Banking Sector Report
November 2009

ABC Investments

P.O. Box 930059, Amman 11193, Jordan
Tel. + 962 (0) 6 5629300,
Fax. + 962 (0) 6 5682941
www.abci.com.jo
(A Wholly Owned Subsidiary of ABC (Jordan))

Research Department

Tanya Khammash, CVA
Head of Research Department
tanyak@abci.com.jo

Zein Alkhas
Research Analyst
zeina@abci.com.jo

Brokerage
Tel. + 962 6 5629300 (ext. 340-360)

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1.0 EXECUTIVE SUMMARY

The banking sector has been, and continues to be, a cornerstone in the growth and development of the Jordanian economy. During the era of combined buoyancy in the stock market, the real estate market, and the overall economy, the banking sector registered record growth levels, with total assets soaring from JD 12.91 billion in year 2000 to JD 29.80 billion in 2008. As the economy experienced rapid expansion, with the nominal GDP at current market prices soaring from JD 5,998.6 million in year 2000 to JD 15,057.5 million in 2008, this growth reflected positively on per-capita income.

The banking sector benefited from the boom in the stock market and real estate sector...

	2004	2005	2006	2007	2008
Nominal GDP at Mkt Prices (JD Millions)	8,078.9	8,925.4	10,377.8	12,056.9	15,057.5
Per Capita GDP at Mkt Prices (JD)	1,510	1,631	1,853	2,107	2,574

Source: Central Bank of Jordan

... as well as the entire economy, with nominal GDP reaching 15.06 billion in 2008

The consequent rise in "wealth" had a double impact on the overall economy in general and the banking sector in particular; the increased income translated into increased savings, a fact that was reflected in the level of customer deposits at banks, which soared by a whopping JD 9.88 billion over the period, facilitating a corresponding rise in the level of facilities granted by banks from JD 4.55 billion in 2000 to JD 13.19 billion in 2008, while the second impact was an increase in spending, which fuelled the flourishing of businesses through increased sales, who consequently intensified their capital investments, built up inventories, and expanded their operations.

In parallel, the war in Iraq in 2003 led to a rapid influx of refugees, NGOs, journalists, and businesses to the Kingdom, due to its proximity to Iraq and relative safety in a turbulent region. The corresponding rise in the population of Jordan, estimated at between an additional 600 thousand to one million capita, supplied additional liquidity in the market, as well as generating further demand for housing, goods and services. Prices of real estate began to soar, as demand outstripped supply, generating a boom in the construction and real estate sectors, and it wasn't long before international developers entered the market in a bid to reap some of the rewards. Banks in the Kingdom were on the ready, offering mortgage loans to buyers on the one hand and financing construction projects on the other, with loans granted to the construction sector making up some 17.6% of total facilities granted in 2008.

Consolidated Credit Facilities Granted to the Construction Sector

	2004	2005	2006	2007	2008	Sep 2009
Facilities Granted to the Construction Sector	953.2	1,162.1	1,560.8	1,942.1	2,293.1	2,431.9
% of Total Facilities	15.4%	15.0%	16.0%	17.2%	17.6%	18.5%

Source: Central Bank of Jordan

Facilities granted to the construction and real estate sectors soared from JD 953.2 million in 2004 to JD 2.43 billion by September 2009...

The boom erupting in the real estate sector, with prices of land and real estate doubling, tripling and even quadrupling in certain areas, attracted foreign investment into the Kingdom further driving up real estate prices. Realised and unrealised gains on revaluation of property meant that real estate company profits were soaring, and this reflected on their performance on the stock market. Coupled with a strong economy, the Amman Stock Exchange General Index began to rally to unprecedented levels in 2005, drawing in further foreign investment and liquidity. IPOs also became a new market trend as businesses sought to capitalise on the abundant market liquidity, which offered a new business venue for the banking sector, with banks only too happy to offer financing of purchase of shares.

Consolidated Credit Facilities Granted to Finance Shares

	2004	2005	2006	2007	2008	Sep 2009
Facilities Granted for the Purchase of Shares	83.9	220.1	359.0	427.8	483.3	485.9
% of Total Facilities	1.4%	2.8%	3.7%	3.8%	3.7%	3.7%

Source: Central Bank of Jordan

... while facilities granted to finance the purchase of shares rose almost 6-fold over the same period

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The extent of the inflow of foreign investment was exacerbated by soaring oil prices in the international markets, leading to the generation of excess wealth and liquidity in the GCC countries, a portion of which was fed into the Jordanian economy as GCC investors purchased Jordanian stocks and real estate, and invested in projects in a bid to diversify their investment portfolios.

Liquidity rose, fuelled by rising oil prices...

During 2008, however, the banking sector, and the economy as a whole, was exposed to a series of shocks. The double-digit prices of oil in the international market fed through to the economy in the form of sky-high inflation. Interest rate spreads rose, and profits, both core and investment-related, continued to increase. However, in the aftermath of the crisis in the United States, as fears of a ripple effect reaching the banking sector in Jordan spread, customers began to withdraw deposits from banks, favouring the “under the mattress” method of saving, on the one hand, and relocating deposits from foreign banks to local banks, on the other. Key interest rates were slashed by the Central Bank to boost the economy, while banks became increasingly tight with their lending policies, reducing their exposure and demanding higher collaterals. With a dry-up of liquidity, bad debts began to accumulate, with banking profitability slumping as provisions for these doubtful debts began to soar. For the larger portion of the sector, however, the spectacular profits realised earlier in the year were sufficient to more than offset the poor results of the final quarter, with the aggregate profitability of the 13 listed commercial banks detailed in this report rising from JD 613.45 million to JD 655.90 million. The key financial ratios, the return on average assets (ROAA) and return on average equity (ROAE), however, revealed the weaknesses in the profits, with the ROAA slumping from 1.74% in 2007 to 1.68% at the end of 2008, while the ROAE dropped from 11.13% to 10.98%.

... until late 2008 when the economy was hit by the global slowdown and financial sector...

While the phenomenon of rising bad debts and provisions was no different in 2009, the trend in profits varied, with profits of the licensed commercial banks plunging from JD 569.37 million for the first three quarters of 2008 to JD 393.00 million by the end of September 2009, with only two banks registering positive growth in their bottom line. While net interest income and commissions did decline as a result of the sector’s risk aversion, the drop was slight, falling from JD 1.06 billion in Q3 2008 to JD 1.03 billion. It was the substantial JD 130.80 million increase in doubtful debt provisions that caused the largest damage to profits. The ROAA stood at 1.28% based on annualised Q3 2009 profits, while the ROAE dropped to 8.46% during the nine months.

... which predictably affected the banking sector

Going forward, we expect banks to relax their restrictions on lending in order to support profits, but expect to continue to see a rise in bad debts and provisions as the economic downturn continues to take effect. Times remain somewhat troubled for the sector, and the recently announced bankruptcies of five addition U.S. banks is likely to heighten caution in both the sector and its customers. However, while the outlook for the overall economy still appears cloudy, we anticipate more positive results by mid-2010 to late 2010, as banks complete the accumulation of provisions and their exercising of due diligence in their operations.

2.0 CONSOLIDATED SECTOR SUMMARY

Banking Penetration

Banks in Jordan are regulated by the Central Bank of Jordan, whose role is to protect depositors and shareholders, through ensuring the soundness of the banking sector by monitoring capital adequacy levels, requiring the application of international auditing and accounting standards, and monitoring the solvency and liquidity of banks.

The Jordanian banking sector currently comprises 13 local commercial banks, 8 foreign banks, two Islamic Banks, and the Central Bank, in addition to several specialised credit institutions, of which the Industrial Development Bank, a joint ownership bank, has completed procedures to convert into the sector's third Islamic bank, offering banking services in compliance with Shari'a principles. The network of branches of licensed bank amounted to 593 at the end of 2008, 41 of which relate to the foreign banks and 74 to the Islamic banks. In 2009, the Central Bank of Jordan granted a foreign bank license to the National Bank of Abu Dhabi, allowing it to offer commercial banking services in the Kingdom.

Sector contains 13 local commercial banks, 8 foreign banks and 3 islamic banks as of 2008 year-end

Bank	Year Established	Number of Branches 2008
Listed Banks		
Arab Bank	1930	79
Bank of Jordan	1960	62
Jordan Ahli Bank	1956	45
Cairo Amman Bank	1960	57
Jordan Kuwait Bank	1977	40
Jordan Commercial Bank	1978	25
Housing Bank for Trade & Finance	1974	98
Arab Banking Corporation	1989	15
Capital Bank	1996	8
Arab Jordan Investment Bank	1978	9
Investbank	1989	8
Union Bank	1991	16
Societe Generale	1993	16
Islamic Banks		
Jordan Islamic Bank	1979	56
Islamic International Arab Bank	1997	18
Foreign Banks		
Egyptian Arab Land Bank	1951	9
Standard Chartered Bank	1969	8
HSBC Middle East	1949	3
Rafidain Bank	1957	2
Citibank	1974	2
National Bank of Kuwait	2004	3
Audi Bank	2004	8
Blom Bank	2004	6

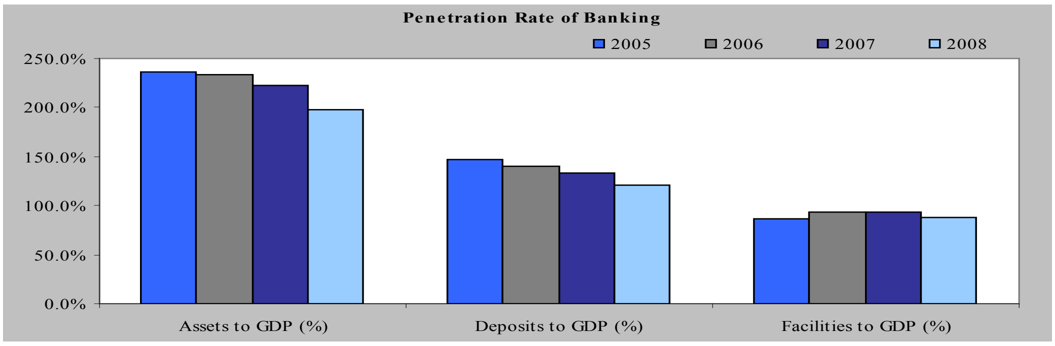
Source: Central Bank of Jordan

The branch network across the Kingdom reached 593 at the end of 2008, with the Housing Bank and the Arab Bank standing as the largest in the sector....

The Housing Bank, with 98 branches across the Kingdom, has the largest branch network, followed by the Arab Bank with 79 branches as of 2008 year-end. With a population of 5.85 million at the end of 2008, the aggregate branch network translates to one branch per 9,865 capita, compared to one branch per 14 thousand capita in Saudi Arabia and one branch per 22 thousand capita in Egypt. Although this may suggest a fragmented market, the two largest banks, the Arab Bank

... in terms of number of branches, and market share of facilities and deposits and the Housing Bank, alone claim a combined market share of 31.6% and 42.2% of the sector's credit facilities and deposits in the Kingdom, respectively.

The Sector plays an important but declining role in the Jordanian economy



Source: Central Bank of Jordan, ABCI Interpretation

As illustrated above, the banking sector is a major player in the Jordanian economy, with the sector's total assets comprising 197.9% of GDP in 2008. In terms of the sector's deposits and facilities, these made up 120.2% and 87.6% of GDP, respectively. Worth highlighting, however, is the overall decline in importance of the sector in recent years, as growth in nominal GDP has surpassed the growth in the sector.

2.1 Consolidated Balance Sheet

The economic boom in recent years in Jordan reflected positively on the banking sector balance sheet position, with a sustained level of growth visible over the past five years.

The Sector has exhibited strong balance sheet growth over the years

Consolidated Balance Sheet of Licensed Banks

(JD Millions)	2004	2005	2006	2007	2008	Sep-09
Assets						
Foreign Assets	**5,002.1**	**5,361.8**	**6,203.4**	**6,516.5**	**5,810.3**	**5,400.2**
Cash in Vaults (In Foreign Currencies)	76.2	80.7	67.2	96.1	125.7	123.7
Balances with Foreign Banks	3,699.7	4,108.5	4,716.6	5,295.7	4,531.6	3,625.9
Portfolio (Non-Resident)	666.3	615.0	684.4	372.6	333.5	550.0
Credit Facilities to Private Sector (Non-Resident)	254.2	229.6	312.9	309.7	536.4	833.4
Other Foreign Assets	305.7	328.0	422.3	442.4	283.1	267.2
Domestic Assets	**12,819.0**	**15,724.7**	**18,034.2**	**20,299.1**	**23,986.3**	**25,833.4**
Claims on Public Sector	1,574.4	1,865.4	2,312.4	3,077.4	4,353.1	5,122.5
Claims on Central Government	1,091.2	1,337.3	1,791.7	2,451.7	3,700.5	4,450.7
Claims on Public Entities	483.2	528.1	520.7	625.7	652.6	671.8
Claims on Private Sector (Resident)	5,866.7	7,650.5	9,528.8	10,985.5	12,514.5	12,533.3
Claims on Financial Institutions	63.4	73.3	117.6	176.6	246.1	190.0
Reserves	3,469.2	3,848.9	3,572.2	3,630.7	4,013.4	5,643.4
Currency	93.1	125.7	173.7	177.8	206.7	232.8
Deposits with CBJ in Jordan Dinar	3,376.1	3,723.2	3,398.5	3,452.9	3,806.7	5,410.6
Deposits with CBJ in Foreign Currencies	314.9	337.7	436.5	472.2	573.0	367.7
Unclassified Assets	1,530.4	1,948.9	2,066.7	1,956.7	2,286.2	1,976.5
Assets = Liabilities	**17,821.1**	**21,086.5**	**24,237.6**	**26,815.6**	**29,796.6**	**31,233.6**

Liabilities						
Demand Deposits	2,385.8	3,016.5	3,217.8	3,372.6	3,785.1	4,246.1
Public Non-Financial Institutions	97.7	91.7	64.4	39.3	69.6	105.6
Municipalities and Village Councils	19.0	17.6	15.3	20.7	16.4	8.5
Non-Banking Financial Institutions	9.6	11.0	9.7	15.3	51.1	36.4
Social Security Corporation	54.4	38.8	44.6	26.5	48.3	61.2
Private Sector (Resident)	2,205.1	2,857.4	3,083.8	3,270.8	3,599.7	4,034.4

(JD Millions)	2004	2005	2006	2007	2008	Sep-09
Time and Saving Deposits	6,679.0	7,662.7	8,842.3	9,999.7	11,639.3	12,487.0
Public Non-Financial Institutions	318.4	436.9	464.6	592.5	595.4	646.7
Municipalities and Village Councils	13.3	9.6	8.9	43.0	3.4	4.4
Non-Banking Financial Institutions	88.1	66.1	84.0	85.7	85.3	108.0
Social Security Corporation	366.5	270.8	101.9	50.3	262.8	235.1
Private Sector (Resident)	5,892.7	6,879.3	8,182.9	9,228.2	10,692.4	11,492.8
Foreign Liabilities	3,468.8	3,710.7	4,215.9	4,793.2	5,522.2	5,589.9
Central Government Deposits	336.4	444.4	477.8	526.7	561.1	709.9
Credit From CBJ	388.2	432.0	492.9	436.3	373.1	372.3
Capital Accounts & Allowances	1,874.3	2,252.6	3,183.3	3,523.0	3,803.5	4,345.3
Unclassified Liabilities	2,688.6	3,567.6	3,807.6	4,164.1	4,112.3	3,483.1

Source: Central Bank of Jordan

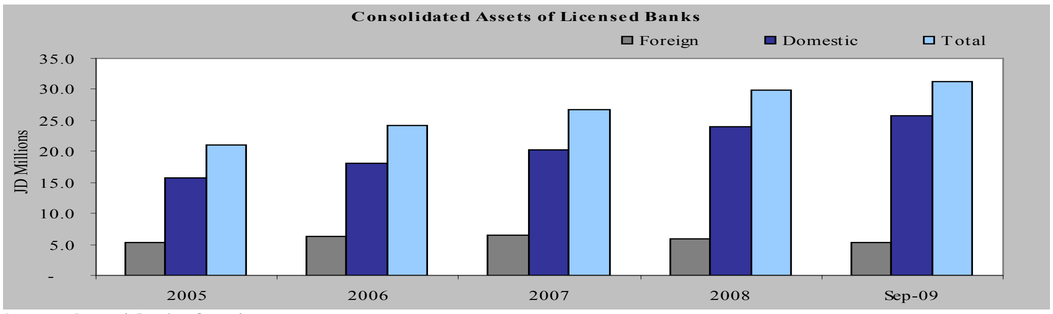
2.1.1 Consolidated Assets

Up until year 2009, the consolidated assets of the banking sector had been climbing steadily, reaching JD 31.23 billion in September 2009 compared to JD 21.09 billion in 2005. Domestic assets make up the larger part of the total assets, at over 82% of the total.

Consolidated assets increased to JD 31.23 billion in September 2009....

During the first nine months of 2009, however, growth in assets had begun to decelerate, dropping to a level of growth of 4.8% compared to an 11.1% growth rate in 2008, due primarily to the slump in credit facilities granted following the global financial crisis and credit crunch, which raised the sector's risk aversion and tightened existing credit policies.

... but at a decelerating rate



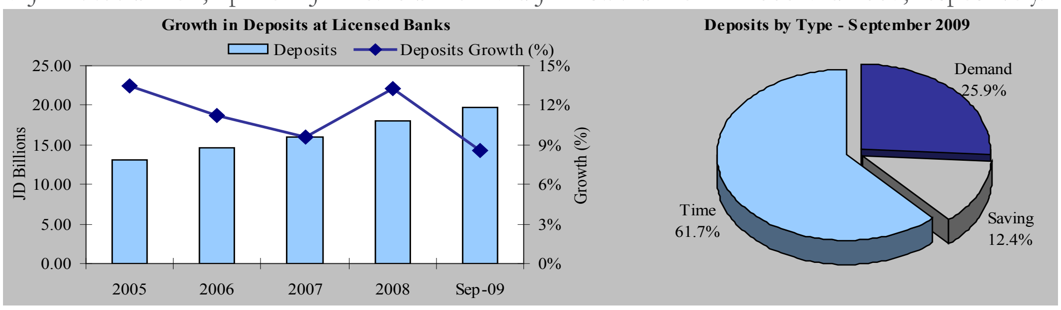
Source: Central Bank of Jordan

Notably, despite the overall rise in assets, foreign assets have been declining in 2008 and 2009 on the back of the JD 1.67 billion decrease in balances with foreign banks, as a repercussion of news of the collapse of a number of leading banks both in the United States and worldwide.

2.1.2 Consolidated Deposits

The boom in the Jordanian economy, alongside a rise in tourism receipts, remittances, and FDI, created a consistent ascent in the value of deposits at banks. As of September 2009, deposits stood at JD 19.66 billion, up from JD 18.10 billion and JD 15.99 billion in 2008 and 2007, respectively.

Customer deposits rose from JD 18.10 billion in 2008 to JD 19.66 billion as of September 2009...



Source: Central Bank of Jordan

Since 2005, deposits have risen by a compounded annual growth rate (CAGR) of 10.4%. Of these deposits, 91% represent private sector deposits, while only 9% relate to the public sector.

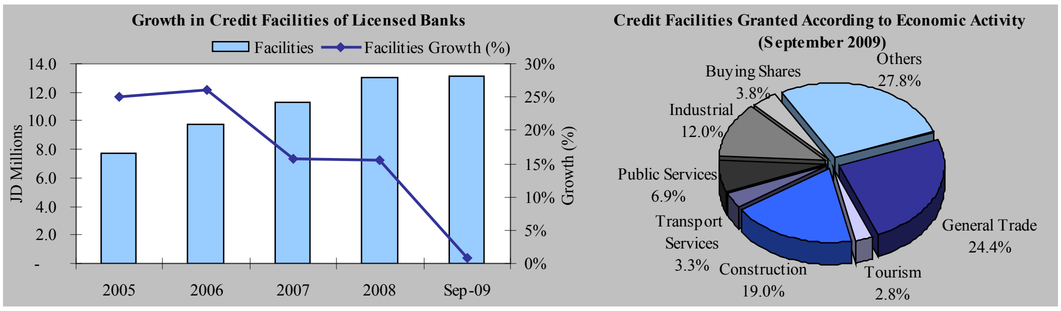
In terms of type of deposit, predictably the bulk of deposits represent time deposits, since they earn the highest level of interest, at almost 62% of the total.

... with the bulk comprising time deposits

2.1.3 Consolidated Facilities

Credit facilities granted by licensed banks have risen by a compounded annual growth rate (CAGR) of 19.4% during the period 2005 through 2008. During the first nine months of 2009, however, the growth in the level of credit facilities granted slumped, with the facilities rising by JD 119.6 million, from JD 13.04 billion at the end of 2008 to JD 13.16 billion. This loss of pace comes on the back of the increased risk aversion of banks in the post-global financial crisis era. Moreover, this positive growth, albeit slight, has been attributed by experts in the sector to rescheduling of existing loans, rather than a tangible rise in the value and number of new loans granted.

Credit facilities increased slightly during the first nine months of 2009 to JD 13.16 billion...



Source: Central Bank of Jordan

The bulk of facilities were granted to the 'general trade' and 'construction' sectors, which accounted for around 42.1% of the total facilities. The surge in construction activity across the Kingdom in recent years has fuelled the growth in credit facilities, and demand for large project loans helped to support the sustained growth in facilities.

... with construction and general trade being the main beneficiaries

The drop in the sector's profitability in 2009 vis-a-vis profits generated during 2008 suggests that banks may begin to relax their restrictions on granting facilities, which may lead to resumed growth in facilities. Furthermore, the economic deceleration and hardship felt by Jordanians are both likely to spur demand for loans, both on the retail end of the market and on the corporate side.

2.2 Interest Rates

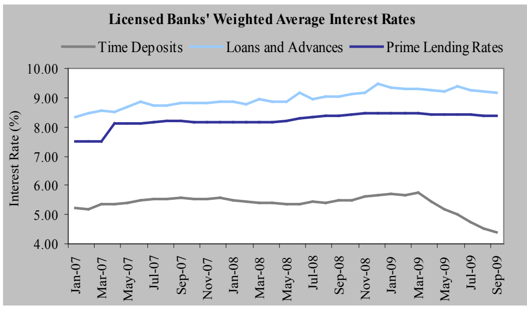
The peg of the Jordanian Dinar to the U.S. dollar has forced the Central Bank of Jordan to mimic the interest rate cuts of the US Federal Reserve. During year 2001, the Fed slashed interest rates eleven times by an aggregate of 475 basis points. It cut interest rates further in 2002 and 2003 by 50 basis points and 25 basis points, respectively. In 2004 through 2006, the Fed raised the interest rates a number of times, increasing them from a rate of 1.00% in 2003 to 5.25% in 2006. Slowing economic growth alongside the housing slump and subprime-linked credit crisis induced further interest rate cutting actions by the Fed, many of which were replicated by the Central bank of Jordan.

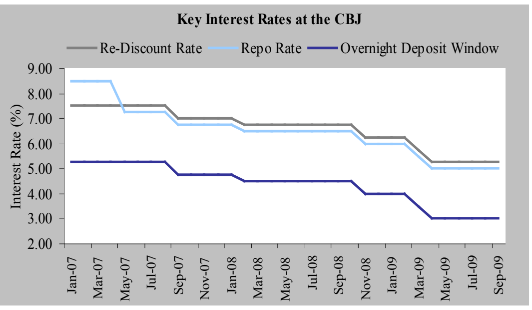
In 2003, the Central Bank of Jordan (CBJ) cut the Re-discount Rate by 200 basis points from 4.50% in January to 2.50% in October. Between years 2004 and 2005, the Central Bank raised the Re-discount Rate fourteen times from 2.50% to 6.50%. The rate was raised four times further in 2006 to end the year at 7.50%. The high and rising domestic and global inflation environment prevented the Central Bank of Jordan from fully replicating the interest rate cuts of the Fed during 2007, with the Re-discount Rate being maintained at a stable rate, with a single rate cut of 50 basis points in September. In 2008, the Re-discount Rate was reduced twice by 25 basis points in February and November, and in 2009 in the aftermath of the global economic slowdown, the rates were slashed by 50 basis points in March, April and May, to reach 5.25% as an interest rate slashing mechanism was implemented worldwide to spur spending and stimulate economic growth.

The re-discount rate was reduced by 150 basis points in 2009...

Repurchase agreement rates (Repo Rates) were reduced by 75 basis points twice during 2003 to decline from 5.50% at the start of the year to 3.50% by year-end. Repo Rates were raised throughout years 2004, 2005 and 2006, to reach 4.75%, 7.50% and 8.50% at year end, respectively. In 2007, the Repo Rate was reduced to 6.75% and then by a further 75 basis points in 2008. During 2009, the Repo Rate was again reduced by 50 basis points in each of March and April to stand at 5.0%.

