



MIZRAHI TEFAHOT

# Financial Statements

## March 2015

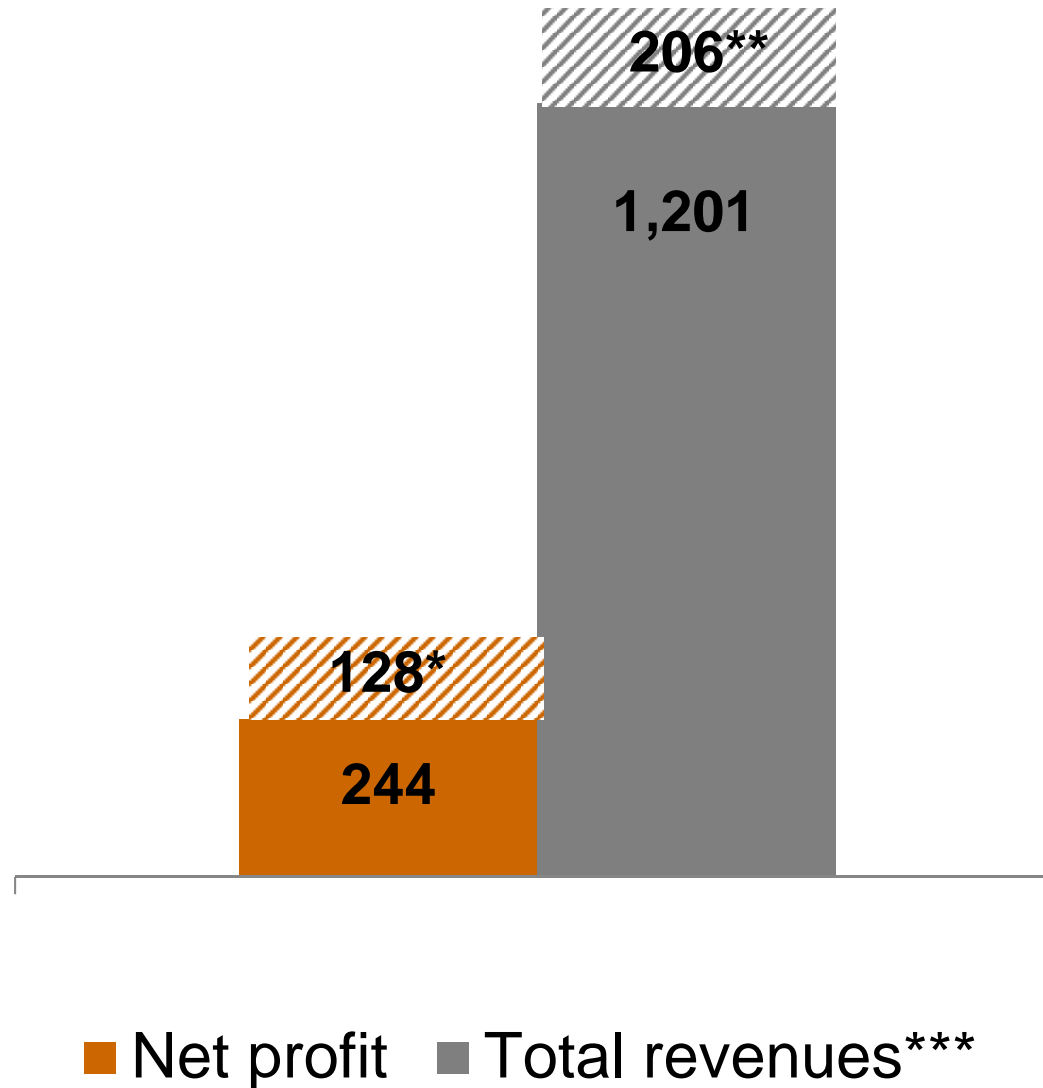




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# Current operations at record high, harmed by CPI and fair value effects\* \*\*



