

Statement for the third quarter - consolidated Otsar Hahayal Bank Ltd. and its subsidiaries , Main data, NIS million

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⁾	2,079	1,986	1.5%	1.3%
Securities	379	551	0.3%	0.5%
Credit to the public	6,663	6,419	1.2%	1.1%
Credit to the government	0	0	0.0%	0.0%
Investments in companies included on an equity basis	0	0	0.0%	0.0%
Buildings and equipment	150	150	1.4%	1.4%
Other assets	58	63	0.3%	0.3%
Total assets	9,328	9,168	1.1%	1.1%
Deposits of the public	8,152	8,009	1.2%	1.2%
Deposits of banks ⁽¹⁾	100	43	0.1%	0.1%
Deposits of the government	21	36	0.1%	0.2%
Bonds and subordinated notes	356	414	0.9%	1.1%
Other liabilities	111	126	0.5%	0.4%
Total liabilities	8,739	8,627	1.1%	1.1%
Quasi-capital items	0	0	0.0%	0.0%
Minority shareholders' rights	1	1		
Equity	589	540	1.3%	1.2%

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	246.7	227.3	1.6%	1.6%	79.9
Loan-loss provision	29.0	21.1	0.8%	0.5%	8.6
Operating and other income	133.7	122.3	1.5%	1.5%	45.6
Of which: Operating income	117.4	108.9	1.6%	1.6%	40.1
Operating and other expenses	256.4	244.2	1.8%	1.8%	86.1
Of which: Salaries and related expenses	146.8	138.2	1.7%	1.7%	49.0
Ordinary before-tax provision	95.0	89.0	1.5%	1.9%	30.8
Provision for taxes on ordinary profit	45.1	43.5	1.5%	1.9%	15.2
Ordinary after-tax profit	49.9	45.5	1.4%	1.8%	15.6
Bank's share in the profit of subsidiaries	0.0	0.0			0.0
Share of minority shareholders in profit of consolidated companies	0.0	0.0			0.0
Extraordinary after-tax profit	-0.9	0.0			-0.7
Net profit	49.0	45.5	1.2%	1.9%	14.9

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	5,078	2,437	1,657	9,172
Balance of financial liabilities on balance-sheet date	5,332	2,144	1,257	8,733
Excess of financial assets over financial liabilities	-254	293	399	439
Total indexation balance (incl. forwards ⁽³⁾ and options in term of basis assets)	-33	390	82	439
Rate of income on assets (percent) ⁽⁴⁾	6.61	6.71	4.21	6.06
Rate of expenditure on liabilities (percent) ⁽⁴⁾	-3.04	-5.53	-3.71	-3.75
Interest-rate differential	3.58	1.18	0.50	2.32

Problem borrowers	30.09.2004	31.12.2003
Total credit risk dew to problem borrowers	354	376
Total credit to problem borrowers	329	359

Main financial ratios - consolidated (percent)	30.09.2004	31.12.2003
Equity/balance-sheet ratio	6.31	5.89
Financial capital/equity ratio	74.55	72.66
Equity/risk-weighted-assets ratio	11.10	11.44
Return on equity (net profit/gross weighted capital ratio) ⁽⁵⁾	11.74	11.07
Operating income/operating expenses ratio ⁽⁶⁾	52.15	50.56

(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.