... while the Rep Rates were cut by 100 basis points





Source: Central Bank of Jordan

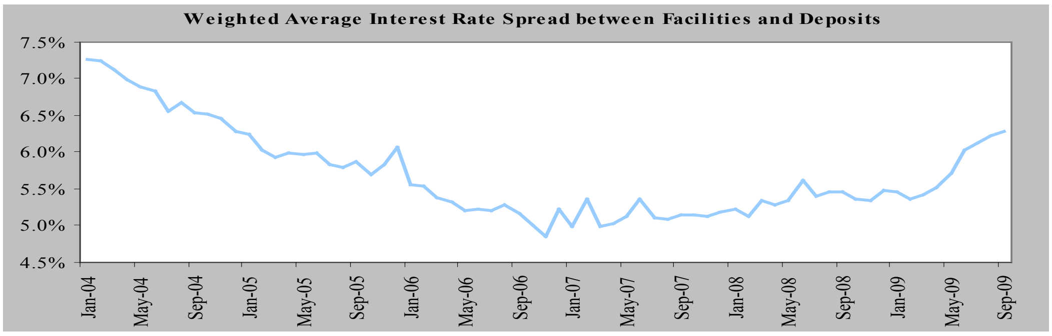
At the same time, the overnight window deposit rate was increased eight times in 2005 from 2.25% to 4.50%. The Central Bank raised it by a further three times in 2006 to reach 5.25% by year end. In 2007 and 2008, the overnight window deposit rate was reduced by 50 basis points and 75 basis points, respectively, while in 2009, the rate also dropped by 50 basis points in both March and April to reach 3.00%.

Despite interest rate cuts over the past three years by the Central Bank of Jordan, licensed banks in Jordan continued to raise interest rates applied on both deposits and credit facilities. The average interest rates offered on demand deposits were increased from 0.87% in 2006 to 0.94% in 2007 and 1.01% in 2008, and reduced back down to 0.65% by September 2009, while rates on savings accounts were increased from 0.99% to 1.10% in 2007, before dropping to 1.04% in December 2008 and 0.84% by September 2009. Meanwhile, rates offered on time deposits were also increased to 5.56% in 2007 and 5.66% as of December 2008 compared to 5.13% back in 2003, but were also slashed to 4.41% by September 2009.

Weighted average interest rates offered on time deposits stood at 4.41% in September 2009...

Strikingly, despite a slight reduction in the average interest rates offered on deposit accounts in 2008 as compared to 2007, the average rates on overdrafts and loans and advances continued to be raised. Rates on overdrafts were increased from 9.23% in 2006 to 9.83% in 2007 before dropping to 9.31% at the end of 2008 and rising to 9.93% by September 2009. Moreover, for the same period, the rates on loans and advances were raised from 8.56% in 2006 to 8.86% and 9.48% in 2007 and 2008, followed by a slight decline in 2009 to 9.18% as of September. The rates on discounted bills and bonds also increased in 2007 to 9.45% from 8.72% the year prior, but in 2008 the rate was decreased by 56 basis points to 8.89%. In 2009, the rate had risen once again to 9.15%.

... while rates demanded on loans amounted to 9.18%



Source: Central Bank of Jordan, ABCI Interpretation

Over the years, the weighted average interest rate spread between credit facilities and deposits has narrowed, decreasing from over 7.50% in mid-2003 to around 5% in 2006. In 2007, the interest rate spread remained stable at an average of 5.14% before widening in 2008 to 5.49 at the end of year. This widening spread helped raise the sector's aggregate profitability from JD 613.45 million for 2007 to JD 655.90 million at the end of 2008. As banks became increasing risk averse, imposing higher interest rates to compensate them for the higher risk to be borne, as well as reducing rates offered on deposits, in line with the Central Bank and global slash of interest rates, the interest rate spread widened even further in 2009, reaching 6.28% at the end of September 2009.

3.0 SECTOR SWOT ANALYSIS

Strengths	Weaknesses
Wide array of banking and financial products offered	Lack of regional presence by most banks
Very well capitalised, exceeding the international requirement of 12% and the local requirement of 8%	Highly segmented market, with most of the banks characterised as being small
Relatively low non-performing loans to facilities ratios	Overbanked industry
Diversified ownership of banks	Heavily exposed to Jordanian economy through lack of branches outside Jordan
Wide distribution and accessibility of branches across the Kingdom	Exposure of sector to real estate and stock market performance
Strong regulatory figure	Mismatch in maturity of assets and liabilities
Relatively risk averse and focused on core banking operations	Lack of diversified operations away from traditional banking services
Low exposure to securities linked to sub-prime crisis	Low retail exposure
	Inability of most banks in the sector to finance mega-deals, leading customers to resort to banks in the region

Opportunities	Threats
Growth through mergers/acquisitions	Turbulence in the region and political risk
Further penetration into the retail segment of the market	Increased competition through entry of new players to the market
Expand banking services, such as bankassurance, Islamic banking, investment banking	Weakened economy, causing a slump in operations and deteriorating asset quality
Inflow of foreign direct investment and liquidity to the Kingdom	Slump in real estate and capital market damaging asset quality and profitability
Expansion into the region	Narrowing of interest rate spreads
	Shortage of Islamic banking services drawing in further competition from the region
	Changes in regulations

4.0 LISTED COMMERCIAL BANKS' FINANCIAL PERFORMANCE

The analysis performed from here on is based on the financial statements of the banks listed on the Amman Stock Exchange, excluding the Jordan Islamic Bank and Industrial Development Bank, due to the difference in their nature of operations. The figures differ substantially from those represented by the Central Bank of Jordan in the above sections due to the fact that the data in the following sections exclude the results of the foreign unlisted banks operating in the Kingdom, and the accounts of the commercial banks have not been consolidated. Moreover, the below figures include the operations of the branches abroad of the thirteen banks as well as their subsidiaries, which are excluded from the Central Bank's statistics.

With regards the Arab Bank, results for the Arab Bank plc and not the Group have been utilised, except where otherwise mentioned.

4.1 Balance Sheet

The aggregate balance sheet of the commercial listed banks has shown impressive expansion in recent years, soaring from JD 28.83 billion at the end of 2005 to a whopping JD 40.49 billion at

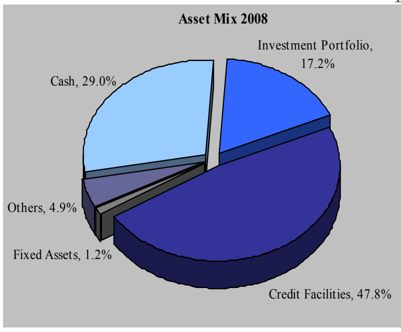
Assets of the 13 banks reached JD 40.49 billion in 2008

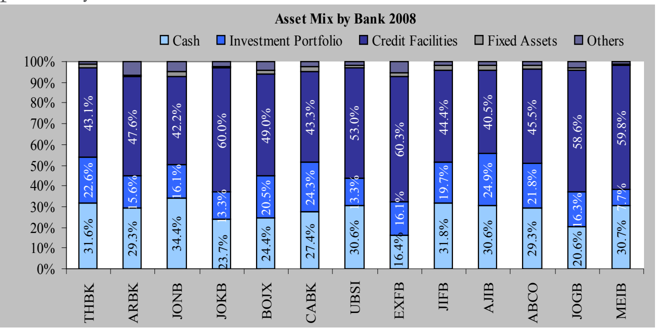
2008 year-end. In Q3 2009, the growth continued, with total assets rising to JD 41.97 billion.

4.1.1 Uses of Funds

The primary components of the sector's uses of funds are credit facilities, cash balances and deposits, and investment portfolios, making up some 93.8% of the total assets in 2008. This contrasts little with the asset structure in 2007, where these components contributed 94.9% to the total assets.

Credit facilities of listed commercial banks account for nearly 50% of the banks' aggregate assets, at JD 19.53 billion in 2008, up from JD 17.13 billion in 2007, while cash and investments make up 29.0% and 17.2% of total assets, respectively.





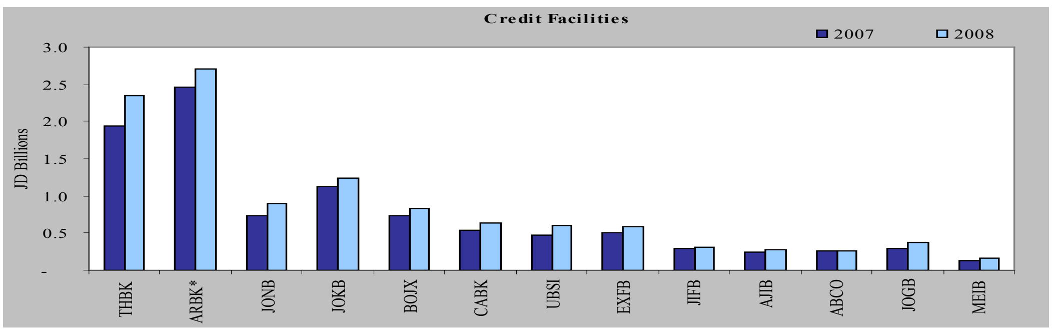
Source: Annual Reports, ABCI Interpretation

Credit facilities make up almost 48% of total assets for the sector...

The Capital Bank (EXFB), Jordan Kuwait Bank (JOKB) and Societe Generale (MEIB) had the highest concentration of their assets in credit facilities, at around 60%, while the lowest levels of credit facilities as a proportion of total assets were for the Arab Jordan Investment Bank (AJIB), Jordan Ahli Bank (JONB), and the Housing Bank (THBK).

In terms of investment portfolio, the Arab Jordan Investment Bank (AJIB) and Cairo Amman Bank (CABK) had the highest level of exposure to investment performance as a proportion of total assets. In terms of strong capital market performance, this heavier weighting facilitates the generation of higher non-core income, while during a bear market, as was the case in late 2008 and early 2009, this can be detrimental to a bank's overall financial performance. Nonetheless, as will be discussed in section 4.2.2, Arab Jordan Investment Bank's investment portfolio outperformed the overall sector, while, in contrast, Cairo Amman Bank registered substantial realised and unrealised portfolio losses. Meanwhile, the Jordan Ahli Bank (JONB) and Investbank (JIFB) had the highest percentage cash cushion, at 34.4% and 31.8%, respectively, of their total assets. Arguably, an excess of cash is an inefficient use of funds, however, following the collapse of the financial giant, Lehman Brothers, and the bankruptcy of a number of multinational banks, availability of an abundance of cash has become a customer-magnet, with depositors favouring larger more liquid banks.

Credit Facilities



Source: Commercial Banks' Annual Reports
* ARBK's credit facilities have been scaled down to one-quarter of their actual value for clarity of graph

... and have demonstrated an impressive 13% growth during 2008

The outstanding balance of net credit facilities granted by listed commercial banks increased by 12.9% to almost JD 20 billion. While all thirteen banks registered a positive change in their facilities during 2008, it was the Union Bank (UBSI), the Jordan Commercial Bank (JOGB), and Societe Generale (MEIB) that registered the highest change, at 29.3%, 24.9% and 24.2%, respectively, compared to their 2007 levels.

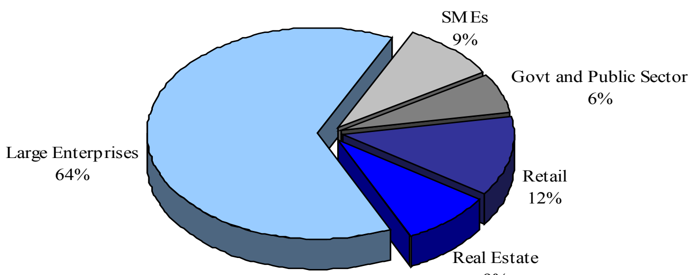
In terms of value of facilities granted, corresponding to the overall bank size the Arab Bank (ARBK) and the Housing Bank for Trade and Finance (THBK) had the highest outstanding facilities balance in 2008. Taking facilities granted in Jordan on a stand-alone basis, the Arab Bank (ARBK) claimed a market share of the facilities of 18.10%, while the Housing Bank for Trade and Finance (THBK) and the Jordan Kuwait Bank (JOKB) claimed respective market shares of 13.50% and 8.07%.

Credit Facilities Granted by Business Segment

Over 70% of credit facilities granted by listed commercial banks were directed to the corporate segment of the market in 2008, with the vast majority going to large enterprises. Strikingly, only 12% went to the retail segment and 9% for real estate purposes.

Large enterprises claimed the lion's share of the facilities

Allocation of Credit Facilities by Segment Granted by Listed Commercial Banks



Source: Commercial Banks' 2008 Annual Reports

A consideration of the breakdown of credit facilities by financial institution reveals that Jordan Kuwait Bank (JOKB) and the Arab Bank (ARBK) have the highest reliance on the corporate segment of the market, with 87.3% and 81.7%, respectively, of the facilities granted being directed at corporations. The retail sector, meanwhile, claimed a mere 12% of the total facilities, with Cairo Amman Bank (CABK) and Arab Jordan Investment Bank (AJIB) appearing as the more "retail-oriented" banks in the sector.

... with JOKB and ARBK being the most 'corporate oriented' banks, while CABK and AJIB are the most 'retail oriented'

Allocation of Credit Facilities Granted According to Business Segment

	Corporate	Retail	Real Estate	Govt. & Public Sector
Housing Bank (THBK)	56.6%	17.4%	19.3%	6.7%
Arab Bank (ARBK)	81.7%	7.6%	4.0%	6.7%
Jordan Ahli Bank (JONB)	66.5%	24.1%	7.5%	1.9%
Jordan Kuwait Bank (JOKB)	87.3%	2.2%	5.6%	5.0%
Bank of Jordan (BOJX)	50.5%	23.1%	21.8%	4.6%
Cairo Amman Bank (CABK)	23.4%	43.5%	14.9%	18.2%
Union Bank (UBSI)	72.5%	6.4%	20.6%	0.5%
Capital Bank (EXFB)	81.0%	6.9%	12.1%	0.0%
Investbank (JIFB)	75.5%	8.5%	14.6%	1.4%
Arab Jordan Investment Bank (AJIB)	40.6%	32.4%	7.7%	19.2%
Arab Banking Corporation (ABCO)	45.2%	27.5%	19.1%	8.2%
Jordan Commercial Bank (JOGB)	75.3%	17.4%	6.8%	0.6%
Societe Generale Banque de Jordanie (MEIB)	61.0%	24.1%	15.0%	0.0%

ABC Investments

	Corporate	Retail	Real Estate	Govt. & Public Sector
Sector	**73.1%**	**12.1%**	**8.6%**	**6.2%**

Source: Commercial Banks' 2008 Annual Reports

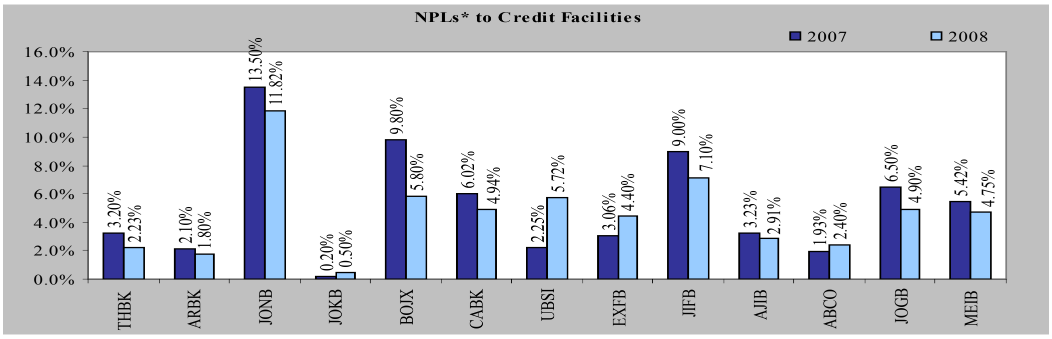
Meanwhile, as a proportion of total credit facilities, the Bank of Jordan (BOJX) and Union Bank (UBSI) are the most exposed to fluctuations in the real estate market, with 21.8% and 20.6% respectively of their facilities granted for real estate purposes.

NPLs have shown a decline in 2008 as a proportion of credit facilities generally

Quality of Facilities

In spite of the challenges faced by the Jordanian economy and its citizens during 2008 in terms of soaring inflation, cost cutting strategies, slumping FDI, rising unemployment, and poor capital markets performance during the second half of the year, the vast majority of listed commercial banks managed to reduce the percentage of non-performing loans (NPL) to credit facilities compared to the 2007 level, while maintaining growth in their facilities. The exceptions to this were the Jordan Kuwait Bank (JOKB), the Union Bank (UBSI), the Capital Bank (EXFB) and the Arab Banking Corporation (ABCO).

Amongst the banks, the top performers in terms of quality of facilities in 2008 were the Jordan Kuwait Bank (JOKB), with an NPL to credit facilities percentage of 0.5%, followed by the Arab Bank (ARBK) and the Housing Bank for Trade and Finance (THBK), with 1.80% and 2.23%, respectively.



* Source: Net of Interest in Suspense

Due to poorer economic and business conditions, we anticipate worsening NPL figures for 2009 compared to 2008.

Composition of Collaterals

	% of Collaterals to Gross Facilities	Collaterals Composition					
		Cash	Real Estate	Stocks	Vehicles & Machinery	Letters of Guarantee	Others
THBK	56.9%	9.3%	70.4%	12.8%	6.6%	0.9%	0.0%
ARBK	72.8%	18.8%	23.6%	3.0%	2.9%	37.8%	13.9%
JONB	48.7%	17.8%	75.0%	0.7%	0.2%	6.4%	0.0%
JOKB	48.6%	6.8%	55.5%	32.9%	3.6%	1.2%	0.0%
BOJX	52.9%	8.6%	64.5%	16.2%	10.4%	0.3%	0.0%
CABK	28.1%	8.2%	80.9%	7.8%	2.3%	0.8%	0.0%
UBSI	53.2%	12.1%	69.8%	15.1%	2.1%	0.9%	0.0%
EXFB	34.8%	12.9%	59.6%	17.3%	10.2%	0.0%	0.0%
JIFB	78.0%	3.7%	81.0%	4.0%	10.4%	0.8%	0.0%
AJIB	75.2%	4.4%	44.0%	23.0%	2.2%	0.9%	25.6%
ABCO	50.9%	15.2%	57.2%	24.9%	2.7%	0.0%	0.0%
JOGB	68.1%	11.1%	72.8%	10.8%	2.1%	0.4%	2.8%
MEIB	44.1%	41.8%	50.0%	0.0%	8.2%	0.0%	0.0%

Source: Commercial Banks' 2008 Annual Reports

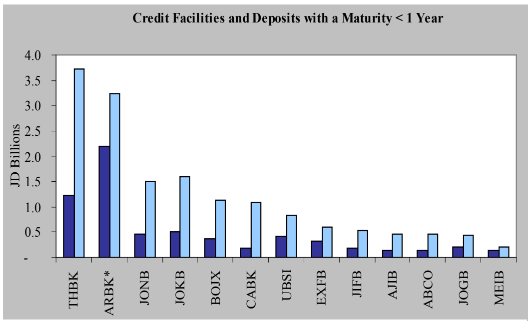
In terms of the collaterals obtained by commercial banks against credit facilities, at 2008 year-end, Investbank (JIFB) and Arab Jordan Investment Bank (AJIB) had the highest percentage of collaterals to gross credit facilities, at over 75%. However, in terms of quality of collaterals, these two banks do not fare as well, with a high proportion of these collaterals comprising real estate and stocks, two highly cyclical and turbulently priced assets. The Arab Bank (ARBK) fared well in terms of quality of collaterals, and ranked in third position with regards percentage of collaterals to gross facilities, with a high proportion of the collaterals in the form of cash and letters of guarantee.

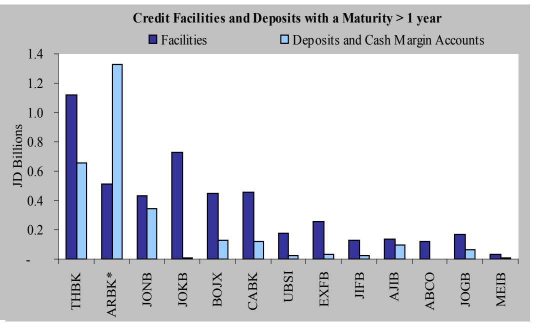
The worst faring amongst the thirteen banks is Cairo Amman Bank (CABK), with collaterals of only 28.1% of gross facilities, and a whopping 88.7% of the collaterals in real estate and stocks.

Sector exhibits a mismatch in maturity between assets and liabilities

Maturity Mismatch

The maturity of the facilities granted by commercial banks reveals that more than half of the outstanding facilities granted as of December 31st 2008 had a maturity date falling within one year. While most of the commercial banks exhibited this trend, there were some exceptions; Cairo Amman Bank (CABK) had a heavier weighting of longer-term facilities, with those with a maturity date falling after one year comprising 71.8% of the total facilities. The Jordan Kuwait Bank (JOKB) and Bank of Jordan's (BOJX) facilities portfolio also tended to be more longer term. Considering the short-term nature of customer deposits, this increases the probability of a mismatch between assets and liabilities for these banks.





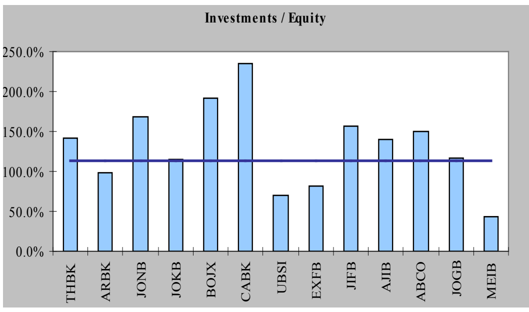
* ARBK values scaled down to one-quarter of original value for clarity of graph
Source: Commercial Banks' 2008 Annual Reports

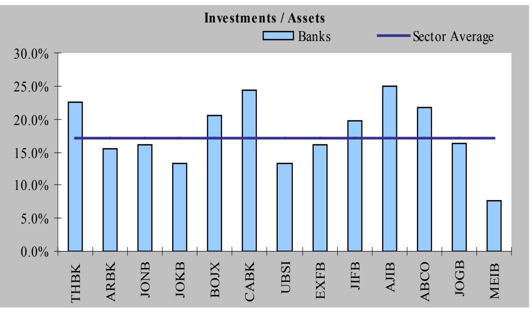
Aggregate investments amounted to JD 6.92 billion...

Investment Portfolio

Investments of the thirteen listed commercial banks registered at JD 6.92 billion at the end of 2008. The investment portfolio of a bank is an important use of its funds, generating capital gains from asset appreciation, as well as stock dividends and interest income. The extent of this importance is highlighted in the charts below, with the average bank investment-to-equity ratio reaching 114.0%, while the investment-to-total assets ratio made up 17.1%.

Societe Generale (MEIB) and the Union Bank (UBSI) place the lowest degree of importance on their investment portfolio, in contrast with the Cairo Amman Bank (CABK), whose investment-to-equity and investment-to-assets ratios stood at 234.8% and 24.3%, respectively.

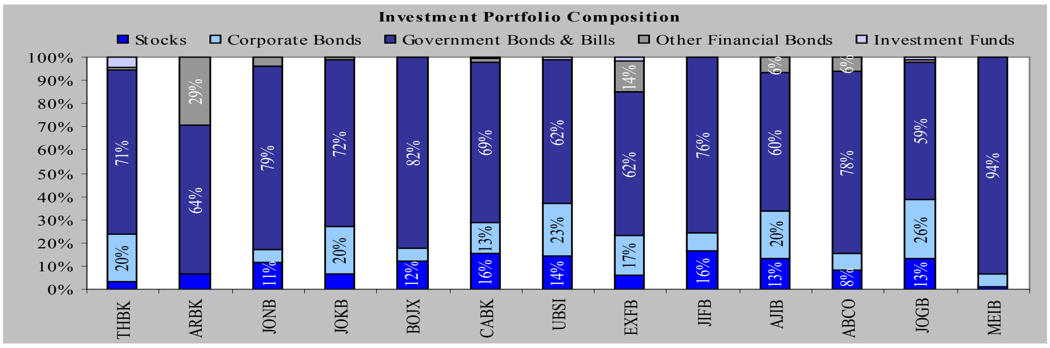




Source: Commercial Banks' 2008 Annual Reports

For all the banks under consideration, government bonds and bills comprise the larger part of their investment portfolios, ranging from 93.5%, as in the case of Societe Generale (MEIB), to a low of 58.9% for Jordan Commercial Bank (JOGB). Corporate bonds and stocks also feature prominently in the composition of the portfolios, albeit in varying degrees.

