

Financial Statements

31 March 2007

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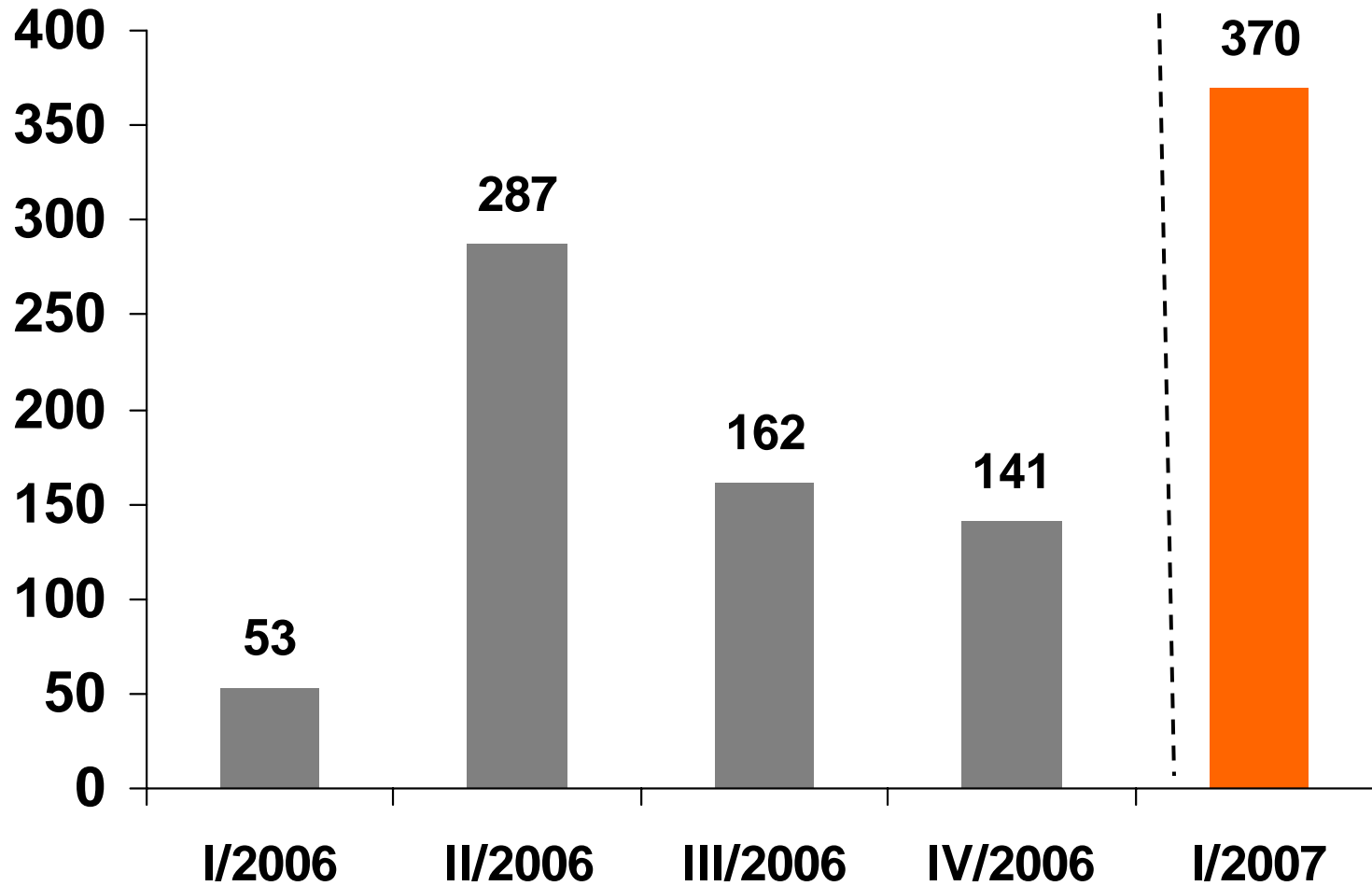
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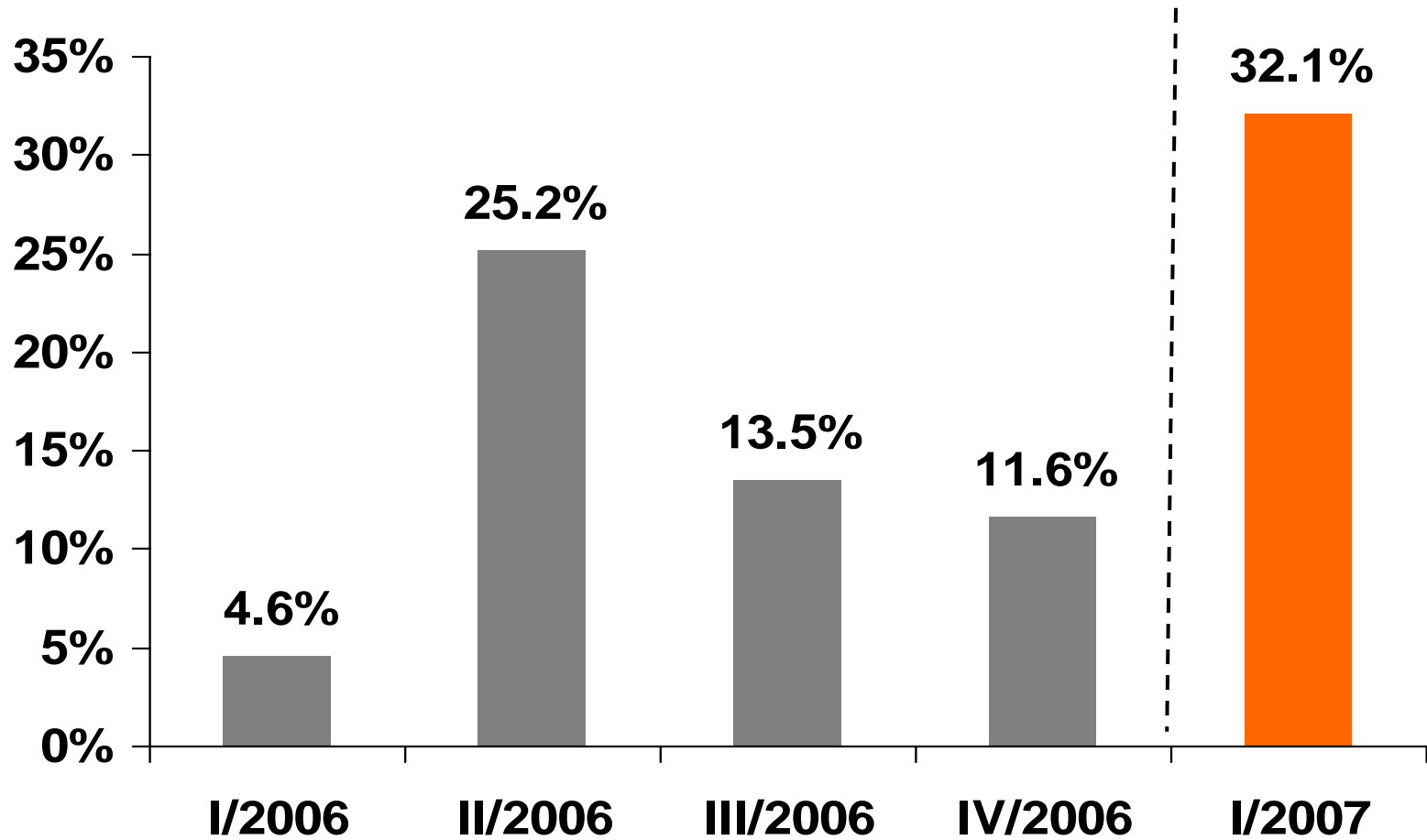
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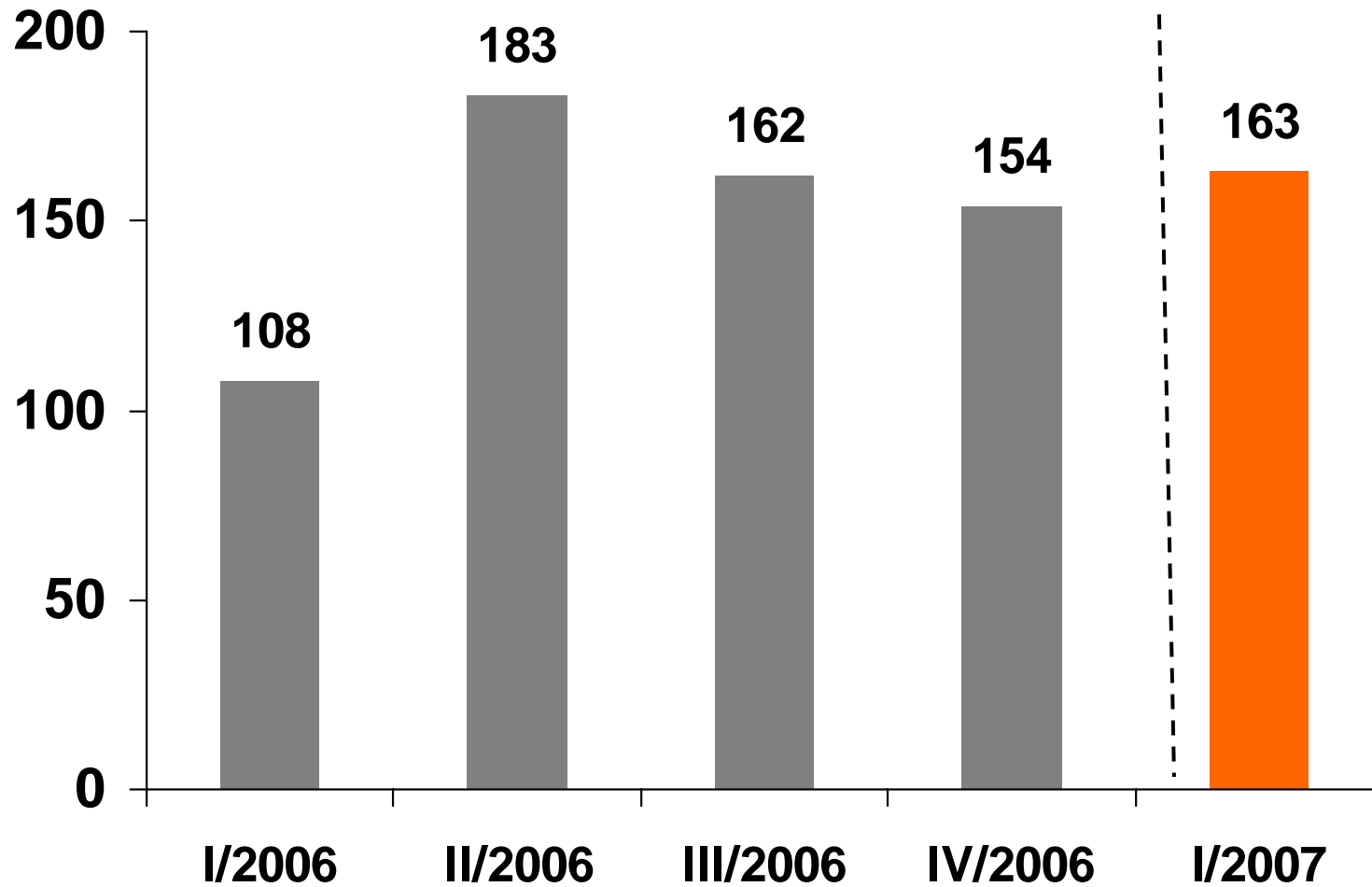
Net Profit (mil NIS)



