Bank Leumi le-Israel B.M.

Additional Information to the Annual Consolidated Reports

2015

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BANK LEUMI LE-ISRAEL

This booklet presents details of the data appearing in Note 34 of the annual financial statements.

The financial information of the Bank, as appearing in this booklet was prepared in accordance with accepted accounting principles and reporting principles determined by the directives and guidelines of the Supervisor of Banks.

The Joint Auditors of the Bank, Somekh Chaikin and Kost Forer Gabbay & Kasierer audited the consolidated annual financial statements of the Bank in accordance with accepted auditing standards.

In addition, the data in this booklet have been transmitted to the Joint Auditors of the Bank in order to enable them to advise whether the information contains information that is materially incompatible with the facts or other information received by the Joint Auditors during their audit. No such announcement was received from the Joint Auditors of the Bank. The Joint Auditors of the Bank did not use for this purpose any additional auditing procedures except those that they were obliged to use for the audit of the consolidated financial statements.

Ron Fainro
Executive Vice President
Head of Finance Division

Shlomo Goldfarb
Executive Vice President
Chief Accounting Officer
Head of Accounting Division

28 February 2016

Note 2 - Interest Income and Expenses

	Bank		
	2015	2014	2013
	(NIS millions)		
A. Interest Income (a)			
Credit to the public	**6,744**	7,589	9,194
Credit to governments	**15**	18	23
Deposits with banks	**73**	87	85
Deposits with Bank of Israel and cash	**35**	136	309
Interest income from securities borrowed or purchased under agreements to resell	**3**	11	20
Bonds (b)	**443**	667	996
Total Interest Income	**7,313**	8,508	10,627
B. Interest Expenses(a)			
Deposits of the public	**(795)**	(2,158)	(4,110)
Deposits from governments	**(4)**	(5)	(7)
Deposits from banks	**(48)**	(91)	(93)
Debentures, bonds and subordinated notes	**(699)**	(283)	(425)
Interest expense from securities loaned or sold under agreements to repurchase	**(3)**	(9)	(13)
Total Interest Expenses	**(1,549)**	(2,546)	(4,648)
Total included in interest income	**5,764**	5,962	5,979
C. Details of the net effect of hedging derivative financial instruments on interest income and expenses (c)			
Interest income	**(46)**	(45) (d)	(49) (d)
Interest expenses	**-**	-	-
D. Details of interest income on accrual basis from bonds			
Held to maturity	**38**	52	59
Available for sale	**322**	509	732
Held for trading	**83**	106	205
Total included in interest income	**443**	667	996

(a) Including effective component of hedge relationships.

(b)Including interest in respect of mortgage-backed bonds (MBS) in the amount of NIS 130 million (2014 - NIS 50 million, 2013 - NIS 117 million).

(c) Details of the effect of hedging derivative instruments on sub-sections A and B.

(d) Restated

Note 3 - Non-Interest Financing Income

	Bank		
	2015	2014	2013
	(NIS millions)		
A. Non-interest financing income from activities not for trading purposes			
A.1 From activities in derivative instruments			
Non-effective part of hedging relationships (a)	**-**	10	11
Net Income (expenses) in respect of ALM derivative instruments (b)	**(233)**	1,814	(1,427)
Total from activities in derivative instruments	**(233)**	1,824	(1,416)
A.2 From investment in bonds			
Gains on sale of debentures available for sale	**176**	196	211
Losses on sale of debentures available for sale(***)	**(20)**	(3)	(16)
Total from investment in debentures	**156**	193	195
A.3 Exchange rate differentials ,net	**359**	(2,303)	1,658
A.4 Gains (losses) on investment in shares			
Gains from sale of shares available for sale (**)	**474**	204	403
Losses from sale of shares available for sale (c)	**(385)**	(21)	(51)
Gain from sale of shares in companies included on equity basis	**522**	-	-
Dividend from shares available for sale	**166**	6	16
Total from investment in shares	**777**	189	368
A.5 Net profits in respect of loans sold (*)	**11**	28	99
Total non-interest financing income in respect of activities not for trading purposes	**1,070**	(69)	904
B. Non-interest financing income from activities for trading purposes (e)			
Net income (expenses) in respect of other derivative instruments	**(1)**	-	(3)
Realized and unrealized profits (losses) from fair value adjustment of bonds for trading, net (d)	**67**	423	(54)
Realized and unrealized profits (losses) from fair value adjustment of shares for trading, net (e)	**(2)**	30	82
Total non-interest financing income in respect of activities not for trading purposes (g)	**64**	453	25
Total income from Non-Interest Financing	**1,134**	384	929

(a) Excluding effective component of hedging relationships.

(b) Derivative instruments which constitute part of the Bank's assets and liability management system and were not designated for hedging relationships.

(c) During 2015 loans were sold in the amount of NIS 283 million (2014 – NIS 12 million, 2013 - 7).

(d) Including exchange rate differences resulting from trading activity.

(e) Of which part of the profits (losses) of NIS (36) million (2014 and 2013 - NIS 33 million and NIS 25 million, respectively), relating to bonds held for trading still held as of balance sheet date.

(f) Of which part of the profits (losses) of NIS (62) million (2014 and 2013 - NIS 58 million and NIS 76 million, respectively), relating to shares held for trading still held as of balance sheet date.

(g) For interest income from investment in bonds held for trading, see Note 2.

(*) in respect of loans sold in amount of NIS 291 million (2014 - NIS 344 million).

Note 4 - Commissions

	Bank		
	2015	2014(a)	2013(a)
	(NIS millions)		
Ledger fees (c)	**596**	615	618
Conversion differences	**316**	311	281
Handling of credit	**187**	181	311
Commissions for distribution of financial products (b)	**244**	243	206
Foreign trade activities	**119**	112	118
Income from transactions in securities and certain derivative instruments	**560**	590	581
Credit cards	**216**	204	188
Management fees and commission on life insurance and home insurance	**48**	42	47
Net income from servicing credit portfolios	**22**	30	31
Commissions on financing transactions	**503**	442	400
Other commissions	**89**	80	83
Total operating commissions	**2,900**	2,850	2,864

(a) Reclassified pursuant to the first-time implementation of the directives of the Supervisor of Banks on the format of the statement of profit and loss for a banking corporation.
(b) Mainly distribution fees of mutual funds.
(c) Reclassified.

Note 5 - Other Income

	Bank		
	2015	2014(a)	2013(a)
	(NIS millions)		
Profit from the realization of aasets received for settlement of loans	**-**	1	1
Profits from severance pay funds	**35**	38	37
Capital gain from sale of buildings and equipment	**126**	85	35
Capital loss from sale of buildings and equipment	**(2)**	(1)	(3)
Other, net (b)	**55**	16	9
Total other income	**214**	139	79

(a) Reclassified pursuant to the first-time implementation of the directives of the Supervisor of Banks on the format of the statement of profit and loss for a banking corporation.
(b) Reclassified.

Note 6 - Salaries and Related Expenses

	Bank		
	2015	2014	2013
	(NIS millions)		
Salaries	**2,743**	2,283	2,543
Expenses deriving from share-based payment transacions	**-**	(1)	1
Severance pay, provident fund, training fund, pension, vacation and long service bonus	**250**	232	245
Special benefits in respect of dismissal (a)	**-**	48	75
National Insurance and VAT on salaries	**724**	636	685
Defined benefit	**722**	702	348
Defined deposit	**99**	87	82
Long- term - Jubilee benefits	**(358)**	82	58
Other post-employment benefits and non-pension post retirement benefits	**121**	15	20
Total salaries and related expenses	**4,301**	4,084	4,057
Of which: salaries and related expenses abroad	1	2	2

(a) Expenses related to early retirement of employees as part of the plan for structural change in the Bank.
(b) Restated pursuant to retroactive implementation of US GAAP on employee rights
(c) Restated pursuant to implementation of the directives of the Supervisor of Banks on capitalization of costs of in-house development of software

Note 7 - Other Expenses

	Bank		
	2015	2014	2013
	(NIS millions)		
Marketing and advertising	**133**	138	131
Legal, audit and professional consultants	**189**	176	191
Communications - postage, telephone, delivery services, etc.	**112**	112	118
Computers (a)	**81**	71	79
Office expenses	**44**	52	52
Insurance	**23**	20	24
Training	**14**	14	15
Commissions	**107**	107	88
Loss in respect of assets received in settlement of loans	**1**	3	-
Other (b)	**310**	408	535
Total other expenses	**1,014**	1,101	1,233

(a) The item includes outsourcing expenses and does not include the Bank's computer expenses as the Operations Division is a part of the Bank and its expenses are recorded and classified under the various expense headings
(b) Regarding directors' fees of the Bank included in this item, see Note 33.C.
(c)Including expenses in respect of the investigation by US authorities, of about NIS 46 million (2014 - NIS 256 million, 2013 - NIS 236 million)

Note 8 - Provision for Taxes on Operating Profit - Bank

A. Composition

	2015	2014	2013
	(NIS millions)		
Current taxes:			
In respect of current year	9	(54)	101
In respect of prior years	1,480	1,205	1,322
Total current taxes	-	-	-
Add (deduct) changes in deferred taxes:			
In respect of current year (*)	49	-	(140)
In respect of prior years (*)	(305)	(118)	(135)
Total deferred taxes	1,175	1,087	1,187
Provision for taxes on income	-	-	-
Deferred tax:			
Creation and reversal of temporary differences	49	-	(140)
Change in tax rate (*)	-	-	-
Total deferred taxes	-	-	-

(*) Restated

.B

	2015	2014	2013
Statutory tax rate applying to a banking corporation	37.71%	36.21%	35.53%
	NIS millions		
Tax at the statutory tax rate (*)	29	166	75
Tax (tax saving) resulting from:			
Other non-deductible expenses	(109)	(6)	28
Income of foreign consolidated companies	-	-	-
Income of Israeli consolidated companies	(18)	(38)	(10)
Depreciation adjustment differences	(27)	-	-
Tax exempt and at preferred rates	49	-	(140)
Timing differences for which deferred taxes have not been recorded	9	(54)	101
Change in deferred taxes due to change in tax rates (*)	1,175	1,087	1,187
Taxes in respect of prior years	-	-	-
Other	-	-	-
Provision for taxes on operating profit	-	-	-

(*) Restated

See the annual financial report for the consolidated note.

Note 8 - Provision for Taxes on Operating Profit - Bank (cont'd)

(G) A. Components of deferred tax assets and deferred tax liabilities are as follows:

	31 December 2015	31 December 2014	**31 December 2015**	31 December 2014
	(NIS millions)		Average tax rate in percent	
Deferred tax assets				
From allowance for credit losses	**1,125**	1,054	**37%**	38%
From provision for unutilized vacations and long service bonuses	**262**	377	**37%**	38%
From excess of provision for severance pay and pension over funds allocated(*)	**2,886**	2,837	**37%**	38%
From interest not credited to current income	**8**	21	**37%**	38%
From tax deductions carried forward	**-**	2	**37%**	38%
From activity abroad	**4**	6	**37%**	38%
From securities	**-**	-	**-**	**0**
From Adjustments of depreciable non-monetary Assets	**-**	45	**0%**	38%
Other – from non-monetary assets	**54**	39	**20%**	25%
Total	**4,339**	**4,381**		
Deferred tax reserve				
From securities	**(50)**	-	**43%**	0%
From investments in investee companies	**(14)**	(181)	**11%**	22%
From the adjustment of depreciable non-monetary assets	**(113)**	(96)	**30%**	28%
Other – from non-monetary assets	**(11)**	(11)	**17%**	17%
Total	**(188)**	(288)		
Deferred taxes receivable, net	**4,151**	4,093		
Deferred taxes included:				
"In "Other assets (*)	**4,249**	4,195		
"In "Other liabilities	**(98)**	(102)		
Deferred tax assets, net	**4,151**	4,093		

(*) Restated

Note 26 - Provision for Taxes on Operating Profit - Bank (cont'd)

B. Movement in deferred tax assets and liabilities relating to the following items:

For the period ended 31 December 2015

	Allowance for credit losses	**Provision for vacation and bonuses**	**Surplus of funds over reserve for severance pay and pension**	**Interest not charged to annual income**
	(NIS millions)			
Balance of deferred tax asset (liability) at 1 January 2015	**1,054**	**377**	**2,837**	**21**
Changes charged to profit and loss	**87**	**(111)**	**288**	**(13)**
Changes charged to equity	**-**	**-**	**(199)**	**-**
Effect of the change in the rate of tax	**(16)**	**(4)**	**(28)**	**-**
Effect of the change in the rate of tax on Equity	**-**	**-**	**(12)**	**-**
Balance of deferred tax asset (liability) at 31 December 2015	**1,125**	**262**	**2,886**	**8**
Deferred tax asset	**1,125**	**262**	**2,886**	**8**
Balances available for offsetting	**-**	**-**	**-**	**-**
Deferred tax asset at 31 December 2015	**-**	**-**	**-**	**-**
Deferred tax liability	**-**	**-**	**-**	**-**
Balances available for offsetting	**-**	**-**	**-**	**-**
Deferred tax liability at 31 December 2015	**-**	**-**	**-**	**-**

For the period ended 31 December 2014

	Allowance for credit losses	**Provision for vacation and bonuses**	**Surplus of funds over reserve for severance pay and pension**	**Interest not charged to annual income**
	Reported amounts			
	(NIS millions)			
Balance of deferred tax asset (liability) at 1 January 2014	934	361	2,244	39
Changes charged to profit and loss	120	16	109	(18)
Changes charged to equity	-	-	484	-
Effect of the change in the rate of tax	-	-	-	-
Business Combinations	-	-	-	-
Balance of deferred tax asset (liability) at 31 December 2014	1,054	377	2,837	21
Deferred tax asset	1,054	377	2,837	21
Balances available for offsetting	-	-	-	-
Deferred tax asset at 31 December 2014	-	-	-	-
Deferred tax liability	-	-	-	-
Balances available for offsetting	-	-	-	-
Deferred tax liability at 31 December 2014	-	-	-	-

Note 8 - Provision for Taxes on Operating Profit (cont'd)

Dedictions carried forward for tax purposes	Foreign operation	Securities	Investments in investee companies	Adjustment of depreciable non-monetary assets	Other monetary items	Other non-monetary items	Total
2	**6**	**-**	**(181)**	**(51)**	**-**	**28**	**4,093**
(2)	**(2)**	**(36)**	**167**	**(62)**	**-**	**15**	**330**
-	**-**	**(13)**	**-**	**-**	**-**	**-**	**(212)**
-	**-**	**(1)**	**-**	**-**	**-**	**-**	**(49)**
-	**-**	**-**	**-**	**-**	**-**	**-**	**(12)**
-	**4**	**(50)**	**(14)**	**(113)**	**-**	**43**	**4,151**
-	**4**	**-**	**-**	**-**	**-**	**54**	**4,339**
-	**-**	**-**	**-**	**-**	**-**	**-**	**(90)**
-	**-**	**-**	**-**	**-**	**-**	**-**	**4,249**
-	**-**	**(50)**	**(14)**	**(113)**	**-**	**(11)**	**(188)**
-	**-**	**-**	**-**	**-**	**-**	**-**	**(90)**
							(98)

Dedictions carried forward for tax purposes	Foreign operation	Securities	Investments in investee companies	Adjustment of depreciable non-monetary assets	Other monetary items	Other non-monetary items	Total
20	7	7	(106)	(41)	-	17	3,482
(18)	(1)	42	(173)	(10)	-	11	78
-	-	(49)	98	-	-	-	533
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
2	6	-	(181)	(51)	-	28	4,093
2	6	-	-	45	-	39	4,381
-	-	-	-	-	-	-	(186)
							4,195
-	-	-	(181)	(96)	-	(11)	(288)
							(186)
							(102)

Note 11 - Cash and Deposits with Banks - Bank

	31 December 2015	31 December 2014
	NIS millions	
Cash and deposits with central banks	49,975	41,289
Deposits with commercial banks (a)	8,953	15,987
Total	58,928	57,276
Including: cash and deposits with central and commercial banks for original periods not exceeding three months	55,943	53,145

(a) After deduction of provision for doubtful debts.