... with government bonds and bills comprising the bulk of the portfolios

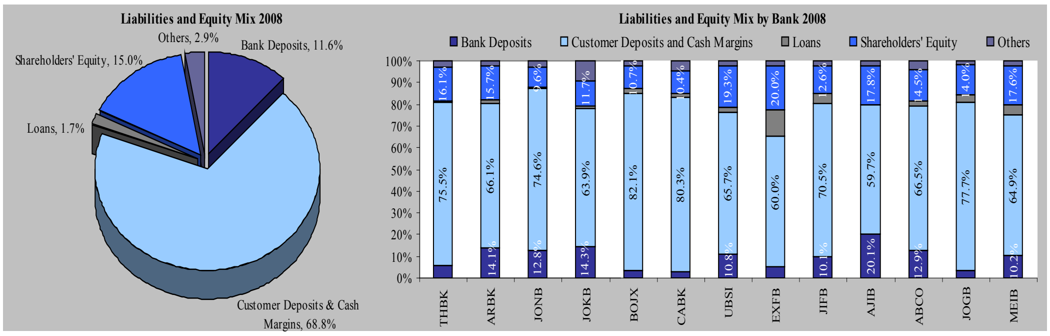


Source: Commercial Banks' 2008 Annual Reports

4.1.2 Sources of Funds

The primary components of the sector's sources of funds are customer deposits and cash margins, in addition to shareholders' equity, comprising almost 84% of the total, at JD 33.89 billion in the aggregate for the thirteen banks in 2008.

Customer deposits are the sector's main source of funds...

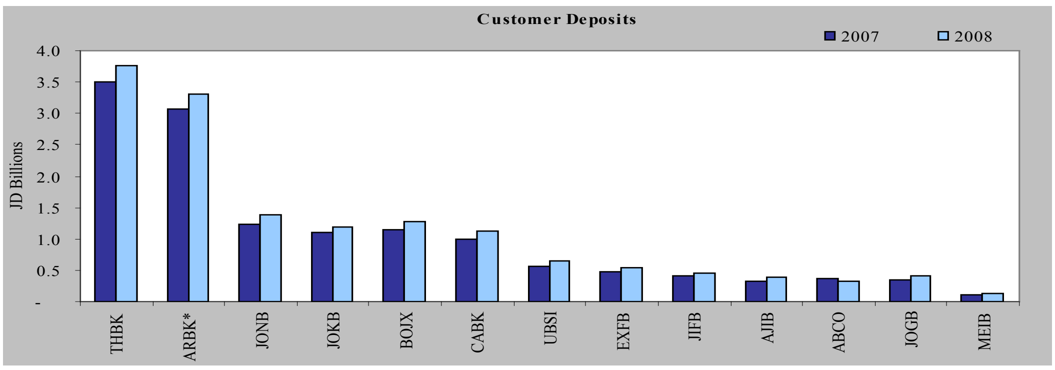


Source: Commercial Banks' 2008 Annual Reports

The Bank of Jordan (BOJX) and Cairo Amman Bank (CABK) had the highest reliance on customer deposits, at over 80% of their total source of funds, in contrast with Arab Jordan Investment Bank (AJIB) and Capital Bank (EXFB) with the lowest. Predictably, to compensate, these two banks have a higher than average reliance on shareholders' equity as a source of funds. With a consequently more expensive cost of capital relative to banks relying on customer deposits, these banks have to generate higher relative profits to obtain competitive returns on their capital.

Customer Deposits

... and these have risen to JD 14.95 billion in 2008



Source: Commercial Banks' Annual Reports
* ARBK's customer Deposits have been scaled down to one-quarter of their actual value for clarity of graph

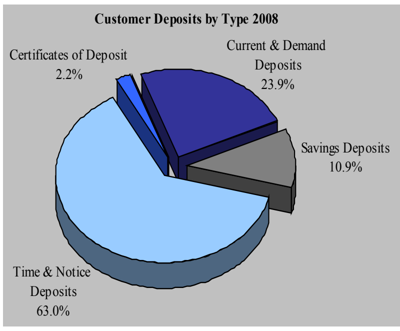
The outstanding balance of customer deposits, excluding cash margin accounts, held at listed commercial banks increased by 9.7% during 2008, equivalent to a rise of JD 1.32 billion, to reach JD 14.95 billion. All the banks, bar the Arab Banking Corporation, registered an increase in the level of deposits during the year, with the most dramatic percentage change arising for Jordan Commercial Bank (JOGB) at 23.3% and Societe Generale de Banque (MEIB) at 22.9%.

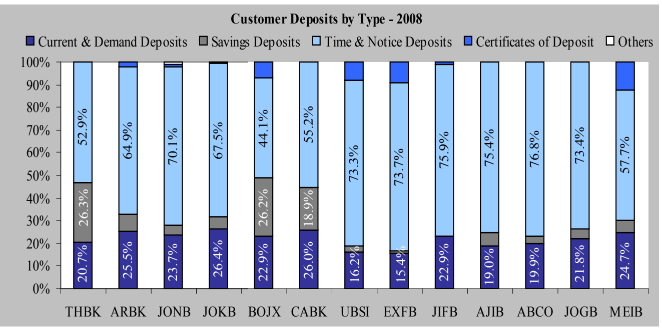
In terms of value of customer deposits obtained in absolute terms, corresponding to the overall bank size the Arab Bank (ARBK) and the Housing Bank for Trade and Finance (THBK) had the highest balances in 2008, reaching JD 13.25 billion and JD 3.76 billion, respectively. Taking customer deposits in Jordan on a stand-alone basis, the Arab Bank (ARBK) claimed a market share of the deposits of 25.8%, while the Housing Bank for Trade and Finance (THBK) claimed a market share of 16.4%.

Customer Deposits According to Type

Time and notice deposits are the most prevalent type of deposit

Some 63.0% of customer deposits were placed in time and notice accounts, which earn the highest level of interest, while just under 24% of deposits were located in current and demand account, which offer a very low or negligible cost of funds for the banks.



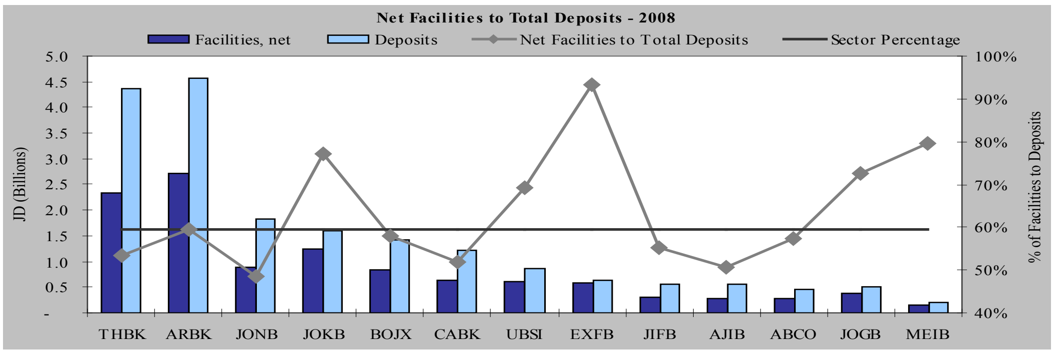


Source: Commercial Banks' Annual Reports

With regards to the cost of funds, the Bank of Jordan (BOJX) and Cairo Amman Bank (CABK) stood out favourably, with a relatively low percentage of their total customer deposits held in time and notice accounts. Meanwhile, the Jordan Kuwait Bank (JOKB) had the highest percentage of deposits in current and savings accounts. In contrast, the Capital Bank (EXFB) and Union Bank (UBSI) had the lowest percentage of deposits in the "cheaper" current and demand accounts, and had 73% of the deposits in time and notice accounts, with the remainder held in certificates of deposits.

Net Credit Facilities to Total Deposits

Facilities/deposits ratio for the sector was 59.5% in 2008

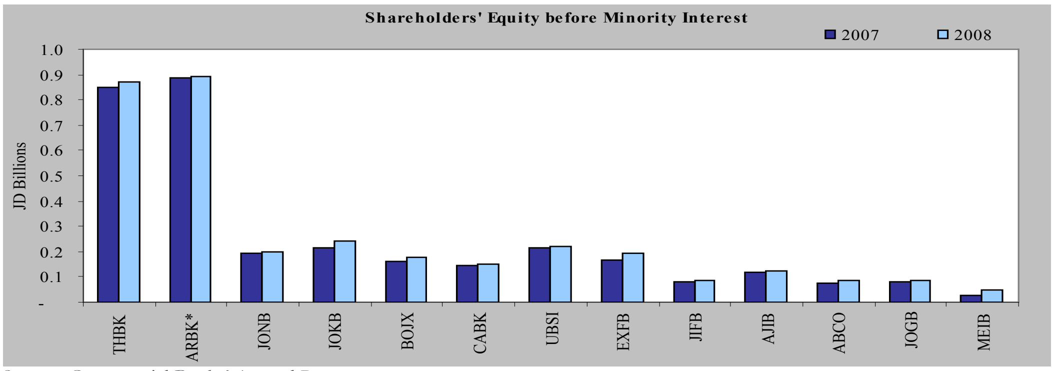


Source: Commercial Banks' 2008 Annual Reports
* ARBK's Deposits and Net Facilities have been scaled down to one-quarter of their actual value for clarity of graph

The Jordanian banking sector demonstrated highly variable ratios of net credit facilities granted to total deposits during 2008, ranging from a high 93.2% for the Capital Bank (EXFB) to a low of 48.4% for the Jordan Ahli Bank (JONB). The sector average ratio registered at 59.5%, with the majority of banks lying at or below the average line.

4.1.3 Shareholders' Equity

All 13 banks registered positive growth in their shareholders' equity



Source: Commercial Banks' Annual Reports
* ARBK's Deposits and Net Facilities have been scaled down to one-quarter of their actual value for clarity of graph

All thirteen commercial banks registered positive growth in their shareholders' equity during 2008 compared to the previous year, supported both by rising retained earnings balances through growth in profits, and as a result of an increase in paid-up capital for nine of the banks during the year. The only banks to maintain their 2007 paid-up capital were the Jordan Ahli Bank (JONB), the Bank of Jordan (BOJX), the Union Bank (UBSI), the Investbank (JIFB), and the Arab Jordan Investment Bank (AJIB).

At the end of 2008, six of the banks still had capital balances below the JD 100 million minimum required balance to be reached by banks by the end of 2010 in accordance with the Central Bank of Jordan requirements, therefore we would expect to see these banks raise their capital during the remainder of 2009 and into 2010.

Capital Adequacy

The 13 banks have a capital adequacy level exceeding that required by both the Central Bank and Basel

All thirteen banks surpassed the 12% minimum required capital adequacy level set by the Central Bank of Jordan as well as the 8% minimum set by Basel. Moreover, the sector average capital adequacy stood at a high 19.0% in 2008, pulled up primarily by the 31.8% and 25.5% registered by the Arab Banking Corporation (ABCO) and Societe Generale (MEIB), respectively.

	Capital Adequacy	
	2007	2008
The Housing Bank for Trade and Finance (THBK)	29.40%	23.16%
Arab Bank (ARBK)	20.29%	14.27%
Jordan Ahli Bank (JONB)	13.07%	12.08%
Jordan Kuwait Bank (JOKB)	14.97%	14.99%
Bank of Jordan (BOJX)	15.71%	13.37%
Cairo Amman Bank (CABK)	16.99%	15.56%
Union Bank (UBSI)	31.05%	23.23%
Capital Bank (EXFB)	21.55%	20.14%
Investbank (JIFB)	17.31%	17.01%
Arab Jordan Investment Bank (AJIB)	32.75%	23.20%
Arab Banking Corporation (ABCO)	19.52%	31.80%
Jordan Commercial Bank (JOGB)	18.09%	13.04%
Societe Generale de Banque - Jordanie (MEIB)	19.63%	25.52%
Average	**20.79%**	**19.03%**

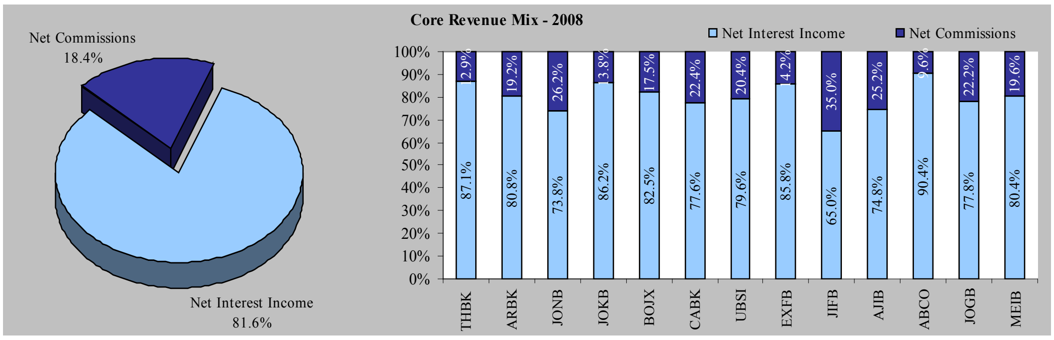
Source: Commercial Banks' Annual Reports
NB. 2008 figures calculated in accordance with Basel II while 2007 figures were calculated in accordance with Basel I

The lowest capital adequacy level registered was for Jordan Ahli Bank (JONB) at 12.08% in 2008, albeit still surpassing the required minimum.

4.2 Income Statement

4.2.1 Core Revenues

Net interest income makes up over 80% of the sector's 'core' revenues



Source: Commercial Banks' 2008 Annual Reports

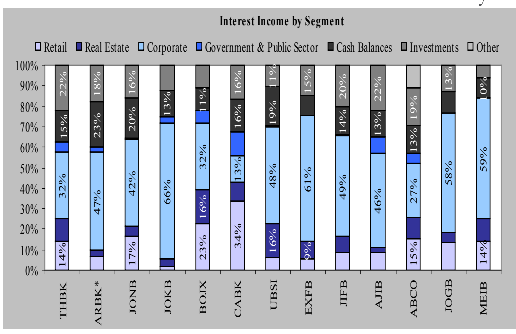
The banking sector's core operating revenues comprise of net interest income and commissions. Net interest income makes up over 80% of the core revenues for the sector, while commissions make up 18.4%. The Arab Banking Corporation (ABCO) has the highest proportion of net interest income in its core revenues, while Investbank (JIFB) has the lowest.

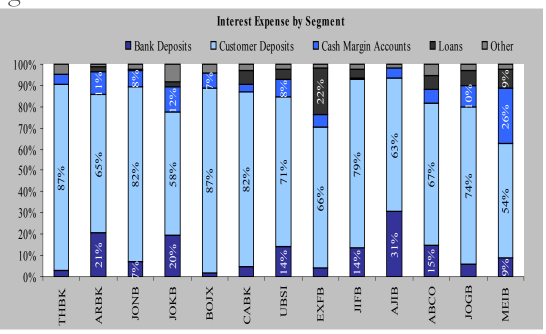
Interest income from credit facilities reached JD 1.42 billion...

Net Interest Income

The main sources of interest income for the sector comes from the credit facilities granted, comprising 64.1% of the interest income for the thirteen banks during 2008 at JD 1.42 billion, of which the corporate business is the primary generator. Meanwhile, the aggregate interest on the banks' deposits and cash balances amounted to JD 411.29 million, while interest generated from investments reached JD 377.39 million.

The distribution of interest income amongst individual banks varies widely, with Jordan Kuwait Bank (JOKB) and Capital Bank (EXFB) weighting heavily on the corporate side, in contrast with Cairo Amman Bank, whose interest income is primarily retail generated. This, typically, mirrors the distribution of these banks' credit facility segment allocation.





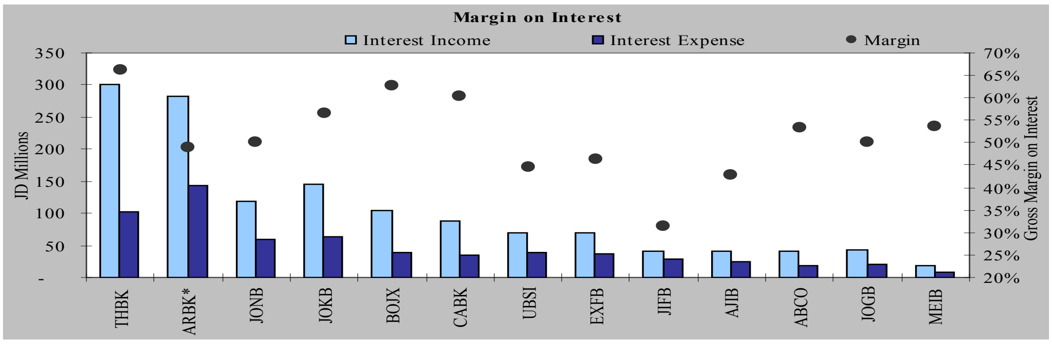
Source: Commercial Banks' 2008 Annual Reports

... while interest expense on customer deposits amounted to JD 735.92 million

With regards to the interest expense, the aggregate expense relating to customer deposits amounted to JD 735.92 million, equivalent to 70.0% of the total. The Housing Bank for Trade and Finance's (THBK) main cost arises from its customer deposits, while for Capital Bank (EXFB) and Arab Jordan Investment Bank, loans and bank deposits, respectively, feature highly.

Considering profitability of the banks on the basis of net interest income reveals the Housing Bank for Trade and Finance (THBK) and the Bank of Jordan (BOJX) as the most profitable, with interest margins of 66.1% and 62.7%, respectively. The worst performer was Investbank (JIFB) with a margin of 31.4%. Strikingly, it was both the Housing Bank for Trade and Finance (THBK) and the Bank of Jordan (BOJX) that had the lowest percentage of customer deposits in time and notice deposits, which have a higher cost of funds, while Investbank (JIFB) had the second highest percentage amongst the group.

THBK and BOJX have the highest interest margins

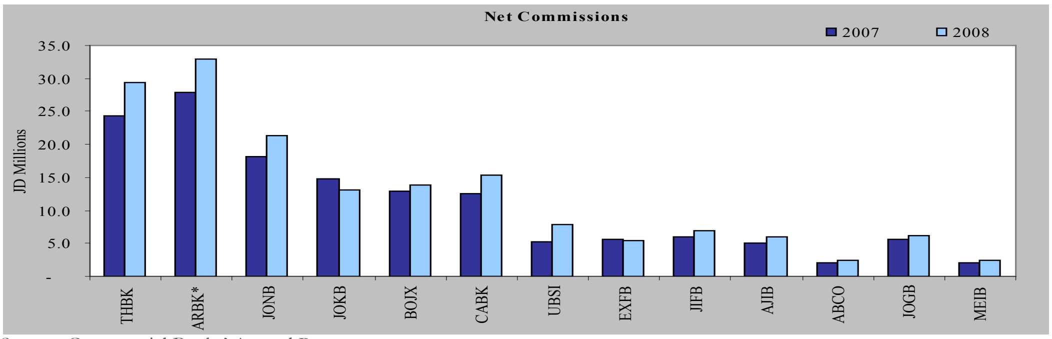


Source: Commercial Banks' Annual Reports
* ARBK's interest income and interest expense have been scaled down to one-quarter of their actual value for clarity of graph

Net commissions increased by 16% during 2008

Net Commissions

Aggregate net commissions rose by 16.0% during 2008, from JD 225.59 million to JD 261.68 million. This is a positive feature in the sector's performance since it highlights a rise in revenues without taking on additional risk. The bulk of the increase, in absolute terms, came from the sector's heavyweights, the Arab Bank (ARBK) and the Housing Bank for Trade and Finance (THBK), whose net commissions rose by JD 20.38 million and JD 5.07 million, respectively.



Source: Commercial Banks' Annual Reports
* ARBK's interest income and interest expense have been scaled down to one-quarter of their actual value for clarity of graph

Only Jordan Kuwait Bank (JOKB) and Capital Bank (EXFB) saw a drop in their net commission income during the year, with the remaining eleven banks exhibiting positive year-on-year growth.

Losses on investments booked to the P&L amounted to JD 66.85 million...

4.2.2 Investment Portfolio Income

Although the stock markets, both domestic and international, performed well during H1 2008, the announcement of the bankruptcy of the financial giant Lehman Brothers, news of the credit crunch and sub-prime mortgage debacle in the United States, and the onset of a global financial crisis and economic slowdown, sent stock markets globally into freefall during H2 2008. The exposure to the stock markets through the banks' investment portfolios led to a substantial JD 66.85 million in realised and unrealised losses being charged to the income statement, compared to gains of JD 40.17 million in 2007, as well as a whopping JD 306.25 million in unrealised losses being booked to equity.

In accordance with accounting standards, investments are categorised as trading investments, available-for-sale investments, and held-to-maturity investment. Trading investments and available-for-sale investments are reported on the balance sheet at fair value, while held-to-maturity investments are reported at amortised cost, and are therefore not subject to fluctuations in market prices in determining the value to report on the balance sheet.

Investment Portfolio Performance - 2008

	Balance Sheet Captions				Income Statement Captions	
	Trading Investments	AFS Investments	Held-to-Maturity Investments	Unrealised Profits (Losses) Booked to Equity	Gains (Losses) from Trading Investments	Realised Gains (Losses) from AFS Investments
THBK	13,408,133	613,297,108	600,541,463	(55,856,770)	(223,814)	(25,820,999)
ARBK	180,719,000	2,384,205,000	939,893,000	(188,554,000)	(7,039,000)	(6,393,000)
JONB	8,290,703	172,686,201	157,491,355	(7,816,699)	(1,530,489)	(1,926,150)
JOKB	375,599	228,214,796	45,615,164	(9,201,062)	(216,705)	(1,920,951)
BOJX	-	42,963,431	302,665,209	(4,117,613)	1,384,764	(1,554,347)
CABK	69,637	355,685,181	-	(14,831,365)	(43,983)	(2,927,869)
UBSI	884,553	147,777,908	2,734,939	(10,063,684)	(2,585,860)	(5,997,610)
EXFB	19,417,029	89,210,424	49,332,391	(2,290,013)	(2,299,360)	(1,944,004)
JIFB	8,541,216	125,908,510	-	(3,862,520)	(2,682,834)	(176,016)
AJIB	2,546,142	137,234,631	34,165,157	(1,757,781)	(295,025)	2,459,565
ABCO	2,862	127,710,229	-	(4,421,873)	(398,011)	(1,043,028)
JOGB	967,233	13,949,215	87,576,861	(3,412,838)	(72,437)	(3,573,657)
MEIB	-	191,875	21,126,941	(67,500)	-	(30,500)
Total	**235,222,107**	**4,439,034,509**	**2,241,142,480**	**(306,253,718)**	**(16,002,754)**	**(50,848,566)**

Source: Commercial Banks' 2008 Annual Reports

One key distinction exists, however, between trading and available-for-sale investments; changes in the fair value of trading investments, both realised and unrealised, are charged to the income statement. For available-for-sale investments, however, only realised gains and losses, as well as impairment losses, are reported in the P&L, while unrealised gains and losses bypass the income statement and are accumulated in shareholders' equity.

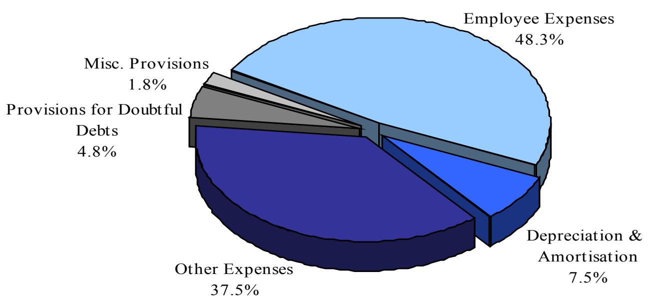
... while unrealised losses on available-for-sale investments reached JD 306.25 million

For the sector, some 64% of the aggregate investment portfolio comprises of available-for-sale investments, which means that a substantial amount of unrealised losses remain "hidden" from the P&L in shareholders' equity until disposal or sale of the investment. As illustrated above, unrealised losses on available-for-sale investments that were booked to equity register substantially higher than those booked to the income statement at JD 306.25 million versus JD 50.85 million.

Operating Expenses

Employee costs are the sector's largest expense, excluding interest expense

Breakdown of Aggregate Expenses - 2008



Source: Commercial Banks' 2008 Annual Reports

The larger portion of non-interest and commission expenses comprise of employee salaries, which amounted to JD 368.26 million in 2008. Due to the soaring inflation in Jordan during the year, with the consumer price index hitting double-digit figures, salaries across the Kingdom were raised to compensate, contributing to the 14.3% rise in employee salaries compared to 2007. The

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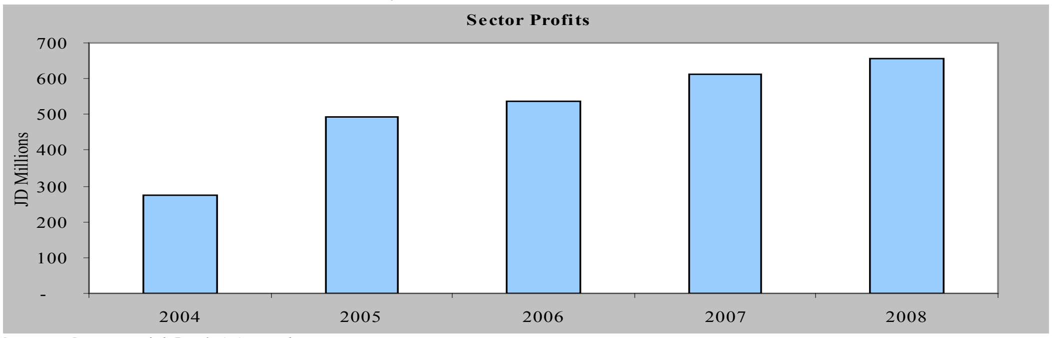
other significant expense for banks is categorised as "other expenses", including fees such as audit and legal fees, rent, advertising, stationary expenses, electricity and telephone bills, etc.