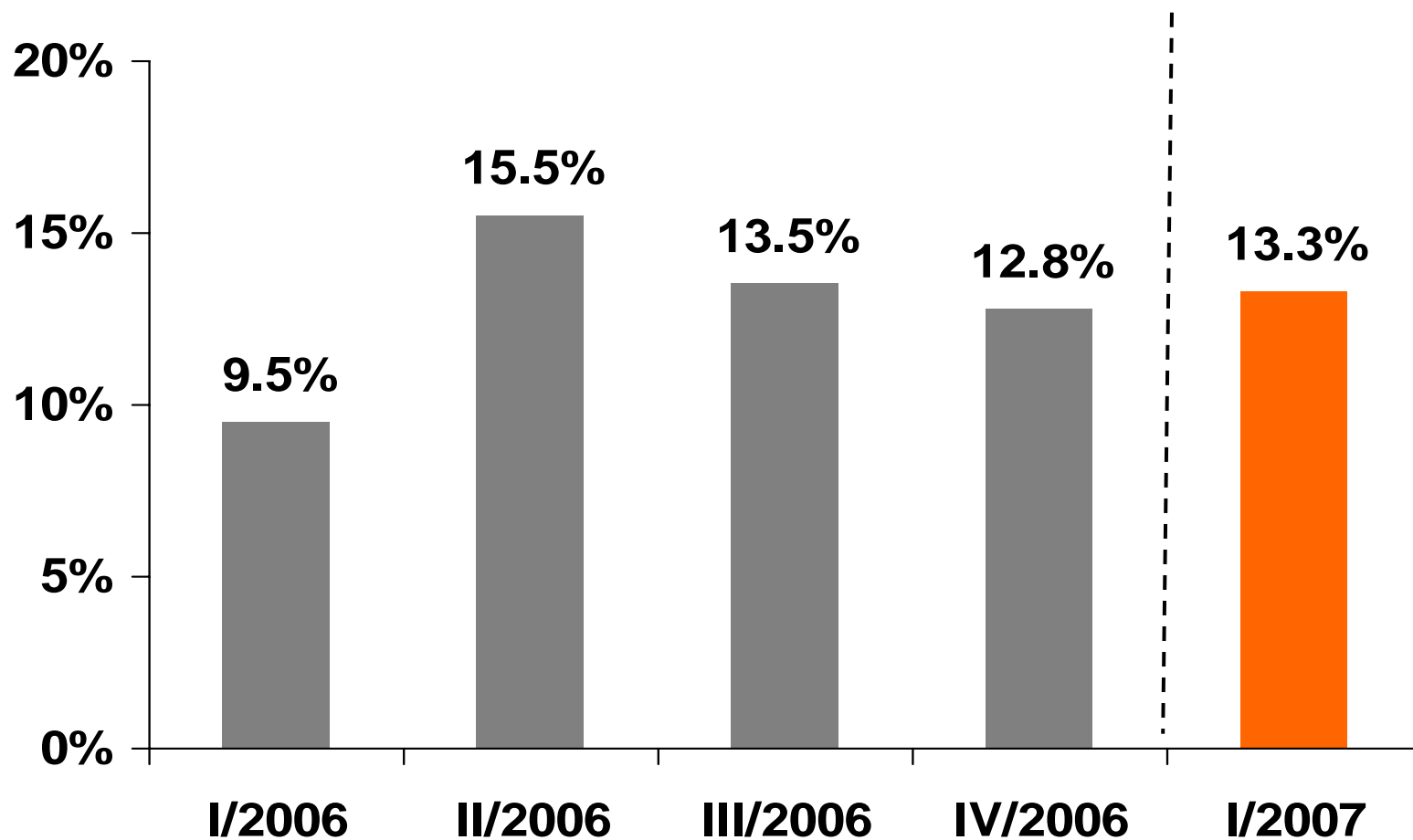
Return on Equity



Net Profit (mil NIS) *



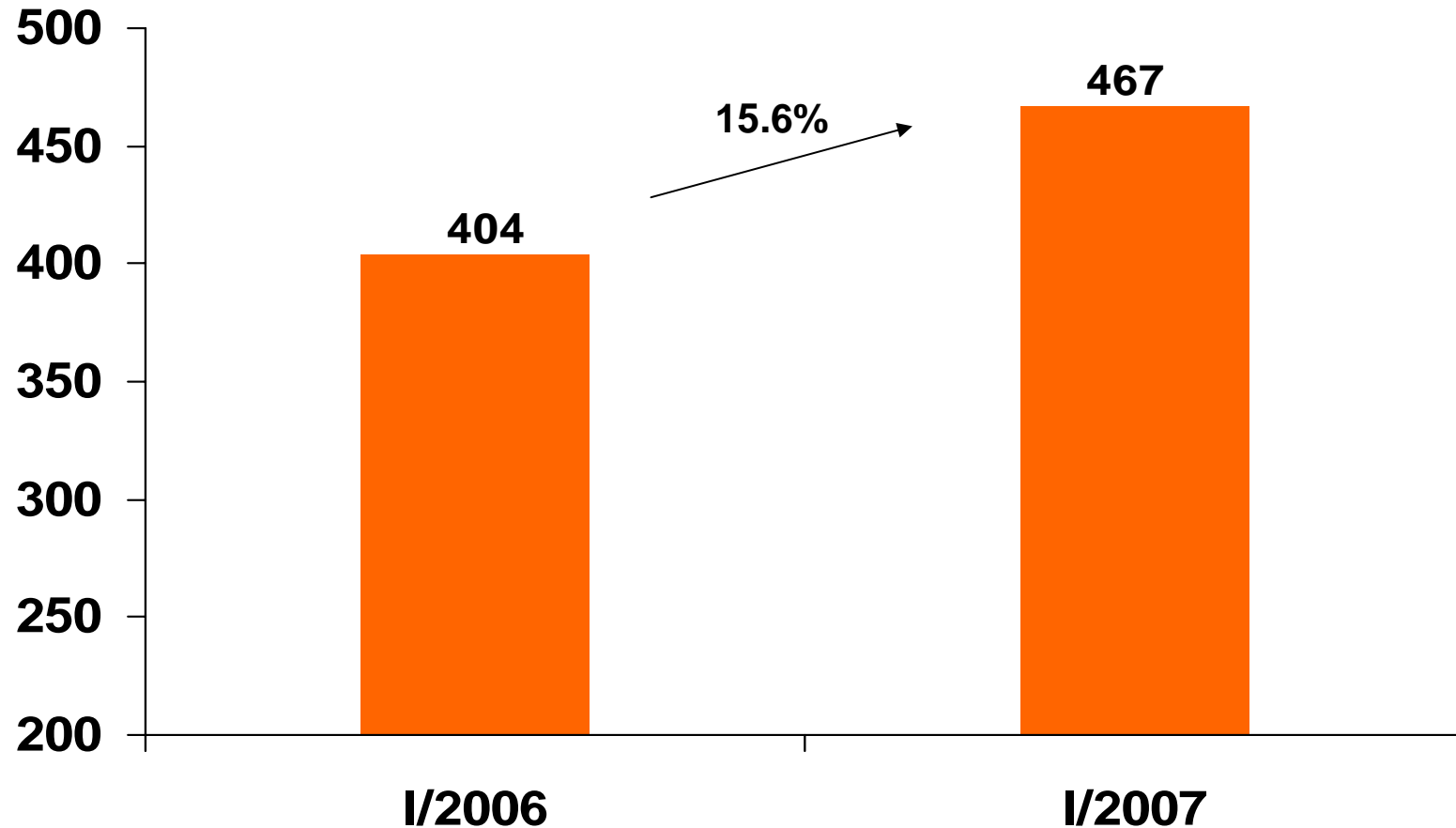