See the annual financial report for the consolidated note.

Note 12 - Securities - Bank

	31 December 2015					31 December 2014				
	Amount in balance sheet	Amortized cost (In shares cost)	Accumulated other comprehensive income (loss) profits	Accumulated other comprehensive income (loss) losses	Fair value (a)	Amount in balance sheet	Amortized cost (In shares cost)	Accumulated other comprehensive income (loss) profits	Accumulated other comprehensive income (loss) losses	Fair value (a)
	NIS millions					NIS millions				
1.Securities available for sale:										
Debentures and bonds -										
The Government of Israel	**28,156**	**27,967**	**195**	**(6)**	**28,156**	**12,630**	**12,387**	**245**	**(2)**	**12,630**
Foreign governments	**7,210**	**7,208**	**5**	**(3)**	**7,210**	**3,996**	**3,990**	**8**	**(2)**	**3,996**
Israel's financial institutions	**35**	**33**	**2**	**-**	**35**	**65**	**60**	**5**	**-**	**65**
Foreign financial institutions	**6,104**	**6,092**	**30**	**(18)**	**6,104**	**5,216**	**5,140**	**78**	**(2)**	**5,216**
Asset-backed (ABS) or Mortgage-backed securities (MBS)	**6,463**	**6,496**	**20**	**(53)**	**6,463**	**5,505**	**5,515**	**33**	**(43)**	**5,505**
Others in Israel	**585**	**561**	**25**	**(1)**	**585**	**906**	**880**	**30**	**(4)**	**906**
Others abroad	**1,415**	**1,420**	**12**	**(17)**	**1,415**	**1,034**	**1,020**	**20**	**(6)**	**1,034**
	49,968	**49,777**	**289**	**(98)**	**49,968**	**29,352**	**28,992**	**419**	**(59)**	**29,352**
Shares of Others companies and mutual funds (b)	**1,736**	**1,736**	**1,736**	**1,736**	**1,736**	**1,736**	**1,736**	**1,736**	**1,736**	**1,736**
Total securities available for sale	**51,704**	**51,373**	**443** (c)	**(112)** (c)	**51,704**	**31,063**	**30,635**	**498** (c)	**(70)** (c)	**31,063**

	31 December 2015					31 December 2014				
	Amount in balance sheet	Amortized cost (In shares cost)	Unrealized profit from adjustments to fair value	Unrealized losses from adjustments to fair value	Fair value (a)	Amount in balance sheet	Unrealized cost (In shares cost)	Unrealized profit from adjustments to fair value	Unrecognized losses from adjustments to fair value	Fair value (a)
	NIS millions					NIS millions				
2.Securities held for trading:										
Debentures and bonds -										
The Government of Israel	**6,663**	**6,656**	**17**	**(10)**	**6,663**	**7,900**	**7,873**	**33**	**(6)**	**7,900**
Foreign governments	**3,057**	**3,086**	**-**	**(29)**	**3,057**	**399**	**398**	**1**	**-**	**399**
Israel's financial institutions	**238**	**238**	**1**	**(1)**	**238**	**374**	**374**	**1**	**(1)**	**374**
Foreign financial institutions	**141**	**142**	**-**	**(1)**	**141**	**235**	**231**	**5**	**(1)**	**235**
Asset-backed (ABS) or Mortgage-backed securities (MBS)	**751**	**754**	**4**	**(7)**	**751**	**1,374**	**1,371**	**8**	**(5)**	**1,374**
Others in Israel	**152**	**150**	**2**	**-**	**152**	**319**	**318**	**3**	**(2)**	**319**
Others abroad	**305**	**311**	**1**	**(7)**	**305**	**517**	**515**	**11**	**(9)**	**517**
	11,307	**11,337**	**25**	**(55)**	**11,307**	**11,118**	**11,080**	**62**	**(24)**	**11,118**
Shares	**609**	**679**	**10**	**(80)**	**609**	**1,488**	**1,374**	**141**	**(27)**	**1,488**
Total securities held for trading	**11,916**	**12,016**	**35** (d)	**(135)** (d)	**11,916**	**12,606**	**12,454**	**203** (d)	**(51)** (d)	**12,606**
Total securities	**63,620**	**63,389**	**478**	**(247)**	**63,620**	**43,669**	**43,089**	**701**	**(121)**	**43,669**

(a) Such quotations do not necessarily reflect the price which will be obtained upon sale of securities in large volumes.
(b) Including NIS 138 million with respect to shares which have no readily available fair value, which are presented at cost (31 December 2014 - NIS 503 million).
(c) Regarding securities available for sale, total other income- unrealized profits (losses) are included in shareholders' equity in the item "adjustments in respect of presentation of securities available for sale according to fair value", except securities intended as hedging instruments for hedging fair value.
(d) Reported in the profit and loss statement but not yet realized.

Securities lent amounting to NIS 111 million (31 December 2014- NIS 335 million) are shown under Credit to the Public.

See the annual financial report for the consolidated note.

Note 12 - Securities - Bank (cont'd)

	31 December 2015				
			Other comprehensive accumulated profit (loss)*		
	Book value	Amortized cost	Profits	Losses	Fair value
	NIS millions				
3. Bonds available for sale					
Pass-through securities:					
Securities guaranteed by GNMA	-	-	-	-	-
Securities issued by FNMA and FHLMC	**998**	**1,014**	**-**	**(16)**	**998**
Total	**1,788**	**1,810**	**-**	**(22)**	**1,788**
Other mortgage-backed securities (including CMO and STRIPPED MBS)					
Securities issued by FNMA, FHLMC, or GNMA, or guaranteed by these entities	**2,372**	**2,384**	**2**	**(15)**	**2,372**
Other mortgage-backed securities	**304**	**305**	**1**	**(1)**	**304**
Total	**2,676**	**2,689**	**3**	**(16)**	**2,676**
Asset-backed securities (ABS)					
CLO debentures	**1,999**	**1,998**	**17**	**(16)**	**1,999**
Total	**1,999**	**1,998**	**17**	**(16)**	**1,999**
Total asset-backed bonds available for sale	**6,463**	**6,497**	**20**	**(54)**	**6,463**

* Amounts charged to capital reserve as part of the adjustments of securities available for sale to fair value.

Note 12 - Securities - Bank (cont'd)

	31 December 2014				
			Other comprehensive accumulated profit (loss)*		
	Book value	Amortized cost	Profits	Losses	Fair value
	NIS millions				
3. Bonds available for sale (cont'd)					
Pass-through securities:					
Securities guaranteed by GNMA	-	-	-	-	-
Securities issued by FNMA and FHLMC	1,399	1,415	-	(16)	1,399
Total	1,399	1,415	-	(16)	1,399
Other mortgage-backed securities (including CMO and STRIPPED MBS)					
Securities issued by FNMA, FHLMC, or GNMA, or guaranteed by these entities	1,378	1,389	1	(12)	1,378
Other mortgage-backed securities	724	721	5	(2)	724
Total	2,102	2,110	6	(14)	2,102
Asset-backed securities (ABS)					
CLO debentures	2,004	1,990	27	(12)	2,004
Total	2,004	1,990	27	(12)	2,004
Total asset-backed bonds available for sale	5,505	5,515	33	(42)	5,505

* Amounts charged to capital reserve as part of the adjustments of securities available for sale to fair value.

Note 12 - Securities - Bank (cont'd)

	31 December 2015				
	Book value	Amortized cost	Unrealized profits from adjustments to fair value*	Unrealized losses from adjustments to fair value*	Fair value
	NIS millions				
4. Debentures for trading					
Pass-through securities					
Securities guaranteed by GNMA	-	-	-	-	-
Securities issued by FNMA and FHLMC	**8**	**8**	**-**	**-**	**8**
Other securities	-	-	-	-	-
Total	**8**	**8**	**-**	**-**	**8**
Other mortgage-backed securities (including CMO and STRIPPED MBS)					
Securities issued by FNMA, FHLMC, or GNMA, or guaranteed by these entities	**408**	**410**	**1**	**(3)**	**408**
Other mortgage-backed securities	**93**	**93**	**1**	**-**	**93**
Total	**501**	**503**	**2**	**(3)**	**501**
Asset-backed securities (ABS)					
Credit for purchase of vehicles	**67**	**68**	**-**	**(1)**	**67**
Other credit to private persons	**14**	**14**	**-**	**-**	**14**
Others	**148**	**148**	**2**	**(2)**	**148**
Total	**242**	**243**	**2**	**(3)**	**242**
Total asset-backed securities for trading	**751**	**754**	**4**	**(6)**	**751**

*These profits (losses) were charged to profit and loss account.

Note 12 - Securities - Bank (cont'd)

	31 December 2014				
	Book value	Amortized cost	Unrealized profits from adjustments to fair value*	Unrealized losses from adjustments to fair value*	Fair value
	NIS millions				
4. Debentures for trading (cont'd)					
Pass-through securities					
Securities guaranteed by GNMA	-	-	-	-	-
Securities issued by FNMA and FHLMC	**248**	**248**	-	-	**248**
Other securities	-	-	-	-	-
Total	248	248	-	-	248
Other mortgage-backed securities (including CMO and STRIPPED MBS)					
Securities issued by FNMA, FHLMC, or GNMA, or guaranteed by these entities	775	776	3	(4)	775
Other mortgage-backed securities	107	106	2	(1)	107
Total	882	882	5	(5)	882
Asset-backed securities (ABS)					
Credit card debtors	12	12	-	-	12
Lines of credit for any purpose secured by dwelling	1	1	-	-	1
Credit for purchase of vehicles	78	78	-	-	78
Other credit to private persons	16	16	-	-	16
Credit not to private persons	-	-	-	-	-
CLO debentures	137	135	2	1	137
Others	-	-	-	-	-
Total	244	242	2	3	244
Total asset-backed securities for trading	1,374	1,372	7	(2)	1,374

*These profits (losses) were charged to profit and loss account.

Note 12 - Securities - Bank (cont'd)

	31 December 2015					
	Less than 12 months		More than 12 months		Total	
	Fair value	Unrealized losses from adjustments to fair value	Fair value	Unrealized losses from adjustments to fair value	Fair value	Unrealized losses from adjustments to fair value
	NIS millions					
5. Additional details of asset-backed securities available for sale for which are included unrealized losses from adjustments to fair value						
Mortgage-backed securities (MBS)	**1,749**	**(22)**	**-**	**-**	**1,749**	**(22)**
Other mortgage-backed securities (including REMIC, CMO and STRIPPED MBS)	**2,003**	**(15)**	**-**	**-**	**2,003**	**(15)**
Asset-backed securities (ABS)	**1,682**	**(16)**	**-**	**-**	**1,682**	**(16)**
Total	**5,434**	**(53)**	**-**	**-**	**5,434**	**(53)**

	31 December 2014					
	Less than 12 months		More than 12 months		Total	
	Fair value	Unrealized losses from adjustments to fair value	Fair value	Unrealized losses from adjustments to fair value	Fair value	Unrealized losses from adjustments to fair value
	NIS millions					
Additional details of asset-backed securities available for sale for which are included unrealized losses from adjustments to fair value						
Mortgage-backed securities (MBS)	-	-	1,346	(16)	1,346	(16)
Other mortgage-backed securities (including REMIC, CMO and STRIPPED MBS)	352	(4)	730	(11)	1,082	(15)
Asset-backed securities (ABS)	898	(4)	472	(8)	1,370	(12)
Total	1,250	(8)	2,548	(35)	3,798	(43)

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Note 12 - Securities - Bank (cont'd)

	31 December 2015									
	Less than 12 months					More than 12 months				
	Fair value	Unrealized losses 0-20%	20-35%	More than 35%	Total	Fair value	Unrealized losses 0-20%	20-35%	More than 35%	Total
	NIS millions									
bonds										
The Government of Israel	**14,969**	**(6)**	**-**	**-**	**(6)**	**-**	**-**	**-**	**-**	**-**
Foreign governments	**5,062**	**(3)**	**-**	**-**	**(3)**	**-**	**-**	**-**	**-**	**-**
Israel's financial institutions	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Foreign financial institutions	**3,837**	**(18)**	**-**	**-**	**(18)**	**-**	**-**	**-**	**-**	**-**
backed securities (ABS) or	**1,682**	**(16)**	**-**	**-**	**(16)**	**-**	**-**	**-**	**-**	**-**
backed securities (MBS)	**3,752**	**(37)**	**-**	**-**	**(37)**	**-**	**-**	**-**	**-**	**-**
Others in Israel	**126**	**(1)**	**-**	**-**	**(1)**	**-**	**-**	**-**	**-**	**-**
Others abroad	**653**	**(8)**	**(9)**	**-**	**(17)**	**-**	**-**	**-**	**-**	**-**
Shares	**135**	**(8)**	**-**	**-**	**(8)**	**91**	**(6)**	**-**	**-**	**(6)**
Total securities available for sale	**30,216**	**(97)**	**(9)**	**-**	**(106)**	**91**	**(6)**	**-**	**-**	**(6)**

	31 December 2014									
	Less than 12 months					More than 12 months				
	Fair value	Unrealized losses 0-20%	20-35%	More than 35%	Total	Fair value	Unrealized losses 0-20%	20-35%	More than 35%	Total
	NIS millions									
bonds										
The Government of Israel	6,855	(2)	-	-	(2)	-	-	-	-	-
Foreign governments	3,325	(2)	-	-	(2)	-	-	-	-	-
Israel's financial institutions	5	-	-	-	-	-	-	-	-	-
Foreign financial institutions	1,333	(2)	-	-	(2)	194	-	-	-	-
backed securities (ABS) or	898	(4)	-	-	(4)	472	(8)	-	-	(8)
backed securities (MBS)	352	(4)	-	-	(4)	2,076	(27)	-	-	(27)
Others in Israel	300	(4)	-	-	(4)	-	-	-	-	-
Others abroad	172	(1)	-	-	(1)	40	(5)	-	-	(5)
Shares	-	-	-	-	-	196	(11)	-	-	(11)
Total securities available for sale	13,240	(19)	-	-	(19)	2,978	(51)	-	-	(51)

