



MIZRAHI TEFAHOT

Financial Statements

30 September 2011



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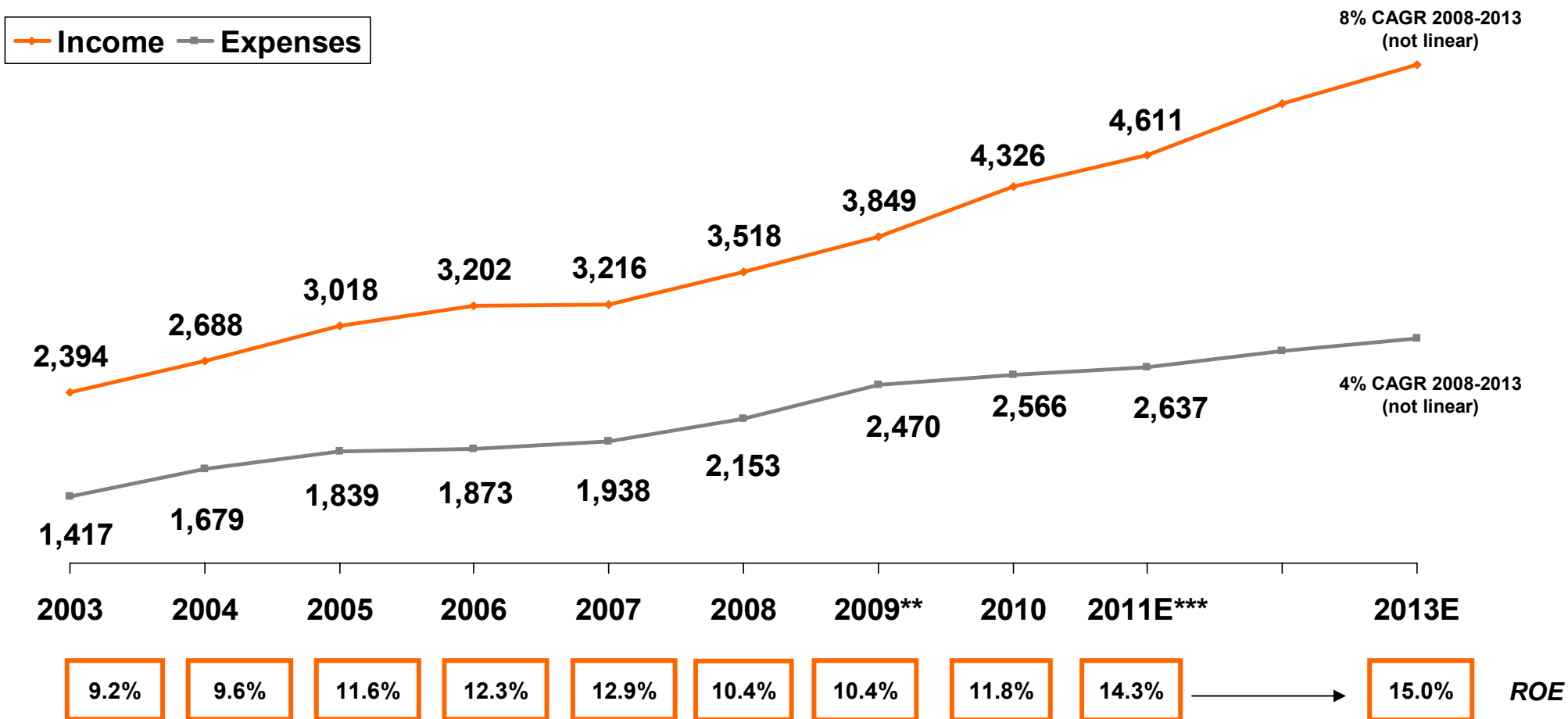
- **Strategic Highlights**

- **Q3/2011 Financial Results**



Income, expenses and return on equity in view of the strategic plan for 2008-2013*

