

Statement for the third quarter - bank
Eshnav-Issuing Company of "Tefahot" Israel Mortgage Bank Ltd. , Main data, NIS mil

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



Summary balance sheet	30.09.2004	31.12.2003
Cash and deposits in banks ⁽¹⁾	320	327
Securities	0	0
Credit to the public	0	0
Credit to the government	0	0
Investments in companies included on an equity basis	0	0
Buildings and equipment	0	0
Other assets	4	4
Total assets	324	331
Deposits of the public	0	0
Deposits of banks ⁽¹⁾	0	0
Deposits of the government	0	0
Bonds and subordinated notes	314	321
Other liabilities	0	0
Total liabilities	314	321
Quasi-capital items	0	0
Minority shareholders' rights	0	0
Equity	10	10

Summary profit and loss statement	Nine months to		THREE MONTHS TO
	30.09.2004	30.09.2003	30.09.2004
Net interest profit before loan-loss provision	0.1	-0.2	0.1
Loan-loss provision	0.0	0.0	0.0
Operating and other income	0.0	0.0	0.0
Of which: Operating income	0.0	0.0	0.0
Operating and other expenses	0.1	0.1	0.1
Of which: Salaries and related expenses	0.0	0.0	0.0
Ordinary before-tax provision	0.0	-0.2	0.0
Provision for taxes on ordinary profit	0.0	0.0	0.0
Ordinary after-tax profit	0.0	-0.2	0.0
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	0.0	0.0	0.0
Net profit	0.0	-0.2	0.0

Balances and rates of return on financial items by indexation base on 30.09.2004	Unindexed NIS	CPI-indexed NIS	Foreign Currency⁽²⁾	Total financial items
Balance of financial assets on balance-sheet date	0	320	0	320
Balance of financial liabilities on balance-sheet date	0	314	0	314
Excess of financial assets over financial liabilities	0	6	0	6
Total indexation balance (incl. forwards ⁽³⁾ and options in term of basis assets)	0	6	0	6
Rate of income on assets (percent) ⁽⁴⁾	0.00	6.26	0.00	6.26
Rate of expenditure on liabilities (percent) ⁽⁴⁾	0.00	-6.36	0.00	-6.36
Interest-rate differential	0.00	-0.10	0.00	-0.10

Problem borrowers	30.09.2004	31.12.2003
Total credit risk dew to problem borrowers	0	0
Total credit to problem borrowers	0	0

Main financial ratios - percent	30.09.2004	31.12.2003
Equity/balance-sheet ratio	3.04	2.98
Financial capital/equity ratio	64.21	61.34
Equity/risk-weighted-assets ratio	14.55	14.26
Return on equity (net profit/gross weighted capital ratio) ⁽⁵⁾	-0.51	-1.78
Operating income/operating expenses ratio ⁽⁶⁾	0.00	0.00

(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.