

Statement for the first quarter - consolidated Mizrahi Tefahot Bank Ltd. 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	13,010	12,252	10.0%	10.0%
Securities	5,622	6,570	3.5%	4.3%
Credit to the public	65,489	64,713	11.2%	11.1%
Credit to the government	91	92	2.8%	2.7%
Investments in companies included on an equity basis	88	87	2.3%	2.0%
Buildings and equipment	1,223	1,221	10.7%	10.9%
Other assets	1,495	1,409	6.6%	6.2%
Total assets	87,018	86,344	9.5%	9.6%
Deposits of the public	71,501	71,346	9.6%	9.8%
Deposits of banks ¹	3,418	3,132	15.7%	13.9%
Deposits of the government	611	728	4.6%	5.2%
Bonds and subordinated notes	4,595	4,305	8.6%	8.1%
Other liabilities	2,150	2,151	6.5%	6.6%
Total liabilities	82,275	81,662	9.5%	9.6%
Quasi-capital items	0	0	0.0%	0.0%
Minority shareholders' rights	7	6		
Equity	4,736	4,676	9.1%	9.4%

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	404.0	404.0	7.5%	7.7%
Loan-loss provision	119.0	53.0	15.2%	4.5%
Operating and other income	296.0	269.0	8.5%	8.7%
Of which: Operating income	247.0	226.0	8.9%	9.1%
Operating and other expenses	503.0	422.0	8.0%	8.2%
Of which: Salaries and related expenses	337.0	270.0	8.4%	8.7%
Ordinary before-tax provision	78.0	198.0	4.0%	10.0%
Provision for taxes on ordinary profit	25.0	94.0	2.9%	10.9%
Ordinary after-tax profit	53.0	104.0	4.7%	9.2%
Bank's share in the profit of subsidiaries	0.0	0.0		
Share of minority shareholders in profit of consolidated companies	0.0	0.0		
Extraordinary after-tax profit	0.0	-4.0		
Net profit	53.0	100.0	2.1%	5.5%

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	22,631	35,569	27,091	85,291
Balance of financial liabilities on balance-sheet date	32,706	30,171	19,190	82,067
Excess of financial assets over financial liabilities	-10,075	5,398	7,901	3,224
Total indexation balance (incl. forwards and options in term of basis assets) ³	1,893	1,453	-122	3,224
Rate of income on assets (percent) ⁴	3.99	5.59	13.21	7.94
Rate of expenditure on liabilities (percent) ⁴	-3.41	-4.91	-11.77	-7.12
Interest-rate differential	0.58	0.68	1.44	0.82

Problem borrowers	31.03.2006	31.12.2005
Total credit risk dew to problem borrowers	4,570	4,895
Total credit to problem borrowers	4,133	4,449

Main financial ratios - consolidated (percent)	31.03.2006	31.12.2005
Equity/balance-sheet ratio	5.44	5.42
Financial capital/equity ratio	68.07	68.26
Equity/risk-weighted-assets ratio	9.68	9.83
Return on equity (net profit/gross weighted-capital ratio) ⁵	4.60	12.30
Operating income/operating expenses ratio ⁶	58.85	60.58

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.