

## Statement for the second quarter - consolidated Otsar Hahayal Bank Ltd. and its subsidiaries , Main data, NIS million

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 <sup>1</sup>	2,216	2,617	1.5%	1.7%
Securities	698	553	0.4%	0.4%
Credit to the public	7,057	6,937	1.2%	1.2%
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	155	157	1.4%	1.4%
Other assets	52	61	0.2%	0.3%
<b>Total assets</b>	<b>10,178</b>	<b>10,325</b>	<b>1.1%</b>	<b>1.1%</b>
Deposits of the public	8,845	8,937	1.2%	1.2%
Deposits of banks <sup>1</sup>	154	139	0.3%	0.2%
Deposits of the government	91	119	0.7%	0.8%
Bonds and subordinated notes	359	355	0.7%	0.7%
Other liabilities	121	128	0.3%	0.4%
<b>Total liabilities</b>	<b>9,570</b>	<b>9,678</b>	<b>1.1%</b>	<b>1.1%</b>
Quasi-capital items	0	0	0.0%	0.0%
Minority shareholders' rights	1	1		
Equity	607	646	1.1%	1.3%

Summary consolidated profit and loss statement	Six months to		Bank's share of the banking system		Three months to
	30.06.2006	30.06.2005	30.06.2006	30.06.2005	
Net interest profit before loan-loss provision	172.3	154.3	1.5%	1.4%	87.4
Loan-loss provision	5.5	10.8	0.4%	0.4%	3.6
Operating and other income	101.5	92.3	1.4%	1.5%	51.3
Of which: Operating income	89.5	81.0	1.6%	1.6%	45.4
Operating and other expenses	194.6	185.1	1.6%	1.8%	95.7
Of which: Salaries and related expenses	110.6	106.0	1.4%	1.7%	53.2
Ordinary before-tax provision	73.7	50.7	1.7%	1.2%	39.4
Provision for taxes on ordinary profit	30.9	23.1	1.5%	1.4%	15.3
Ordinary after-tax profit	42.8	27.6	1.8%	1.1%	24.1
Bank's share in the profit of subsidiaries	0.0	0.0			0.0
Share of minority shareholders in profit of consolidated companies	0.0	-0.1			0.0
Extraordinary after-tax profit	0.0	1.2			0.0
<b>Net profit</b>	<b>42.8</b>	<b>28.7</b>	<b>0.9%</b>	<b>0.8%</b>	<b>24.1</b>

Balances and rates of return on financial items by indexation base on 30.06.2006	Unindexed NIS	CPI-indexed NIS	Foreign Currency <sup>2</sup>	Total financial items
Balance of financial assets on balance-sheet date	6,251	2,206	1,559	10,016
Balance of financial liabilities on balance-sheet date	5,878	2,203	1,477	9,558
Excess of financial assets over financial liabilities	374	3	81	458
Total indexation balance(incl.forwards and options in term of basis assets) <sup>3</sup>	258	131	69	458
Rate of income on assets (percent) <sup>4</sup>	7.12	7.87	1.43	6.18
Rate of expenditure on liabilities(percent) <sup>4</sup>	-3.32	-6.85	0.17	-3.40
Interest-rate differential	3.80	1.02	1.60	2.78

Problem borrowers	30.06.2006	31.12.2005
Total credit risk dew to problem borrowers	200	235
Total credit to problem borrowers	180	224

Main financial ratios - consolidated (percent)	30.06.2006	31.12.2005
Equity/balance-sheet ratio	5.97	6.26
Financial capital/equity ratio	75.45	77.26
Equity/risk-weighted-assets ratio	10.34	11.03
Return on equity (net profit/gross weighted-capital ratio) <sup>5</sup>	9.25	11.12
Operating income/operating expenses ratio <sup>6</sup>	52.16	51.97

<sup>1</sup> See note 5.1.7 in the introduction

<sup>2</sup> Including foreign-currency indexed NIS.

<sup>3</sup> Forwards transactions.

<sup>4</sup> Six-month rate of income (expenses), on annual basis including hedging, embedded and ALM derivatives.

<sup>5</sup> Annual basis.

<sup>6</sup> For six months. Comparative data are annual.