

**Part of the Financial
Statements
translated from the
Hebrew original**

ZUR SHAMIR HOLDINGS LTD.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

AS OF MARCH 31, 2017

UNAUDITED

Please find attached an extract English translation of the Hebrew version of the interim consolidated financial statements of Zur Shamir Holdings Ltd. which were approved on May 18, 2017.

The full set of financial statements in Hebrew can be viewed on the website of the Israeli Securities Authority (<http://www.magna.isa.gov.il>).

ZUR SHAMIR HOLDINGS LTD.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

AS OF MARCH 31, 2017

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AUDITORS' REPORT

To the Shareholders of

ZUR SHAMIR HOLDINGS LTD.

Introduction

We have reviewed the accompanying financial information of ZUR SHAMIR HOLDINGS LTD. and its subsidiaries (hereunder - the Group) which comprise the condensed consolidated statements of financial position as of March 31, 2017, and the related condensed interim consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the period of then ended, The Company's Board of Directors and Management are responsible for the preparation and presentation of interim financial information for this period in accordance with IAS 34, "Interim Financial Reporting" and in accordance with the disclosure requirements as prescribed by the Supervisor of Insurance Business pursuant to the Supervision of Financial Services (Insurance) Law, 1981, and are also responsible for the preparation of financial information for this interim period in accordance with Chapter D of the Securities Regulations (Periodic and Immediate Reports), 1970, to the extent that these regulations apply to a corporation that unifies insurance companies. Our responsibility is to express a conclusion regarding the financial information for this interim period, based on our review.

We did not review the condensed interim financial information of consolidated subsidiaries whose assets constitute about 21.4% of the total consolidated assets as at March 31, 2017, and whose revenues constitute about 5.0% of the total consolidated revenues for the three-month period then ended. The condensed interim financial information of those companies was reviewed by other auditors whose review reports were furnished to us, and our opinion, insofar as it relates to the financial information in respect of those companies, is based on the review reports of the other auditors.

Scope of review

We conducted our review in accordance with Review Standard 1 of the Institute of Certified Public Accountants in Israel, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards in Israel and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review and the review reports of other auditors, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with IAS 34 and in accordance with the disclosure requirements as prescribed by the Supervisor of Insurance Business pursuant to the Supervision of Financial Services (Insurance) Law, 1981,

Conclusion (Cont.)

In addition to the abovementioned, based on our review and on the review reports of other auditors, nothing has come to our attention that causes us to believe that the accompanying interim financial information does not comply, in all material respects, with the disclosure requirements of Chapter D of the Securities Regulations (Periodic and Immediate Reports), 1970, to the extent that these regulations apply to a corporation that unifies insurance companies.

Without qualifying our above conclusion, we draw attention to Note 5 to the financial statements regarding exposure to class actions and the approval of claims as class actions of a subsidiaries.

Tel-Aviv,
May 18, 2017

KOST FORER GABBAY & KASIERER
A Member of Ernst & Young Global

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	March 31,		December 31,
	2017	2016	2016
	Unaudited		Audited
	NIS in thousands		
CURRENT ASSETS			
Cash and cash equivalents	1,025,119	857,163	1,167,823
Cash and cash equivalents for yield-dependent contracts	9,235	21,661	10,740
Financial assets	969,830	568,241	1,009,750
Derivatives	15,314	1,507	3,204
Outstanding insurance premiums	514,544	435,177	454,819
Debtors and receivables	152,942	129,181	143,112
Deposits	198,640	18,541	320,978
Current tax receivable	55,632	13,951	53,626
Reinsurance assets	59,179	57,872	49,118
Deferred acquisition costs	99,411	92,490	84,530
	<u>3,099,846</u>	<u>2,195,784</u>	<u>3,297,700</u>
Assets designated for sale	<u>841,561</u>	<u>370,042</u>	<u>791,809</u>
	<u>3,941,407</u>	<u>2,565,826</u>	<u>4,089,509</u>
NON-CURRENT ASSETS			
Financial assets	2,042,083	2,164,074	1,745,676
Derivatives	18,889	-	7,781
Investment property and investment property under construction	3,571,645	3,585,614	3,638,398
Reinsurance assets	126,037	105,950	123,437
Fixed assets	131,777	128,275	132,050
Deferred acquisition costs	183,073	156,693	178,298
Debtors	66,176	41,811	59,523
Deposits	65,362	52,277	59,328
Goodwill and intangible assets	280,829	242,583	265,493
Deferred taxes	1,013	2,168	2,458
	<u>6,486,884</u>	<u>6,479,445</u>	<u>6,212,442</u>
	<u>10,428,291</u>	<u>9,045,271</u>	<u>10,301,951</u>

