



Bank of Israel

Comptroller's Office

Financial Statements for 2005

Israel's Payment
and Settlement Systems

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Bank of Israel

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BANK OF ISRAEL
BALANCE SHEET AS OF DECEMBER 31, 2005 (KISLEV 30, 5766)
(NIS million)

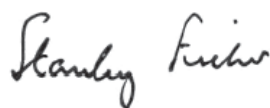
	Notes	31 December			Notes	31 December	
		2005	2004			2005	2004
Assets				Liabilities and capital			
Foreign exchange reserves	2	128,229	114,728	Banknotes and coins in circulation	8	24,410	20,778*
International financial institutions	3	1,769	2,802**	International financial institutions	9	767	776
Credit to the government	4	3,431	3,995	Deposits of the government	10	6,927	6,514
Loans	5	1,064	2,191	<i>Makam</i> deposit	11	83,732	71,904
Local-currency securities	6	3,401	4,763	Deposits of banking corporations	12	18,816	28,020
Other assets	7	626	625**	Other liabilities	13	3,438	3,485*
				Revaluation accounts	14	12,084	10,695
				Capital and general reserve ^a	15	3,985	3,985**
				Losses	16	(15,639)	(17,053)**
Total		138,520	129,104	Total		138,520	129,104

* Reclassified.

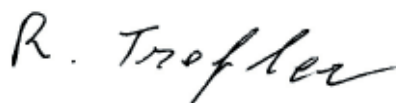
** Restated (see note 1.1).

^a Including NIS 3,665 million for the adjustment of the December 2003 balances in accordance with Accounting Standard 12 of the Israel Accounting Standards Board.

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



Stanley Fischer
Governor



Reuven Trefler
Acting Comptroller

March 26, 2006