



Statement for 31/12/2004 on consolidated basis

Bank Yahav Le-Ovdei Hamdina Ltd and its subsidiaries, Main data, NIS million

Taken from the annual report to 31.12.2004, Reported amounts at 2004 (2002-03 adjusted to CPI for 12.2003)

Summary consolidated balance sheet	End of year			Banking group's share of the banking system		
	2004	2003	2002	2004	2003	2002
Cash and deposits in banks ⁽¹⁾	4,184	4,183	3,564	2.9%	2.8%	2.5%
Securities	1,923	1,957	1,730	1.4%	1.6%	1.6%
Credit to the public	1,286	1,088	979	0.2%	0.2%	0.2%
Credit to the government	0	0	0	0.0%	0.0%	0.0%
Investments in companies included on an equity basis	0	0	0	0.0%	0.0%	0.0%
Buildings and equipment	124	124	124	1.2%	1.2%	1.2%
Other assets	38	35	50	0.2%	0.1%	0.2%
Total assets	7,556	7,386	6,447	0.9%	0.9%	0.8%
Deposits of the public	7,071	6,943	6,079	1.0%	1.0%	0.9%
Deposits of banks ⁽¹⁾	9	10	8	0.0%	0.0%	0.0%
Deposits of the government	0	1	1	0.0%	0.0%	0.0%
Bonds and subordinated notes	0	0	0	0.0%	0.0%	0.0%
Other liabilities	105	87	48	0.3%	0.3%	0.2%
Total liabilities	7,185	7,041	6,135	0.9%	0.9%	0.8%
Quasi-capital items	0	0	0	0.0%	0.0%	0.0%
Minority shareholders' rights	0	0	0			
Equity	370	346	312	0.8%	0.8%	0.8%

Summary consolidated profit and loss statement	End of year			Banking group's share of the banking system		
	2004	2003	2002	2004	2003	2002
Net interest profit before loan-loss provision	165.4	133.2	116.7	0.8%	0.7%	0.7%
Loan-loss provision	4.3	5.0	1.4	0.1%	0.1%	0.0%
Operating and other income	155.9	147.2	140.4	1.3%	1.3%	1.4%
Of which: Operating income	79.0	78.8	79.2	0.8%	0.9%	0.9%
Operating and other expenses	215.4	207.2	199.7	1.1%	1.1%	1.1%
Of which: Salaries and related expenses	120.0	118.1	113.7	1.0%	1.0%	1.0%
Inflation adjustments	0.0	3.0	0.0			
Ordinary profit before-tax provision	101.6	71.2	56.0	1.3%	1.2%	2.3%
Provision for taxes on ordinary profit	50.8	35.1	25.1	1.5%	1.4%	2.3%
Ordinary after-tax profit	50.8	36.1	30.9	1.1%	1.1%	2.2%
Bank's share in the profit of subsidiaries	0.0	0.0	0.0			
Minority shareholders' share in profit of consolidated companies	0.0	0.0	0.0			
Extraordinary after-tax profit	0.2	1.4	0.2			
Net profit	51.0	37.5	31.1	1.0%	1.2%	2.9%

Balances and rates of return on financial items by indexation base on 31.12.2004	Unindexed NIS	CPI-indexed NIS	Foreign Currency ⁽²⁾	Total financial items
Balance of financial assets on balance-sheet date	4,109	2,958	365	7,432
Balance of financial liabilities on balance-sheet date	3,942	2,894	350	7,185
Excess of financial assets over financial liabilities	167	64	15	246
Total indexation balance (incl. Forwards ⁽³⁾ and options in term of basis assets)	-18	249	15	246
Options at the money and out of the money (net, capitalized nominal value)	0	0	0	0
Rate of income on assets(%) ⁽⁴⁾	5.11	5.39	1.45	5.06
Rate of expenses on liabilities(%) ⁽⁴⁾	-2.32	-4.29	-0.12	-3.04
Interest-rate spread	2.78	1.10	1.33	2.02

Internal rate of return on assets (%)	4.79	4.24	3.13	
Internal rate of return on liabilities (%)	1.92	2.43	1.26	
Difference	2.87	1.81	1.87	
Average duration of assets (years)	0.11	1.24	0.12	0.55
Average duration of liabilities (years)	0.28	1.37	0.19	0.72
Difference	-0.17	-0.13	-0.07	-0.17

⁽¹⁾ See note 5.1.7. in the introduction.⁽²⁾ Including foreign-currency indexed NIS.⁽³⁾ Forwards transactions.⁽⁴⁾ including hedging, embedded and ALM derivatives.



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Bank Yahav Le-Ovdei Hamdina Ltd., Additional data

(NIS millions, 2004 reported amounts, 2003 adjusted to 12.2003 prices)

Additional data	2004	2003
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Total off-balance-sheet and credit risk

Credit to the public and credit risk	1,331	1,136
Total off-balance-sheet credit risk	1,348	1,263
Total credit risk	2,680	2,399
<i>Of which:</i> Total risk of credit for housing loans	0	0
Total risk of credit to construction and real estate industr	0	0

Problem borrowers

Total credit risk dew to problem borrowers	60	68
<i>Of which:</i> Total credit to problem borrowers	54	62

Data on derivatives

Notional amount	185	0
Gross positive fair value	0	0

Activity with interested and related parties

Total assets on balance-sheet date	1,294	1,035
<i>Of which:</i> credit to the public	0	2
Total liabilities on balance-sheet date (including quasi-capital items)	51	27

Branches and personnel

Number of employee posts in Israel, monthly average	495	501
Number of employee posts abroad, monthly average	0	0
Number of branches in Israe	18	15
Number of branches abroad	0	0

Main financial ratios, in annual terms (%)

Equity/risk-weighted-assets ratic	14.90	15.80
Equity/balance-sheet ratic	4.90	4.68
Financial capital/equity capital ratic	66.50	64.20
Ratio of problem loans to total credit to the public	4.20	5.64
Return on equity (net profit/gross weighted capital ratio)	14.80	12.00
Non-interest income/operating expenses ratic	72.38	71.04
Ratio of loan-loss provision to total credit to the public	0.33	0.46