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	March 31,		December 31,
	2017	2016	2016
	Unaudited		Audited
	NIS in thousands		
CURRENT LIABILITIES			
Financial liabilities	1,320,038	961,327	1,278,040
Creditors and payables	365,592	401,104	435,149
Current taxes payable	6,891	15,890	12,840
Derivatives	14,123	31,550	24,420
Liabilities in respect of borrowing securities	64,076	-	183,126
Liabilities for insurance contracts and investment contracts	<u>1,134,650</u>	<u>1,007,791</u>	<u>1,017,491</u>
	<u>2,905,370</u>	<u>2,417,662</u>	<u>2,951,066</u>
NON-CURRENT LIABILITIES			
Financial liabilities	4,244,071	3,577,020	4,066,815
Creditors and payables	29,596	13,522	25,424
Liabilities for insurance contracts and investment contracts	1,922,320	1,718,663	1,904,989
Liabilities for employee benefits, net	19,191	16,676	18,261
Derivatives	24,835	49,197	27,035
Deferred taxes	<u>171,516</u>	<u>202,051</u>	<u>221,263</u>
	<u>6,411,529</u>	<u>5,577,129</u>	<u>6,263,787</u>
EQUITY			
Share capital	217,531	217,531	217,531
Share premium	38,469	38,469	38,469
Reserves	(188,764)	(166,811)	(178,390)
Retained earnings	308,578	298,177	285,787
Treasury shares	<u>(67,599)</u>	<u>(67,599)</u>	<u>(67,599)</u>
Total equity attributed to the Company's shareholders	308,215	319,767	295,798
Non-controlling interests	<u>803,177</u>	<u>730,713</u>	<u>791,300</u>
Total equity	<u>1,111,392</u>	<u>1,050,480</u>	<u>1,087,098</u>
	<u><u>10,428,291</u></u>	<u><u>9,045,271</u></u>	<u><u>10,301,951</u></u>

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF PROFIT AND LOSS

	Three months ended		Year ended
	March 31,		December 31,
	2017	2016	2016
	Unaudited		Audited
	NIS in thousands		
INCOME			
Premiums earned on retention	505,871	451,090	1,924,712
Income from lease of properties	52,017	53,081	215,928
Increase in value of investment property and properties under construction, net	-	126	22,276
Investment income (losses), net and other finance income (expenses)	22,354	(3,955)	88,306
Income from management fees	1,573	1,695	6,513
Income from grant of consumer credit	87,833	65,417	294,613
Income from reinsurance commissions	4,815	5,147	17,604
Company's share in losses of affiliate	-	-	(1,333)
Other income	35	38	211
Total income	<u>674,498</u>	<u>572,639</u>	<u>2,568,830</u>
EXPENSES			
Payments and change in liabilities in respect of insurance contracts and investment contracts on retention	356,894	329,013	1,467,224
Marketing and other acquisition expenses	102,828	87,075	383,582
Maintenance, general and administrative expenses	84,100	65,725	276,114
Finance expenses	53,101	38,949	221,741
Other expenses	104	129	937
Total expenses	<u>597,027</u>	<u>520,891</u>	<u>2,349,598</u>
Income before taxes on income	77,471	51,748	219,232
Taxes on income (tax benefit)	(10,944)	33,999	118,614
Net income	<u>88,415</u>	<u>17,749</u>	<u>100,618</u>
Net income (loss) attributed to:			
The Company's shareholders	34,791	(511)	2,745
Non-controlling interests	53,624	18,260	97,873
	<u>88,415</u>	<u>17,749</u>	<u>100,618</u>

