

## Statement for the third quarter - consolidated

### Bank Hapoalim 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>	44,864	38,590	30.0%	30.6%
Securities	28,170	26,657	18.5%	19.4%
Securities borrowed or purchased under agreements to resell	283	0	5.4%	0.0%
Credit to the public	215,638	222,100	30.0%	30.4%
Credit to the government	235	270	7.8%	11.8%
Investments in companies included on an equity basis	134	480	3.2%	10.6%
Buildings and equipment	3,791	3,905	28.0%	28.8%
Other assets	8,779	14,845	29.6%	33.3%
<b>Total assets</b>	<b>301,894</b>	<b>306,847</b>	<b>28.0%</b>	<b>28.9%</b>
Deposits of the public	225,196	226,953	27.3%	27.7%
Deposits of banks <sup>1</sup>	6,034	8,198	28.8%	40.1%
Deposits of the government	1,534	1,657	42.0%	46.9%
Securities loaned or sold under agreements to repurchase	91	237	1.0%	2.6%
Bonds and subordinated notes	23,307	20,818	29.7%	31.2%
Other liabilities	25,083	29,759	35.1%	37.5%
<b>Total liabilities</b>	<b>281,245</b>	<b>287,622</b>	<b>27.9%</b>	<b>28.8%</b>
Minority shareholders' rights	333	430		
Equity	20,316	18,795	30.4%	31.2%

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	4,706.0	2,014.0	26.9%	13.8%	1,779.0
Loan-loss provision	1,481.0	755.0	37.8%	29.1%	629.0
Operating and other income	3,752.0	3,642.0	31.4%	36.9%	1,359.0
Of which: Operating income	3,384.0	3,570.0	33.2%	35.2%	1,146.0
Operating and other expenses	5,513.0	6,139.0	29.1%	31.7%	1,683.0
Of which: Salaries and related expenses	2,919.0	3,683.0	27.5%	32.2%	787.0
Ordinary profit before-tax provision	1,464.0	-1,238.0	22.2%	not calculated	826.0
Provision for taxes on ordinary profit	647.0	-191.0	23.9%	not calculated	418.0
Ordinary profit after-tax	817.0	-1,047.0	21.0%	not calculated	408.0
Bank's share in the profit of subsidiaries	2.0	-64.0			-7.0
Share of minority shareholders in profit of consolidated companies	4.0	35.0			21.0
Ordinary net profit	823.0	-1,076.0	20.3%	not calculated	422.0
Extraordinary after-tax profit	26.0	544.0			3.0
<b>Net profit</b>	<b>849.0</b>	<b>-532.0</b>	<b>20.8%</b>	<b>not calculated</b>	<b>425.0</b>
Basic earning in NIS per share	0.6	-0.4			0.3

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	159,148	58,387	77,596	295,131
Balance of financial liabilities on balance-sheet date	142,107	45,938	92,693	280,738
Excess of financial assets over financial liabilities	17,041	12,449	-15,097	14,393
Total indexation balance (incl. futures, forwards and options in term of basis assets)	13,393	948	52	14,393
Rate of income on assets (percent) <sup>3</sup>	3.05	9.70	5.69	5.05
Rate of expenditure on liabilities (percent) <sup>3</sup>	-1.51	-10.68	-4.95	-4.23
Interest-rate spread	1.54	-0.98	0.74	0.81
Internal rate of return on assets (%)	3.12	4.85	3.30	
Internal rate of return on liabilities (%)	1.05	3.90	1.94	
Difference	2.07	0.95	1.36	
Average duration of assets (years)	0.45	3.46	0.82	1.12
Average duration of liabilities (years)	0.35	4.15	1.20	1.25
Difference	0.10	-0.69	-0.38	-0.13

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

Credit to the public and credit risk	222,229	233,296
Total off-balance-sheet credit risk	131,404	169,857
Total credit risk	353,633	403,153
<i>Of which: Total risk of credit for housing loans</i>	34,211	31,908
Total risk of credit to construction and real estate industry	60,161	59,323

**Additional disclosure for bonds - fair value**

Treasury bonds	25,982	24,812
Of which: mortgage and asset' backed bonds	808	1,196

**Problem borrowers**

Total credit risk dew to problem borrowers	18,566	16,085
Of which: Total credit to problem borrowers	15,463	13,675
Total credit risk of problem banks	121	57

**Data on derivatives**

Notional amount	439,631	429,912
Gross positive fair value	6,647	11,843

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

Equity/balance-sheet ratio	6.73	6.13
Finanancial capital/equity ratio	70.85	68.79
Equity/risk-weighted-assets ratio	13.33	10.92
Return on equity (net profit average equity ratio) <sup>5</sup>	5.90	-4.80
Operating income/operating expenses ratio <sup>6</sup>	68.06	57.14

<sup>5</sup> Annual basis.

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