Note 13 - Credit to the Public - Bank

A. Additional information on the method of calculating the credit loss allowance in respect of debts* and on debts* on which it was calculated

	31 December 2015					
	Credit loss allowance					
		Credit to the public			Banks and	
	Commercial	Residential	Other private	Total	governments	Total
	(NIS millions)					
Recorded debt balance of debts*:						
Examined on an individual basis	**109,846**	**-**	**826**	**110,672**	**9,409**	**120,081**
Examined on a collective basis	**14,680**	**80,616**	**27,555**	**122,851**	**-**	**122,851**
Of which the allowance was calculated by extent of arrears	**1,014**	**80,616** **	**-**	**81,630**	**-**	**81,630**
Total debts*	**124,526**	**80,616**	**28,381**	**233,523**	**9,409**	**242,932**
Credit loss allowance by debts*:						
Examined on an individual basis	**1,884**	**-**	**87**	**1,971**	**3**	**1,974**
Examined on a collective basis	**123**	**497**	**466**	**1,086**	**-**	**1,086**
Of which the allowance was calculated by extent of arrears	**1**	**217**	**-**	**218**	**-**	**218**
Total Credit loss allowance	**2,007**	**497**	**553**	**3,057**	**3**	**3,060**

	31 December 2014					
	Credit loss allowance					
		Credit to the public			Banks and	
	Commercial	Residential	Other private	Total	governments	Total
	(NIS millions)					
Recorded debt balance of debts*:						
Examined on an individual basis	109,711	-	886	110,597	16,468	127,065
Examined on a collective basis	13,716	74,239	25,753	113,708	-	113,708
Of which the allowance was calculated by extent of arrears	-	74,239	-	74,239	-	74,239
Total debts*	123,427	74,239	26,639	224,305	16,468	240,773
Credit loss allowance by debts*:						
Examined on an individual basis	1,910	-	46	1,956	4	1,960
Examined on a collective basis	236	495	430	1,161	-	1,161
Of which the allowance was calculated by extent of arrears	-	236	-	236	-	236
Total Credit loss allowance	2,146	495	476	3,117	4	3,121

* Credit to the public, credit to governments, deposits in banks and other debts, excluding bonds and securities borrowed or purchased under agreements to resell.

** Including balance of allowance in excess of that required by the extent of arrears method calculated on a collective basis in the amount of NIS 310 million (2014 - 291 million)

Note 13 - Credit to the Public - Bank

B. Debts* and off-balance sheet credit instruments
1. Change in balance of credit loss allowance

	31 December 2015					
	Credit loss allowance					
	Credit to the public				Banks and	
	Commercial	Residential	Other private	Total	governments	Total
	(NIS millions)					
Balance of credit loss allowance at beginning of year	**2,586**	**493**	**505**	**3,584**	**4**	**3,588**
Expenses in respect of credit losses	**(146)**	**14**	**282**	**150**	**(1)**	**149**
Accounting write-offs	**(375)**	**(10)**	**(545)**	**(930)**	**0**	**(930)**
Collection of debts written off in previous years	**383**	**0**	**330**	**713**	**0**	**713**
Net accounting write-offs	**8**	**(10)**	**(215)**	**(217)**	**0**	**(217)**
Balance of credit loss allowance at end of year	**2,448**	**497**	**572**	**3,517**	**3**	**3,520**
Of which in respect of off-balance sheet credit instruments	**441**	**0**	**19**	**460**	**0**	**460**

	31 December 2014					
	Credit loss allowance					
	Credit to the public				Banks and	
	Commercial	Residential	Other private	Total	governments	Total
	(NIS millions)					
Balance of credit loss allowance at beginning of year	2,561	480	345	3,386	2	3,388
Expenses in respect of credit losses	(144)	20	315	191	2	193
Accounting write-offs	(287)	(7)	(489)	(783)	-	(783)
Collection of debts written off in previous years	456	-	334	790	-	790
Net accounting write-offs	169	(7)	(155)	7	-	7
Balance of credit loss allowance at end of year	2,586	493	505	3,584	4	3,588
Of which in respect of off-balance sheet credit instruments	441	0	29	470	0	470

* Credit to the public, credit to governments, deposits in banks and other debts, excluding bonds and securities borrowed or purchased under agreements to resell.

Note 14 - Credit to Governments - Bank

	31 December 2015	31 December 2014
	NIS millions	
Credit to the Government	262	294
Credit to foreign Governments	191	184
Total credit to Governments	453	478

See the annual financial report for the consolidated note

Note 15 - Investments in Subsidiaries and Affiliated Companies -Bank

Reported Amounts

	31 December 2015			31 December 2014		
	Companies included on equity basis	Subsidiaries	Total	Companies included on equity basis	Subsidiaries	Total
	NIS millions			NIS millions		
A. Investments in shares stated on equity basis (including other assets and goodwill)	132	10,554	10,686	1,435	10,117	11,552
Other investments:	-	-	-	-	-	-
Convertible securities	-	1,853	1,853	-	1,961	1,961
Shareholders' loans	-	-	-	-	12	12
Total other investments	-	1,853	1,853	-	1,973	1,973
Total investments	132	12,407	12,539	1,435	12,090	13,525
Including - Post-acquisition profits	121	4,889	5,010	764	4,202	4,966
Post-acquisition changes in shareholders' equity:						
Adjustments in respect of presentation of securities available for sale at fair value,net	-	(46)	(46)	-	209	209
Adjustments in respect of companies included on equity basis, net	30	(304)	(274)	12	(193)	(181)
Details regarding goodwill:						
Period of amortization	0-20 years			0-20 years		
Original amount, net	-	-	-	102	183	285
Unamortized balance	-	-	-	26	25	51
Details on book value and market value of quoted securities:						
Book value	-	-	-	1,318	-	1,318
Market value	-	-	-	2,566	-	2,566

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B. Group's equity in profit of companies included on equity basis (in Bank - subsidiaries and affiliates)

	Bank		
	2015	2014	2013
	NIS millions		
Group's equity in operating profits of companies included on equity basis (Bank - affiliated companies)	864	(85)	151
Provision for deferred taxes	(44)	(45)	21
Group's equity in operating profits of companies included on equity basis (Bank-affiliated companies) net of tax effect	820	(130)	172

Note 16 - Buildings and Equipment - Bank

	Buildings and real estate (a)	Equipment, furniture and motor vehicles (b)	Software (b)	Total
	NIS millions			
Cost				
As at 31 December 2014	2,829	2,676	4,435	9,940
Additions	**32**	**127**	**402**	**561**
Disposals	**(121)**	**(122)**	**(1,306)**	**(1,549)**
Merger of Leumi Mortgage Bank	**-**	**-**	**-**	**-**
As at 31 December 2015	**2,740**	**2,681**	**3,531**	**8,952**
Accumulated Depreciation				
As at 31 December 2014	1,450	2,199	3,735	7,384
Current year provision	68	130	290	488
Recognized losses from impairment	0	0	0	0
Disposals	2	0	0	2
Merger of Leumi Mortgage Bank	(87)	(119)	(1,203)	(1,409)
As at 31 December 2015	**1,433**	**2,210**	**2,822**	**6,465**
Balance after depreciation as at 31 December 2015	**1,307**	**471**	**709**	**2,487**
Balance after depreciation as at 31 December 2014	1,379	477	700	2,556

(a) Including installations and leasehold improvements.
(b) Reclassified

See the annual financial report for the consolidated note.

Note 18 - Other Assets - Bank

	31 December 2015	31 December 2014
	NIS millions	
Deferred tax asset, net (a) - (see note 26)	4,249	4,196
Excess of funds allocated for severance pay over provision (see note 15)	1,134	1,158
Assets transferred to ownership of the Group as a result of settlement of problem loans	4	6
Excess of advance tax payments over current provisions	34	30
Expenses to be amortized on issuance of debentures,bonds and subordinated notes	51	46
Accrued income	142	153
Prepaid expenses	130	123
Other receivables and prepayments	605	211
Total other assets	6,349	5,923

(a) Including customers' options
(b) Restated pursuant to a change in the method of accounting for accumulating employee rights, , and retroactive implementation of the directives of the Supervisor of Banks on capitalization of in-house software development

Note 19 - Deposits of the Public - Bank

Types of deposits by location raised and type of depositor

	31 December 2015	31 December 2014
	NIS millions	
in Israel		
On demand		
Non-interest bearing	70,720	53,886
Interest bearing	79,783	55,294
Total on demand	150,503	109,181
*Fixed term	149,675	178,198
Total deposits in Israel **	300,178	287,379
*of which: non-interest bearing deposits	70,720	53,886
Outside israel		
On demand	-	-
Non-interest bearing	-	-
Interest bearing	-	-
Total on demand	-	-
*Fixed term	-	-
Total deposits outside israel	-	-
*of which: non-interest bearing deposits	-	-
Total deposits of the public	300,178	287,379
**of which:		
Deposits of private persons	132,012	118,702
Deposits of institutional entities	57,090	30,978
Deposits of corporations and others	111,076	137,699

Note 20 - Deposits from Banks - Bank

	31 December 2015	31 December 2014
	NIS millions	
in Israel		
commercial banks:		
Demand deposits	2,857	3,163
Time deposits	3,382	5,200
Acceptances	464	526
central banks:		
Demand deposits	-	-
Time deposits	-	-
Outside israel		
commercial banks:		
Demand deposits	-	-
Time deposits	-	-
Acceptances	-	-
central banks:		
Demand deposits	-	-
Time deposits	-	-
Acceptances	-	-
Total deposits from banks	6,703	8,889

Note 21 - Debentures, Bonds and Subordinated Notes - Bank

	Bank			
	Average maturity (a)	**Internal yield rate (a)**	31 December	
	Years	%	**2015**	2014
			NIS millions	
Debentures and bonds (b):				
In Israeli currency linked to the CPI	**3.8**	**0.7**	**2,023**	-
In Israeli currency Unlinked	**6.2**	**2.9**	**1,159**	-
Subordinated notes(b):				
In Israeli currency Unlinked	**3.7** (c)	**3.4**	**4,545**	952
In Israeli currency linked to the CPI	**3.0** (c)	**3.7**	**13,581**	5,001
Total debentures, bonds and subordinated notes			**21,308**	5,953

(a) The average duration is the average of the payment periods, weighted according to the payment flow discounted at the internal rate of return. The internal rate of return is the rate of interest discounting the value of the anticipated future flow of payments to the amount included in the balance sheet.

(b) The unamortized balance of discount less premium on debentures and on subordinated liability notes has been deducted from the amount of the debentures.

(c) The average duration as of the date of change in interest is based on a calculation of the effective average life as calculated for purposes of Exhibit D, in unlinked subordinated notes is 0.2 years, in those linked to the CPI is 3.07 years.

Note 22 - Other Liabilities- Bank

	Bank	
	31 December 2015	31 December 2014
	NIS millions	
Deferred tax liability, net – see Note 8	**98**	102
Excess of current provisions for taxes over advance payments	**403**	62
Excess of provisions for severance pay and penesions over amounts funded	**8,871**	9,046
Provisions for unutilized vacations and long service bonus	**207**	96
Deferred income	**370**	561
Other provisions in respect of employee rights	**269**	266
Allowance for credit losses in respect of off-balance sheet items	**459**	470
Accrued expenses in respect of salaries and related expenses	**553**	189
Accrued expenses in respect of salaries and related expenses	**498**	905
Payables in respect of credit cards	**5,025**	4,783
Accrued expenses	**197**	168
Market value of securities sold short	**815**	758
Other payables and credit balances	**947**	1,039
Total other liabilities	**18,712**	18,445

(1) Restated pursuant to a change in the method of accounting for accumulating employee rights, and retroactive implementation of the directives of the Supervisor of Banks on capitalization of in-house software development

Note 25 - Contingent Liabilities and Special Commitments-Bank

	31 December 2015		31 December 2014	
	Contract balances	Balance of allowance for credit losses	Contract balances	Balance of allowance for credit losses
	NIS millions			
A. Off-balance sheet financial instruments				
Balances of contracts or their stated amounts as at the end of the year				
Transactions in which the balance reflects a credit risk:				
Documentary credits	**1,125**	**4**	1,083	3
Credit guarantees	**5,883**	**76**	6,219	100
Guarantees to apartment purchasers	**19,313**	**21**	17,547	24
Other guarantees and liabilities	**16,672**	**228**	16,786	216
Unutilized credit card facilities (a)	**13,413**	**17**	13,041	10
Other unutilized revolving credit facilities and credit facilities in accounts o	**13,326**	**35**	14,199	24
Irrevocable commitments to provide credit which has been approved and n	**19,940**	**65**	17,592	70
Commitments to issue guarantees	**14,403**	**16**	15,081	23
Unutilized facilities for activity in derivative instruments	**4,115**	**-**	5,533	-
Approval in principle for a guaranteed rate of interest	**3,874**	-	4,565	-

a) Of which: non unrealized credit exposures in respect of commitments to provide liquidity to securitization) structures under the aegis of others totaled NIS 234 million (on 31 December 2014) .(NIS 233 million

This commitment is only extended in a state of financial difficulties which do not permit securitization. The liquidity framework is not currently in use and has not been used in the past. The line supplied by the Bank constitutes a small part of total liquidity lines to those entities. The Bank does not provide any other type of support to these entities

B. Off-balance sheet commitments for transactions based on extent of	**31 December 2015**	31 December 2014
Balance of credit from deposits on collection basis (b)		
Israeli currency unlinked	**454**	820
Israeli currency linked to the CPI	**2,039**	3,087
Foreign currency	**27**	155
Total	**2,520**	4,062

Cash flows in respect of collection commissions and interest margins on activities based on the extent of collections as at 31 December

	Up to one year	One to three years	Three to five years	Five to ten years	Ten to twenty years	More than twenty years	Total 2015	Total 2014
	(NIS millions)							
1. CPI linked sector (c)								
Cash flows of futures contracts	**21**	**25**	**22**	**28**	**9**	**-**	**105**	158
Expected future cash flows after management estimate of early repayments	**21**	**25**	**22**	**28**	**8**	**-**	**104**	156
Discounted expected future cash flows after management estimate of early repayments (d)	**21**	**24**	**20**	**24**	**6**	**-**	**95**	139
2. Unlinked shekel sector								
Cash flows of futures contracts	**8**	**2**	**2**	**2**	**-**	**-**	**14**	17
Expected future cash flows after management estimate of early repayments	**8**	**2**	**2**	**2**	**-**	**-**	**14**	17
Discounted expected future cash flows after management estimate of early repayments (d)	**8**	**2**	**2**	**2**	**-**	**-**	**14**	16

(a) Credits and deposits from deposits for which their return to the depositor is conditional on collection of the credits, (or deposits), with a margin or collection fee, (instead of a margin).

(b) Standing loans and related Government deposits totaling NIS 146 million, (NIS 204 million last year), were not included in this table.

