

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

ZUR SHAMIR HOLDINGS LTD.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

AS OF MARCH 31, 2019

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 21, 2019.

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, 2019

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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, 2019, and the related condensed interim consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the period of three months 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 19.4% of the total consolidated assets as at March 31, 2019, and whose revenues constitute about 5.5% 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 21, 2019

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

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	March 31,		December 31,
	2019	2018	2018
	Unaudited		Audited
	NIS in thousands		
CURRENT ASSETS			
Cash and cash equivalents	1,071,866	1,075,737	1,259,157
Cash and cash equivalents for yield-dependent contracts	11,836	10,537	4,881
Financial assets	1,049,485	705,118	1,211,570
Derivatives	17,561	4,590	5,567
Outstanding insurance premiums	613,176	592,794	575,807
Debtors and receivables	188,053	(* 159,030)	162,481
Deposits	23,336	79,956	31,350
Current tax receivable	10,042	4,044	7,791
Reinsurance assets	161,027	90,718	137,416
Deferred acquisition costs	142,225	(* 117,823)	135,012
	<u>3,288,607</u>	<u>2,840,347</u>	<u>3,531,032</u>
Assets designated for sale	<u>1,573,716</u>	<u>1,153,684</u>	<u>1,183,274</u>
	<u>4,862,323</u>	<u>3,994,031</u>	<u>4,714,306</u>
NON-CURRENT ASSETS			
Financial assets	2,817,323	2,436,394	2,675,696
Derivatives	9,895	640	1,283
Investment property and investment property under construction	4,143,650	3,962,732	4,194,062
Reinsurance assets	503,177	203,655	389,099
Fixed assets	257,805	182,993	195,565
Deferred acquisition costs	205,669	201,402	206,057
Debtors and receivables	77,596	37,471	81,268
Deposits	125,336	108,389	98,076
Goodwill and intangible assets	353,133	313,341	343,849
Deferred taxes	9,596	9,356	9,744
	<u>8,503,180</u>	<u>7,456,373</u>	<u>8,194,699</u>
	<u>13,365,503</u>	<u>11,450,404</u>	<u>12,909,005</u>

*) Reclassified.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	March 31,		December 31,
	2019	2018	2018
	Unaudited		Audited
	NIS in thousands		
CURRENT LIABILITIES			
Financial liabilities	1,848,556	1,250,195	1,512,669
Creditors and payables	861,250	613,826	795,973
Current taxes payable	5,726	8,997	24,320
Derivatives	6,866	15,080	12,038
Liabilities for insurance contracts and investment contracts	1,478,334	1,361,944	1,346,091
	<u>4,200,732</u>	<u>3,250,042</u>	<u>3,691,091</u>
NON-CURRENT LIABILITIES			
Financial liabilities	5,172,529	4,573,118	5,346,195
Creditors and payables	106,377	26,132	36,770
Liabilities for insurance contracts and investment contracts	2,207,026	2,028,461	2,203,148
Liabilities for employee benefits	35,014	31,460	35,014
Derivatives	36,451	17,567	31,197
Deferred taxes	200,357	184,931	187,366
	<u>7,757,754</u>	<u>6,861,669</u>	<u>7,839,690</u>
EQUITY			
Share capital	143,949	143,085	143,947
Share premium	56,159	45,427	56,150
Reserves	(148,273)	(134,825)	(137,126)
Retained earnings	333,049	318,103	313,039
	<u>384,884</u>	<u>371,790</u>	<u>376,010</u>
Total equity attributed to the Company's shareholders	384,884	371,790	376,010
Non-controlling interests	<u>1,022,133</u>	<u>966,903</u>	<u>1,002,214</u>
Total equity	<u>1,407,017</u>	<u>1,338,693</u>	<u>1,378,224</u>
	<u><u>13,365,503</u></u>	<u><u>11,450,404</u></u>	<u><u>12,909,005</u></u>