consolidated, before provision for doubtful debts, NIS mil

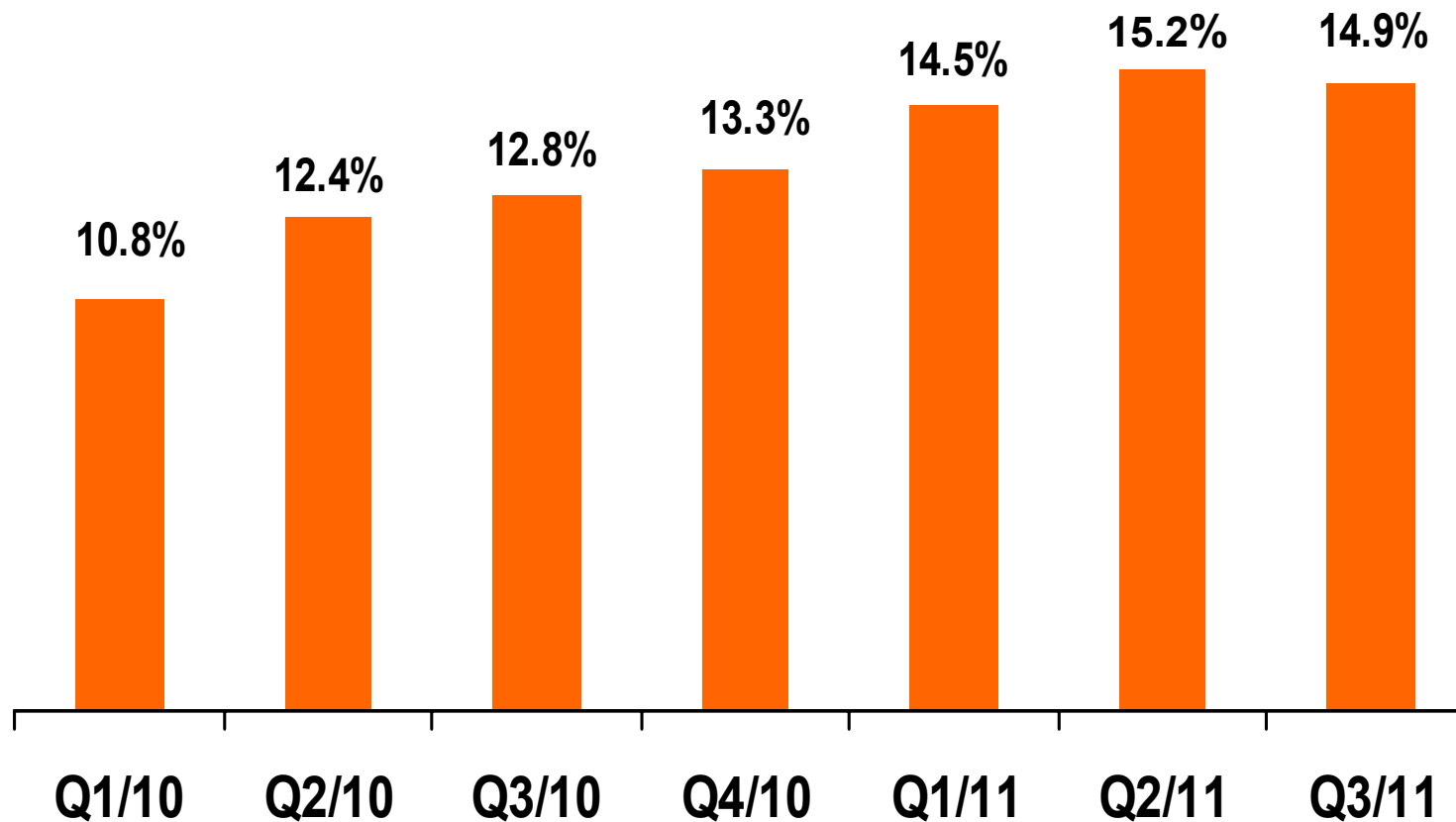


* Q3 08 onwards – including Bank Yahav

** Exclduing provision for retirement

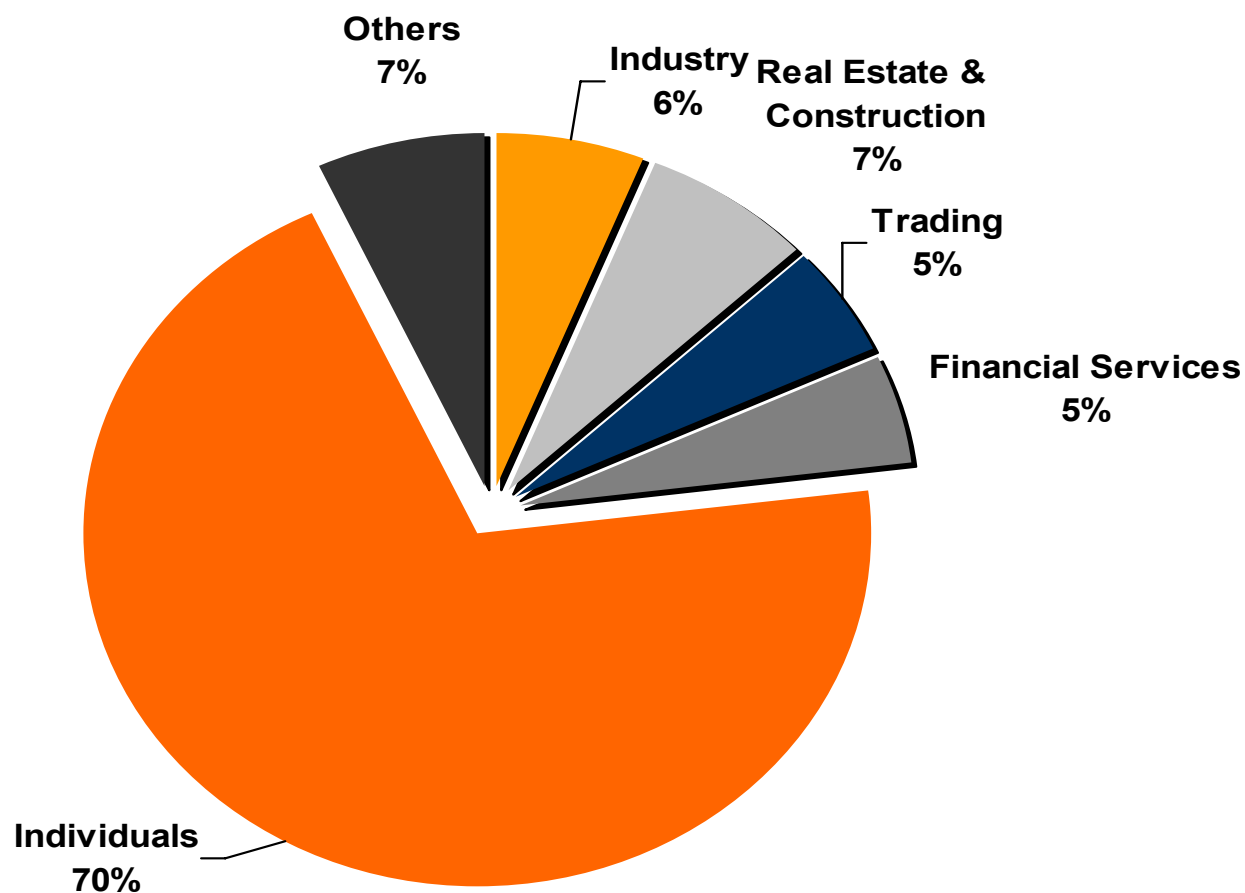
*** 1-9/2011, in annual terms

ROE (net profit)

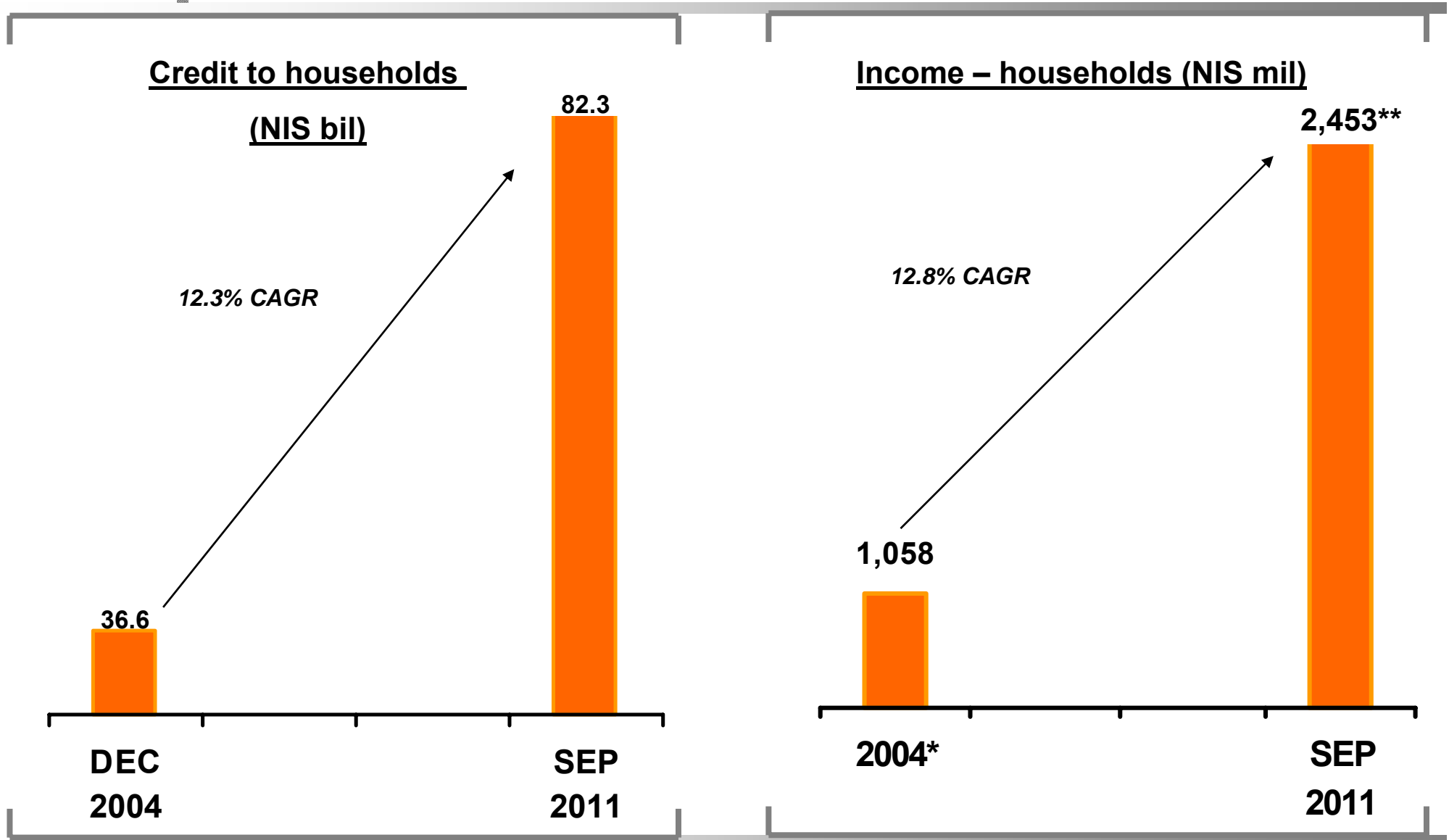


Loans to the public classified by economic sector

(as of September 30, 2011)



