



Statement for 31/12/2006 on consolidated basis
Union Bank of Israel Ltd and its subsidiaries, Main data, NIS million

Taken from the annual report to 31.12.2006, reported amounts

Summary consolidated balance sheet	End of year			Banking group's share of the banking system		
	2006	2005	2004	2006	2005	2004
Cash and deposits in banks ⁽¹⁾	4,024	3,512	3,276	2.9%	2.9%	3.1%
Securities	5,152	4,309	2,780	3.2%	2.8%	2.0%
Credit to the public	18,405	16,334	15,539	3.0%	2.7%	2.7%
Credit to the government	31	61	56	1.1%	1.8%	1.3%
Investments in companies included on an equity basis	42	46	22	1.1%	1.0%	0.5%
Buildings and equipment	328	331	330	2.7%	3.0%	3.1%
Other assets	1,093	1,292	831	4.9%	5.9%	3.9%
Total assets	29,075	25,885	22,834	3.0%	2.8%	2.6%
Deposits of the public	25,320	21,947	19,622	3.3%	3.0%	2.8%
Deposits of banks ⁽¹⁾	90	156	207	0.3%	0.7%	0.9%
Deposits of the government	35	8	10	0.3%	0.1%	0.1%
Bonds and subordinated notes	816	926	854	1.6%	1.7%	2.1%
Other liabilities	1,242	1,626	1,016	2.3%	3.2%	2.2%
Total liabilities	27,503	24,663	21,709	3.1%	2.8%	2.6%
Quasi-capital items	0	0	0	0.0%	0.0%	0.0%
Minority shareholders' rights	0	0	0			
Equity	1,572	1,222	1,125	2.8%	2.5%	2.4%

Summary consolidated profit and loss statement	End of year			Banking group's share of the banking system		
	2006	2005	2004	2006	2005	2004
Net interest profit before loan-loss provision	539.0	582.0	490.0	2.3%	2.6%	2.4%
Loan-loss provision	82.0	149.0	169.0	2.6%	3.6%	3.3%
Operating and other income	265.0	258.0	234.0	1.9%	2.0%	1.9%
Of which: Operating income	219.0	221.0	210.0	2.0%	2.1%	2.2%
Operating and other expenses	569.0	554.0	471.0	2.3%	2.5%	2.4%
Of which: Salaries and related expenses	329.0	325.0	262.0	2.1%	2.4%	2.2%
Ordinary profit before-tax provision	153.0	137.0	84.0	1.6%	1.5%	1.1%
Provision for taxes on ordinary profit	74.0	54.0	46.0	1.7%	1.4%	1.3%
Ordinary after-tax profit	79.0	83.0	38.0	1.6%	1.5%	0.9%
Bank's share in the profit of subsidiaries	0.0	2.0	-1.0			
Minority shareholders' share in profit of consolidated companies	0.0	0.0	0.0			
Extraordinary after-tax profit	42.0	-6.0	-1.0			
Net profit	121.0	79.0	36.0	1.3%	1.2%	0.7%
Basic earning in NIS per share	2.2	1.6	0.7			

Balances and rates of return on financial items by indexation base on 31.12.2006 - consolidated	Unindexed NIS	CPI-indexed NIS	Foreign Currency ⁽²⁾	Total financial items
Balance of financial assets on balance-sheet date	16,288	3,998	7,968	28,254
Balance of financial liabilities on balance-sheet date	14,948	3,731	8,606	27,285
Excess of financial assets over financial liabilities	1,340	267	-638	969
Total indexation balance (incl. Forwards ⁽³⁾ and options in term of basis assets)	632	177	160	969
Options at the money and out of the money (net, capitalized nominal value)	39	0	-39	0
Rate of income on assets ⁽⁴⁾ (%)	5.49	4.52	3.19	4.28
Rate of expenses on liabilities ⁽⁴⁾ (%)	-3.98	-3.88	-2.25	-3.09
Interest-rate spread	1.52	0.64	0.94	1.19

Internal rate of return on assets (%)	5.67	5.49	5.71	
Internal rate of return on liabilities (%)	4.23	4.57	3.94	
Difference	1.44	0.92	1.77	
Average duration of assets (years)	0.80	4.00	0.30	1.10
Average duration of liabilities (years)	0.50	2.90	0.10	0.60
Difference	0.30	1.10	0.20	0.50

⁽¹⁾ See note 5.1.7. in the introduction.

⁽²⁾ Including foreign-currency indexed NIS.

⁽³⁾ Forwards transactions.

⁽⁴⁾ including hedging, embedded and ALM derivatives.



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Union Bank of Israel Ltd., Additional data

(NIS millions, reported amounts)

Additional data	2006	2005
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Total off-balance-sheet and credit risk

Credit to the public and credit risk	19,072	16,811
Total off-balance-sheet credit risk	15,296	12,041
Total credit risk	34,368	28,852
<i>Of which:</i> Total risk of credit for housing loans	2,835	2,698
Total risk of credit to construction and real estate industr	5,317	4,115

Problem borrowers

Total credit risk dew to problem borrowers	1,028	1,466
<i>Of which:</i> Total credit to problem borrowers	909	1,278

Data on derivatives

Notional amount	62,518	60,272
Gross positive fair value	709	1,053

Activity with interested and related parties

Total assets on balance-sheet date	136	134
<i>Of which:</i> credit to the public	80	76
Total liabilities on balance-sheet date (including quasi-capital items)	514	328

Branches and personnel

Number of employee posts in Israel, monthly average	1,068	1,062
Number of employee posts abroad, monthly average	0	0
Number of branches in Israe	30	29
Number of branches abroad	0	0

Main financial ratios, in annual terms (%)

Equity/risk-weighted-assets ratic	11.52	10.93
Equity/balance-sheet ratic	5.41	4.72
Financial capital/equity capital ratic	61.64	56.55
Ratio of problem loans to total credit to the public	4.92	7.79
Return on equity (net profit/gross weighted capital ratio)	9.00	7.00
Non-interest income/operating expenses ratic	46.57	46.57
Ratio of loan-loss provision to total credit to the public	0.44	0.91