

## Statement for the third quarter - bank Azmauth Mortgage and Development Ltd. , Main data, NIS millior

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	Bank's share of the banking system	
			30.09.2004	31.12.2003
Cash and deposits in banks <sup>(1)</sup>	1	0	0.0%	0.0%
Securities	0	0	0.0%	0.0%
Credit to the public	2,145	2,092	0.4%	0.4%
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	4	5	0.0%	0.0%
Other assets	9	6	0.0%	0.0%
<b>Total assets</b>	<b>2,159</b>	<b>2,103</b>	<b>0.3%</b>	<b>0.3%</b>
Deposits of the public	252	286	0.0%	0.0%
Deposits of banks <sup>(1)</sup>	1,640	1,571	2.3%	2.7%
Deposits of the government	51	43	0.3%	0.3%
Bonds and subordinated notes	11	11	0.0%	0.0%
Other liabilities	9	8	0.0%	0.0%
<b>Total liabilities</b>	<b>1,962</b>	<b>1,918</b>	<b>0.2%</b>	<b>0.2%</b>
Quasi-capital items	0	0	0.0%	0.0%
Minority shareholders' rights	0	0		
Equity	197	185	0.4%	0.4%

Summary profit and loss statement	Nine months to		Bank's share of the banking system Nine months to		THREE MONTHS TO
	30.09.2004	30.09.2003	30.09.2004	30.09.2003	30.09.2004
Net interest profit before loan-loss provision	22.7	19.1	0.1%	0.1%	7.1
Loan-loss provision	4.6	5.4	0.1%	0.1%	0.7
Operating and other income	18.4	19.8	0.2%	0.2%	6.1
Of which: Operating income	17.9	19.0	0.2%	0.3%	5.9
Operating and other expenses	16.6	16.1	0.1%	0.1%	5.4
Of which: Salaries and related expenses	8.9	8.4	0.1%	0.1%	3.1
Ordinary before-tax provision	19.9	19.7	0.3%	0.4%	7.1
Provision for taxes on ordinary profit	8.0	9.0	0.3%	0.4%	3.2
Ordinary after-tax profit	11.9	10.7	0.3%	0.4%	3.9
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
<b>Net profit</b>	<b>11.9</b>	<b>10.7</b>	<b>0.3%</b>	<b>0.4%</b>	<b>3.9</b>

Balances and rates of return on financial items by indexation base on 30.09.2004	Unindexed NIS	CPI-indexed NIS	Foreign Currency <sup>(2)</sup>	Total financial items
Balance of financial assets on balance-sheet date	112	1,808	234	2,155
Balance of financial liabilities on balance-sheet date	55	1,669	235	1,959
Excess of financial assets over financial liabilities	57	140	-1	196
Total indexation balance (incl. forwards <sup>(3)</sup> and options in term of basis assets)	57	140	-1	196
Rate of income on assets (percent) <sup>(4)</sup>	4.38	7.11	5.87	6.86
Rate of expenditure on liabilities (percent) <sup>(4)</sup>	-4.97	-6.50	-4.76	-6.30
Interest-rate differential	-0.59	0.60	1.11	0.55

Problem borrowers	30.09.2004	31.12.2003
Total credit risk dew to problem borrowers	120	130
Total credit to problem borrowers	120	130

Main financial ratios - percent	30.09.2004	31.12.2003
Equity/balance-sheet ratio	9.11	8.78
Financial capital/equity ratio	99.54	98.65
Equity/risk-weighted-assets ratio	13.70	13.30
Return on equity (net profit/gross weighted capital ratio) <sup>(5)</sup>	8.60	7.70
Operating income/operating expenses ratio <sup>(6)</sup>	110.84	122.48

(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.