



Statement for 31/12/2008 on consolidated basis
Israel Discount Bank Ltd. and its subsidiaries, Main data, NIS million

Taken from the annual report to 31.12.2008, reported amounts

Summary consolidated balance sheet	End of year			Bank's share of the banking system		
	2008	2007	2006	2008	2007	2006
Cash and deposits in banks ⁽¹⁾	21,554	19,850	25,100	17.1%	15.8%	18.1%
Securities	31,535	37,278	38,977	22.9%	21.9%	23.8%
Securities borrowed or purchased under agreements to resell	25	346	0	1.7%	15.1%	0.0%
Credit to the public	116,800	101,899	90,097	16.0%	15.4%	14.8%
Credit to the government	1,491	374	324	65.3%	26.2%	13.6%
Investments in companies included on an equity basis	1,900	2,008	1,367	41.1%	40.3%	36.4%
Buildings and equipment	3,039	2,780	2,614	22.4%	21.9%	21.6%
Other assets	5,904	4,184	4,044	13.3%	15.8%	17.9%
Total assets	182,248	168,719	162,523	17.2%	16.8%	17.1%
Deposits of the public	139,232	130,518	130,517	17.0%	16.6%	17.2%
Deposits of banks ⁽¹⁾	4,555	5,072	8,099	22.3%	19.2%	31.8%
Deposits of the government	206	125	119	5.8%	2.6%	1.9%
Securities loaned or sold under agreements to repurchase	7,194	5,895	0	79.9%	78.5%	0.0%
Bonds and subordinated notes	9,373	7,437	6,302	14.0%	12.6%	12.3%
Other liabilities	12,665	10,321	9,119	15.9%	17.6%	17.2%
Total liabilities	173,225	159,368	154,156	17.3%	16.9%	17.2%
Minority shareholders' rights	226	147	402			
Equity	8,797	9,204	7,965	14.6%	15.1%	14.2%

Summary consolidated profit and loss statement	End of year			Bank's share of the banking system		
	2008	2007	2006	2008	2007	2006
Net interest profit before loan-loss provision	4,127.0	4,225.0	3,790.0	22.0%	17.8%	16.6%
Loan-loss provision	780.0	447.0	570.0	15.1%	23.9%	18.3%
Operating and other income	2,490.0	2,572.0	2,359.0	19.3%	17.1%	16.4%
Of which: Operating income	2,339.0	2,214.0	1,911.0	18.5%	18.0%	17.1%
Operating and other expenses	5,265.0	5,066.0	5,020.0	20.2%	20.2%	20.3%
Of which: Salaries and related expenses	3,106.0	3,030.0	3,202.0	20.4%	20.2%	20.8%
Ordinary profit before-tax provision	572.0	1,284.0	559.0	26.1%	10.8%	5.9%
Provision for taxes on ordinary profit	169.0	566.0	350.0	13.2%	12.2%	7.9%
Ordinary after-tax profit	403.0	718.0	209.0	30.8%	9.9%	4.2%
Bank's share in the profit of subsidiaries	-70.0	45.0	188.0			
Minority shareholders' share in profit of consolidated companies	-78.0	-56.0	-82.0			
Ordinary net profit	255.0	707.0	315.0	21.6%	9.4%	5.9%
Extraordinary after-tax profit	-10.0	558.0	521.0			
Net profit	245.0	1,265.0	836.0	19.4%	13.8%	9.2%
Basic earning in NIS per share	0.3	1.3	0.9			

Balances and rates of return on financial items by indexation base on 31.12.2008 - consolidated	Unindexed NIS	CPI-indexed NIS	Foreign Currency ⁽²⁾	Total financial items
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Balance of financial assets on balance-sheet date	76,351	27,061	72,181	175,593
Balance of financial liabilities on balance-sheet date	77,097	20,871	75,076	173,044
Excess of financial assets over financial liabilities	-746	6,190	-2,895	2,549
Total indexation balance (incl. Forwards ⁽³⁾ and options in term of basis assets)	3,307	1,031	-1,789	2,549
Options at the money and out of the money (net, capitalized nominal value)	868	485	-1,353	0
Rate of income on assets (%) ⁽⁴⁾	5.97	8.98	1.99	4.60
Rate of expenses on liabilities (%) ⁽⁴⁾	-4.09	-8.56	-0.67	-3.03
Interest-rate spread	1.88	0.43	1.32	1.57