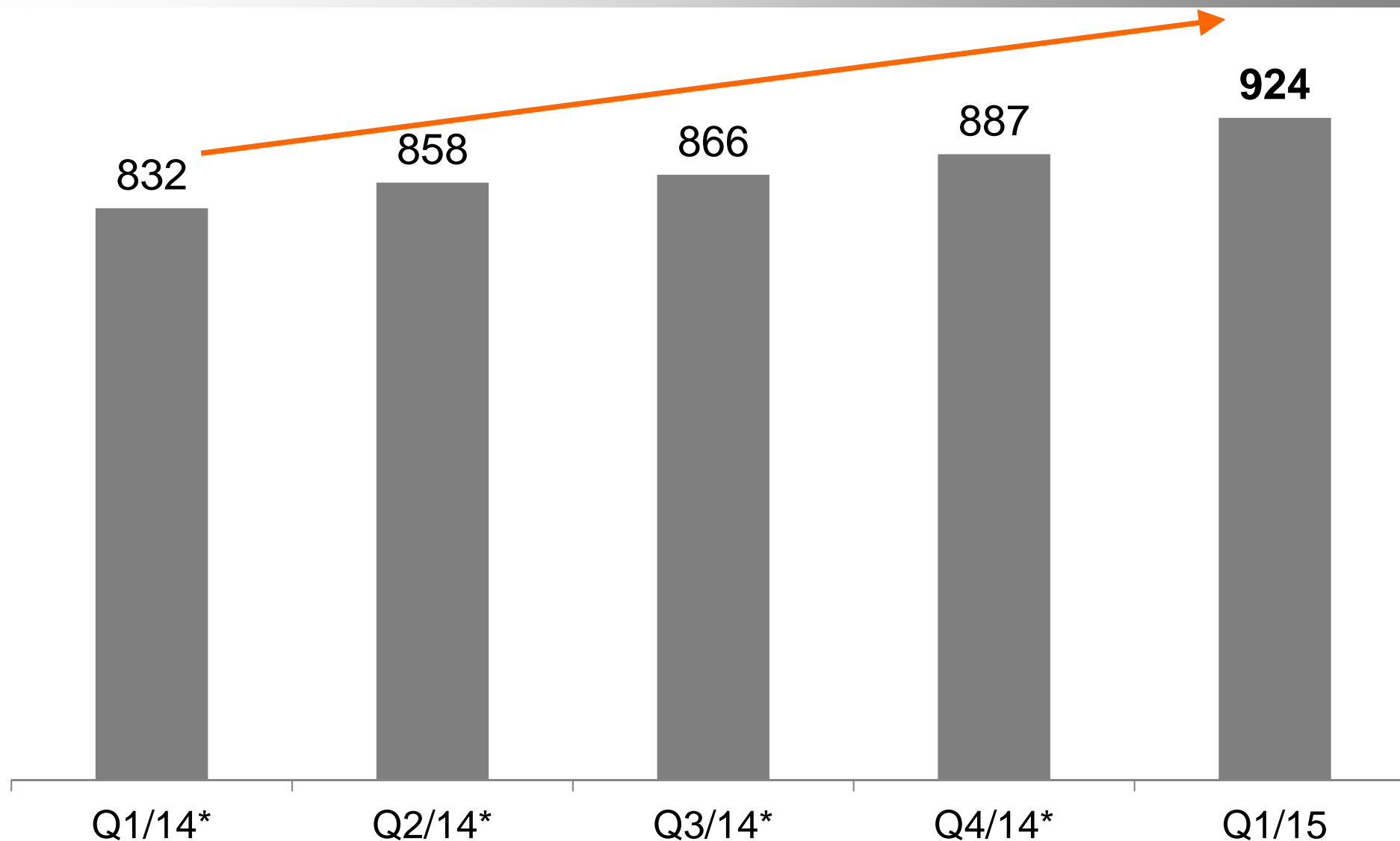
\* See Report of the Board of Directors - Profit and profitability , Bank's Q1 2015 financial reports

\*\* Linkage differentials with respect to CPI position and Effect of accounting treatment of derivatives at fair value and others

\*\*\* Total revenues = total financing revenues + commissions and other revenues



