



**Statement for 31/12/2007 on consolidated basis**  
**Bank "Adanim" Mortgage 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>	60	29	23	0.0%	0.0%	0.0%
Securities	0	0	0	0.0%	0.0%	0.0%
Securities borrowed or purchased under agreements to resell	0	0	0	0.0%	0.0%	0.0%
Credit to the public	3,933	3,697	3,199	0.6%	0.6%	0.5%
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	10	15	15	0.1%	0.1%	0.1%
Other assets	36	17	22	0.1%	0.1%	0.1%
<b>Total assets</b>	<b>4,039</b>	<b>3,758</b>	<b>3,259</b>	<b>0.4%</b>	<b>0.4%</b>	<b>0.4%</b>
Deposits of the public	1,557	1,744	1,978	0.2%	0.2%	0.3%
Deposits of banks <sup>(1)</sup>	1,941	1,521	893	3.4%	2.9%	1.5%
Deposits of the government	6	9	14	0.1%	0.1%	0.1%
Securities loaned or sold under agreements to repurchase	0	0	0	0.0%	0.0%	0.0%
Bonds and subordinated notes	192	172	140	0.3%	0.3%	0.3%
Other liabilities	46	45	61	0.1%	0.1%	0.1%
<b>Total liabilities</b>	<b>3,742</b>	<b>3,490</b>	<b>3,086</b>	<b>0.4%</b>	<b>0.4%</b>	<b>0.4%</b>
Minority shareholders' rights	0	0	0			
Equity	296	268	173	0.5%	0.5%	0.3%

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	62.0	52.7	46.8	0.3%	0.2%	0.2%
Loan-loss provision	1.9	-6.5	9.3	0.1%	-0.2%	0.2%
Operating and other income	23.6	25.8	27.6	0.2%	0.2%	0.2%
Of which: Operating income	23.6	25.8	27.6	0.2%	0.2%	0.3%
Operating and other expenses	50.2	42.4	42.5	0.2%	0.2%	0.2%
Of which: Salaries and related expenses	28.0	25.8	24.3	0.2%	0.2%	0.2%
Ordinary profit before-tax provision	33.5	42.6	22.6	0.3%	0.5%	0.2%
Provision for taxes on ordinary profit	11.0	19.5	8.9	0.2%	0.4%	0.2%
Ordinary after-tax profit	22.5	23.1	13.7	0.3%	0.5%	0.3%
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	22.5	23.1	13.7	0.3%	0.4%	0.2%
Extraordinary after-tax profit	6.1	0.0	0.0			
<b>Net profit</b>	<b>28.6</b>	<b>23.1</b>	<b>13.7</b>	<b>0.3%</b>	<b>0.3%</b>	<b>0.2%</b>
Basic earning in NIS per share	1266.4	1140.6	836.8			

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	1,155	2,658	215	4,029
Balance of financial liabilities on balance-sheet date	886	2,619	217	3,721
Excess of financial assets over financial liabilities	270	40	-1	308
Total indexation balance (incl. Forwards <sup>(3)</sup> and options in term of basis assets)	270	40	-1	308
Options at the money and out of the money (net, capitalized nominal value)	0	0	0	0
Rate of income on assets (%) <sup>(4)</sup>	5.69	7.65	5.43	7.07
Rate of expenses on liabilities (%) <sup>(4)</sup>	-4.04	-7.18	-3.92	-6.34
Interest-rate spread	1.65	0.48	1.51	0.73

Internal rate of return on assets (%)	5.46	5.16	5.89	
Internal rate of return on liabilities (%)	4.31	4.71	3.52	
Difference	1.15	0.45	2.37	
Average duration of assets (years)	0.08	3.01	0.17	2.03
Average duration of liabilities (years)	0.08	3.18	0.17	2.27
Difference	0.00	-0.17	0.00	-0.24

<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 "Adanim" Mortgage 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	3,933	3,697
Total off-balance-sheet credit risk	1,529	1,787
Total credit risk	5,462	5,484
<i>Of which:</i> Total risk of credit for housing loans	4,450	4,089
Total risk of credit to construction and real estate industry	920	1,319

**Problem borrowers**

Total credit risk dew to problem borrowers	142	99
<i>Of which:</i> Total credit to problem borrowers	104	80

**Data on derivatives**

Notional amount	0	0
Gross positive fair value	0	0

**Activity with interested and related parties**

Total assets on balance-sheet date	55	17
<i>Of which:</i> credit to the public	0	0
Total liabilities on balance-sheet date (including quasi-capital items)	2,031	1,571

**Branches and personnel**

Number of employee posts in Israel, monthly average	115	117
Number of employee posts abroad, monthly average	0	0
Number of branches in Israel	10	10
Number of branches abroad	0	0

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

Equity/risk-weighted-assets ratio	11.66	11.17
Equity/balance-sheet ratio	7.33	7.12
Financial capital/equity capital ratio	104.05	103.70
Ratio of problem loans to total credit to the public	2.65	2.15
Return on equity (net profit/average equity ratio)	10.20	10.10
Non-interest income/operating expenses ratio	47.01	60.85
Ratio of loan-loss provision to total credit to the public	0.05	-0.18