

Statement for the first quarter - consolidated
Mercantile Discount Bank Ltd. and its subsidiaries , Main data, NIS millic

Taken from the quarterly report to 31.03.2009, reported amounts



Summary consolidated balance sheet	31.03.2009	31.12.2008	Bank's share of the banking system	
			31.03.2009	31.12.2008
Cash and deposits in banks ¹	3,604	3,396	2.1%	2.1%
Securities	2,930	2,098	2.0%	1.5%
Securities borrowed or purchased under agreements to resell	0	0	0.0%	0.0%
Credit to the public	14,202	14,326	1.9%	2.0%
Credit to the government	0	9	0.0%	0.4%
Investments in companies included on an equity basis	74	76	1.7%	1.6%
Buildings and equipment	343	344	2.5%	2.5%
Other assets	125	135	0.3%	0.3%
Total assets	21,278	20,384	2.0%	1.9%
Deposits of the public	17,963	17,037	2.1%	2.1%
Deposits of banks ¹	342	427	0.6%	0.7%
Deposits of the government	50	45	1.3%	1.3%
Securities loaned or sold under agreements to repurchase	0	0	0.0%	0.0%
Bonds and subordinated notes	608	636	0.9%	1.0%
Other liabilities	737	760	1.0%	1.0%
Total liabilities	19,700	18,905	1.9%	1.9%
Minority shareholders' rights	0	0		
Equity	1,578	1,479	2.6%	2.5%

Summary consolidated profit and loss statement	Three months to		Bank's share of the banking system	
			Three months to	
	31.03.2009	31.03.2008	31.03.2009	31.03.2008
Net interest profit before loan-loss provision	145.0	167.0	3.1%	3.9%
Loan-loss provision	36.0	33.0	3.1%	8.3%
Operating and other income	95.0	76.0	2.6%	2.2%
Of which: Operating income	85.0	76.0	2.6%	2.2%
Operating and other expenses	163.0	158.0	2.6%	2.3%
Of which: Salaries and related expenses	95.0	95.0	2.6%	2.2%
Ordinary before-tax provision	41.0	52.0	4.4%	3.5%
Provision for taxes on ordinary profit	15.0	18.0	7.8%	2.5%
Ordinary after-tax profit	26.0	34.0	3.1%	4.5%
Bank's share in the profit of subsidiaries	0.0	1.0		
Share of minority shareholders in profit of consolidated companies	0.0	0.0		
Ordinary net profit	26.0	35.0	3.0%	4.2%
Extraordinary after-tax profit	0.0	-1.0		
Net profit	26.0	34.0	2.9%	4.1%
Basic earning in NIS per share	210.0	270.0		

Balances and rates of return on financial items by indexation base on 31.03.2009	Unindexed NIS	CPI-indexed NIS	Foreign Currency ⁽²⁾	Total financial items
Balance of financial assets on balance-sheet date	13,234	4,599	2,864	20,697
Balance of financial liabilities on balance-sheet date	13,004	3,409	3,205	19,618
Excess of financial assets over financial liabilities	230	1,190	-341	1,079
Total indexation balance (incl. forwards and options in term of basis assets) ³	425	676	-23	1,078
Rate of income on assets (percent) ⁴	4.79	1.71	35.57	10.16
Rate of expenditure on liabilities (percent) ⁴	-1.10	-2.74	-33.97	-8.09
Interest-rate differential	3.70	-1.04	1.60	2.07

Problem borrowers	31.03.2009	31.12.2008
Total credit risk dew to problem borrowers	1,349	1,346
Total credit to problem borrowers	1,108	1,087

Main financial ratios - consolidated (percent)	31.03.2009	31.12.2008
Equity/balance-sheet ratio	7.42	7.26
Financial capital/equity ratio	68.38	68.09
Equity/risk-weighted-assets ratio	12.80	12.70
Return on equity (net profit average equity ratio) ⁵	7.10	10.30
Operating income/operating expenses ratio ⁶	58.28	50.38

¹ See note 5.1.7 in the introduction² Including foreign-currency indexed NIS.³ Forwards transactions.⁴ Three-month rate of income (expenses), on annual basis including hedging, embedded and ALM derivatives.⁵ Annual basis.⁶ For three months. Comparative data are annual.