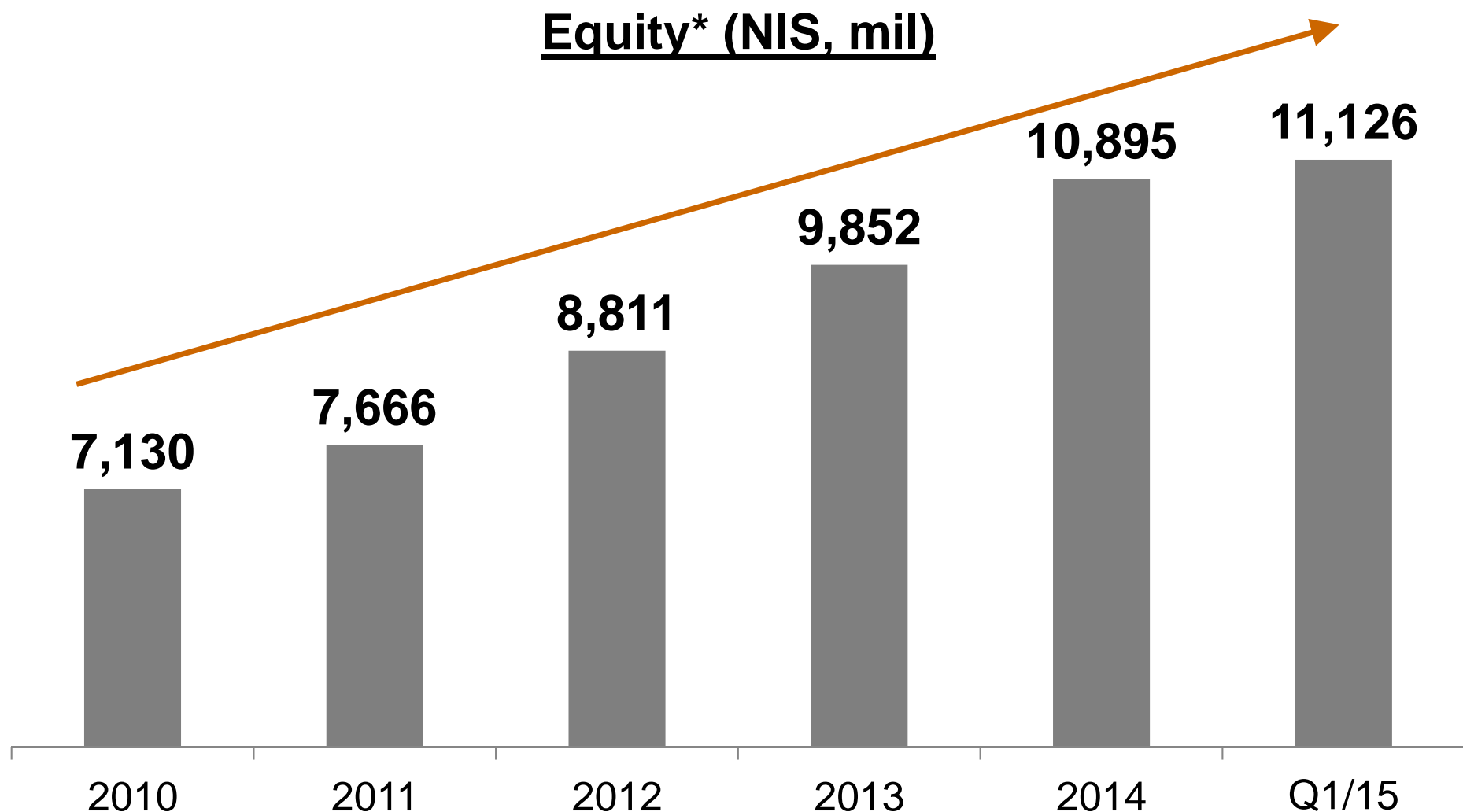
## Total financing revenues from current operations



\* For comparison, 2014 data is presented excluding the effect of application of FAS 91. For full details please see Report of the Board of Directors - Profit and profitability – Evolution of revenues and expenses – analysis of development in financing revenues from current operations table in Q1, Q2, Q3 and annual 2014 Bank's financial reports



