

**Statement for the third quarter - consolidated****Bank Leumi Le-Israel B.M. and its subsidiaries , Main data, NIS million**

Taken from the quarterly report to 30.09.2009, reported amounts



Summary consolidated balance sheet	30.09.2009	31.12.2008	Bank's share of the banking system	
			30.09.2009	31.12.2008
Cash and deposits in banks <sup>1</sup>	43,934	33,130	29.4%	26.3%
Securities	58,381	44,910	38.4%	32.7%
Securities borrowed or purchased under agreements to resell	1,823	201	34.9%	14.0%
Credit to the public	203,971	213,215	28.3%	29.1%
Credit to the government	430	520	14.2%	22.8%
Investments in companies included on an equity basis	1,908	1,842	45.2%	40.5%
Buildings and equipment	3,544	3,445	26.2%	25.4%
Other assets	9,639	13,529	32.5%	30.4%
<b>Total assets</b>	<b>323,630</b>	<b>310,792</b>	<b>30.0%</b>	<b>29.3%</b>
Deposits of the public	249,433	244,783	30.2%	29.8%
Deposits of banks <sup>1</sup>	5,395	3,742	25.7%	18.3%
Deposits of the government	719	831	19.7%	23.5%
Securities loaned or sold under agreements to repurchase	1,316	549	14.5%	6.1%
Bonds and subordinated notes	25,471	20,636	32.5%	30.9%
Other liabilities	19,955	21,334	27.9%	26.9%
<b>Total liabilities</b>	<b>302,289</b>	<b>291,875</b>	<b>30.0%</b>	<b>29.2%</b>
Minority shareholders' rights	274	245		
Equity	21,067	18,672	31.5%	31.0%

Summary consolidated profit and loss statement	Nine months ended		Bank's share of the banking system		Three months ended
			Nine months ended		
	30.09.2009	30.09.2008	30.09.2009	30.09.2008	30.09.2009
Net interest profit before loan-loss provision	5,211.0	5,404.0	29.8%	37.1%	1,923.0
Loan-loss provision	1,136.0	1,055.0	29.0%	40.6%	443.0
Operating and other income	3,308.0	2,255.0	27.7%	22.9%	1,292.0
Of which: Operating income	2,586.0	2,671.0	25.4%	26.3%	915.0
Operating and other expenses	4,962.0	5,202.0	26.2%	26.9%	1,758.0
Of which: Salaries and related expenses	2,864.0	3,149.0	27.0%	27.5%	1,052.0
Ordinary profit before-tax provision	2,421.0	1,402.0	36.7%	37.6%	1,014.0
Provision for taxes on ordinary profit	950.0	844.0	35.1%	44.5%	499.0
Ordinary profit after-tax	1,471.0	558.0	37.8%	30.4%	515.0
Bank's share in the profit of subsidiaries	0.0	471.0			30.0
Share of minority shareholders in profit of consolidated companies	-29.0	-3.0			-11.0
Ordinary net profit	1,442.0	1,026.0	35.6%	44.8%	534.0
Extraordinary after-tax profit	28.0	249.0			0.0
<b>Net profit</b>	<b>1,470.0</b>	<b>1,275.0</b>	<b>35.9%</b>	<b>50.3%</b>	<b>534.0</b>
Basic earning in NIS per share	1.0	0.9			0.4

Balances and rates of return on financial items by indexation base on 30.09.2009	Unindexed NIS	CPI-indexed NIS	Foreign Currency <sup>(2)</sup>	Total financial items
Balance of financial assets on balance-sheet date	158,467	60,004	96,494	314,965
Balance of financial liabilities on balance-sheet date	134,303	52,955	114,242	301,500
Excess of financial assets over financial liabilities	24,164	7,049	-17,748	13,465
Total indexation balance (incl. futures, forwards and options in term of basis assets)	18,201	-1,083	-3,653	13,465
Rate of income on assets (percent) <sup>3</sup>	2.66	9.10	2.89	3.64
Rate of expenditure on liabilities (percent) <sup>3</sup>	-0.84	-9.59	-1.92	-2.56
Interest-rate spread	1.82	-0.49	0.97	1.08

Internal rate of return on assets (%)	3.75	4.77	2.45	
Internal rate of return on liabilities (%)	3.65	4.55	1.47	
Difference	0.10	0.22	0.98	
Average duration of assets (years)	0.36	3.42	0.65	1.05
Average duration of liabilities (years)	0.36	4.37	0.38	1.10
Difference	0.00	-0.95	0.27	-0.05

<sup>1</sup> See note 5.1.7 in the introduction<sup>2</sup> Including foreign-currency indexed NIS.<sup>3</sup> Nine-month rate of income (expenses), on annual basis including hedging, embedded and ALM derivatives.

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<b>Additional data</b>	<b>30.09.2009</b>	<b>31.12.2008</b>
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**Total off-balance-sheet and credit risk**

Credit to the public and credit risk	215,446	226,844
Total off-balance-sheet credit risk	91,955	93,650
Total credit risk	307,401	320,494
<i>Of which: Total risk of credit for housing loans</i>	45,503	42,646
Total risk of credit to construction and real estate industry	53,506	52,836

**Additional disclosure for bonds - fair value**

Treasury bonds	55,922	41,615
Of which: mortgage and asset' backed bonds	5,785	4,426

**Problem borrowers**

Total credit risk dew to problem borrowers	21,232	22,682
Of which: Total credit to problem borrowers	17,135	18,082
Total credit risk of problem banks	197	108

**Data on derivatives**

Notional amount	365,631	360,514
Gross positive fair value	6,845	10,047

**Main financial ratios - consolidated (percent)**

Equity/balance-sheet ratio	6.51	6.01
Finanancial capital/equity ratio	63.92	55.46
Equity/risk-weighted-assets ratio	14.14	11.58
Return on equity (net profit average equity ratio) <sup>5</sup>	10.30	0.50
Operating income/operating expenses ratio <sup>6</sup>	66.67	39.98

<sup>5</sup> Annual basis.<sup>6</sup> For nine months. Comparative data are annual.