Return on Equity - Excluding extraordinary activities



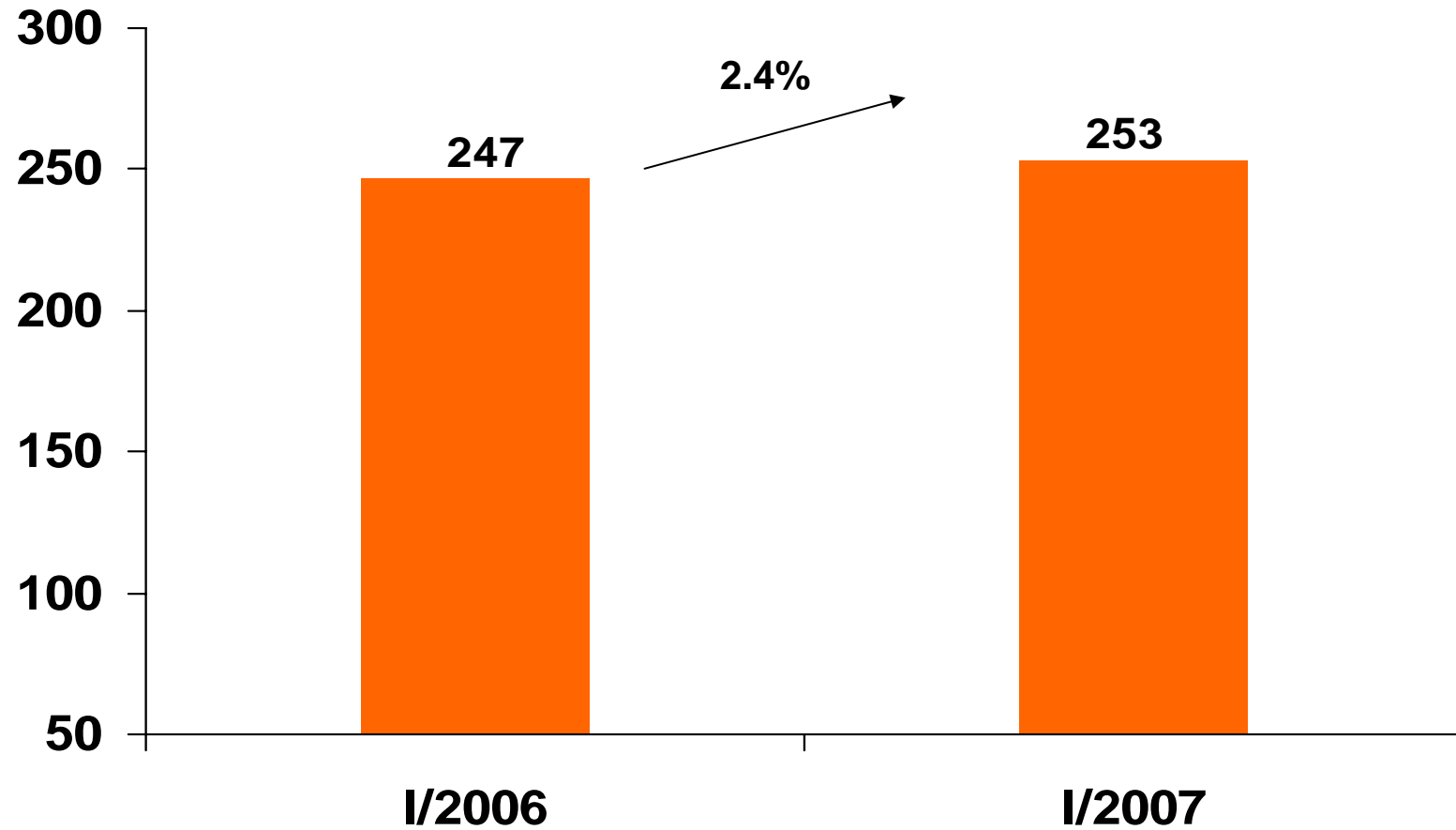
Extra-ordinary Items (mil NIS)

