

Statement for the first quarter - consolidated
Bank Hapoalim B.M and its subsidiaries , Main data, NIS million



Taken from the quarterly report to 31.03.2007, reported amounts

Summary consolidated balance sheet	31.03.2007	31.12.2006	Bank's share of the banking system	
			31.03.2007	31.12.2006
Cash and deposits in banks ¹	42,799	39,750	30.9%	28.7%
Securities	48,289	44,456	28.4%	27.3%
Securities borrowed or purchased under agreements to resell	1,085	0	51.2%	0.0%
Credit to the public	187,092	186,463	30.2%	30.4%
Credit to the government	556	743	24.1%	25.3%
Investments in companies included on an equity basis	928	821	19.8%	20.7%
Buildings and equipment	3,811	3,767	31.2%	31.2%
Other assets	6,260	6,864	29.9%	30.5%
Total assets	290,820	282,864	30.0%	29.6%
Deposits of the public	220,976	217,004	29.3%	28.7%
Deposits of banks ¹	11,680	7,662	27.4%	29.3%
Deposits of the government	2,622	2,659	21.9%	21.5%
Securities loaned or sold under agreements to repurchase	34	0	0.0%	0.0%
Bonds and subordinated notes	18,158	18,384	35.2%	36.2%
Other liabilities	18,136	18,229	36.5%	34.2%
Total liabilities	271,606	263,938	29.8%	29.3%
Quasi-capital items	0	0	0.0%	0.0%
Minority shareholders' rights	721	693		
Equity	18,493	18,233	32.2%	32.8%

Summary consolidated profit and loss statement	Three months to		Bank's share of the banking system	
	31.03.2007	31.03.2006	Three months to	
			31.03.2007	31.03.2006
Net interest profit before loan-loss provision	1,840.0	1,886.0	31.7%	34.9%
Loan-loss provision	181.0	242.0	47.8%	31.3%
Operating and other income	1,307.0	1,283.0	35.0%	36.7%
Of which: Operating income	993.0	983.0	33.6%	35.5%
Operating and other expenses	1,849.0	1,896.0	31.0%	30.2%
Of which: Salaries and related expenses	1,134.0	1,163.0	30.7%	28.6%
Ordinary before-tax provision	1,117.0	1,031.0	34.9%	53.3%
Provision for taxes on ordinary profit	488.0	427.0	33.6%	48.5%
Ordinary after-tax profit	629.0	604.0	36.1%	53.4%
Bank's share in the profit of subsidiaries	84.0	32.0		
Share of minority shareholders in profit of consolidated companies	-23.0	-17.0		
Extraordinary after-tax profit	-55.0	558.0		
Net profit	635.0	1,177.0	27.7%	46.0%

Balances and rates of return on financial items by indexation base on 31.03.2007	Unindexed NIS	CPI-indexed NIS	Foreign Currency ⁽²⁾	Total financial items
Balance of financial assets on balance-sheet date	104,550	56,865	121,954	283,369
Balance of financial liabilities on balance-sheet date	122,433	41,246	107,195	270,874
Excess of financial assets over financial liabilities	-17,883	15,619	14,759	12,495
Total indexation balance (incl. forwards and options in term of basis assets) ³	4,155	6,934	1,406	12,495
Rate of income on assets (percent) ⁴	7.20	3.97	3.73	4.74
Rate of expenditure on liabilities (percent) ⁴	-4.64	-3.74	-3.11	-3.61
Interest-rate differential	2.56	0.23	0.62	1.13

Problem borrowers	31.03.2007	31.12.2006
Total credit risk due to problem borrowers	16,582	17,714
Total credit to problem borrowers	14,734	15,901

Main financial ratios - consolidated (percent)	31.03.2007	31.12.2006
Equity/balance-sheet ratio	6.36	6.45
Financial capital/equity ratio	67.57	67.45
Equity/risk-weighted-assets ratio	10.65	10.53
Return on equity (net profit/gross weighted-capital ratio) ⁵	14.63	19.70
Operating income/operating expenses ratio ⁶	70.69	67.64

¹ See note 5.1.7 in the introduction

² Including foreign-currency indexed NIS.

³ Forwards transactions.

⁴ Three-month rate of income (expenses), on annual basis including hedging, embedded and ALM derivatives

⁵ Annual basis.

⁶ For three months. Comparative data are annual