

Statement for the third quarter - bank

"Hesech" Kupat Hisachon Lehinuch Ltd., Haifa , Main data, NIS million

Taken from the quarterly report to 30.09.2009, reported amounts



Summary 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	11	0.0%	0.0%
Securities	0	0	0.0%	0.0%
Securities borrowed or purchased under agreements to resell	0	0	0.0%	0.0%
Credit to the public	181	178	0.0%	0.0%
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	0	1	0.0%	0.0%
Other assets	0	0	0.0%	0.0%
Total assets	191	190	0.0%	0.0%
Deposits of the public	113	120	0.0%	0.0%
Deposits of banks ¹	0	0	0.0%	0.0%
Deposits of the government	0	0	0.0%	0.0%
Securities loaned or sold under agreements to repurchase	0	0	0.0%	0.0%
Bonds and subordinated notes	0	0	0.0%	0.0%
Other liabilities	0	0	0.0%	0.0%
Total liabilities	113	120	0.0%	0.0%
Minority shareholders' rights	0	0		
Equity	77	70	0.1%	0.1%

Summary 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	10.4	12.9	0.1%	0.1%	4.7
Loan-loss provision	0.1	0.4	0.0%	0.0%	0.0
Operating and other income	0.1	0.0	0.0%	0.0%	0.0
Of which: Operating income	0.0	0.0	0.0%	0.0%	0.0
Operating and other expenses	1.3	1.2	0.0%	0.0%	0.5
Of which: Salaries and related expenses	0.8	0.8	0.0%	0.0%	0.2
Ordinary profit before-tax provision	9.1	11.3	0.1%	0.3%	4.3
Provision for taxes on ordinary profit	0.0	0.0	0.0%	0.0%	0.0
Ordinary profit after-tax	9.1	11.3	0.2%	0.6%	4.3
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	9.1	11.3	0.2%	0.5%	4.3
Extraordinary after-tax profit	0.0	0.0			0.0
Net profit	9.1	11.3	0.2%	0.4%	4.3
Basic earning in NIS per share	0.3	0.4			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	9	181	0	190
Balance of financial liabilities on balance-sheet date	0	113	0	113
Excess of financial assets over financial liabilities	9	68	0	77
Total indexation balance (incl. futures, forwards and options in term of basis assets)	9	68	0	77
Rate of income on assets (percent) ³	0.64	12.45	0.00	11.94
Rate of expenditure on liabilities (percent) ³	0.00	-9.06	0.00	-9.06
Interest-rate spread	0.64	3.39	0.00	2.87
Internal rate of return on assets (%)	0.00	7.50	0.00	
Internal rate of return on liabilities (%)	0.00	5.02	0.00	
Difference	0.00	2.48	0.00	
Average duration of assets (years)	0.04	1.61	0.00	1.53
Average duration of liabilities (years)	0.32	2.20	0.00	2.20
Difference	-0.28	-0.59	0.00	-0.67

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	0	0
Total off-balance-sheet credit risk	0	0
Total credit risk	0	0
<i>Of which: Total risk of credit for housing loans</i>	0	0
Total risk of credit to construction and real estate industry	0	0

Additional disclosure for bonds - fair value

Treasury bonds	0	0
Of which: mortgage and asset' backed bonds	0	0

Problem borrowers

Total credit risk dew to problem borrowers	0	0
Of which: Total credit to problem borrowers	0	0
Total credit risk of problem banks	0	0

Data on derivatives

Notional amount	0	0
Gross positive fair value	0	0

Main financial ratios (percent)

Equity/balance-sheet ratio	40.68	36.64
Finanancial capital/equity ratio	99.39	99.22
Equity/risk-weighted-assets ratio	85.10	77.40
Return on equity (net profit average equity ratio) ⁵	17.40	19.00
Operating income/operating expenses ratio ⁶	4.00	3.87

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