

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED DECEMBER 31, 2014

(NIS million, reported amounts)

| | | FOR THE YEAR ENDED DECEMBER 31 | |
|---|------|--------------------------------|----------------|
| | Note | 2014 | 2013 |
| Interest income | | | |
| From assets in foreign currency abroad | 19 | 1,345 | 1,186 |
| From the government | 20 | 642 | 712 |
| Other | 21 | 4 | 9 |
| Total interest income | | 1,991 | 1,907 |
| Interest expenses | | | |
| To banks and the public | 22 | 1,793 | 3,437 |
| To the government | 23 | 396 | 803 |
| Other | 24 | 80 | 79 |
| Total interest expenses | | 2,269 | 4,319 |
| Interest expenses, net | | (278) | (2,412) |
| Other financial income (expenses) | | | |
| Securities and derivative financial instruments | 25 | 1,115 | 713 |
| Exchange rate differentials | 26 | (1,158) | (5,727) |
| Miscellaneous | 27 | (22) | 32 |
| Total other financial income (expenses) | | (65) | (4,982) |
| Loss from financial transactions | | (343) | (7,394) |
| Expenses of printing banknotes and minting coins | | (59) | (141) |
| General and administrative expenses | 28 | (684) | (1,081) |
| Other expenses | 29 | - | (24) |
| Loss for the year | | (1,086) | (8,640) |

The accompanying notes are an integral part of the financial statements.