

## Statement for the second quarter - bank Industrial Dev. Bank Ltd. , Main data, NIS million

Taken from the quarterly report to 30.06.2007, reported amounts



Summary 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 <sup>1</sup>	43	66	0.0%	0.0%
Securities	49	50	0.0%	0.0%
Securities borrowed or purchased under agreements to resell	0	0	0.0%	0.0%
Credit to the public	6,273	6,519	1.0%	1.1%
Credit to the government	862	867	38.1%	29.5%
Investments in companies included on an equity basis	0	0	0.0%	0.0%
Buildings and equipment	1	1	0.0%	0.0%
Other assets	7	12	0.0%	0.1%
<b>Total assets</b>	<b>7,234</b>	<b>7,516</b>	<b>0.7%</b>	<b>0.8%</b>
Deposits of the public	62	67	0.0%	0.0%
Deposits of banks <sup>1</sup>	584	768	2.0%	2.9%
Deposits of the government	5,986	6,087	51.9%	49.2%
Securities loaned or sold under agreements to repurchase	0	0	0.0%	0.0%
Bonds and subordinated notes	519	516	1.0%	1.0%
Other liabilities	54	58	0.1%	0.1%
<b>Total liabilities</b>	<b>7,206</b>	<b>7,496</b>	<b>0.8%</b>	<b>0.8%</b>
Quasi-capital items	0	0	0.0%	0.0%
Minority shareholders' rights	0	0	0.0%	0.0%
Equity	29	20	0.0%	0.0%

Summary profit and loss statement	Three months to		Bank's share of the		Three months to
	30.06.2007	30.06.2006	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	19.3	11.5	0.2%	0.1%	10.6
Loan-loss provision	2.2	19.5	0.2%	1.3%	1.2
Operating and other income	7.9	14.2	0.1%	0.2%	2.6
Of which: Operating income	0.5	0.7	0.0%	0.0%	0.3
Operating and other expenses	16.0	16.5	0.1%	0.1%	7.9
Of which: Salaries and related expenses	10.1	9.3	0.1%	0.1%	5.2
Ordinary before-tax provision	9.0	-10.3	0.1%	not calculated	4.1
Provision for taxes on ordinary profit	0.0	0.0	0.0%	0.0%	0.0
Ordinary after-tax profit	9.0	-10.3	0.2%	לא חושב	4.1
Bank's share in the profit of subsidiaries	0.0	0.0			0.0
Share of minority shareholders in profit of consolidated companies	0.0	0.0			0.0
Extraordinary after-tax profit	0.0	0.0			0.0
<b>Net profit</b>	<b>9.0</b>	<b>-10.3</b>	<b>0.2%</b>	not calculated	<b>4.1</b>

Balances and rates of return on financial items by indexation base on 30.06.2007	Unindexed NIS	CPI-indexed NIS	Foreign Currency <sup>2</sup>	Total financial items
Balance of financial assets on balance-sheet date	171	1,243	5,771	7,185
Balance of financial liabilities on balance-sheet date	631	343	6,231	7,205
Excess of financial assets over financial liabilities basis assets <sup>3</sup>	-461	900	-459	-20
	-388	846	-478	-20
Rate of income on assets (percent) <sup>4</sup>	5.40	5.59	8.32	7.99
Rate of expenditure on liabilities (percent) <sup>4</sup>	-3.94	-3.21	-8.29	-7.56
Interest-rate differential	1.46	2.38	0.03	0.43

Problem borrowers	30.06.2007	31.12.2006
Total credit risk dew to problem borrowers	453	583
Total credit to problem borrowers	371	495

Main financial ratios (percent)	30.06.2007	31.12.2006
Equity/balance-sheet ratio	0.39	0.27
Financial capital/equity ratio	-70.53	-154.50
Equity/risk-weighted-assets ratio	2.63	1.34
Return on equity (net profit/gross weighted-capital ratio) <sup>5</sup>	0.00	0.00
Operating income/operating expenses ratio <sup>6</sup>	49.38	61.25

<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> Six-month rate of income (expenses), on annual basis including hedging, embedded and ALM derivatives.

<sup>5</sup> Annual basis.

<sup>6</sup> For six months. Comparative data are annual.