

Statement for the third quarter - consolidated Bank of Jerusalem 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⁾	543	578	0.6%	0.6%
Securities	370	317	0.3%	0.3%
Credit to the public	6,078	5,709	1.1%	1.0%
Credit to the government	0	0	0.0%	0.0%
Investments in companies included on an equity basis	5	6	0.1%	0.2%
Buildings and equipment	51	55	0.5%	0.5%
Other assets	28	33	0.2%	0.1%
Total assets	7,076	6,697	0.8%	0.8%
Deposits of the public	5,968	5,690	0.9%	0.8%
Deposits of banks ⁽¹⁾	310	273	1.1%	1.1%
Deposits of the government	73	57	0.4%	0.3%
Bonds and subordinated notes	309	278	0.7%	0.7%
Other liabilities	41	37	0.2%	0.1%
Total liabilities	6,700	6,335	0.8%	0.8%
Quasi-capital items	0	0	0.0%	0.0%
Minority shareholders' rights	0	0		
Equity	376	362	0.8%	0.8%

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	87.7	78.3	0.6%	0.5%	26.6
Loan-loss provision	14.0	15.5	0.4%	0.3%	3.3
Operating and other income	69.7	70.8	0.8%	0.9%	22.8
Of which: Operating income	68.6	69.6	1.0%	1.0%	22.5
Operating and other expenses	107.5	103.8	0.7%	0.8%	35.2
Of which: Salaries and related expenses	67.4	63.6	0.8%	0.8%	22.1
Ordinary before-tax provision	35.9	33.1	0.6%	0.7%	10.9
Provision for taxes on ordinary profit	13.5	12.5	0.5%	0.5%	4.3
Ordinary after-tax profit	22.4	20.6	0.6%	0.8%	6.6
Bank's share in the profit of subsidiaries	-0.4	1.0			-0.1
Share of minority shareholders in profit of consolidated companies	0.0	0.0			0.0
Extraordinary after-tax profit	0.0	-2.2			0.0
Net profit	22.0	19.4	0.5%	0.8%	6.5

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	2,005	3,721	1,246	6,972
Balance of financial liabilities on balance-sheet date	1,949	3,700	1,045	6,694
Excess of financial assets over financial liabilities	56	22	200	278
Total indexation balance (incl. forwards ⁽³⁾ and options in term of basis assets)	189	-2	91	278
Rate of income on assets (percent) ⁽⁴⁾	5.94	7.12	6.59	6.71
Rate of expenditure on liabilities (percent) ⁽⁴⁾	-4.32	-6.36	-4.15	-5.45
Interest-rate differential	1.62	0.77	2.44	1.25

Problem borrowers	30.09.2004	31.12.2003
Total credit risk dew to problem borrowers	333	321
Total credit to problem borrowers	304	295

Main financial ratios - consolidated (percent)	30.09.2004	31.12.2003
Equity/balance-sheet ratio	5.32	5.40
Financial capital/equity ratio	73.82	72.87
Equity/risk-weighted-assets ratio	11.20	11.60
Return on equity (net profit/gross weighted capital ratio) ⁽⁵⁾	8.20	7.40
Operating income/operating expenses ratio ⁽⁶⁾	64.84	68.88

(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.