

Statement for the first quarter - consolidated Bank Hapoalim B.M and its subsidiaries , Main data, NIS million

Taken from the quarterly report to 31.03.2006, reported amounts



Summary consolidated balance sheet	31.03.2006	31.12.2005	Bank's share of the banking system	
			31.03.2006	31.12.2005
Cash and deposits in banks ¹	47,650	41,062	36.6%	33.6%
Securities	39,409	33,813	24.8%	22.1%
Credit to the public	185,921	185,133	31.7%	31.7%
Credit to the government	1,064	1,193	33.0%	35.2%
Investments in companies included on an equity basis	747	662	19.1%	15.0%
Buildings and equipment	3,731	3,729	32.8%	33.3%
Other assets	8,344	7,715	36.7%	34.1%
Total assets	286,866	273,307	31.3%	30.3%
Deposits of the public	226,561	213,892	30.5%	29.4%
Deposits of banks ¹	5,480	6,424	25.1%	28.5%
Deposits of the government	3,057	3,363	22.9%	24.0%
Bonds and subordinated notes	20,722	21,361	38.9%	40.0%
Other liabilities	13,194	11,483	39.7%	35.0%
Total liabilities	269,014	256,523	31.1%	30.2%
Quasi-capital items	0	0	0.0%	0.0%
Minority shareholders' rights	555	547		
Equity	17,297	16,237	33.2%	32.7%

Summary consolidated profit and loss statement	Three months to		Bank's share of the banking system	
	31.03.2006	31.03.2005	31.03.2006	31.03.2005
Net interest profit before loan-loss provision	1,886.0	1,795.0	34.9%	34.3%
Loan-loss provision	242.0	461.0	30.9%	38.8%
Operating and other income	1,283.0	1,058.0	36.8%	34.2%
Of which: Operating income	983.0	837.0	35.6%	33.6%
Operating and other expenses	1,901.0	1,689.0	30.3%	32.8%
Of which: Salaries and related expenses	1,127.0	1,014.0	28.1%	32.5%
Ordinary before-tax provision	1,026.0	703.0	53.2%	35.4%
Provision for taxes on ordinary profit	422.0	316.0	48.2%	36.7%
Ordinary after-tax profit	604.0	387.0	53.4%	34.4%
Bank's share in the profit of subsidiaries	32.0	28.0		
Share of minority shareholders in profit of consolidated companies	-17.0	-31.0		
Extraordinary after-tax profit	558.0	540.0		
Net profit	1,177.0	924.0	46.0%	50.7%

Balances and rates of return on financial items by indexation base on 31.03.2006	Unindexed NIS	CPI-indexed NIS	Foreign Currency ⁽²⁾	Total financial items
Balance of financial assets on balance-sheet date	92,056	59,220	129,034	280,310
Balance of financial liabilities on balance-sheet date	96,926	47,594	123,516	268,036
Excess of financial assets over financial liabilities	-4,870	11,626	5,518	12,274
Total indexation balance(incl.forwards and options in term of basis assets) ³	4,038	7,515	404	11,957
Rate of income on assets (percent) ⁴	6.15	5.76	11.25	9.07
Rate of expenditure on liabilities(percent) ⁴	-3.35	-4.91	-10.37	-7.81
Interest-rate differential	2.81	0.85	0.88	1.26

Problem borrowers	31.03.2006	31.12.2005
Total credit risk dew to problem borrowers	20,709	21,204
Total credit to problem borrowers	18,770	19,057

Main financial ratios - consolidated (percent)	31.03.2006	31.12.2005
Equity/balance-sheet ratio	6.03	5.94
Financial capital/equity ratio	70.96	69.81
Equity/risk-weighted-assets ratio	10.40	10.60
Return on equity (net profit/gross weighted-capital ratio) ⁵	32.30	19.00
Operating income/operating expenses ratio ⁶	67.49	65.33

¹ See note 5.1.7 in the introduction

² Including foreign-currency indexed NIS.

³ Forwards transactions.

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

⁵ Annual basis.

⁶ For three months. Comparative data are annual.