

**Statement for the third quarter - consolidated**  
**The First International Bank of Israel 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 <sup>1</sup>              | 8,274         | 12,901        | 7.7%                               | 12.1%       |
| Securities   | 16,827        | 9,638         | 11.3%                              | 7.0%        |
| Credit to the public                                 | 43,064        | 43,247        | 7.5%                               | 7.6%        |
| Credit to the government                             | 216           | 211           | 5.9%                               | 5.0%        |
| Investments in companies included on an equity basis | 21            | 17            | 0.5%                               | 0.4%        |
| Buildings and equipment                              | 754           | 805           | 6.9%                               | 7.6%        |
| Other assets   | 1,607         | 1,805         | 7.0%                               | 8.0%        |
| <b>Total assets</b>                                  | <b>70,763</b> | <b>68,624</b> | <b>8.1%</b>                        | <b>8.1%</b> |
| Deposits of the public                               | 60,093        | 58,574        | 8.5%                               | 8.5%        |
| Deposits of banks <sup>1</sup>                       | 603           | 900           | 2.5%                               | 3.8%        |
| Deposits of the government                           | 580           | 775           | 4.1%                               | 4.9%        |
| Bonds and subordinated notes                         | 3,205         | 2,576         | 6.4%                               | 6.3%        |
| Other liabilities                                    | 2,074         | 1,892         | 6.5%                               | 6.3%        |
| <b>Total liabilities</b>                             | <b>66,555</b> | <b>64,717</b> | <b>8.1%</b>                        | <b>8.1%</b> |
| Quasi-capital items                                  | 0             | 0             | 0.0%                               | 0.0%        |
| Minority shareholders' rights                        | 119           | 193           |                                    |             |
| Equity   | 4,089         | 3,714         | 8.1%                               | 8.1%        |

| Summary consolidated profit and loss statement                     | Nine months to |              | Bank's share of the banking system |             | Three months to |
|--|----------------|--------------|------------------------------------|-------------|-----------------|
|  |                |              | 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                     | 1,222.0        | 1,069.0      | 7.4%                               | 6.9%        | 443.0           |
| Loan-loss provision  | 197.0          | 360.0        | 6.2%                               | 9.8%        | 51.0            |
| Operating and other income   | 766.0          | 616.0        | 7.8%                               | 6.9%        | 282.0           |
| Of which: Operating income   | 643.0          | 538.0        | 8.4%                               | 7.5%        | 219.0           |
| Operating and other expenses                                       | 1,186.0        | 977.0        | 7.5%                               | 6.8%        | 424.0           |
| Of which: Salaries and related expenses                            | 700.0          | 585.0        | 7.3%                               | 6.7%        | 253.0           |
| Ordinary before-tax provision                                      | 605.0          | 348.0        | 8.3%                               | 5.4%        | 250.0           |
| Provision for taxes on ordinary profit                             | 265.0          | 168.0        | 8.8%                               | 5.8%        | 97.0            |
| Ordinary after-tax profit  | 340.0          | 180.0        | 7.9%                               | 5.1%        | 153.0           |
| Bank's share in the profit of subsidiaries                         | 4.0            | 3.0          |                                    |             | 1.0             |
| Share of minority shareholders in profit of consolidated companies | -16.0          | -13.0        |                                    |             | -8.0            |
| Extraordinary after-tax profit                                     | 1.0            | 0.0          |                                    |             | 2.0             |
| <b>Net profit</b>  | <b>329.0</b>   | <b>170.0</b> | <b>6.2%</b>                        | <b>4.1%</b> | <b>148.0</b>    |

| Balances and rates of return on financial items by indexation base on 30.09.2005           | Unindexed NIS | CPI-indexed NIS | Foreign Currency <sup>2</sup> | Total financial items |
|--|---------------|-----------------|-------------------------------|-----------------------|
| Balance of financial assets on balance-sheet date  | 29,283        | 14,037          | 25,075                        | 68,395                |
| Balance of financial liabilities on balance-sheet date                                     | 33,408        | 11,074          | 21,282                        | 65,764                |
| Excess of financial assets over financial liabilities                                      | -4,125        | 2,963           | 3,793                         | 2,631                 |
| Total indexation balance (incl. forwards and options in term of basis assets) <sup>3</sup> | 1,094         | 2,051           | -514                          | 2,631                 |
| Rate of income on assets (percent) <sup>4</sup>  | 4.79          | 7.60            | 6.34                          | 5.95                  |
| Rate of expenditure on liabilities (percent) <sup>4</sup>                                  | -3.21         | -6.40           | -5.56                         | -4.84                 |
| Interest-rate differential   | 1.58          | 1.19            | 0.78                          | 1.11                  |

| Problem borrowers                          | 30.09.2005 | 31.12.2004 |
|--|------------|------------|
| Total credit risk dew to problem borrowers | 5,596      | 6,001      |
| Total credit to problem borrowers          | 5,208      | 5,595      |

| Main financial ratios - consolidated (percent)                          | 30.09.2005 | 31.12.2004 |
|---|------------|------------|
| Equity/balance-sheet ratio  | 5.78       | 5.41       |
| Financial capital/equity ratio  | 64.34      | 65.11      |
| Equity/risk-weighted-assets ratio                                       | 11.40      | 11.20      |
| Return on equity (net profit/gross weighted-capital ratio) <sup>5</sup> | 12.00      | 6.90       |
| Operating income/operating expenses ratio <sup>6</sup>                  | 64.59      | 61.09      |

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

<sup>5</sup> Annual basis.

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