**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(LOSS)**

	Three months ended March 31,		Year ended December 31,
	2017	2016	2016
	Unaudited		Audited
	NIS in thousands (except for net earnings (loss) per share data)		
Net income	88,415	17,749	100,618
Other comprehensive income (loss) (after the tax effect):			
Amounts that will be reclassified to profit or loss			
Profit (loss) from cash flow hedging transactions	2,874	(14,432)	(7,705)
Adjustments resulting from the translation of financial statements of foreign activities	(21,756)	13,897	(14,538)
Amounts that will not be reclassified subsequently to profit or loss			
Loss from remeasurement in respect of defined benefit plan	-	-	(737)
Total other comprehensive loss	(18,882)	(535)	(22,980)
Total comprehensive income	<u>69,533</u>	<u>17,214</u>	<u>77,638</u>
Total comprehensive income (loss) attributed to:			
Company's shareholders	24,337	652	(8,139)
Non-controlling interests	<u>45,196</u>	<u>16,562</u>	<u>85,777</u>
	<u>69,533</u>	<u>17,214</u>	<u>77,638</u>
Net earnings (loss) per share attributable to shareholders of the Company (in NIS)			
Basic net earnings (loss)	<u>0.54</u>	<u>(0.01)</u>	<u>0.04</u>
Diluted net earnings (loss)	<u>0.54</u>	<u>(0.01)</u>	<u>0.03</u>

ZUR SHAMIR HOLDINGS LTD.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	<u>Attributable to equity holders of the Company</u>						Non- controlling interests	Total equity
	<u>Share capital</u>	<u>Share premium</u>	<u>Retained earnings</u>	<u>Reserves</u>	<u>Treasury shares</u>	<u>Total</u>		
	NIS in thousands							
Balance at January 1, 2017 (Audited)	217,531	38,469	285,787	(178,390)	(67,599)	295,798	791,300	1,087,098
Net income	-	-	34,791	-	-	34,791	53,624	88,415
Total other comprehensive loss	-	-	-	(10,454)	-	(10,454)	(8,428)	(18,882)
Total comprehensive income (loss)	-	-	34,791	(10,454)	-	24,337	45,196	69,533
Cost of share-based payment	-	-	-	80	-	80	3,306	3,386
Dividend to Company shareholders	-	-	(12,000)	-	-	(12,000)	-	(12,000)
Dividend to holders of non- controlling interests	-	-	-	-	-	-	(36,625)	(36,625)
Balance at March 31, 2017 (Unaudited)	<u>217,531</u>	<u>38,469</u>	<u>308,578</u>	<u>(188,764)</u>	<u>(67,599)</u>	<u>308,215</u>	<u>803,177</u>	<u>1,111,392</u>
	<u>Attributable to equity holders of the Company</u>							
	<u>Share capital</u>	<u>Share premium</u>	<u>Retained earnings</u>	<u>Reserves</u>	<u>Treasury shares</u>	<u>Total</u>	Non- controlling interests	Total equity
	NIS in thousands							
Balance at January 1, 2016 (Audited)	217,531	38,469	299,501	(168,134)	(67,599)	319,768	783,813	1,103,581
Net income (loss)	-	-	(511)	-	-	(511)	18,260	17,749
Total other comprehensive income (loss)	-	-	-	1,163	-	1,163	(1,698)	(535)
Total comprehensive income (loss)	-	-	(511)	1,163	-	652	16,562	17,214
Realization of options into subsidiaries' shares by holders of non-controlling interests and acquisition of the shares by a subsidiary	-	-	(813)	-	-	(813)	(1,146)	(1,959)
Cost of share-based payment	-	-	-	160	-	160	1,569	1,729
Dividend to holders of non- controlling interests	-	-	-	-	-	-	(70,085)	(70,085)
Balance at March 31, 2016 (Unaudited)	<u>217,531</u>	<u>38,469</u>	<u>298,177</u>	<u>(166,811)</u>	<u>(67,599)</u>	<u>319,767</u>	<u>730,713</u>	<u>1,050,480</u>

