



Statement for 31/12/2004 on consolidated basis
Bank Massad 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⁾	996	1,111	752	0.7%	0.7%	0.5%
Securities	633	568	784	0.5%	0.5%	0.7%
Credit to the public	1,077	1,000	920	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	58	60	61	0.5%	0.6%	0.6%
Other assets	8	8	18	0.0%	0.0%	0.1%
Total assets	2,771	2,747	2,534	0.3%	0.3%	0.3%
Deposits of the public	2,523	2,505	2,330	0.4%	0.4%	0.3%
Deposits of banks ⁽¹⁾	5	6	8	0.0%	0.0%	0.0%
Deposits of the government	0	0	0	0.0%	0.0%	0.0%
Bonds and subordinated notes	0	0	0	0.0%	0.0%	0.0%
Other liabilities	17	22	15	0.1%	0.1%	0.1%
Total liabilities	2,544	2,533	2,353	0.3%	0.3%	0.3%
Quasi-capital items	0	0	0	0.0%	0.0%	0.0%
Minority shareholders' rights	0	0	0			
Equity	227	215	182	0.5%	0.5%	0.5%

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	110.0	109.9	67.2	0.5%	0.6%	0.4%
Loan-loss provision	13.1	10.4	7.6	0.3%	0.2%	0.1%
Operating and other income	69.4	63.2	59.0	0.6%	0.6%	0.6%
Of which: Operating income	49.0	46.8	44.3	0.5%	0.5%	0.5%
Operating and other expenses	114.8	113.5	105.8	0.6%	0.6%	0.6%
Of which: Salaries and related expenses	59.0	57.8	55.2	0.5%	0.5%	0.5%
Inflation adjustments	0.0	2.1	0.0			
Ordinary profit before-tax provision	51.5	51.3	12.8	0.6%	0.9%	0.5%
Provision for taxes on ordinary profit	23.4	24.0	5.0	0.7%	0.9%	0.5%
Ordinary after-tax profit	28.1	27.3	7.8	0.6%	0.9%	0.6%
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	0.0	0.0	0.0			
Net profit	28.1	27.6	7.8	0.5%	0.9%	0.7%

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	1,787	744	182	2,712
Balance of financial liabilities on balance-sheet date	1,743	633	169	2,544
Excess of financial assets over financial liabilities	44	111	13	168
Total indexation balance (incl. Forwards ⁽³⁾ and options in term of basis assets)	34	112	23	168
Options at the money and out of the money (net, capitalized nominal value)	-15	5	9	0
Rate of income on assets ⁽⁴⁾ (%)	6.98	5.79	2.61	6.22
Rate of expenses on liabilities ⁽⁴⁾ (%)	-2.21	-5.03	-1.01	-2.92
Interest-rate spread	4.78	0.75	1.60	3.29

Internal rate of return on assets (%)	4.73	5.47	5.55	
Internal rate of return on liabilities (%)	2.23	3.80	2.17	
Difference	2.50	1.67	3.38	
Average duration of assets (years)	0.28	3.00	1.22	5.35
Average duration of liabilities (years)	0.52	3.28	0.35	3.30
Difference	-0.24	-0.28	0.87	2.05

⁽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.



Statement for 31/12/2004 on consolidated basis
Bank Massad 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	1,100	1,046
Total off-balance-sheet credit risk	647	661
Total credit risk	1,747	1,708
<i>Of which:</i> Total risk of credit for housing loans	0	0
Total risk of credit to construction and real estate industr	40	37

Problem borrowers

Total credit risk dew to problem borrowers	139	138
<i>Of which:</i> Total credit to problem borrowers	136	136

Data on derivatives

Notional amount	101	112
Gross positive fair value	2	1

Activity with interested and related parties

Total assets on balance-sheet date	559	424
<i>Of which:</i> credit to the public	36	0
Total liabilities on balance-sheet date (including quasi-capital items)	173	90

Branches and personnel

Number of employee posts in Israel, monthly average	240	243
Number of employee posts abroad, monthly average	0	0
Number of branches in Israe	11	11
Number of branches abroad	0	0

Main financial ratios, in annual terms (%)

Equity/risk-weighted-assets ratic	15.11	14.98
Equity/balance-sheet ratic	8.18	7.81
Financial capital/equity capital ratic	74.27	71.99
Ratio of problem loans to total credit to the public	12.51	13.45
Return on equity (net profit/gross weighted capital ratio)	13.10	15.20
Non-interest income/operating expenses ratic	60.45	55.68
Ratio of loan-loss provision to total credit to the public	1.21	1.03