	I/2006	II/2006	III/2006	IV/2006	I/2007
Net profit Reported	53	287	162	141	370
Implementation of B.O.I directives regarding housing loans	54	-	-	-	-
Provision for retirement plan	40	168	-	25	-
Tax effect of above expenses	(39)	(60)	-	(10)	-
Sales of the mutual funds, Excellence shares, provident funds & Mofet shares	-	(212)	-	(2)	(207)
Net profit excluding extra-ordinary activities	108	183	162	154	163

Profit from Financing Operations before Provision for Doubtful Debts



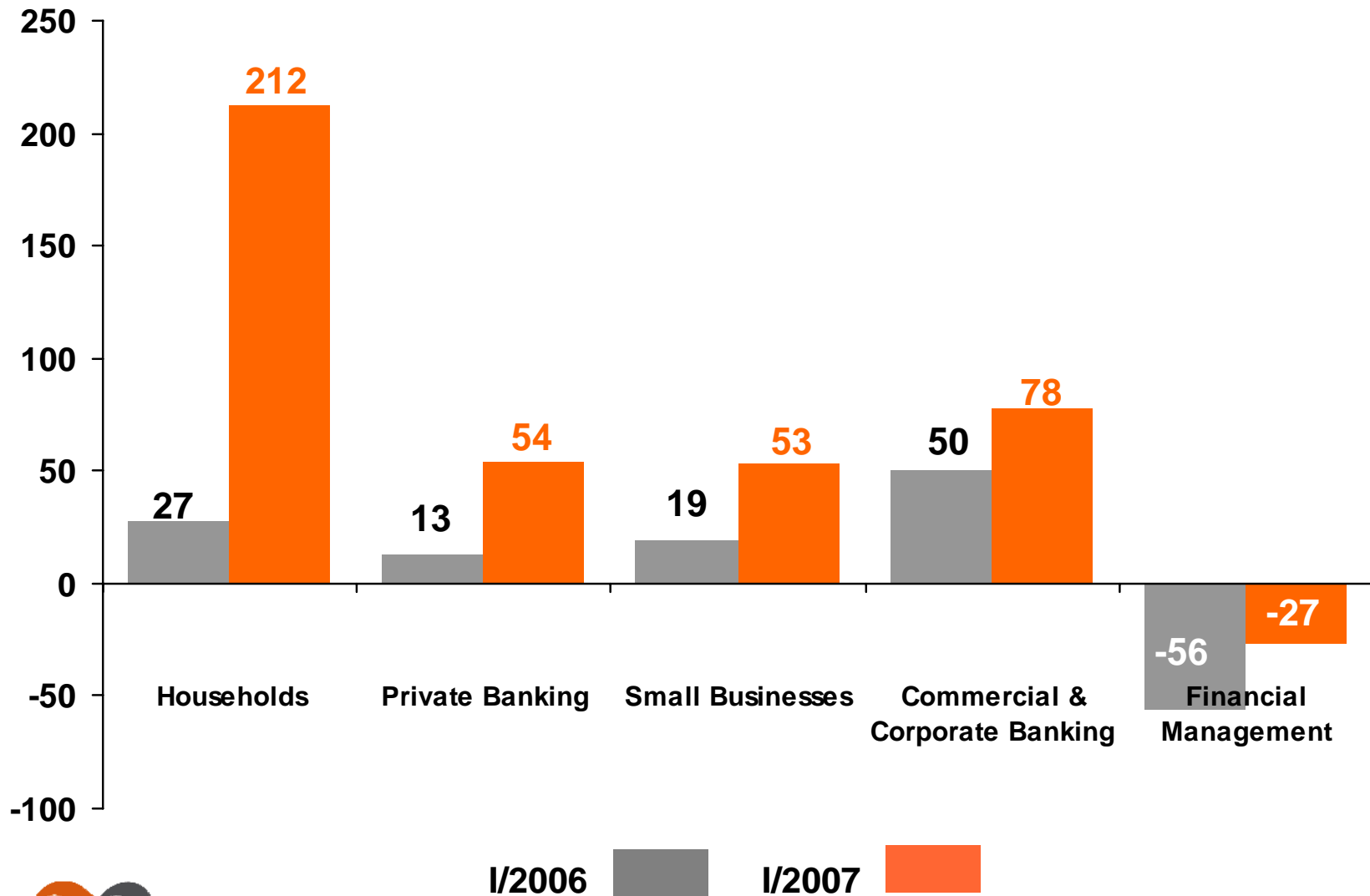