(c) Including foreign currency sector.

(d) The discounting was made at the rate of 2.73% (2014 – 2.45%).

See the annual financial report for the consolidated note.

Note 25 - Contingent Liabilities and Special Commitments-Bank (cont'd)

	2015	2014
	NIS millions	
B. Off-balance sheet commitments for transactions based on collection (cont'd)		
Information on loans granted during the year by mortgage banks:		
Loans from deposits on collection basis	**(11)**	32
Standing loans	**(10)**	15
C. Other contingent liabilities and special commitments:		
(1) Long-term rental contracts - rental of buildings, equipment and motor vehicles and maintenance in respect of commitments payable in following years		
First year	**228**	126
Second year	**144**	111
Third year	**125**	102
Fourth year	**103**	87
Fifth year	**78**	62
After five years	**486**	379
Total	**867**	867
(2) Commitments to purchase securities	**24**	185
(3) Commitments to invest in and acquire buildings and equipment	**353**	12
(4) Future deposits		
Transactions with depositors for purposes of receipt of large deposits at various future dates and at fixed interest rates determined in advance as of the date of the commitment		
Details of amounts of future deposits and deposit dates as determined in the terms of the		
First year	**3**	12
Second year	**-**	3
Third year	**-**	-
Fourth year	**-**	-
Fifth year	**-**	-
Sixth and subsequent years	**-**	-
Total future deposits	**3**	15

Note 26 - Liens Restrictive Conditions and Collaterals - Bank

Sources of securities received which the Bank may sell or pledge, by fair value, excluding set-offs:

	2015	2014	2013
	(NIS millions)		
Securities received in securities borrowing transactions against cash	**1,764**	2,000	1,360

Uses of securities received as collateral and securities of the Bank, by fair value, excluding set-offs:

	2015	2014	2013
	(NIS millions)		
Securities loaned in securities lending transactions against cash	**938**	1,238	624

Note 27B – Derivative Instrument Activity - Scope, Credit Risks and Repayment Dates - Bank

a. Scope of Activity

	31 December 2015				
	Interest contracts		Foreign currency contracts	Contracts in respect of shares	Contracts in respect of goods and others
	Shekel - index	Other			
	NIS millions				
(1) Amount of derivative instruments					
a) Hedge derivative (a)					
Forward contracts	-	-	-	-	-
Swaps	-	2,420	-	-	-
Total	-	2,420	-	-	-
Of which: Swap contracts in which the banking institution agreed to pay a fixed rate of interest	-	2,420	-	-	-
b) ALM derivative (a) (b)					
Futures contracts	-	14,589	10	58,799	217
Forward contracts	12,525	14,300	175,093	366	2
Exchange-traded options	-	-	-	-	-
Put options	-	262	14,797	11,129	100
Call options	-	250	15,292	11,129	101
Other options	-	-	-	-	-
Put options	-	10,797	15,484	3,142	139
Call options	-	8,037	16,055	3,244	139
Swaps	587	268,075	28,668	27,384	299
Total	13,112	316,310	265,399	115,193	997
Of which: Swap contracts in which the banking institution agreed to paya fixed rate of interest	-	137,618			
c) Other derivatives (a)					
Swaps	-	-	-	-	-
Total	-	-	-	-	-
d) Credit derivatives and Spot contracts					
Credit derivatives in which the banking institution is a guarantor					-
Credit derivatives in which the banking institution is a beneficiary					40
Foreign exchange spot contracts			9,015		
Total	-	-	9,015	-	40
Total	13,112	318,730	274,414	115,193	1,037

(a) Except credit derivatives and Spot contracts.

(b) Derivatives constituting part of the Bank's system of management of assets and liabilities, not intended for hedging.

Note 27B – Derivative Instrument Activity - Scope, Credit Risks and Repayment Dates Bank (cont'd)

(a) Scope of activity (cont'd)

	31 December 2015				
	Interest contracts		Foreign currency contracts	Contracts in respect of shares	Contracts in respect of goods and others
	Shekel - index	Other			
	NIS millions				
(2) Gross fair value of derivative instruments					
a) Hedged derivatives (a)					
Gross positive fair value	-	1	-	-	-
Gross negative fair value	-	145	-	-	-
b) ALM derivatives (a) (b)					
Gross positive fair value	344	6,370	3,174	1,245	46
Gross negative fair value	392	5,944	3,278	1,258	45
c) Other derivatives (a)					
Gross positive fair value	-	-	-	-	-
Gross negative fair value	-	-	-	-	-
d) Credit derivatives					
Credit derivatives in which the banking institution is a guarantor					
Gross positive fair value					-
Gross negative fair value					-
Credit derivatives in which the banking corporation is a beneficiary					
Gross positive fair value					-
Gross negative fair value					1
e) Total					
Gross positive fair value (c)	344	6,371	3,174	1,245	46
Fair value amounts offset in the balance sheet	-	-	-	-	-
(*) Book value of assets in respect of derivative instruments	344	6,371	3,174	1,245	46
*Of which: book value of assets in respect of derivative instruments not subject to a master netting arrangement or similar arrangements	31	11	114	65	-
Gross negative fair value (c)	392	6,090	3,278	1,258	46
Fair value amounts offset in the balance sheet	-	-	-	-	-
(*) Book value of liabilities in respect of derivative instruments	392	6,090	3,278	1,258	46
*Of which: book value of liabilities in respect of derivative instruments not subject to a master netting arrangement or similar	-	-	449	37	-

(a) Except credit derivatives.

(b) Derivatives constituting part of the Bank's system of management of assets and liabilities, not intended for hedging.

(c) See the annual financial report for the consolidated note.

Note 27B – Derivative Instrument Activity - Scope, Credit Risks and Repayment Dates

Bank (cont'd)

(a) Scope of activity (cont'd)

	31 December 2014				
	Interest contracts		Foreign currency contracts	Contracts in respect of shares	Contracts in respect of goods and others
	Shekel - index	Other			
	NIS millions				
(1) Amount of derivative instruments					
a) Hedge derivative (a)					
Forward contracts	-	-	-	-	-
Swaps	-	2,440	-	-	-
Total	-	2,440	-	-	-
Of which: Swap contracts in which the banking institution agreed to pay a fixed rate of interest	-	2,440	-	-	-
b) ALM derivative (a) (b)					
Futures contracts	-	12,153	372	55,940	460
Forward contracts	12,108	25,847	197,610	304	39
Put options	-	-	-	-	-
Call options	-	498	17,647	12,678	56
Put options	-	-	-	-	-
Call options	-	12,962	30,369	2,544	242
Swaps	-	10,494	28,740	2,173	270
Total	463	273,544	30,182	24,408	395
Of which: Swap contracts in which the banking institution agreed to paya fixed rate of interest	-	129,861	-	-	-
c) Other derivatives (a)					
Swaps	-	-	-	-	-
Total	-	-	-	-	-
d) Credit derivatives and Spot contracts					
Credit derivatives in which the banking institution is a guarantor					-
Credit derivatives in which the banking institution is a beneficiary					-
Foreign exchange spot contracts	-	-	17,627	-	-
Total	-	-	17,627	-	-
Total	12,571	338,436	340,316	110,725	1,518

(a) Except credit derivatives and Spot contracts.

(b) Derivatives constituting part of the Bank's system of management of assets and liabilities, not intended for hedging.

Note 27B – Derivative Instrument Activity - Scope, Credit Risks and Repayment Bank (cont'd)

(a) Scope of activity (cont'd)

	31 December 2014				
	Interest contracts		Foreign currency contracts	Contracts in respect of shares	Contracts in respect of goods and others
	Shekel - index	Other			
	NIS millions				
(2) Gross fair value of derivative instruments					
a) Hedged derivatives (a)					
Gross positive fair value	-	1	-	-	-
Gross negative fair value	-	166	-	-	-
b) ALM derivatives (a) (b)					
Gross positive fair value	241	7,857	6,726	1,804	77
Gross negative fair value	254	7,454	5,781	1,800	76
c) Other derivatives (a)					
Gross positive fair value	-	-	-	-	-
Gross negative fair value	-	-	-	-	-
d) Credit derivatives					
Credit derivatives in which the banking institution is a guarantor					
Gross positive fair value	-	-	-	-	-
Gross negative fair value	-	-	-	-	-
Credit derivatives in which the banking corporation is a beneficiary					
Gross positive fair value	-	-	-	-	-
Gross negative fair value	-	-	-	-	-
e) Total					
Gross positive fair value (c)	241	7,859	6,726	1,804	77
Fair value amounts offset in the balance sheet	-	-	-	-	-
Book value of assets in respect of derivative instruments (*)	241	7,859	6,726	1,804	77
* Of which: Book value of assets in respect of derivative instruments not subject to a master netting arrangement or similar	5	22	441	46	11
Gross negative fair value (c)	254	7,620	5,781	1,800	76
Fair value amounts offset in the balance sheet	-	-	-	-	-
Book value of liabilities in respect of derivative instruments (*)	254	7,620	5,781	1,800	76
* Of which: Book value of liabilities in respect of derivative instruments not subject to a master netting arrangement or similar	-	1	456	296	12

(a) Except credit derivatives.

(b) Derivatives constituting part of the Bank's system of management of assets and liabilities, not intended for hedging.

(c) See the annual financial report for the consolidated note.

Note 18B – Derivative Instrument Activity - Scope, Credit Risks and Repayment Dates Bank (cont'd)

(b) Credit Risk in Respect of Derivative Instruments According to Other Party to the Contract

	31 December 2015					
	Stock exchanges	**Banks**	**Dealers/ brokers**	**Governments and Central Banks**	**Others**	**Total**
	NIS millions					
Balance sheet balances of						
derived assets from derivative instruments (1)	**169**	**6,616**	**1,869**	**6**	**2,519**	**11,179**
Gross amounts that not offset in the balance sheet:						
Mitigation of credit risk in respect of financial instruments	**-**	**2,926**	**1,085**	**6**	**814**	**4,831**
Mitigation of credit risk in respect of cash collateral received	**-**	**731**	**252**	**-**	**96**	**1,079**
Net amoount of assets in respect of derivative instruments	**169**	**2,959**	**532**	**-**	**1,609**	**5,269**
Off-balance sheet credit risk in respect of derivative						
instruments (3)	**-**	**3,522**	**1,220**	**71**	**4,939**	**9,752**
Mitigation of off-balance sheet credit risk	**-**	**370**	**97**	**43**	**2,392**	**2,902**
Net off-balance sheet credit risk in respect of derivative instruments.	**-**	**3,152**	**1,123**	**28**	**2,547**	**6,850**
Total credit risk in respect of derivative instruments	**169**	**6,111**	**1,655**	**28**	**4,156**	**12,119**
Book balance of liabilities in respect of derivative instruments (2)	**194**	**6,395**	**1,707**	**91**	**2,677**	**11,064**
Gross amounts that not offset in the balance sheet:						
Financial instruments	**-**	**2,926**	**1,085**	**6**	**814**	**4,831**
Cash collateral pledged	**-**	**341**	**68**	**29**	**1**	**439**
Net amount of liabilities in respect of derivative instruments	**194**	**3,128**	**554**	**56**	**1,862**	**5,794**

(1) Net accounting arrangements do not exist.

(2) Of which a balance sheet amount of stand-alone derivative instruments in the sum of NIS 11,030 million (31 December 2014 – NIS 15,497 million) included under other assets.

(3) Off-balance sheet credit risk in respect of derivative instruments (including in respect of derivative instrument with negative fair value) as calculated for purposes of limitations on debts of borrowers.

(c) Repayment Dates - Nominal Amounts: Balances as at end of the year

	31 December 2015				
	Up to three months	**Three months to one year**	**One year to five years**	**After five years**	**Total**
	NIS millions				
Interest contracts:					
Shekel - index	**2,384**	**2,416**	**5,537**	**2,775**	**13,112**
Other	**30,712**	**72,142**	**133,598**	**82,277**	**318,729**
Foreign currency contracts	**170,959**	**67,569**	**26,352**	**9,533**	**274,413**
Contracts in respect of shares	**90,066**	**24,195**	**931**	**4**	**115,196**
Contracts in respect of commodities and others	**746**	**274**	**19**	**-**	**1,039**
Total	**294,867**	**166,596**	**166,437**	**94,589**	**722,489**

Note 27B – Derivative Instrument Activity - Scope, Credit Risks and Repayment Dates
Bank (cont'd)

(b) Credit Risk in Respect of Derivative Instruments According to Other Party to the Contract (cont'd)

	31 December 2014					
	Stock exchanges	Banks	Dealers/ brokers	Governments and Central Banks	Others	Total
	NIS millions					
Balance sheet balances of derived assets from derivative instruments (1)	304	9,394	2,560	6	4,443	16,707
Gross amounts that not offset in the balance sheet:						
Mitigation of credit risk in respect of financial instruments	-	3,486	1,140	6	877	5,509
Mitigation of credit risk in respect of cash collateral received	-	1,015	409	-	-	1,424
Net amount of assets in respect of derivatives instruments	304	4,893	1,011	-	3,566	9,774
Off-balance sheet credit risk in respect of derivatives instruments (3)	-	4,013	1,196	87	3,487	8,783
Mitigation of off-balance sheet credit risk	-	246	71	52	1,011	1,380
Net off-balance sheet credit risk in respect of derivative instruments.	-	3,767	1,124	35	2,476	7,402
Total credit risk in respect of derivative instruments	304	8,660	2,135	35	6,042	17,176
Book balance of liabilities in respect of derivative instruments (2)	328	8,565	2,293	114	4,232	15,532
Gross amounts that not offset in the balance sheet:						
Financial instruments	-	3,486	1,140	6	877	5,509
Cash collateral pledged	-	695	58	97	101	951
Net amount of liabilities in respect of derivatives instruments	328	4,384	1,095	11	3,254	9,072

(1) Of which a balance sheet amount of stand-alone derivative instruments in the sum of NIS 11,030 million
(31 December 2014 – NIS 15,497 million) included under other assets.
(2) Off-balance sheet credit risk in respect of derivative instruments (including in respect of derivative instrument with negative fair value)
as calculated for purposes of limitations on debts of borrowers.

