

Statement for the third quarter - consolidated United Mizrahi 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⁾	8,557	12,725	8.7%	12.5%
Securities	6,846	3,976	5.1%	3.3%
Credit to the public	63,626	59,909	11.1%	10.5%
Credit to the government	101	111	2.1%	1.9%
Investments in companies included on an equity basis	121	166	3.1%	4.6%
Buildings and equipment	1,117	1,107	10.7%	10.4%
Other assets	1,202	1,399	6.5%	5.8%
Total assets	81,570	79,393	9.7%	9.5%
Deposits of the public	68,449	66,221	10.0%	9.7%
Deposits of banks ⁽¹⁾	2,899	3,227	10.5%	13.3%
Deposits of the government	1,255	1,261	7.6%	7.4%
Bonds and subordinated notes	3,227	2,706	7.8%	7.0%
Other liabilities	1,654	1,820	6.8%	6.4%
Total liabilities	77,484	75,235	9.8%	9.6%
Quasi-capital items	0	0	0.0%	0.0%
Minority shareholders' rights	6	283		
Equity	4,080	3,875	8.7%	8.8%

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	1,268.0	1,087.0	8.1%	7.6%	392.0
Loan-loss provision	247.0	238.0	6.8%	5.3%	79.0
Operating and other income	767.0	705.0	8.6%	8.6%	253.0
Of which: Operating income	652.0	632.0	9.0%	9.5%	217.0
Operating and other expenses	1,168.0	1,044.0	8.1%	7.6%	388.0
Of which: Salaries and related expenses	753.0	660.0	8.6%	7.9%	249.0
Ordinary before-tax provision	620.0	536.0	9.5%	11.3%	178.0
Provision for taxes on ordinary profit	246.0	259.0	8.4%	11.3%	52.0
Ordinary after-tax profit	374.0	277.0	10.5%	11.2%	126.0
Bank's share in the profit of subsidiaries	12.0	8.0			3.0
Share of minority shareholders in profit of consolidated companies	-19.0	-22.0			0.0
Extraordinary after-tax profit	-1.0	-8.0			0.0
Net profit	366.0	255.0	8.7%	10.5%	129.0

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	23,648	36,055	20,315	80,018
Balance of financial liabilities on balance-sheet date	30,685	30,822	15,867	77,374
Excess of financial assets over financial liabilities	-7,037	5,233	4,448	2,644
Total indexation balance (incl. forwards ⁽³⁾ and options in term of basis assets)	-743	3,240	147	2,644
Rate of income on assets (percent) ⁽⁴⁾	5.73	7.21	5.04	6.00
Rate of expenditure on liabilities (percent) ⁽⁴⁾	-3.74	-6.23	-4.12	-4.68
Interest-rate differential	1.99	0.98	0.92	1.33

Problem borrowers	30.09.2004	31.12.2003
Total credit risk dew to problem borrowers	4,778	4,948
Total credit to problem borrowers	4,276	4,549

Main financial ratios - consolidated (percent)	30.09.2004	31.12.2003
Equity/balance-sheet ratio	5.00	4.88
Financial capital/equity ratio	64.80	67.02
Equity/risk-weighted-assets ratio	9.53	9.81
Return on equity (net profit/gross weighted capital ratio) ⁽⁵⁾	12.80	9.70
Operating income/operating expenses ratio ⁽⁶⁾	65.67	67.40

(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.