



**Statement for 31/12/2007 on consolidated basis**  
**Bank Massad Ltd. and its subsidiaries Main data, NIS million**

Taken from the annual report to 31.12.2007, reported amounts

Summary consolidated balance sheet	End of year			Banking group's share of the banking system		
	2007	2006	2005	2007	2006	2005
Cash and deposits in banks <sup>(1)</sup>	638	694	637	0.4%	0.4%	0.4%
Securities	830	700	785	0.5%	0.4%	0.5%
Securities borrowed or purchased under agreements to resell	0	0	0	0.0%	0.0%	0.0%
Credit to the public	1,859	1,603	1,315	0.3%	0.3%	0.2%
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	64	58	59	0.5%	0.5%	0.5%
Other assets	21	25	14	0.1%	0.1%	0.1%
<b>Total assets</b>	<b>3,412</b>	<b>3,080</b>	<b>2,810</b>	<b>0.3%</b>	<b>0.3%</b>	<b>0.3%</b>
Deposits of the public	3,081	2,780	2,542	0.4%	0.4%	0.4%
Deposits of banks <sup>(1)</sup>	3	3	1	0.0%	0.0%	0.0%
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	31	37	30	0.1%	0.1%	0.1%
<b>Total liabilities</b>	<b>3,116</b>	<b>2,820</b>	<b>2,572</b>	<b>0.3%</b>	<b>0.3%</b>	<b>0.3%</b>
Minority shareholders' rights	0	0	0			
Equity	296	260	238	0.5%	0.5%	0.5%

Summary consolidated profit and loss statement	End of year			Banking group's share of the banking system		
	2007	2006	2005	2007	2006	2005
Net interest profit before loan-loss provision	130.8	132.1	105.0	0.5%	0.6%	0.5%
Loan-loss provision	12.7	14.8	19.6	0.7%	0.5%	0.5%
Operating and other income	81.8	81.7	78.0	0.5%	0.6%	0.6%
Of which: Operating income	63.0	60.8	52.9	0.5%	0.5%	0.5%
Operating and other expenses	143.5	148.7	129.1	0.6%	0.6%	0.6%
Of which: Salaries and related expenses	71.0	83.5	69.7	0.5%	0.5%	0.5%
Ordinary profit before-tax provision	56.4	50.3	34.3	0.5%	0.5%	0.4%
Provision for taxes on ordinary profit	20.0	21.6	12.6	0.4%	0.5%	0.3%
Ordinary after-tax profit	36.4	28.7	21.7	0.5%	0.6%	0.4%
Bank's share in the profit of subsidiaries	0.0	0.0	0.0			
Minority shareholders' share in profit of consolidated companies	0.0	0.0	0.0			
Ordinary net profit	36.4	28.7	21.7	0.5%	0.5%	0.4%
Extraordinary after-tax profit	0.0	16.6	7.4			
<b>Net profit</b>	<b>36.4</b>	<b>45.3</b>	<b>29.1</b>	<b>0.4%</b>	<b>0.5%</b>	<b>0.4%</b>
Basic earning in NIS per share	0.2	0.3	0.2			

Balances and rates of return on financial items by indexation base on 31.12.2007 - consolidated	Unindexed NIS	CPI-indexed NIS	Foreign Currency <sup>(2)</sup>	Total financial items
Balance of financial assets on balance-sheet date	2,580	502	266	3,348
Balance of financial liabilities on balance-sheet date	2,339	518	259	3,116
Excess of financial assets over financial liabilities	240	-15	7	232
Total indexation balance (incl. Forwards <sup>(3)</sup> and options in term of basis assets)	233	0	-1	232
Options at the money and out of the money (net, capitalized nominal value)	-2	1	1	0
Rate of income on assets (%) <sup>(4)</sup>	7.01	6.54	-2.13	6.09
Rate of expenses on liabilities (%) <sup>(4)</sup>	-2.30	-5.44	3.21	-2.37
Interest-rate spread	4.71	1.09	1.08	3.71

Internal rate of return on assets (%)	5.99	4.83	5.13	
Internal rate of return on liabilities (%)	1.82	3.16	2.69	
Difference	4.17	1.67	2.44	
Average duration of assets (years)	0.24	2.93	0.67	0.67
Average duration of liabilities (years)	0.53	4.39	1.17	1.16
Difference	-0.29	-1.46	-0.50	-0.49

<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> including hedging, embedded and ALM derivatives.



## Statement for 31/12/2007 on consolidated basis

### Bank Massad Ltd., Additional data

(NIS millions, reported amounts)

Additional data	2007	2006
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#### Total off-balance-sheet and credit risk

Credit to the public and credit risk	1,985	1,750
Total off-balance-sheet credit risk	1,158	1,100
Total credit risk	3,143	2,850
<i>Of which:</i> Total risk of credit for housing loans	0	0
Total risk of credit to construction and real estate industr	178	121

#### Problem borrowers

Total credit risk dew to problem borrowers	68	74
<i>Of which:</i> Total credit to problem borrowers	67	73

#### Data on derivatives

Notional amount	237	192
Gross positive fair value	7	7

#### Activity with interested and related parties

Total assets on balance-sheet date	531	559
<i>Of which:</i> credit to the public	9	8
Total liabilities on balance-sheet date (including quasi-capital items)	25	63

#### Branches and personnel

Number of employee posts in Israel, monthly average	287	267
Number of employee posts abroad, monthly average	0	0
Number of branches in Israe	16	13
Number of branches abroad	0	0

#### Main financial ratios, in annual terms (%)

Equity/risk-weighted-assets ratic	12.49	12.22
Equity/balance-sheet ratic	8.68	8.43
Financial capital/equity capital ratic	78.33	77.71
Ratio of problem loans to total credit to the public	3.60	4.52
Return on equity (net profit/average equity ratio)	13.10	17.00
Non-interest income/operating expenses ratic	57.00	54.94
Ratio of loan-loss provision to total credit to the public	0.68	0.92