Credit to households including mortgages in Israel



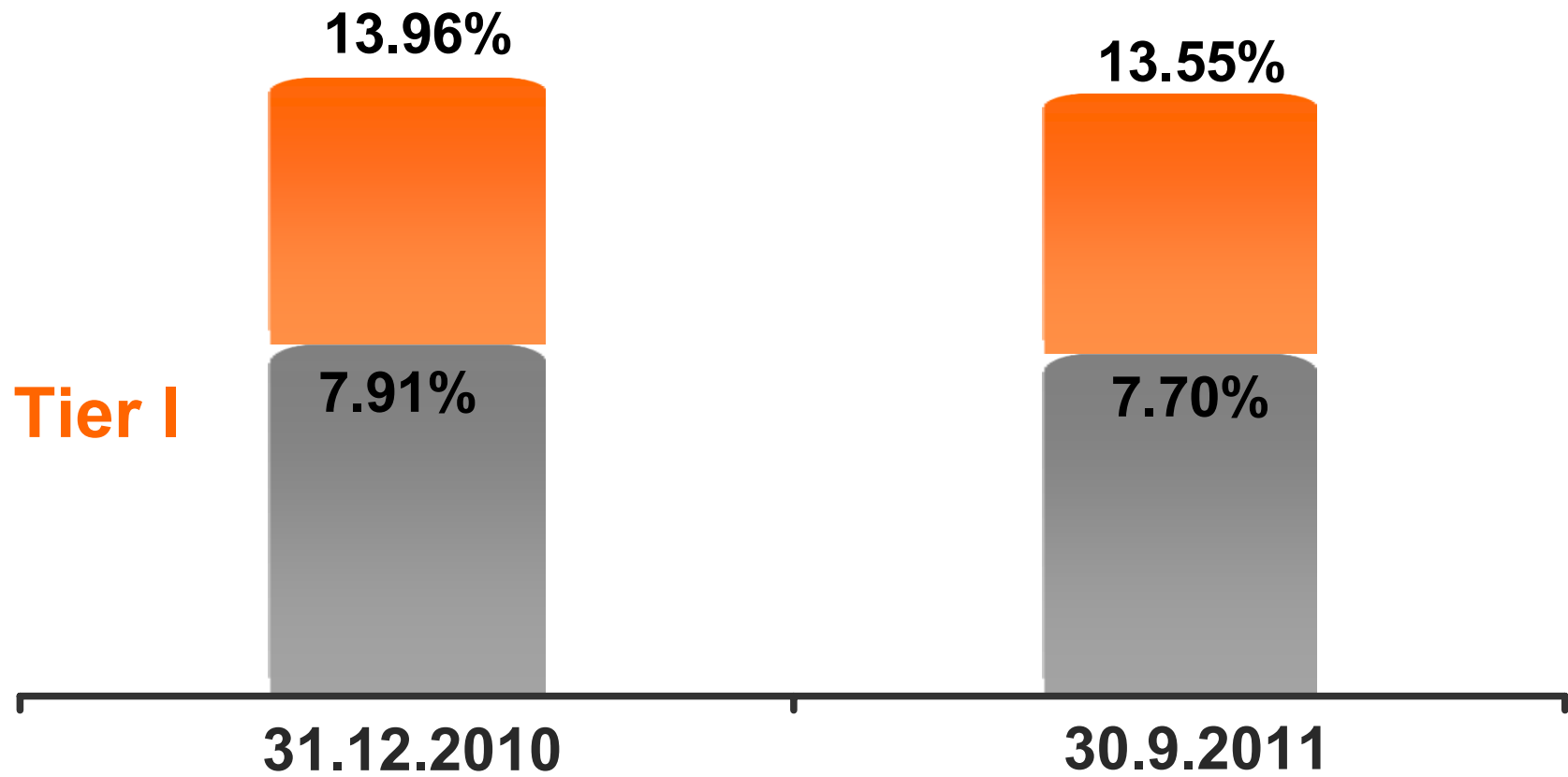
*excluding management fees for provident and mutual funds 7

**1-9/2011 in annual terms

Cost/income ratio

	2010				2011		
	Quarters						
	I	II	III	IV	I	II	III
Cost Income Ratio	65.1%	58.6%	58.7%	55.9%	60.6%	57.7%	53.6%
Cost-Income Ratio, excluding Bank Yahav	62.1%	53.6%	56.1%	52.6%	56.6%	53.7%	48.4%

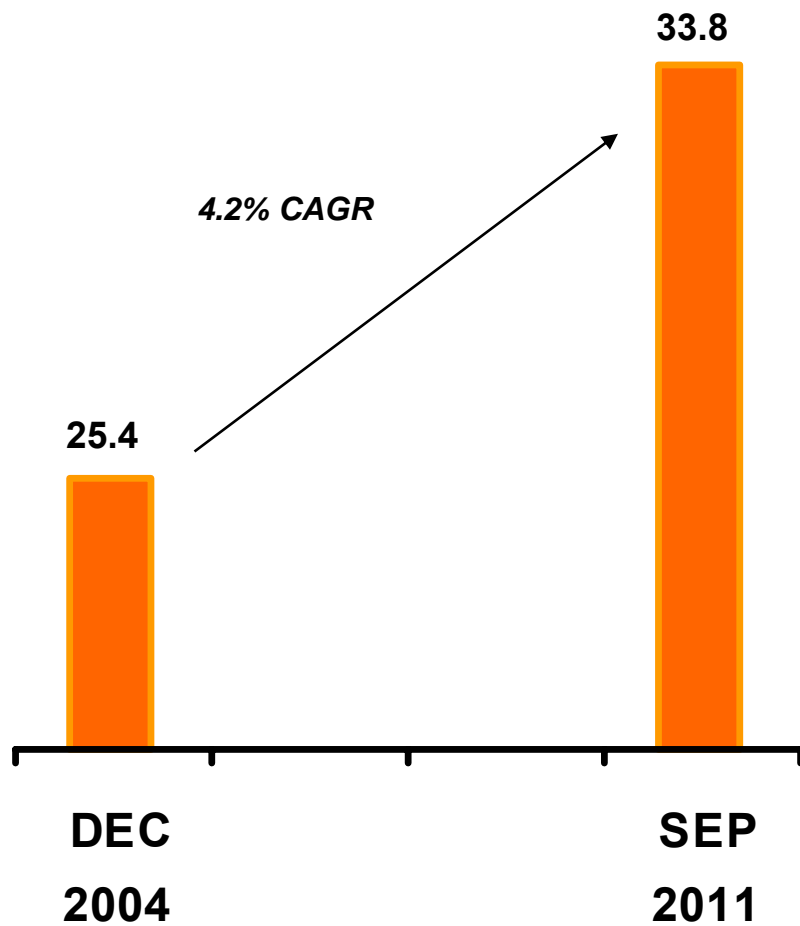
Capital adequacy – Basel II



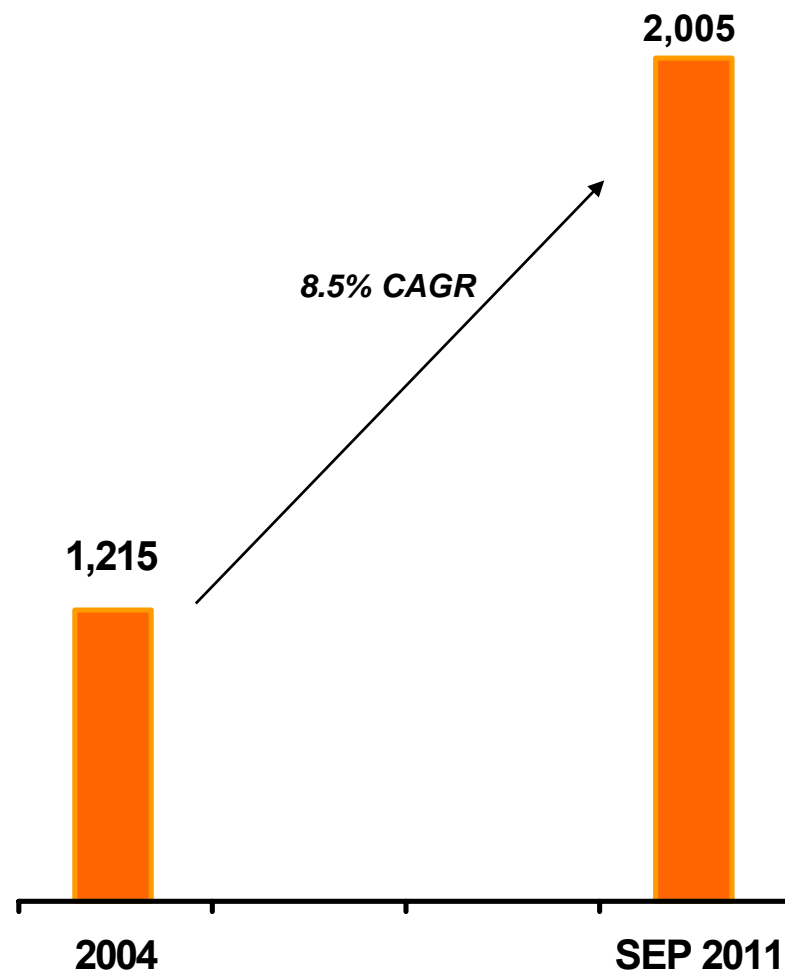
Credit to corporates in Israel

Credit to corporates

(NIS bil)



