

## Statement for the third quarter - consolidated

### The First International Bank of Israel Ltd. and its subsidiaries , Main data, NIS millior

Taken from the quarterly report to 30.09.2006, reported amounts



Summary consolidated balance sheet	30.09.2006	31.12.2005	Bank's share of the banking system	
			30.09.2006	31.12.2005
Cash and deposits in banks <sup>1</sup>	10,519	8,945	8.3%	7.3%
Securities	19,413	17,219	12.3%	11.3%
Credit to the public	48,597	43,307	8.3%	7.4%
Credit to the government	83	216	3.1%	6.4%
Investments in companies included on an equity basis	25	24	0.6%	0.5%
Buildings and equipment	949	744	8.0%	6.7%
Other assets	1,914	1,327	7.9%	5.9%
<b>Total assets</b>	<b>81,500</b>	<b>71,782</b>	<b>8.9%</b>	<b>8.0%</b>
Deposits of the public	69,303	61,585	9.3%	8.5%
Deposits of banks <sup>1</sup>	1,504	593	6.2%	2.6%
Deposits of the government	526	529	4.2%	3.8%
Bonds and subordinated notes	3,542	3,334	6.9%	6.2%
Other liabilities	1,785	1,463	5.9%	4.4%
<b>Total liabilities</b>	<b>76,660</b>	<b>67,504</b>	<b>8.9%</b>	<b>7.9%</b>
Quasi-capital items	0	0	0.0%	0.0%
Minority shareholders' rights	296	97		
Equity	4,544	4,181	8.2%	8.4%

Summary consolidated profit and loss statement	Nine months to		Bank's share of the banking system		Three months to
	30.09.2006	30.09.2005	Nine months to		
	30.09.2006	30.09.2005	30.09.2006	30.09.2005	30.09.2006
Net interest profit before loan-loss provision	1,298.0	1,222.0	7.6%	7.4%	426.0
Loan-loss provision	135.0	197.0	5.7%	6.2%	32.0
Operating and other income	816.0	766.0	7.9%	7.7%	241.0
Of which: Operating income	663.0	643.0	8.1%	8.4%	200.0
Operating and other expenses	1,307.0	1,186.0	7.2%	7.4%	434.0
Of which: Salaries and related expenses	758.0	700.0	6.7%	7.3%	251.0
Ordinary before-tax provision	672.0	605.0	9.7%	8.3%	201.0
Provision for taxes on ordinary profit	268.0	265.0	8.3%	8.8%	81.0
Ordinary after-tax profit	404.0	340.0	10.9%	7.9%	120.0
Bank's share in the profit of subsidiaries	7.0	4.0			3.0
Share of minority shareholders in profit of consolidated companies	-10.0	-16.0			-3.0
Extraordinary after-tax profit	3.0	1.0			0.0
<b>Net profit</b>	<b>404.0</b>	<b>329.0</b>	<b>5.9%</b>	<b>6.2%</b>	<b>120.0</b>

Balances and rates of return on financial items by indexation base on 30.09.2006	Unindexed NIS	CPI-indexed NIS	Foreign Currency <sup>2</sup>	Total financial items
Balance of financial assets on balance-sheet date	34,071	16,065	28,367	78,503
Balance of financial liabilities on balance-sheet date	40,691	12,070	23,155	75,916
Excess of financial assets over financial liabilities	-6,620	3,995	5,212	2,587
Total indexation balance(incl. forwards and options in term of basis assets) <sup>3</sup>	2,552	384	-349	2,587
Rate of income on assets (percent) <sup>4</sup>	5.93	6.78	-0.30	2.89
Rate of expenditure on liabilities(percent) <sup>4</sup>	-4.25	-5.80	0.98	-1.68
Interest-rate differential	1.68	0.98	0.68	1.21

Problem borrowers	30.09.2006	31.12.2005
Total credit risk dew to problem borrowers	5,126	5,597
Total credit to problem borrowers	4,752	5,252

Main financial ratios - consolidated (percent)	30.09.2006	31.12.2005
Equity/balance-sheet ratio	5.58	5.82
Financial capital/equity ratio	56.93	64.46
Equity/risk-weighted-assets ratio	10.70	11.70
Return on equity (net profit/gross weighted-capital ratio) <sup>5</sup>	13.10	12.20
Operating income/operating expenses ratio <sup>6</sup>	62.43	64.63

<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> Nine-month rate of income (expenses), on annual basis including hedging, embedded and ALM derivatives.<sup>5</sup> Annual basis.<sup>6</sup> For nine months. Comparative data are annual.