Given the circumstances in the economy in late 2008, it would be expected that provisions for doubtful debts would soar compared to the previous year. While this was the case for a number of banks, particularly the market heavyweights, overall the aggregate provisions actually declined from JD 45.64 million to JD 36.74 million. For 2009, we would expect to see provisions rise once again to account for the economic developments and the hardship faced by both corporations and individuals.

4.2.3 Net Income and Profitability

Net income has shown continued growth since 2004...

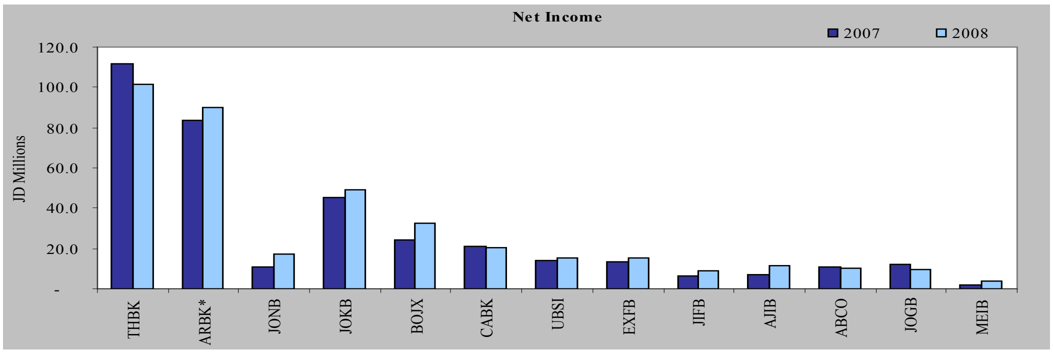


Source: Commercial Banks' Annual Reports

... reaching JD 655.90 million in 2008...

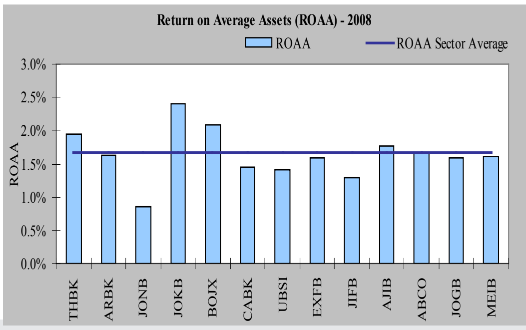
Following rapid growth in the sector profitability in 2005, where the aggregate net income for the thirteen commercial banks rose by almost 80%, the growth in the profits began to decelerate, registering a compounded annual growth rate of 10.1% during the period 2005-2008. In spite of the poor investment performance during 2008, however, net income for the sector rose to JD 655.90 million from JD 613.45 million in 2007, registering a 6.9% rise. Nonetheless, this was not a trend evident across the board; a number of banks registered a drop in their profits year-on-year due to soaring investment losses and/or rising doubtful debt provisions, including the Housing Bank for Trade and Finance (THBK), Cairo Amman Bank (CABK), the Arab Banking Corporation (ABCO) and the Jordan Commercial Bank (JOGB).

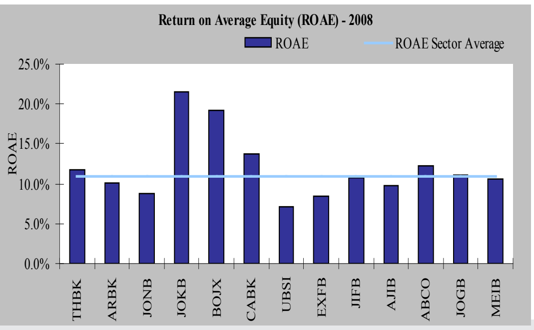
... despite a number of banks seeing a drop in their bottom line that year



Source: Commercial Banks' Annual Reports
* ARBK's interest income and interest expense have been scaled down to one-quarter of their actual value for clarity of graph

The sector average Return on Average Assets (ROAA) ratio registered at 1.7% for 2008, with the majority of the banks falling below the average line. The Jordan Kuwait Bank (JOKB) was the top performer, with a ratio of 2.4%, followed by the Bank of Jordan (BOJX) with 2.1%. The worst performer that year was the Jordan Ahli Bank (JONB), with an ROAA ratio of 0.9%.



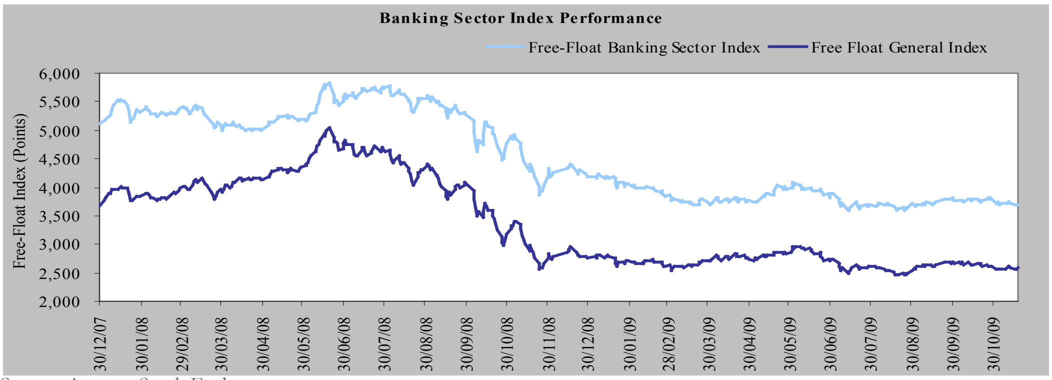


Source: Commercial Banks' Annual Reports

In terms of the Return on Average Equity (ROAE), the Jordan Kuwait Bank (JOKB) and Bank of Jordan (BOJX) outperformed the 11.0% sector average, with ratios of 21.5% and 19.3%, respectively, while the Union Bank (UBSI) registered a low 7.2%.

The banking sector index replicated the trend of the General Index...

5.0 STOCK MARKET PERFORMANCE



Source: Amman Stock Exchange

The general shape of the banking sector index mirrors that of the overall market index, as a result of the heavy weighting of the Arab Bank (ARBK) stock in the market. Nonetheless, during the first half of 2008, the banking sector index was outperformed by the general index, rising by 8.9% compared to 29.9%. This was a period in the Jordanian economy of rising inflation, strong corporate profitability, and booming stock market performance on the back of soaring mining and commodity stock prices corresponding to rising fertiliser and commodity prices in the international market.

... but outperformed it, declining by 18% during 2008 compared the the General Index's fall of 24.9% over the same period

During June 2008, the high for the banking sector index for both years 2008 and 2009 was reached, closing at 5,824.05 points on the 19th before dropping to 5,578.42 points to close the month. In July, the index began trading horizontally before trailing the general index, which had begun a sharp downturn in response to the eruption of the financial crisis in the United States. By the end of 2008, the banking sector index had fallen 24.8% since June and 18.0% year-to-date, while the general index had slumped by 42.2% and 24.9% respectively.

In the first quarter of 2009, when the general index had begun to stabilise with a mere 1.8% decline, the banking sector index continued to descend, underperforming the overall market by dropping by 11.5% to 3,712.22 points. In April and May, both indices showed signs of a recovery before slumping again in June to end H1 2009 at 3,879.73 points for the banking sector index and 2,735.23 points for the general index, down 7.5% and 0.8% respectively year-to-date. The indices' movement continued more-or-less horizontally in the third quarter, closing at 3,786.73 points and 2,688.19 points, respectively, on September 30th, and 3,693.03 points and 2,580.68 points on November 22nd.

Sector Liquidity

	Value Traded	# of Transactions	Volume Traded	Av. Daily Value Traded	Av. # of Daily Transactions	Av. Volume Traded
2009*	728,493,461	116,836	204,388,402	3,425,494	546	990,627
2008	2,494,477,113	207,879	282,943,271	10,247,026	860	1,177,081

* Up to November 22nd 2009

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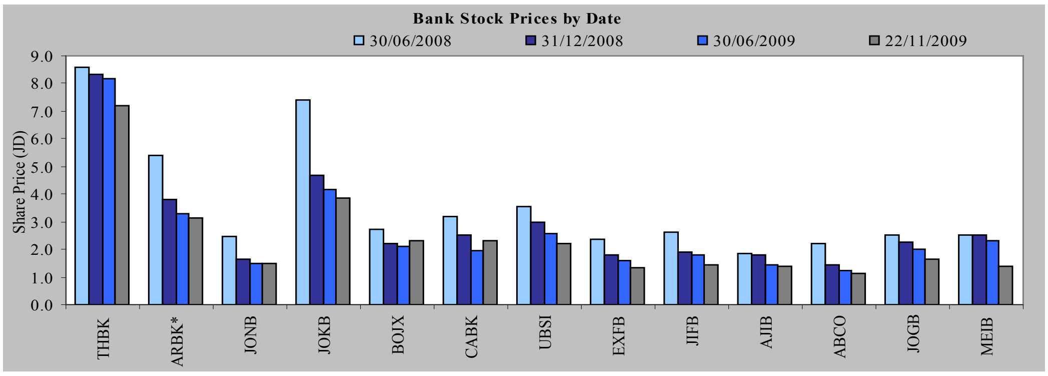
Trading activity in the sector during 2009 fell significantly short of that registered during 2008, with the average daily value traded registering at one-third of the 2008 average. Strikingly, however, the difference in the average daily volume of shares traded is much less significant. This phenomenon can be justified by the sharp decline in share price of all the banks during 2009 compared to the levels reached during 2008.



* ARBK figures reduced to one-quarter of actual size for clarity of graph

Liquidity in the sector has deteriorated so far in 2009 under poor economic conditions

Since value traded depends on share price, the consistent decline in price exhibited by all banks in the sector explains the extreme slump in trading value in spite of the lesser drop in volume.

Ticker	Period	Trading Value			Trading Volume		
		Value (JD)	Share of Sector (%)	Daily Average Value (JD)	Volume (# Shares)	Share of Sector (%)	Daily Average Volume (# Shares)
THBK	2009*	23,049,850	3.2%	108,215	3,141,278	1.5%	14,748
	2008	120,978,798	4.8%	495,815	14,177,090	5.0%	58,103
ARBK	2009*	398,063,561	54.6%	1,777,069	30,179,055	14.8%	134,728
	2008	1,623,930,638	65.1%	6,628,288	75,809,515	26.8%	309,427
JONB	2009*	13,701,575	1.9%	62,280	8,788,923	4.3%	39,950
	2008	64,879,707	2.6%	265,900	26,619,204	9.4%	109,095
JOKB	2009*	4,761,130	0.7%	21,642	1,148,259	0.6%	5,219
	2008	394,613,272	15.8%	1,617,268	54,676,768	19.3%	224,085
BOJX	2009*	11,085,007	1.5%	49,932	5,200,373	2.5%	23,425
	2008	63,460,363	2.5%	261,154	22,893,394	8.1%	94,211
CABK	2009*	10,123,791	1.4%	46,869	4,981,182	2.4%	23,061
	2008	37,101,494	1.5%	153,312	10,885,647	3.8%	44,982
UBSI	2009*	35,333,328	4.9%	171,521	15,402,726	7.5%	74,771
	2008	26,802,662	1.1%	116,533	7,710,995	2.7%	33,526
EXFB	2009*	191,156,626	26.2%	880,906	110,083,119	53.9%	507,295
	2008	99,520,865	4.0%	412,950	42,755,975	15.1%	177,411
JIFB	2009*	1,620,703	0.2%	8,808	973,775	0.5%	5,292
	2008	22,451,939	0.9%	101,592	8,565,274	3.0%	38,757
AJIB	2009*	13,127,037	1.8%	73,747	8,463,445	4.1%	47,547
	2008	18,451,532	0.7%	78,517	9,931,529	3.5%	42,262
ABCO	2009*	1,442,107	0.2%	7,104	1,159,380	0.6%	5,711
	2008	3,999,225	0.2%	17,464	1,859,831	0.7%	8,122
JOGB	2009*	33,019,205	4.5%	214,410	16,538,938	8.1%	107,396
	2008	16,829,187	0.7%	76,150	6,572,085	2.3%	29,738
MEIB	2009*	215,209	0.0%	2,989	106,808	0.1%	1,483
	2008	1,457,431	0.1%	22,082	485,964	0.2%	7,363

Ticker	Period	Trading Value			Trading Volume		
		Value (JD)	Share of Sector (%)	Daily Average Value (JD)	Volume (# Shares)	Share of Sector (%)	Daily Average Volume (# Shares)
Sector	2009*	728,493,461	100.0%	3,425,494	204,388,402	100.0%	990,627
	2008	2,494,477,113	100.0%	10,247,026	282,943,271	100.0%	1,177,081

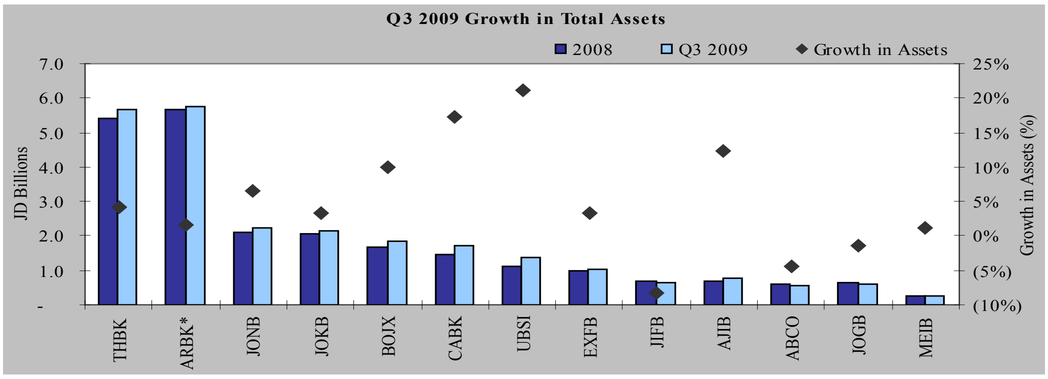
* Up to November 22nd 2009

Asset growth in 2009 slumped to 3.7%, reaching JD 41.97 billion...

Clearly, during 2009 the most liquid banks were the Arab Bank (ARBK), claiming 54.6% of the sector trading value and 14.8% of the volume traded, due primarily to the higher share price of the bank compared to the remaining banks in the sector, as well as the Capital Bank (EXFB), which claimed 26.2% of the trading value and 53.9% of the volume traded, consequent to heavy trading on the stock by the Kubbeh family early in the year.

6.0 Q3 2009 PERFORMANCE HIGHLIGHTS

The continued impact of the global economic slowdown has been visible on the Jordanian banking sector in the form of lower profits, higher provisions and slower overall growth. In terms of assets, following a growth of over 7% for the thirteen commercial banks in 2008, the growth in the three quarters ended September 30th 2009 registered at a meagre 3.7%, rising to JD 41.97 billion from JD 40.49 billion at the end of 2008.



Source: Commercial Banks' Q3 2009 Financial Statements
* ARBK figures reduced to one-quarter for clarity of chart

...with 3 banks exhibiting a shrinking of assets over the nine months

Ten of the thirteen banks registered positive growth in their total assets, with the exceptions being the InvestBank (JIFB), the Arab Banking Corporation (ABCO), and the Jordan Commercial Bank (JOGB), whose declines in growth were primarily due to a sharp drop in the level of their cash balances, in the case of JIFB and ABCO, and a slump in credit facilities for JOGB.

Credit facilities declined from JD 19.35 billion in 2008 to JD 18.98 billion in Q3 2009...

The accumulation of doubtful debts has prompted a contraction in the level of facilities granted by the banks, who, veering on the cautious side, are demanding additional collaterals and restricting policies. Only six of the thirteen banks recorded growth in their net credit facilities, and even this has been attributed by experts to rescheduling of existing debts rather than representing new facilities, while only three banks witnessed a drop in their customer deposits.

	Net Credit Facilities			Customer Deposits & Cash Margins			Facilities/Customer Deposits & Cash Margins	
	Q3 2009	2008	% Change	Q3 2009	2008	% Change	Q3 2009	2008
THBK	2,314,467,415	2,341,696,067	(1.2%)	4,387,993,069	4,068,204,917	7.9%	52.7%	57.6%
ARBK	10,483,128,000	10,839,672,000	(3.3%)	14,833,251,000	15,039,160,000	(1.4%)	70.7%	72.1%
JONB	965,648,110	889,730,076	8.5%	1,688,072,415	1,570,227,880	7.5%	57.2%	56.7%
JOKB	1,100,224,426	1,237,394,692	(11.1%)	1,355,760,344	1,309,380,290	3.5%	81.2%	94.5%
BOJX	841,502,451	826,521,842	1.8%	1,511,222,847	1,374,084,914	10.0%	55.7%	60.2%
CABK	693,257,722	632,853,802	9.5%	1,276,828,208	1,174,130,736	8.7%	54.3%	53.9%

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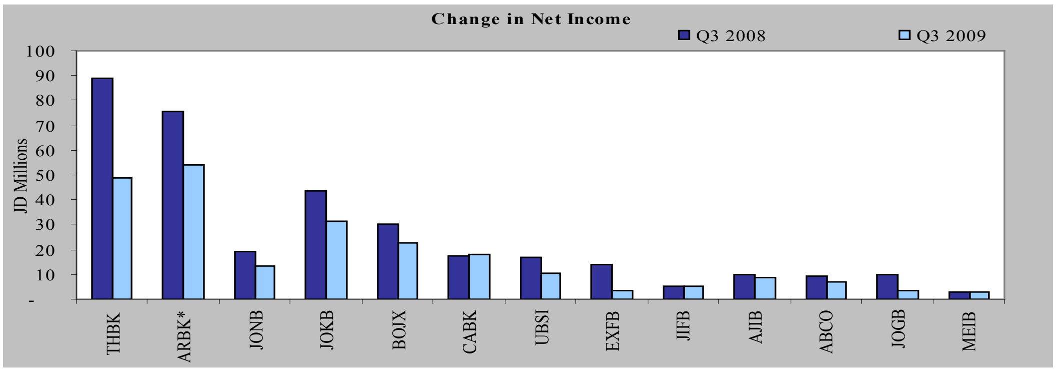
UBSI	632,723,554	601,551,048	5.2%	885,519,026	744,884,367	18.9%	71.5%	80.8%
EXFB	589,811,138	592,871,680	(0.5%)	641,804,696	584,759,037	9.8%	91.9%	101.4%
JIFB	291,325,724	303,259,965	(3.9%)	485,031,228	481,714,857	0.7%	60.1%	63.0%
AJIB	319,343,210	282,471,433	13.1%	471,821,185	416,001,065	13.4%	67.7%	67.9%
ABCO	274,284,587	267,259,973	2.6%	370,712,745	390,084,575	(5.0%)	74.0%	68.5%
JOGB	326,690,269	368,360,600	(11.3%)	481,158,412	487,874,760	(1.4%)	67.9%	75.5%
MEIB	150,384,682	164,850,938	(8.8%)	187,803,144	179,071,254	4.9%	80.1%	92.1%
Sector	**18,982,791,288**	**19,348,494,116**	**(1.9%)**	**28,576,978,319**	**27,819,578,652**	**2.7%**	**66.4%**	**69.5%**

Source: Commercial Banks' Q3 2009 Financial Statements

Thus, overall, the percentage of net credit facilities to customer deposits and cash margins slumped, rising only for JONB, CABK, and ABCO, with the sector average dropping from 69.5% at the end of 2008 to 66.4% nine months later.

... while investment portfolio performances improved...

Meanwhile, on an aggregate basis, the performance of the investment portfolios of the banks showed a marked improvement, with the gains from trading investments rising from JD 730.31 thousand in Q3 2008 to JD 9.52 million one year later, while the gains from available-for-sale investments soared to JD 18.93 million from JD 1.66 million. The cumulative change in fair value account in equity also showed strong improvement, moving from an accumulated loss of JD 130.30 million at the end of 2008 to a positive cumulative change of JD 13.02 million.



Source: Commercial Banks' Q3 2009 Financial Statements
* ARBK figures reduced to one-quarter for clarity of chart

... and provisions taken against doubtful debts mushroomed

Overall, net income slumped by 31%

Expenses for the sector remained largely stable, with the exception of the provisions for doubtful debts account, which increased seven-fold to JD 150.73 million over the period. The bulk of these provisions were taken by the sector heavyweights; the Housing Bank (THBK), with provisions taken of JD 46.09 million, the Arab Bank (ARBK), with provisions of JD 44.86 million, and the Jordan Kuwait Bank (JOKB), with provisions of JD 22.06 million.

Overall, net income for the sector showed a 31.0% slump over the period, with only the InvestBank (JIFB) and Cairo Amman Bank (CABK) seeing a positive change in their bottom line.

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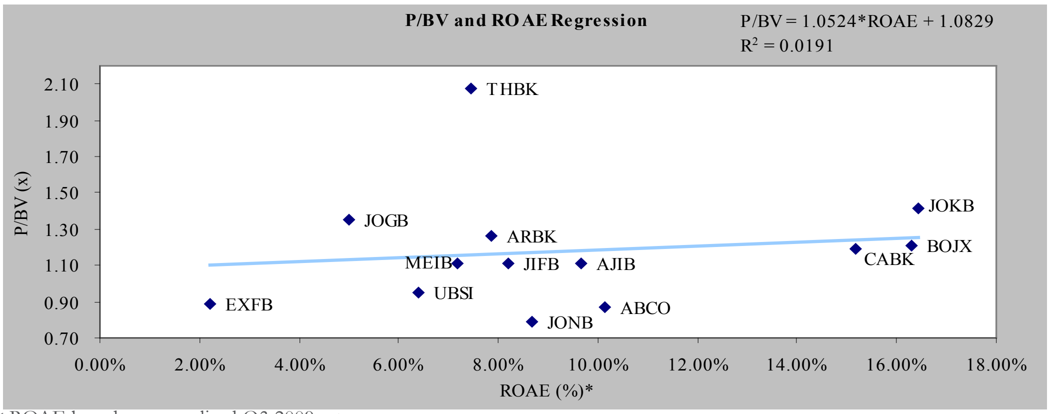
7.0 SECTOR VALUATION

	Paid-up Capital	Equity	Net Income	Share Price	BVPS	EPS	ROAA*	ROAE*	P/BV	P/E*
	Q3 2009			22/11/09	Q3 2009					
THBK	252,000,000	873,251,962	48,767,845	7.20	3.465	0.175	1.17%	7.47%	2.08x	30.86x
ARBK**	534,000,000	3,775,566,000	217,081,000	12.56	9.935	0.617	1.26%	7.87%	1.26x	15.27x
JONB	110,000,000	209,801,661	13,390,544	1.50	1.907	0.122	0.82%	8.68%	0.79x	9.22x
JOKB	100,000,000	273,562,289	31,599,882	3.88	2.736	0.307	2.01%	16.43%	1.42x	9.48x
BOJX	100,000,000	190,108,769	22,619,697	2.30	1.901	0.234	1.70%	16.32%	1.21x	7.37x
CABK	88,000,000	169,439,808	18,272,736	2.30	1.925	0.208	1.53%	15.18%	1.19x	8.29x
UBSI	100,000,000	229,653,036	10,733,127	2.19	2.297	0.107	1.14%	6.39%	0.95x	15.35x
EXFB	132,280,000	200,238,198	3,257,111	1.35	1.514	0.023	0.43%	2.20%	0.89x	44.02x
JIFB	70,000,000	92,274,231	5,472,091	1.46	1.318	0.078	1.11%	8.20%	1.11x	14.04x
AJIB	100,000,000	124,267,413	9,002,699	1.38	1.243	0.088	1.62%	9.68%	1.11x	11.76x
ABCO	70,919,063	93,795,897	6,812,705	1.15	1.323	0.096	1.58%	10.15%	0.87x	8.98x
JOGB	73,053,750	85,793,713	2,004,148	1.64	1.174	0.027	0.63%	4.62%	1.36x	27.33x
MEIB	40,455,830	51,108,077	2,680,358	1.40	1.263	0.066	1.29%	7.18%	1.11x	15.91x
Sector	**1,770,708,643**	**6,368,861,054**	**391,693,943**		**3.597**	**0.221**	**1.27%**	**8.42%**	**1.18x**	**16.76x**

* Based on annualised Q3 2009 results
** BVPS, EPS, P/BV and P/E relate to the Arab Bank Group

The table above highlights some of the key valuation statistics for the thirteen commercial banks under consideration, while the chart below shows a regression of the P/BV for the banks against their return on average equity ratios.