## For the first time, equity is over 11 Billions NIS

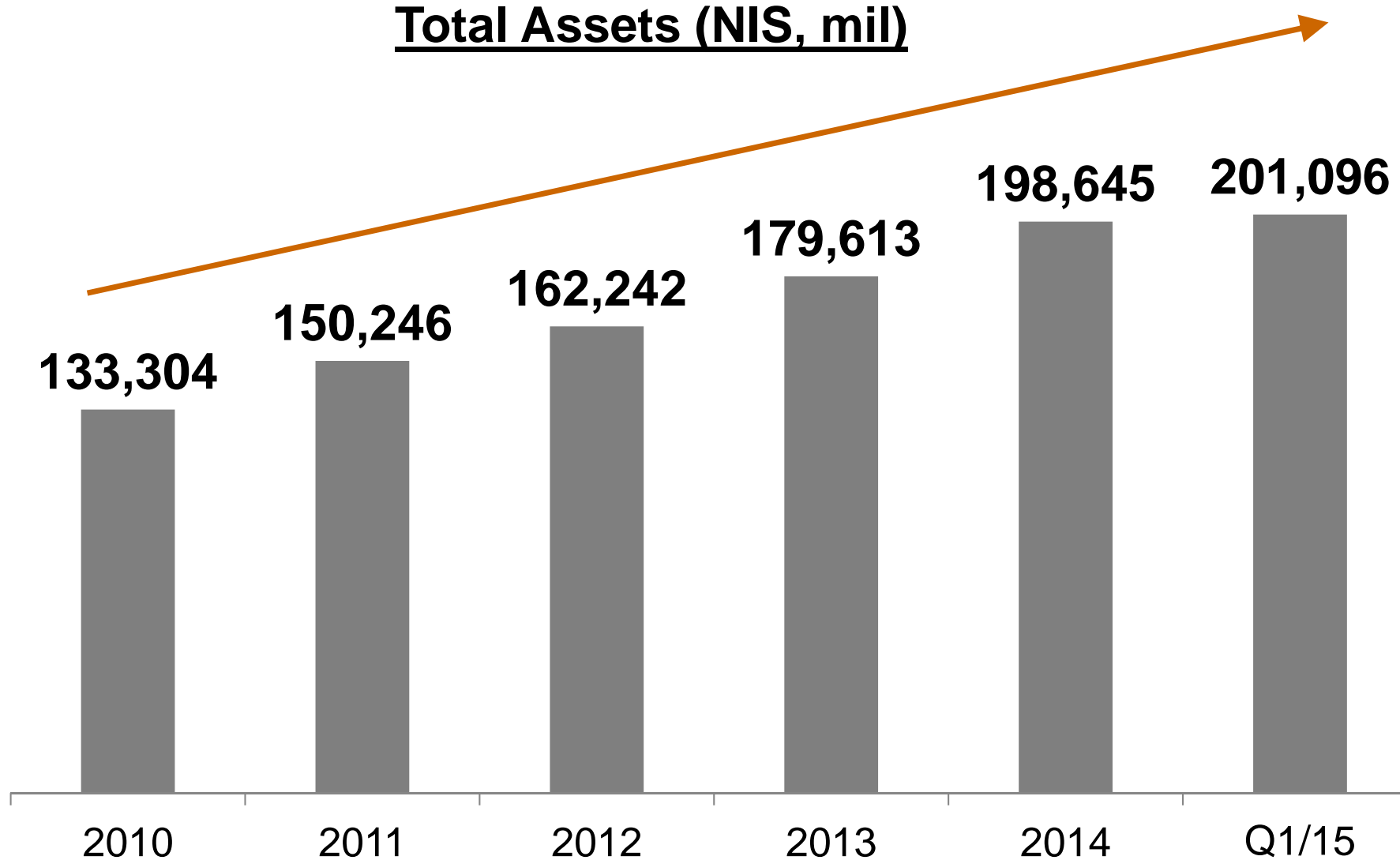


***The Board of Directors approved a dividend distribution amounting to NIS 36.6 million with respect to Bank profit in the first quarter, or 15% of net profit.***



# Total assets reached more than 200 Billion NIS

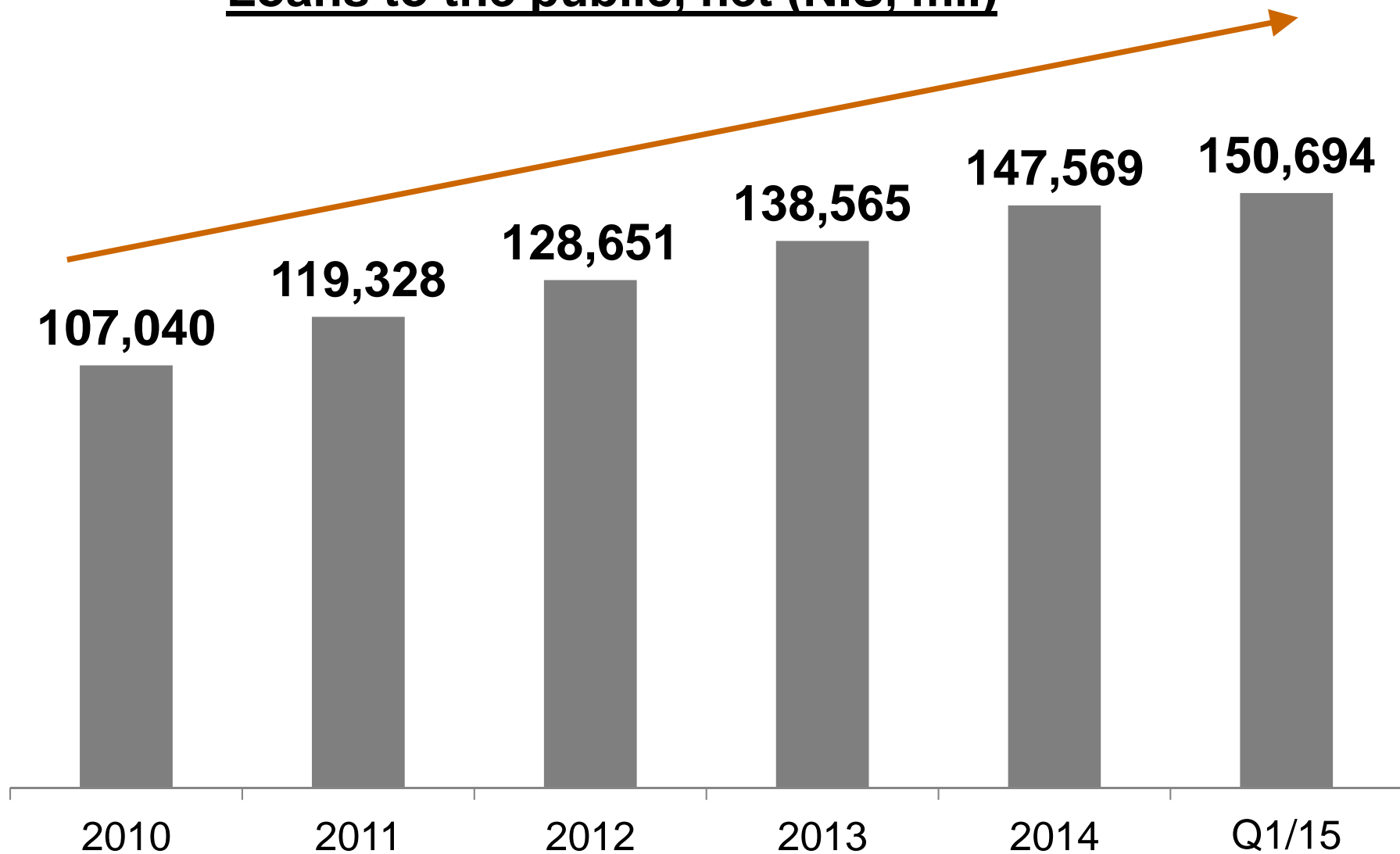
Total Assets (NIS, mil)