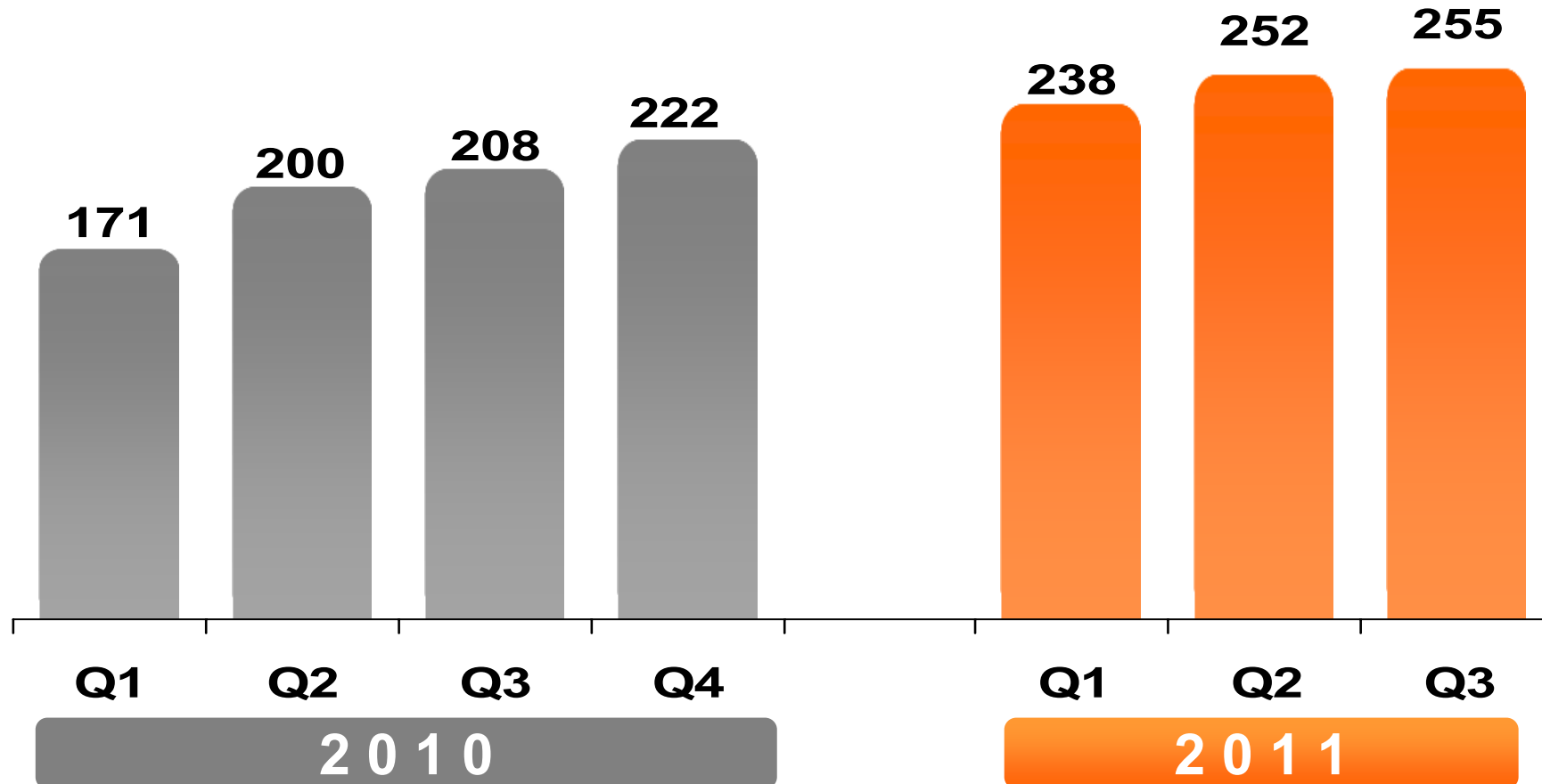
Income – corporates (NIS mil)



