

Statement for the third quarter - consolidated Bank "Adanim" Mortgage Ltd. 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⁾	96	59	0.1%	0.1%
Securities	0	0	0.0%	0.0%
Credit to the public	2,663	2,632	0.5%	0.5%
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	17	17	0.2%	0.2%
Other assets	19	21	0.1%	0.1%
Total assets	2,795	2,728	0.3%	0.3%
Deposits of the public	2,274	2,252	0.3%	0.3%
Deposits of banks ⁽¹⁾	164	134	0.6%	0.5%
Deposits of the government	23	28	0.1%	0.2%
Bonds and subordinated notes	121	118	0.3%	0.3%
Other liabilities	57	48	0.2%	0.2%
Total liabilities	2,638	2,580	0.3%	0.3%
Quasi-capital items	0	0	0.0%	0.0%
Minority shareholders' rights	0	0		
Equity	157	148	0.3%	0.3%

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	28.1	26.3	0.2%	0.2%	8.6
Loan-loss provision	5.0	6.7	0.1%	0.1%	2.3
Operating and other income	18.2	21.1	0.2%	0.3%	6.0
Of which: Operating income	18.2	21.1	0.3%	0.3%	6.0
Operating and other expenses	24.4	24.5	0.2%	0.2%	8.3
Of which: Salaries and related expenses	14.1	13.9	0.2%	0.2%	4.7
Ordinary before-tax provision	16.9	18.0	0.3%	0.4%	4.0
Provision for taxes on ordinary profit	8.0	8.5	0.3%	0.4%	1.8
Ordinary after-tax profit	8.9	9.5	0.2%	0.4%	2.2
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	8.9	9.5	0.2%	0.4%	2.2

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	286	2,492	0	2,778
Balance of financial liabilities on balance-sheet date	208	2,407	0	2,615
Excess of financial assets over financial liabilities	78	85	0	163
Total indexation balance (incl. forwards ⁽³⁾ and options in term of basis assets)	78	85	0	163
Rate of income on assets (percent) ⁽⁴⁾	7.06	7.05	0.00	7.05
Rate of expenditure on liabilities (percent) ⁽⁴⁾	-4.95	-6.51	0.00	-6.39
Interest-rate differential	2.11	0.55	0.00	0.67

Problem borrowers	30.09.2004	31.12.2003
Total credit risk dew to problem borrowers	129	128
Total credit to problem borrowers	99	97

Main financial ratios - consolidated (percent)	30.09.2004	31.12.2003
Equity/balance-sheet ratio	5.61	5.42
Financial capital/equity ratio	104.21	103.86
Equity/risk-weighted-assets ratio	10.08	9.97
Return on equity (net profit/gross weighted capital ratio) ⁽⁵⁾	8.10	7.40
Operating income/operating expenses ratio ⁽⁶⁾	74.59	79.20

(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.