



Statement for 31/12/2008 on consolidated basis
The First International Bank of Israel 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⁾	15,264	11,102	10,164	12.1%	8.8%	7.3%
Securities	16,674	21,498	20,743	12.1%	12.6%	12.6%
Securities borrowed or purchased under agreements to resell	1,186	814	0	82.6%	35.5%	0.0%
Credit to the public	61,250	55,594	52,198	8.4%	8.4%	8.6%
Credit to the government	0	2	258	0.0%	0.1%	10.8%
Investments in companies included on an equity basis	366	301	228	7.9%	6.0%	6.1%
Buildings and equipment	1,255	1,065	970	9.3%	8.4%	8.0%
Other assets	2,927	2,140	1,977	6.6%	8.1%	8.8%
Total assets	98,922	92,516	86,538	9.3%	9.2%	9.1%
Deposits of the public	79,945	75,787	72,240	9.7%	9.6%	9.5%
Deposits of banks ⁽¹⁾	1,381	1,570	1,025	6.8%	5.9%	4.0%
Deposits of the government	595	1,069	746	16.8%	21.8%	11.9%
Securities loaned or sold under agreements to repurchase	0	0	0	0.0%	0.0%	0.0%
Bonds and subordinated notes	4,470	3,710	3,436	6.7%	6.3%	6.7%
Other liabilities	6,522	4,556	4,055	8.2%	7.8%	7.6%
Total liabilities	92,913	86,692	81,502	9.3%	9.2%	9.1%
Minority shareholders' rights	518	338	296			
Equity	5,491	5,486	4,740	9.1%	9.0%	8.5%

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	1,857.0	2,047.0	1,831.0	9.9%	8.6%	8.0%
Loan-loss provision	238.0	181.0	219.0	4.6%	9.7%	7.0%
Operating and other income	1,357.0	1,425.0	1,146.0	10.5%	9.5%	8.0%
Of which: Operating income	1,223.0	1,117.0	932.0	9.7%	9.1%	8.3%
Operating and other expenses	2,635.0	2,338.0	1,867.0	10.1%	9.3%	7.6%
Of which: Salaries and related expenses	1,461.0	1,330.0	1,079.0	9.6%	8.9%	7.0%
Ordinary profit before-tax provision	341.0	953.0	891.0	15.5%	8.0%	9.4%
Provision for taxes on ordinary profit	213.0	369.0	387.0	16.7%	8.0%	8.7%
Ordinary after-tax profit	128.0	584.0	504.0	9.8%	8.0%	10.0%
Bank's share in the profit of subsidiaries	64.0	40.0	13.0			
Minority shareholders' share in profit of consolidated companies	-31.0	-37.0	-14.0			
Ordinary net profit	161.0	587.0	503.0	13.6%	7.8%	9.4%
Extraordinary after-tax profit	0.0	157.0	6.0			
Net profit	161.0	744.0	509.0	12.7%	8.1%	5.6%
Basic earning in NIS per share	0.3	1.5	1.0			

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	55,266	15,941	24,109	95,316
Balance of financial liabilities on balance-sheet date	53,480	14,545	24,219	92,244
Excess of financial assets over financial liabilities	1,786	1,396	-110	3,072
Total indexation balance (incl. Forwards ⁽³⁾ and options in term of basis assets)	3,152	653	-733	3,072
Options at the money and out of the money (net, capitalized nominal value)	-840	49	791	0
Rate of income on assets (%) ⁽⁴⁾	4.87	8.71	-1.60	2.23
Rate of expenses on liabilities (%) ⁽⁴⁾	-2.76	-7.94	2.11	-1.01
Interest-rate spread	2.11	0.77	0.51	1.22

Internal rate of return on assets (%)	4.10	5.05	4.38	
Internal rate of return on liabilities (%)	2.45	4.33	3.15	
Difference	1.65	0.72	1.23	
Average duration of assets (years)	0.30	3.70	0.20	0.80
Average duration of liabilities (years)	0.10	3.30	0.10	0.60
Difference	0.20	0.40	0.10	0.20

⁽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
The First International Bank of Israel 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	64,995	59,902
Total off-balance-sheet credit risk	35,961	38,203
Total credit risk	100,956	98,105
<i>Of which:</i> Total risk of credit for housing loans	10,924	10,122
Total risk of credit to construction and real estate industry	13,190	12,685

Additional disclosure for bonds - fair value

Treasury bonds	9,349	11,145
mortgage and asset' backed bonds	861	1,368
other bonds	5,707	8,088

Problem borrowers

Total credit risk dew to problem borrowers	4,059	3,080
<i>Of which:</i> Total credit to problem borrowers	3,623	2,811

Data on derivatives

Notional amount	100,403	182,147
Gross positive fair value	1,676	1,261

Activity with interested and related parties

Total assets on balance-sheet date	890	1,310
<i>Of which:</i> credit to the public	284	708
Total liabilities on balance-sheet date (including quasi-capital items)	450	197

Branches and personnel

Number of employee posts in Israel, monthly average	4,723	4,303
Number of employee posts abroad, monthly average	66	65
Number of branches in Israel	173	160
Number of branches abroad	2	2

Main financial ratios, in annual terms (%)

Equity/risk-weighted-assets ratio	12.32	11.53
Equity/balance-sheet ratio	5.55	5.93
Financial capital/equity capital ratio	55.95	55.40
Ratio of problem loans to total credit to the public	5.90	5.04
Return on equity (net profit/average equity ratio)	2.90	14.60
Non-interest income/operating expenses ratio	51.50	60.95
Ratio of loan-loss provision to total credit to the public	0.39	0.32



Statement for 31/12/2008

The First International Bank of Israel Ltd. , Main data, NIS million (Short Version)

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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	759	-359	4	582	600	314	-43	1,857
	Between sectors	-124	549	48	-87	4	-395	5	0
Operating and other income:	Median	455	249	50	209	362	10	22	1,357
	Between sectors	0	0	0	0	0	0	0	0
Total income		1,090	439	102	704	966	-71	-16	3,214
Loan-loss provision		40	-2	7	52	143	-1	-1	238
Operating and other expenses:	Median	931	379	106	531	556	106	26	2,635
	Between sectors	0	0	0	0	0	0	0	0
Ordinary before-tax profit		119	62	-11	121	267	-176	-41	341
Ordinary net profit		55	33	-7	56	124	-41	-59	161
Extraordinary net profit		0	0	0	0	0	0	0	0
Net profit		55	33	-7	56	124	-41	-59	161
Return on equity (net profit/average equity ratio)		4.4	29.8	29.1	5.6	5.2	-12.4	0.0	0.0
Average balance of assets		18,824	2,955	323	12,108	25,087	30,145	0	89,442
Average balance of liabilities		22,659	19,963	1,352	9,667	20,536	12,065	0	86,242
Average balance of risk assets		14,619	1,366	228	12,133	28,657	8,635	0	65,638
Elements of net interest income before loan-loss provision	From granting credit	303	27	21	359	342			1,052
	From receiving deposits	304	141	24	75	54			598
	Other	28	22	7	61	208			326
Total net interest income before loan-loss provision		635	190	52	495	604	-81	-38	1,857

¹⁾ Preferential banking services provided to wealthy customers.

²⁾ Medium-sized businesses.

³⁾ Large businesses.