



Statement for 31/12/2007 - bank
Arab Israel Bank Ltd. , Main data, NIS million
 Taken from the annual report to 31.12.2007, reported amounts

Summary balance sheet	End of year			Bank's share of the banking system		
	2007	2006	2005	2007	2006	2005
Cash and deposits in banks ⁽¹⁾	939	1,045	1,197	0.6%	0.6%	0.8%
Securities	529	570	289	0.3%	0.3%	0.2%
Securities borrowed or purchased under agreements to resell	0	0	0	0.0%	0.0%	0.0%
Credit to the public	2,663	2,239	1,948	0.4%	0.4%	0.3%
Credit to the government	0	0	0	0.0%	0.0%	0.0%
Investments in companies included on an equity basis	0	0	0	0.0%	0.0%	0.0%
Buildings and equipment	47	39	37	0.4%	0.3%	0.3%
Other assets	39	34	25	0.1%	0.2%	0.1%
Total assets	4,216	3,927	3,496	0.4%	0.4%	0.4%
Deposits of the public	3,160	3,002	2,732	0.4%	0.4%	0.4%
Deposits of banks ⁽¹⁾	568	445	330	1.0%	0.8%	0.6%
Deposits of the government	0	0	0	0.0%	0.0%	0.0%
Securities loaned or sold under agreements to repurchase	0	0	0	0.0%	0.0%	0.0%
Bonds and subordinated notes	0	0	0	0.0%	0.0%	0.0%
Other liabilities	154	145	113	0.3%	0.3%	0.2%
Total liabilities	3,882	3,592	3,174	0.4%	0.4%	0.4%
Equity	334	335	322	0.5%	0.6%	0.6%

Summary profit and loss statement	End of year			Bank's share of the banking system		
	2007	2006	2005	2007	2006	2005
Net interest profit before loan-loss provision	216.2	198.8	178.9	0.9%	0.9%	0.8%
Loan-loss provision	12.3	9.4	13.7	0.7%	0.3%	0.3%
Operating and other income	96.6	81.1	82.5	0.6%	0.6%	0.6%
Of which: Operating income	94.5	77.1	73.4	0.8%	0.7%	0.7%
Operating and other expenses	160.4	158.0	120.1	0.6%	0.6%	0.5%
Of which: Salaries and related expenses	95.4	103.7	75.1	0.6%	0.7%	0.6%
Ordinary profit-before-tax provision	140.1	112.5	127.6	1.2%	1.2%	1.4%
Provision for taxes on ordinary profit	51.6	51.4	54.7	1.1%	1.2%	1.4%
Ordinary after-tax profit	88.5	61.1	72.9	1.2%	1.2%	1.3%
Bank's share in the profit of subsidiaries	0.0	0.0	0.0			
Ordinary net profit	88.5	61.1	72.9	1.2%	1.1%	1.2%
Extraordinary after-tax profit	0.0	0.5	1.4			
Net profit	88.5	61.6	74.3	1.0%	0.7%	1.1%
Basic earning in NIS per share	87.2	60.7	73.2			

Balances and rates of return on financial items by indexation base on 31.12.2007	Unindexed NIS	CPI-indexed NIS	Foreign Currency ⁽²⁾	Total financial items
Balance of financial assets on balance-sheet date	3,448	591	130	4,169
Balance of financial liabilities on balance-sheet date	3,323	443	115	3,881
Excess of financial assets over financial liabilities	125	149	15	288
Total indexation balance (incl. Forwards ⁽³⁾ and options in term of basis assets)	125	149	15	288
Options at the money and out of the money (net, capitalized nominal value)	0	0	0	0
Rate of income on assets (%) ⁽⁴⁾	8.22	6.73	-3.36	7.64
Rate of expenses on liabilities (%) ⁽⁴⁾	-2.77	-5.46	5.93	-2.83
Interest-rate spread	5.45	1.27	2.57	4.81
Internal rate of return on assets (%)	6.03	4.55	5.06	
Internal rate of return on liabilities (%)	3.97	3.30	3.79	
Difference	2.06	1.25	1.27	
Average duration of assets (years)	0.34	3.03	0.07	0.72
Average duration of liabilities (years)	0.33	2.97	0.32	0.63
Difference	0.01	0.06	-0.25	0.09

(1) See note 5.1.7. in the introduction.

(2) Including foreign-currency indexed NIS.

(3) Forwards transactions.

(4) including hedging, embedded and ALM derivatives.



Statement for 31/12/2007 - bank
Arab Israel Bank Ltd., Additional data
 (NIS millions, reported amounts)

Additional data	2007	2006
Total off-balance-sheet and credit risk		
Credit to the public and credit risk	2,676	2,252
Total off-balance-sheet credit risk	707	674
Total credit risk	3,383	2,926
<i>Of which:</i> Total risk of credit for housing loans	0	0
Total risk of credit to construction and real estate industr	434	365
Problem borrowers		
Total credit risk dew to problem borrower:	252	206
<i>Of which:</i> Total credit to problem borrowers	231	185
Data on derivatives		
Notional amoun	0	0
Gross positive fair value	0	0
Activity with interested and related parties		
Total assets on balance-sheet dat	875	1,009
<i>Of which:</i> credit to the public	0	0
Total liabilities on balance-sheet date (including quasi-capital item	566	389
Branches and personnel		
Number of employee posts in Israel, monthly average	381	363
Number of employee posts abroad, monthly average	0	0
Number of branches in Israe	26	24
Number of branches abroac	0	0
Main financial ratios, in annual terms (%)		
Equity/risk-weighted-assets ratic	16.38	19.49
Equity/balance-sheet ratic	7.93	8.53
Financial capital/equity capital rati	86.09	88.48
Ratio of problem loans to total credit to the publi	8.64	8.20
Return on equity (net profit/average equity) ratic	23.40	17.30
Non-interest income/operating expenses rati	60.22	51.33
Ratio of loan-loss provision to total credit to the publ	0.46	0.42