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF PROFIT AND LOSS

	Three months ended March 31,		Year ended December 31,
	2019	2018	2018
	Unaudited		Audited
	NIS in thousands		
INCOME			
Premiums earned on retention	543,073	574,925	2,276,858
Income from lease of properties	58,693	57,860	236,962
Increase in value of investment property and property under construction, net	442	848	24,576
Net gains from investments and other finance income	31,185	9,097	67,943
Income from management fees	1,340	1,427	5,790
Income from grant of consumer credit	147,020	148,081	482,680
Income from commissions	21,818	9,279	64,872
Other income	6,269	168	176
Total income	<u>809,840</u>	<u>801,685</u>	<u>3,159,857</u>
EXPENSES			
Payments and change in liabilities in respect of insurance contracts and investment contracts on retention	379,966	400,067	1,586,734
Marketing and other acquisition expenses	143,502	123,306	552,502
Maintenance, administrative and general expenses	100,613	96,626	394,700
Finance expenses	52,182	48,987	252,324
Other expenses	-	129	532
Total expenses	<u>676,263</u>	<u>669,115</u>	<u>2,786,792</u>
Income before taxes on income	133,577	132,570	373,065
Taxes on income	45,068	52,477	148,832
Net income	<u>88,509</u>	<u>80,093</u>	<u>224,233</u>
Attributed to:			
Company's shareholders	31,870	24,566	52,475
Non-controlling interests	56,639	55,527	171,758
	<u>88,509</u>	<u>80,093</u>	<u>224,233</u>
Net earnings per share attributed to shareholders of the Company (in NIS):			
Basic net earnings, net	<u>0.49</u>	<u>0.38</u>	<u>0.82</u>
Diluted net earnings, net	<u>0.49</u>	<u>0.38</u>	<u>0.80</u>

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Three months ended		Year ended
	March 31,		December 31,
	2019	2018	2018
	Unaudited		Audited
	NIS in thousands		
Net income	88,509	80,093	224,233
Other comprehensive income (loss) (after the tax effect):			
Amounts that will be reclassified subsequently to profit or loss			
Net change in respect of debt instruments measured at fair value through other comprehensive income (loss)	7,689	(1,387)	(9,854)
Net change in respect of debt instruments measured at fair value through other comprehensive income transferred to profit or loss	1,086	51	1,080
Profit (loss) from cash flow hedging transactions	(4,937)	748	(3,641)
Transfer to profit or loss in respect of cash flow hedging transactions, net	-	1,951	1,951
Adjustments resulting from the translation of The financial statements of activities abroad	(27,069)	10,038	4,596
Amounts that will not be reclassified subsequently to profit or loss			
Revaluation in respect of fixed assets	-	-	2,007
Loss from remeasurement in respect of defined benefit plan	-	-	(2,129)
Total other comprehensive income (loss)	(23,231)	11,401	(5,990)
Total comprehensive income	65,278	91,494	218,243
Total comprehensive income attributed to:			
Company's shareholders	20,712	29,853	50,907
Non-controlling interests	44,566	61,641	167,336
	65,278	91,494	218,243

