

## Statement for the second quarter - consolidated UBank 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>	2,309	2,664	1.6%	1.7%
Securities	2,961	2,648	1.9%	1.7%
Credit to the public	1,540	1,143	0.3%	0.2%
Credit to the government	68	70	2.3%	2.1%
Investments in companies included on an equity basis	0	2	0.0%	0.0%
Buildings and equipment	14	17	0.1%	0.2%
Other assets	217	196	0.8%	0.9%
<b>Total assets</b>	<b>7,110</b>	<b>6,740</b>	<b>0.8%</b>	<b>0.7%</b>
Deposits of the public	6,123	6,054	0.8%	0.8%
Deposits of banks <sup>1</sup>	304	123	0.6%	0.2%
Deposits of the government	0	0	0.0%	0.0%
Bonds and subordinated notes	0	0	0.0%	0.0%
Other liabilities	221	113	0.6%	0.3%
<b>Total liabilities</b>	<b>6,648</b>	<b>6,290</b>	<b>0.8%</b>	<b>0.7%</b>
Quasi-capital items	0	0	0.0%	0.0%
Minority shareholders' rights	0	0		
Equity	462	450	0.9%	0.9%

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	57.3	51.6	0.5%	0.5%	33.2
Loan-loss provision	-1.3	3.3	-0.1%	0.1%	1.6
Operating and other income	72.9	51.0	1.0%	0.8%	35.6
Of which: Operating income	59.9	47.1	1.1%	0.9%	29.5
Operating and other expenses	72.1	61.1	0.6%	0.6%	37.2
Of which: Salaries and related expenses	37.2	31.3	0.5%	0.5%	19.0
Ordinary before-tax provision	59.4	38.2	1.3%	0.9%	30.0
Provision for taxes on ordinary profit	22.7	17.0	1.1%	1.0%	11.0
Ordinary after-tax profit	36.7	21.2	1.5%	0.8%	19.0
Bank's share in the profit of subsidiaries	0.9	0.9			0.1
Share of minority shareholders in profit of consolidated companies	0.0	0.0			0.0
Extraordinary after-tax profit	6.5	2.7			6.5
<b>Net profit</b>	<b>44.1</b>	<b>24.8</b>	<b>1.0%</b>	<b>0.7%</b>	<b>25.6</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	4,070	506	2,446	7,022
Balance of financial liabilities on balance-sheet date	4,032	44	2,522	6,597
Excess of financial assets over financial liabilities	39	462	-76	425
Total indexation balance(incl.forwards and options in term of basis assets) <sup>3</sup>	302	114	9	425
Rate of income on assets (percent) <sup>4</sup>	4.35	6.93	-1.25	2.15
Rate of expenditure on liabilities(percent) <sup>4</sup>	-3.56	-4.86	2.35	-1.05
Interest-rate differential	0.79	2.07	1.10	1.10

Problem borrowers	30.06.2006	31.12.2005
Total credit risk dew to problem borrowers	111	121
Total credit to problem borrowers	109	109

Main financial ratios - consolidated (percent)	30.06.2006	31.12.2005
Equity/balance-sheet ratio	6.49	6.67
Financial capital/equity ratio	92.05	88.85
Equity/risk-weighted-assets ratio	19.50	18.80
Return on equity (net profit/gross weighted-capital ratio) <sup>5</sup>	21.80	12.30
Operating income/operating expenses ratio <sup>6</sup>	101.11	83.49

<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.