* ROAE based on annualised Q3 2009 returns

While the above regression does not confirm a correlation between the level of the return on average equity and the corresponding P/BV ratio, as indicated by the low R^2 due to the Housing Bank's (THBK) high P/BV relative to its ROAE ratio, excluding the Housing Bank from the analysis brings the R^2 value up to 18%. Nonetheless, using the average provided by the above regression gives an indication of possible over- and under-valued banks. Assuming the relationship between the P/BV ratio and ROAE is correct for the average, all banks falling above the best-fit regression line represent banks that are 'relatively' overpriced compared to the overall sector, while those below the line are those that are 'relatively' underpriced comparatively. According to the regression, the most fairly priced stocks are Societe Generale (MEIB), Investbank (JIFB), Bank of Jordan (BOJX), Arab Jordan Investment Bank (AJIB), and Cairo Amman Bank (CABK). The 'fairly valued' banks on excluding the Housing Bank (THBK) from the regression are also consistent with those listed above.

In contrast, using the sector average P/E ratio and the Q3 2009 annualised EPS for the thirteen banks reveals Arab Jordan Investment Bank (AJIB), Investbank (JIFB) and the Arab Bank (ARBK) as the most fairly priced, with the Bank of Jordan (BOJX) and Cairo Amman Bank (CABK) the most underpriced.

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Bank Ranking

The table below ranks the thirteen listed commercial banks according to a number of key indicators, with a ranking of 1 being the highest and a ranking of 13 being the lowest.

	THBK	ARBK	JONB	JOKB	BOJX	CABK	UBSI	EXFB	JIFB	AJIB	ABCO	JOGB	MEIB
Capital Adequacy	23.16%	14.27%	12.08%	14.99%	13.37%	15.56%	23.23%	20.14%	17.01%	23.20%	31.80%	13.04%	25.52%
Rank	*5*	*10*	*13*	*9*	*11*	*8*	*3*	*6*	*7*	*4*	*1*	*12*	*2*
Dividend Payout Ratio 2008	0.653	0.233	0.602	0.216	0.457	0.197	0.610	-	-	0.862	0.649	0.373	-
Rank	*2*	*8*	*5*	*9*	*6*	*10*	*4*	*11*	*11*	*1*	*3*	*7*	*11*
NPLs/Net Credit Facilities	2.23%	1.80%	11.82%	0.50%	5.80%	4.94%	5.72%	4.40%	7.10%	2.91%	2.40%	4.90%	4.75%
Rank	*3*	*2*	*13*	*1*	*11*	*9*	*10*	*6*	*12*	*5*	*4*	*8*	*7*
Provisions/NPLs	68.9%	106.8%	70.1%	253.1%	82.5%	124.6%	27.8%	70.2%	79.2%	80.1%	111.3%	62.2%	69.0%
Rank	*11*	*4*	*9*	*1*	*5*	*2*	*13*	*8*	*7*	*6*	*3*	*12*	*10*
Collaterals/Gross Facilities	56.9%	72.8%	48.7%	48.6%	52.9%	28.1%	53.2%	34.8%	78.0%	75.2%	50.9%	68.1%	44.1%
Rank	*5*	*3*	*9*	*10*	*7*	*13*	*6*	*12*	*1*	*2*	*8*	*4*	*11*
Cost of Funds	2.23%	3.05%	3.15%	3.54%	2.60%	2.60%	4.12%	4.52%	4.76%	4.19%	3.67%	3.74%	3.61%
Rank	*1*	*4*	*5*	*6*	*2*	*3*	*10*	*12*	*13*	*11*	*8*	*9*	*7*
Gross Yield on Interest-earning assets	5.70%	5.37%	6.13%	7.29%	6.54%	6.33%	6.31%	7.72%	6.25%	6.20%	7.31%	7.09%	6.71%
Rank	*12*	*13*	*11*	*3*	*6*	*7*	*8*	*1*	*9*	*10*	*2*	*4*	*5*
EPS (JD)	0.383	1.071*	0.166	0.464	0.328	0.254	0.164	0.108	0.145	0.116	0.154	0.134	0.101
Rank	*3*	*1*	*6*	*2*	*4*	*5*	*7*	*12*	*9*	*11*	*8*	*10*	*13*
BVPS (JD)	3.447	9.347*	1.831	2.394	1.796	1.894	2.300	1.472	1.398	1.238	1.320	1.259	1.197
Rank	*2*	*1*	*6*	*3*	*7*	*5*	*4*	*8*	*9*	*12*	*10*	*11*	*13*
P/E (Forward)**	30.857	15.267*	9.221	9.479	7.372	8.293	15.350	44.022	14.038	11.761	8.984	27.333	15.909
Rank	*12*	*8*	*4*	*5*	*1*	*2*	*9*	*13*	*7*	*6*	*3*	*11*	*10*
P/BV**	2.078	1.264*	0.786	1.418	1.210	1.195	0.954	0.892	1.108	1.111	0.870	1.356	1.108
Rank	*13*	*10*	*1*	*12*	*9*	*8*	*4*	*3*	*5*	*7*	*2*	*11*	*6*
ROAA	1.94%	1.64%	0.85%	2.41%	2.09%	1.46%	1.42%	1.59%	1.28%	1.77%	1.67%	1.59%	1.61%
Rank	*3*	*6*	*13*	*1*	*2*	*10*	*11*	*9*	*12*	*4*	*5*	*8*	*7*
ROAE	11.79%	10.11%	8.76%	21.51%	19.28%	13.69%	7.20%	8.48%	10.76%	9.76%	12.21%	11.06%	10.58%
Rank	*5*	*9*	*11*	*1*	*2*	*3*	*13*	*12*	*7*	*10*	*4*	*6*	*8*
Net Profit Margin	50.95%	65.18%	29.08%	59.49%	50.63%	38.27%	50.50%	46.72%	68.92%	66.26%	44.91%	43.65%	41.21%
Rank	*5*	*3*	*13*	*4*	*6*	*12*	*7*	*8*	*1*	*2*	*9*	*10*	*11*
Balance Sheet Growth	8.18%	7.21%	6.58%	2.28%	15.82%	10.84%	6.21%	4.67%	(2.27%)	9.53%	(2.36%)	14.36%	24.30%
Rank	*6*	*7*	*8*	*11*	*2*	*4*	*9*	*10*	*12*	*5*	*13*	*3*	*1*
Total Score	**88**	**89**	**127**	**78**	**81**	**101**	**118**	**131**	**122**	**96**	**83**	**126**	**122**
Overall Rank	*4*	*5*	*11*	*1*	*2*	*7*	*8*	*12*	*9*	*6*	*3*	*10*	*9*

All figures relate to 2008 unless otherwise indicated
* Based on ARBK Group results
** Based on Q3 2009 Financial Results

ABC Investments

8.0 Bank Overview and Highlights

The Housing Bank for Trade and Finance (THBK)

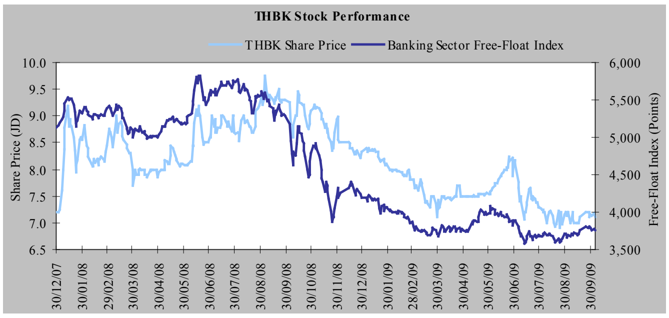
22 November 2009

Ticker	THBK
Current Price	JD 7.20
Market Capitalisation	JD 1,814,400,000
52-Week Price Range	JD 6.60 - JD 9.00

Bank Profile

The Housing Bank for Trade and Finance was established as a public shareholding company in 1973 to offer housing finance. The Bank was subsequently converted to a comprehensive commercial bank, offering a wide array of banking and investment services. The Bank has the largest branch network in the Kingdom with 98 branches, expected to reach 106 by the end of 2009, in addition to ten branches in Palestine and one in Bahrain. It also has a representative office in each of Libya, the United Arab Emirates, and Iraq, as well as a number of subsidiaries.

Stock Performance



Ranking Amongst Peer Group

	2008	Rank
Capital Adequacy	23.16%	5
Dividend Payout Ratio	0.653	2
NPLs/Credit Facilities	2.23%	3
NPL Provisions/NPLs	68.9%	11
Collaterals/Gross Credit Facilities	56.9%	5
Cost of Funds	2.23%	1
Gross Yield on Interest-Earning Assets	5.70%	12
EPS (2008)	0.383	3
BVPS (2008)	3.447	2
P/E (Forward)*	30.86x	12
P/BV*	2.08x	13
ROAA	1.94%	3
ROAE	11.79%	5
Net Profit Margin (%)	50.95%	5
Balance Sheet Growth	8.18%	6
Overall Rank		4

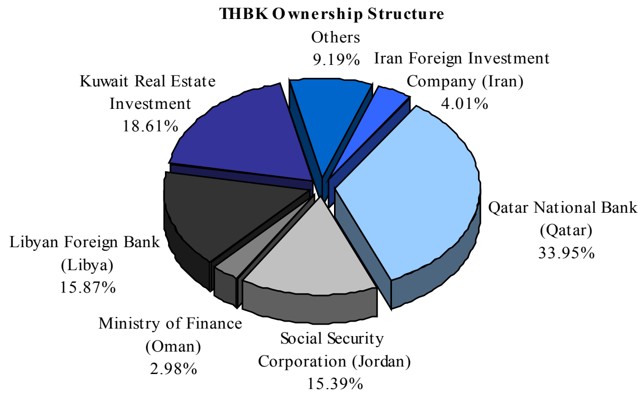
* Based on Q3 2009 Financial Results and Current Price

Financial Highlights

	2007	2008	Q3 2009
Balance Sheet Highlights			
Total Assets	5,020,071,766	5,430,579,044	5,653,518,455
S/H Equity	850,478,735	868,663,134	873,251,962
Net Facilities	1,936,250,617	2,341,696,067	2,314,467,415
Customer Deposits	3,500,562,100	3,764,520,478	4,115,653,312
Paid-up Capital	250,000,000	252,000,000	252,000,000
Capital Adequacy	29.40%	23.16%	N/A
Income Statement Highlights			
Net Interest Income	174,704,509	198,865,954	140,376,059
Net Commissions	24,312,080	29,386,244	25,588,476
Gross Profit	238,830,819	245,208,740	193,375,543
Net Profit Before Tax	154,531,206	142,021,758	72,890,744
Net Profit after Tax	111,463,294	101,322,745	48,767,845
Per Share Highlights			
EPS	0.435	0.383	0.175
BVPS	3.402	3.447	3.465
Share Price	7.21	8.33	7.15
Profitability and Performance Ratios			
P/E	16.57x	21.75x	30.64x*
P/BV	2.12x	2.42x	2.06x
ROAA	2.45%	1.94%	1.17%*
ROAE	13.44%	11.79%	7.47%*
Credit Quality			
NPLs*	63,322,190	53,061,485	N/A
NPL/Credit Facilities	3.20%	2.23%	N/A
Provisions for Doubtful Debts	39,435,275	36,575,585	N/A
Provisions/NPLs	62.3%	68.9%	N/A

N/A Information Not Available
* Based on Annualised Returns

Ownership Structure



Source: Securities Depository Commission
As of November 22nd 2009

The Arab Bank Plc (ARBK)

22 November 2009

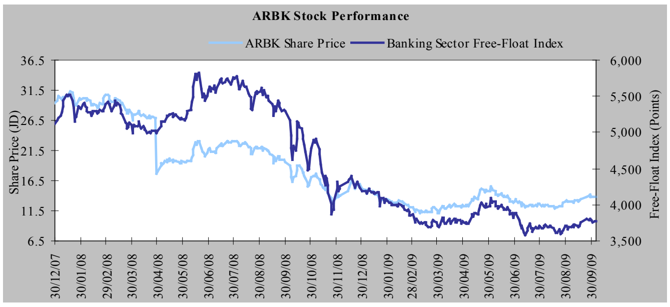
Ticker	ARBK
Current Price	JD 12.56
Market Capitalisation	JD 6,707,040,000
52-Week Range	JD 11.05 - JD 16.49

Bank Profile

The Arab Bank was registered on May 21st 1930 in Jerusalem, Palestine, with a paid-up capital of 15,000 Palestinian Pounds. In 1948, the Bank lost its branches in Haifa and Jafa, which were re-established in Beirut followed by Amman, and in Nablus and later in Ramallah. The Bank's headquarters were then transferred to Amman that year, and the Bank was incorporated as a public shareholding company.

Since then, the Bank has grown rapidly, expanding its presence to over 500 branches in thirty countries. It currently stands as the largest bank in Jordan in terms of size, with a paid-up capital of JD 534.00 million.

Stock Performance



Ranking Amongst Peer Group

	2008	Rank
Capital Adequacy	14.27%	10
Dividend Payout Ratio	0.233	8
NPLs/Credit Facilities	1.80%	2
NPL Provisions/NPLs	106.8%	4
Collaterals/Gross Credit Facilities	72.8%	3
Cost of Funds	3.05%	4
Gross Yield on Interest-Earning Assets	5.37%	13
EPS (2008)	1.071	1
BVPS (2008)	9.347	1
P/E (Forward)*	15.27x	8
P/BV*	1.26x	10
ROAA	1.64%	6
ROAE	10.11%	9
Net Profit Margin (%)	65.18%	3
Balance Sheet Growth	7.21%	7
Overall Rank		5

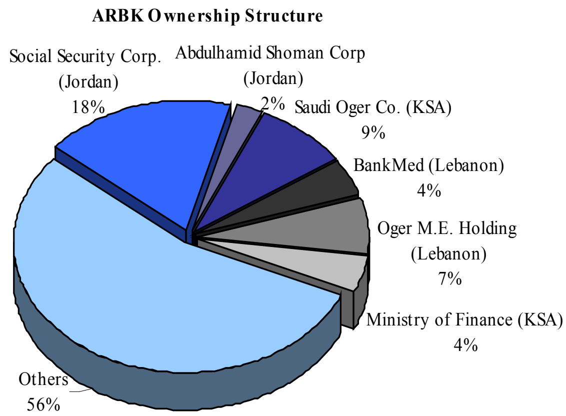
* Based on Q3 2009 Financial Results and Current Price

Financial Highlights

	2007	2008	Q3 2009
Balance Sheet Highlights			
Total Assets	21,220,031,000	22,751,002,000	23,092,822,000
S/H Equity	3,547,994,000	3,579,954,000	3,775,566,000
Net Facilities	9,875,128,000	10,839,672,000	10,483,128,000
Customer Deposits	12,247,957,000	13,252,243,000	12,980,396,000
Paid-up Capital	356,000,000	534,000,000	534,000,000
Capital Adequacy	20.29%	14.27%	N/A
Income Statement Highlights			
Net Interest Income	542,886,000	552,617,000	393,264,000
Net Commissions	111,353,000	131,729,000	96,103,000
Gross Profit	721,860,000	764,007,000	544,410,000
Net Profit Before Tax	416,718,000	449,842,000	271,139,000
Net Profit after Tax	334,656,000	360,174,000	217,081,000
Per Share Highlights			
EPS**	1.014	1.071	0.617
BVPS**	13.48	9.35	9.935
Share Price	29.34	15.16	13.85
Profitability and Performance Ratios			
P/E	28.93 x	14.15x	16.84x*
P/BV	2.18x	1.62x	1.39x
ROAA	1.69%	1.64%	1.26%*
ROAE	10.08%	10.11%	7.87%*
Credit Quality			
NPLs*	213,600,000	203,400,000	N/A
NPL/Credit Facilities	2.10%	1.80%	N/A
Provisions for Doubtful Debts	234,191,000	217,269,000	N/A
Provisions/NPLs	109.6%	106.8%	N/A

N/A Information Not Available
* Based on Annualised Returns
** Based on Arab Bank Group Results

Ownership Structure



Source: Securities Depository Commission
As of November 22nd 2009

ABC Investments

Jordan Ahli Bank (JONB)

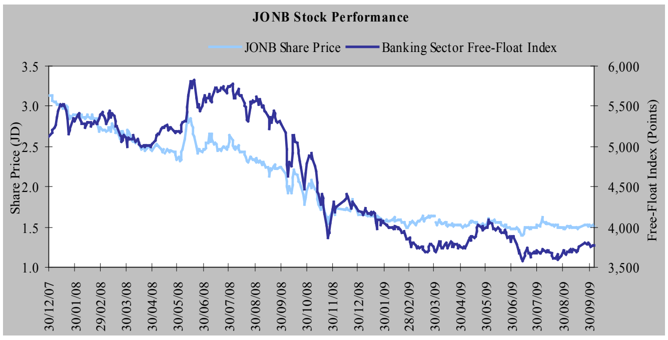
22 November 2009

Ticker	JONB
Current Price	JD 1.50
Market Capitalisation	JD 165,000,000
52-Week Range	JD 1.35 - JD 1.84

Bank Profile

The Jordan Ahli Bank, previously named the Jordan National Bank, was established in 1955 as the sixth public shareholding company in Jordan with a paid-up capital of JD 350,000. The Bank has expanded its reach in recent years, with an existing presence in Lebanon, Palestine and Cyprus. During 2005, Philadelphia Bank was merged with the Jordan Ahli Bank. Hand-in-hand with the growth in operations, the Bank has raised it paid-up capital to reach JD 110.00 million.

Stock Performance



Ranking Amongst Peer Group

	2008	Rank
Capital Adequacy	12.08%	13
Dividend Payout Ratio	0.602	5
NPLs/Credit Facilities	11.82%	13
NPL Provisions/NPLs	70.1%	9
Collaterals/Gross Credit Facilities	48.7%	9
Cost of Funds	3.15%	5
Gross Yield on Interest-Earning Assets	6.13%	11
EPS (2008)	0.166	6
BVPS (2008)	1.831	6
P/E (Forward)*	9.22x	4
P/BV*	0.79x	1
ROAA	0.85%	13
ROAE	8.76%	11
Net Profit Margin (%)	29.08%	13
Balance Sheet Growth	6.58%	8
Overall Rank		**11**

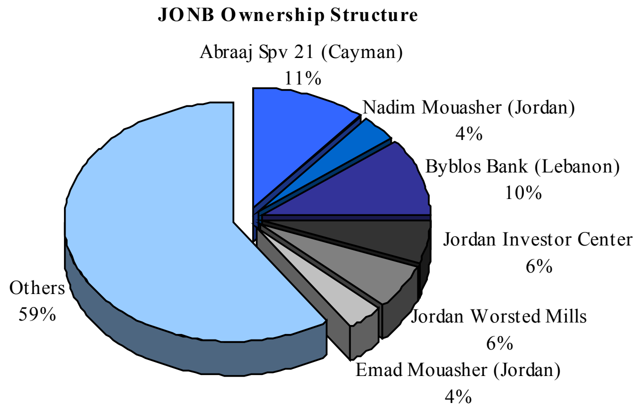
* Based on Q3 2009 Financial Results

Financial Highlights

	2007	2008	Q3 2009
Balance Sheet Highlights			
Total Assets	1,976,151,767	2,106,172,872	2,245,035,274
S/H Equity	195,834,145	201,458,941	209,801,661
Net Facilities	733,705,849	889,730,076	965,648,110
Customer Deposits	1,242,728,753	1,373,583,974	1,490,035,235
Paid-up Capital	110,000,000	110,000,000	110,000,000
Capital Adequacy	13.07%	12.08%	N/A
Income Statement Highlights			
Net Interest Income	51,486,131	59,819,096	40,694,854
Net Commissions	18,062,985	21,256,192	15,802,980
Gross Profit	86,734,090	89,930,660	64,438,304
Net Profit Before Tax	18,378,075	24,909,071	20,107,530
Net Profit after Tax	10,810,145	17,396,197	13,390,544
Per Share Highlights			
EPS	0.130	0.166	0.122
BVPS	1.780	1.831	1.907
Share Price	3.14	1.65	1.52
Profitability and Performance Ratios			
P/E	24.15x	9.94x	9.34x*
P/BV	1.76x	0.90x	0.80x
ROAA	0.58%	0.85%	0.82%*
ROAE	5.31%	8.76%	8.68%*
Credit Quality			
NPLs*	110,937,662	114,687,172	N/A
NPL/Credit Facilities	13.50%	11.82%	N/A
Provisions for Doubtful Debts	82,154,239	80,398,238	N/A
Provisions/NPLs	74.1%	70.1%	N/A

N/A Information Not Available
* Based on Annualised Returns

Ownership Structure



Source: Securities Depository Commission
As of November 22nd 2009

ABC Investments

Jordan Kuwait Bank (JOKB)

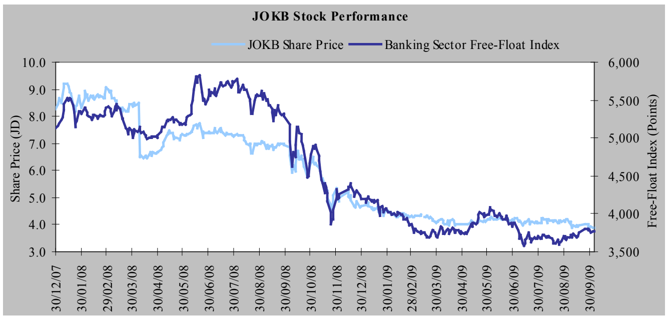
22 November 2009

Ticker	JOKB
Current Price	JD 3.88
Market Capitalisation	JD 388,000,000
52-Week Range	JD 3.80 - JD 5.34

Bank Profile

Jordan Kuwait Bank (JOKB) was established in 1976 by a group of Jordanian, Kuwaiti and Arab investors. Over the years, the Bank has grown to become the third largest bank in the Kingdom in terms of assets, with an operating network of 48 branches distributed across the Kingdom, one branch in each of Nablus and Ramallah in Palestine, along with an international banking unit in Cyprus. The Bank had two subsidiary companies in 2008, the Arab Orient Insurance Company (AALI) (5.93 million shares sold in 2009) and United Financial Investment Company (UCFI), which are listed on the Amman Stock Exchange.

Stock Performance



Ranking Amongst Peer Group

	2008	Rank
Capital Adequacy	14.99%	9
Dividend Payout Ratio	0.216	9
NPLs/Credit Facilities	0.50%	1
NPL Provisions/NPLs	253.1%	1
Collaterals/Gross Credit Facilities	48.6%	10
Cost of Funds	3.54%	6
Gross Yield on Interest-Earning Assets	7.29%	3
EPS (2008)	0.464	2
BVPS (2008)	2.394	3
P/E (Forward)*	9.48x	5
P/BV*	1.42x	12
ROAA	2.41%	1
ROAE	21.51%	1
Net Profit Margin (%)	59.49%	4
Balance Sheet Growth	2.28%	11
Overall Rank		1

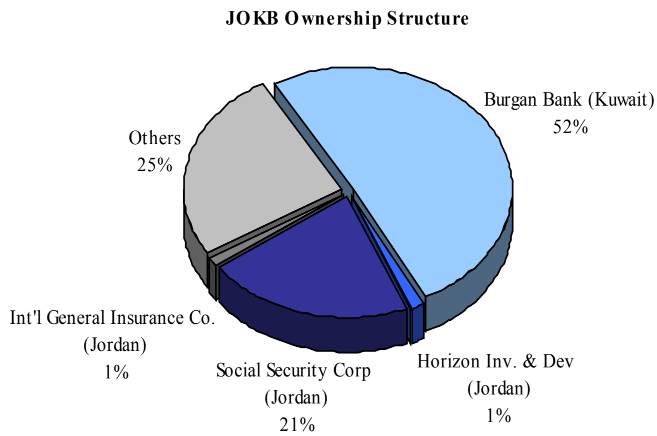
* Based on Q3 2009 Financial Results

Financial Highlights

	2007	2008	Q3 2009
Balance Sheet Highlights			
Total Assets	2,016,727,606	2,062,791,204	2,131,706,344
S/H Equity	216,946,670	239,397,722	273,562,289
Net Facilities	1,127,481,771	1,237,394,692	1,100,224,426
Customer Deposits	1,092,957,018	1,193,543,511	1,234,281,823
Paid-up Capital	75,000,000	100,000,000	100,000,000
Capital Adequacy	14.97%	14.99%	N/A
Income Statement Highlights			
Net Interest Income	65,146,477	82,498,187	56,421,097
Net Commissions	14,737,001	13,153,933	10,088,295
Gross Profit	96,774,226	116,655,753	87,898,305
Net Profit Before Tax	63,668,391	68,334,184	41,870,581
Net Profit after Tax	45,396,662	49,075,991	31,599,882
Per Share Highlights			
EPS	0.444	0.464	0.307
BVPS	2.893	2.394	2.736
Share Price	8.25	4.69	3.90
Profitability and Performance Ratios			
P/E	18.58x	10.11x	9.53x*
P/BV	2.85x	1.96x	1.43x
ROAA	2.48%	2.41%	2.01%*
ROAE	22.44%	21.51%	16.43%*
Credit Quality			
NPLs*	2,314,353	6,050,514	N/A
NPL/Credit Facilities	0.20%	0.50%	N/A
Provisions for Doubtful Debts	5,261,607	15,315,485	N/A
Provisions/NPLs	227.3%	253.1%	N/A

N/A Information Not Available
* Based on Annualised Returns

Ownership Structure



Source: Securities Depository Commission
As of November 22nd 2009

ABC Investments

Bank of Jordan (BOJX)

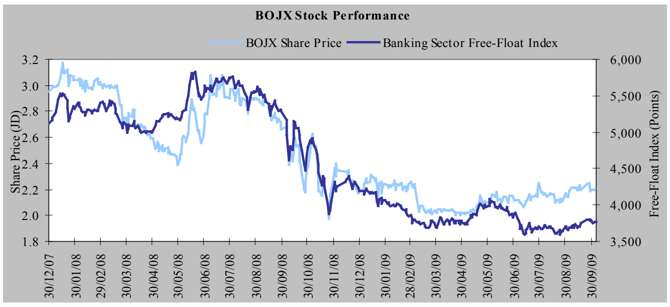
22 November 2009

Ticker	BOJX
Current Price	JD 2.30
Market Capitalisation	JD 230,000,000
52-Week Range	JD 1.98 - JD 2.42

Bank Profile

The Bank of Jordan was established on March 3rd 1960 with a paid-up capital of JD 350,000. The Bank's capital was raised a number of times over the years, with the most recent capital increase arising in 2007 where it was raised to JD 100 million. The Bank currently has presence in Palestine through its six branches there, and in Syria through its subsidiary, Bank of Jordan - Syria, which was launched during 2008 with a paid-up capital of 1,500 million Syrian Liras. The Bank also owns 100% of its Jordanian subsidiary, Excel for Financial Investment Company (Tafawwoq), which has a paid-up capital of JD 3.50 million.

