

JORDAN STEEL CO. LTD.
AMMAN - THE HASHEMITE KINGDOM OF JORDAN

Exhibit - A

Consolidated Balance sheet as of December 31, 2004

SHAREHOLDER'S EQUITY AND LIABILITIES	<u>Notes</u>	<u>2004</u>	<u>2003</u>
		<i>JD</i>	<i>JD</i>
Shareholder's Equity			
Authorized and issued capital (15) million shares at JD 1 par value		<u>15,000,000</u>	<u>15,000,000</u>
Paid-up capital		15,000,000	15,000,000
Compulsory reserve	11	2,727,791	2,139,828
Voluntary reserve	11	1,040,622	1,040,622
Proposed dividends to shareholders		3,750,000	3,300,000
Retained earning - Exhibit C		2,021,064	1,328,661
Total Shareholders' Equity		<u>24,539,477</u>	<u>22,809,111</u>
Current Liabilities			
Deferred payments on letters of credit & notes payable		7,100	1,913,907
Other provisions	12	229,599	160,495
Due to shareholders		466,708	400,291
Accounts payable and other Credit balances	13	1,049,616	978,524
Income tax provision	14	782,012	625,818
Short term loan		---	1,065,000
Due to banks		3,908,611	2,628,505
Total Current Liabilities		<u>6,443,646</u>	<u>7,772,540</u>
TOTAL SHAREHOLDERS' EQUITY & LIABILITIES		<u>30,983,123</u>	<u>30,581,651</u>

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ASSETS	Notes	2004	2003
		JD	JD
Non-Current Assets			
Property, plant and equipment	3	11,958,238	12,244,735
Projects under progress	4	19,060	126,861
Investment in lands	5	317,772	317,772
Investments in affiliated companies	6	91,959	91,959
Investment in available for sale securities	7	384,834	---
Total Non-Current Assets		<u>12,771,863</u>	<u>12,781,327</u>
Current Assets			
Inventories	8	14,349,851	8,406,503
Accounts receivable and other debit balance	9	890,589	1,619,358
Cash and cash equivalents	10	2,970,820	7,774,463
Total Current Assets		<u>18,211,260</u>	<u>17,800,324</u>
Total Assets		<u>30,983,123</u>	<u>30,581,651</u>

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Exhibit - B

Consolidated statement of income for the year ended December 31, 2004

	<u>Notes</u>	<u>2004</u>	<u>2003</u>
		<u>JD</u>	<u>JD</u>
Sales		37,766,027	24,318,007
Cost of sales	16	31,497,140	19,449,756
Gross profit		6,268,887	4,868,251
Selling expenses	17	-304,239	-252,221
Administrative expenses	18	-598,943	-572,861
Financial expenses		-211,335	-158,523
Prior years' adjustments		-10,464	-26,640
Other revenues	19	735,716	884,343
Net income before income tax		5,879,622	4,742,349
Income tax provision	14	-635,323	-625,000
Net income for the year		5,244,299	4,117,349
Retained earning - beginning of year		1,328,661	1,174,762
Net earning available to be distributed as follow:		6,572,960	5,292,111
Compulsory reserve 10%		587,963	477,679
Board of directors' remuneration		51,555	55,000
Provision for Jordanian universities fees 1%		58,753	47,768
Provision for scientific research and vocational training 1%		58,753	47,768
Provision for technical vocational education training fees 1%		44,872	35,235
Proposed dividends distribution 25% (22% for 2003)		3,750,000	3,300,000
Retained earnings - Exhibit C		2,021,064	1,328,661

Total

6,572,960

5,292,111

Earnings per share

20

Fils 336/--

Fils 262/--