ZUR SHAMIR HOLDINGS LTD.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	<u>Attributable to equity holders of the Company</u>					<u>Total</u>	<u>Non- controllin g interests</u>	<u>Total equity</u>
	<u>Share capital</u>	<u>Share premium</u>	<u>Retained earnings</u>	<u>Reserves</u>	<u>Treasury shares</u>			
	<u>NIS in thousands</u>							
Balance at January 1, 2016 (Audited)	217,531	38,469	299,501	(168,134)	(67,599)	319,768	783,813	1,103,581
Net income	-	-	2,745	-	-	2,745	97,873	100,618
Total other comprehensive loss	-	-	-	(10,884)	-	(10,884)	(12,096)	(22,980)
Total comprehensive income (loss)	-	-	2,745	(10,884)	-	(8,139)	85,777	77,638
Cost of share-based payment	-	-	-	628	-	628	4,785	5,413
Realization of options into subsidiaries' shares by holders of non-controlling interests and acquisition of the shares by a subsidiary	-	-	(1,459)	-	-	(1,459)	(254)	(1,713)
Dividend to Company's shareholders	-	-	(15,000)	-	-	(15,000)	-	(15,000)
Dividend to holders of non- controlling interests	-	-	-	-	-	-	(82,821)	(82,821)
Balance at December 31, 2016 (Audited)	<u>217,531</u>	<u>38,469</u>	<u>285,787</u>	<u>(178,390)</u>	<u>(67,599)</u>	<u>295,798</u>	<u>791,300</u>	<u>1,087,098</u>

ZUR SHAMIR HOLDINGS LTD.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

	Three months ended		Year ended
	March 31,		December 31,
	2017	2016	2016
	Unaudited		Audited
	NIS in thousands		
CASH FLOWS PROVIDED BY (USED IN) CURRENT ACTIVITIES (App. A)	(84,481)	219,709	327,526
CASH FLOWS FROM INVESTMENT ACTIVITIES			
Grant of deposits	(6,730)	(1,746)	(66,300)
Acquisition of fixed assets and investment property and investment property under construction	(31,343)	(28,655)	(163,725)
Interest paid and capitalized to cost of investment property under construction	(825)	-	(985)
Investment in affiliates, net	-	-	(1,333)
Proceeds from sale of fixed assets and investment property	400	18,950	31,797
Proceeds from realization and settlement of hedging transactions	1,765	-	4,851
Acquisition of hedging transactions	-	(1,200)	(2,291)
Acquisition of intangible assets	(20,217)	(13,518)	(57,712)
Net cash used in investment activities	(56,950)	(26,169)	(255,698)
CASH FLOWS FROM FINANCE ACTIVITIES			
Settlement of CPI hedging transactions	(5,709)	-	(15,042)
Proceeds from the issue of bonds and subordinated deeds in a subsidiary, net	346,874	-	1,199,057
Proceeds from the realization of options to a subsidiary's shares	-	58	304
Issue of Company bonds, net tax	-	-	116,925
Buy back of shares in subsidiary	-	(2,142)	(2,142)
Settlement of bonds and subordinated deeds in a subsidiary	(66,248)	(66,449)	(648,656)
Settlement of Company bonds	-	-	(79,785)
Change in short-term credit from banking institutions, net	(764)	-	764
Receipt of long term loans from banking institutions and others	24,227	40,500	80,918
Settlements of long term loans from banking institutions and others	(249,689)	(45,711)	(216,690)
Dividend paid to shareholders of the Company	(12,000)	-	(15,000)
Dividend paid to non-controlling interest holders	(38,972)	(7,692)	(78,269)
Net cash provided by (used in) finance activities	(2,281)	(81,436)	342,384
Exchange rate differences in respect of balances of cash and cash equivalents	(497)	1,185	(1,184)
Increase (decrease) in cash and cash equivalents	(144,209)	113,289	413,028
Balance of cash and cash equivalents as at the beginning of the period (App. B)	1,178,563	765,535	765,535
Balance of cash and cash equivalents as at the end of the period (App. A)	1,034,354	878,824	1,178,563