(c) Repayment Dates - Nominal Amounts: Balances as at end of the year (cont'd)

	31 December 2014				
	Up to three months	Three months to one year	One year to five years	After five years	Total
	NIS millions				
Interest contracts:					
Shekel - index	1,296	3,203	5,696	2,375	12,570
Other	17,869	75,488	157,929	87,150	338,436
Foreign currency contracts	212,553	90,443	19,590	17,729	340,315
Contracts in respect of shares	92,154	16,928	1,642	-	110,724
Contracts in respect of commodities and others	1,007	471	38	-	1,516
Total	324,879	186,533	184,895	107,254	803,561

Note 29 - Additional Information on Credit Risk, Credit to the Public, and the Allowance for Credit Losses

A. Debts* and off-balance sheet credit instruments

1. Change in balance of credit loss allowance

	31 December 2015					
	Credit loss allowance					
	Credit to the public				Banks and	
	Commercial	Residential	Other private	Total	governments	Total
	(NIS millions)					
Balance of credit loss allowance at beginning of year	**2,586**	**493**	**505**	**3,584**	**4**	**3,588**
Expenses in respect of credit losses	**(146)**	**14**	**282**	**150**	**(1)**	**149**
Accounting write-offs	**(375)**	**(10)**	**(545)**	**(930)**	**0**	**(930)**
Collection of debts written off in previous years	**383**	**0**	**330**	**713**	**0**	**713**
Net accounting write-offs	**8**	**(10)**	**(215)**	**(217)**	**0**	**(217)**
Balance of credit loss allowance at end of year	**2,448**	**497**	**572**	**3,517**	**3**	**3,520**
Of which in respect of off-balance sheet credit instruments	**441**	**0**	**19**	**460**	**0**	**460**

	31 December 2014					
	Credit loss allowance					
	Credit to the public				Banks and	
	Commercial	Residential	Other private	Total	governments	Total
	(NIS millions)					
Balance of credit loss allowance at beginning of year	2,561	480	345	3,386	2	3,388
Expenses in respect of credit losses	(144)	20	315	191	2	193
Accounting write-offs	(287)	(7)	(489)	(783)	-	(783)
Collection of debts written off in previous years	456	-	334	790	-	790
Net accounting write-offs	169	(7)	(155)	7	-	7
Balance of credit loss allowance at end of year	2,586	493	505	3,584	4	3,588
Of which in respect of off-balance sheet credit instruments	441	0	29	470	0	470

* Credit to the public, credit to governments, deposits in banks and other debts, excluding bonds and securities borrowed or purchased under agreements to resell.

Note 29 - Additional Information on Credit Risk, Credit to the Public, and the Allowance for Credit Losses

A. Additional information on the method of calculating the credit loss allowance in respect of debts* and on debts* on which it was calculated

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	31 December 2015					
	Credit loss allowance					
		Credit to the public			Banks and	
	Commercial	Residential	Other private	Total	governments	Total
	(NIS millions)					
Recorded debt balance of debts*:						
Examined on an individual basis	**109,846**	**-**	**826**	**110,672**	**9,409**	**120,081**
Examined on a collective basis	**14,680**	**80,616**	**27,555**	**122,851**	**-**	**122,851**
Of which the allowance was calculated by extent of arrears	**1,014**	**80,616** **	**-**	**81,630**	**-**	**81,630**
Total debts*	**124,526**	**80,616**	**28,381**	**233,523**	**9,409**	**242,932**
Credit loss allowance by debts*:						
Examined on an individual basis	**1,884**	**-**	**87**	**1,971**	**3**	**1,974**
Examined on a collective basis	**123**	**497**	**466**	**1,086**	**-**	**1,086**
Of which the allowance was calculated by extent of arrears	**1**	**217**	**-**	**218**	**-**	**218**
Total Credit loss allowance	**2,007**	**497**	**553**	**3,057**	**3**	**3,060**

	31 December 2014					
	Credit loss allowance					
		Credit to the public			Banks and	
	Commercial	Residential	Other private	Total	governments	Total
	(NIS millions)					
Recorded debt balance of debts*:						
Examined on an individual basis	109,711	-	886	110,597	16,468	127,065
Examined on a collective basis	13,716	74,239	25,753	113,708	-	113,708
Of which the allowance was calculated by extent of arrears	-	74,239	-	74,239	-	74,239
Total debts*	123,427	74,239	26,639	224,305	16,468	240,773
Credit loss allowance by debts*:						
Examined on an individual basis	1,910	-	46	1,956	4	1,960
Examined on a collective basis	236	495	430	1,161	-	1,161
Of which the allowance was calculated by extent of arrears	-	236	-	236	-	236
Total Credit loss allowance	2,146	495	476	3,117	4	3,121

* Credit to the public, credit to governments, deposits in banks and other debts, excluding bonds and securities borrowed or purchased under agreements to resell.

** Including balance of allowance in excess of that required by the extent of arrears method calculated on a collective basis in the amount of NIS 310 million (2014 - 291 million)

Note 29 - Additional Information on Credit Risk, Credit to the Public, and the Allowance for Credit Losses

B. Debts[1]

1. Credit quality and arrears

	31 December 2015					
	(NIS millions)					
		Problem debts [2]			Unimpaired debts - additional	
Activity of borrowers in Israel	Non-problem	Not			In arrears of 90	In arrears of 30
Public - commercial	debts	impaired	Impaired [3]	Total	days or more [4]	to 89 days [5]
Construction & real estate - construction	**14,196**	**414**	**557**	**15,167**	**8**	**27**
Construction & real estate - real estate activities	**22,955**	**553**	**899**	**24,407**	**6**	**12**
Financial services	**13,098**	**13**	**62**	**13,173**	**2**	**1**
Commercial - other	**61,954**	**1,787**	**1,493**	**65,234**	**38**	**98**
Total commercial	**112,203**	**2,767**	**3,011**	**117,981**	**54**	**138**
Private individuals - housing loans [6]	**79,822**	**781**	**-**	**80,603**	**753**	**481**
Private individuals - other	**28,166**	**161**	**44**	**28,371**	**92**	**154**
Total public - activity in Israel	**220,191**	**3,709**	**3,055**	**226,955**	**899**	**773**
Israeli banks	**3,862**	**-**	**-**	**3,862**	**-**	**-**
Government of Israel	**262**	**-**	**-**	**262**	**-**	**-**
Total activity in Israel	**224,315**	**3,709**	**3,055**	**231,079**	**899**	**773**
Activity of borrowers abroad						
Public - commercial						
Construction & real estate	**2,483**	**3**	**32**	**2,518**	**-**	**58**
Commercial - other	**4,028**	**-**	**3**	**4,031**	**0**	**3**
Total commercial	**6,511**	**3**	**35**	**6,549**	**0**	**61**
Private individuals	**22**	**2**	**-**	**24**	**-**	**-**
Total public - activity abroad	**6,533**	**5**	**35**	**6,573**	**-**	**61**
Foreign banks	**5,094**	**-**	**-**	**5,094**	**-**	**-**
Foreign governments	**191**	**-**	**-**	**191**	**-**	**-**
Total	**11,818**	**5**	**35**	**11,858**	**0**	**61**

	31 December 2014					
	(NIS millions)					
		problem debts [2]			Unimpaired debts - additional	
Activity of borrowers in Israel	Non-problem	Not			In arrears of 90	In arrears of 30
Public - commercial	debts	impaired	Impaired [3]	Total	days or more [4]	to 89 days [5]
Construction & real estate - construction	14,846	285	572	15,703	8	28
Construction & real estate - real estate activities	20,269	515	1,311	22,095	5	12
Financial services	11,931	33	20	11,984	-	12
Commercial - other	63,275	3,056	1,480	67,811	34	72
Total commercial	110,321	3,889	3,383	117,593	47	124
Private individuals - housing loans [6]	73,439	775	-	74,214	768	499
Private individuals - other	26,423	127	76	26,626	81	153
Total public - activity in Israel	210,183	4,791	3,459	218,433	896	776
Israeli banks	3,258	-	-	3,258	-	-
Government of Israel	294	-	-	294	-	-
Total activity in Israel	213,735	4,791	3,459	221,985	896	776
Activity of borrowers abroad						
Public - commercial						
Construction & real estate	1,948	15	44	2,007	-	-
Commercial - other	3,733	61	35	3,829	-	-
Total commercial	5,681	76	79	5,836	-	-
Private individuals	37	1	-	38	-	-
Total public - activity abroad	5,718	77	79	5,874	-	-
Foreign banks	12,733	-	-	12,733	-	-
Foreign governments	184	-	-	184	-	-
Total	**18,635**	**77**	**79**	**18,791**	**-**	**-**

(1) Credit to the public, credit to governments, deposits in banks and other debts, excluding bonds and securities borrowed or purchased under agreements to resell.

(2) Impaired, substandard or special mention credit risk, including in respect of housing loans for which there is a provision by extent of arrears, and housing loans fior which there is no provision that are in arrears of 90 days or more.

(3) As a rule, impaired debts do not accrue interest income.

(4) Classified as problem debts that are not impaired, accruing interest income.

(5) Accruing interest income. Debts in arrears of 30 to 89 days in the amount of NIS 10 million werer classified as problem debts that are not impaired.

(6) Including housing loans in the amount of NIS 144 million (31 December 2014 – NIS 175 million) with a provision by extent of arrears, in which an arrangement was signed for the repayment of arrears by the borrower, with a change made to the repayment schedule in respect of the loan balance of which the repayment date has not yet arrived.

Note 29 - Additional Information on Credit Risk, Credit to the Public, and the Allowance for Credit Losses

B. Debts[1] (cont'd)

2. Additional information on impaired debts

	31 December 2015				
	(NIS millions)				
A. Impaired debts and individual allowance	Balance[2] of impaired debts in respect of which there is an individual allowance[3]	Balance of individual allowance[3]	Balance[2] of impaired debts in respect of which there is no individual allowance[3]	Total balance[2] of impaired debts	Principal contractual balance of impaired debts
Activity of borrowers in Israel					
Public - commercial					
Construction & real estate - construction	**144**	**33**	**413**	**557**	**1,041**
Construction & real estate - real estate activities	**649**	**110**	**252**	**901**	**2,195**
Financial services	**1**	**1**	**61**	**62**	**589**
Commercial - other	**1,096**	**331**	**397**	**1,493**	**4,791**
Total commercial	**1,890**	**475**	**1,123**	**3,013**	**8,616**
Private individuals - housing loans	**-**	**-**	**-**	**-**	**-**
Private individuals - other	**44**	**80**	**-**	**44**	**1,814**
Total public - activity in Israel	**1,934**	**555**	**1,123**	**3,057**	**10,430**
Israeli banks	**-**	**-**	**-**	**-**	**-**
Government of Israel	**-**	**-**	**-**	**-**	**-**
Total activity in Israel	**1,934**	**555**	**1,123**	**3,057**	**10,430**
Activity of borrowers abroad					
Public - commercial					
Construction & real estate	**18**	**11**	**15**	**33**	**151**
Commercial - other	**-**	**-**	**3**	**3**	**42**
Total commercial	**18**	**11**	**17**	**35**	**193**
Private individuals	**-**	**-**	**-**	**-**	**-**
Total public - activity abroad	**18**	**11**	**17**	**35**	**193**
Foreign banks	**-**	**-**	**-**	**-**	**1**
Foreign governments	**-**	**-**	**-**	**-**	**-**
Total *	**18**	**11**	**17**	**35**	**194**
Of which:*					
Measured by present value of cash flows	**1,122**	**337**	**862**	**1,984**	**0**
Debts under troubled debt restructuring	**995**	**130**	**683**	**1,678**	**0**

(1) Credit to the public, credit to governments, deposits in banks and other debts, excluding bonds and securities borrowed or purchased under agreements to resell.
(2) Balance of recorded debt.
(3) Individual allowance for credit losses.

Note 29 - Additional Information on Credit Risk, Credit to the Public, and the Allowance for Credit Losses

B. Debts[1] (cont'd)

2. Additional information on impaired debts

	31 December 2014				
	(NIS millions)				
A. Impaired debts and individual allowance	Balance[2] of impaired debts in respect of which there an individual allowance[3]	Balance of individual allowance[3]	Balance[2] of impaired debts in respect of which there is no individual allowance[3]	Total balance[2] of impaired debts	Principal contractual balance of impaired debts
Activity of borrowers in Israel					
Public - commercial					
Construction & real estate - construction	88	34	484	572	1,247
Construction & real estate - real estate activities	714	304	598	1,312	2,430
Financial services (4)	7	7	13	20	534
Commercial - other (4)	872	341	608	1,480	4,882
Total commercial	1,682	686	1,703	3,385	9,093
Private individuals - housing loans	-	-	-	-	-
Private individuals - other	**64**	**38**	**13**	**76**	**1,709**
Total public - activity in Israel	**1,746**	**724**	**1,716**	**3,461**	**10,801**
Israeli banks	-	-	-	-	-
Government of Israel	-	-	-	-	-
Total activity in Israel	**1,746**	**724**	**1,716**	**3,461**	**10,801**
Activity of borrowers abroad					
Public - commercial					
Construction & real estate	9	7	36	44	171
Commercial - other	1	1	33	35	105
Total commercial	10	8	69	79	276
Private individuals	-	-	(0)	(0)	0
Total public - activity abroad	10	8	69	79	276
Foreign banks	-	-	-	-	1
Foreign governments	-	-	-	-	-
Total *	10	8	69	79	277
Of which:*					
Measured by present value of cash flows	802	366	1,160	1,962	0
Debts under troubled debt restructuring	911	229	1,037	1,948	0

(1) Credit to the public, credit to governments, deposits in banks and other debts, excluding
(2) Balance of recorded debt.
(3) Individual allowance for credit losses.
(4) Reclassified

Note 29 - Additional Information on Credit Risk, Credit to the Public, and the Allowance for Credit Losses

B. Debts[1] (cont'd)

2. Additional information on impaired debts

B. Average balance and interest income

	31 December 2015		
	Average balance (b) of impaired debts	Interest income recorded (c)	Of which: recorded on cash basis
	(NIS millions)		
Activity of borrowers in Israel			
Public - commercial			
Construction & real estate - construction	**574**	**12**	**12**
Construction & real estate - real estate activities	**1,188**	**16**	**16**
Financial services	**36**	**7**	**7**
Commercial - other	**1,495**	**49**	**32**
Total commercial	**3,293**	**84**	**67**
Private individuals - housing loans	**-**	**-**	**-**
Private individuals - other	**65**	**20**	**20**
Total public - activity in Israel	**3,358**	**104**	**88**
Israeli banks	**-**	**-**	**-**
Government of Israel	**-**	**-**	**-**
Total activity in Israel	**3,358**	**104**	**88**
Activity of borrowers abroad			
Public - commercial			
Construction & real estate	**41**	**0**	**0**
Other commercial	**16**	**0**	**0**
Total commercial	**57**	**1**	**1**
Private individuals	**(0)**	**0**	**0**
Total public - activity abroad	**57**	**1**	**1**
Foreign banks	**-**	**-**	**-**
Foreign governments	**-**	**-**	**-**
Total activity abroad	**57**	**1**	**1**
Total public	**3,414**	**105**	**88**
Total banks	**-**	**-**	**-**
Total governments	**-**	**-**	**-**
Total	**3,414**	**105**	**88**

(a) Credit to the public, credit to governments, deposits in banks (from 2013, excluding deposits in the Bank of Israel) and other debts, excluding bonds and securities borrowed or purchased under agreements to resell.

(b) Average debt balance recorded of impaired debts in the reporting period.

(c) Interest income recorded in the reporting period in respect of the average balance of impaired debts, for the period in which the debts were classified as impaired.

