

**Statement for the first quarter - consolidated**  
**Bank "Adanim" Mortgage and Loans Ltd. and its subsidiaries , Main data, NIS millic**


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>	17	29	0.0%	0.0%
Securities	46	0	0.0%	0.0%
Securities borrowed or purchased under agreements to re	0	0	0.0%	0.0%
Credit to the public	3,737	3,697	0.6%	0.6%
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	17	15	0.1%	0.1%
Other assets	16	17	0.1%	0.1%
<b>Total assets</b>	<b>3,833</b>	<b>3,758</b>	<b>0.4%</b>	<b>0.4%</b>
Deposits of the public	1,690	1,744	0.2%	0.2%
Deposits of banks <sup>1</sup>	1,634	1,521	2.3%	2.7%
Deposits of the government	8	9	0.1%	0.1%
Securities loaned or sold under agreements to repurchase	0	0	0.0%	0.0%
Bonds and subordinated notes	185	172	0.4%	0.3%
Other liabilities	42	45	0.1%	0.1%
<b>Total liabilities</b>	<b>3,559</b>	<b>3,490</b>	<b>0.4%</b>	<b>0.4%</b>
Quasi-capital items	0	0	0.0%	0.0%
Minority shareholders' rights	0	0		
Equity	274	268	0.5%	0.5%

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	14.4	11.8	0.2%	0.2%
Loan-loss provision	-2.2	-1.0	-0.6%	-0.1%
Operating and other income	5.3	6.9	0.1%	0.2%
Of which: Operating income	5.3	6.9	0.2%	0.2%
Operating and other expenses	10.9	9.2	0.2%	0.1%
Of which: Salaries and related expenses	6.0	6.1	0.2%	0.1%
Ordinary before-tax provision	11.0	10.5	0.3%	0.5%
Provision for taxes on ordinary profit	4.7	4.6	0.3%	0.5%
Ordinary after-tax profit	6.3	5.9	0.4%	0.5%
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	0.0		
<b>Net profit</b>	<b>6.3</b>	<b>5.9</b>	<b>0.3%</b>	<b>0.2%</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	921	2,743	153	3,816
Balance of financial liabilities on balance-sheet date	779	2,603	153	3,535
Excess of financial assets over financial liabilities	141	139	0	281
Total indexation balance (incl. forwards and options in term of basis assets) <sup>3</sup>	141	139	0	281
Rate of income on assets (percent) <sup>4</sup>	6.30	3.70	2.97	4.27
Rate of expenditure on liabilities (percent) <sup>4</sup>	-4.34	-3.23	-1.18	-3.38
Interest-rate differential	1.96	0.47	1.79	0.89

Problem borrowers	31.03.2007	31.12.2006
Total credit risk dew to problem borrowers	138	110
Total credit to problem borrowers	123	91

Main financial ratios - consolidated (percent)	31.03.2007	31.12.2006
Equity/balance-sheet ratio	7.15	7.12
Financial capital/equity ratio	102.56	103.70
Equity/risk-weighted-assets ratio	11.51	11.17
Return on equity (net profit/gross weighted-capital ratio) <sup>5</sup>	9.70	10.10
Operating income/operating expenses ratio <sup>6</sup>	48.62	60.85

<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