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

	Three months ended		Year ended
	March 31,		December 31,
	2017	2016	2016
	Unaudited		Audited
	NIS in thousands		
APPENDIX A - CASH FLOWS FROM CURRENT ACTIVITIES			
Net income	88,415	17,749	100,618
Adjustments to profit or loss items:			
Depreciation and amortization	12,817	12,246	50,235
Loss from sale of fixed assets	104	129	836
Share based payment cost	3,386	1,729	5,413
Company's share in losses of affiliate	-	-	1,333
Finance expenses, net	53,101	38,949	221,741
Investment losses (income) , net and other finance expenses (income)	(5,573)	6,770	(14,405)
Increase in value of investment property	-	(126)	(22,276)
Taxes on income (tax benefit)	(10,944)	33,999	118,614
	<u>52,891</u>	<u>93,696</u>	<u>361,491</u>
Other financial investments:			
Net sales (acquisitions) of financial investments	(273,592)	175,042	(147,026)
Acquisition of investment property in consolidated insurance company	(152)	-	(474)
	<u>(273,744)</u>	<u>175,042</u>	<u>(147,500)</u>
Changes in asset and liability items:			
Losses (profits) from financial investments for yield-dependent contracts	(1,333)	3,197	(8,882)
Profits from other financial investments	(65,715)	(31,741)	(210,607)
Change in liabilities for non-yield-dependent insurance contracts	138,900	153,614	347,649
Change in liabilities for yield-dependent contracts	(4,410)	(4,611)	(2,620)
Change in deferred acquisition costs	(19,656)	(19,903)	(33,548)
Change in reinsurance assets	(12,661)	525	(8,208)
Change in employee benefit liabilities, net	930	(717)	(252)
Short-term credit, net from banking institutions in respect of grant of consumer credit grant activity	214,352	80,393	323,476
Change in liabilities in respect of borrowing securities	(119,050)	-	183,126
Change in deposits used as guarantee for securities borrowing transactions, net	121,926	-	(187,738)
Buy back of shares in subsidiary	-	(6,600)	(6,600)
Change in outstanding premium	(59,725)	(70,712)	(90,354)
Change in debtors and receivables	(30,820)	(22,592)	(98,700)
Change in creditors and payables	(68,803)	(43,173)	49,861
	<u>93,935</u>	<u>37,680</u>	<u>256,603</u>
Cash paid and received during the period for:			
Interest paid	(56,076)	(55,361)	(200,182)
Interest received	45,370	28,151	134,929
Taxes paid	(39,533)	(84,245)	(190,266)
Taxes received	1,792	4,300	6,666
Dividend received	2,469	2,697	5,167
	<u>(45,978)</u>	<u>(104,458)</u>	<u>(243,686)</u>
Total cash flows provided by (used in) current activities	<u>(84,481)</u>	<u>219,709</u>	<u>327,526</u>

ZUR SHAMIR HOLDINGS LTD.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

	Three months ended March 31,		Year ended December 31,
	2017	2016	2016
	Unaudited		Audited
	NIS in thousands		
APPENDIX B - CASH AND CASH EQUIVALENTS AS AT THE BEGINNING OF THE PERIOD			
Cash and cash equivalents for yield-dependent contracts	10,740	15,519	15,519
Other cash and cash equivalents	1,167,823	750,016	750,016
Balance of cash and cash equivalents as at the beginning of the period	1,178,563	765,535	765,535
APPENDIX C - CASH AND CASH EQUIVALENTS AS AT THE END OF THE PERIOD			
Cash and cash equivalents for yield-dependent contracts	9,235	21,661	10,740
Other cash and cash equivalents	1,025,119	857,163	1,167,823
Balance of cash and cash equivalents as at the end of the period	1,034,354	878,824	1,178,563
APPENDIX D - SIGNIFICANT NON-CASH ACTIVITIES			
Acquisition of fixed asset, investment property and real estate under construction against creditors and payables	47,413	29,332	40,337
Dividend declared but not yet paid to holders of non-controlling interest	3,846	62,393	4,552

NOTE 3:- SEGMENTS OF ACTIVITY

a. The Company operates in the following segments of activity:

1. The segment of life assurance and long term savings

The segment of life assurance and long term savings includes the lines of life assurance and it focuses mainly insurance coverage for various risks such as: death, disability, disability income insurance, etc. and on long term savings (in the framework of various types of life assurance policies).

2. Health insurance segment

The segment of health insurance includes medical expenses, personal accident, dread disease, travel abroad and more.