Stock Performance



Ranking Amongst Peer Group

	2008	Rank
Capital Adequacy	13.37%	11
Dividend Payout Ratio	0.457	6
NPLs/Credit Facilities	5.80%	11
NPL Provisions/NPLs	82.5%	5
Collaterals/Gross Credit Facilities	52.9%	7
Cost of Funds	2.60%	2
Gross Yield on Interest-Earning Assets	6.54%	6
EPS (2008)	0.328	4
BVPS (2008)	1.796	7
P/E (Forward)*	7.37x	1
P/BV*	1.21x	9
ROAA	2.09%	2
ROAE	19.28%	2
Net Profit Margin (%)	50.63%	6
Balance Sheet Growth	15.82%	2
Overall Rank		2

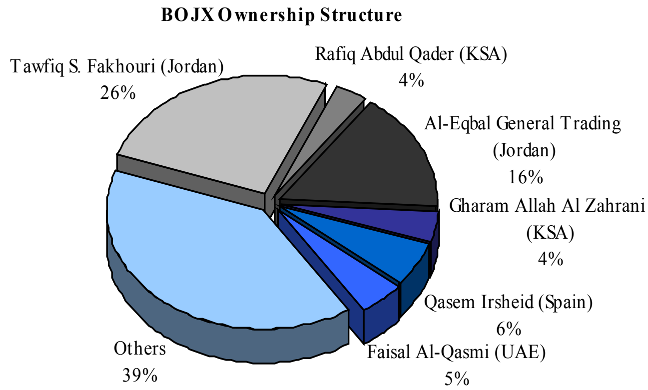
* Based on Q3 2009 Financial Results

Financial Highlights

	2007	2008	Q3 2009
Balance Sheet Highlights			
Total Assets	1,455,719,079	1,686,018,203	1,852,939,944
S/H Equity	161,205,938	179,604,487	190,108,769
Net Facilities	738,172,229	826,521,842	841,502,451
Customer Deposits	1,146,572,908	1,276,796,269	1,405,537,906
Paid-up Capital	100,000,000	100,000,000	100,000,000
Capital Adequacy	15.71%	13.37%	N/A
Income Statement Highlights			
Net Interest Income	55,300,538	64,895,459	47,706,076
Net Commissions	12,852,186	13,769,823	10,258,251
Gross Profit	83,035,612	90,582,982	61,017,859
Net Profit Before Tax	39,668,038	44,296,531	29,821,745
Net Profit after Tax	24,384,386	32,858,476	22,619,697
Per Share Highlights			
EPS	0.244	0.328	0.234
BVPS	1.612	1.796	1.901
Share Price	2.95	2.20	2.20
Profitability and Performance Ratios			
P/E	12.09x	6.71x	7.05x*
P/BV	1.83x	1.22x	1.16x
ROAA	1.72%	2.09%	1.70%*
ROAE	16.17%	19.28%	16.32%*
Credit Quality			
NPLs*	76,524,257	50,948,593	N/A
NPL/Credit Facilities	9.80%	5.80%	N/A
Provisions for Doubtful Debts	38,409,776	42,018,205	N/A
Provisions/NPLs	50.2%	82.5%	N/A

N/A Information Not Available
* Based on Annualised Returns

Ownership Structure



Source: Securities Depository Commission
As of November 22nd 2009

Cairo Amman Bank (CABK)

22 November 2009

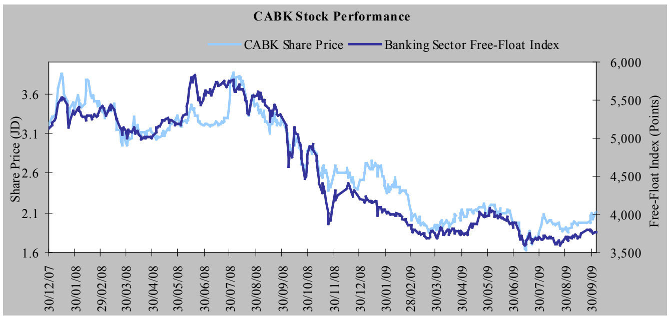
Ticker	CABK
Current Price	JD 2.30
Market Capitalisation	JD 202,400,000
52-Week Range	JD 1.59 - JD 2.75

Bank Profile

Cairo Amman Bank was established as a public shareholding company on January 14th 1960, and its first branch was launched in Palestine the following year. The Bank currently has 62 branches in the Kingdom and 17 in Palestine, in addition to its 100% owned subsidiaries, Awraq Investments, a brokerage company in Jordan with a paid-up capital of JD 5 million, and Al-Watania Securities Company - Palestine with a paid-up capital of JD 1.5 million.

The Bank has raised its paid-up capital over the years, reaching JD 88 million at the end of the first half of 2009.

Stock Performance



Ranking Amongst Peer Group

	2008	Rank
Capital Adequacy	15.56%	8
Dividend Payout Ratio	0.197	10
NPLs/Credit Facilities	4.94%	9
NPL Provisions/NPLs	124.6%	2
Collaterals/Gross Credit Facilities	28.1%	13
Cost of Funds	2.60%	3
Gross Yield on Interest-Earning Assets	6.33%	7
EPS (2008)	0.254	5
BVPS (2008)	1.894	5
P/E (Forward)*	8.29x	2
P/BV*	1.20x	8
ROAA	1.46%	10
ROAE	13.69%	3
Net Profit Margin (%)	38.27%	12
Balance Sheet Growth	10.84%	4
Overall Rank		7

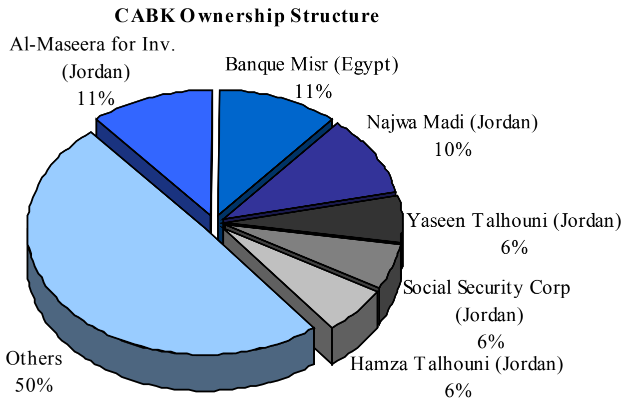
* Based on Q3 2009 Financial Results

Financial Highlights

	2007	2008	Q3 2009
Balance Sheet Highlights			
Total Assets	1,319,245,230	1,462,244,466	1,714,073,797
S/H Equity	145,043,672	151,500,924	169,439,808
Net Facilities	539,389,673	632,853,802	693,257,722
Customer Deposits	994,859,431	1,125,347,862	1,226,537,868
Paid-up Capital	75,000,000	80,000,000	88,000,000
Capital Adequacy	16.99%	15.56%	N/A
Income Statement Highlights			
Net Interest Income	46,158,896	53,035,028	41,112,125
Net Commissions	12,552,386	15,296,391	12,910,494
Gross Profit	75,016,615	74,881,556	64,345,075
Net Profit Before Tax	30,595,978	27,153,775	25,673,896
Net Profit after Tax	20,909,814	20,294,839	18,272,736
Per Share Highlights			
EPS	0.261	0.254	0.208
BVPS	1.934	1.894	1.925
Share Price	3.20	2.52	2.10
Profitability and Performance Ratios			
P/E	12.26x	9.92x	7.57x*
P/BV	1.65x	1.33x	1.09x
ROAA	1.67%	1.46%	1.53%*
ROAE	14.76%	13.69%	15.18%*
Credit Quality			
NPLs*	35,175,307	33,462,422	N/A
NPL/Credit Facilities	6.02%	4.94%	N/A
Provisions for Doubtful Debts	42,429,345	41,695,437	N/A
Provisions/NPLs	120.6%	124.6%	N/A

N/A Information Not Available
* Based on Annualised Returns

Ownership Structure



Source: Securities Depository Commission
As of November 22nd 2009

Union Bank (UBSI)

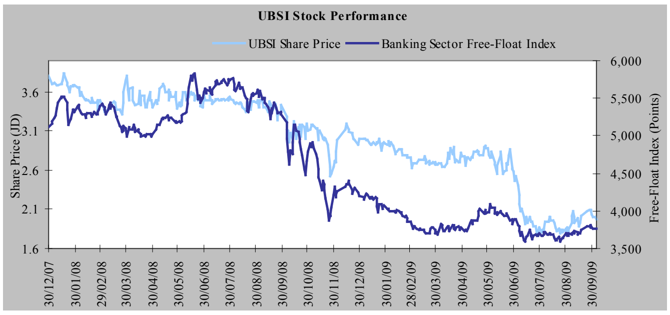
22 November 2009

Ticker	UBSI
Current Price	JD 2.19
Market Capitalisation	JD 219,000,000
52-Week Range	JD 1.76 - JD 3.19

Bank Profile

The Union Bank for Savings and Investment ("UBSI" or "the Bank") was established in the late 1970's. The Bank was founded under the name of the Arab Financial Corporation with a paid-up capital of JD 2.125 million, mainly operating as a financial institution as well as an exchange maker. In the mid 1990's the Bank was transformed into an investment bank, changing its legal name into the Union Bank for Savings and Investment. The Bank's capital was raised over the years to reach 100 million shares/JD, with the most recent capital increase occurring in 2009 where it was raised from JD 95 million.

Stock Performance



Ranking Amongst Peer Group

	2008	Rank
Capital Adequacy	23.23%	3
Dividend Payout Ratio	0.610	4
NPLs/Credit Facilities	5.72%	10
NPL Provisions/NPLs	27.8%	13
Collaterals/Gross Credit Facilities	53.2%	6
Cost of Funds	4.12%	10
Gross Yield on Interest-Earning Assets	6.31%	8
EPS (2008)	0.164	7
BVPS (2008)	2.300	4
P/E (Forward)*	15.350	9
P/BV*	0.954	4
ROAA	1.42%	11
ROAE	7.20%	13
Net Profit Margin (%)	50.50%	7
Balance Sheet Growth	6.21%	9
Overall Rank		8

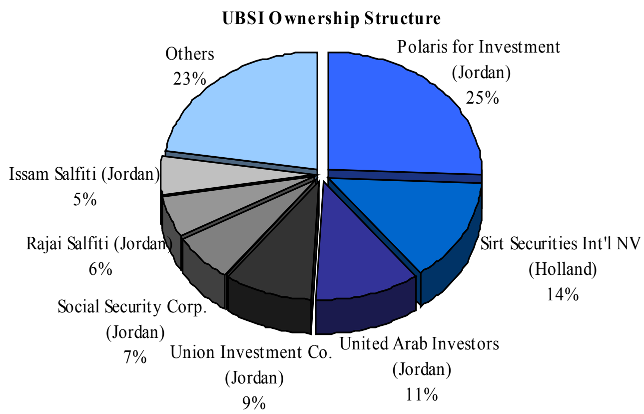
* Based on Q3 2009 Financial Results

Financial Highlights

	2007	2008	Q3 2009
Balance Sheet Highlights			
Total Assets	1,068,090,450	1,134,469,444	1,373,347,628
S/H Equity	214,999,181	218,517,817	229,653,036
Net Facilities	465,415,208	601,551,048	632,723,554
Customer Deposits	554,144,167	653,175,345	785,179,989
Paid-up Capital	95,000,000	95,000,000	100,000,000
Capital Adequacy	31.05%	23.23%	N/A
Income Statement Highlights			
Net Interest Income	22,612,555	30,905,973	23,409,507
Net Commissions	5,251,076	7,931,308	7,074,535
Gross Profit	32,344,248	38,709,209	38,089,460
Net Profit Before Tax	19,321,399	21,130,970	15,254,526
Net Profit after Tax	13,776,465	15,609,002	10,733,127
Per Share Highlights			
EPS	0.192	0.164	0.107
BVPS	2.263	2.300	2.297
Share Price	3.80	3.00	2.03
Profitability and Performance Ratios			
P/E	19.79x	18.29x	14.23x*
P/BV	1.68x	1.30x	0.88x
ROAA	1.41%	1.42%	1.14%*
ROAE	8.69%	7.20%	6.39%*
Credit Quality			
NPLs*	10,706,508	35,170,396	N/A
NPL/Credit Facilities	2.25%	5.72%	N/A
Provisions for Doubtful Debts	6,785,584	9,769,013	N/A
Provisions/NPLs	63.4%	27.8%	N/A

N/A Information Not Available
* Based on Annualised Returns

Ownership Structure



Source: Securities Depository Commission
As of November 22nd 2009

Capital Bank (EXFB)

22 November 2009

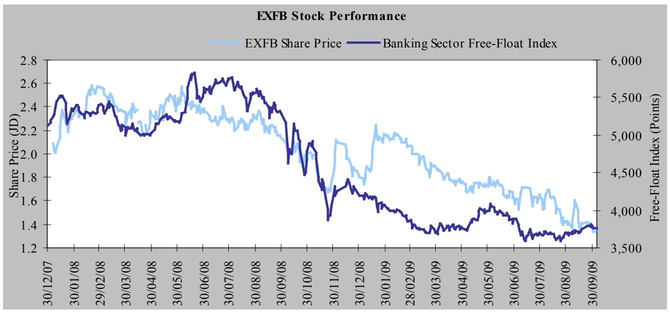
Ticker	EXFB
Current Price	JD 1.35
Market Capitalisation	JD 178,578,000
52-Week Range	JD 1.30 - JD 2.29

Bank Profile

One of Jordan's newer banks, the Capital Bank, previously called the Export and Finance Bank, was established in 1995 with a paid-up capital of JD 20 million. The Bank's capital has been raised a number of times to finally reach JD 132.28 million.

The Bank has two fully owned subsidiaries; Capital Investments in Jordan, which has a paid-up capital of JD 10 million, and the Capital Invest Fund in Bahrain. It also owns a 59.2% stake in the National Bank of Iraq - Iraq, which has a paid-up capital of 30 billion Iraqi Dinars.

Stock Performance



Ranking Amongst Peer Group

	2008	Rank
Capital Adequacy	20.14%	6
Dividend Payout Ratio	-	11
NPLs/Credit Facilities	4.40%	6
NPL Provisions/NPLs	70.2%	8
Collaterals/Gross Credit Facilities	34.8%	12
Cost of Funds	4.52%	12
Gross Yield on Interest-Earning Assets	7.72%	1
EPS (2008)	0.108	12
BVPS (2008)	1.472	8
P/E (Forward)*	44.02x	13
P/BV*	0.89x	3
ROAA	1.59%	9
ROAE	8.48%	12
Net Profit Margin (%)	46.72%	8
Balance Sheet Growth	4.67%	10
Overall Rank		**12**

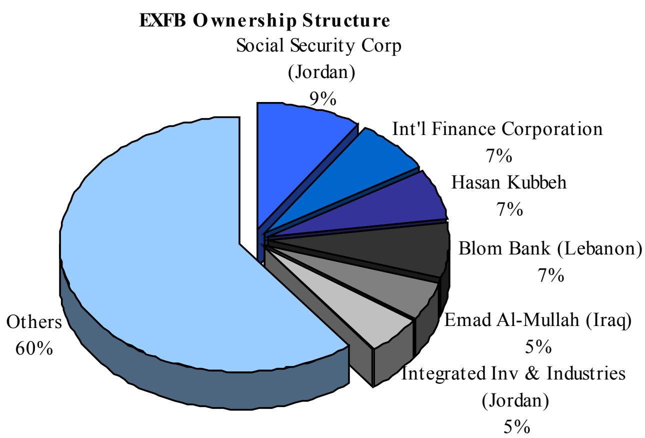
* Based on Q3 2009 Financial Results

Financial Highlights

	2007	2008	Q3 2009
Balance Sheet Highlights			
Total Assets	939,639,235	983,546,499	1,016,812,637
S/H Equity	165,141,627	194,699,120	200,238,198
Net Facilities	497,411,907	592,871,680	589,811,138
Customer Deposits	476,023,705	530,204,360	579,216,833
Paid-up Capital	123,000,000	132,280,000	132,280,000
Capital Adequacy	21.55%	20.14%	N/A
Income Statement Highlights			
Net Interest Income	25,802,444	32,644,125	24,614,306
Net Commissions	5,554,629	5,420,206	7,031,238
Gross Profit	41,363,576	42,239,702	33,959,018
Net Profit Before Tax	17,970,847	19,724,565	3,994,383
Net Profit after Tax	13,508,666	15,250,169	3,257,111
Per Share Highlights			
EPS	0.105	0.108	0.023
BVPS	1.343	1.472	1.514
Share Price	2.02	1.80	1.38
Profitability and Performance Ratios			
P/E	19.24x	16.67x	45.00x*
P/BV	1.50x	1.22x	0.91x
ROAA	1.50%	1.59%	0.43%*
ROAE	8.56%	8.48%	2.20%*
Credit Quality			
NPLs*	15,625,422	26,952,267	N/A
NPL/Credit Facilities	3.06%	4.40%	N/A
Provisions for Doubtful Debts	13,908,474	18,926,224	N/A
Provisions/NPLs	89.0%	70.2%	N/A

N/A Information Not Available
* Based on Annualised Returns

Ownership Structure



Source: Securities Depository Commission
As of November 22nd 2009

ABC Investments

Investbank (Jordan Investment & Finance Bank) (JIFB)

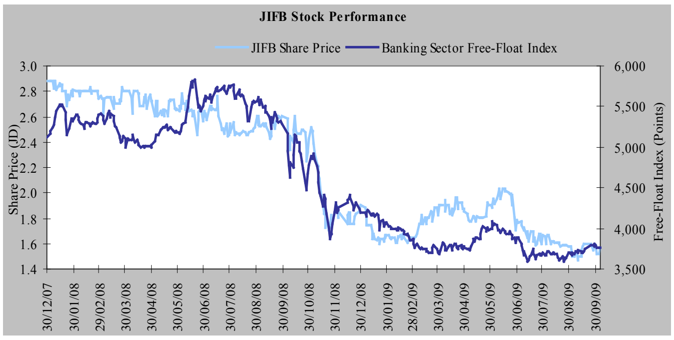
22 November 2009

Ticker	JIFB
Current Price	JD 1.46
Market Capitalisation	JD 102,200,000
52-Week Range	JD 1.42 - JD 2.03

Bank Profile

Investbank (Jordan Investment & Finance Bank) was established in 1982 as a financial institution and licensed as an investment bank in 1989. In the late 1990s, the Bank became a fully-fledged commercial bank. The Bank has two subsidiaries, both wholly-owned; Al-Mawared for Brokerage, which had a paid-up capital of JD 10 million, and Al-Mawared for Leasing, with a paid-up capital of JD 1 million.

Stock Performance



Ranking Amongst Peer Group

	2008	Rank
Capital Adequacy	17.01%	7
Dividend Payout Ratio	-	11
NPLs/Credit Facilities	7.10%	12
NPL Provisions/NPLs	79.2%	7
Collaterals/Gross Credit Facilities	78.0%	1
Cost of Funds	4.76%	13
Gross Yield on Interest-Earning Assets	6.25%	9
EPS (2008)	0.145	9
BVPS (2008)	1.398	9
P/E (Forward)*	14.04x	7
P/BV*	1.11x	5
ROAA	1.28%	12
ROAE	10.76%	7
Net Profit Margin (%)	68.92%	1
Balance Sheet Growth	(2.27%)	12
Overall Rank		**9**

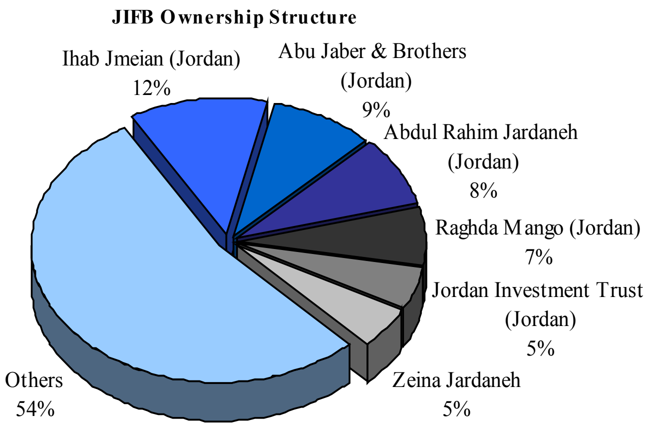
* Based on Q3 2009 Financial Results

Financial Highlights

	2007	2008	Q3 2009
Balance Sheet Highlights			
Total Assets	699,126,874	683,282,263	626,874,071
S/H Equity	79,229,944	85,752,798	92,274,231
Net Facilities	287,632,475	303,259,965	291,325,724
Customer Deposits	411,931,021	447,972,925	450,623,499
Paid-up Capital	55,000,000	61,325,000	70,000,000
Capital Adequacy	17.31%	17.01%	N/A
Income Statement Highlights			
Net Interest Income	12,061,338	12,876,722	10,243,253
Net Commissions	6,065,214	6,928,329	3,793,432
Gross Profit	21,189,896	20,813,918	16,479,353
Net Profit Before Tax	9,133,005	11,553,216	7,164,494
Net Profit after Tax	6,385,123	8,875,046	5,472,091
Per Share Highlights			
EPS	0.104	0.145	0.078
BVPS	1.441	1.398	1.318
Share Price	2.88	1.90	1.59
Profitability and Performance Ratios			
P/E	27.69x	13.10x	15.29x*
P/BV	2.00x	1.36x	1.21x
ROAA	0.93%	1.28%	1.11%*
ROAE	8.33%	10.76%	8.20%*
Credit Quality			
NPLs*	27,632,626	22,938,994	N/A
NPL/Credit Facilities	9.00%	7.10%	N/A
Provisions for Doubtful Debts	19,162,078	18,166,433	N/A
Provisions/NPLs	69.3%	79.2%	N/A

N/A Information Not Available
* Based on Annualised Returns

Ownership Structure



Source: Securities Depository Commission
As of November 22nd 2009

Arab Jordan Investment Bank (AJIB)

22 November 2009

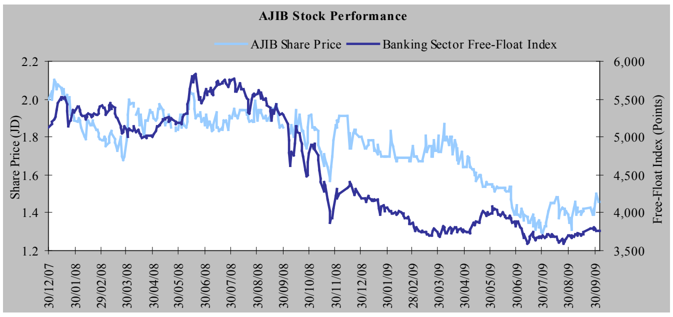
Ticker	AJIB
Current Price	JD 1.38
Market Capitalisation	JD 138,000,000
52-Week Range	JD 1.27 - JD 1.98

Bank Profile

Arab Jordan Investment Bank was established as the Kingdom's first investment in 1978. The Bank raised its paid-up capital to finally reach JD 100 million in 2007.

