



Statement for 31/12/2004 - bank
Azmauth Mortgage and Development Ltd. , 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 balance sheet | End of year | | | Bank's share of the banking system | | |
|--|--------------|--------------|--------------|------------------------------------|-------------|-------------|
| | 2004 | 2003 | 2002 | 2004 | 2003 | 2002 |
| Cash and deposits in banks ⁽¹⁾ | 0 | 0 | 0 | 0.0% | 0.0% | 0.0% |
| Securities | 0 | 0 | 0 | 0.0% | 0.0% | 0.0% |
| Credit to the public | 2,170 | 2,092 | 2,087 | 0.4% | 0.4% | 0.4% |
| 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 | 4 | 5 | 5 | 0.0% | 0.0% | 0.0% |
| Other assets | 4 | 6 | 4 | 0.0% | 0.0% | 0.0% |
| Total assets | 2,178 | 2,103 | 2,097 | 0.3% | 0.3% | 0.3% |
| Deposits of the public | 241 | 286 | 333 | 0.0% | 0.0% | 0.0% |
| Deposits of banks ⁽¹⁾ | 1,681 | 1,571 | 1,521 | 2.7% | 2.7% | 2.5% |
| Deposits of the government | 37 | 43 | 51 | 0.2% | 0.3% | 0.3% |
| Bonds and subordinated notes | 10 | 11 | 11 | 0.0% | 0.0% | 0.0% |
| Other liabilities | 10 | 8 | 10 | 0.0% | 0.0% | 0.0% |
| Total liabilities | 1,979 | 1,918 | 1,925 | 0.2% | 0.2% | 0.2% |
| Quasi-capital items | 0 | 0 | 0 | 0.0% | 0.0% | 0.0% |
| Equity | 200 | 185 | 172 | 0.4% | 0.4% | 0.4% |

| Summary profit and loss statement | End of year | | | Bank's share of the banking system | | |
|--|-------------|-------------|-------------|------------------------------------|-------------|-------------|
| | 2004 | 2003 | 2002 | 2004 | 2003 | 2002 |
| Net interest profit before loan-loss provision | 30.0 | 24.3 | 30.0 | 0.1% | 0.1% | 0.2% |
| Loan-loss provision | 7.1 | 7.3 | 6.5 | 0.1% | 0.1% | 0.1% |
| Operating and other income | 24.5 | 26.7 | 26.2 | 0.2% | 0.2% | 0.3% |
| <i>Of which: Operating income</i> | 23.8 | 25.4 | 25.6 | 0.2% | 0.3% | 0.3% |
| Operating and other expenses | 21.8 | 21.8 | 19.8 | 0.1% | 0.1% | 0.1% |
| <i>Of which: Salaries and related expenses</i> | 11.2 | 11.1 | 10.5 | 0.1% | 0.1% | 0.1% |
| Inflation adjustments | 0.0 | 3.0 | 0.0 | | | |
| Ordinary profit-before-tax provision | 25.6 | 24.9 | 29.9 | 0.3% | 0.4% | 1.2% |
| Provision for taxes on ordinary profit | 10.8 | 11.7 | 14.0 | 0.3% | 0.5% | 1.3% |
| Ordinary after-tax profit | 14.8 | 13.2 | 15.9 | 0.3% | 0.4% | 1.1% |
| Bank's share in the profit of subsidiaries | 0.0 | 0.0 | 0.0 | | | |
| Extraordinary after-tax profit | 0.0 | 0.0 | 0.0 | | | |
| Net profit | 14.8 | 13.2 | 15.9 | 0.3% | 0.4% | 1.5% |

| 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 | 123 | 1,799 | 252 | 2,174 |
| Balance of financial liabilities on balance-sheet date | 66 | 1,654 | 255 | 1,975 |
| Excess of financial assets over financial liabilities | 57 | 145 | -2 | 199 |
| Total indexation balance(incl. Forwards ⁽³⁾ and options in term of basis assets) | 57 | 145 | -2 | 199 |
| Options at the money and out of the money (net, capitalized nominal value) | 0 | 0 | 0 | 0 |
| Rate of income on assets(%) ⁽⁴⁾ | 4.41 | 6.43 | 1.06 | 5.83 |
| Rate of expenses on liabilities(%) ⁽⁴⁾ | -4.71 | -5.85 | 0.05 | -5.22 |
| Interest-rate spread | -0.30 | 0.58 | 1.11 | 0.62 |
| Internal rate of return on assets (%) | 6.35 | 5.61 | 4.21 | |
| Internal rate of return on liabilities (%) | 2.44 | 5.22 | 3.18 | |
| Difference | 3.91 | 0.39 | 1.03 | |
| Average duration of assets (years) | 0.87 | 5.20 | 0.14 | 4.36 |
| Average duration of liabilities (years) | 2.19 | 3.78 | 0.15 | 3.25 |
| Difference | -1.32 | 1.42 | -0.01 | 1.11 |

⁽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 - bank
Azmuth Mortgage and Development Ltd., Additional data
 (NIS millions, 2004 reported amounts, 2003 adjusted to 12.2003 prices)

| Additional data | 2004 | 2003 |
|-----------------|------|------|
|-----------------|------|------|

Total off-balance-sheet and credit risk

| | | |
|---|-------|-------|
| Credit to the public and credit risk | 2,170 | 2,092 |
| Total off-balance-sheet credit risk | 29 | 20 |
| Total credit risk | 2,199 | 2,112 |
| <i>Of which:</i> Total risk of credit for housing loans | 2,167 | 2,035 |
| Total risk of credit to construction and real estate industry | 0 | 0 |

Problem borrowers

| | | |
|--|-----|-----|
| Total credit risk dew to problem borrowers | 123 | 130 |
| <i>Of which:</i> Total credit to problem borrowers | 123 | 130 |

Data on derivatives

| | | |
|---------------------------|---|---|
| Notional amount | 0 | 0 |
| Gross positive fair value | 0 | 0 |

Activity with interested and related parties

| | | |
|---|-------|-------|
| Total assets on balance-sheet date | 0 | 0 |
| <i>Of which:</i> credit to the public | 0 | 0 |
| Total liabilities on balance-sheet date (including quasi-capital items) | 1,683 | 1,573 |

Branches and personnel

| | | |
|---|----|----|
| Number of employee posts in Israel, monthly average | 65 | 64 |
| Number of employee posts abroad, monthly average | 0 | 0 |
| Number of branches in Israel | 7 | 7 |
| Number of branches abroad | 0 | 0 |

Main financial ratios, in annual terms (%)

| | | |
|--|--------|--------|
| Equity/risk-weighted-assets ratio | 13.16 | 13.32 |
| Equity/balance-sheet ratio | 9.16 | 8.78 |
| Financial capital/equity capital ratio | 99.85 | 98.65 |
| Ratio of problem loans to total credit to the public | 5.64 | 6.18 |
| Return on equity (net profit/gross weighted capital ratio) | 8.00 | 7.70 |
| Non-interest income/operating expenses ratio | 112.39 | 122.48 |
| Ratio of loan-loss provision to total credit to the public | 0.33 | 0.35 |