selective extracts from the English Financial Statement and should be read together with it.

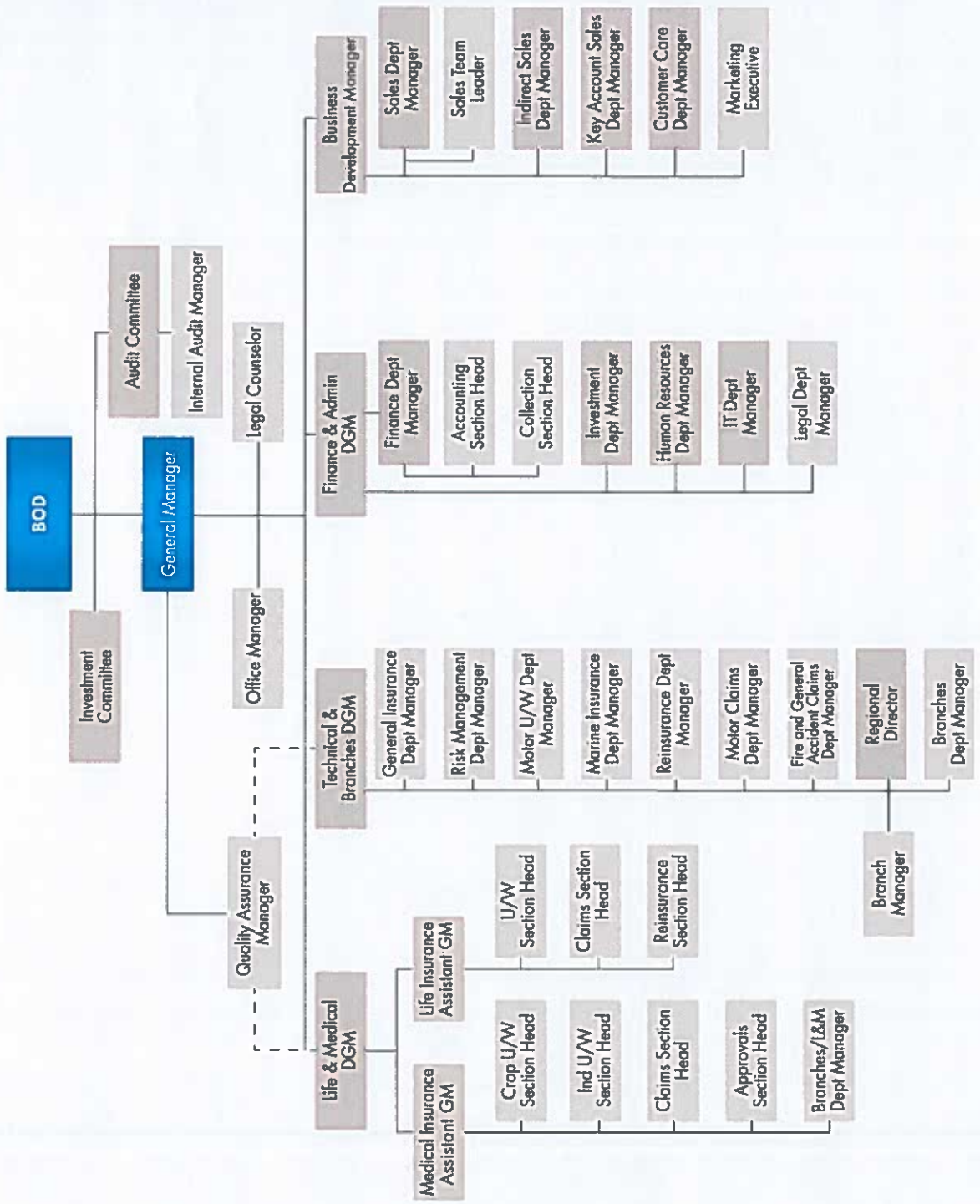
28. Earnings Per Share:

Description	31 December	
	2016	2015
	JD	JD
Net Income For The Year After Tax And Fees	1,189,214	623,851
Weighted Average Of Stocks	30,000,000	30,000,000
Earnings Per Share For The Year	0.40 %	0.21 %

29. Cash & Cash Equivalent:

Description	31 December	
	2016	2015
	JD	JD
Cash On Hand	134,092	108,499
Deposits Due In Three Months	3,737,199	2,724,633
Cash At Banks (Current Account)	5,335,715	4,850,378
Total	9,207,006	7,683,510

These statements are selective extracts from the English Financial Statement and should be read together with it.


BOD
Investment Committee
Audit Committee
Internal Audit Manager
General Manager
Quality Assurance Manager
Office Manager
Legal Counselor
Business Development Manager
Sales Dept Manager
Sales Team Leader
Indirect Sales Dept Manager
Key Account Sales Dept Manager
Customer Care Dept Manager
Marketing Executive
Finance & Admin DGM
Finance Dept Manager
Accounting Section Head
Collection Section Head
Investment Dept Manager
Human Resources Dept Manager
IT Dept Manager
Legal Dept Manager
Technical & Branches DGM
General Insurance Dept Manager
Risk Management Dept Manager
Motor U/W Dept Manager
Marine Insurance Dept Manager
Reinsurance Dept Manager
Motor Claims Dept Manager
Fire and General Accident Claims Dept Manager
Regional Director
Branches Dept Manager
Branch Manager
Life & Medical DGM
Life Insurance Assistant GM
U/W Section Head
Claims Section Head
Reinsurance Section Head
Medical Insurance Assistant GM
Crop U/W Section Head
Ind U/W Section Head
Claims Section Head
Approvals Section Head
Branches/L&M Dept Manager