The Bank has a number of branches in the Kingdom in addition to an international banking unit in Cyprus and a representative office in Libya. It also has one subsidiary in Qatar, the Arab Jordan Investment Bank - Qatar, with a paid-up capital of JD 17.73 million, and the United Arab Jordan Company for Investment and Financial Brokerage in Jordan, with a paid-up capital of JD 2.5 million, both fully owned.

Stock Performance



Ranking Amongst Peer Group

	2008	Rank
Capital Adequacy	23.20%	4
Dividend Payout Ratio	0.862	1
NPLs/Credit Facilities	2.91%	5
NPL Provisions/NPLs	80.1%	6
Collaterals/Gross Credit Facilities	75.2%	2
Cost of Funds	4.19%	11
Gross Yield on Interest-Earning Assets	6.20%	10
EPS (2008)	0.116	11
BVPS (2008)	1.238	12
P/E (Forward)*	11.76x	6
P/BV*	1.11x	7
ROAA	1.77%	4
ROAE	9.76%	10
Net Profit Margin (%)	66.26%	2
Balance Sheet Growth	9.53%	5
Overall Rank		6

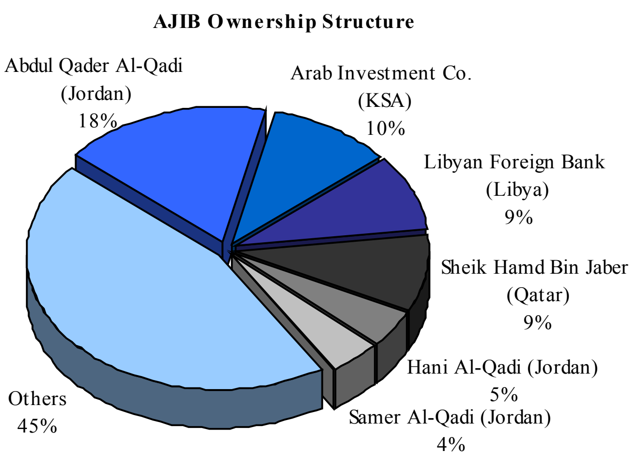
* Based on Q3 2009 Financial Results

Financial Highlights

	2007	2008	Q3 2009
Balance Sheet Highlights			
Total Assets	636,778,592	697,473,021	782,874,643
S/H Equity	117,576,597	123,832,020	124,267,413
Net Facilities	238,351,071	282,471,433	319,343,210
Customer Deposits	331,787,939	384,117,708	440,365,942
Paid-up Capital	100,000,000	100,000,000	100,000,000
Capital Adequacy	32.75%	23.20%	N/A
Income Statement Highlights			
Net Interest Income	11,768,131	17,782,223	16,599,512
Net Commissions	5,044,584	5,997,240	3,604,751
Gross Profit	19,962,926	28,490,429	21,920,934
Net Profit Before Tax	9,038,337	14,903,408	11,181,218
Net Profit after Tax	6,977,496	11,782,226	9,002,699
Per Share Highlights			
EPS	0.083	0.116	0.088
BVPS	1.176	1.238	1.243
Share Price	2.00	1.80	1.45
Profitability and Performance Ratios			
P/E	24.10x	15.52x	12.36x*
P/BV	1.70x	1.45x	1.17x
ROAA	1.18%	1.77%	1.62%*
ROAE	7.46%	9.76%	9.68%*
Credit Quality			
NPLs*	7,928,073	8,426,752	N/A
NPL/Credit Facilities	3.23%	2.91%	N/A
Provisions for Doubtful Debts	7,048,295	6,753,104	N/A
Provisions/NPLs	88.9%	80.1%	N/A

N/A Information Not Available
* Based on Annualised Returns

Ownership Structure



Source: Securities Depository Commission
As of November 22nd 2009

ABC Investments

Arab Banking Corporation - Jordan (ABCO)

22 November 2009

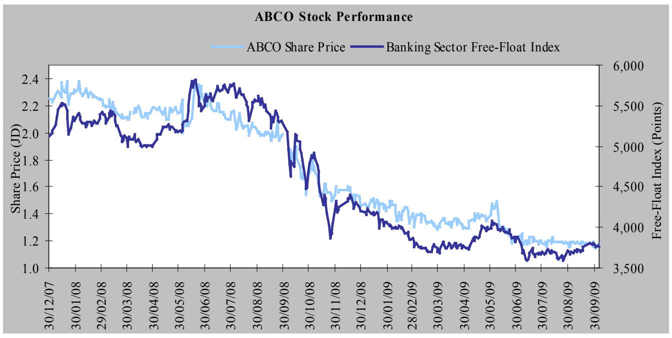
Ticker	ABCO
Current Price	JD 1.15
Market Capitalisation	JD 81,556,922
52-Week Range	JD 1.13 - JD 1.64

Bank Profile

The Arab Banking Corporation (Jordan) was established as a public shareholding company in Jordan on January 21st 1990. The Bank is majority owned by the Arab Banking Corporation - Bahrain. The Arab Banking Corporation (Jordan) has raised its paid-up capital gradually to finally reach JD 70.92 million at the end of the first half of 2009.

The Bank has one wholly-owned subsidiary, ABC Investments, with a paid-up capital of JD 15.60 million.

Stock Performance



Ranking Amongst Peer Group

	2008	Rank
Capital Adequacy	31.80%	1
Dividend Payout Ratio	0.649	3
NPLs/Credit Facilities	2.40%	4
NPL Provisions/NPLs	111.3%	3
Collaterals/Gross Credit Facilities	50.9%	8
Cost of Funds	3.67%	8
Gross Yield on Interest-Earning Assets	7.31%	2
EPS (2008)	0.154	8
BVPS (2008)	1.320	10
P/E (Forward)*	8.98x	3
P/BV*	0.87x	2
ROAA	1.67%	5
ROAE	12.21%	4
Net Profit Margin (%)	44.91%	9
Balance Sheet Growth	(2.36%)	13
Overall Rank		**3**

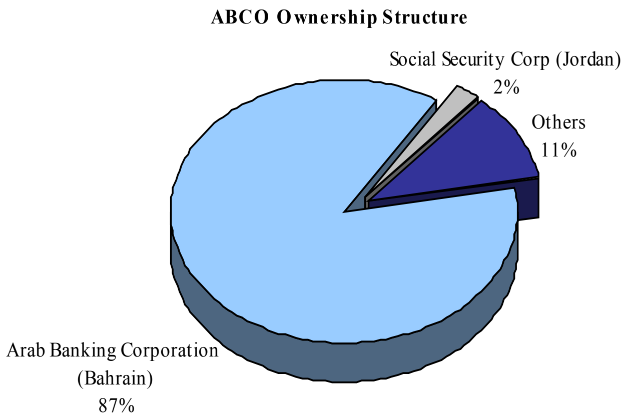
* Based on Q3 2009 Financial Results

Financial Highlights

	2007	2008	Q3 2009
Balance Sheet Highlights			
Total Assets	601,180,052	587,006,228	560,593,492
Shareholders' Equity	77,344,767	85,103,604	93,795,897
Net Facilities	267,108,022	267,259,973	274,284,587
Customer Deposits	367,634,049	334,061,826	316,623,694
Paid-up Capital	56,062,500	64,471,875	70,919,063
Capital Adequacy	31.80%	19.52%	N/A
Income Statement Highlights			
Net Interest Income	17,587,965	22,088,339	15,016,213
Net Commissions	2,116,119	2,356,339	2,014,667
Gross Profit	28,931,063	31,871,047	22,265,291
Net Profit Before Tax	15,215,240	14,987,932	9,879,275
Net Profit after Tax	10,557,968	9,919,883	6,812,705
Per Share Highlights			
EPS	0.164	0.154	0.096
BVPS	1.380	1.320	1.323
Share Price	2.25	1.46	1.17
Profitability and Performance Ratios			
P/E	13.72x	9.48x	9.14x*
P/BV	1.63x	1.11x	0.88x
ROAA	1.89%	1.67%	1.58%*
ROAE	14.75%	12.21%	10.15%*
Credit Quality			
NPLs*	5,318,090	6,587,077	N/A
NPL/Credit Facilities	1.93%	2.40%	N/A
Provisions for Doubtful Debts	6,487,653	7,330,590	N/A
Provisions/NPLs	122.0%	111.3%	N/A

N/A Information Not Available
* Based on Annualised Returns

Ownership Structure



Source: Securities Depository Commission
As of November 22nd 2009

Jordan Commercial Bank (JOGB)

22 November 2009

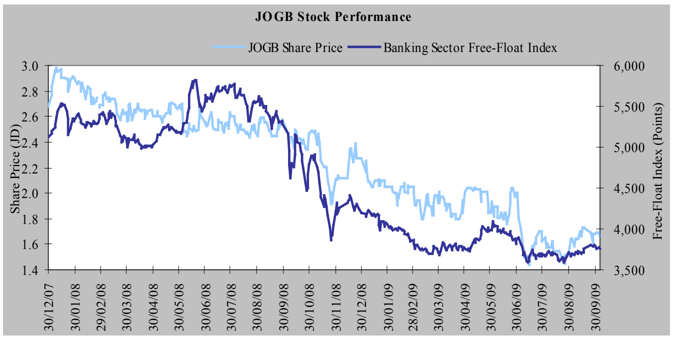
Ticker	JOGB
Current Price	JD 1.64
Market Capitalisation	JD 119,808,150
52-Week Range	JD 1.44 - JD 2.45

Bank Profile

Jordan Commercial Bank, previously named the Jordan Gulf Bank, was established as a public shareholding company on May 3rd 1977. In 1993, Al-Mashriq Bank's branches in the Kingdom were merged into the then-named Jordan Gulf Bank.

The Bank has 27 branches across the Kingdom in addition to three branches in Palestine. The Bank's paid-up capital currently stands at JD 73.05 million, up from JD 69.58 million in 2008 and JD 63.25 million in 2007.

Stock Performance



Ranking Amongst Peer Group

	2008	Rank
Capital Adequacy	13.04%	12
Dividend Payout Ratio	0.373	7
NPLs/Credit Facilities	4.90%	8
NPL Provisions/NPLs	62.2%	12
Collaterals/Gross Credit Facilities	68.1%	4
Cost of Funds	3.74%	9
Gross Yield on Interest-Earning Assets	7.09%	4
EPS (2008)	0.134	10
BVPS (2008)	1.259	11
P/E (Forward)*	27.33x	11
P/BV*	1.36x	11
ROAA	1.59%	8
ROAE	11.06%	6
Net Profit Margin (%)	43.65%	10
Balance Sheet Growth	14.36%	3
Overall Rank		**10**

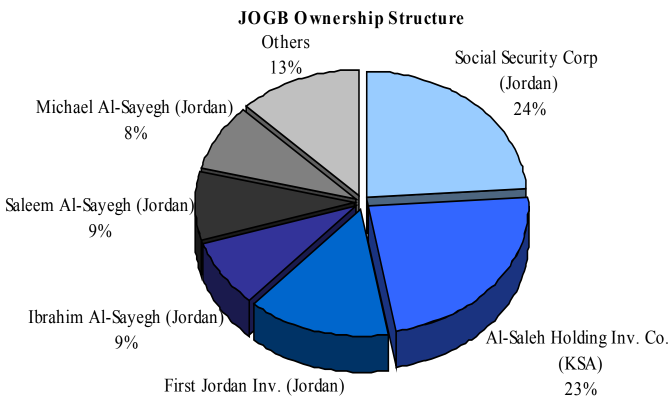
* Based on Q3 2009 Financial Results

Financial Highlights

	2007	2008	Q3 2009
Balance Sheet Highlights			
Total Assets	549,260,650	628,156,537	619,180,611
S/H Equity	81,227,982	87,628,197	88,337,872
Net Facilities	294,943,837	368,360,600	326,690,269
Customer Deposits	341,952,722	421,533,968	434,060,355
Paid-up Capital	63,250,000	69,575,000	73,053,750
Capital Adequacy	18.09%	13.04%	N/A
Income Statement Highlights			
Net Interest Income	17,444,394	21,392,784	14,554,153
Net Commissions	5,695,117	6,095,013	3,992,961
Gross Profit	27,327,322	27,833,864	20,403,347
Net Profit Before Tax	13,161,336	11,515,832	4,119,647
Net Profit after Tax	12,420,154	9,338,221	3,308,684
Per Share Highlights			
EPS	0.178	0.134	0.045
BVPS	1.284	1.259	1.209
Share Price	2..68	2.27	1.68
Profitability and Performance Ratios			
P/E	15.06x	16.94x	28.00x
P/BV	2.09x	1.80x	1.39x
ROAA	2.34%	1.59%	0.71%
ROAE	15.85%	11.06%	5.01%
Credit Quality			
NPLs*	20,145,084	18,610,418	N/A
NPL/Credit Facilities	6.50%	4.90%	N/A
Provisions for Doubtful Debts	16,247,005	11,575,289	N/A
Provisions/NPLs	80.6%	62.2%	N/A

N/A Information Not Available
* Based on Annualised Returns

Ownership Structure



Source: Securities Depository Commission
As of November 22nd 2009

Societe Generale de Banque- Jordanie (MEIB)

22 November 2009

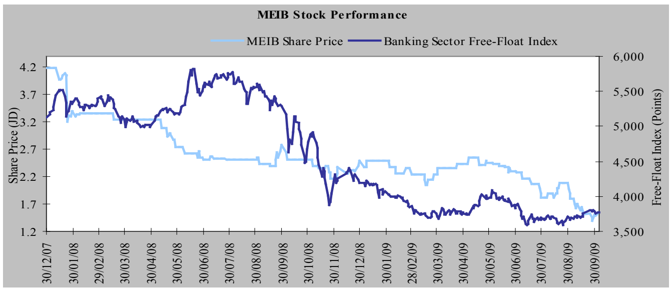
Ticker	MEIB
Current Price	JD 1.40
Market Capitalisation	JD 56,638,162
52-Week Range	JD 1.38- JD 2.54

Bank Profile

Societe Generale de Banque - Jordanie, previously named the Middle East Investment Bank, was established as a public shareholding company on April 22nd 1965 as a financial real estate company. The Bank was then transformed into an investment bank in 1993. It then became part of the Societe Generale Group in 2000 when Societe Generale de Banque au Liban acquired a holding in the Bank.

The Bank has raised its capital from JD 15.95 million to JD 40.46 million. It has a single subsidiary, Societe Generale - Jordan Financial Brokerage, established in 2006 as a wholly owned subsidiary with a paid-up capital of JD 750 thousand.

Stock Performance



Ranking Amongst Peer Group

	2008	Rank
Capital Adequacy	25.52%	2
Dividend Payout Ratio	-	11
NPLs/Credit Facilities	4.75%	7
NPL Provisions/NPLs	69.0%	10
Collaterals/Gross Credit Facilities	44.1%	11
Cost of Funds	3.61%	7
Gross Yield on Interest-Earning Assets	6.71%	5
EPS (2008)	0.101	13
BVPS (2008)	1.197	13
P/E (Forward)*	15.91x	10
P/BV*	1.11	6
ROAA	1.61%	7
ROAE	10.58%	8
Net Profit Margin (%)	41.21%	11
Balance Sheet Growth	24.30%	1
Overall Rank		**9**

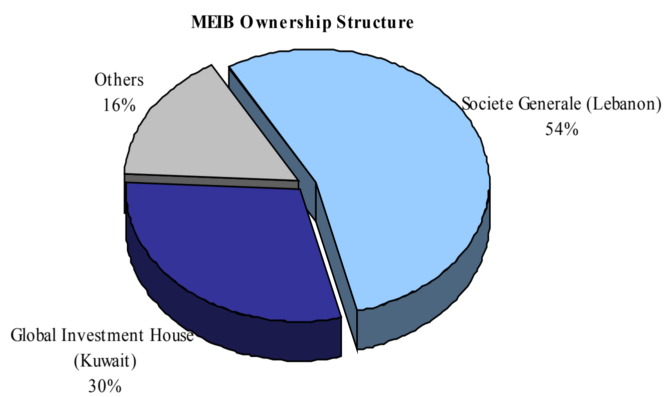
* Based on Q3 2009 Financial Results

Financial Highlights

	2007	2008	Q3 2009
Balance Sheet Highlights			
Total Assets	221,921,355	275,841,252	278,849,254
S/H Equity	27,312,443	48,423,110	51,108,077
Net Facilities	132,718,184	164,850,938	150,384,682
Customer Deposits	110,267,267	135,555,353	139,167,432
Paid-up Capital	26,970,553	40,455,830	40,455,830
Capital Adequacy	25.52%	19.63%	N/A
Income Statement Highlights			
Net Interest Income	6,581,645	9,722,362	6,481,046
Net Commissions	1,991,199	2,364,350	1,831,500
Gross Profit	10,086,572	13,945,224	10,041,268
Net Profit Before Tax	3,438,720	5,809,088	3,769,415
Net Profit after Tax	2,206,611	4,006,490	2,680,358
Per Share Highlights			
EPS	0.061	0.101	0.066
BVPS	1.013	1.197	1.263
Share Price	4.19	2.50	1.50
Profitability and Performance Ratios			
P/E	68.69x	24.75x	17.05x*
P/BV	4.14x	2.09x	1.19x
ROAA	1.15%	1.61%	1.29%*
ROAE	8.40%	10.58%	7.18%*
Credit Quality			
NPLs*	7,475,912	8,102,816	N/A
NPL/Credit Facilities	5.42%	4.75%	N/A
Provisions for Doubtful Debts	5,172,510	5,591,339	N/A
Provisions/NPLs	69.2%	69.0%	N/A

N/A Information Not Available
* Based on Annualised Returns

Ownership Structure



Source: Securities Depository Commission
As of November 22nd 2009

9.0 OUR PERSPECTIVE ON THE MARKET

Over the last decade, development in the Jordanian banking sector has been rapid, fuelled by strong regulations and other policies put in place that benefited the sector, both directly and indirectly. The banks have witnessed substantial growth in their size and network reach, as well as in the variety of operations and services offered. Nonetheless, the sector remains largely fragmented, which has created an opportunity for consolidation in the sector through mergers and acquisitions, an end result supported by the Central Bank of Jordan. However, to date, there has been reluctance by banks in the sector to move forward in this matter, largely as a function of the nature of the banks, which are primarily family businesses, whose purpose for establishing the banks is to satisfy the financing needs of their other businesses. New players to the market, such as the National Bank of Abu Dhabi, should result in reducing the heavy weighting of a few large players within the sector, and could force some of the smaller banks to consider consolidation in order to remain competitive.

As a Kingdom heavily dependent on foreign investment and aid, it is susceptible to the conditions in the regional and global markets. A substantial driver of the boom in Jordan over the recent years has been the abundance of liquidity in the oil-rich countries as prices of oil began to climb. Remittances from Jordanians working in the Gulf soared, and incoming investments rose, all of which spilled over to the banking sector, both in terms of rising customer deposits, and in terms of increased demand for credit facilities.

Recently, however, the global markets are reeling from a series of hits as a result of the financial crisis and economic slowdown, and no bank in the sector has escaped completely unscathed, with the impact being reflected as devaluation of investment portfolios and asset quality deterioration. Nonetheless, the banking sector in Jordan has shown a degree of resilience, on the back of prudence by the Central Bank and the heavy regulations in place. This notwithstanding, some banks have faced a tougher time than others, particularly those with exposure to international investments and markets.

The overriding sentiment in the market is one of uncertainty, with opinions on whether the economy has touched bottom yet being largely variable. Liquidity continues to remain tight in light of the economic slowdown and the crash in oil prices compared to the peaks of 2008, thus we expect to see continued deceleration in growth of customer deposits and balance sheet expansions.

The risk aversion exhibited by the banks in the sector in terms of granting credit facilities is also expected to continue, however, we anticipate some easing off by the banks in order to maintain profitability and market competitiveness. However, we do not foresee this occurring in the final quarter of 2009, while uncertainty on the global front still looms. In 2010, more optimistic economic outlooks have been revealed by the IMF, which anticipates a rise in the global real GDP from a negative 1.1% this year to a positive 3% during 2010. For the Middle East overall, growth is expected to remain low but positive for the entirety of 2009, followed by positive growth in 2010.

IMF forecasts a 3% growth in global real GDP in 2010...

Real GDP and Consumer Price Forecasts for Selected Middle Eastern Economies

	Real GDP				Consumer Prices			
	2007	2008	2009	2010	2007	2008	2009	2010
Middle East	**6.2%**	**5.4%**	**2.0%**	**4.2%**	**11.2%**	**15.0%**	**8.3%**	**6.6%**
Oil Exporters	**6.0%**	**4.9%**	**1.3%**	**4.2%**	**11.8%**	**15.8%**	**7.0%**	**6.3%**
Iran	7.8%	2.5%	1.5%	2.2%	18.4%	25.4%	12.0%	10.0%
Saudi Arabia	3.3%	4.4%	(0.9%)	4.0%	4.1%	9.9%	4.5%	4.0%
UAE	6.3%	7.4%	(0.2%)	2.4%	11.1%	12.3%	2.5%	3.3%
Kuwait	2.5%	6.3%	(1.5%)	3.3%	5.5%	10.5%	4.6%	4.4%

... and a rate of 4.2% for the Middle East region

ABC Investments

	Real GDP				Consumer Prices			
	2007	2008	2009	2010	2007	2008	2009	2010
Mashreq	**6.8%**	**7.0%**	**4.5%**	**4.4%**	**9.1%**	**12.3%**	**13.0%**	**7.5%**
Egypt	7.1%	7.2%	4.7%	4.5%	11.0%	11.7%	16.2%	8.5%
Syria	4.2%	5.2%	3.0%	4.2%	4.7%	15.2%	7.5%	6.0%
Jordan	8.9%	7.9%	3.0%	4.0%	5.4%	14.9%	0.2%	4.0%
Lebanon	7.5%	8.5%	7.0%	4.0%	4.1%	10.8%	2.5%	3.5%

Source: IMF World Economic Outlook October 2009

For Jordan, real GDP growth is expected to register at around 4%, accompanied by an equivalent 4.0% inflation rate. Favourable demographics in the Kingdom, coupled with positive country policies and resumed increases in household income are likely to drive demand for new banking services. We expect to see additional diversification in the operations of the sector, with Islamic Banking gaining more and more ground, as is the trend on the global front. Securitisation of mortgage facilities should also be on the ropes once the real estate sector begins to rally, however, we expect the penetration rate of securitisation to be slow, as caution sets in in response to the sub-prime mortgage debacle in the United States.

We expect to see further development in the banking sector in terms of Islamic banking going forward

Optimism regarding the rebounding of oil prices and thus liquidity in the region, as well as the relative stabilisation of stock markets of late, is likely to reflect positively on the Jordanian market. Investment performance is anticipated to at least stabilise, and, as a result of investor-friendly reforms, we expect to see some recovery in the levels of foreign direct investment. Furthermore, the Jordanian Government's continued guarantee of bank deposits with no ceiling up to the end of 2010 will also instil some confidence in the banking sector, particularly as the sector's position is largely stable. However, with the increased correlation of regional markets with international markets, the stability in Jordan will remain largely determined by conditions in the United States and other major markets. Moreover, the current low interest rate environment, coupled with continuing credit deterioration, is likely to subdue any major rally in profits for the sector. Meanwhile, with no indications of a resurgence of real estate and construction activity in sight, the ability of the sector to recapture growth levels of recent years is highly unlikely. Furthermore, economic issues such as muted consumption and investment activities, the slump in liquidity, and high unemployment levels, are also likely to hinder any significant growth potential.

In conclusion, we believe that the sector's position is secure, with banks generally overcapitalised and, on the larger part, sufficiently cautious in terms of taking adequate provisions. Assuming no major global disasters in the horizon, we anticipate the commencement of a recovery in growth of the sector by mid-2010, albeit at slower rates than have been the norm in recent years. With heavy regulations in place and prudence of the Central Bank, we continue to view the sector as one of the safer avenues for investment in the Kingdom.

