

## BALANCE SHEET AS OF DECEMBER 31, 2009

(TEVET 14, 5770)

|   |      | December 31    |                |
|---|------|----------------|----------------|
|   | Note | 2009           | 2008*          |
| <b>Assets</b>                               |      |                |                |
| <b>Foreign currency assets</b>              |      |                |                |
| <b>Foreign currency assets abroad</b>       | 2    |                |                |
| Demand deposits                             |      | 820            | 4,184          |
| Short-term deposits                         |      | 12,836         | -              |
| Tradable securities                         |      | 204,007        | 154,894        |
| Reverse repurchase agreements               |      | 5,818          | 2,457          |
| Derivative financial instruments            |      | 23             | -              |
| International Monetary Fund                 | 3    | 5,742          | 720            |
| <b>Total foreign currency assets abroad</b> |      | <b>229,246</b> | <b>162,255</b> |
| <b>Other foreign currency assets</b>        |      |                |                |
| Credit to the government                    | 4    | 502            | 1,111          |
| <b>Total foreign currency assets</b>        |      | <b>229,748</b> | <b>163,366</b> |
| <b>Local currency assets</b>                |      |                |                |
| Credit to the government                    | 4    | 249            | 332            |
| Loans                                       | 5    | 420            | -              |
| Tradable securities                         | 6    | 20,221         | 2,427          |
| Reverse repurchase agreements               |      | -              | 2,001          |
| Other                                       | 7    | 199            | 210            |
| <b>Total local currency assets</b>          |      | <b>21,089</b>  | <b>4,970</b>   |
| <b>Other assets</b>                         |      |                |                |
| International financial institutions        | 8    | 836            | 836            |
| Fixed assets                                | 9    | 256            | 217            |
| <b>Total other assets</b>                   |      | <b>1,092</b>   | <b>1,053</b>   |
| <b>Total</b>                                |      | <b>251,929</b> | <b>169,389</b> |

\* Reclassified (See Note 1a)

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

(NIS million, reported amounts)

December 31

|  | Note | 2009            | 2008*           |
|--|------|-----------------|-----------------|
| <b>Liabilities and capital</b>                   |      |                 |                 |
| <b>Banknotes and coins in circulation</b>        | 10   | <b>41,490</b>   | <b>34,360</b>   |
| <b>Foreign currency liabilities</b>              |      |                 |                 |
| <b>Foreign currency liabilities abroad</b>       | 2    |                 |                 |
| Repurchase agreements                            |      | 435             | -               |
| Derivative financial instruments                 |      | -               | 620             |
| <b>Total foreign currency liabilities abroad</b> |      | <b>435</b>      | <b>620</b>      |
| <b>Other foreign currency liabilities</b>        |      |                 |                 |
| Government deposits                              | 11   | 8,480           | 6,860           |
| Deposits of banking corporations                 | 12   | 1,700           | 19,711          |
| International financial institutions             | 13   | 5,276           | 671             |
| <b>Total other foreign currency liabilities</b>  |      | <b>15,456</b>   | <b>27,242</b>   |
| <b>Total foreign currency liabilities</b>        |      | <b>15,891</b>   | <b>27,862</b>   |
| <b>Local currency liabilities</b>                |      |                 |                 |
| Government deposits                              | 11   | 11,852          | 1,506           |
| Deposits of banking corporations                 | 12   | 104,815         | 43,614          |
| Makam  | 14   | 85,406          | 70,398          |
| Other liabilities                                | 15   | 4,411           | 3,799           |
| <b>Total local currency liabilities</b>          |      | <b>206,484</b>  | <b>119,317</b>  |
| <b>Total liabilities</b>                         |      | <b>263,865</b>  | <b>181,539</b>  |
| <b>Revaluation accounts</b>                      | 16   | <b>4,153</b>    | <b>5,299</b>    |
| <b>Capital</b>                                   |      |                 |                 |
| Share capital and general reserve                | 17   | 3,985           | 3,985           |
| Accumulated losses                               |      | (20,074)        | (21,434)        |
| <b>Total capital (deficit)</b>                   |      | <b>(16,089)</b> | <b>(17,449)</b> |
| <b>Total</b>                                     |      | <b>251,929</b>  | <b>169,389</b>  |

  
Stanley Fischer  
Governor

  
Raphael Lankri  
Head of Comptroller's Office and Payment Systems February 25, 2010