Internal rate of return on assets (%)	4.31	4.59	6.11	
Internal rate of return on liabilities (%)	2.85	3.98	3.34	
Difference	1.46	0.61	2.77	
Average duration of assets (years)	0.64	4.63	0.57	1.25
Average duration of liabilities (years)	0.50	4.09	0.85	1.10
Difference	0.14	0.54	-0.28	0.15

⁽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 31/12/2008 on consolidated basis
Israel Discount Bank Ltd., Additional data
(NIS millions, reported amounts)

Additional data	2008	2007
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Total off-balance-sheet and credit risk

Credit to the public and credit risk	121,399	106,133
Total off-balance-sheet credit risk	63,295	56,403
Total credit risk	184,694	162,536
<i>Of which:</i> Total risk of credit for housing loans	14,841	11,833
Total risk of credit to construction and real estate industry	34,728	32,949

Additional disclosure for bonds - fair value

Treasury bonds	12,735	16,903
mortgage and asset' backed bonds	11,517	8,669
other bonds	5,854	9,942

Problem borrowers

Total credit risk dew to problem borrowers	9,430	7,530
<i>Of which:</i> Total credit to problem borrowers	7,847	6,449

Data on derivatives

Notional amount	142,601	142,395
Gross positive fair value	3,522	1,672

Activity with interested and related parties

Total assets on balance-sheet date	3,869	2,522
<i>Of which:</i> credit to the public	1,827	492
Total liabilities on balance-sheet date (including quasi-capital items)	3,207	988

Branches and personnel

Number of employee posts in Israel, monthly average	9,465	8,787
Number of employee posts abroad, monthly average	917	923
Number of branches in Israel	218	203
Number of branches abroad	16	15

Main financial ratios, in annual terms (%)

Equity/risk-weighted-assets ratio	10.30	10.90
Equity/balance-sheet ratio	4.83	5.46
Financial capital/equity capital ratio	28.98	28.79
Ratio of problem loans to total credit to the public	6.68	6.29
Return on equity (net profit/average equity ratio)	2.70	14.70
Non-interest income/operating expenses ratio	47.29	50.77
Ratio of loan-loss provision to total credit to the public	0.66	0.44



Statement for 31/12/2008
Israel Discount Bank Ltd. , Main data, NIS million (Short Version)

Taken from the annual report to 31.12.2008, reported amounts

Operating segments - 31/12/2008

		The household segment	The private banking segment ¹	The small businesses segment	The commercial segment ²	The business sector ³	Financial management segment	Others and adjustments	Total
Net interest income before loan-loss provision	Median	155	395	1,160	798	1,736	-117	0	4,127
	Between sectors	1,183	-58	-323	-174	-735	107	0	0
Operating and other income:	Median	1,397	273	485	354	387	-406	0	2,490
	Between sectors	0	0	0	0	0	0	0	0
Total income		2,735	610	1,322	978	1,388	-416	0	6,617
Loan-loss provision		176	7	156	198	233	10	0	780
Operating and other expenses:	Median	2,187	407	829	633	706	503	0	5,265
	Between sectors	0	0	0	0	0	0	0	0
Ordinary before-tax profit		372	196	337	147	449	-929	0	572
Ordinary net profit		224	173	215	159	321	-837	0	255
Extraordinary net profit		0	0	0	0	0	-10	0	-10
Net profit		224	173	215	159	321	-847	0	245
Return on equity (net profit/average equity ratio)		15.1	61.2	27.5	10.8	9.7	48.2	0.0	2.7
Average balance of assets		28,017	4,546	14,648	19,934	42,733	59,158	0	169,036
Average balance of liabilities		58,035	34,857	13,019	9,279	19,677	24,907	0	159,774
Average balance of risk assets		22,909	4,373	12,027	22,498	50,955	15,781	0	128,543
Elements of net interest income before loan-loss provision	From granting credit	648	89	644	489	748	0	0	2,618
	From receiving deposits	604	261	135	83	95	0	0	1,178
	Other	86	-13	58	52	158	-10	0	331
Total net interest income before loan-loss provision		1,338	337	837	624	1,001	-10	0	4,127

¹⁾ Preferential banking services provided to wealthy customers.

²⁾ Medium-sized businesses.

³⁾ Large businesses.