

**Statement for the third quarter - consolidated**  
**Bank "Adanim" Mortgage 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>	21	23	0.0%	0.0%
Securities	0	0	0.0%	0.0%
Credit to the public	3,690	3,199	0.6%	0.5%
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	15	15	0.1%	0.1%
Other assets	19	22	0.1%	0.1%
<b>Total assets</b>	<b>3,745</b>	<b>3,259</b>	<b>0.4%</b>	<b>0.4%</b>
Deposits of the public	1,815	1,978	0.2%	0.3%
Deposits of banks <sup>1</sup>	1,431	893	2.7%	1.5%
Deposits of the government	11	14	0.1%	0.1%
Bonds and subordinated notes	179	140	0.3%	0.3%
Other liabilities	46	61	0.2%	0.2%
<b>Total liabilities</b>	<b>3,482</b>	<b>3,086</b>	<b>0.4%</b>	<b>0.4%</b>
Quasi-capital items	0	0	0.0%	0.0%
Minority shareholders' rights	0	0		
Equity	263	173	0.5%	0.3%

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	40.9	33.6	0.2%	0.2%	14.5
Loan-loss provision	-3.2	6.0	-0.1%	0.2%	-1.2
Operating and other income	19.5	19.8	0.2%	0.2%	6.0
Of which: Operating income	19.5	19.8	0.2%	0.3%	6.0
Operating and other expenses	31.3	28.7	0.2%	0.2%	11.8
Of which: Salaries and related expenses	19.0	16.5	0.2%	0.2%	6.7
Ordinary before-tax provision	32.3	18.7	0.5%	0.3%	9.9
Provision for taxes on ordinary profit	13.8	7.5	0.4%	0.2%	4.0
Ordinary after-tax profit	18.5	11.2	0.5%	0.3%	5.9
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
<b>Net profit</b>	<b>18.5</b>	<b>11.2</b>	<b>0.3%</b>	<b>0.2%</b>	<b>5.9</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	812	2,814	103	3,730
Balance of financial liabilities on balance-sheet date	652	2,697	105	3,454
Excess of financial assets over financial liabilities	160	117	-2	276
Total indexation balance(incl.forwards and options in term of basis assets) <sup>3</sup>	160	117	-2	276
Rate of income on assets (percent) <sup>4</sup>	7.62	7.10	-3.27	7.02
Rate of expenditure on liabilities(percent) <sup>4</sup>	-5.36	-6.65	4.93	-6.24
Interest-rate differential	2.27	0.45	1.66	0.78

Problem borrowers	30.09.2006	31.12.2005
Total credit risk dew to problem borrowers	148	93
Total credit to problem borrowers	98	92

Main financial ratios - consolidated (percent)	30.09.2006	31.12.2005
Equity/balance-sheet ratio	7.02	5.29
Financial capital/equity ratio	104.79	108.81
Equity/risk-weighted-assets ratio	11.49	10.15
Return on equity (net profit/gross weighted-capital ratio) <sup>5</sup>	12.00	8.60
Operating income/operating expenses ratio <sup>6</sup>	62.30	64.94

<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.