

Statement for the third quarter - consolidated Bank Leumi Le-Israel B.M. and its subsidiaries , Main data, NIS millior

Taken from the quarterly report to 30.09.2004, reported amounts at 30.09.2004 (2003 in adjusted amounts).



Summary consolidated balance sheet	30.09.2004	31.12.2003	Banking group's share of the banking system	
			30.09.2004	31.12.2003
Cash and deposits in banks ⁽¹⁾	22,406	23,763	22.9%	23.4%
Securities	42,775	40,262	31.6%	33.2%
Credit to the public	169,989	169,151	29.7%	29.7%
Credit to the government	1,038	1,129	22.0%	19.8%
Investments in companies included on an equity basis	1,649	1,361	42.9%	37.8%
Buildings and equipment	2,631	2,612	25.1%	24.5%
Other assets	6,397	8,307	34.7%	34.4%
Total assets	246,885	246,585	29.3%	29.5%
Deposits of the public	202,776	203,586	29.7%	29.9%
Deposits of banks ⁽¹⁾	5,762	4,557	20.8%	18.8%
Deposits of the government	2,937	2,903	17.8%	17.1%
Bonds and subordinated notes	10,958	10,613	26.4%	27.3%
Other liabilities	8,620	10,455	35.6%	36.6%
Total liabilities	231,053	232,114	29.1%	29.4%
Quasi-capital items	0	0	0.0%	0.0%
Minority shareholders' rights	264	258		
Equity	15,568	14,213	33.3%	32.2%

Summary consolidated profit and loss statement	Nine months to		Banking group's share of the banking system		Three months to
	30.09.2004	30.09.2003	30.09.2004	30.09.2003	
Net interest profit before loan-loss provision	4,769.0	4,425.0	30.4%	30.8%	1,601.0
Loan-loss provision	984.0	1,270.0	26.9%	28.1%	322.0
Operating and other income	2,526.0	2,365.0	28.2%	28.9%	835.0
Of which: Operating income	2,039.0	1,864.0	28.2%	28.0%	670.0
Operating and other expenses	4,016.0	4,075.0	27.7%	29.8%	1,354.0
Of which: Salaries and related expenses	2,394.0	2,489.0	27.2%	29.9%	813.0
Ordinary before-tax provision	2,295.0	1,543.0	35.3%	32.4%	760.0
Provision for taxes on ordinary profit	1,026.0	725.0	35.1%	31.6%	329.0
Ordinary after-tax profit	1,269.0	818.0	35.5%	33.1%	431.0
Bank's share in the profit of subsidiaries	294.0	111.0			111.0
Share of minority shareholders in profit of consolidated companies	-7.0	-1.0			-1.0
Extraordinary after-tax profit	-25.0	-18.0			-2.0
Net profit	1,531.0	910.0	36.4%	37.6%	539.0

Balances and rates of return on financial items by indexation base consolidated on 30.09.2004	Unindexed NIS	CPI-indexed NIS	Foreign Currency ⁽²⁾	Total financial items
Balance of financial assets on balance-sheet date	76,160	55,697	107,962	239,819
Balance of financial liabilities on balance-sheet date	77,814	50,023	101,673	229,510
Excess of financial assets over financial liabilities	-1,654	5,674	6,289	10,309
Total indexation balance (incl. forwards ⁽³⁾ and options in term of basis assets)	6,434	3,630	245	10,309
Rate of income on assets (percent) ⁽⁴⁾	6.28	6.99	4.37	5.40
Rate of expenditure on liabilities (percent) ⁽⁴⁾	-3.26	-5.94	-3.15	-3.67
Interest-rate differential	3.01	1.04	1.22	1.74

Problem borrowers	30.09.2004	31.12.2003
Total credit risk dew to problem borrowers	21,367	18,281
Total credit to problem borrowers	19,001	16,501

Main financial ratios - consolidated (percent)	30.09.2004	31.12.2003
Equity/balance-sheet ratio	6.31	5.76
Financial capital/equity ratio	66.22	63.90
Equity/risk-weighted-assets ratio	11.10	10.80
Return on equity (net profit/gross weighted capital ratio) ⁽⁵⁾	14.60	8.70
Operating income/operating expenses ratio ⁽⁶⁾	62.90	57.40

(1) See note no. 5.1.4 in the introduction.

(2) Including foreign-currency indexed NIS.

(3) Forwards transactions.

(4) Nine-month rate of income (expenses), on annual basis including hedging, embedded and ALM derivatives.

(5) Annual basis.

(6) For nine months. Comparative data are annual.