Operating Commissions



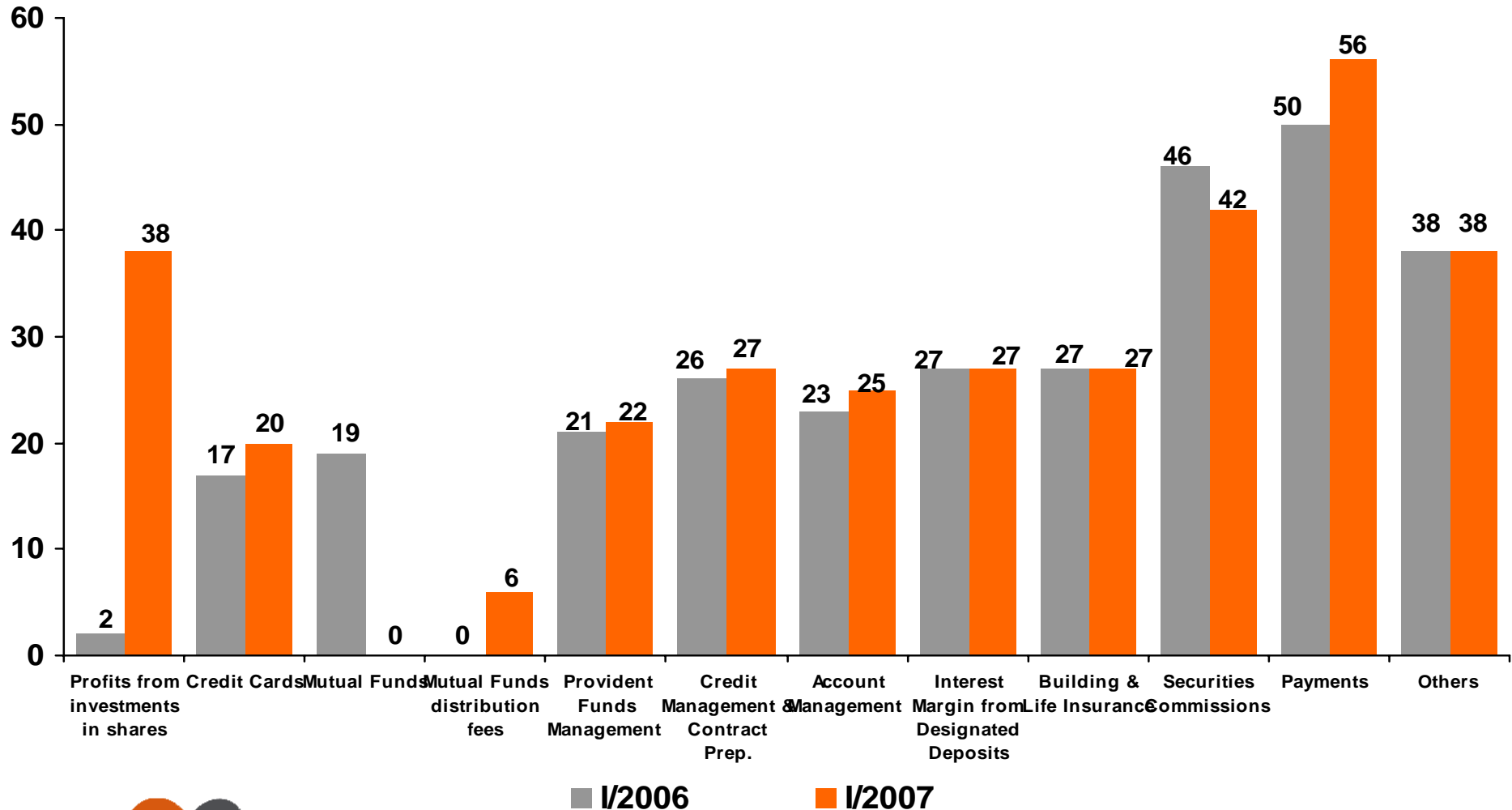
Profit & Loss Statement (mil NIS)

	I/2006	I/2007	%
Income from Financing Operations	404	467	15.6
Provision for Doubtful Debts	119	50	(58.0)
Operating & Other Income	296	328	10.8
Operating & Other Expenses	503	467	(7.2)
Operating Profit before Taxes	78	278	-
Operating Profit before Taxes excluding the effect of extra-ordinary items	172	278	61.6

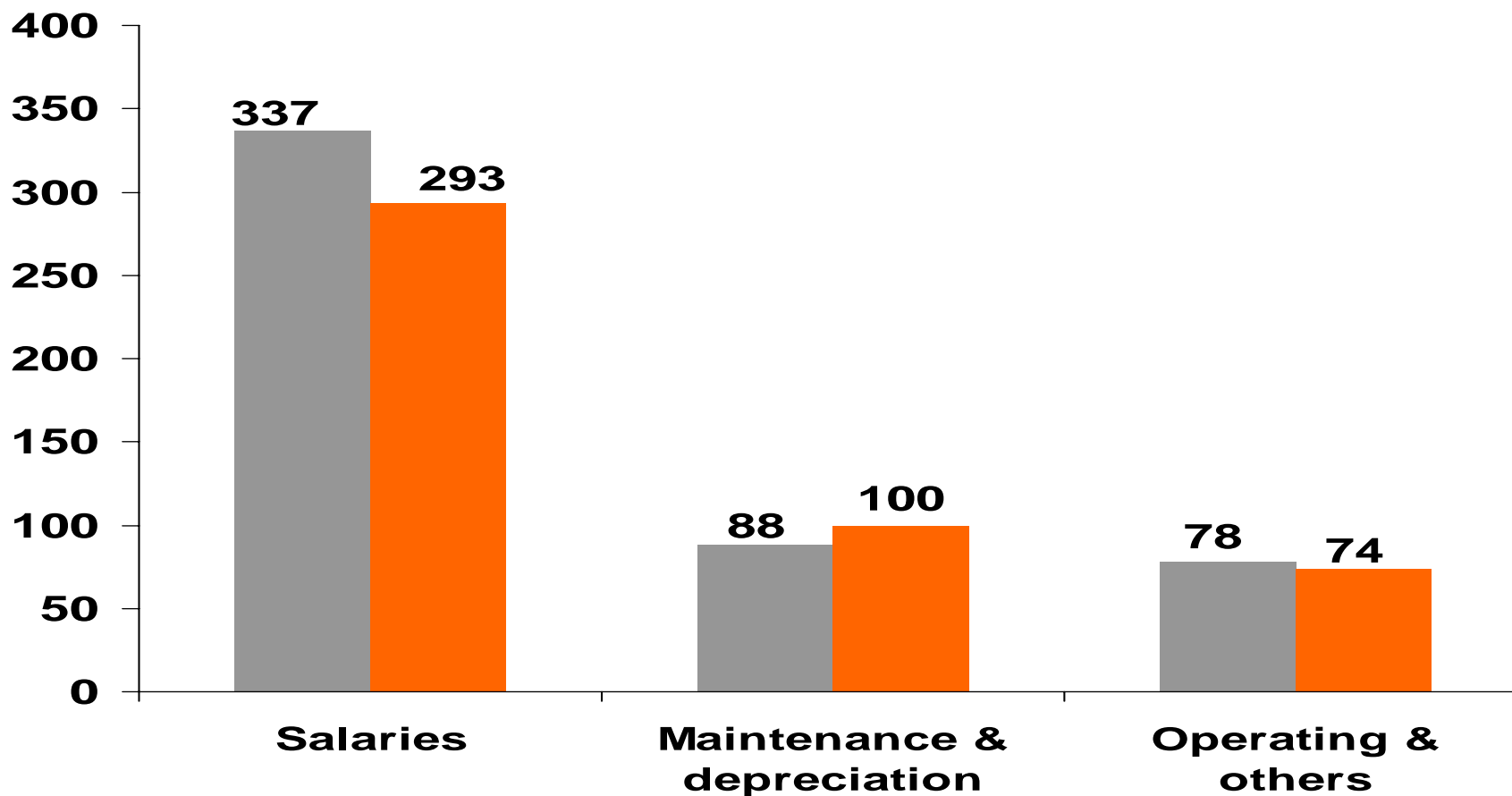
Profit by Main Operating Segments (mil NIS)



