

Statement for the first quarter - consolidated
Mizrahi Tefahot Bank Ltd. 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	13,595	10,797	9.8%	7.8%
Securities	6,894	5,979	4.1%	3.7%
Securities borrowed or purchased under agreements to resell	157	0	7.4%	0.0%
Credit to the public	71,452	70,109	11.5%	11.4%
Credit to the government	4	4	0.2%	0.1%
Investments in companies included on an equity basis	26	42	0.6%	1.1%
Buildings and equipment	1,296	1,293	10.6%	10.7%
Other assets	2,323	2,487	11.1%	11.0%
Total assets	95,747	90,711	9.9%	9.5%
Deposits of the public	75,250	73,234	10.0%	9.7%
Deposits of banks ¹	5,821	3,073	13.7%	11.7%
Deposits of the government	549	560	4.6%	4.5%
Securities loaned or sold under agreements to repurchase	0	0	0.0%	0.0%
Bonds and subordinated notes	5,263	5,067	10.2%	10.0%
Other liabilities	3,437	3,710	6.9%	7.0%
Total liabilities	90,320	85,644	9.9%	9.5%
Quasi-capital items	0	0	0.0%	0.0%
Minority shareholders' rights	0	6		
Equity	5,427	5,061	9.4%	9.1%

Summary consolidated profit and loss statement	Three months to		Bank's share of the banking system	
			Three months to	
	31.03.2007	31.03.2006	31.03.2007	31.03.2006
Net interest profit before loan-loss provision	467.0	404.0	8.0%	7.5%
Loan-loss provision	50.0	119.0	13.2%	15.4%
Operating and other income	328.0	296.0	8.8%	8.5%
Of which: Operating income	253.0	247.0	8.5%	8.9%
Operating and other expenses	467.0	503.0	7.8%	8.0%
Of which: Salaries and related expenses	293.0	337.0	7.9%	8.3%
Ordinary before-tax provision	278.0	78.0	8.7%	4.0%
Provision for taxes on ordinary profit	115.0	25.0	7.9%	2.8%
Ordinary after-tax profit	163.0	53.0	9.4%	4.7%
Bank's share in the profit of subsidiaries	0.0	0.0		
Share of minority shareholders in profit of consolidated companies	0.0	0.0		
Extraordinary after-tax profit	207.0	0.0		
Net profit	370.0	53.0	16.2%	2.1%

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	30,706	35,702	27,596	94,004
Balance of financial liabilities on balance-sheet date	41,620	27,823	20,721	90,164
Excess of financial assets over financial liabilities	-10,914	7,879	6,875	3,840
Total indexation balance (incl. forwards and options in term of basis assets) ³	261	3,300	279	3,840
Rate of income on assets (percent) ⁴	6.08	3.78	-2.39	2.13
Rate of expenditure on liabilities (percent) ⁴	-4.17	-3.38	2.42	-1.28
Interest-rate differential	1.91	0.40	0.03	0.85

Problem borrowers	31.03.2007	31.12.2006
Total credit risk due to problem borrowers	4,783	4,739
Total credit to problem borrowers	4,252	4,245

Main financial ratios - consolidated (percent)	31.03.2007	31.12.2006
Equity/balance-sheet ratio	5.67	5.58
Financial capital/equity ratio	70.76	68.58
Equity/risk-weighted-assets ratio	10.89	10.75
Return on equity (net profit/gross weighted-capital ratio) ⁵	32.10	8.60
Operating income/operating expenses ratio ⁶	70.24	57.39

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.