

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


Taken from the quarterly report to 30.06.2007, reported amounts

Summary consolidated balance sheet	30.06.2007	31.12.2006	Bank's share of the banking system	
			30.06.2007	31.12.2006
Cash and deposits in banks ¹	39,690	39,750	27.9%	28.7%
Securities	45,973	44,456	27.8%	27.1%
Securities borrowed or purchased under agreements to resell	990	0	33.4%	0.0%
Credit to the public	191,705	186,463	30.1%	30.4%
Credit to the government	519	743	22.9%	25.3%
Investments in companies included on an equity basis	907	821	20.4%	21.9%
Buildings and equipment	3,833	3,767	31.3%	31.2%
Other assets	7,212	6,864	31.2%	30.2%
Total assets	290,829	282,864	29.4%	29.6%
Deposits of the public	224,880	217,004	28.8%	28.7%
Deposits of banks ¹	6,886	7,662	23.3%	29.3%
Deposits of the government	2,472	2,659	21.4%	21.5%
Securities loaned or sold under agreements to repurchase	41	0	39.0%	0.0%
Bonds and subordinated notes	17,914	18,384	33.4%	36.2%
Other liabilities	18,643	18,229	35.6%	34.2%
Total liabilities	270,836	263,938	29.2%	29.3%
Quasi-capital items	0	0	0.0%	0.0%
Minority shareholders' rights	779	693		
Equity	19,214	18,233	31.9%	32.8%

Summary consolidated profit and loss statement	Six months to		Bank's share of the		Three months to
	30.06.2007	30.06.2006	Six months to		
			30.06.2007	30.06.2006	30.06.2007
Net interest profit before loan-loss provision	3,893.0	3,943.0	32.9%	34.7%	2,053.0
Loan-loss provision	383.0	538.0	42.1%	34.6%	202.0
Operating and other income	2,503.0	2,582.0	33.6%	36.2%	1,196.0
Of which: Operating income	2,012.0	1,978.0	33.8%	35.8%	1,019.0
Operating and other expenses	3,717.0	3,725.0	31.3%	29.8%	1,868.0
Of which: Salaries and related expenses	2,253.0	2,237.0	31.4%	28.0%	1,119.0
Ordinary before-tax provision	2,296.0	2,262.0	35.2%	50.6%	1,179.0
Provision for taxes on ordinary profit	928.0	995.0	36.3%	47.4%	440.0
Ordinary after-tax profit	1,368.0	1,267.0	34.5%	52.7%	739.0
Bank's share in the profit of subsidiaries	118.0	50.0			34.0
Share of minority shareholders in profit of consolidated companies	-80.0	-34.0			-57.0
Extraordinary after-tax profit	231.0	559.0			286.0
Net profit	1,637.0	1,842.0	31.1%	40.8%	1,002.0

Balances and rates of return on financial items by indexation base on 30.06.2007	Unindexed NIS	CPI-indexed NIS	Foreign Currency ²	Total financial items
Balance of financial assets on balance-sheet date	103,997	57,140	122,261	283,398
Balance of financial liabilities on balance-sheet date	116,890	39,946	113,306	270,142
Excess of financial assets over financial liabilities basis assets ³	-12,893	17,194	8,955	13,256
Rate of income on assets (percent) ⁴	6.92	5.80	10.12	8.58
Rate of expenditure on liabilities (percent) ⁴	-4.49	-5.61	-9.45	-7.46
Interest-rate differential	2.42	0.19	0.67	1.12

Problem borrowers	30.06.2007	31.12.2006
Total credit risk dew to problem borrowers	16,375	17,714
Total credit to problem borrowers	14,540	15,901

Main financial ratios - consolidated (percent)	30.06.2007	31.12.2006
Equity/balance-sheet ratio	6.61	6.45
Financial capital/equity ratio	68.99	67.45
Equity/risk-weighted-assets ratio	10.37	10.53
Return on equity (net profit/gross weighted-capital ratio) ⁵	18.30	19.40
Operating income/operating expenses ratio ⁶	67.34	67.64

¹ See note 5.1.7 in the introduction² Including foreign-currency indexed NIS.³ Forwards transactions.⁴ Six-month rate of income (expenses), on annual basis including hedging, embedded and ALM derivatives.⁵ Annual basis.⁶ For six months. Comparative data are annual.