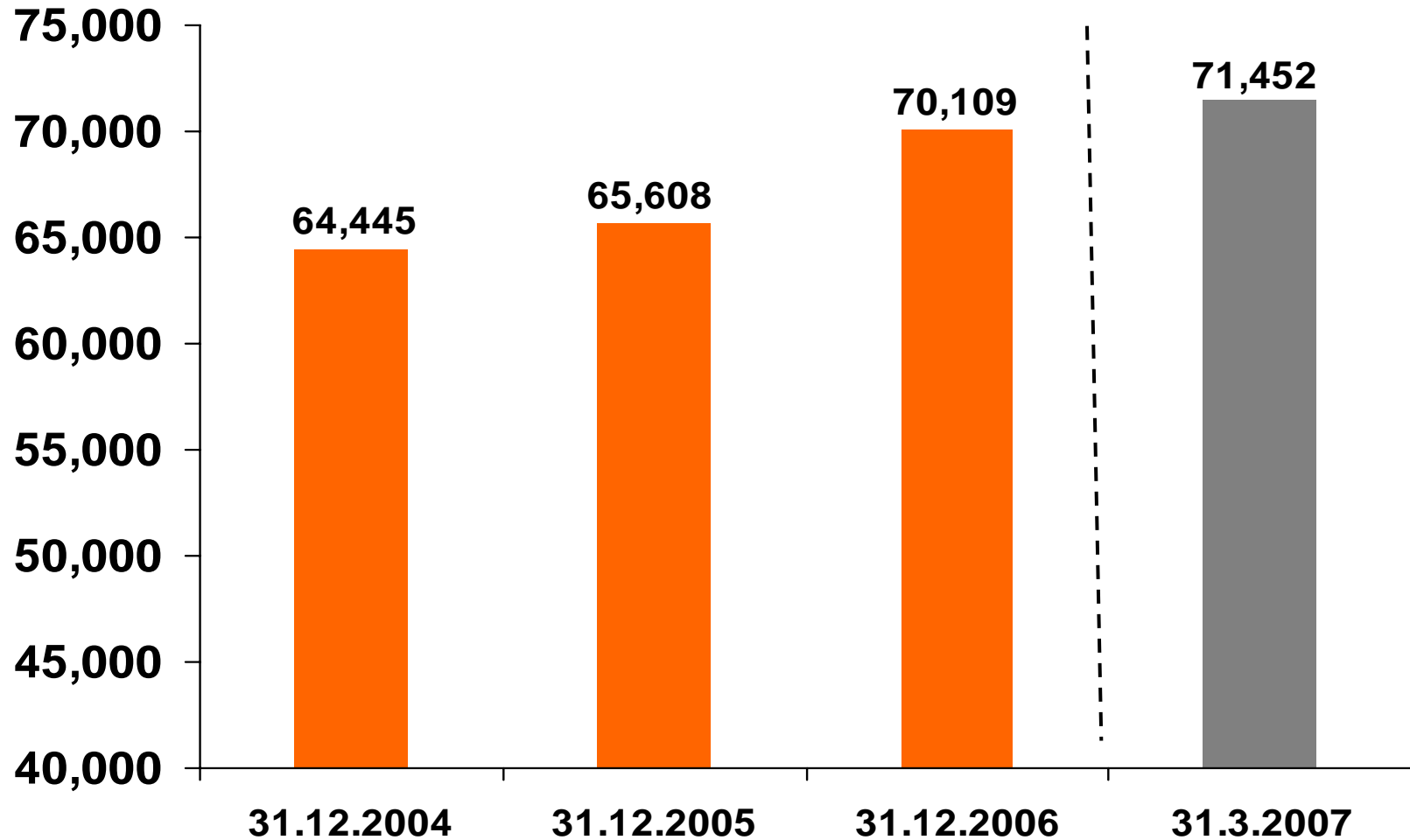
Operating & Other Income – Analysis (mil NIS)



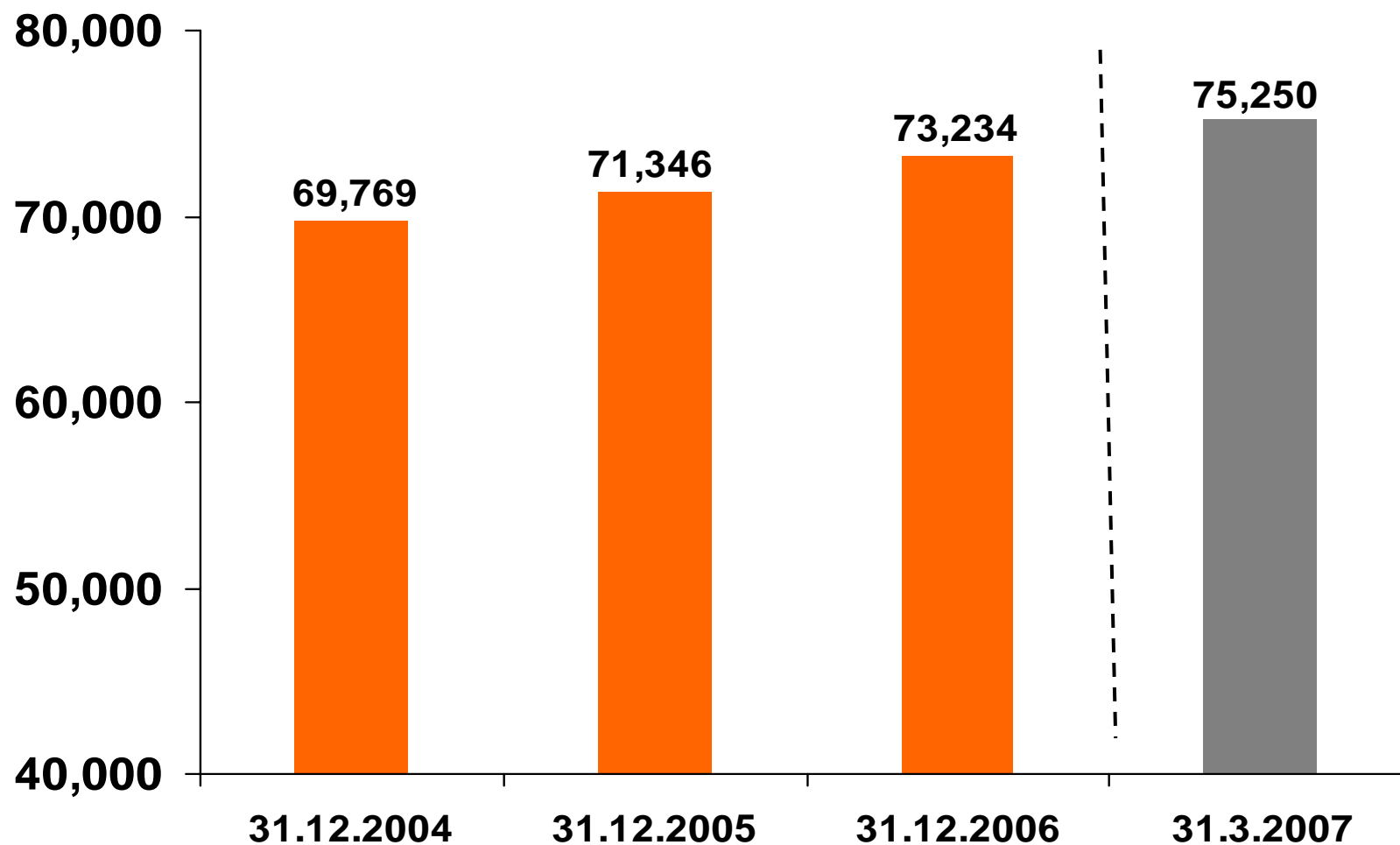
Operating & Other Expenses – Analysis (mil NIS)