3. General insurance segment

The segment of general insurance includes the liability and property branches. Pursuant to the Regulator of Insurance's directives, the general insurance segment is detailed according to the lines of motor act, motor casco, property and others and other liability lines.

a. The motor act insurance line of business

The motor act insurance line of business focuses on coverages that their acquisition by the owner of the vehicle or the driver is compulsory by law and it provides a coverage for bodily injuries (to the driver of the vehicle, the passengers in the vehicle or to the pedestrians), as a result of the use of the motor vehicle.

b. The motor casco line of business

The motor casco line of business focuses on the property damage coverage for the insured vehicle and property damages that the insured vehicle will cause to a third party.

c. Property and other branches

The rest of the insurance lines of business that are not vehicle and liabilities mainly residential line.

NOTE 3:- SEGMENTS OF ACTIVITY (Cont.)

a. The Company operates in the following segments of activity: (Cont.)

3. General insurance segment (Cont.)

d. Other liabilities branches

Liabilities lines are designated for coverage of the policyholder liabilities in respect of damage he causes to a third party. These lines include: third party liability, employers' liability and professional liability.

4. Granting of consumer credit segment

Including activities providing credit for the acquisition of vehicle (mostly second-hand), the granting of credit loans for any purpose and providing loans for special purposes in different businesses..

5. Investment property

Includes mainly the lease of office buildings in Israel, Canada, Poland and Belgium.

CONDENSED INTERIM CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS**NOTE 3:- SEGMENTS OF ACTIVITY (Cont.)**

b. Hereunder are the results of the segments of activity:

	Three months ended as at March 31, 2017										
	Investment property	Life assurance and long term savings	Health insurance	General insurance				Consumer credit granted	Unallocated and offset in activities between segments	Total	
				Motor act	Motor casco	Property and others	Other liabilities				Total
	Unaudited										
NIS in thousands											
INCOME											
Premiums earned on retention	-	59,428	47,399	109,777	250,469	35,078	3,720	399,044	-	-	505,871
Income from lease of properties	53,618	-	-	-	-	-	-	-	-	(1,601)	52,017
Net gains (losses) from investments and other finance income(expenses)	7,241	1,447	197	5,593	1,435	207	153	7,388	(5)	6,086	22,354
Income from management fees	-	1,573	-	-	-	-	-	-	-	-	1,573
Income from granting consumer credit	-	-	-	-	-	-	-	-	87,842	(9)	87,833
Income from reinsurers commissions	-	2,958	628	-	-	1,229	-	1,229	-	-	4,815
Other income	-	-	-	-	-	-	-	-	35	-	35
Total income	60,859	65,406	48,224	115,370	251,904	36,514	3,873	407,661	87,872	4,476	674,498
EXPENSES											
Payments and change in liabilities in respect of insurance contracts on retention	-	30,996	16,527	97,988	192,167	17,007	2,501	309,663	-	(292)	356,894
Marketing expenses and other acquisition expenses	-	11,508	12,968	13,272	27,771	5,143	856	47,042	32,034	(724)	102,828
Maintenance, general and administrative expenses	15,745	6,281	5,802	6,074	11,941	1,659	255	19,929	32,939	3,404	84,100
Finance expenses	29,591	19	-	-	-	15	-	15	6,329	17,147	53,101
Other expenses	-	-	-	-	-	-	-	-	-	104	104
Total expenses	45,336	48,804	35,297	117,334	231,879	23,824	3,612	376,649	71,302	19,639	597,027
Income (loss) before taxes on income	15,523	16,602	12,927	(1,964)	20,025	12,690	261	31,012	16,570	(15,163)	77,471

CONDENSED INTERIM CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS**NOTE 3:- SEGMENTS OF ACTIVITY (Cont.)**b. Hereunder is the breakdown of results of the segments of activity: (Cont.)

