

Statement for the first quarter - consolidated Bank of Jerusalem 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	795	459	0.6%	0.4%
Securities	763	919	0.5%	0.6%
Credit to the public	6,266	6,235	1.1%	1.1%
Credit to the government	0	0	0.0%	0.0%
Investments in companies included on an equity basis	0	0	0.0%	0.0%
Buildings and equipment	52	49	0.5%	0.4%
Other assets	29	20	0.1%	0.1%
Total assets	7,905	7,683	0.9%	0.9%
Deposits of the public	6,458	6,392	0.9%	0.9%
Deposits of banks ¹	250	289	1.1%	1.3%
Deposits of the government	23	28	0.2%	0.2%
Bonds and subordinated notes	669	497	1.3%	0.9%
Other liabilities	76	65	0.2%	0.2%
Total liabilities	7,476	7,271	0.9%	0.9%
Quasi-capital items	0	0	0.0%	0.0%
Minority shareholders' rights	0	0		
Equity	429	411	0.8%	0.8%

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	37.3	30.2	0.7%	0.6%
Loan-loss provision	3.9	3.0	0.5%	0.3%
Operating and other income	24.2	26.0	0.7%	0.8%
Of which: Operating income	24.1	25.5	0.9%	1.0%
Operating and other expenses	45.2	37.9	0.7%	0.7%
Of which: Salaries and related expenses	30.5	23.8	0.8%	0.8%
Ordinary before-tax provision	12.4	15.3	0.6%	0.8%
Provision for taxes on ordinary profit	5.0	6.5	0.6%	0.8%
Ordinary after-tax profit	7.4	8.8	0.7%	0.8%
Bank's share in the profit of subsidiaries	0.0	-0.4		
Share of minority shareholders in profit of consolidated companies	0.0	0.0		
Extraordinary after-tax profit	19.1	0.0		
Net profit	26.5	8.4	1.0%	0.5%

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	3,091	3,500	1,257	7,848
Balance of financial liabilities on balance-sheet date	2,503	3,784	1,175	7,462
Excess of financial assets over financial liabilities	588	-284	82	386
Total indexation balance(incl. forwards and options in term of basis assets) ³	485	-108	9	386
Rate of income on assets (percent) ⁴	5.76	5.85	13.17	6.99
Rate of expenditure on liabilities(percent) ⁴	-4.24	-5.11	-9.53	-5.54
Interest-rate differential	1.52	0.74	3.64	1.45

Problem borrowers	31.03.2006	31.12.2005
Total credit risk dew to problem borrowers	393	368
Total credit to problem borrowers	349	336

Main financial ratios - consolidated (percent)	31.03.2006	31.12.2005
Equity/balance-sheet ratio	5.43	5.35
Financial capital/equity ratio	89.89	90.54
Equity/risk-weighted-assets ratio	11.90	11.80
Return on equity (net profit/gross weighted-capital ratio) ⁵	28.40	10.00
Operating income/operating expenses ratio ⁶	53.54	66.29

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.