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to equity holders of the Company					Non controlling interests	Total equity
	Share capital	Share premium	Retained earnings	Reserves	Total		
	NIS in thousands						
Balance at January 1, 2019 (Audited)	143,947	56,150	313,039	(137,126)	376,010	1,002,214	1,378,224
Net income	-	-	31,870	-	31,870	56,639	88,509
Total other comprehensive loss	-	-	-	(11,158)	(11,158)	(12,073)	(23,231)
Total comprehensive income (loss)	-	-	31,870	(11,158)	20,712	44,566	65,278
Cost of share-based payment	-	-	-	20	20	990	1,010
Realization of options to Company's shares	2	9	-	(9)	2	-	2
Realization of options to shares in subsidiaries by non-controlling interest holders	-	-	140	-	140	(65)	75
Dividend to Company's shareholders	-	-	(12,000)	-	(12,000)	-	(12,000)
Dividend to non- controlling interest holders	-	-	-	-	-	(25,572)	(25,572)
Balance at March 31, 2019 (Unaudited)	<u>143,949</u>	<u>56,159</u>	<u>333,049</u>	<u>(148,273)</u>	<u>384,884</u>	<u>1,022,133</u>	<u>1,407,017</u>
	Attributable to equity holders of the Company					Non controlling interests	Total equity
	Share capital	Share premium	Retained earnings	Reserves	Total		
	NIS in thousands						
Balance at January 1, 2018 (Audited)	143,085	45,427	336,831	(142,402)	382,941	1,011,209	1,394,150
Effect of initial implementation of IFRS 9 and IFRS 15 standards	-	-	(28,294)	2,246	(26,048)	(29,836)	(55,884)
Balance as at January 1, 2018, after the initial implementation	143,085	45,427	308,537	(140,156)	356,893	981,373	1,338,266
Net income	-	-	24,566	-	24,566	55,527	80,093
Total other comprehensive income	-	-	-	5,287	5,287	6,114	11,401
Total comprehensive income	-	-	24,566	5,287	29,853	61,641	91,494
Cost of share-based payment	-	-	-	44	44	1,244	1,288
Dividend to Company's shareholders	-	-	(15,000)	-	(15,000)	-	(15,000)
Dividend to non- controlling interest holders	-	-	-	-	-	(77,355)	(77,355)
Balance at March 31, 2018 (Unaudited)	<u>143,085</u>	<u>45,427</u>	<u>318,103</u>	<u>(134,825)</u>	<u>371,790</u>	<u>966,903</u>	<u>1,338,693</u>

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to equity holders of the Company					Non controlling interests	Total equity
	Share capital	Share premium	Retained earnings	Reserves	Total		
	Audited						
NIS in thousands							
Balance at January 1, 2018	143,085	45,427	336,831	(142,402)	382,941	1,011,209	1,394,150
Effect of first time implementation of IFRS 9 and IFRS 15 standards	-	-	(28,294)	2,246	(26,048)	(29,836)	(55,884)
Balance as at January 1, 2018, after the first time implementation	143,085	45,427	308,537	(140,156)	356,893	981,373	1,338,266
Net income	-	-	52,475	-	52,475	171,758	224,233
Total other comprehensive loss	-	-	-	(1,568)	(1,568)	(4,422)	(5,990)
Total comprehensive income (loss)	-	-	52,475	(1,568)	50,907	167,336	218,243
Cost of share-based payment	-	-	-	176	176	4,499	4,675
Realization of options to Company's shares	12	59	-	(59)	12	-	12
Issue and acquisition of shares of a subsidiary	-	-	(18,066)	4,481	(13,585)	(21,278)	(34,863)
Issuance of share capital	850	10,664	-	-	11,514	-	11,514
Realization of options to shares in subsidiaries by non-controlling Interest holders	-	-	93	-	93	545	638
Dividend to Company's shareholders	-	-	(30,000)	-	(30,000)	-	(30,000)
Dividend to non- controlling interest holders	-	-	-	-	-	(130,261)	(130,261)
Balance at December 31, 2018	<u>143,947</u>	<u>56,150</u>	<u>313,039</u>	<u>(137,126)</u>	<u>376,010</u>	<u>1,002,214</u>	<u>1,378,224</u>