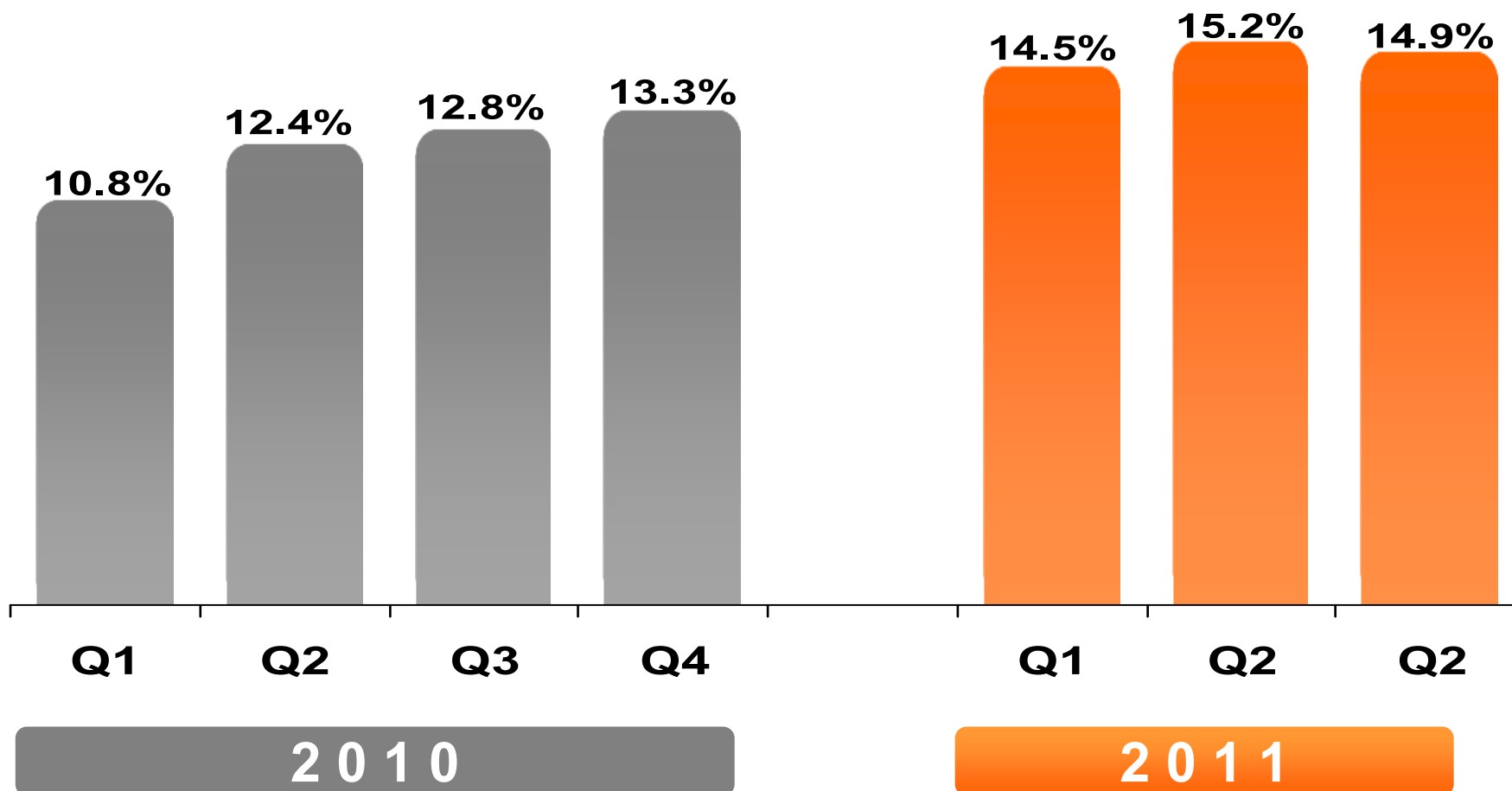
- **Strategic Highlights**

- **Q3/2011 Financial Results**

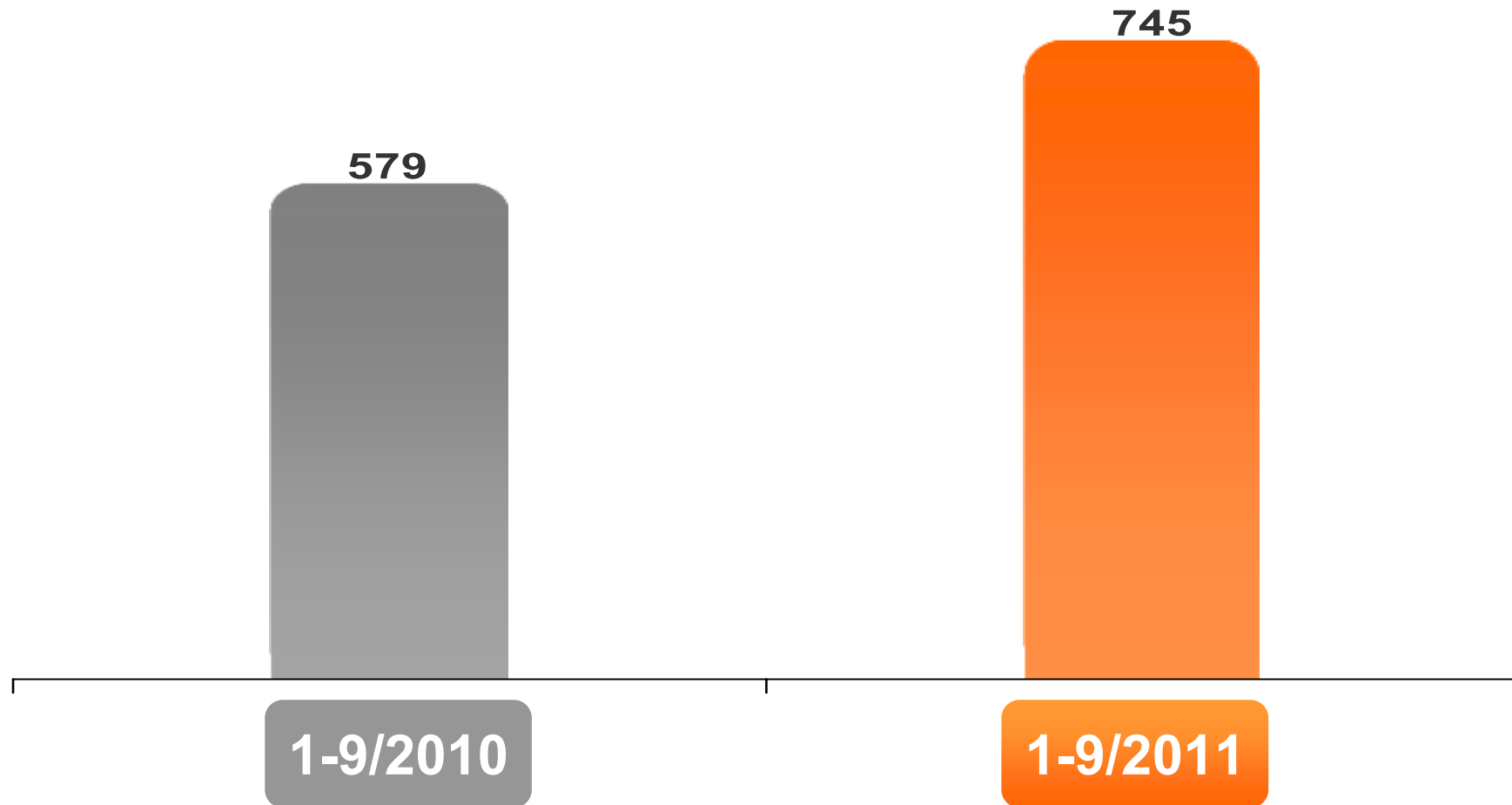
Net profit (NIS mil)



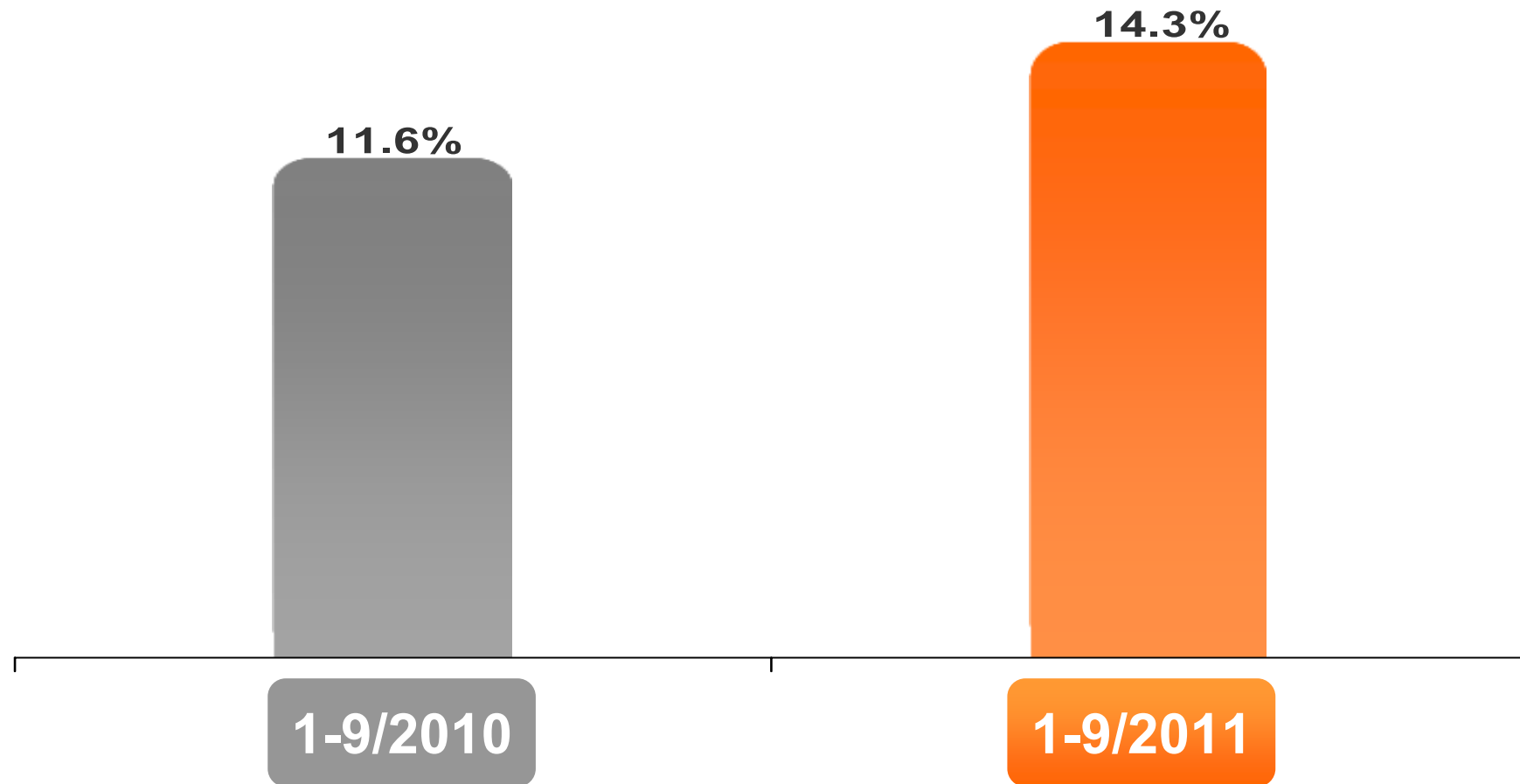
Net profit - ROE



Net profit - periods (NIS mil)