# Loans to the public reached more than 150 Billion NIS

Loans to the public, net (NIS, mil)





## Increased core banking activity

Operating segments	Loans to the public, net		
	NIS mil		
	31.3.15	31.3.14	change in %
Mortgages	92,947	85,915	8.20%
Households	20,872	19,225	8.60%
Private banking	939	975	(3.70%)
Small businesses	9,216	8,052	14.50%
Commercial banking	4,419	4,499	(1.80%)
Business banking	22,301	22,395	(0.40%)
Total	150,694	141,061	6.80%





## Increased revenues

Operating segments	Total financing revenues** NIS mil		Commissions and other revenues NIS mil	
	31.3.15	31.3.14	31.3.15	31.3.14
<i>For the quarter ended</i>				
Mortgages	190	168	44	44
Households*	280	280	138	133
Private banking	15	14	18	14
Small businesses	128	123	63	55
Commercial banking	41	41	14	13
Business banking	198	198	61	60
Financial management	(28)	(30)	39	38
<b>Total</b>	<b>824</b>	<b>794</b>	<b>377</b>	<b>357</b>

\* Excluding mortgages

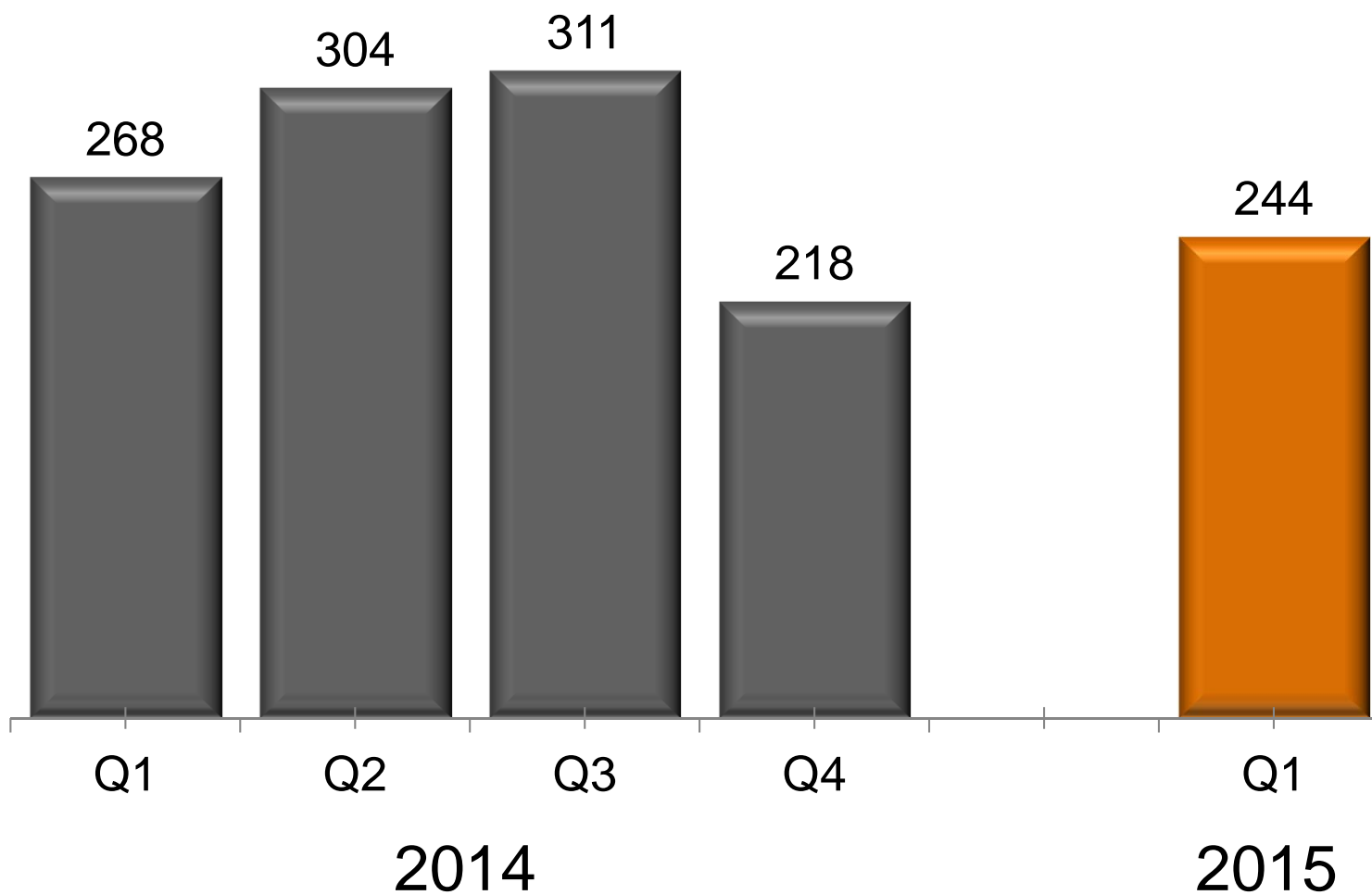
\*\* Total financing revenues = interest revenues, net + non interest financing revenues



