

**Statement for the first quarter - consolidated**  
**Bank Massad 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 <sup>1</sup>	534	692	0.3%	0.4%
Securities	820	700	0.5%	0.4%
Securities borrowed or purchased under agreements to resell	0	0	0.0%	0.0%
Credit to the public	1,648	1,603	0.3%	0.3%
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	58	58	0.5%	0.5%
Other assets	25	27	0.1%	0.1%
<b>Total assets</b>	<b>3,085</b>	<b>3,080</b>	<b>0.3%</b>	<b>0.3%</b>
Deposits of the public	2,774	2,780	0.4%	0.4%
Deposits of banks <sup>1</sup>	3	3	0.0%	0.0%
Deposits of the government	0	0	0.0%	0.0%
Securities loaned or sold under agreements to repurchase	0	0	0.0%	0.0%
Bonds and subordinated notes	0	0	0.0%	0.0%
Other liabilities	38	37	0.1%	0.1%
<b>Total liabilities</b>	<b>2,815</b>	<b>2,820</b>	<b>0.3%</b>	<b>0.3%</b>
Quasi-capital items	0	0	0.0%	0.0%
Minority shareholders' rights	0	0		
Equity	269	260	0.5%	0.5%

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	28.8	33.0	0.5%	0.6%
Loan-loss provision	1.4	2.3	0.4%	0.3%
Operating and other income	19.7	21.3	0.5%	0.6%
Of which: Operating income	15.0	14.9	0.5%	0.5%
Operating and other expenses	33.4	37.8	0.6%	0.6%
Of which: Salaries and related expenses	17.4	22.4	0.5%	0.6%
Ordinary before-tax provision	13.7	14.2	0.4%	0.7%
Provision for taxes on ordinary profit	6.0	6.4	0.4%	0.7%
Ordinary after-tax profit	7.7	7.8	0.4%	0.7%
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	0.0	16.6		
<b>Net profit</b>	<b>7.7</b>	<b>24.4</b>	<b>0.3%</b>	<b>1.0%</b>

Balances and rates of return on financial items by indexation base on 31.03.2007	Unindexed NIS	CPI-indexed NIS	Foreign Currency <sup>(2)</sup>	Total financial items
Balance of financial assets on balance-sheet date	2,169	594	263	3,026
Balance of financial liabilities on balance-sheet date	2,037	537	241	2,815
Excess of financial assets over financial liabilities	132	57	22	211
Total indexation balance (incl. forwards and options in term of basis assets) <sup>3</sup>	119	57	35	211
Rate of income on assets (percent) <sup>4</sup>	7.61	0.75	-2.16	5.32
Rate of expenditure on liabilities (percent) <sup>4</sup>	-2.51	-1.99	2.40	-1.96
Interest-rate differential	5.11	-1.24	0.24	3.36

Problem borrowers	31.03.2007	31.12.2006
Total credit risk due to problem borrowers	69	74
Total credit to problem borrowers	69	73

Main financial ratios - consolidated (percent)	31.03.2007	31.12.2006
Equity/balance-sheet ratio	8.73	8.43
Financial capital/equity ratio	78.34	77.71
Equity/risk-weighted-assets ratio	12.61	12.22
Return on equity (net profit/gross weighted-capital ratio) <sup>5</sup>	12.50	17.40
Operating income/operating expenses ratio <sup>6</sup>	58.98	54.94

<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> Three-month rate of income (expenses), on annual basis including hedging, embedded and ALM derivatives<sup>5</sup> Annual basis.<sup>6</sup> For three months. Comparative data are annual