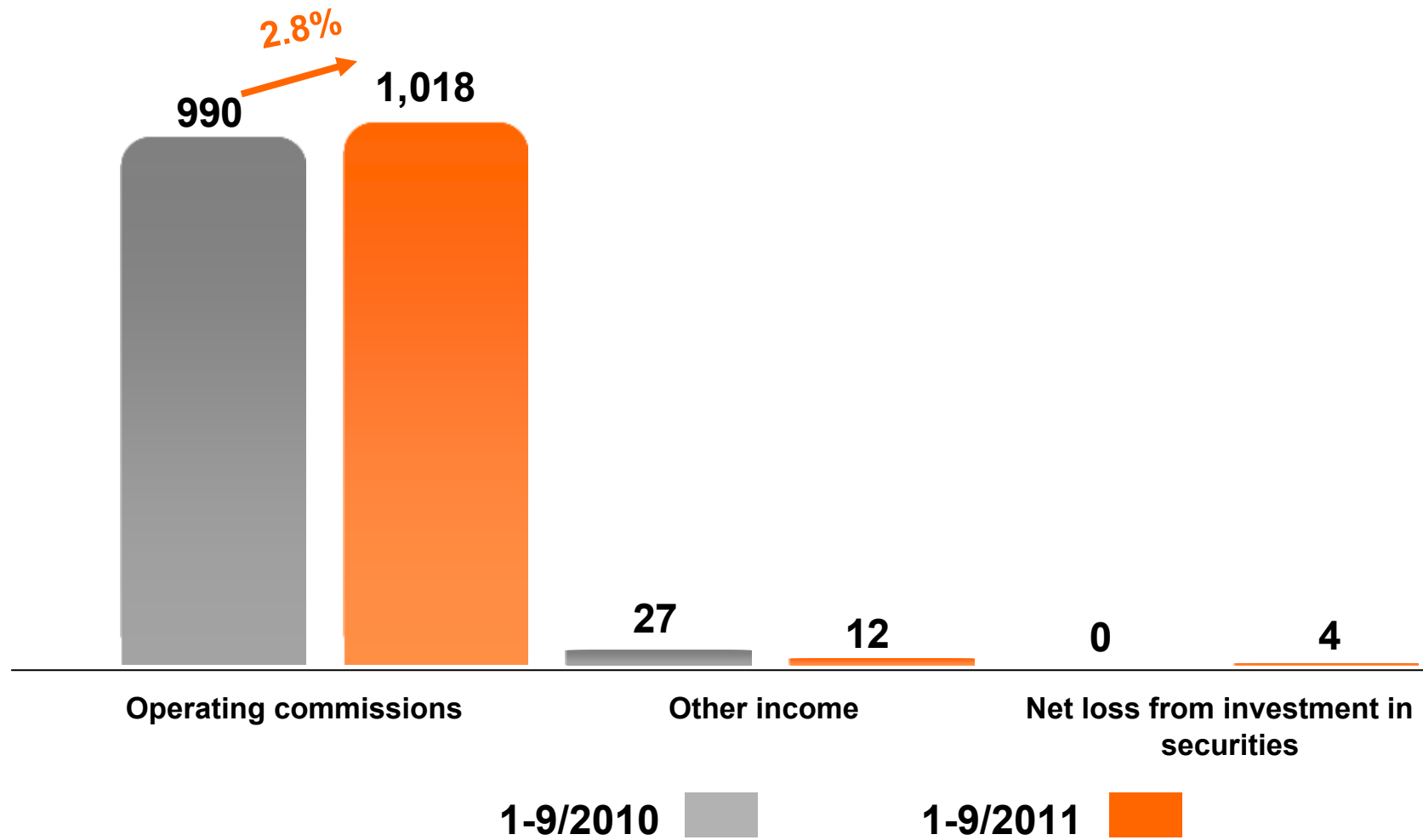
Net profit – ROE - periods (NIS mil)



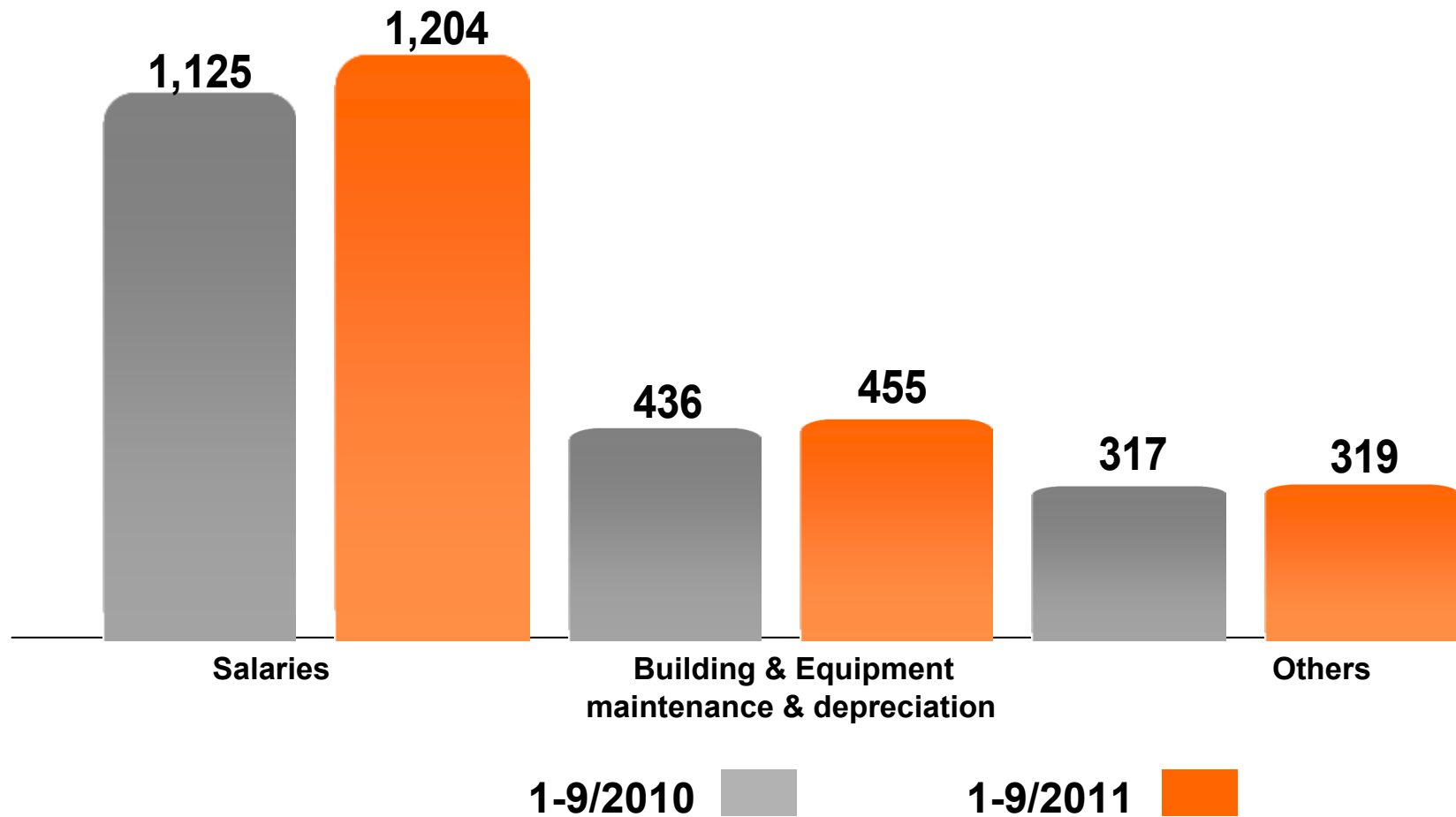
Profit from financing operations (NIS mil)

