

Statement for the second quarter - consolidated
Mizrahi Tefahot Bank Ltd. and its subsidiaries, Main data, NIS millio


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	13,240	10,797	9.3%	7.8%
Securities	7,115	5,979	4.3%	3.7%
Securities borrowed or purchased under agreements to resell	500	0	16.9%	0.0%
Credit to the public	72,285	70,109	11.3%	11.4%
Credit to the government	4	4	0.2%	0.1%
Investments in companies included on an equity basis	17	42	0.4%	1.1%
Buildings and equipment	1,219	1,293	10.0%	10.7%
Other assets	2,268	2,487	9.8%	10.9%
Total assets	96,648	90,711	9.8%	9.5%
Deposits of the public	76,845	73,234	9.8%	9.7%
Deposits of banks ¹	4,112	3,073	13.9%	11.7%
Deposits of the government	539	560	4.7%	4.5%
Securities loaned or sold under agreements to repurchase	0	0	0.0%	0.0%
Bonds and subordinated notes	6,077	5,067	11.3%	10.0%
Other liabilities	3,628	3,710	6.9%	7.0%
Total liabilities	91,201	85,644	9.8%	9.5%
Quasi-capital items	0	0	0.0%	0.0%
Minority shareholders' rights	13	6		
Equity	5,434	5,061	9.0%	9.1%

Summary consolidated profit and loss statement	Six months to		Bank's share of the Six months to		Three months to
	30.06.2007	30.06.2006	30.06.2007	30.06.2006	30.06.2007
Net interest profit before loan-loss provision	996.0	936.0	8.4%	8.2%	529.0
Loan-loss provision	113.0	180.0	12.4%	11.6%	63.0
Operating and other income	614.0	621.0	8.2%	8.7%	286.0
Of which: Operating income	509.0	497.0	8.6%	9.0%	256.0
Operating and other expenses	949.0	1,169.0	8.0%	9.4%	482.0
Of which: Salaries and related expenses	587.0	815.0	8.2%	10.2%	294.0
Ordinary before-tax provision	548.0	208.0	8.4%	4.7%	270.0
Provision for taxes on ordinary profit	201.0	78.0	7.9%	3.7%	86.0
Ordinary after-tax profit	347.0	130.0	8.7%	5.4%	184.0
Bank's share in the profit of subsidiaries	0.0	-2.0			0.0
Share of minority shareholders in profit of consolidated companies	0.0	0.0			0.0
Extraordinary after-tax profit	230.0	212.0			23.0
Net profit	577.0	340.0	11.0%	7.5%	207.0

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	32,094	35,124	27,772	94,990
Balance of financial liabilities on balance-sheet date	40,769	29,002	21,277	91,048
Excess of financial assets over financial liabilities basis assets ³	-8,675	6,122	6,495	3,942
Rate of income on assets (percent) ⁴	5.91	5.53	5.07	5.49
Rate of expenditure on liabilities (percent) ⁴	-4.12	-5.19	-5.34	-4.86
Interest-rate differential	1.79	0.34	-0.27	0.63

Problem borrowers	30.06.2007	31.12.2006
Total credit risk dew to problem borrowers	4,892	4,739
Total credit to problem borrowers	4,219	4,245

Main financial ratios - consolidated (percent)	30.06.2007	31.12.2006
Equity/balance-sheet ratio	5.62	5.58
Financial capital/equity ratio	72.54	68.58
Equity/risk-weighted-assets ratio	11.66	10.75
Return on equity (net profit/gross weighted-capital ratio) ⁵	23.10	13.00
Operating income/operating expenses ratio ⁶	64.70	57.39

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.