

Statement for the second quarter - consolidated Bank "Adanim" Mortgage and Loans Ltd. and its subsidiaries , Main data, NIS millior

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 ¹	58	60	0.0%	0.0%
Securities	0	0	0.0%	0.0%
Credit to the public	2,934	2,683	0.5%	0.5%
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	16	16	0.1%	0.2%
Other assets	22	20	0.1%	0.1%
Total assets	3,030	2,780	0.3%	0.3%
Deposits of the public	2,071	2,209	0.3%	0.3%
Deposits of banks	594	220	1.0%	0.3%
Deposits of the government	18	21	0.1%	0.1%
Bonds and subordinated notes	118	120	0.3%	0.3%
Other liabilities	63	52	0.2%	0.2%
Total liabilities	2,864	2,621	0.3%	0.3%
Quasi-capital items	0	0	0.0%	0.0%
Minority shareholders' rights	0	0		
Equity	166	159	0.3%	0.3%

Summary consolidated profit and loss statement	Six months to		Bank's share of the banking system		Three months to
	30.06.2005	30.06.2004	30.06.2005	30.06.2004	
Net interest profit before loan-loss provision	21.3	19.5	0.2%	0.2%	11.8
Loan-loss provision	4.2	2.7	0.2%	0.1%	2.9
Operating and other income	13.1	12.2	0.2%	0.2%	6.7
Of which: Operating income	13.1	12.2	0.3%	0.3%	6.7
Operating and other expenses	18.4	16.1	0.2%	0.2%	9.7
Of which: Salaries and related expenses	10.8	9.4	0.2%	0.2%	5.8
Ordinary before-tax provision	11.8	12.9	0.3%	0.3%	5.9
Provision for taxes on ordinary profit	4.8	6.2	0.3%	0.3%	2.0
Ordinary after-tax profit	7.0	6.7	0.3%	0.3%	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
Net profit	7.0	6.7	0.2%	0.2%	3.9

Balances and rates of return on financial items by indexation base on 30.06.2005	Unindexed NIS	CPI-indexed NIS	Foreign Currency ²	Total financial items
Balance of financial assets on balance-sheet date	372	2,638	4	3,014
Balance of financial liabilities on balance-sheet date	355	2,476	4	2,835
Excess of financial assets over financial liabilities	17	161	0	178
Total indexation balance (incl. forwards and options in term of basis assets) ³	17	161	0	178
Rate of income on assets (percent) ⁴	6.75	6.49	0.00	6.51
Rate of expenditure on liabilities (percent) ⁴	-4.32	-5.93	0.00	-5.80
Interest-rate differential	2.43	0.56	0.00	0.72

Problem borrowers	30.06.2005	31.12.2004
Total credit risk dew to problem borrowers	107	124
Total credit to problem borrowers	90	105

Main financial ratios - consolidated (percent)	30.06.2005	31.12.2004
Equity/balance-sheet ratio	5.47	5.71
Financial capital/equity ratio	107.60	104.16
Equity/risk-weighted-assets ratio	9.75	10.71
Return on equity (net profit/gross weighted-capital ratio) ⁵	9.00	7.40
Operating income/operating expenses ratio ⁶	71.20	75.00

¹ See note 5.1.7 in the introduction

² Including foreign-currency indexed NIS.

³ Forwards transactions.

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

⁵ Annual basis.

⁶ For six months. Comparative data are annual.