	For the Nine months ended September 30		Rate of change
	2011	2010	
Current operations	2,267	1,937	17.0%
Gain from realized debentures available for sale and debentures held for trade, net	6	38	-
Revenues from interest on problem loans	75	94	-
Exchange rate and linkage differentials with respect to impaired debt	34	-	-
Effect of accounting treatment of derivatives at fair value and others	42	10	-
Total	2,424	2,079	16.6%

Operating and other income (NIS mil)



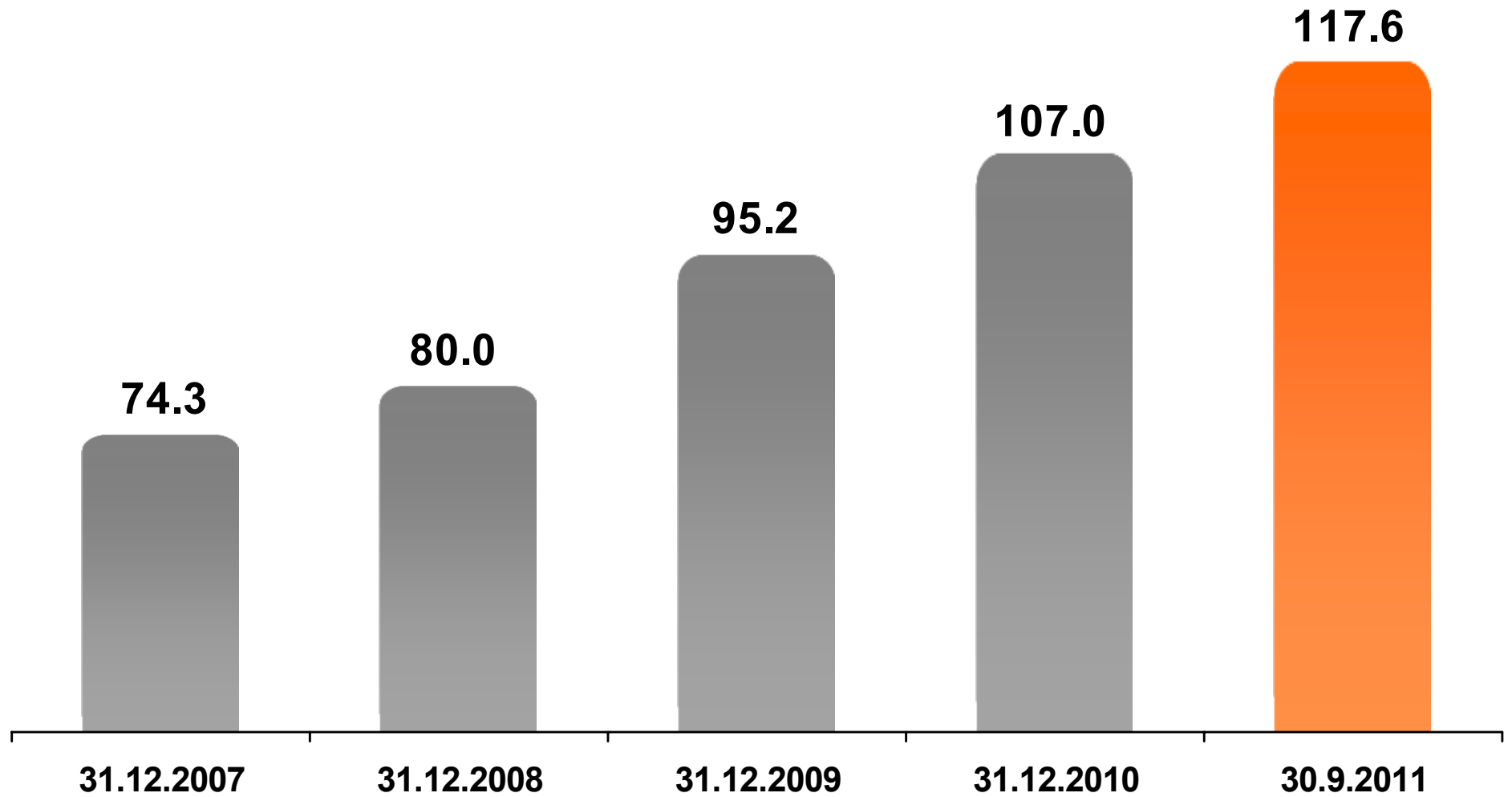
Operating and other expenses (NIS mil)



