



Statement for 31/12/2008 on consolidated basis
Bank of Jerusalem 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			Banking group's share of the banking system		
	2008	2007	2006	2008	2007	2006
Cash and deposits in banks ⁽¹⁾	351	370	766	0.3%	0.3%	0.6%
Securities	1,292	1,350	956	0.9%	0.8%	0.6%
Securities borrowed or purchased under agreements to resell	0	0	0	0.0%	0.0%	0.0%
Credit to the public	7,510	7,189	6,399	1.0%	1.1%	1.1%
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	52	44	47	0.4%	0.3%	0.4%
Other assets	47	26	24	0.1%	0.1%	0.1%
Total assets	9,251	8,978	8,191	0.9%	0.9%	0.9%
Deposits of the public	7,279	6,960	6,731	0.9%	0.9%	0.9%
Deposits of banks ⁽¹⁾	140	171	221	0.7%	0.6%	0.9%
Deposits of the government	4	9	16	0.1%	0.2%	0.3%
Securities loaned or sold under agreements to repurchase	50	0	0	0.6%	0.0%	0.0%
Bonds and subordinated notes	1,188	1,262	692	1.8%	2.1%	1.4%
Other liabilities	71	74	69	0.1%	0.1%	0.1%
Total liabilities	8,731	8,476	7,729	0.9%	0.9%	0.9%
Minority shareholders' rights	0	0	0			
Equity	520	502	462	0.9%	0.8%	0.8%

Summary consolidated profit and loss statement	End of year			Banking group's share of the banking system		
	2008	2007	2006	2008	2007	2006
Net interest profit before loan-loss provision	171.7	182.7	155.7	0.9%	0.8%	0.7%
Loan-loss provision	6.8	12.6	15.5	0.1%	0.7%	0.5%
Operating and other income	82.9	88.4	90.2	0.6%	0.6%	0.6%
Of which: Operating income	82.4	87.3	88.6	0.7%	0.7%	0.8%
Operating and other expenses	166.2	167.0	165.2	0.6%	0.7%	0.7%
Of which: Salaries and related expenses	102.6	103.7	105.2	0.7%	0.7%	0.7%
Ordinary profit before-tax provision	81.6	91.5	65.2	3.7%	0.8%	0.7%
Provision for taxes on ordinary profit	29.9	30.6	27.6	2.3%	0.7%	0.6%
Ordinary after-tax profit	51.7	60.9	37.6	4.0%	0.8%	0.7%
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	51.7	60.9	37.6	4.4%	0.8%	0.7%
Extraordinary after-tax profit	0.0	0.1	26.4			
Net profit	51.7	61.0	64.0	4.1%	0.7%	0.7%
Basic earning in NIS per share	0.7	0.9	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
Balance of financial assets on balance-sheet date	4,372	3,702	1,117	9,191
Balance of financial liabilities on balance-sheet date	3,580	4,053	1,077	8,709
Excess of financial assets over financial liabilities	792	-351	40	481
Total indexation balance (incl. Forwards ⁽³⁾ and options in term of basis assets)	678	-253	56	481
Options at the money and out of the money (net, capitalized nominal value)	43	0	-43	0
Rate of income on assets (%) ⁽⁴⁾	5.11	9.28	0.82	6.08
Rate of expenses on liabilities (%) ⁽⁴⁾	-3.69	-8.82	1.53	-5.04
Interest-rate spread	1.42	0.46	2.35	1.04

Internal rate of return on assets (%)	4.95	5.48	4.83	
Internal rate of return on liabilities (%)	2.92	4.30	2.08	
Difference	2.03	1.18	2.75	
Average duration of assets (years)	0.37	3.49	0.16	1.60
Average duration of liabilities (years)	0.25	2.91	0.21	1.48
Difference	0.12	0.58	-0.05	0.12

⁽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.



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Bank of Jerusalem 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	7,617	7,353
Total off-balance-sheet credit risk	831	877
Total credit risk	8,448	8,231
<i>Of which:</i> Total risk of credit for housing loans	5,207	5,054
Total risk of credit to construction and real estate industr	1,929	1,912

Additional disclosure for bonds - fair value

Treasury bonds	1,085	1,117
mortgage and asset' backed bonds	0	0
other bonds	207	234

Problem borrowers

Total credit risk dew to problem borrowers	438	333
<i>Of which:</i> Total credit to problem borrowers	390	305

Data on derivatives

Notional amount	1,051	1,267
Gross positive fair value	18	19

Activity with interested and related parties

Total assets on balance-sheet date	1	1
<i>Of which:</i> credit to the public	1	1
Total liabilities on balance-sheet date (including quasi-capital items)	19	10

Branches and personnel

Number of employee posts in Israel, monthly average	352	354
Number of employee posts abroad, monthly average	0	0
Number of branches in Israe	16	15
Number of branches abroad	0	0

Main financial ratios, in annual terms (%)

Equity/risk-weighted-assets ratic	11.80	11.30
Equity/balance-sheet ratic	5.62	5.60
Financial capital/equity capital ratic	92.56	93.57
Ratio of problem loans to total credit to the public	5.19	4.23
Return on equity (net profit/average equity ratio)	10.10	12.80
Non-interest income/operating expenses ratic	49.88	52.93
Ratio of loan-loss provision to total credit to the public	0.09	0.18