

Statement for the second quarter - bank Otzar Hashilton Hamkomi Ltd. , Main data, NIS million

Taken from the quarterly report to 30.06.2005, reported amounts

Summary balance sheet	30.06.2005	31.12.2004
Cash and deposits in banks ¹	453	372
Securities	30	0
Credit to the public	2,521	2,382
Credit to the government	0	0
Investments in companies included on an equity basis	0	0
Buildings and equipment	4	4
Other assets	9	10
Total assets	3,017	2,768
Deposits of the public	2,445	2,161
Deposits of banks ¹	0	0
Deposits of the government	0	0
Bonds and subordinated notes	205	259
Other liabilities	25	20
Total liabilities	2,676	2,440
Quasi-capital items	0	0
Minority shareholders' rights	0	0
Equity	341	329

Summary profit and loss statement	Six months to		Three months to
	30.06.2005	30.06.2004	30.06.2005
Net interest profit before loan-loss provision	50.9	46.3	26.8
Loan-loss provision	8.1	1.3	2.5
Operating and other income	6.5	5.8	3.2
Of which: Operating income	6.5	5.8	3.2
Operating and other expenses	14.0	11.5	7.7
Of which: Salaries and related expenses	6.0	5.0	3.6
Ordinary before-tax provision	35.3	39.3	19.8
Provision for taxes on ordinary profit	18.1	16.3	8.3
Ordinary after-tax profit	17.2	23.0	11.5
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	17.2	23.0	11.5

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	1,000	2,010	0	3,010
Balance of financial liabilities on balance-sheet date	859	1,817	0	2,676
Excess of financial assets over financial liabilities	142	193	0	335
Total indexation balance(incl. forwards and options in term of basis assets) ³	142	193	0	335
Rate of income on assets(percent) ⁴	8.64	7.88	0.00	8.14
Rate of expenditure on liabilities(percent) ⁴	-3.91	-6.06	0.00	-5.44
Interest-rate differential	4.73	1.81	0.00	2.69

Problem borrowers	30.06.2005	31.12.2004
Total credit risk dew to problem borrowers	391	280
Total credit to problem borrowers	391	280

Main financial ratios (percent)	30.06.2005	31.12.2004
Equity/balance-sheet ratio	11.31	11.87
Financial capital/equity ratio	98.04	97.84
Equity/risk-weighted-assets ratio	20.19	21.31
Return on equity (net profit/gross weighted-capital ratio) ⁵	10.47	12.14
Operating income/operating expenses ratio ⁶	46.43	44.49

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