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

	Three months ended		Year ended
	March 31,		December 31,
	2019	2018	2018
	Unaudited		Audited
	NIS in thousands		
CASH FLOWS PROVIDED BY (USED IN) CURRENT ACTIVITIES	93,810	(130,278)	(406,991)
CASH FLOWS FROM INVESTMENT ACTIVITIES			
Settlement (grant) of deposits, net	(22,648)	(899)	55,900
Acquisition of fixed assets and investment property and investment property under construction	(53,487)	(47,198)	(266,003)
Interest paid and capitalized to cost of investment property under construction	(1,640)	(1,206)	(6,822)
Proceeds from sale of fixed assets and investment property	150	899	2,917
Proceeds in respect of hedging transactions	270	467	1,378
Payment in respect of hedging transactions	(3,656)	(1,468)	(14,950)
Acquisition of intangible assets	(20,104)	(18,651)	(79,809)
Acquisition of subsidiary's shares, net	-	-	(25,260)
Net cash used in investment activities	(101,115)	(68,056)	(332,649)
CASH FLOWS FROM FINANCE ACTIVITIES			
Settlement of CPI hedging transactions and interest rate determination	134	(2,968)	(2,698)
Proceeds from the issue of bonds and subordinated deeds in a subsidiary, net	-	437,446	694,274
Proceeds from the realization of options to a subsidiary's shares	75	-	545
Proceeds from the realization of options to Company's shares	2	-	93
Issue of Company shares, net	-	-	11,526
Issuance of Company bonds, net of tax	-	-	647,979
Issue of shares, net of subsidiaries to non-controlling interest holders	-	-	(273)
Settlement of bonds and subordinated deeds in a subsidiary	(151,238)	(66,447)	(282,307)
Settlement of Company bonds	-	-	(115,963)
Settlement of lease liability	(2,634)	-	-
Receipt of long-term loans from banking institutions and others, net	41,480	71,334	463,698
Settlement of long-term loans from banking institutions and others, net	(56,116)	(22,328)	(125,510)
Dividend paid to the shareholders of the Company	-	-	(30,000)
Dividend paid to non-controlling interest holders	-	(57,696)	(181,789)
Net cash provided by (used in) finance activities	(168,297)	359,341	1,079,575
Exchange rate differences in respect of balances of cash and cash equivalents	(4,734)	626	(538)
Increase (decrease) in cash and cash equivalents	(180,336)	161,633	339,397
Balance of cash and cash equivalents as at the beginning of the period	1,264,038	924,641	924,641
Balance of cash and cash equivalents as at the end of the period	1,083,702	1,086,274	1,264,038

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

	Three months ended March 31,		Year ended December 31,
	2019	2018	2018
	Unaudited		Audited
	NIS in thousands		
(A) - CASH FLOWS FROM CURRENT ACTIVITIES			
Net income	88,509	80,093	224,233
Adjustments to profit or loss items:			
Losses (profits) from financial investments for yield dependent contracts	(12,285)	1,373	5,441
Profits from other financial investments	(111,685)	(93,471)	(348,737)
Depreciation and amortization	20,937	15,984	67,353
Loss (profit) from sale of fixed assets	(8)	129	532
Cost of share-based payment	1,010	1,288	4,675
Finance expenses, net	52,182	48,987	252,324
Investment losses (income) from investments, net and other finance expenses (income)	(8,244)	7,286	11,879
Increase in value of investment property	(442)	(848)	(24,576)
Taxes on income	45,068	52,477	148,832
	(13,467)	33,205	117,723
Other financial investments:			
Net sales (acquisitions) of financial investments	(279,717)	37,309	(636,661)
Acquisition and investments of investment property in consolidated insurance company	-	-	(16)
	(279,717)	37,309	(636,677)
Changes in asset and liability items:			
Change in liabilities for non-yield-dependent insurance contracts	129,255	165,138	346,216
Change in liabilities for yield-dependent contracts	6,866	(6,636)	(28,880)
Change in deferred acquisition costs	(6,825)	(21,844)	(23,800)
Change in reinsurance assets	(137,689)	(100,164)	(332,306)
Change in employee benefit liabilities	-	200	519
Short-term credit, net from banking institutions and others in respect of consumer credit grant activities	384,935	(312,676)	(176,397)
Change in outstanding premium	(37,369)	(52,089)	(35,102)
Change in debtors and receivables	(35,137)	(27,392)	(145,175)
Change in creditors and payables	44,582	23,511	281,591
	348,618	(331,952)	(113,334)
Cash paid and received during the period for:			
Interest paid	(62,551)	(58,186)	(228,335)
Interest received	62,803	73,737	257,875
Taxes paid	(88,363)	(17,573)	(89,116)
Taxes received	36,277	49,378	50,051
Dividend received	1,701	3,711	10,589
	(50,133)	51,067	1,064
Total cash flows provided by (used in) current activities	93,810	(130,278)	(406,991)