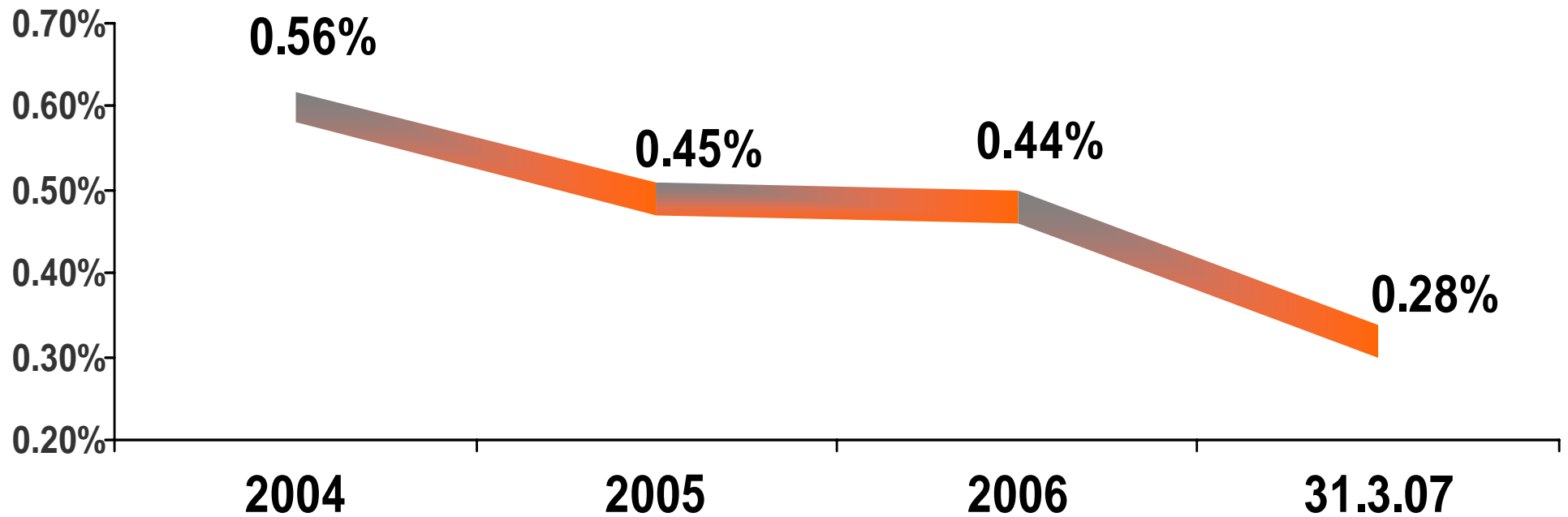
Loans to the Public (mil NIS)



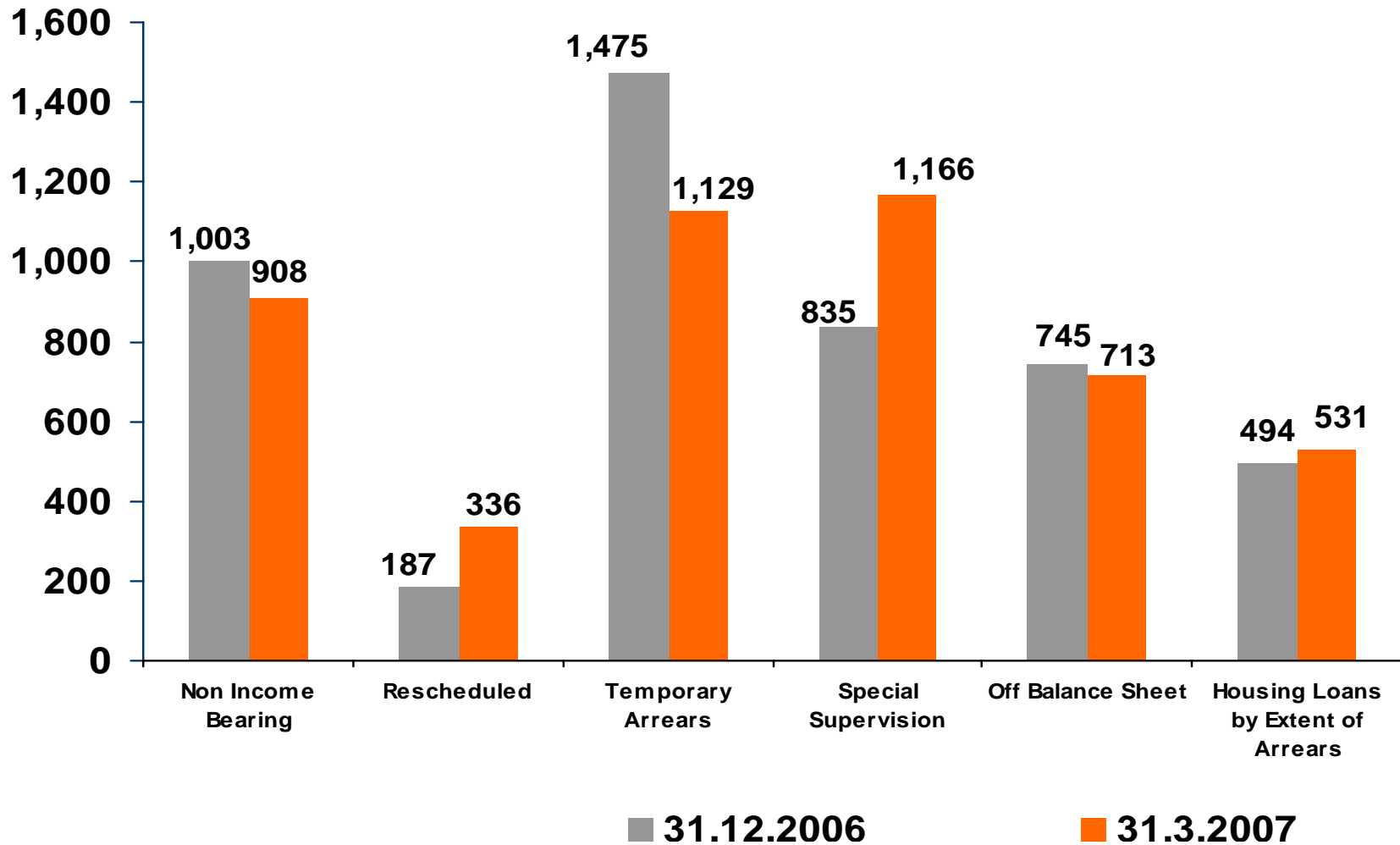
Deposits from the Public (mil NIS)



