

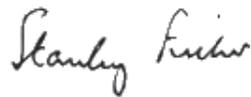
BANK OF ISRAEL
BALANCE SHEET AS OF DECEMBER 31, 2007 (TEVET 22, 5768)
(NIS million, reported amounts)

	Notes	December 31	
		2007	2006
Assets			
Foreign currency financial assets abroad	2	120,440	139,860
International financial institutions	3	1,205	1,357
Government balances	4	5,132	1,911*
Credit to the government	5	2,139	2,805
Loans	6	481	8,320
Local currency securities	7	2,863	3,143
Other assets	8	442	476
Total		132,702	157,872

* Reclassified.

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

Stanley Fischer



Governor

Raphael Lankri



Head of Comptroller's Office
and Payment Systems

February 26, 2008

	Note	2007	2006
Liabilities and capital			
Foreign currency financial liabilities abroad	2	10,983	17,103
International financial institutions	9	699	736
Banknotes and coins in circulation	10	28,966	25,539
Government balances	11	8,626	7,993*
<i>Makam</i> deposits	12	75,986	95,540
Deposits of banking corporations	13	14,971	14,096
Other liabilities	14	3,640	3,546
Revaluation accounts	15	5,667	4,890
Share capital and general reserve	16	3,985	3,985
Accumulated losses		(20,821)	(15,556)
Total		132,702	157,872