

Statement for the third quarter - consolidated**Mizrahi Tefahot Bank Ltd. 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 ¹	9,833	11,038	6.6%	8.8%
Securities	7,878	9,259	5.2%	6.7%
Securities borrowed or purchased under agreements to resell	486	12	9.3%	0.8%
Credit to the public	93,058	88,049	12.9%	12.0%
Credit to the government	297	2	9.8%	0.1%
Investments in companies included on an equity basis	12	17	0.3%	0.4%
Buildings and equipment	1,458	1,476	10.8%	10.9%
Other assets	2,587	4,159	8.7%	9.3%
Total assets	115,609	114,012	10.7%	10.7%
Deposits of the public	93,405	91,779	11.3%	11.2%
Deposits of banks ¹	2,122	1,867	10.1%	9.1%
Deposits of the government	220	242	6.0%	6.8%
Securities loaned or sold under agreements to repurchase	0	972	0.0%	10.8%
Bonds and subordinated notes	7,888	6,837	10.1%	10.2%
Other liabilities	5,178	6,012	7.2%	7.6%
Total liabilities	108,813	107,709	10.8%	10.8%
Minority shareholders' rights	358	351		
Equity	6,438	5,952	9.6%	9.9%

Summary consolidated profit and loss statement	Nine months ended		Bank's share of the banking system		Three months ended
	Nine 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	1,730.0	1,701.0	9.9%	11.7%	582.0
Loan-loss provision	268.0	213.0	6.8%	8.2%	82.0
Operating and other income	1,047.0	898.0	8.8%	9.1%	396.0
Of which: Operating income	954.0	851.0	9.4%	8.4%	332.0
Operating and other expenses	1,855.0	1,565.0	9.8%	8.1%	654.0
Of which: Salaries and related expenses	1,126.0	946.0	10.6%	8.3%	404.0
Ordinary profit before-tax provision	654.0	821.0	9.9%	22.0%	242.0
Provision for taxes on ordinary profit	225.0	309.0	8.3%	16.3%	81.0
Ordinary profit after-tax	429.0	512.0	11.0%	27.9%	161.0
Bank's share in the profit of subsidiaries	0.0	0.0			0.0
Share of minority shareholders in profit of consolidated companies	-13.0	-7.0			-5.0
Ordinary net profit	416.0	505.0	10.3%	22.1%	156.0
Extraordinary after-tax profit	0.0	1.0			0.0
Net profit	416.0	506.0	10.2%	20.0%	156.0
Basic earning in NIS per share	1.9	2.3			0.7

Balances and rates of return on financial items by indexation base on 30.09.2009	Unindexed NIS	CPI-indexed NIS	Foreign Currency ⁽²⁾	Total financial items
Balance of financial assets on balance-sheet date	56,946	36,815	19,935	113,696
Balance of financial liabilities on balance-sheet date	55,667	32,340	20,578	108,585
Excess of financial assets over financial liabilities	1,279	4,475	-643	5,111
Total indexation balance (incl. futures, forwards and options in term of basis assets)	5,206	-221	126	5,111
Rate of income on assets (percent) ³	2.02	9.02	2.47	3.55
Rate of expenditure on liabilities (percent) ³	-0.96	-8.66	-1.44	-2.66
Interest-rate spread	1.06	0.37	1.03	0.88

Internal rate of return on assets (%)	4.32	4.83	5.33	
Internal rate of return on liabilities (%)	2.70	4.56	1.97	
Difference	1.62	0.27	3.36	
Average duration of assets (years)	0.15	3.09	0.89	1.24
Average duration of liabilities (years)	0.30	4.25	0.58	1.52
Difference	-0.15	-1.16	0.31	-0.28

¹ See note 5.1.7 in the introduction² Including foreign-currency indexed NIS.³ 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	93,901	89,234
Total off-balance-sheet credit risk	45,827	43,493
Total credit risk	139,728	132,727
<i>Of which: Total risk of credit for housing loans</i>	55,604	48,172
Total risk of credit to construction and real estate industry	12,785	14,817

Additional disclosure for bonds - fair value

Treasury bonds	7,560	8,879
Of which: mortgage and asset' backed bonds	76	83

Problem borrowers

Total credit risk dew to problem borrowers	6,077	6,896
Of which: Total credit to problem borrowers	5,131	5,955
Total credit risk of problem banks	50	124

Data on derivatives

Notional amount	141,533	159,644
Gross positive fair value	1,820	3,387

Main financial ratios - consolidated (percent)

Equity/balance-sheet ratio	5.57	5.22
Finanancial capital/equity ratio	79.39	75.57
Equity/risk-weighted-assets ratio	12.48	11.31
Return on equity (net profit average equity ratio) ⁵	9.10	10.40
Operating income/operating expenses ratio ⁶	56.44	57.08

⁵ Annual basis.⁶ For nine months. Comparative data are annual.