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

	Three months ended		Year ended
	March 31,		December 31,
	2019	2018	2018
	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	4,881	8,279	8,279
Other cash and cash equivalents	1,259,157	916,362	916,362
Balance of cash and cash equivalents as at the beginning of the period	<u>1,264,038</u>	<u>924,641</u>	<u>924,641</u>
APPENDIX C - CASH AND CASH EQUIVALENTS AS AT THE END OF THE PERIOD			
Cash and cash equivalents for yield-dependent contracts	11,836	10,537	4,881
Other cash and cash equivalents	1,071,866	1,075,737	1,259,157
Balance of cash and cash equivalents as at the end of the period	<u>1,083,702</u>	<u>1,086,274</u>	<u>1,264,038</u>
APPENDIX D - SIGNIFICANT NON-CASH ACTIVITIES			
Acquisition of fixed asset, investment property and property under construction against creditors and payables	<u>21,666</u>	<u>41,280</u>	<u>36,055</u>
Recognition of a right to use asset against a lease liability	<u>65,489</u>	<u>-</u>	<u>-</u>
Dividend declared and not yet paid to Company's shareholders	<u>12,000</u>	<u>15,000</u>	<u>-</u>
Dividend declared and not yet paid to non-controlling interest holders	<u>25,572</u>	<u>71,188</u>	<u>-</u>

CONDENSED INTERIM CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

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 on 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 insurance policies).

2. Health insurance segment

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

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 liabilities.

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.

CONDENSED INTERIM CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

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. Including: third party liability, employers' liability and professional liability.

4. Granting of consumer credit segment

Includes granting of consumer credit activity for the acquisition of vehicles (mainly second hand), granting of credit for loans for any purpose and granting 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, 2019										
	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	-	65,857	61,602	65,335	316,916	29,207	4,156	415,614	-	-	543,073
Income from lease of properties	60,537	-	-	-	-	-	-	-	-	(1,844)	58,693
Increase in value of investment property and property under construction, net	442	-	-	-	-	-	-	-	-	-	442
Net gains from investments and other finance income	8,512	12,535	233	2,236	1,130	252	87	3,705	899	5,301	31,185
Income from management fees	-	1,340	-	-	-	-	-	-	-	-	1,340
Income from grant of consumer credit	-	-	-	-	-	-	-	-	147,170	(150)	147,020
Income from commissions	-	1,690	544	15,206	-	4,378	-	19,584	-	-	21,818
Other income	6,143	-	-	-	-	-	-	-	9	117	6,269
Total income	75,634	81,422	62,379	82,777	318,046	33,837	4,243	438,903	148,078	3,424	809,840
EXPENSES											
Payments and change in liabilities in respect of insurance contracts and investment contracts on retention	-	42,421	25,320	58,449	233,806	18,316	1,654	312,225	-	-	379,966
Marketing and other acquisition expenses	-	17,819	18,455	14,826	40,025	7,891	486	63,228	44,000	-	143,502
Maintenance, administrative and general expenses	16,883	6,445	7,666	5,552	13,613	2,455	266	21,886	44,222	3,511	100,613
Finance expenses	22,124	17	-	347	109	82	-	538	7,843	21,660	52,182
Total expenses	39,007	66,702	51,441	79,174	287,553	28,744	2,406	397,877	96,065	25,171	676,263
Income (loss) before taxes on income	36,627	14,720	10,938	3,603	30,493	5,093	1,837	41,026	52,013	(21,747)	133,577
Other comprehensive income (loss) before taxes on income	(33,194)	53	39	7,323	3,696	826	281	12,126	-	1,114	(19,862)
Comprehensive income (loss) before taxes on income	3,433	14,773	10,977	10,926	34,189	5,919	2,118	53,152	52,013	(20,633)	113,715

