

Statement for the third quarter - consolidated**Bank of Jerusalem 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	882	351	0.6%	0.3%
Securities	1,174	1,292	0.8%	0.9%
Securities borrowed or purchased under agreements to resell	0	0	0.0%	0.0%
Credit to the public	7,291	7,510	1.0%	1.0%
Credit to the government	0	0	0.0%	0.0%
Investments in companies included on an equity basis	0	0	0.0%	0.0%
Buildings and equipment	50	52	0.4%	0.4%
Other assets	53	47	0.2%	0.1%
Total assets	9,449	9,251	0.9%	0.9%
Deposits of the public	7,178	7,279	0.9%	0.9%
Deposits of banks ¹	113	140	0.5%	0.7%
Deposits of the government	1	4	0.0%	0.1%
Securities loaned or sold under agreements to repurchase	0	50	0.0%	0.6%
Bonds and subordinated notes	1,486	1,188	1.9%	1.8%
Other liabilities	74	71	0.1%	0.1%
Total liabilities	8,851	8,731	0.9%	0.9%
Minority shareholders' rights	0	0		
Equity	598	520	0.9%	0.9%

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	139.1	114.5	0.8%	0.8%	30.8
Loan-loss provision	1.6	3.4	0.0%	0.1%	-3.1
Operating and other income	62.9	62.5	0.5%	0.6%	21.9
Of which: Operating income	62.4	62.6	0.6%	0.6%	21.7
Operating and other expenses	126.6	123.0	0.7%	0.6%	41.3
Of which: Salaries and related expenses	77.8	75.6	0.7%	0.7%	25.2
Ordinary profit before-tax provision	73.8	50.6	1.1%	1.4%	14.5
Provision for taxes on ordinary profit	26.3	18.2	1.0%	1.0%	5.5
Ordinary profit after-tax	47.5	32.4	1.2%	1.8%	9.0
Bank's share in the profit of subsidiaries	0.0	0.0			0.0
Share of minority shareholders in profit of consolidated companies	0.0	0.0			0.0
Ordinary net profit	47.5	32.4	1.2%	1.4%	9.0
Extraordinary after-tax profit	0.0	0.0			0.0
Net profit	47.5	32.4	1.2%	1.3%	9.0
Basic earning in NIS per share	0.7	0.5			0.1

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	4,957	3,323	1,109	9,389
Balance of financial liabilities on balance-sheet date	3,860	3,987	982	8,828
Excess of financial assets over financial liabilities	1,098	-664	127	562
Total indexation balance (incl. futures, forwards and options in term of basis assets)	720	-247	89	562
Rate of income on assets (percent) ³	3.06	9.58	4.60	5.67
Rate of expenditure on liabilities (percent) ³	-1.72	-8.83	-1.47	-4.67
Interest-rate spread	1.34	0.75	3.13	1.00

Internal rate of return on assets (%)	4.30	5.10	5.30	
Internal rate of return on liabilities (%)	2.40	4.20	1.40	
Difference	1.90	0.90	3.90	
Average duration of assets (years)	0.50	3.65	0.25	1.58
Average duration of liabilities (years)	0.34	2.81	0.32	1.45
Difference	0.16	0.84	-0.07	0.13

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.

Statement for the third quarter - consolidated**Bank of Jerusalem Ltd. and its subsidiaries , Main data, NIS million**

Taken from the quarterly report to 30.09.2009, reported amounts



Additional data	30.09.2009	31.12.2008
-----------------	------------	------------

Total off-balance-sheet and credit risk

Credit to the public and credit risk	7,437	7,701
Total off-balance-sheet credit risk	1,014	831
Total credit risk	8,451	8,532
<i>Of which: Total risk of credit for housing loans</i>	5,623	5,207
Total risk of credit to construction and real estate industry	1,513	1,929

Additional disclosure for bonds - fair value

Treasury bonds	1,174	1,292
Of which: mortgage and asset' backed bonds	0	0

Problem borrowers

Total credit risk dew to problem borrowers	433	438
Of which: Total credit to problem borrowers	378	390
Total credit risk of problem banks	0	0

Data on derivatives

Notional amount	1,804	1,051
Gross positive fair value	25	18

Main financial ratios - consolidated (percent)

Equity/balance-sheet ratio	6.33	5.62
Finanancial capital/equity ratio	93.90	92.56
Equity/risk-weighted-assets ratio	13.00	11.80
Return on equity (net profit average equity ratio) ⁵	11.40	10.10
Operating income/operating expenses ratio ⁶	49.68	49.88

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