(d) If the impaired debts had accrued interest under their original terms, interest income would have been recorded in the amount of NIS 326 million

Note 29 - Additional Information on Credit Risk, Credit to the Public, and the Allowance for Credit Losses

B. Debts[1] (cont'd)

2. Additional information on impaired debts

B. Average balance and interest income

	31 December 2014		
	Average balance (b) of impaired debts	Interest income recorded (c)	Of which: recorded on cash basis
	(NIS millions)		
Activity of borrowers in Israel			
Public - commercial			
Construction & real estate - construction	495	1	1
Construction & real estate - real estate activities	1,385	-	-
Financial services (e)	150	2	2
Commercial - other (e)	1,593	24	22
Total commercial	3,623	27	25
Private individuals - housing loans	-	-	-
Private individuals - other	83	20	20
Total public - activity in Israel	3,706	46	45
Israeli banks	-	-	-
Government of Israel	-	-	-
Total activity in Israel	3,706	46	45
Activity of borrowers abroad			
Public - commercial			
Construction & real estate	53	-	-
Other commercial	111	-	-
Total commercial	163	-	-
Private individuals	(0)	-	0
Total public - activity abroad	163	-	0
Foreign banks	-	-	-
Foreign governments	-	-	-
Total activity abroad	163	-	0
Total public	3,870	46	45
Total banks	-	-	-
Total governments	-	-	-
Total	3,870	46	45

(a) Credit to the public, credit to governments, deposits in banks (from 2013, excluding deposits in the Bank of Israel) and other debts, excluding bonds and securities borrowed or purchased under agreements to resell.

(b) Average debt balance recorded of impaired debts in the reporting period.

(c) Interest income recorded in the reporting period in respect of the average balance of impaired debts, for the period in which the debts were classified as impaired.

(d) If the impaired debts had accrued interest under their original terms, interest income would have been recorded in the amount of NIS 369 million

(e) Reclassified

Note 29 - Additional Information on Credit Risk, Credit to the Public, and the Allowance for Credit Losses

B. Debts[1] (cont'd)

2. Additional information on impaired debts(cont'd)

	31 December 2015				
	(NIS millions)				
C. Impaired debts under restructuring					
Activity of borrowers in Israel	Not accruing	Accruing[2] in arrears of 90	Accruing[2] in arrears of 30	Accruing[2] not	
Public - commercial	interest income	days or more	to 89 days	in arrears	Total[3]
Construction & real estate - construction	**455**	-	-	**14**	**469**
Construction & real estate - real estate activities	**613**	-	-	**4**	**617**
Financial services	**1**	-	-	-	**1**
Commercial - other	**511**	-	-	**29**	**540**
Total commercial	**1,580**	-	-	**47**	**1,627**
Private individuals - housing loans	-	-	-	-	-
Private individuals - other	**49**	-	-	-	**49**
Total public - activity in Israel	**1,629**	-	-	**47**	**1,676**
Israeli banks	-	-	-	-	-
Government of Israel	-	-	-	-	-
Total activity in Israel	**1,629**	-	-	**47**	**1,676**
Activity of borrowers abroad					
Public - commercial					
Construction & real estate	-	-	-	-	-
Commercial - other	-	-	-	**3**	**3**
Total commercial	-	-	-	**3**	**3**
Private individuals	-	-	-	-	-
Total public - activity abroad	-	-	-	**3**	**3**
Foreign banks	-	-	-	-	-
Foreign governments	-	-	-	-	-
Total - activity abroad	-	-	-	**3**	**3**
Total public	**1,629**	-	-	**50**	**1,679**
Total banks	-	-	-	-	-
Total governments	-	-	-	-	-
Total	**1,629**	-	-	**50**	**1,679**

(1) Credit to the public, credit to governments, deposits in

(2) Balance of recorded debt.

(3) Individual allowance for credit losses.

Note 29 - Additional Information on Credit Risk, Credit to the Public, and the Allowance for Credit Losses

B. Debts[1] (cont'd)

2. Additional information on impaired debts(cont'd)

	31 December 2014 (a)				
	(NIS millions)				
C. Impaired debts under restructuring (cont'd)					
Activity of borrowers in Israel Public - commercial	Not accruing interest income	Accruing[2] in arrears of 90 days or more	Accruing[2] in arrears of 30 to 89 days	Accruing[2] not in arrears	Total[3]
Construction & real estate - construction	408	-	-	18	426
Construction & real estate - real estate activities	826	-	-	-	826
Financial services	17	-	-	-	17
Commercial - other	553	-	-	30	583
Total commercial	1,804	-	-	48	1,852
Private individuals - housing loans 6	-	-	-	-	-
Private individuals - other	50	-	-	-	50
Total public - activity in Israel	1,854	-	-	48	1,902
Israeli banks	-	-	-	-	-
Government of Israel	-	-	-	-	-
Total activity in Israel	1,854	-	-	48	1,902
Activity of borrowers abroad Public - commercial					
Construction & real estate	13	-	-	-	13
Commercial - other	33	-	-	-	33
Total commercial	46	-	-	-	46
Private individuals	-	-	-	-	-
Total public - activity abroad	46	-	-	-	46
Foreign banks	-	-	-	-	-
Foreign governments	-	-	-	-	-
Total - activity abroad	46	-	-	-	46
Total public	1,900	-	-	48	1,948
Total banks	-	-	-	-	-
Total governments	-	-	-	-	-
Total	1,900	-	-	48	1,948

(1) Credit to the public, credit to governments, deposits in banks and other debts,
(2) Balance of recorded debt.
(3) Individual allowance for credit losses.

Note 29 - Credit risk, Credit to the Public and Allowance for Credit Losses - Bank

B. Debts*

2. Additional information on impaired debts:

C. Impaired debts under restructuring (cont'd)

1. Restructurings carried out

	31 December 2015		
	Number of contracts	Recorded debt balance before restructuring	Recorded debt balance after restructuring
	(NIS millions)		
Activity of borrowers in Israel			
Public - commercial			
Construction & real estate - construction	9	70	68
Construction & real estate - real estate activities	4	28	26
Financial services	-	-	-
Commercial - other	17	104	97
Total commercial	30	202	191
Private individuals - housing loans	-	-	-
Private individuals - other	2	1	1
Total public - activity in Israel	32	203	192
Israeli banks	-	-	-
Government of Israel	-	-	-
Total activity in Israel	32	203	192
Activity of borrowers abroad			
Public - commercial			
Construction & real estate	-	-	-
Other commercial	0	1	-
Total commercial	0	1	-
Private individuals	-	-	-
Total public - activity abroad	0	1	-
Foreign banks	-	-	-
Foreign governments	-	-	-
Total activity abroad	0	1	-
Total public	32	204	192
Total banks	-	-	-
Total governments	-	-	-
Total	32	204	192

* Credit to the public, credit to governments, deposits in banks (excluding deposits in the Bank of Israel) and other debts, excluding bonds and securities borrowed or purchased under agreements to resell.

Note 29 - Credit risk, Credit to the Public and Allowance for Credit Losses - Bank (cont'd)

B. Debts*

2. Additional information on impaired debts:

C. Impaired debts under restructuring (cont'd)

2.Failed restructurings**

	31 December 2014		
	Number of contracts	Recorded debt balance (***)	Recorded debt balance after restructuring
	(NIS millions)		
Activity of borrowers in Israel			
Public - commercial			
Construction & real estate - construction	4	240	240
Construction & real estate - real estate activities	-	-	-
Financial services	10	385	379
Commercial - other	-	-	-
Total commercial	14	625	619
Private individuals - housing loans	-	-	-
Private individuals - other	12	142	136
Total public - activity in Israel	-	-	-
Israeli banks	26	767	755
Government of Israel	-	-	-
Total activity in Israel	-	-	-
Activity of borrowers abroad			-
Public - commercial			-
Construction & real estate	-	-	-
Other commercial	-	-	-
Total commercial	-	-	-
Private individuals	-	-	-
Total public - activity abroad	-	-	-
Foreign banks	-	-	-
Foreign governments	-	-	-
Total activity abroad	-	-	-
Total public	-	-	-
Total banks	26	767	755
Total governments	-	-	-
Total	26	767	755

*Credit to the public, credit to governments, deposits in banks (excluding deposits in the Bank of Israel) and other debts, excluding bonds and securities borrowed or purchased under agreements to

**Debts that during the reporting year went into arrears of 30 days or more and underwent a troubled debt restructuring during the 12 months preceding the date they became debts in arrears.

***Recorded debt balance at the end of the period when the failure occurred.

Note 29 - Additional Information on Credit Risk, Credit to the Public, and the Allowance for Credit Losses

B. Debts (cont'd)

3.Additional information on housing loans

Year end balances by rate of financing (LTV) [1]

		31 December 2015			
		(NIS millions)			
		Balance of housing loans			
		Total	Of which: bullet and balloon	Of which: variable interest	Off-balance sheet credit risk total
First charge: rate of financing	Up to 60%	**50,091**	**3,072**	**34,586**	**3,173**
	Above 60%	**29,728**	**975**	**21,310**	**926**
Second or without charge		**797**	**26**	**600**	**118**
Total		**80,616**	**4,073**	**56,496**	**4,217**

		31 December 2014			
		(NIS millions)			
		Balance of housing loans			
		Total	Of which: bullet and balloon	Of which: variable interest	Off-balance sheet credit risk total
First charge: rate of financing	Up to 60%	45,206	3,386	33,061	834
	Above 60%	28,222	1,172	21,506	281
Second or without charge		745	35	582	1,324
Total		74,173	4,592	55,149	2,439

(1) The ratio between the approved facility when the facility was granted and the value of the property, as approved by the Bank when the facility was granted.

Note 29 - Additional Information on Credit Risk, Credit to the Public, and the Allowance for Credit Losses

C. Credit to the public (a) and off-balance sheet credit risk (b) by size of debt per borrower

31 December 2015

Credit per borrower		Number of borrowers (c)	Credit (a)	Off balance sheet credit risk (b)
(NIS thousands)			(NIS millions)	
From	To			
0	10	416,911	331	830
10	20	151,616	967	1,366
20	40	189,346	2,687	3,021
40	80	199,262	6,247	5,200
80	150	132,780	9,857	4,574
150	300	83,338	14,269	3,309
300	600	64,169	24,983	2,764
600	1,200	53,778	40,890	4,059
1,200	2,000	14,365	19,005	2,576
2,000	4,000	5,908	13,469	2,498
4,000	8,000	2,210	9,628	2,837
8,000	20,000	1,366	13,367	3,670
20,000	40,000	549	11,235	4,262
40,000	200,000	585	32,030	16,537
200,000	400,000	108	17,017	12,886
400,000	800,000	44	10,832	13,481
800,000	1,200,000	9	3,052	5,241
1,200,000	1,600,000	2	2,205	615
1,600,000	2,000,000	1	35	1,613
2,000,000	2,400,000	2	3,056	1,193
2,400,000	2,800,000	-	-	-
2,800,000	2,924,711	1	2,921	4
Total		1,316,350	238,084	92,535

Commencing with a credit level of NIS 8,000 thousand, the classification is set out by the specific consolidation method; with respect to the other borrowers, credit has been classified by the category consolidation method.

(a) Before the effect of allowances for credit losses, and before the effect of collateral permitted for deduction for purposes of single borrower and group of borrowers indebtedness; with the addition of the fair value of derivative instruments in the amount of NIS 4,557 million. Open credit card transactions have been allocated to credit levels by the category consolidation method.

(b) Credit risk in off-balance sheet financial instruments as calculated for purposes of single borrower restrictions.

(c) Number of borrowers by total credit and credit risk.
The definition of "borrower" and the definition of debt, including off-balance sheet credit risk, are in accordance with the directives of the Banking Supervision Department for amendment of Proper Conduct of Banking Business Directive No. 313 - "Restrictions on the Debt of a Single Borrower and of a Group of Borrowers".

Note 29 - Additional Information on Credit Risk, Credit to the Public, and the Allowance for Credit Losses

C. Credit to the public (a) and off-balance sheet credit risk (b) by size of debt per borrower (cont'd)

31 December 2014

Credit per borrower		Number of borrowers (c)	Credit (a)	Off balance sheet credit risk (b)
(NIS thousands)			(NIS millions)	
From	To			
0	10	376,660	118	1,001
10	20	158,370	1,067	1,396
20	40	204,608	2,987	3,218
40	80	222,786	7,042	5,846
80	150	147,466	10,984	5,110
150	300	88,646	15,423	3,252
300	600	63,240	25,098	2,214
600	1,200	45,444	34,704	3,060
1,200	2,000	11,303	15,111	2,054
2,000	4,000	4,968	11,476	2,124
4,000	8,000	2,017	8,761	2,368
8,000	20,000	1,373	12,997	4,186
20,000	40,000	552	11,279	4,403
40,000	200,000	553	28,663	17,967
200,000	400,000	109	17,926	12,618
400,000	800,000	41	11,308	11,954
800,000	1,200,000	10	4,656	5,290
1,200,000	1,600,000	2	268	2,360
1,600,000	2,000,000	2	2,942	400
2,000,000	2,400,000	3	4,068	2,019
2,400,000	2,800,000	0	0	0
2,800,000	2,855,203	2	4,734	1,002
Total		1,328,155	231,612	93,842

Commencing with a credit level of NIS 8,000 thousand, the classification is set out by the specific consolidation method; with respect to the other borrowers, credit has been classified by the category consolidation method.

(a) Net of specific provisions for doubtful debts and with the addition of the fair value of derivative instruments in the amount of NIS 7,307 million. Open credit card transactions were allocated to credit levels by the category consolidation method.

(b) Credit risk in respect of off-balance sheet financial instruments as calculated for purposes of single borrower restrictions.

(c) Number of borrowers by total credit and credit risk.

The definition of "borrower" and the definition of debt, including off-balance sheet credit risk, are in accordance with the directives of the Banking Supervision Department for amendment of Proper Conduct of Banking Business Directive No. 313 - "Restrictions on the Debt of a Single Borrower and of a Group of Borrowers".

