



Statement for 31/12/2007 on consolidated basis
Leumi Mortgage Bank 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 ⁽¹⁾	5	17	14	0.0%	0.0%	0.0%
Securities	0	0	28	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	35,790	33,036	32,846	5.3%	5.4%	5.4%
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	46	42	39	0.4%	0.3%	0.3%
Other assets	191	198	163	0.7%	0.9%	0.7%
Total assets	36,032	33,293	33,090	3.6%	3.5%	3.6%
Deposits of the public	7,591	8,181	8,853	1.0%	1.1%	1.2%
Deposits of banks ⁽¹⁾	22,326	19,584	19,336	38.9%	36.8%	32.3%
Deposits of the government	29	448	418	0.3%	3.6%	3.0%
Securities loaned or sold under agreements to repurchase	0	0	0	0.0%	0.0%	0.0%
Bonds and subordinated notes	3,814	2,921	2,398	6.4%	5.7%	4.5%
Other liabilities	248	359	344	0.4%	0.7%	0.7%
Total liabilities	34,008	31,493	31,349	3.6%	3.5%	3.6%
Minority shareholders' rights	0	0	0			
Equity	2,024	1,800	1,741	3.3%	3.2%	3.5%

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	456.0	381.0	370.0	1.9%	1.7%	1.7%
Loan-loss provision	43.0	191.0	106.0	2.3%	6.1%	2.5%
Operating and other income	127.0	127.0	133.0	0.8%	0.9%	1.0%
Of which: Operating income	125.0	126.0	131.0	1.0%	1.1%	1.2%
Operating and other expenses	241.0	210.0	188.0	1.0%	0.9%	0.9%
Of which: Salaries and related expenses	121.0	109.0	94.0	0.8%	0.7%	0.7%
Ordinary profit before-tax provision	299.0	107.0	209.0	2.5%	1.1%	2.2%
Provision for taxes on ordinary profit	80.0	57.0	83.0	1.7%	1.3%	2.1%
Ordinary after-tax profit	219.0	50.0	126.0	3.0%	1.0%	2.3%
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	219.0	50.0	126.0	2.9%	0.9%	2.1%
Extraordinary after-tax profit	0.0	0.0	0.0			
Net profit	219.0	50.0	126.0	2.4%	0.5%	1.9%
Basic earning in NIS per share	233.4	52.8	134.4			

Balances and rates of return on financial items by indexation base on 31.12.2007 - consolidated	Unindexed NIS	CPI-indexed NIS	Foreign Currency ⁽²⁾	Total financial items
Balance of financial assets on balance-sheet date	6,831	27,710	1,428	35,969
Balance of financial liabilities on balance-sheet date	5,494	26,894	1,453	33,841
Excess of financial assets over financial liabilities	1,337	816	-25	2,128
Total indexation balance (incl. Forwards ⁽³⁾ and options in term of basis assets)	1,337	816	-25	2,128
Options at the money and out of the money (net, capitalized nominal value)	0	0	0	0
Rate of income on assets (%) ⁽⁴⁾	5.16	7.83	0.71	7.00
Rate of expenses on liabilities (%) ⁽⁴⁾	-4.34	-7.37	0.86	-6.51
Interest-rate spread	0.83	0.46	1.57	0.49

Internal rate of return on assets (%)	5.30	5.42	7.07	
Internal rate of return on liabilities (%)	4.42	5.12	5.45	
Difference	0.88	0.30	1.62	
Average duration of assets (years)	0.23	3.56	0.22	2.79
Average duration of liabilities (years)	0.46	3.55	0.23	2.93
Difference	-0.23	0.01	-0.01	-0.14

⁽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 on consolidated basis
Leumi Mortgage Bank 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	35,790	33,036
Total off-balance-sheet credit risk	2,376	1,828
Total credit risk	38,166	34,864
<i>Of which:</i> Total risk of credit for housing loans	37,689	34,232
Total risk of credit to construction and real estate industry	218	386

Problem borrowers

Total credit risk dew to problem borrowers	963	1,416
<i>Of which:</i> Total credit to problem borrowers	944	1,355

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	13	11
<i>Of which:</i> credit to the public	0	0
Total liabilities on balance-sheet date (including quasi-capital items)	21,751	18,267

Branches and personnel

Number of employee posts in Israel, monthly average	453	433
Number of employee posts abroad, monthly average	0	0
Number of branches in Israel	9	10
Number of branches abroad	0	0

Main financial ratios, in annual terms (%)

Equity/risk-weighted-assets ratio	9.96	9.69
Equity/balance-sheet ratio	5.62	5.41
Financial capital/equity capital ratio	105.14	107.00
Ratio of problem loans to total credit to the public	2.64	4.10
Return on equity (net profit/average equity ratio)	11.60	2.90
Non-interest income/operating expenses ratio	52.70	60.48
Ratio of loan-loss provision to total credit to the public	0.12	0.58