

Statement for the second quarter - bank Poalei Agudat Israel Bank Ltd. , Main data, NIS millior

Taken from the quarterly report to 30.06.2006, reported amounts



Summary 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	980	943	0.7%	0.6%
Securities	802	910	0.5%	0.6%
Credit to the public	968	897	0.2%	0.2%
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	25	24	0.2%	0.2%
Other assets	11	12	0.0%	0.1%
Total assets	2,786	2,786	0.3%	0.3%
Deposits of the public	2,212	2,275	0.3%	0.3%
Deposits of banks ¹	230	183	0.4%	0.3%
Deposits of the government	0	0	0.0%	0.0%
Bonds and subordinated notes	0	0	0.0%	0.0%
Other liabilities	37	29	0.1%	0.1%
Total liabilities	2,479	2,487	0.3%	0.3%
Quasi-capital items	0	0	0.0%	0.0%
Minority shareholders' rights	0	0		
Equity	307	299	0.6%	0.6%

Summary profit and loss statement	Three 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	51.0	41.7	0.4%	0.4%	26.1
Loan-loss provision	2.4	4.5	0.2%	0.2%	1.4
Operating and other income	44.3	37.3	0.6%	0.6%	22.2
Of which: Operating income	44.3	37.1	0.8%	0.7%	22.2
Operating and other expenses	58.2	45.3	0.5%	0.4%	30.2
Of which: Salaries and related expenses	27.1	21.7	0.3%	0.3%	13.2
Ordinary before-tax provision	34.7	29.2	0.8%	0.7%	16.7
Provision for taxes on ordinary profit	14.0	12.8	0.7%	0.8%	5.8
Ordinary after-tax profit	20.7	16.4	0.9%	0.6%	10.9
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	0.0			0.0
Extraordinary after-tax profit	0.0	0.0			0.0
Net profit	20.7	16.4	0.5%	0.5%	10.9

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	2,003	548	206	2,758
Balance of financial liabilities on balance-sheet date	1,842	429	207	2,477
Excess of financial assets over financial liabilities	162	119	-1	280
Total indexation balance(incl. forwards and options in term of basis assets) ³	162	119	-1	280
Rate of income on assets (percent) ⁴	7.19	7.79	-1.98	6.56
Rate of expenditure on liabilities(percent) ⁴	-3.75	-5.89	5.19	-3.24
Interest-rate differential	3.44	1.90	3.21	3.32

Problem borrowers	30.06.2006	31.12.2005
Total credit risk dew to problem borrowers	112	131
Total credit to problem borrowers	98	115

Main financial ratios (percent)	30.06.2006	31.12.2005
Equity/balance-sheet ratio	11.01	10.73
Financial capital/equity ratio	91.42	91.90
Equity/risk-weighted-assets ratio	21.30	22.50
Return on equity (net profit/gross weighted-capital ratio) ⁵	14.40	15.60
Operating income/operating expenses ratio ⁶	76.12	88.88

¹ See note 5.1.7 in the introduction

² 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.