

JORDAN STEEL CO. LTD.  
AND ITS SUBSIDIARY  
AMMAN - THE HASHEMITE KINGDOM OF JORDAN

CONSOLIDATED BALANCE SHEET AS OF DECEMBER 31, 2005

EXHIBIT-A

ASSETS	Notes	2005	2004
<b>Non-Current Assets</b>		JD	JD
Property, plant and equipment	3	10,961,331	11,958,238
Projects under progress	4	382,424	19,060
Investments in land	5	317,772	317,772
Investment in affiliated companies	6	3,557,776	91,959
Investment in a subsidiary company	7	150,000	-
Investment in available for sale securities	8	384,834	384,834
<b>Total Non-Current Assets</b>		<b>15,754,137</b>	<b>12,771,863</b>
<b>Current Assets</b>			
Inventories	9	14,828,473	14,349,851
Accounts receivable and other debit balances	10	6,791,472	890,589
Cash and cash equivalents	11	3,032,024	2,970,820
<b>Total Current Assets</b>		<b>24,651,969</b>	<b>18,211,260</b>
<b>TOTAL ASSETS</b>		<b>40,406,106</b>	<b>30,983,123</b>

THE ACCOMPANYING NOTES CONSTITUTE AN INTEGRAL  
PART OF THESE FINANCIAL STATEMENTS

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EXHIBIT-A

SHAREHOLDERS' EQUITY AND LIABILITIES	Notes	2005	2004
<b>Shareholders' Equity</b>		JD	JD
Authorized capital (23,075,000 shares of par value JD1)	12	23,075,000	15,000,000
Issued and paid-up capital		15,000,000	15,000,000
Statutory reserve	13	3,047,093	2,727,791
Voluntary reserve	13	1,040,622	1,040,622
Proposed dividends to shareholders		3,750,000	3,750,000
Retained earnings - Exhibit C		780,218	2,021,064
<b>Total Shareholders' Equity</b>		<b>23,617,933</b>	<b>24,539,477</b>
<b>Current Liabilities</b>			
Other provisions	14	186,693	229,599
Due to shareholders		624,830	466,708
Accounts payable and other credit balances	15	762,771	1,056,716
Income tax provision	16	382,615	782,012
Due to banks	17	14,831,264	3,908,611
<b>Total Current Liabilities</b>		<b>16,788,173</b>	<b>6,443,646</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>		<b>40,406,106</b>	<b>30,983,123</b>

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JORDAN STEEL CO. LTD.  
AND ITS SUBSIDIARY  
AMMAN - THE HASHEMITE KINGDOM OF JORDAN

CONSOLIDATED STATEMENT OF INCOME FOR THE YEAR ENDED DECEMBER 31, 2005

EXHIBIT-B

	Notes	2005	2004
		JD	JD
Sales		53,568,425	37,765,076
Cost of Sales	18	(50,134,003)	(31,497,140)
<b>Gross Profit</b>		<b>3,434,422</b>	<b>6,267,936</b>
Other revenues	19	1,337,492	735,716
Selling expenses	20	(512,931)	(312,387)
Administrative expenses	21	(689,747)	(600,308)
Financial expenses		(376,218)	(211,335)
<b>Profit before tax</b>		<b>3,193,018</b>	<b>5,879,622</b>
Income tax provision	16	(227,397)	(635,323)
<b>Profit for the year</b>		<b>2,965,621</b>	<b>5,244,299</b>
Retained earnings - beginning of the year		2,021,064	1,328,661
<b>Earnings available to be distributed as follow:</b>		<b>4,986,685</b>	<b>6,572,960</b>
Statutory reserve 10%		319,302	587,963
Board of directors' remuneration		53,750	51,555
Provision for Jordanian universities fees 1%		29,191	58,753
Provision for scientific research and vocational training 1%		29,191	58,753
Provision for technical and vocational education and training fees 1%		25,033	44,872
Proposed dividends (25%)		3,750,000	3,750,000
Retained earnings - Exhibit C		780,218	2,021,064
<b>Total</b>		<b>4,986,685</b>	<b>6,572,960</b>
<b>Weighted average shares during the year</b>		<b>15 Million Shares</b>	<b>15 Million Shares</b>
<b>Earnings per share</b>	22	<b>Fils 189</b>	<b>Fils 336</b>

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