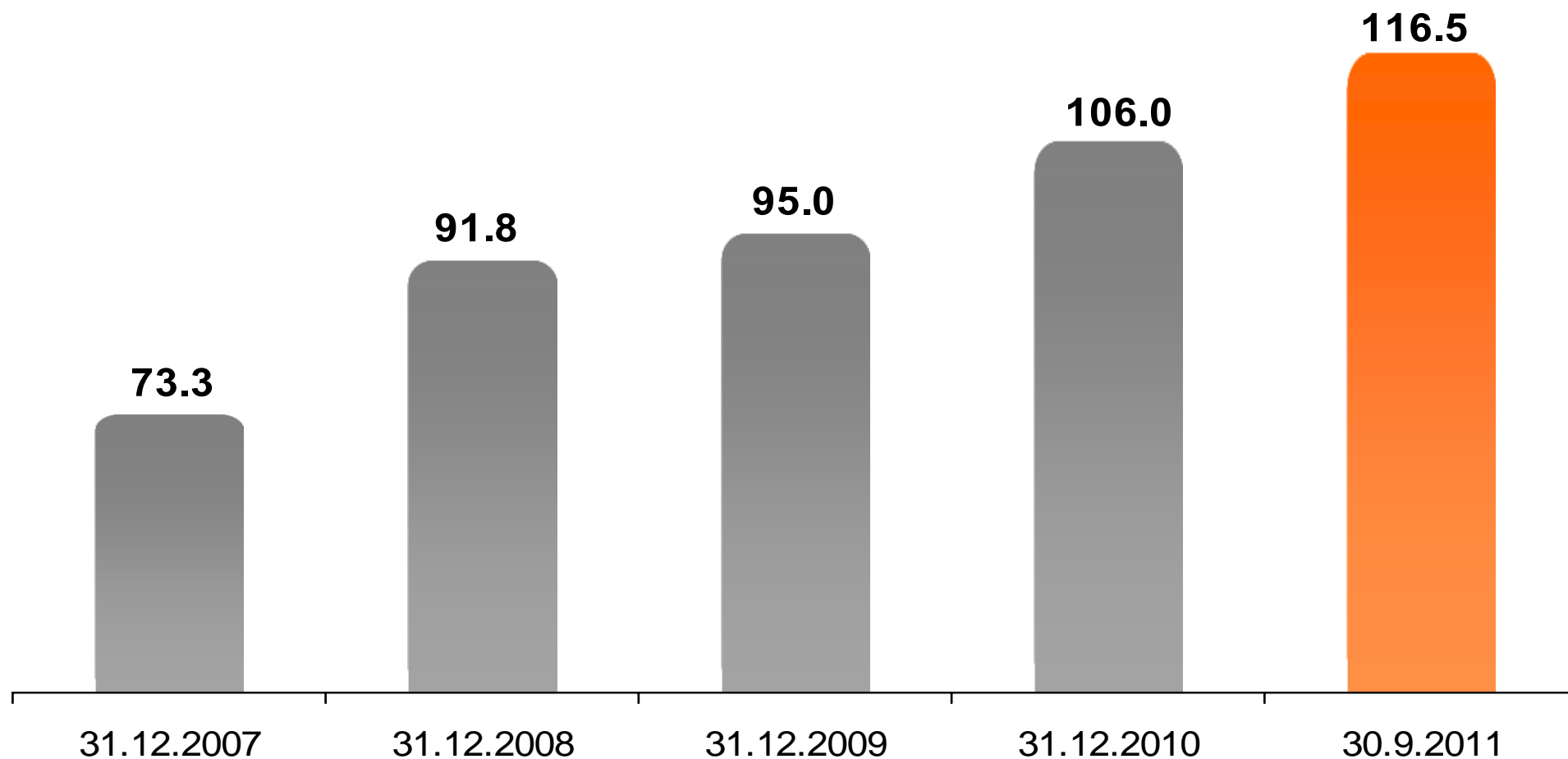
Cost/income ratio

	For the Nine months ended September 30		For the Year ended 31 December 2010
	2010	2011	
Cost Income Ratio	60.7%	57.2%	59.3%
Cost-Income Ratio, excluding Bank Yahav	57.1%	52.8%	55.8%

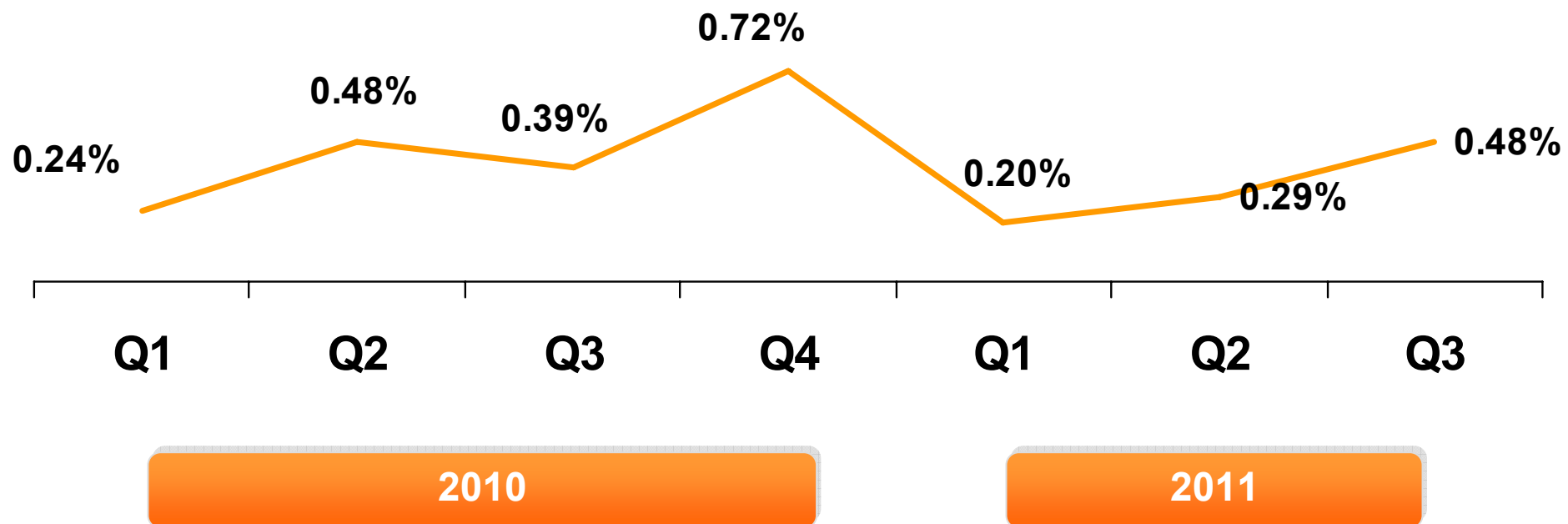
Loans to the public (NIS bil)



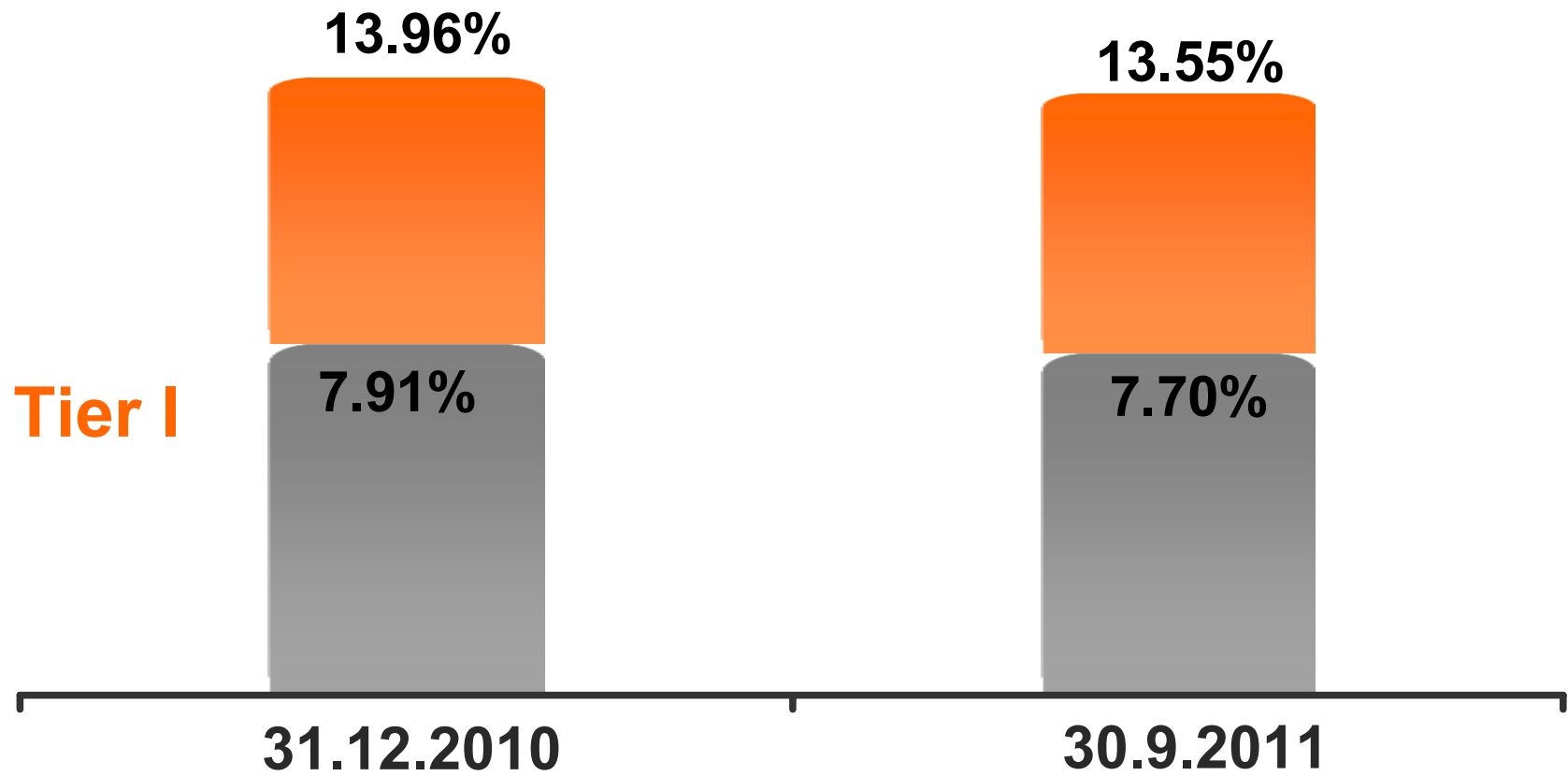
Deposits from the public (NIS bil)



Provisions/loans to the public



Capital adequacy – Basel II



Equity (NIS bil)

