

Statement for the third quarter - consolidated
Israel Discount Bank Ltd. and its subsidiaries , Main data, NIS million

Taken from the quarterly report to 30.09.2005, reported amounts



Summary consolidated balance sheet	30.09.2005	31.12.2004	Bank's share of the banking system	
			30.09.2005	31.12.2004
Cash and deposits in banks ¹	18,057	17,751	16.8%	16.7%
Securities	42,890	40,068	28.7%	29.0%
Credit to the public	83,199	77,508	14.4%	13.7%
Credit to the government	179	271	4.9%	6.4%
Investments in companies included on an equity basis	1,495	1,320	34.6%	32.8%
Buildings and equipment	2,221	1,978	20.4%	18.6%
Other assets	4,982	4,155	21.8%	18.4%
Total assets	153,023	143,051	17.5%	16.8%
Deposits of the public	127,432	121,692	18.1%	17.6%
Deposits of banks ¹	6,888	5,078	29.0%	21.4%
Deposits of the government	154	144	1.1%	0.9%
Bonds and subordinated notes	5,226	4,809	10.5%	11.7%
Other liabilities	5,877	4,493	18.4%	15.0%
Total liabilities	145,577	136,216	17.7%	17.0%
Quasi-capital items	0	0	0.0%	0.0%
Minority shareholders' rights	449	449		
Equity	6,997	6,386	13.8%	13.9%

Summary consolidated profit and loss statement	Nine months to		Bank's share of the banking system		Three months to
	30.09.2005	30.09.2004	Nine months to		
	30.09.2005	30.09.2004	30.09.2005	30.09.2004	30.09.2005
Net interest profit before loan-loss provision	2,742.0	2,586.0	16.6%	16.7%	955.0
Loan-loss provision	503.0	624.0	15.8%	17.0%	201.0
Operating and other income	1,784.0	1,642.0	18.1%	18.4%	666.0
Of which: Operating income	1,374.0	1,319.0	18.1%	18.4%	478.0
Operating and other expenses	3,222.0	2,928.0	20.3%	20.4%	1,129.0
Of which: Salaries and related expenses	1,942.0	1,854.0	20.3%	21.3%	680.0
Ordinary before-tax provision	801.0	676.0	10.9%	10.6%	291.0
Provision for taxes on ordinary profit	313.0	331.0	10.4%	11.5%	100.0
Ordinary after-tax profit	488.0	345.0	11.3%	9.8%	191.0
Bank's share in the profit of subsidiaries	129.0	94.0			46.0
Share of minority shareholders in profit of consolidated companies	-56.0	-51.0			-21.0
Extraordinary after-tax profit	8.0	34.0			1.0
Net profit	569.0	422.0	10.8%	10.1%	217.0

Balances and rates of return on financial items by indexation base on 30.09.2005	Unindexed NIS	CPI-indexed NIS	Foreign Currency ²	Total financial items
Balance of financial assets on balance-sheet date	48,904	21,334	77,790	148,028
Balance of financial liabilities on balance-sheet date	48,628	19,129	77,693	145,450
Excess of financial assets over financial liabilities	276	2,205	97	2,578
Total indexation balance (incl. forwards and options in term of basis assets) ³	1,040	1,972	-435	2,577
Rate of income on assets (percent) ⁴	5.73	7.88	9.14	7.97
Rate of expenditure on liabilities (percent) ⁴	-3.04	-6.33	-7.80	-6.20
Interest-rate differential	2.69	1.56	1.34	1.76

Problem borrowers	30.09.2005	31.12.2004
Total credit risk dew to problem borrowers	8,621	8,896
Total credit to problem borrowers	7,963	8,321

Main financial ratios - consolidated (percent)	30.09.2005	31.12.2004
Equity/balance-sheet ratio	4.57	4.46
Financial capital/equity ratio	36.84	40.75
Equity/risk-weighted-assets ratio	9.70	9.83
Return on equity (net profit/gross weighted-capital ratio) ⁵	12.10	9.30
Operating income/operating expenses ratio ⁶	55.37	55.33

¹ See note 5.1.7 in the introduction

² Including foreign-currency indexed NIS.

³ Forwards transactions.

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

⁵ Annual basis.

⁶ For nine months. Comparative data are annual.