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, 2018										
	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				
	Unaudited										
NIS in thousands											
INCOME											
Premiums earned on retention	-	62,600	57,312	115,366	301,175	34,197	4,275	455,013	-	-	574,925
Income from lease of properties	59,686	-	-	-	-	-	-	-	-	(1,826)	57,860
Increase in value of investment property and property under construction, net	848	-	-	-	-	-	-	-	-	-	848
Net gains (losses) from investments and other finance income (expenses)	(4,256)	(1,463)	166	6,179	1,553	84	185	8,001	15	6,634	9,097
Income from management fees	-	1,427	-	-	-	-	-	-	-	-	1,427
Income from grant of consumer credit	-	-	-	-	-	-	-	-	148,141	(60)	148,081
Income from commissions	-	3,058	685	3,153	-	2,383	-	5,536	-	-	9,279
Other income	-	-	-	-	-	-	-	-	60	108	168
Total income	56,278	65,622	58,163	124,698	302,728	36,664	4,460	468,550	148,216	4,856	801,685
EXPENSES											
Payments and change in liabilities in respect of insurance contracts and investment contracts on retention	-	21,940	23,158	106,964	224,744	20,661	2,908	355,277	-	(308)	400,067
Marketing and other acquisition expenses	-	14,601	16,873	14,781	31,719	6,226	744	53,470	39,125	(763)	123,306
Maintenance, administrative and general expenses	16,239	5,446	7,022	4,963	11,090	2,101	210	18,364	44,722	4,833	96,626
Finance expenses	24,662	18	-	86	136	11	-	233	6,263	17,811	48,987
Other expenses	-	-	-	-	-	-	-	-	-	129	129
Total expenses	40,901	42,005	47,053	126,794	267,689	28,999	3,862	427,344	90,110	21,702	669,115
Income (loss) before taxes on income	15,377	23,617	11,110	(2,096)	35,039	7,665	598	41,206	58,106	(16,846)	132,570
Other comprehensive income (loss) before taxes on income	12,346	-	-	(812)	(204)	(11)	(24)	(1,051)	-	(979)	10,316
Comprehensive income (loss) before taxes on income	27,723	23,617	11,110	(2,908)	34,835	7,654	574	40,155	58,106	(17,825)	142,886

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, 2018										
	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
	Audited										
NIS in thousands											
INCOME											
Premiums earned on retention	-	257,040	243,766	366,333	1,262,634	130,420	16,665	1,776,052	-	-	2,276,858
Income from lease of properties	244,214	-	-	-	-	-	-	-	-	(7,252)	236,962
Increase in value of investment property and property under construction, net	24,576	-	-	-	-	-	-	-	-	-	24,576
Net gains (losses) from investments and other finance income (expenses)	(3,672)	(3,684)	1,295	34,659	12,344	2,223	1,183	50,409	2,608	20,987	67,943
Income from management fees	-	5,790	-	-	-	-	-	-	-	-	5,790
Income from grant of consumer credit	-	-	-	-	-	-	-	-	482,748	(68)	482,680
Income from commissions	-	12,373	2,369	37,250	-	12,880	-	50,130	-	-	64,872
Other income	-	-	-	-	-	-	-	-	50	126	176
Total income	265,118	271,519	247,430	438,242	1,274,978	145,523	17,848	1,876,591	485,406	13,793	3,159,857
EXPENSES											
Payments and change in liabilities in respect of insurance contracts and investment contracts on retention	-	107,970	101,470	381,861	906,616	77,473	12,579	1,378,529	-	(1,235)	1,586,734
Marketing and other acquisition expenses	-	63,460	73,906	69,068	148,888	29,945	2,360	250,261	167,940	(3,065)	552,502
Maintenance, administrative and general expenses	69,907	24,524	31,644	20,474	48,356	9,821	595	79,246	167,202	22,177	394,700
Finance expenses	115,932	68	-	707	461	104	-	1,272	43,696	91,356	252,324
Other expenses	61	-	-	-	-	-	-	-	-	471	532
Total expenses	185,900	196,022	207,020	472,110	1,104,321	117,343	15,534	1,709,308	378,838	109,704	2,786,792
Income (loss) before taxes on income	79,218	75,497	40,410	(33,868)	170,657	28,180	2,314	167,283	106,568	(95,911)	373,065
Other comprehensive income (loss) before taxes on income	5,205	(541)	(599)	(5,281)	(3,107)	(529)	(183)	(9,100)	-	(6,328)	(11,363)
Comprehensive income (loss) before taxes on income	84,423	74,956	39,811	(39,149)	167,550	27,651	2,131	158,183	106,568	(102,239)	361,702