



**Statement for 31/12/2006 on consolidated basis**  
**Bank Massad 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 <sup>(1)</sup>	692	637	996	0.4%	0.4%	0.7%
Securities	700	785	704	0.4%	0.5%	0.5%
Credit to the public	1,603	1,315	1,005	0.3%	0.2%	0.2%
Credit to the government	0	0	0	0.0%	0.0%	0.0%
Investments in companies included on an equity basis	0	0	0	0.0%	0.0%	0.0%
Buildings and equipment	58	59	58	0.5%	0.5%	0.5%
Other assets	27	14	8	0.1%	0.1%	0.0%
<b>Total assets</b>	<b>3,080</b>	<b>2,810</b>	<b>2,771</b>	<b>0.3%</b>	<b>0.3%</b>	<b>0.3%</b>
Deposits of the public	2,780	2,542	2,523	0.4%	0.3%	0.4%
Deposits of banks <sup>(1)</sup>	3	1	5	0.0%	0.0%	0.0%
Deposits of the government	0	0	0	0.0%	0.0%	0.0%
Bonds and subordinated notes	0	0	0	0.0%	0.0%	0.0%
Other liabilities	37	30	17	0.1%	0.1%	0.0%
<b>Total liabilities</b>	<b>2,820</b>	<b>2,572</b>	<b>2,544</b>	<b>0.3%</b>	<b>0.3%</b>	<b>0.3%</b>
Quasi-capital items	0	0	0	0.0%	0.0%	0.0%
Minority shareholders' rights	0	0	0			
Equity	260	238	227	0.5%	0.5%	0.5%

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	132.1	105.0	110.0	0.6%	0.5%	0.5%
Loan-loss provision	14.8	19.6	13.1	0.5%	0.5%	0.3%
Operating and other income	81.7	78.0	69.4	0.6%	0.6%	0.6%
Of which: Operating income	60.8	52.9	49.0	0.6%	0.5%	0.5%
Operating and other expenses	148.7	129.1	114.8	0.6%	0.6%	0.6%
Of which: Salaries and related expenses	83.5	69.7	59.0	0.5%	0.5%	0.5%
Ordinary profit before-tax provision	50.3	34.3	51.5	0.5%	0.4%	0.6%
Provision for taxes on ordinary profit	21.6	12.6	23.4	0.5%	0.3%	0.7%
Ordinary after-tax profit	28.7	21.7	28.1	0.6%	0.4%	0.6%
Bank's share in the profit of subsidiaries	0.0	0.0	0.0			
Minority shareholders' share in profit of consolidated companies	0.0	0.0	0.0			
Extraordinary after-tax profit	16.6	7.4	0.0			
<b>Net profit</b>	<b>45.3</b>	<b>29.1</b>	<b>28.1</b>	<b>0.5%</b>	<b>0.4%</b>	<b>0.5%</b>
Basic earning in NIS per share	0.3	0.2	0.2			

Balances and rates of return on financial items by indexation base on 31.12.2006 - consolidated	Unindexed NIS	CPI-indexed NIS	Foreign Currency <sup>(2)</sup>	Total financial items
Balance of financial assets on balance-sheet date	2,211	571	240	3,022
Balance of financial liabilities on balance-sheet date	2,037	552	230	2,820
Excess of financial assets over financial liabilities	174	19	9	202
Total indexation balance (incl. Forwards <sup>(3)</sup> and options in term of basis assets)	155	19	28	202
Options at the money and out of the money (net, capitalized nominal value)	-6	0	6	0
Rate of income on assets(%) <sup>(4)</sup>	8.02	5.28	-0.80	6.54
Rate of expenses on liabilities(%) <sup>(4)</sup>	-2.84	-3.25	3.20	-2.37
Interest-rate spread	5.18	2.03	2.40	4.16

Internal rate of return on assets (%)	6.24	4.98	4.98	
Internal rate of return on liabilities (%)	2.03	3.40	2.81	
Difference	4.21	1.58	2.17	
Average duration of assets (years)	0.17	3.03	0.82	0.76
Average duration of liabilities (years)	0.52	3.86	0.18	1.17
Difference	-0.35	-0.83	0.64	-0.41

<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> including hedging, embedded and ALM derivatives.



## Statement for 31/12/2006 on consolidated basis

### Bank Massad 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	1,750	1,506
Total off-balance-sheet credit risk	1,100	807
Total credit risk	2,850	2,313
<i>Of which:</i> Total risk of credit for housing loans	0	0
Total risk of credit to construction and real estate industr	121	107

#### Problem borrowers

Total credit risk dew to problem borrowers	74	99
<i>Of which:</i> Total credit to problem borrowers	73	98

#### Data on derivatives

Notional amount	192	216
Gross positive fair value	7	6

#### Activity with interested and related parties

Total assets on balance-sheet date	559	475
<i>Of which:</i> credit to the public	8	8
Total liabilities on balance-sheet date (including quasi-capital items)	63	140

#### Branches and personnel

Number of employee posts in Israel, monthly average	267	244
Number of employee posts abroad, monthly average	0	0
Number of branches in Israe	13	12
Number of branches abroad	0	0

#### Main financial ratios, in annual terms (%)

Equity/risk-weighted-assets ratic	12.22	12.39
Equity/balance-sheet ratic	8.43	8.47
Financial capital/equity capital ratic	77.71	75.38
Ratio of problem loans to total credit to the public	4.52	7.38
Return on equity (net profit/gross weighted capital ratio)	19.00	12.80
Non-interest income/operating expenses ratic	54.94	60.42
Ratio of loan-loss provision to total credit to the public	0.92	1.48