

Statement for the third quarter - consolidated Bank Hapoalim B.M 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	36,128	31,041	33.6%	29.2%
Securities	31,746	35,929	21.3%	26.0%
Credit to the public	180,198	182,542	31.2%	32.3%
Credit to the government	1,339	1,761	36.5%	41.6%
Investments in companies included on an equity basis	628	789	14.5%	19.6%
Buildings and equipment	3,590	3,642	32.9%	34.3%
Other assets	6,808	6,338	29.8%	28.1%
Total assets	260,437	262,042	29.8%	30.8%
Deposits of the public	202,790	206,666	28.8%	29.8%
Deposits of banks ¹	6,310	7,301	26.5%	30.7%
Deposits of the government	3,137	4,045	22.2%	25.8%
Bonds and subordinated notes	20,681	18,251	41.4%	44.3%
Other liabilities	10,493	9,510	32.9%	31.7%
Total liabilities	243,411	245,773	29.6%	30.6%
Quasi-capital items	0	0	0.0%	0.0%
Minority shareholders' rights	555	1,103		
Equity	16,471	15,166	32.5%	32.9%

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	5,632.0	5,332.0	34.1%	34.3%	1,999.0
Loan-loss provision	1,016.0	1,257.0	32.0%	34.3%	222.0
Operating and other income	3,403.0	3,091.0	34.4%	34.7%	1,223.0
Of which: Operating income	2,584.0	2,394.0	34.0%	33.4%	912.0
Operating and other expenses	5,144.0	4,814.0	32.3%	33.5%	1,752.0
Of which: Salaries and related expenses	3,013.0	2,861.0	31.5%	32.8%	1,034.0
Ordinary before-tax provision	2,875.0	2,352.0	39.2%	36.8%	1,248.0
Provision for taxes on ordinary profit	1,200.0	1,053.0	39.8%	36.6%	543.0
Ordinary after-tax profit	1,675.0	1,299.0	38.8%	37.0%	705.0
Bank's share in the profit of subsidiaries	84.0	64.0			32.0
Share of minority shareholders in profit of consolidated companies	-64.0	-59.0			-17.0
Extraordinary after-tax profit	593.0	333.0			41.0
Net profit	2,288.0	1,637.0	42.8%	39.4%	761.0

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	90,646	58,954	105,474	255,074
Balance of financial liabilities on balance-sheet date	92,368	47,429	102,589	242,386
Excess of financial assets over financial liabilities	-1,722	11,525	2,885	12,688
Total indexation balance (incl. forwards and options in term of basis assets) ³	1,893	9,708	766	12,367
Rate of income on assets (percent) ⁴	6.27	7.82	7.90	7.42
Rate of expenditure on liabilities (percent) ⁴	-3.32	-6.88	-6.91	-5.87
Interest-rate differential	2.95	0.94	0.99	1.55

Problem borrowers	30.09.2005	31.12.2004
Total credit risk dew to problem borrowers	22,393	23,805
Total credit to problem borrowers	19,978	21,479

Main financial ratios - consolidated (percent)	30.09.2005	31.12.2004
Equity/balance-sheet ratio	6.32	5.79
Financial capital/equity ratio	77.03	76.61
Equity/risk-weighted-assets ratio	10.96	10.99
Return on equity (net profit/gross weighted-capital ratio) ⁵	21.20	15.20
Operating income/operating expenses ratio ⁶	66.15	66.09

¹ See note 5.1.7 in the introduction² 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.