	Three months ended as at March 31, 2016										
	Investment property	Life assurance and long term savings	Health insurance	General insurance				Consumer credit granted	Unallocated and offset in activities between segments	Total	
				Motor act	Motor casco	Property and others	Other liabilities				Total
	Unaudited										
NIS in thousands											
INCOME											
Premiums earned on retention	-	55,793	38,953	101,208	219,592	32,366	3,178	356,344	-	-	451,090
Income from lease of properties	54,716	-	-	-	-	-	-	-	-	(1,635)	53,081
Increase in value of investment property and real estate under construction, net	126	-	-	-	-	-	-	-	-	-	126
Net gains (losses) from investments and other finance income(expenses)	(6,973)	(3,146)	46	3,871	1,397	230	69	5,567	93	458	(3,955)
Income from management fees	-	1,695	-	-	-	-	-	-	-	-	1,695
Income from granting consumer credit	-	-	-	-	-	-	-	-	65,441	(24)	65,417
Income from reinsurers commissions	-	3,497	423	-	-	1,227	-	1,227	-	-	5,147
Other income	-	-	-	-	-	-	-	-	38	-	38
Total income	47,869	57,839	39,422	105,079	220,989	33,823	3,247	363,138	65,572	(1,201)	572,639
EXPENSES											
Payments and change in liabilities in respect of insurance contracts on retention	-	20,856	13,849	104,146	173,700	16,695	65	294,606	-	(298)	329,013
Marketing expenses and other acquisition expenses	-	9,773	8,559	11,449	25,287	6,069	428	43,233	26,249	(739)	87,075
Maintenance, general and administrative expenses	14,808	5,641	4,966	5,158	11,668	1,885	276	18,987	17,548	3,775	65,725
Finance expenses	23,870	19	-	-	-	26	-	26	1,432	13,602	38,949
Other expenses	54	-	-	-	-	-	-	-	-	75	129
Total expenses	38,732	36,289	27,374	120,753	210,655	24,675	769	356,852	45,229	16,415	520,891
Income (loss) before taxes on income	9,137	21,550	12,048	(15,674)	10,334	9,148	2,478	6,286	20,343	(17,616)	51,748

CONDENSED INTERIM CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS**NOTE 3:- SEGMENTS OF ACTIVITY (Cont.)**b. Hereunder is the breakdown of results of the segments of activity: (Cont.)

	Year ended as at December 31, 2016										
	Investment property	Life assurance and long term savings	Health insurance	General insurance				Consumer credit granted	Unallocated and offset in activities between segments	Total	
				Motor act	Motor casco	Property and others	Other liabilities				
	Audited										
NIS in thousands											
INCOME											
Premiums earned on retention	-	225,324	172,621	429,461	948,074	133,850	15,382	1,526,767	-	-	1,924,712
Income from lease of properties	222,313	-	-	-	-	-	-	-	-	(6,385)	215,928
Increase in value of investment property and real estate under construction, net	22,276	-	-	-	-	-	-	-	-	-	22,276
Net gains on investments and other finance income	1,779	10,132	1,089	32,553	10,952	2,249	865	46,619	530	28,157	88,306
Income from management fees	-	6,513	-	-	-	-	-	-	-	-	6,513
Income from granting consumer credit	-	-	-	-	-	-	-	-	294,684	(71)	294,613
Income from reinsurers commissions	-	12,192	1,758	-	-	3,654	-	3,654	-	-	17,604
Group's share in losses of affiliates	-	-	-	-	-	-	-	-	-	(1,333)	(1,333)
Other income	79	-	-	-	-	-	-	-	129	3	211
Total income	246,447	254,161	175,468	462,014	959,026	139,753	16,247	1,577,040	295,343	20,371	2,568,830
EXPENSES											
Payments and change in liabilities in respect of insurance contracts on retention	-	119,804	69,570	443,367	764,817	61,380	9,492	1,279,056	-	(1,206)	1,467,224
Marketing expenses and other acquisition expenses	-	39,941	38,670	55,874	113,693	23,173	2,020	194,760	113,204	(2,993)	383,582
Maintenance, general and administrative expenses	59,208	23,057	21,006	22,668	44,376	6,905	831	74,780	83,069	14,994	276,114
Finance expenses	113,814	89	-	-	-	46	-	46	13,636	94,156	221,741
Other expenses	138	-	-	-	-	-	-	-	1	798	937
Total expenses	173,160	182,891	129,246	521,909	922,886	91,504	12,343	1,548,642	209,910	105,749	2,349,598
Income (loss) before taxes on income	73,287	71,270	46,222	(59,895)	36,140	48,249	3,904	28,398	85,433	(85,378)	219,232