# Financial results

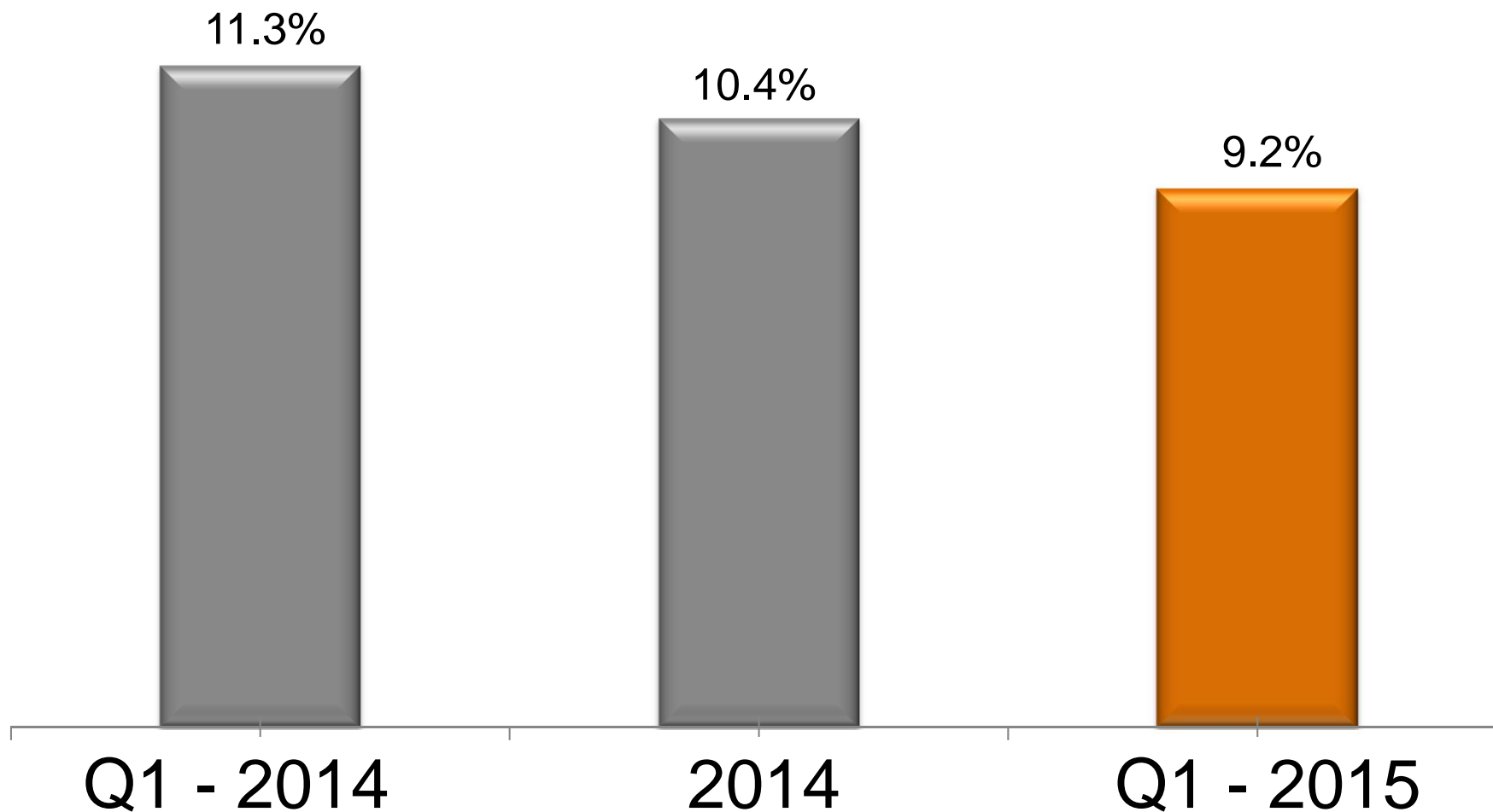


# Net profit - (NIS mil)





# Net profit - ROE - (NIS mil)



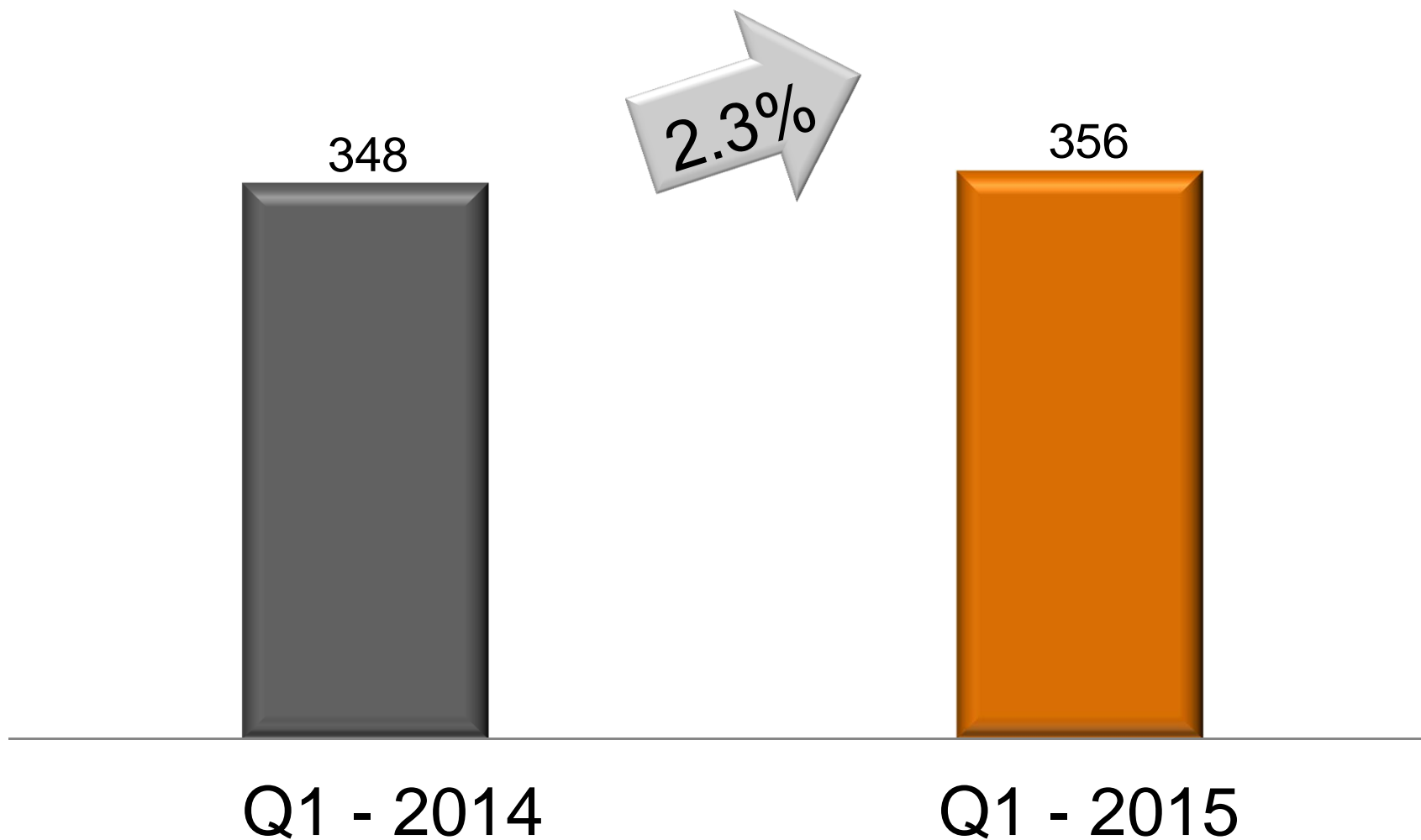


# Financing Revenues

	Q1 / 2015	Q1 / 2014	Rate of change (%)
Interest revenues, net	699	713	
Non-interest financing revenues	125	81	
Total financing revenues	824	794	3.8
Less:			
Linkage differentials with respect to CPI position	(165)	(59)	
Revenues from collection of interest on troubled debt	9	24	
Gain from debentures	97	28	
Effect of accounting treatment of derivatives at fair value and others	(41)	(31)	
Total financing revenues from current operations	924	832	11.1
Bank of Israel interest at the end of the period	0.10%	0.75%	

