

**Statement for the first quarter - bank  
"Hesech" Kupat Hisachon Lehinuch Ltd., Haifa , Main data, NIS million**

Taken from the quarterly report to 31.03.2009, reported amounts



<b>Summary balance sheet</b>	<b>31.03.2009</b>	<b>31.12.2008</b>
Cash and deposits in banks <sup>1</sup>	9	11
Securities	0	0
Securities borrowed or purchased under agreements to resell	0	0
Credit to the public	177	178
Credit to the government	0	0
Investments in companies included on an equity basis	0	0
Buildings and equipment	1	1
Other assets	0	0
<b>Total assets</b>	<b>187</b>	<b>190</b>
Deposits of the public	116	120
Deposits of banks <sup>1</sup>	0	0
Deposits of the government	0	0
Securities loaned or sold under agreements to repurchase	0	0
Bonds and subordinated notes	0	0
Other liabilities	0	0
<b>Total liabilities</b>	<b>116</b>	<b>120</b>
Minority shareholders' rights	0	0
Equity	71	70

<b>Summary profit and loss statement</b>	<b>Three months to</b>	
	<b>31.03.2009</b>	<b>31.03.2008</b>
Net interest profit before loan-loss provision	1.8	2.9
Loan-loss provision	-0.2	0.1
Operating and other income	0.0	0.0
Of which: Operating income	0.0	0.0
Operating and other expenses	0.5	0.5
Of which: Salaries and related expenses	0.3	0.3
Ordinary before-tax provision	1.5	2.4
Provision for taxes on ordinary profit	0.0	0.0
Ordinary after-tax profit	1.5	2.4
Bank's share in the profit of subsidiaries	0.0	0.0
Share of minority shareholders in profit of consolidated companies	0.0	0.0
Ordinary net profit	1.5	2.4
Extraordinary after-tax profit	0.0	0.0
<b>Net profit</b>	<b>1.5</b>	<b>2.4</b>
Basic earning in NIS per share	0.1	0.1

<b>Balances and rates of return on financial items by indexation base on 31.03.2009</b>	<b>Unindexed NIS</b>	<b>CPI-indexed NIS</b>	<b>Foreign Currency<sup>(2)</sup></b>	<b>Total financial items</b>
Balance of financial assets on balance-sheet date	9	177	0	187
Balance of financial liabilities on balance-sheet date	0	116	0	116
Excess of financial assets over financial liabilities	9	61	0	70
Total indexation balance (incl. forwards and options in term of basis assets) <sup>3</sup>	9	61	0	70
Rate of income on assets (percent) <sup>4</sup>	1.03	4.62	0.00	4.46
Rate of expenditure on liabilities (percent) <sup>4</sup>	0.00	-1.65	0.00	-1.65
Interest-rate differential	1.03	2.97	0.00	2.81

<b>Problem borrowers</b>	<b>31.03.2009</b>	<b>31.12.2008</b>
Total credit risk dew to problem borrowers	0	0
Total credit to problem borrowers	0	0

<b>Main financial ratios (percent)</b>	<b>31.03.2009</b>	<b>31.12.2008</b>
Equity/balance-sheet ratio	37.82	36.64
Financial capital/equity ratio	99.25	99.22
Equity/risk-weighted-assets ratio	79.50	77.40
Return on equity (net profit average equity ratio) <sup>5</sup>	9.00	19.00
Operating income/operating expenses ratio <sup>6</sup>	3.49	3.87

<sup>1</sup> See note 5.1.7 in the introduction

<sup>2</sup> Including foreign-currency indexed NIS.

<sup>3</sup> Forwards transactions.

<sup>4</sup> Three-month rate of income (expenses), on annual basis including hedging, embedded and ALM derivatives.

<sup>5</sup> Annual basis.

<sup>6</sup> For three months. Comparative data are annual.