

Statement for the first quarter - consolidated

The First International Bank of Israel Ltd. and its subsidiaries , Main data, NIS millior

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	8,434	8,945	6.5%	7.3%
Securities	17,889	17,219	11.2%	11.3%
Credit to the public	43,704	43,307	7.4%	7.4%
Credit to the government	217	216	6.7%	6.4%
Investments in companies included on an equity basis	25	24	0.6%	0.5%
Buildings and equipment	787	744	6.9%	6.7%
Other assets	1,269	1,327	5.6%	5.9%
Total assets	72,325	71,782	7.9%	8.0%
Deposits of the public	61,882	61,585	8.3%	8.5%
Deposits of banks ¹	719	593	3.3%	2.6%
Deposits of the government	457	529	3.4%	3.8%
Bonds and subordinated notes	3,279	3,334	6.2%	6.2%
Other liabilities	1,589	1,463	4.8%	4.5%
Total liabilities	67,926	67,504	7.9%	7.9%
Quasi-capital items	0	0	0.0%	0.0%
Minority shareholders' rights	96	97		
Equity	4,303	4,181	8.3%	8.4%

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	373.0	7.5%	7.1%
Loan-loss provision	41.0	59.0	5.2%	5.0%
Operating and other income	287.0	236.0	8.2%	7.6%
Of which: Operating income	236.0	210.0	8.5%	8.4%
Operating and other expenses	428.0	383.0	6.8%	7.4%
Of which: Salaries and related expenses	265.0	226.0	6.6%	7.2%
Ordinary before-tax provision	222.0	167.0	11.5%	8.4%
Provision for taxes on ordinary profit	95.0	85.0	10.8%	9.9%
Ordinary after-tax profit	127.0	82.0	11.2%	7.3%
Bank's share in the profit of subsidiaries	2.0	1.0		
Share of minority shareholders in profit of consolidated companies	-3.0	-4.0		
Extraordinary after-tax profit	0.0	0.0		
Net profit	126.0	79.0	4.9%	4.3%

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	30,100	13,875	26,159	70,134
Balance of financial liabilities on balance-sheet date	34,540	10,467	22,411	67,418
Excess of financial assets over financial liabilities	-4,440	3,408	3,748	2,716
Total indexation balance(incl.forwards and options in term of basis assets) ³	2,328	654	-266	2,716
Rate of income on assets (percent) ⁴	5.55	5.54	7.80	6.69
Rate of expenditure on liabilities(percent) ⁴	-3.94	-4.41	-7.24	-5.74
Interest-rate differential	1.61	1.13	0.56	0.95

Problem borrowers	31.03.2006	31.12.2005
Total credit risk dew to problem borrowers	5,493	5,597
Total credit to problem borrowers	5,156	5,252

Main financial ratios - consolidated (percent)	31.03.2006	31.12.2005
Equity/balance-sheet ratio	5.95	5.82
Financial capital/equity ratio	63.12	64.46
Equity/risk-weighted-assets ratio	11.70	11.70
Return on equity (net profit/gross weighted-capital ratio) ⁵	12.60	12.20
Operating income/operating expenses ratio ⁶	67.06	64.63

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.