

Statement for the second quarter - consolidated Israel Discount Bank Ltd. and its subsidiaries , Main data, NIS millior

Taken from the quarterly report to 30.06.2006, reported amounts



Summary consolidated balance sheet	30.06.2006	31.12.2005	Bank's share of the banking system	
			30.06.2006	31.12.2005
Cash and deposits in banks ¹	22,084	20,586	18.1%	16.8%
Securities	40,648	42,188	25.6%	27.6%
Credit to the public	84,343	83,890	14.3%	14.4%
Credit to the government	81	92	2.8%	2.7%
Investments in companies included on an equity basis	1,764	1,527	45.9%	34.6%
Buildings and equipment	2,412	2,268	21.0%	20.3%
Other assets	4,138	4,243	15.5%	18.7%
Total assets	155,470	154,794	17.0%	17.2%
Deposits of the public	129,435	130,300	17.6%	17.9%
Deposits of banks ¹	7,732	6,518	33.6%	29.0%
Deposits of the government	137	252	1.1%	1.8%
Bonds and subordinated notes	5,561	5,342	10.6%	10.0%
Other liabilities	4,994	5,197	14.2%	15.9%
Total liabilities	147,859	147,609	17.2%	17.4%
Quasi-capital items	0	0	0.0%	0.0%
Minority shareholders' rights	463	467		
Equity	7,148	6,718	13.5%	13.5%

Summary consolidated profit and loss statement	Six months to		Bank's share of the banking system		Three months to 30.06.2006
	30.06.2006	30.06.2005	30.06.2006	30.06.2005	
Net interest profit before loan-loss provision	1,825.0	1,787.0	16.1%	16.7%	933.0
Loan-loss provision	251.0	302.0	16.2%	12.5%	109.0
Operating and other income	1,189.0	1,118.0	16.7%	17.7%	600.0
Of which: Operating income	935.0	896.0	16.9%	17.9%	463.0
Operating and other expenses	2,627.0	2,093.0	21.0%	20.2%	1,195.0
Of which: Salaries and related expenses	1,707.0	1,261.0	21.7%	20.3%	732.0
Ordinary before-tax provision	136.0	510.0	3.0%	12.1%	229.0
Provision for taxes on ordinary profit	168.0	213.0	8.0%	12.7%	90.0
Ordinary after-tax profit	-32.0	297.0	not calculated	11.6%	139.0
Bank's share in the profit of subsidiaries	98.0	83.0			49.0
Share of minority shareholders in profit of consolidated companies	-48.0	-35.0			-25.0
Extraordinary after-tax profit	426.0	7.0			254.0
Net profit	444.0	352.0	9.8%	10.2%	417.0

Balances and rates of return on financial items by indexation base on 30.06.2006	Unindexed NIS	CPI-indexed NIS	Foreign Currency ²	Total financial items
Balance of financial assets on balance-sheet date	49,867	21,594	78,784	150,245
Balance of financial liabilities on balance-sheet date	51,403	18,910	77,217	147,530
Excess of financial assets over financial liabilities	-1,536	2,684	1,567	2,715
Total indexation balance(incl. forwards and options in term of basis assets) ³	1,377	1,578	-240	2,715
Rate of income on assets (percent) ⁴	6.82	7.95	-0.03	2.99
Rate of expenditure on liabilities(percent) ⁴	-3.89	-6.64	1.41	-1.07
Interest-rate differential	2.92	1.32	1.38	1.92

Problem borrowers	30.06.2006	31.12.2005
Total credit risk dew to problem borrowers	9,012	8,625
Total credit to problem borrowers	8,096	7,878

Main financial ratios - consolidated (percent)	30.06.2006	31.12.2005
Equity/balance-sheet ratio	4.60	4.34
Financial capital/equity ratio	37.98	35.03
Equity/risk-weighted-assets ratio	9.81	9.38
Return on equity (net profit/gross weighted-capital ratio) ⁵	13.60	7.20
Operating income/operating expenses ratio ⁶	45.26	50.83

¹ See note 5.1.7 in the introduction² Including foreign-currency indexed NIS.³ Forwards transactions.⁴ Six-month rate of income (expenses), on annual basis including hedging, embedded and ALM derivatives.⁵ Annual basis.⁶ For six months. Comparative data are annual.