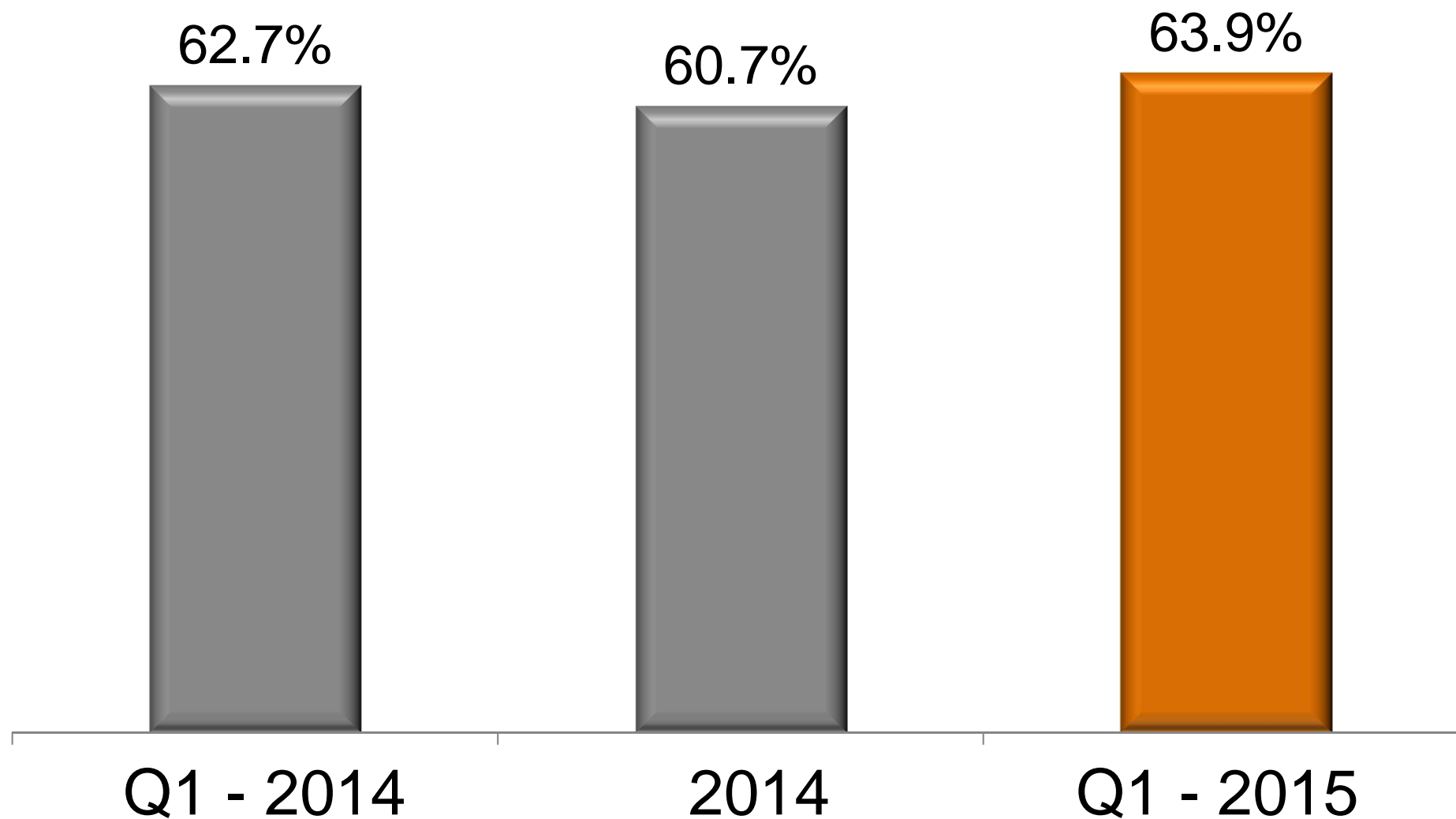


# Operating commissions (NIS mil)





# Cost/income Ratio



\* Cost / income ratio = non-interest expenses divided by total pre-provision revenues



# Capital adequacy

