

## Statement for the second quarter - consolidated Israel Discount Bank Ltd. and its subsidiaries, Main data, NIS millio

Taken from the quarterly report to 30.06.2005, reported amounts

Summary consolidated balance sheet	30.06.2005	31.12.2004	Bank's share of the banking system	
			30.06.2005	31.12.2004
Cash and deposits in banks <sup>1</sup>	19,643	17,751	16.1%	16.7%
Securities	41,896	40,068	30.7%	29.2%
Credit to the public	81,164	77,508	14.3%	13.7%
Credit to the government	227	271	5.8%	6.4%
Investments in companies included on an equity basis	1,425	1,320	33.9%	32.8%
Buildings and equipment	2,043	1,978	19.1%	18.6%
Other assets	5,044	4,155	21.2%	18.4%
<b>Total assets</b>	<b>151,442</b>	<b>143,051</b>	<b>17.4%</b>	<b>16.8%</b>
Deposits of the public	126,935	121,692	18.1%	17.6%
Deposits of banks <sup>1</sup>	6,840	5,078	25.7%	21.4%
Deposits of the government	136	144	1.0%	0.9%
Bonds and subordinated notes	4,859	4,809	10.4%	11.7%
Other liabilities	5,496	4,493	17.8%	15.0%
<b>Total liabilities</b>	<b>144,266</b>	<b>136,216</b>	<b>17.6%</b>	<b>17.0%</b>
Quasi-capital items	0	0	0.0%	0.0%
Minority shareholders' rights	440	449		
Equity	6,736	6,386	13.8%	13.9%

Summary consolidated profit and loss statement	Six months to		Bank's share of the banking system		Three months to
			Six months to		
	30.06.2005	30.06.2004	30.06.2005	30.06.2004	30.06.2005
Net interest profit before loan-loss provision	1,787.0	1,715.0	16.7%	16.5%	910.0
Loan-loss provision	302.0	367.0	12.5%	15.2%	173.0
Operating and other income	1,118.0	1,115.0	17.7%	18.6%	571.0
Of which: Operating income	896.0	886.0	18.0%	18.4%	453.0
Operating and other expenses	2,093.0	1,999.0	20.2%	20.7%	1,049.0
Of which: Salaries and related expenses	1,262.0	1,276.0	20.4%	21.7%	633.0
Ordinary before-tax provision	510.0	464.0	12.0%	10.8%	259.0
Provision for taxes on ordinary profit	213.0	220.0	12.7%	11.5%	106.0
Ordinary after-tax profit	297.0	244.0	11.6%	10.2%	153.0
Bank's share in the profit of subsidiaries	83.0	76.0			43.0
Share of minority shareholders in profit of consolidated companies	-35.0	-33.0			-18.0
Extraordinary after-tax profit	7.0	34.0			11.0
<b>Net profit</b>	<b>352.0</b>	<b>321.0</b>	<b>10.2%</b>	<b>11.7%</b>	<b>189.0</b>

Balances and rates of return on financial items by indexation base on 30.06.2005	Unindexed NIS	CPI-indexed NIS	Foreign Currency <sup>2</sup>	Total financial items
Balance of financial assets on balance-sheet date	45,345	21,003	80,572	146,920
Balance of financial liabilities on balance-sheet date	48,787	18,905	76,462	144,154
Excess of financial assets over financial liabilities	-3,442	2,098	4,110	2,766
Total indexation balance(incl.forwards and options in term of basis assets) <sup>3</sup>	257	2,506	2	2,765
Rate of income on assets(percent) <sup>4</sup>	5.69	6.43	10.98	8.80
Rate of expenditure on liabilities(percent) <sup>4</sup>	-3.00	-4.85	-9.54	-7.00
Interest-rate differential	2.69	1.58	1.44	1.80

Problem borrowers	30.06.2005	31.12.2004
Total credit risk dew to problem borrowers	8,872	8,896
Total credit to problem borrowers	8,198	8,321

Main financial ratios - consolidated (percent)	30.06.2005	31.12.2004
Equity/balance-sheet ratio	4.45	4.46
Finanancial capital/equity ratio	41.06	40.75
Equity/risk-weighted-assets ratio	9.55	9.83
Return on equity (net profit/gross weightec-capital ratio) <sup>5</sup>	11.30	9.30
Operating income/operating expenses ratio <sup>6</sup>	53.42	55.33

<sup>1</sup> See note 5.1.7 in the introduction

<sup>2</sup> Including foreign-currency indexed NIS.

<sup>3</sup> Forwards transactions.

<sup>4</sup> Six-month rate of income (expenses), on annual basis including hedging, embedded and ALM derivatives.

<sup>5</sup> Annual basis.

<sup>6</sup> For six months. Comparative data are annual