



Statement for 2015 - on consolidated basis
Arab Israel Bank Ltd., Main data, NIS million
Taken from the annual report to 31.12.15, reported amounts

Summary consolidated balance sheet	End of year		
	2015	2014	2013
Cash and deposits in banks	2,316	1,962	1,679
Securities	10	407	460
Securities borrowed or purchased under agreements to resell	0	0	0
Credit to the public	5,583	5,133	4,640
Credit-loss allowance	73	68	59
Credit to the public, net	5,510	5,065	4,581
Credit to the government	0	0	0
Investments in companies included on an equity basis	0	0	0
Buildings and equipment	57	68	73
Intangible assets and goodwill	0	0	0
Assets-derivative instruments	0	0	0
Other assets	97	96	89
Total assets	7,989	7,597	6,882
Deposits of the public	5,186	4,795	4,593
Deposits of banks	1,740	1,744	1,346
Deposits of the government	0	0	0
Securities loaned or sold under agreements to repurchase	0	0	0
Bonds and subordinated notes	0	103	104
Liabilities-derivative instruments	0	0	0
Other liabilities	350	337	307
Total liabilities	7,277	6,978	6,350
Noncontrolling interests	0	0	0
Equity capital attributed to shareholders of the banking corporation	712	619	532
Total equity capital	712	619	532

Summary consolidated profit and loss statement	End of year		
	2015	2014	2013
Interest income	373	376	381
Interest expenses	36	54	88
Net interest income	338	321	294
Provisions for credit losses	32	17	9
Non-interest income	115	120	128
Of which: Commissions	112	114	117
Operating and other expenses	276	270	251
Of which: Salaries and related expenses	159	154	136
Before-tax profit	145	154	162
Provision for taxes on profit	57	59	57
After-tax profit	88	94	106
Share of the bank in after-tax profit of companies included on equity basis, after the effect of tax	0	0	0
Net profit before attributing to holders of noncontrolling interests	88	94	106
Net profit attributed to holders of noncontrolling interests	0	0	0
Net profit attributed to shareholders of the banking corporation	88	94	106
Basic earning, in NIS per share	86.5	93.0	103.9



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Balances and rates of return on financial items by indexation base on 31.12.15 - consolidated	Unindexed NIS.	CPI-indexed NIS	Foreign Currency (1)	Total financial items
Balance of financial assets on balance-sheet date	6,939	925	67	7,931
Balance of financial liabilities on balance-sheet date	6,327	884	63	7,274
Excess of financial assets over financial liabilities	612	41	4	657
Total indexation balance (incl. futures, forwards and options in term of base assets)	612	41	4	657
Options in the money and out of the money (net, capitalized nominal value)	0	0	0	0
Rate of income on assets (%) ⁽²⁾	5.61	1.20	0.07	5.01
Rate of expenses on liabilities (%) ⁽²⁾	-0.57	-0.86	-0.42	-0.61
Interest-rate spread	5.04	0.34	-0.35	4.39
Interest-rate spread on the corresponding date in the previous year				4.52
Internal rate of return on assets (%)	2.51	1.10	1.74	1.74
Internal rate of return on liabilities (%)	1.30	0.58	1.07	0.87
Average duration of assets (years)	0.47	4.12	0.05	0.92
Average duration of liabilities (years)	0.43	4.28	0.05	0.91
Additional data			2015	2014
Credit risk				
Total credit risk to the public		6,672	6,222	
Of which: Total credit risk - housing loans		31	26	
Total credit risk - construction and real estate industry		944	918	
Exposure to foreign financial institutions		0	0	
Additional disclosure for bonds - fair value				
Total bonds		10	407	
Of which: mortgage-backed and asset-backed bonds		0	0	
Problem credit risk				
Credit risk, on-balance sheet: Impaired credit risk		21	36	
Subordinated credit risk		23	14	
credit risk under special supervision		18	38	
Total off-balance sheet credit risk		23	3	
Total problem credit risk		85	91	
Data on derivatives				
Notional amount		0	0	
Gross positive fair value		0	0	
Activity with interested and related parties				
Total assets on balance-sheet date		2,177	1,785	
Of which: credit to the public, net		2	2	
Total liabilities on balance-sheet date (including quasi-capital items)		1,934	1,980	
Branches and personnel				
Number of employee posts in Israel, monthly average		482	489	
Number of employee posts abroad, monthly average		0	0	
Number of branches in Israel		36	37	
Number of branches abroad		0	0	
Main financial ratios - consolidated (percent)				
Total net credit to total assets		68.97%	66.67%	
Equity/balance-sheet ratio ³		8.92%	8.15%	
Ratio of Tier 1 capital to risk-adjusted assets		12.13%	12.15%	
Ratio of total capital to risk-weighted assets		13.22%	13.24%	
Return on equity (net profit/average equity ratio)		13.20%	16.30%	
Problematic credit risk in respect of the public, as a percentage of total credit risk in respect of the public, net		1.29%	1.47%	
Non-interest income to operating expenses ratio		41.81%	44.28%	

⁽¹⁾ Including foreign-currency indexed NIS.

⁽²⁾ Includes derivatives used for hedging. Refers to activity in Israel.

³ Attributed to shareholders of the banking corporation

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		The household segment	The private banking segment ¹	The small businesses segment	The commercial segment ²	The business sector ³	Financial management segment	Others and adjustments	Total
Net interest income before loan-loss provision	Median	197	0	98	18	0	26	0	338
	Between sectors	18	0	1	-0	0	-19	0	0
Non-interest income	Median	67	0	38	7	0	3	-0	115
	Between sectors	0	0	0	0	0	0	0	0
Total income		282	0	137	24	0	10	-0	453
Loan-loss provision		18	0	14	1	0	0	0	32
Operating and other expenses (excluding depreciation and Depreciation and amortization		175	0	77	10	0	1	0	263
Profit before taxes		9	0	4	1	0	0	0	14
Provision for taxes on profit		81	0	42	13	0	9	-0	145
Profit after taxes		32	0	16	5	0	4	0	57
Bank share in profit of companies included on equity basis		49	0	25	8	0	6	-0	88
0		0	0	0	0	0	0	0	0
Net profit	Before attributing to holders of noncontrolling interests	49	0	25	8	0	6	-0	88
	Attributed to holders of noncontrolling interests	0	0	0	0	0	0	0	0
	Attributed to shareholders of the banking corporation	49	0	25	8	0	6	-0	88
Return on equity (net profit/average equity ratio)		18.00	0.00	16.40	8.10	0.00	4.90	0.00	13.20
Average balance of assets		3,211	0	1,628	589	0	2,424	153	8,005
Average balance of liabilities		3,662	0	1,211	334	0	2,038	80	7,325
Average balance of risk assets		2,381	0	1,251	736	0	1,005	252	5,625
Components of interest profit before loan-loss provision	Margin earned on granting credit	203	0	95	17	0	58	0	373
	Margin earned on accepting deposits	11	0	3	0	0	-51	0	-36
	Other	0	0	0	0	0	0	0	0
Total net interest income before loan-loss provision		215	0	98	17	0	7	0	338

¹⁾ Preferential banking services provided to wealthy customers.

²⁾ Medium-sized businesses.

³⁾ Large businesses.