Overall, we believe that the sector is stable and well capitalised, offering a safe investment opportunity for the future

BALANCE SHEET - 2008

	THBK	ARBK	JONB	JOKB	BOJX	CABK	UBSI	EXFB	JIFB	AJIB	ABCO	JOGB	MEIB
Assets													
Cash on Hand and Balances at CBJ	994,243,497	3,026,127,000	470,808,817	275,470,965	212,394,623	229,532,870	137,039,173	86,764,001	94,357,848	55,284,804	67,091,186	81,546,574	41,158,961
Balances at Banks and Financial Institutions	700,062,230	3,263,567,000	251,713,158	201,489,474	199,262,838	171,735,707	204,677,269	74,449,064	120,793,768	157,907,955	99,500,957	47,241,426	43,533,770
Deposits at Banks and Financial Institutions	20,416,501	369,429,000	1,735,899	12,160,500	-	-	5,197,760	-	2,455,034	-	5,226,870	709,000	-
Trading Investments	13,408,133	180,719,000	8,290,703	375,599	-	69,637	884,553	19,417,029	8,541,216	2,546,142	2,862	967,233	-
Direct Credit Facilities	2,341,696,067	10,839,672,000	889,730,076	1,237,394,692	826,521,842	632,853,802	601,551,048	592,871,680	303,259,965	282,471,433	267,259,973	368,360,600	164,850,938
Available-for-Sale Investments	613,297,108	2,384,205,000	172,686,201	228,214,796	42,963,431	355,685,181	147,777,908	89,210,424	125,908,510	137,234,631	127,710,229	13,949,215	191,875
Held-to-Maturity Investments	600,541,463	939,893,000	157,491,355	45,615,164	302,665,209	-	2,734,939	49,332,391	-	34,165,157	-	87,576,861	21,126,941
Financial Assets Provided as Collateral	-	-	-	-	18,040,152	-	5,973,283	5,983,890	-	-	-	-	-
Investments in Affiliates	-	1,241,646,000	7,362,400	-	2,798,028	-	-	-	-	-	-	-	-
Premises and Equipment, net	78,060,574	184,221,000	54,919,012	12,920,684	32,274,115	34,569,924	12,084,961	20,027,779	16,881,279	13,543,781	10,547,799	7,707,680	1,928,513
Intangible Assets	5,098,194	-	4,454,885	1,609,247	1,841,648	3,627,508	666,263	5,716,128	780,181	921,207	876,273	590,888	385,760
Deferred Tax Assets	13,072,036	19,025,000	81,699,479	5,716,611	6,884,677	-	3,156,004	5,514,179	1,560,372	947,970	458,762	-	968,107
Other Assets	50,683,241	302,498,000	5,280,887	41,823,472	40,371,640	34,169,837	12,726,283	34,259,934	8,744,090	12,449,941	8,331,317	19,507,060	1,696,387
Total Assets	**5,430,579,044**	**22,751,002,000**	**2,106,172,872**	**2,062,791,204**	**1,686,018,203**	**1,462,244,466**	**1,134,469,444**	**983,546,499**	**683,282,263**	**697,473,021**	**587,006,228**	**628,156,537**	**275,841,252**
Liabilities													
Bank and Financial Institution Deposits	307,106,876	3,211,174,000	268,902,121	294,190,077	53,433,921	44,448,203	122,876,622	51,336,278	68,813,264	140,264,174	75,624,992	20,620,899	28,225,068
Customer Deposits	3,764,520,478	13,252,243,000	1,373,583,974	1,194,539,890	1,276,796,269	1,125,347,862	653,175,345	530,204,360	447,972,925	384,117,708	334,061,826	421,533,968	135,555,353
Cash Margin Accounts	303,684,439	1,786,917,000	196,643,906	115,836,779	97,288,645	48,782,874	91,709,022	54,554,677	33,741,932	31,883,357	56,022,749	66,340,792	43,515,901
Loans and Borrowings	1,964,513	379,610,000	6,148,611	15,104,151	30,000,000	23,790,129	24,141,627	120,303,970	31,587,210	-	13,741,484	20,000,000	13,495,455
Sundry Provisions	15,988,411	67,200,000	3,130,015	16,540,797	6,921,731	8,572,960	213,205	3,358,508	2,434,336	1,014,657	1,194,271	1,646,595	332,807
Income Tax Provision	50,089,827	102,916,000	14,533,728	22,725,321	13,516,304	22,513,296	13,490,219	6,808,394	4,038,294	3,989,997	5,952,877	2,948,359	1,846,357
Deferred Tax Liabilities	53,035	8,558,000	397,122	-	1,256,107	9,249,139	276,235	-	1,070,074	292,487	-	-	-
Other Liabilities	76,158,490	362,430,000	39,837,017	153,697,539	15,639,541	28,039,079	10,069,352	13,818,767	7,871,430	11,845,340	15,304,425	7,437,727	4,447,201
Total Liabilities	**4,519,566,069**	**19,171,048,000**	**1,903,176,494**	**1,812,634,554**	**1,494,852,518**	**1,310,743,542**	**915,951,627**	**780,384,954**	**597,529,465**	**573,407,720**	**501,902,624**	**540,528,340**	**227,418,142**
Equity Attributable to the Bank's Shareholders													
Paid-up Capital	252,000,000	534,000,000	110,000,000	100,000,000	100,000,000	80,000,000	95,000,000	132,280,000	61,325,000	100,000,000	64,471,875	69,575,000	40,455,830
Additional Paid-up Capital	357,925,469	859,951,000	28,272,534	5,000,000	-	-	79,255,311	12,680,672	-	-	-	56,698	71,815
Treasury Stock	-	(2,373,000)	(17,366,417)	-	-	-	-	-	-	-	-	-	-
Statutory Reserve	80,599,236	253,000,000	28,600,654	33,814,668	29,715,376	24,152,279	13,548,162	14,719,693	10,621,559	10,156,560	10,060,876	5,982,650	2,441,417
Voluntary Reserve	33,222,068	550,000,000	10,889,629	56,082,829	11,645,830	1,321,613	3,159,659	-	-	-	598,138	-	100,000
General Banking Risk and Other Reserves	23,702,983	1,242,021,000	23,018,137	11,882,337	8,101,687	6,337,932	5,519,193	6,906,175	3,071,182	2,282,866	2,774,240	3,431,436	1,318,688
FX Differences	1,057,229	104,681,000	-	-	623,826	-	-	2,984,443	-	272,000	-	-	-
Cumulative Change in Fair Value	(28,311,128)	(113,466,000)	435,869	(7,900,942)	1,419,577	17,975,688	698,984	183,622	93,756	(58,830)	(889,738)	(480,595)	-
Retained Earnings	148,467,277	152,140,000	17,608,535	40,518,830	28,098,191	21,713,412	21,336,508	24,944,515	10,641,301	11,179,424	8,088,213	9,063,008	4,035,360
Total Equity Attributable to the Bank's Shareholders	**868,663,134**	**3,579,954,000**	**201,458,941**	**239,397,722**	**179,604,487**	**151,500,924**	**218,517,817**	**194,699,120**	**85,752,798**	**123,832,020**	**85,103,604**	**87,628,197**	**48,423,110**
Minority Interest	42,349,841	-	1,537,437	10,758,928	11,561,198	-	-	8,462,425	-	233,281	-	-	-
Total Equity	**911,012,975**	**3,579,954,000**	**202,996,378**	**250,156,650**	**191,165,685**	**151,500,924**	**218,517,817**	**203,161,545**	**85,752,798**	**124,065,301**	**85,103,604**	**87,628,197**	**48,423,110**
Total Liabilities and Shareholders' Equity	**5,430,579,044**	**22,751,002,000**	**2,106,172,872**	**2,062,791,204**	**1,686,018,203**	**1,462,244,466**	**1,134,469,444**	**983,546,499**	**683,282,263**	**697,473,021**	**587,006,228**	**628,156,537**	**275,841,252**

BALANCE SHEET - Q3 2009

	THBK	ARBK	JONB	JOKB	BOJX	CABK	UBSI	EXFB	JIFB	AJIB	ABCO	JOGB	MEIB
Assets													
Cash on Hand and Balances at CBJ	1,356,467,121	3,413,149,000	520,440,909	413,840,063	299,660,358	356,492,572	142,800,731	122,211,057	63,684,177	30,868,919	48,825,931	69,364,469	42,916,585
Balances at Banks and Financial Institutions	645,354,531	2,594,910,000	187,136,810	176,371,571	152,145,885	159,260,765	236,862,925	79,162,757	59,871,401	151,017,358	45,571,352	60,702,891	33,477,826
Deposits at Banks and Financial Institutions	38,283,785	542,458,000	851,871	1,703,578	33,135,297	90,300,000	4,275,769	-	3,053,833	15,000,000	34,047,640	709,000	-
Trading Investments	1,544,788	102,181,000	1,266,937	1,451,203	-	335,875	6,905,329	174,915	786,186	3,158,060	3,779	731,300	-
Direct Credit Facilities	2,314,467,415	10,483,128,000	965,648,110	1,100,224,426	841,502,451	693,257,722	632,723,554	589,811,138	291,325,724	319,343,210	274,284,587	326,690,269	150,384,682
Available-for-Sale Investments	569,680,916	3,190,481,000	281,397,711	342,119,762	40,536,864	340,020,115	281,780,768	109,566,911	175,796,109	198,353,136	137,644,409	15,523,838	194,104
Held-to-Maturity Investments	571,837,756	904,253,000	137,402,619	59,065,326	389,680,123	-	2,668,825	37,580,674	-	28,794,054	-	118,433,046	46,554,800
Financial Assets Provided as Collateral	-	-	-	-	-	-	-	20,728,496	-	-	-	-	-
Investments in Affiliates	-	1,302,405,000	8,295,700	-	2,770,665	-	-	-	-	-	-	-	-
Premises and Equipment, net	91,462,410	191,674,000	59,547,626	11,979,445	37,836,643	33,763,432	15,590,825	23,139,375	16,410,051	16,461,261	10,577,871	8,437,777	1,787,104
Intangible Assets	3,441,973	-	3,963,854	1,443,937	2,188,360	3,981,444	823,861	5,924,591	1,517,737	832,305	873,707	523,208	320,734
Deferred Tax Assets	11,222,419	16,121,000	73,833,594	3,221,384	7,297,620	-	2,667,009	5,569,002	912,721	916,742	36,057	-	910,497
Other Assets	49,755,341	352,062,000	5,249,533	20,285,649	46,185,678	36,661,872	46,248,032	22,943,721	13,516,132	18,129,598	8,728,159	18,064,813	2,302,922
Total Assets	**5,653,518,455**	**23,092,822,000**	**2,245,035,274**	**2,131,706,344**	**1,852,939,944**	**1,714,073,797**	**1,373,347,628**	**1,016,812,637**	**626,874,071**	**782,874,643**	**560,593,492**	**619,180,611**	**278,849,254**
Liabilities													
Bank and Financial Institution Deposits	202,677,636	3,592,755,000	277,685,372	300,487,106	75,141,009	162,331,826	217,979,441	13,801,721	36,106,163	172,885,077	53,169,542	19,028,292	21,815,422
Customer Deposits	4,115,653,312	12,980,396,000	1,490,035,235	1,234,894,521	1,405,537,906	1,226,537,868	785,179,989	579,216,833	450,623,499	440,365,942	316,623,694	434,060,355	139,167,432
Cash Margin Accounts	272,339,757	1,852,855,000	198,037,180	121,478,521	105,684,941	50,290,340	100,339,037	62,587,863	34,407,729	31,455,243	54,089,051	47,098,057	48,635,712
Loans and Borrowings	37,308	354,610,000	9,569,719	15,104,151	30,000,000	38,149,024	15,458,388	126,968,370	-	-	12,723,240	20,000,000	12,610,730
Sundry Provisions	18,033,970	65,780,000	3,429,077	5,929,857	7,362,980	9,581,216	614,660	3,342,484	2,390,775	959,372	1,268,659	1,353,830	169,086
Income Tax Provision	27,576,006	80,012,000	15,627,453	7,616,032	7,794,601	19,076,822	8,521,847	781,653	1,930,347	3,104,535	4,631,359	968,160	1,131,388
Deferred Tax Liabilities	-	10,613,000	1,385,139	1,343,694	1,340,306	6,593,065	3,875,283	676,908	806,979	260,003	273,963	-	1,641
Other Liabilities	71,845,073	380,235,000	37,902,191	165,210,618	19,230,125	32,073,828	11,725,947	20,311,473	8,334,348	9,391,146	24,018,087	8,334,045	4,209,766
Total Liabilities	**4,708,163,062**	**19,317,256,000**	**2,033,671,366**	**1,852,064,500**	**1,652,091,868**	**1,544,633,989**	**1,143,694,592**	**807,687,305**	**534,599,840**	**658,421,318**	**466,797,595**	**530,842,739**	**227,741,177**
Equity Attributable to the Bank's Shareholders													
Paid-up Capital	252,000,000	534,000,000	110,000,000	100,000,000	100,000,000	88,000,000	100,000,000	132,280,000	70,000,000	100,000,000	70,919,063	73,053,750	40,455,830
Additional Paid-up Capital	357,925,469	859,937,000	10,845,817	5,000,000	-	-	79,255,311	12,680,672	-	-	-	56,698	71,815
Treasury Stock	-	(1,064,000)	(332,195)	-	-	-	-	-	-	-	-	-	-
Statutory Reserve	85,205,068	253,000,000	28,600,654	33,814,668	29,715,376	24,152,279	13,548,162	14,719,693	10,621,559	10,156,560	10,060,876	5,982,650	2,441,417
Voluntary Reserve	33,222,068	550,000,000	10,889,629	56,082,829	11,645,830	1,321,613	3,159,659	-	-	-	598,138	-	100,000
General Banking Risk and Other Reserves	23,935,596	1,242,447,000	24,398,835	9,383,375	8,318,914	6,917,932	5,937,399	6,906,175	2,868,326	2,518,955	2,774,240	3,431,436	1,415,282
FX Differences	605,086	138,620,000	-	-	623,826	-	-	3,241,905	-	272,000	-	-	-
Cumulative Change in Fair Value	(3,583,950)	(37,135,000)	5,879,352	5,611,355	3,509,634	21,641,836	10,601,076	2,426,755	1,143,098	1,531,651	989,850	399,146	4,609
Retained Earnings	123,942,625	235,761,000	19,519,569	63,670,062	36,295,189	27,406,148	17,151,429	27,982,998	7,641,248	9,788,247	8,453,730	5,414,192	6,619,124
Total Equity Attributable to the Bank's Shareholders	**873,251,962**	**3,775,566,000**	**209,801,661**	**273,562,289**	**190,108,769**	**169,439,808**	**229,653,036**	**200,238,198**	**92,274,231**	**124,267,413**	**93,795,897**	**88,337,872**	**51,108,077**
Minority Interest	72,103,431	-	1,562,247	6,079,555	10,739,307	-	-	8,887,134	-	185,912	-	-	-
Total Equity	**945,355,393**	**3,775,566,000**	**211,363,908**	**279,641,844**	**200,848,076**	**169,439,808**	**229,653,036**	**209,125,332**	**92,274,231**	**124,453,325**	**93,795,897**	**88,337,872**	**51,108,077**
Total Liabilities and Shareholders' Equity	**5,653,518,455**	**23,092,822,000**	**2,245,035,274**	**2,131,706,344**	**1,852,939,944**	**1,714,073,797**	**1,373,347,628**	**1,016,812,637**	**626,874,071**	**782,874,643**	**560,593,492**	**619,180,611**	**278,849,254**

ABC Investments

INCOME STATEMENT - 2008

	THBK	ARBK	JONB	JOKB	BOJX	CABK	UBSI	EXFB	JIFB	AJIB	ABCO	JOGB	MEIB
Interest Income	300,990,049	1,128,629,000	119,596,454	145,842,239	103,537,988	87,959,197	69,424,421	70,417,561	40,964,276	41,485,917	41,406,739	42,590,084	18,170,248
Interest Expense	(102,124,095)	(576,012,000)	(59,777,358)	(63,344,052)	(38,642,529)	(34,924,169)	(38,518,448)	(37,773,436)	(28,087,554)	(23,703,694)	(19,318,400)	(21,197,300)	(8,447,886)
Net Interest Income	**198,865,954**	**552,617,000**	**59,819,096**	**82,498,187**	**64,895,459**	**53,035,028**	**30,905,973**	**32,644,125**	**12,876,722**	**17,782,223**	**22,088,339**	**21,392,784**	**9,722,362**
Net Commissions	29,386,244	131,729,000	21,256,192	13,153,933	13,769,823	15,296,391	7,931,308	5,420,206	6,928,329	5,997,240	2,356,339	6,095,013	2,364,350
Net Interest Income & Commissions	**228,252,198**	**684,346,000**	**81,075,288**	**95,652,120**	**78,665,282**	**68,331,419**	**38,837,281**	**38,064,331**	**19,805,051**	**23,779,463**	**24,444,678**	**27,487,797**	**12,086,712**
Gains from Foreign Exchange	11,039,146	45,205,000	4,502,519	4,116,745	2,127,267	2,995,714	6,371,223	1,581,719	1,552,638	1,600,867	1,045,221	1,159,728	896,473
Gains (Losses) from Trading Investments	(223,814)	(7,039,000)	(1,530,489)	(216,705)	1,384,764	(43,983)	(2,585,860)	(2,299,360)	(2,682,834)	(295,025)	(398,011)	(72,437)	-
Gains (Losses) from AFS Investments	(25,820,999)	(6,393,000)	(1,926,150)	(1,920,951)	(1,554,347)	(2,927,869)	(5,997,610)	(1,944,004)	(176,016)	2,459,565	(1,043,028)	(3,573,657)	(30,500)
Other Revenues	31,962,209	47,888,000	7,809,492	19,024,544	9,960,016	6,526,275	2,084,175	6,837,016	2,315,079	945,559	7,822,187	2,832,433	992,539
Gross Profit	**245,208,740**	**764,007,000**	**89,930,660**	**116,655,753**	**90,582,982**	**74,881,556**	**38,709,209**	**42,239,702**	**20,813,918**	**28,490,429**	**31,871,047**	**27,833,864**	**13,945,224**
Employee Expenses	49,153,186	176,499,000	30,644,039	20,433,783	20,360,325	26,063,143	8,141,105	9,124,861	3,649,718	6,094,508	8,037,906	6,719,922	3,340,876
Depreciation and Amortisation	9,422,875	20,955,000	4,847,867	3,661,805	4,205,210	4,758,381	970,921	1,652,508	751,023	847,554	1,268,128	3,019,731	753,799
Other Expenses	39,169,842	149,362,000	18,583,366	11,965,792	15,750,556	16,057,996	5,183,938	6,513,365	2,573,478	5,930,959	5,530,638	5,819,251	3,211,362
Provisions for Doubtful Debts	3,784,251	(3,449,000)	9,571,128	10,332,256	3,608,429	-	3,007,197	5,069,365	2,282,792	460,000	1,243,824	353,923	480,454
Miscellaneous Provisions	1,656,828	3,171,000	1,810,229	1,927,933	2,361,931	848,261	275,078	155,038	3,691	254,000	802,619	405,205	349,645
Total Expenses	**103,186,982**	**346,538,000**	**65,456,629**	**48,321,569**	**46,286,451**	**47,727,781**	**17,578,239**	**22,515,137**	**9,260,702**	**13,587,021**	**16,883,115**	**16,318,032**	**8,136,136**
Operating Income	**142,021,758**	**417,469,000**	**24,474,031**	**68,334,184**	**44,296,531**	**27,153,775**	**21,130,970**	**19,724,565**	**11,553,216**	**14,903,408**	**14,987,932**	**11,515,832**	**5,809,088**
Income from Affiliates	-	32,373,000	435,040	-	-	-	-	-	-	-	-	-	-
Profit before Tax	**142,021,758**	**449,842,000**	**24,909,071**	**68,334,184**	**44,296,531**	**27,153,775**	**21,130,970**	**19,724,565**	**11,553,216**	**14,903,408**	**14,987,932**	**11,515,832**	**5,809,088**
Income Tax	40,699,013	89,668,000	7,512,874	19,258,193	11,438,055	6,858,936	5,521,968	4,474,396	2,678,170	3,121,182	5,068,049	2,177,611	1,802,598
Profit after Tax	**101,322,745**	**360,174,000**	**17,396,197**	**49,075,991**	**32,858,476**	**20,294,839**	**15,609,002**	**15,250,169**	**8,875,046**	**11,782,226**	**9,919,883**	**9,338,221**	**4,006,490**
Minority Interest Share	5,372,133	-	46,047	2,635,584	9,698	-	-	947,663	-	205,156	-	-	-
Profit Attributable to Shareholders	**95,950,612**	**360,174,000**	**17,350,150**	**46,440,407**	**32,848,778**	**20,294,839**	**15,609,002**	**14,302,506**	**8,875,046**	**11,577,070**	**9,919,883**	**9,338,221**	**4,006,490**

INCOME STATEMENT - Q3 2009

	THBK	ARBK	JONB	JOKB	BOJX	CABK	UBSI	EXFB	JIFB	AJIB	ABCO	JOGB	MEIB
Interest Income	218,990,892	708,025,000	85,235,456	97,049,789	79,052,636	69,798,732	51,601,370	53,248,548	27,792,860	33,550,984	26,668,882	30,576,237	12,951,656
Interest Expense	(78,614,833)	(314,761,000)	(44,540,602)	(40,628,692)	(31,346,560)	(28,686,607)	(28,191,863)	(28,634,242)	(17,549,607)	(16,951,472)	(11,652,669)	(16,022,084)	(6,470,610)
Net Interest Income	**140,376,059**	**393,264,000**	**40,694,854**	**56,421,097**	**47,706,076**	**41,112,125**	**23,409,507**	**24,614,306**	**10,243,253**	**16,599,512**	**15,016,213**	**14,554,153**	**6,481,046**
Net Commissions	25,588,476	96,103,000	15,802,980	10,088,295	10,258,251	12,910,494	7,074,535	7,031,238	3,793,432	3,604,751	2,014,667	3,992,961	1,831,500
Net Interest Income & Commissions	**165,964,535**	**489,367,000**	**56,497,834**	**66,509,392**	**57,964,327**	**54,022,619**	**30,484,042**	**31,645,544**	**14,036,685**	**20,204,263**	**17,030,880**	**18,547,114**	**8,312,546**
Gains from Foreign Exchange	7,471,687	27,063,000	2,421,400	2,190,109	2,081,353	2,033,339	4,427,938	1,077,384	886,851	1,129,746	693,379	609,836	689,962
Gains (Losses) from Trading Investments	186,868	8,899,000	287,274	(248,729)	-	8,270	965,211	158,933	(513,367)	14,207	(574)	(235,266)	-
Gains (Losses) from AFS Investments	1,281,211	9,044,000	(3,400,772)	8,025,277	(1,480,262)	4,705,427	698,494	(1,358,575)	1,136,655	(195,188)	284,688	159,717	26,729
Other Revenues	18,471,242	10,037,000	8,632,568	11,422,256	2,452,441	3,575,420	1,513,775	2,435,732	932,529	767,906	4,256,918	1,321,946	1,012,031
Gross Profit	**193,375,543**	**544,410,000**	**64,438,304**	**87,898,305**	**61,017,859**	**64,345,075**	**38,089,460**	**33,959,018**	**16,479,353**	**21,920,934**	**22,265,291**	**20,403,347**	**10,041,268**
Employee Expenses	37,424,218	131,896,000	22,658,866	13,701,605	16,329,595	20,193,451	6,749,777	7,059,509	2,853,178	4,487,047	6,134,783	5,048,644	2,723,539
Depreciation and Amortisation	7,971,194	16,798,000	4,055,032	2,403,450	3,544,729	4,656,956	845,512	1,527,385	744,029	671,787	974,019	2,366,403	569,116
Other Expenses	25,992,299	111,123,000	13,826,676	7,095,488	10,563,854	12,085,107	4,459,570	8,583,464	3,645,765	3,881,562	3,892,965	3,691,622	2,275,915
Provisions for Doubtful Debts	46,090,955	44,864,000	3,800,837	22,056,325	(346,699)	249,833	10,308,620	12,810,303	2,115,331	1,610,000	1,224,109	5,088,372	862,611
Miscellaneous Provisions	3,006,133	2,540,000	-	770,856	1,104,635	1,485,832	471,455	(16,026)	(43,444)	89,320	160,140	88,659	(159,328)
Total Expenses	**120,484,799**	**307,221,000**	**44,341,411**	**46,027,724**	**31,196,114**	**38,671,179**	**22,834,934**	**29,964,635**	**9,314,859**	**10,739,716**	**12,386,016**	**16,283,700**	**6,271,853**
Operating Income	72,890,744	237,189,000	20,096,893	41,870,581	29,821,745	25,673,896	15,254,526	3,994,383	7,164,494	11,181,218	9,879,275	4,119,647	3,769,415
Income from Affiliates	-	33,950,000	10,637	-	-	-	-	-	-	-	-	-	-
Profit before Tax	72,890,744	271,139,000	20,107,530	41,870,581	29,821,745	25,673,896	15,254,526	3,994,383	7,164,494	11,181,218	9,879,275	4,119,647	3,769,415
Income Tax	24,122,899	54,058,000	6,716,986	10,270,699	7,202,048	7,401,160	4,521,399	737,272	1,692,403	2,178,519	3,066,570	810,963	1,089,057
Profit after Tax	**48,767,845**	**217,081,000**	**13,390,544**	**31,599,882**	**22,619,697**	**18,272,736**	**10,733,127**	**3,257,111**	**5,472,091**	**9,002,699**	**6,812,705**	**3,308,684**	**2,680,358**
Minority Interest Share	4,681,322	-	24,810	947,612	(821,891)	-	-	218,628	-	157,787	-	-	-
Profit Attributable to Shareholders	**44,086,523**	**217,081,000**	**13,365,734**	**30,652,270**	**23,441,588**	**18,272,736**	**10,733,127**	**3,038,483**	**5,472,091**	**8,844,912**	**6,812,705**	**3,308,684**	**2,680,358**

Disclaimer