

Statement for the second quarter - consolidated
The First International Bank of Israel 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	12,589	10,164	8.8%	7.3%
Securities	18,493	20,743	11.2%	12.7%
Securities borrowed or purchased under agreements to resell	653	0	22.0%	0.0%
Credit to the public	53,581	52,198	8.4%	8.5%
Credit to the government	79	258	3.5%	8.8%
Investments in companies included on an equity basis	283	228	6.4%	6.1%
Buildings and equipment	990	970	8.1%	8.0%
Other assets	1,721	1,977	7.5%	8.7%
Total assets	88,389	86,538	8.9%	9.0%
Deposits of the public	73,213	72,240	9.4%	9.5%
Deposits of banks ¹	845	1,025	2.9%	3.9%
Deposits of the government	884	746	7.7%	6.0%
Securities loaned or sold under agreements to repurchase	0	0	0.0%	0.0%
Bonds and subordinated notes	3,811	3,436	7.1%	6.8%
Other liabilities	4,259	4,055	8.1%	7.6%
Total liabilities	83,012	81,502	8.9%	9.1%
Quasi-capital items	0	0	0.0%	0.0%
Minority shareholders' rights	319	296		
Equity	5,058	4,740	8.4%	8.5%

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	990.0	872.0	8.4%	7.7%	504.0
Loan-loss provision	52.0	103.0	5.7%	6.6%	33.0
Operating and other income	697.0	575.0	9.4%	8.1%	343.0
Of which: Operating income	545.0	463.0	9.2%	8.4%	278.0
Operating and other expenses	1,116.0	873.0	9.4%	7.0%	540.0
Of which: Salaries and related expenses	646.0	508.0	9.0%	6.4%	311.0
Ordinary before-tax provision	519.0	471.0	8.0%	10.5%	274.0
Provision for taxes on ordinary profit	228.0	187.0	8.9%	8.9%	101.0
Ordinary after-tax profit	291.0	284.0	7.3%	11.8%	173.0
Bank's share in the profit of subsidiaries	25.0	4.0			13.0
Share of minority shareholders in profit of consolidated companies	-22.0	-7.0			-13.0
Extraordinary after-tax profit	0.0	3.0			0.0
Net profit	294.0	284.0	5.6%	6.3%	173.0

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	40,218	15,950	28,852	85,020
Balance of financial liabilities on balance-sheet date	45,280	12,487	24,608	82,375
Excess of financial assets over financial liabilities basis assets ³	-5,062	3,463	4,244	2,645
	1,943	1,178	-476	2,645
Rate of income on assets (percent) ⁴	5.36	5.54	7.97	6.64
Rate of expenditure on liabilities (percent) ⁴	-3.34	-4.45	-7.36	-5.46
Interest-rate differential	2.02	1.09	0.61	1.18

Problem borrowers	30.06.2007	31.12.2006
Total credit risk dew to problem borrowers	3,860	4,263
Total credit to problem borrowers	3,605	3,972

Main financial ratios - consolidated (percent)	30.06.2007	31.12.2006
Equity/balance-sheet ratio	5.72	5.48
Financial capital/equity ratio	52.29	49.73
Equity/risk-weighted-assets ratio	11.10	10.10
Return on equity (net profit/gross weighted-capital ratio) ⁵	12.50	11.50
Operating income/operating expenses ratio ⁶	62.46	61.38

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.