Note 30 - Assets and Liabilities Classified According to Linkage Basis - Bank

	31 December 2015						
	Israeli Currency		Foreign Currency (a)				
	Unlinked	Linked to the CPI	IN U.S. dollars	In Euro	In other currencies	Non-monetary items (b)	Total
	NIS millions						
Assets							
Cash and deposits with banks	**52,492**	**252**	**5,103**	**607**	**311**	**163**	**58,928**
Securities	**32,283**	**1,886**	**23,969**	**2,002**	**1,135**	**2,345**	**63,620**
Securities borrowed or purchased under agreement to resell	**1,764**	**-**	**-**	**-**	**-**	**-**	**1,764**
Credit to the public, net (c)	**165,036**	**49,112**	**11,505**	**3,469**	**1,094**	**250**	**230,466**
Credit to governments	**67**	**195**	**130**	**61**	**-**	**-**	**453**
Investments in companies included on equity basis	**1,139**	**-**	**8**	**25**	**681**	**10,690**	**12,543**
Buildings and equipment	**-**	**-**	**-**	**-**	**-**	**2,487**	**2,487**
Assets in respect of derivative instruments	**6,403**	**115**	**3,424**	**310**	**205**	**716**	**11,173**
Other assets	**5,601**	**2**	**175**	**1**	**-**	**570**	**6,349**
Total assets	**264,785**	**264,785**	**264,785**	**264,785**	**264,785**	**264,785**	**264,785**
Liabilities							
Deposits of the public	**194,280**	**24,709**	**63,288**	**12,621**	**4,815**	**464**	**300,177**
Deposits from banks	**3,187**	**946**	**2,090**	**433**	**47**	**-**	**6,703**
Deposits from governments	**39**	**1**	**99**	**7**	**-**	**-**	**146**
Securities loaned or sold under agreement to repurchase	**938**	**-**	**-**	**-**	**-**	**-**	**938**
Debentures, bonds and subordinated notes	**5,704**	**15,604**	**-**	**-**	**-**	**-**	**21,308**
Liabilities in respect of derivative instruments	**6,357**	**222**	**3,241**	**305**	**205**	**702**	**11,032**
Other liabilities	**8,193**	**9,414**	**322**	**28**	**1**	**754**	**18,712**
Total Liabilities	**218,698**	**50,896**	**69,040**	**13,394**	**5,068**	**1,920**	**359,016**
Of which: Earmarked deposits, net	**3**	**-**	**-**	**-**	**-**	**-**	**3**
Difference (d)	**46,087**	**666**	**(24,726)**	**(6,919)**	**(1,642)**	**15,301**	**28,767**
Effect of derivative instruments that are not hedged:							
Derivative instruments (except options)	**(26,363)**	**(1,308)**	**22,295**	**5,961**	**(189)**	**(396)**	**-**
Option in the money, net (in terms of underlying asset)	**616**	**-**	**(655)**	**103**	**(64)**	**-**	**-**
Options out of the money, net (in terms of underlying asset)	**533**	**-**	**(482)**	**(9)**	**(42)**	**-**	**-**
Total	**20,873**	**(642)**	**(3,568)**	**(864)**	**(1,937)**	**14,905**	**28,767**
Effect of derivative instruments that are not hedged:							
Option in the money, net (discounted par value)	**1,427**	**-**	**(1,258)**	**(100)**	**(69)**	**-**	**-**
Options out of the money, net (discounted par value)	**1,307**	**-**	**(1,114)**	**(416)**	**223**	**-**	**-**

(a) Including linked to foreign currency.
(b) Including derivative instruments whose underlying asset is a non-monetary item.
(c) After deduction of provision for credit losses which were attributable to the linkage basis, totaling NIS 3,059 million.
(d) Equity.
See the annual financial report for the consolidated note.

Note 30 - Assets and Liabilities Classified According to Linkage Basis-Bank (cont'd)

	31 December 2014						
	Israeli Currency			Foreign Currency (a)			
	Unlinked	Linked to the CPI	IN U.S. dollars	In Euro	In other currencies	Non-monetary items (b)	Total
	NIS millions						
Assets							
Cash and deposits with banks	43,416	262	11,210	1,360	942	86	57,276
Securities	17,840	2,195	16,316	3,008	1,111	3,199	43,669
Securities borrowed or purchased under agreement to resell	2,000	-	-	-	-	-	2,000
Credit to the public, net (c)	151,584	51,048	13,223	3,895	1,218	222	221,190
Credit to governments	53	240	125	59	-	-	477
Investments in companies included on equity basis	1,173	6	14	28	695	11,612	13,528
Buildings and equipment	-	-	-	-	-	2,556	2,556
Assets in respect of derivative instruments	7,603	181	7,127	107	117	1,567	16,702
Other assets	5,531	1	123	1	1	266	5,923
Total assets	229,200	53,933	48,138	8,458	4,084	19,508	363,321
Liabilities							
Deposits of the public	168,074	40,669	59,251	14,017	5,024	343	287,378
Deposits from banks	2,718	965	4,472	571	163	-	8,889
Deposits from governments	21	2	92	8	-	-	123
Securities loaned or sold under agreement to repurchase	1,238	-	-	-	-	-	1,238
Debentures, bonds and Subordinated notes	953	5,000	-	-	-	-	5,953
Liabilities in respect of derivative instruments	7,103	129	6,384	312	43	1,526	15,497
Other liabilities	6,955	10,207	622	22	5	634	18,445
Total liabilities	187,062	56,972	70,821	14,930	5,235	2,503	337,523
Of which: Earmarked deposits, net	5	35	62	-	-	-	102
Difference (d)	42,138	(3,039)	(22,683)	(6,472)	(1,151)	17,005	25,799
Effect of derivative instruments that are not hedged:							
Derivative instruments (except options)	(20,271)	(2,177)	19,375	5,259	(836)	(1,350)	-
Option in the money, net (in terms of underlying asset)	-	-	-	-	-	-	-
Options out of the money, net (in terms of underlying asset)	777	-	(1,694)	936	(19)	-	-
Total	21,449	(2,264)	(5,002)	(277)	(2,006)	16,193	28,093
Effect of derivative instruments that are not hedged:							
Option in the money, net (discounted par value)	1,579	-	(2,555)	979	(3)	-	-
Options out of the money, net (discounted par value)	266	-	(6)	(233)	(27)	-	-

(a) Including linked to foreign currency.
(b) Including derivative instruments whose underlying asset is a non-monetary item.
(c) After deduction of provision for credit losses which were attributable to the linkage basis, totaling NIS 3,118 million.
(d) Equity.

Note 31 - Assets and Liabilities Classified According to Maturity Date and Linkage Basis (a) - Bank

	31 December 2015													
	Estimated future contractual cash flows											Balance sheet balance (d)		
	upon demand and up to a month (e)	one month to three months (e)	three months to one year (e)	one year to two years	two years to three years	three years to four years	four years to five years	five years to ten years	ten years to twenty years	over twenty years	Total cash flows	without fixed maturity (b) (e)	Total	Contractual yeild rate (g)
	NIS millions													
Israeli currency (c)														
Assets	94,397	20,719	48,115	28,566	21,996	18,475	17,663	47,472	41,109	13,976	352,488	3,575	318,891	2.42%
Liabilities	167,856	18,377	35,915	16,892	4,664	4,714	8,496	10,571	4,017	2,285	273,787	1,391	271,937	2.43%
Difference	(73,459)	2,342	12,200	11,674	17,332	13,761	9,167	36,901	37,092	11,691	78,701	2,184	46,954	
Derivative instruments (except options)	(7,757)	(406)	(14,898)	145	596	1,697	(823)	(758)	(195)	-	(22,399)	-	(22,049)	
Options (in terms of underlying asset)	(808)	298	(206)	4	188	930	726	-	-	-	1,133	-	1,055	
Difference After Effect of Derivatives instruments	(82,024)	2,234	(2,904)	11,823	18,116	16,388	9,070	36,143	36,897	11,691	57,435	2,184	25,960	
Foreign currency														
Assets	10,902	3,736	8,587	6,218	3,803	3,282	2,973	9,555	4,979	4,300	58,335	770	51,673	1.55%
Liabilities	60,407	10,208	12,162	2,479	892	1,140	492	384	61	-	88,225	(2)	85,158	1.67%
Difference	(49,505)	(6,472)	(3,575)	3,739	2,911	2,142	2,481	9,171	4,918	4,300	(29,890)	772	(33,485)	
Of which difference in $	(38,467)	(5,446)	(3,357)	3,489	1,515	1,261	1,158	7,776	4,216	3,731	(24,124)	740	(24,120)	
Of which: difference in respect of foreign operations	-	-	-	-	-	-	-	-	-	-	-	-	-	
Derivative instruments (except options)	7,757	406	14,898	(145)	(596)	(1,697)	823	758	195	-	22,399	-	22,444	
Options (in terms of underlying asset)	808	(298)	206	(4)	(188)	(930)	(726)	-	-	-	(1,132)	-	(1,055)	
Difference After Effect of Derivatives instruments	(40,940)	(6,364)	11,529	3,590	2,127	(485)	2,578	9,929	5,113	4,300	(8,623)	772	(12,096)	
Total														
Assets	105,299	24,455	56,702	34,784	25,799	21,757	20,636	57,027	46,089	18,276	410,824	4,345	370,563	2.28%
Liabilities	228,263	28,585	48,078	19,371	5,556	5,854	8,988	10,955	4,079	2,284	362,013	1,389	357,095	2.36%
Difference (f)	(122,964)	(4,130)	8,624	15,413	20,243	15,903	11,648	46,072	42,010	15,992	48,811	2,956	13,468	
Of which: credit to the public	39,919	17,568	34,572	28,028	22,350	17,554	14,576	40,236	39,233	12,539	266,575	1,002	230,217	3.33%
Of which: deposits of the public	214,515	25,253	41,067	9,026	3,248	2,643	1,367	3,693	498	-	301,310	-	299,714	0.92%

(a) In this Note, forecast contractual future cash flows in respect of assets and liabilities are shown according to linkage basis, in accordance with the remaining contractual period to maturity of each cash flow. The data is presented after deduction of provisions for doubtful debts.

(b) Including overdue assets which amounts in the sum of NIS 372 million (31 December 2014- NIS 253 million)

(c) Including linkage foreign currency.

(d) As included in Note 30, "Assets and liabilities According to Linkage Basis".

(e) Credit with debitory account conditions is classified in accordance with the credit framework line of NIS 7.4 billion (31 December 2014 - NIS 8.8 billion) special credit in the amount of NIS 0.8 billion is classified without repayment date (31 December 2014 - NIS 0.6 billion) .

(f) The above difference does not necessarily reflect the exposure to interest and/or linkage basis.

(g) Contractual yield rate is the interest rate discounting future anticipated contractual cash flows reported in this Note to its balance sheet figure.

Note: Total off-balance sheet restricted liabilities against with short-term credit was granted in the Bank amount to NIS 4.9 billion (31 December 2014 - NIS 4.5 billion).

Note 31 - Assets and Liabilities Classified According to Maturity Date and Linkage Basis (a) - Bank (cont'd)

	31 December 2014													
	Estimated future contractual cash flows											**Balance sheet balance (d)**		
	Upon demand and up to one month (e)	One month to three (e)	Three months to one year (e)	One year to two	Two years to three	Three years to four	Four years to five	Five years to ten	Ten years to twenty	Over twenty years	Total	Without fixed maturity (b)(e)	Total	Contractual yield rate (g)
	NIS millions													
Israeli currency (c)														
Assets	84,331	20,489	43,721	26,104	21,988	16,324	13,996	41,008	35,312	11,372	314,646	3,870	288,837	2.86%
Liabilities	145,405	16,250	32,082	12,638	14,013	4,374	4,165	15,326	5,138	4,230	253,621	1,582	249,027	2.82%
Difference	(61,074)	4,239	11,638	13,466	7,976	11,950	9,831	25,682	30,174	7,142	61,025	2,288	39,810	
Derivative instruments (except options)	(6,283)	(3,718)	(7,878)	(132)	210	(14)	1,807	(1,956)	(40)	(85)	(18,088)	-	(18,856)	
Options (in terms of underlying asset)	294	316	27	19	-	183	895	687	-	-	2,420	-	1,877	
Difference After Effect of Derivative instruments	(67,063)	837	3,787	13,353	8,186	12,119	12,533	24,413	30,134	7,057	45,356	2,288	22,831	
Foreign currency														
Assets	20,178	5,314	9,409	5,965	3,178	3,006	2,635	7,891	4,893	3,321	65,791	894	55,032	2.70%
Liabilities	58,203	14,890	11,892	2,787	1,452	615	1,026	961	73	2	91,901	0	85,993	1.97%
Difference	(38,025)	(9,576)	(2,483)	3,178	1,726	2,391	1,609	6,930	4,820	3,320	(26,110)	893	(30,961)	
Of which difference in $	(39,901)	3,623	(1,700)	3,304	1,329	1,366	781	5,461	5,229	2,952	(17,556)	425	(22,718)	
Of which: difference in respect of foreign operations	81	-	0	0	7	30	-	-	-	-	118	-	97	
Derivative instruments (except options)	6,283	3,718	7,878	132	(210)	14	(1,807)	1,956	40	85	18,088	-	18,856	
Options (in terms of underlying asset)	(294)	(316)	(27)	(19)	-	(183)	(895)	(687)	-	-	(2,420)	-	(1,877)	
Difference After Effect of Derivative instruments	(32,036)	(6,174)	5,368	3,292	1,516	2,222	(1,093)	8,199	4,860	3,404	(10,441)	893	(13,982)	
Total														
Assets	104,509	25,803	53,130	32,070	25,167	19,330	16,631	48,899	40,205	14,693	380,437	4,763	343,868	2.88%
Liabilities	203,608	31,140	43,975	15,425	15,465	4,989	5,192	16,287	5,210	4,231	345,521	1,583	335,019	2.72%
Difference (f)	(99,099)	(5,337)	9,155	16,645	9,702	14,341	11,440	32,612	34,994	10,462	34,915	3,181	8,849	
Of which: credit to the public	40,856	20,284	34,666	24,975	21,074	15,748	13,138	37,614	33,992	10,853	253,201	1,104	220,968	3.17%
Of which: deposits of the public	188,442	27,230	37,328	11,621	12,000	3,015	2,169	8,542	632	2	290,981	0	287,034	2.13%

Note 32a – Balances and Fair Value Assessments of Financial Instruments - Bank

31 December 2015

	Book value	Fair value			
		(level 1)(1)	**(level 2)(1)**	**(level 3)(1)**	**Total**
	NIS millions				
Financial assets					
Cash and deposits with banks	**58,928**	**50,182**	**6,397**	**2,399**	**58,978**
Securities (2)	**63,620**	**45,572**	**15,912**	**2,136**	**63,620**
Securities borrowed or purchased under agreement to resell	**1,764**	**1,764**	**-**	**-**	**1,764**
Credit to the public, net	**230,466**	**2,246**	**48,575**	**179,438**	**230,259**
Credit to governments	**453**	**-**	**26**	**441**	**467**
assets in respect of derivative instruments	**11,173**	**917**	**8,854**	**1,402**	**11,173**
Other financial assets	**745**	**551**	**-**	**194**	**745**
Total financial assets	**367,149** (3)	**101,232**	**79,764**	**186,010**	**367,006**
Financial liabilities					
Deposits of the public	**300,177**	**2,666**	**178,972**	**119,998**	**301,636**
Deposits from banks	**6,703**	**-**	**4,196**	**2,550**	**6,746**
Deposits from governments	**146**	**-**	**84**	**86**	**170**
Securities loaned or sold under agreement to repurchase	**938**	**938**	**-**	**-**	**938**
Debentures, bonds and subordinated notes	**21,308**	**17,879**	**340**	**4,731**	**22,950**
liabilities in respect of derivative instruments	**11,032**	**914**	**9,866**	**252**	**11,032**
Other financial liabilities	**6,864**	**1,363**	**5,025**	**476**	**6,864**
Total financial liabilities	**347,168** (3)	**23,760**	**198,483**	**128,093**	**350,336**
Off balance financial instruments					
Deals in which the balance represents credit risk	**332**	**-**	**-**	**332**	**332**

31 December 2014

	Book value	Fair value			
		(level 1)(1)	(level 2)(1)	(level 3)(1)	Total
	NIS millions				
Financial assets					
Cash and deposits with banks	57,276	41,380	13,930	2,004	57,314
Securities (2)	43,669	26,269	14,895	2,505	43,669
Securities borrowed or purchased under agreement to resell	2,000	2,000	-	-	2,000
Credit to the public, net	221,190	2,109	38,662	181,641	222,412
Credit to governments	477	-	1	491	492
assets in respect of derivative instruments	16,702	1,359	12,341	3,002	16,702
Other financial assets	371	187	-	184	371
Total financial assets	341,685 (3)	73,304	79,829	189,827	342,960
Financial liabilities					
Deposits of the public	287,378	2,682	145,552	142,753	290,987
Deposits from banks	8,889	-	4,890	4,057	8,947
Deposits from governments	123	-	58	93	151
Securities loaned or sold under agreement to repurchase	1,238	1,238	-	-	1,238
Debentures, bonds and subordinated notes	5,953	305	-	6,596	6,901
liabilities in respect of derivative instruments	15,497	1,306	14,040	151	15,497
Other financial liabilities	6,125	935	4,787	408	6,130
Total financial liabilities	325,203 (3)	6,466	169,327	154,058	329,851
Off balance financial instruments					
Deals in which the balance represents credit risk	332	-	-	332	332

(1) Level 1 – Fair value measurements used in prices quoted in an active market.
Level 2 - Fair value measurements used in other significant observed data.
Level 3 - Fair value measurements used in non-significant observed data

(2) For additional information on the balance sheet and fair value of securities, see security note.

