



Statement for 31/12/2008 on consolidated basis
Discount Mortgage 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			Banking group's share of the banking system		
	2008	2007	2006	2008	2007	2006
Cash and deposits in banks ⁽¹⁾	447	225	542	0.3%	0.1%	0.3%
Securities	0	1	1	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	13,742	11,200	9,839	1.9%	1.7%	1.6%
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	48	28	20	0.4%	0.2%	0.2%
Other assets	60	49	47	0.1%	0.2%	0.2%
Total assets	14,297	11,503	10,449	1.3%	1.1%	1.1%
Deposits of the public	1,034	1,249	1,454	0.1%	0.2%	0.2%
Deposits of banks ⁽¹⁾	11,568	8,985	7,712	18.3%	15.1%	14.5%
Deposits of the government	30	32	38	0.9%	0.7%	0.6%
Securities loaned or sold under agreements to repurchase	0	0	0	0.0%	0.0%	0.0%
Bonds and subordinated notes	645	268	289	1.0%	0.5%	0.6%
Other liabilities	121	98	112	0.2%	0.2%	0.2%
Total liabilities	13,398	10,632	9,604	1.3%	1.1%	1.1%
Minority shareholders' rights	0	0	0			
Equity	899	871	845	1.5%	1.4%	1.5%

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	128.4	125.5	139.8	0.7%	0.5%	0.6%
Loan-loss provision	8.0	35.2	33.9	0.2%	1.9%	1.1%
Operating and other income	49.5	48.7	48.2	0.4%	0.3%	0.3%
<i>Of which: Operating income</i>	49.5	48.7	48.2	0.4%	0.4%	0.4%
Operating and other expenses	125.4	114.3	94.6	0.5%	0.5%	0.4%
<i>Of which: Salaries and related expenses</i>	73.0	66.9	52.8	0.5%	0.4%	0.3%
Ordinary profit before-tax provision	44.5	24.7	59.5	2.0%	0.2%	0.6%
Provision for taxes on ordinary profit	16.1	-1.5	24.2	1.3%	not calculatec	0.5%
Ordinary after-tax profit	28.4	26.2	35.3	2.2%	0.4%	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	28.4	26.2	35.3	2.4%	0.3%	0.7%
Extraordinary after-tax profit	0.0	0.0	0.0			
Net profit	28.4	26.2	35.3	2.2%	0.3%	0.4%
Basic earning in NIS per share	21.5	19.9	26.8			

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	2,923	10,743	567	14,233
Balance of financial liabilities on balance-sheet date	2,105	10,670	590	13,366
Excess of financial assets over financial liabilities	817	73	-23	868
Total indexation balance (incl. Forwards ⁽³⁾ and options in term of basis assets)	673	73	122	868
Options at the money and out of the money (net, capitalized nominal value)	30	0	-30	0
Rate of income on assets (%) ⁽⁴⁾	4.36	9.17	8.57	8.41
Rate of expenses on liabilities (%) ⁽⁴⁾	-3.97	-8.79	-6.52	-8.10
Interest-rate spread	0.40	0.38	2.05	0.30

Internal rate of return on assets (%)	3.56	4.63	4.03	
Internal rate of return on liabilities (%)	3.11	4.23	3.72	
Difference	0.45	0.40	0.31	
Average duration of assets (years)	0.12	6.05	0.29	4.61
Average duration of liabilities (years)	0.16	5.09	0.26	4.10
Difference	-0.04	0.96	0.03	0.51

⁽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
Discount Mortgage 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	13,742	11,200
Total off-balance-sheet credit risk	1,164	1,384
Total credit risk	14,906	12,585
<i>Of which:</i> Total risk of credit for housing loans	13,362	10,840
Total risk of credit to construction and real estate industry	791	933

Additional disclosure for bonds - fair value

Treasury bonds	0	1
mortgage and asset' backed bonds	0	0
other bonds	0	0

Problem borrowers

Total credit risk dew to problem borrowers	774	899
<i>Of which:</i> Total credit to problem borrowers	539	642

Data on derivatives

Notional amount	1,184	1,744
Gross positive fair value	82	110

Activity with interested and related parties

Total assets on balance-sheet date	463	308
<i>Of which:</i> credit to the public	20	27
Total liabilities on balance-sheet date (including quasi-capital items)	11,510	8,487

Branches and personnel

Number of employee posts in Israel, monthly average	415	386
Number of employee posts abroad, monthly average	0	0
Number of branches in Israel	4	4
Number of branches abroad	0	0

Main financial ratios, in annual terms (%)

Equity/risk-weighted-assets ratio	10.80	10.60
Equity/balance-sheet ratio	6.29	7.57
Financial capital/equity capital ratio	96.50	104.46
Ratio of problem loans to total credit to the public	3.92	5.72
Return on equity (net profit/average equity ratio)	3.20	3.00
Non-interest income/operating expenses ratio	39.47	42.61
Ratio of loan-loss provision to total credit to the public	0.06	0.31