Ratio of Provisions / Loans to the Public



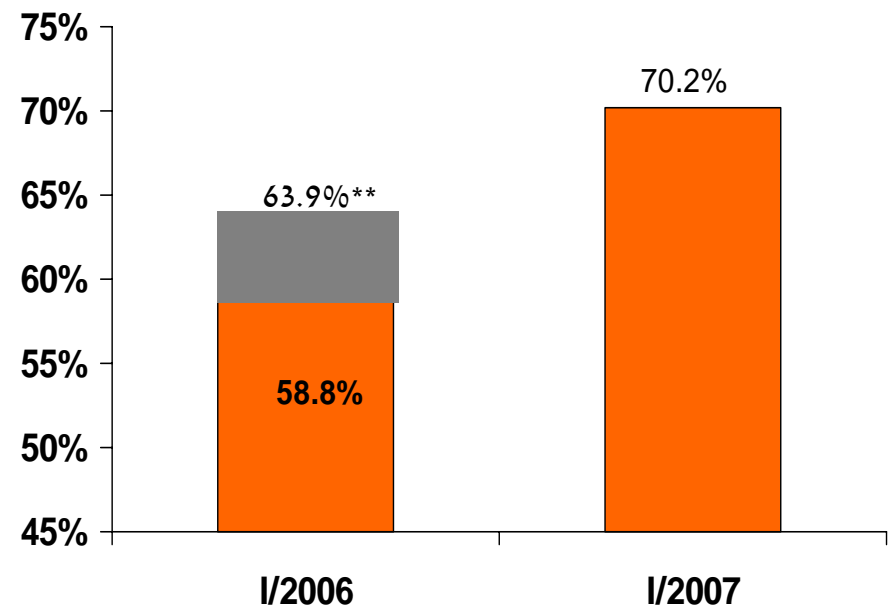
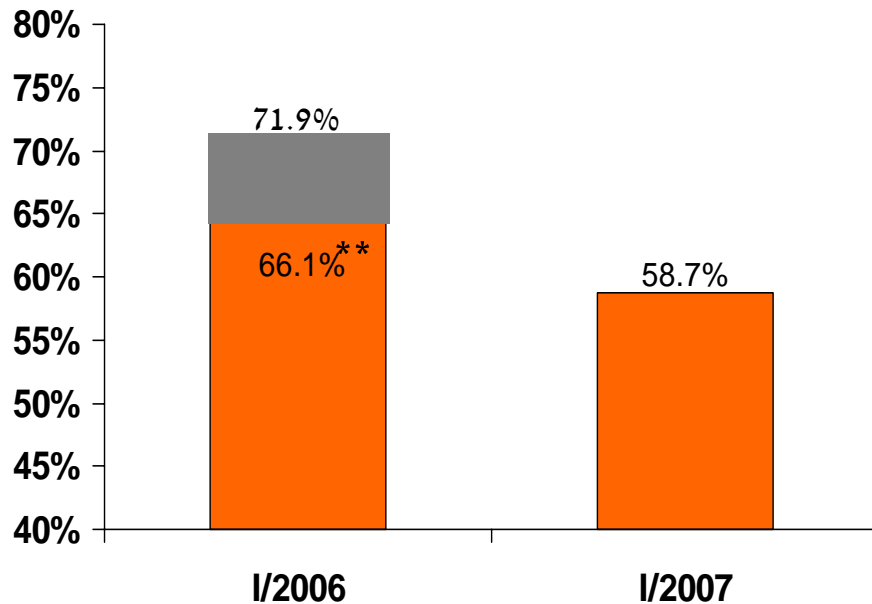
Problem Debts – Analysis (mil NIS)



Efficiency Ratios

Cost / Income Ratio

Coverage Ratio

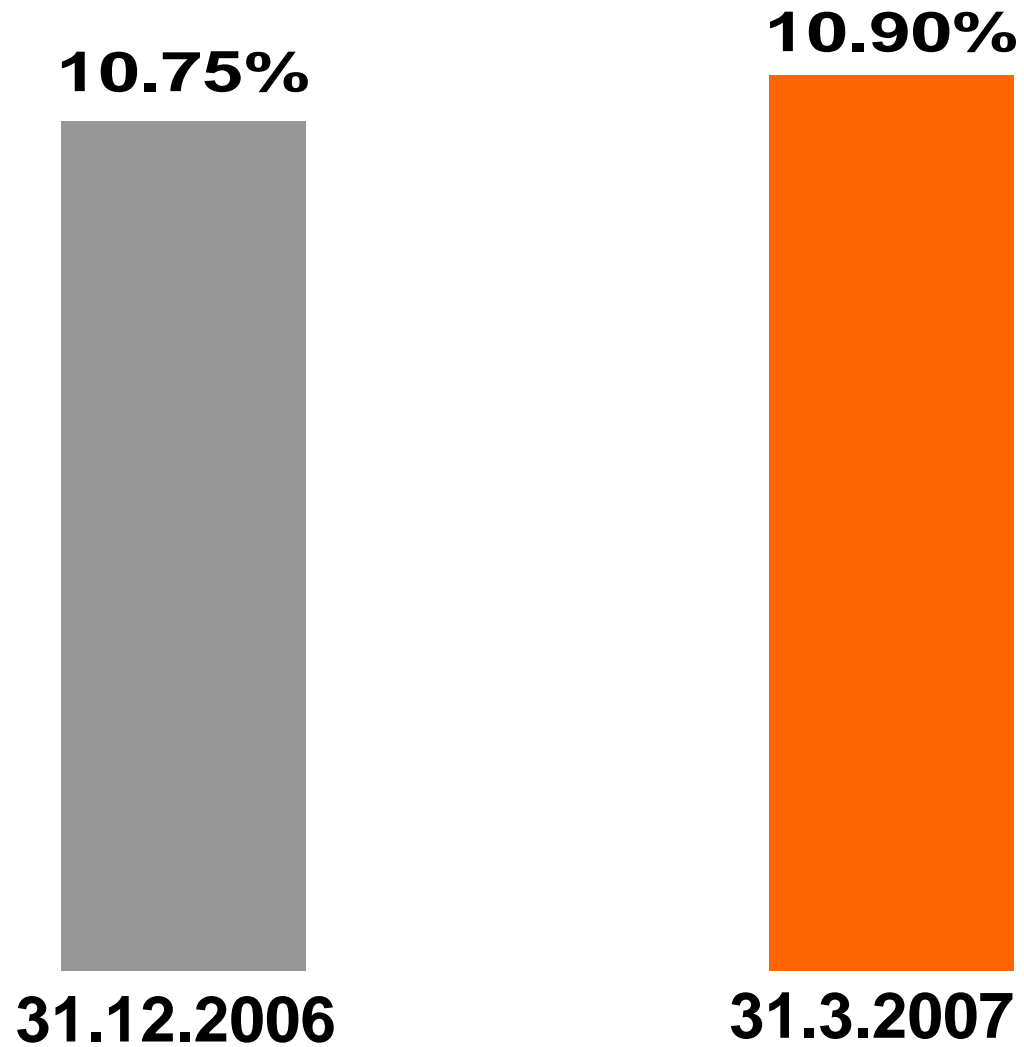


Cost/Income ratio = non-interest expenses divided by total pre-provision income and operating income

Coverage ratio = operating income divided by non-interest expenses

**** Excluding provision for pension and severance**

Capital Adequacy



Equity (Bil NIS)

