

Statement for the third quarter - consolidated Leumi Mortgage Bank 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 ¹	18	14	0.0%	0.0%
Securities	0	28	0.0%	0.0%
Credit to the public	33,362	32,846	5.7%	5.6%
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	38	39	0.3%	0.3%
Other assets	183	163	0.8%	0.7%
Total assets	33,601	33,090	3.7%	3.7%
Deposits of the public	8,455	8,853	1.1%	1.2%
Deposits of banks ¹	19,528	19,336	36.7%	32.3%
Deposits of the government	442	418	3.5%	3.0%
Bonds and subordinated notes	3,076	2,398	6.0%	4.5%
Other liabilities	305	344	1.0%	1.0%
Total liabilities	31,806	31,349	3.7%	3.7%
Quasi-capital items	0	0	0.0%	0.0%
Minority shareholders' rights	0	0		
Equity	1,795	1,741	3.2%	3.5%

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	297.0	272.0	1.7%	1.6%	99.0
Loan-loss provision	160.0	72.0	6.8%	2.3%	52.0
Operating and other income	95.0	102.0	0.9%	1.0%	37.0
Of which: Operating income	95.0	100.0	1.2%	1.3%	37.0
Operating and other expenses	161.0	139.0	0.9%	0.9%	55.0
Of which: Salaries and related expenses	89.0	69.0	0.8%	0.7%	30.0
Ordinary before-tax provision	71.0	163.0	1.0%	2.2%	29.0
Provision for taxes on ordinary profit	25.0	61.0	0.8%	2.0%	12.0
Ordinary after-tax profit	46.0	102.0	1.2%	2.4%	17.0
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	46.0	102.0	0.7%	1.9%	17.0

Balances and rates of return on financial items by indexation base on 30.09.2006	Unindexed NIS	CPI-indexed NIS	Foreign Currency ²	Total financial items
Balance of financial assets on balance-sheet date	4,521	26,723	2,300	33,544
Balance of financial liabilities on balance-sheet date	3,051	26,282	2,313	31,646
Excess of financial assets over financial liabilities	1,470	441	-13	1,898
Total indexation balance(incl.forwards and options in term of basis assets) ³	1,470	441	-13	1,898
Rate of income on assets (percent) ⁴	6.72	7.12	-1.57	6.37
Rate of expenditure on liabilities(percent) ⁴	-5.57	-6.77	2.97	-5.84
Interest-rate differential	1.15	0.34	1.40	0.54

Problem borrowers	30.09.2006	31.12.2005
Total credit risk dew to problem borrowers	1,423	1,438
Total credit to problem borrowers	1,370	1,342

Main financial ratios - consolidated (percent)	30.09.2006	31.12.2005
Equity/balance-sheet ratio	5.34	5.26
Financial capital/equity ratio	105.74	107.98
Equity/risk-weighted-assets ratio	9.63	9.53
Return on equity (net profit/gross weighted-capital ratio) ⁵	3.50	7.60
Operating income/operating expenses ratio ⁶	59.01	70.74

¹ See note 5.1.7 in the introduction² Including foreign-currency indexed NIS.³ Forwards transactions.⁴ Nine-month rate of income (expenses), on annual basis including hedging, embedded and ALM derivatives.⁵ Annual basis.⁶ For nine months. Comparative data are annual.