(3) Of which: assets and liabilities totaling NIS 100,076 million (31 December 2014 – NIS 87,521 million) and NIS 155,798 million (31 December 2014 – NIS 123,080 million) respectively, where the book value is identical to fair value, (instruments for an original period of up to 3 months , for which use is made of the book value).
For additional information on instruments that were measured at fair value on a recurring and non recurring basis, see notes 32d.

Note 32b – Items Measured for Fair Value on a Recurring Basis- Bank

A. instruments being measured by fair value over a repeated basis.

	31 December 2015			
	Fair Value Measurements using			
	Prices quoted in an active market (level 1)	Other significen observable in inputs (level 2)	Significant unobservable inputs (level 3)	Book Value
	NIS millions			
Assets				
Securities available for sale:				
Israeli government bonds	**26,754**	**1,403**	**-**	**28,158**
Foreign government bonds	**6,421**	**789**	**-**	**7,211**
Bonds of Israeli financial institutions	**-**	**35**	**-**	**35**
Bonds of financial institutions abroad	**-**	**6,103**	**-**	**6,103**
MBS/ABS	**-**	**4,465**	**1,998**	**6,463**
Others in Israel	**113**	**474**	**-**	**586**
Others abroad	**-**	**1,414**	**-**	**1,414**
Shares available for sale	**1,596**	**-**	**-**	**1,596**
Total securities available for sale	**34,884**	**14,683**	**1,998**	**51,566**
Securities held for trading:				
Bonds held for trading	**10,077**	**1,229**	**-**	**11,306**
Shares held for trading	**611**	**-**	**-**	**611**
Total securities held for trading	**10,688**	**1,229**	**-**	**11,917**
Assets in respect of derivative financial instruments:				
Shekel-index contracts	**-**	**170**	**174**	**344**
Interest contracts	**30**	**6,037**	**296**	**6,363**
Foreign currency contracts	**-**	**2,221**	**770**	**2,993**
Contracts in respect of shares	**517**	**420**	**127**	**1,065**
Commodities and other contracts	**7**	**5**	**33**	**45**
Maof market activity	**363**	**-**	**-**	**363**
Total assets in respect of derivative financial instruments	**917**	**8,853**	**1,400**	**11,173**
Others				
Credit and deposites in respect of lending of securities	**1,764**	**-**	**-**	**1,764**
Others	**-**	**-**	**-**	**-**
Total Assets	**51,050**	**24,771**	**3,398**	**79,223**
Liabilities:				
Shekel-index contracts	**-**	**339**	**53**	**392**
Interest contracts	**30**	**6,060**	**-**	**6,089**
Foreign currency contracts	**-**	**2,867**	**199**	**3,067**
Contracts in respect of shares	**517**	**559**	**-**	**1,076**
Commodities and other contracts	**7**	**39**	**-**	**46**
Maof market activity	**360**	**-**	**-**	**360**
Total liabilities in respect of derivative financial instruments	**914**	**9,864**	**252**	**11,030**
Others				
Deposites in respect of lending of securities	**938**	**20**	**13**	**971**
Others	**4,029**	**-**	**-**	**4,029**
Total Liabilities	**5,881**	**9,884**	**265**	**16,030**

See the annual financial report for the consolidated note.

Note 18D – Items Measured for Fair Value on a Recurring Basis-Bank(cont'd)

A. instruments being measured by fair value over a repeated basis (cont'd)

	31 December 2014			
	Fair Value Measurements using			
	Prices quoted in an active market (level 1)	other significent observable in inputs (level 2)	significant unobservable inputs (level 3)	Book Value
	NIS Millions			
Assets:				
Securities available for sale:				
Israeli government bonds	11,096	1,534	-	12,630
Foreign government bonds	3,225	771	-	3,995
Corporate bonds in Israel	18	47	-	65
Corporate bonds abroad	-	5,216	-	5,216
MBS/ABS	-	3,503	2,003	5,506
Others in Israel	641	266	-	907
Others abroad	-	1,034	-	1,034
Shares available for sale	1,208	-	-	1,208
Total securities available for sale	16,188	12,371	2,003	30,561
Securities held for trading:				
Bonds held for trading	8,594	2,524	-	11,118
Shares held for trading	1,489	-	-	1,489
Total securities held for trading	10,083	2,524	-	12,607
Assets in respect of derivative financial instruments:				
Shekel-index contracts	-	96	145	241
Interest contracts	8	7,423	424	7,855
Foreign currency contracts	5	4,167	2,307	6,478
Contracts in respect of shares	707	656	64	1,426
Commodities and other contracts	12	-	64	77
Maof market activity	626	-	-	626
Total assets in respect of derivative financial instruments	1,358	12,342	3,004	16,703
Others				
Credit and deposites in respect of lending of securities	2,000	-	-	2,000
Others	2,290	5	-	2,295
Total Assets	31,919	27,242	5,007	64,166
Liabilities:				
Liabilities in respect of derivative financial instruments:				
Shekel-index contracts	-	213	42	254
Interest contracts	9	7,610	-	7,620
Foreign currency contracts	5	5,438	110	5,552
Contracts in respect of shares	707	715	-	1,422
Commodities and other contracts	12	64	-	76
Maof market activity	573	-	-	573
Total liabilities in respect of derivative financial instruments	1,306	14,040	152	15,497
Others				
Deposites in respect of lending of securities	1,238	-	-	1,238
Others	3,615	23	11	3,649
Total Liabilities	6,159	14,063	163	20,384

Note 32B – Items Measured for Fair Value on a Recurring Basis (cont'd)Bank

B. instruments being measured by fair value over a repeated basis

	31 December 2015			
	Fair Value Measurements using			
	Prices quoted in an active market (level 1)	other significent observable in inputs (level 2)	Significant unobservable inputs (level 3)	Total fair value
	NIS Millions			
Collateral-dependent impaired credit	-	-	879	879
Other Assets	-	-	-	-
Total	-	-	879	879

	31 December 2014			
	Fair Value Measurements using			
	Prices quoted in an active market (level 1)	other significent observable in inputs (level 2)	Significant unobservable inputs (level 3)	Total fair value
	NIS Millions			
Collateral-dependent impaired credit	-	-	1,213	1,213
Other Assets	-	-	-	-
Total	-	-	1,213	1,213

Note 32c – Changes in items measured for fair value on a recurring basis included in Level 3 - Bank

	31 December 2015								
	Changes in items measured for fair value included in level 3								
	Fair value at Beginning of the year	Total realized and un-realized profits(losses)	In overall profit after discount	Acquisition	Sales	Extinguishment	Transfers to/from level 3	Fair value at 31 December 2015	Unrealized profit/loss from instruments held 31 December 2015
	NIS Millions								
Assets:									
Bonds Available for sale:									
Foreign Governments	-	-	-	-	-	-	-	-	-
Financial institutes abroad	-	-	-	-	-	-	-	-	-
MBS \ ABS	**2,003**	**47**	**(11)**	**510**	**(138)**	**(411)**	**-**	**2,000**	**(4)**
Others in Israel	-	-	-	-	-	-	-	-	-
Others abroad	-	-	-	-	-	-	-	-	-
Total bonds available for sale	**2,003**	**47**	**(11)**	**510**	**(138)**	**(411)**	**-**	**2,000**	**(4)**
Assets in respect of derivative financial instruments:									
Shekel-index contracts	**145**	**(23)**	**-**	**-**	**-**	**-**	**52**	**174**	**66**
Interest contracts	**423**	**(11)**	**-**	**-**	**-**	**(116)**	**-**	**296**	**(83)**
Foreign currency contracts	**2,307**	**(3,478)**	**-**	**1,942**	**-**	**-**	**-**	**771**	**230**
Contracts in respect of shares	**64**	**63**	**-**	**-**	**-**	**-**	**-**	**127**	**108**
Commodities and other contracts	**64**	**(31)**	**-**	**-**	**-**	**-**	**-**	**33**	**32**
Total assets in respect of derivative financial instruments	**3,003**	**(3,480)**	**-**	**1,942**	**-**	**(116)**	**52**	**1,401**	**353**
Total assets	**5,006**	**(3,433)**	**(11)**	**2,452**	**(138)**	**(527)**	**52**	**3,401**	**349**
Liabilities:									
Liabilities in respect of derivative financial instruments:									
Shekel-index contracts	**41**	**(37)**	**-**	**-**	**-**	**-**	**50**	**54**	**49**
Interest contracts	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Foreign currency contracts	**110**	**89**	**-**	**-**	**-**	**-**	**-**	**199**	**123**
Total liabilities in respect of derivative financial instruments	**151**	**52**	**-**	**-**	**-**	**-**	**50**	**253**	**172**
Other	**10**	**3**	**-**	**-**	**-**	**-**	**-**	**13**	**13**
Total liabilities	**161**	**55**	**-**	**-**	**-**	**-**	**50**	**266**	**185**

Note 32c – Changes in items measured for fair value on a recurring basis included in Level 3-Bank(cont'd)

	31 December 2014								
	Changes in items measured for fair value included in level 3								
	Fair value at Beginning of the year	Total realized and un-realized In profits(losses)	overall profit after discount	Acquisition	Sales	Extinguishments	Transfers to/from level 3	Fair value . at 31 December 2014	Unrealized profit/loss from instruments held 31 December 2014
	NIS Millions								
Assets:									
Bonds Available for sale:									
Financial institutes abroad	120	-	-	-	-	(119)	-	1	-
MBS \ ABS	1,726	77	(5)	557	(160)	(192)	-	2,003	289
Others in Israel	9	-	-	-	-	(9)	-	-	-
Others abroad	-	-	-	-	-	-	-	-	-
Total bonds available for sale	1,855	77	(5)	557	(160)	(320)	-	2,004	289
Assets in respect of derivative financial instruments:									
Shekel-index contracts	86	17	-	-	-	-	41	144	88
Interest contracts	391	136	-	-	-	(105)	-	422	73
Foreign currency contracts	1,334	(623)	-	1,595	-	-	-	2,306	1,273
Contracts in respect of shares	-	64	-	-	-	-	-	64	64
Commodities and other contracts	-	64	-	-	-	-	-	64	64
Total assets in respect of derivative financial instruments	1,811	(342)	-	1,595	-	(105)	41	3,000	1,562
Total Assets	3,666	(265)	(5)	2,152	(160)	(425)	41	5,004	1,851
Liabilities:									
Liabilities in respect of derivative financial instruments:									
Shekel-index contracts	75	(71)	-	-	-	-	37	41	38
Other interest contracts	-	-	-	-	-	-	-	-	-
Foreign currency contracts	304	(194)	-	-	-	-	-	110	(181)
Total liabilities in respect of derivative financial instruments	379	(265)	-	-	-	-	37	151	(143)
Total Liabilities	379	(265)	-	-	-	-	37	151	(143)

Statement of Cash Flows - Bank

For the year ended 31 December 2015

	2015	2014	2013
	(NIS millions)		
Cash flows generated by operating activity			
Net profit for the year	**2,835**	1,413	1,988
Adjustments:			
Group share in undistributed losses of companies included on equity basis	**(13)**	147	(23)
Expenses deriving from share-based payment transactions	**10**	0	10
Depreciation of buildings and equipment (including impairment)	**488**	**467**	**633**
Expenses in respect of credit losses	**149**	**195**	**27**
Provision for impairment in assets transferred to group ownership	**1**	**3**	**11**
Net gains on sale of securities available for sale (including impairment)	**(245)**	**(376)**	**(547)**
Realized and unrealized gain from adjustment to fair value of securities held for trading	**(65)**	**(453)**	**(28)**
Loss (gain) on realization of buildings and equipment	**(92)**	**(83)**	**(26)**
Extraordinary provisions (elimination of provisions) in connection with fixed assets after taxes	**2**	**(1)**	**(5)**
Interest received in excess of accumulated interest (not yet received) for debentures available for sale	**99**	**(89)**	**(114)**
Interest not yet paid for debentures and subordinated notes	**5**	**282**	**286**
Effect of exchange differentials on cash and deposits with banks for period not exceeding three months	**(91)**	**(698)**	**619**
Deferred taxes, net	**(305)**	**(118)**	**(135)**
Severance pay and pension - increase in excess of provision over amoount funded	**399**	**321**	**5,360**
Profit on sale of loan portfolios	**(11)**	**(28)**	**(99)**
Other, net	**28**	**(161)**	**154**
Net change in current assets:			
Deposits in banks for an original period of more than three months	**1,147**	**(734)**	**581**
Credit to the public	**(9,713)**	**(12,031)**	**(2,592)**
Credit to the government	**24**	**39**	**(90)**
Securities borrowed or purchased under agreements to resell	**236**	**(640)**	**75**
Assets in respect of derivative instruments	**5,529**	**(3,738)**	**(1,625)**
Securities held for trading	**754**	**(1,408)**	**112**
Other assets	**(398)**	**108**	**264**
Net change in current liabilities:			
Deposits from banks	**(2,186)**	**1,367**	**456**
Deposits of the public	**30,665**	**13,921**	**(1,120)**
Deposits from governments	**23**	**(32)**	**(105)**
Securities lent or sold under agreements to repurchase	**(300)**	**614**	**(327)**
Liabilities in respect of derivative instruments	**(4,451)**	**2,081**	**836**
Other liabilities	**664**	**(546)**	**(4,281)**
Net cash generated by operating activity	**24,666**	**(178)**	**295**

Statement of Cash Flows (cont'd)

For the year ended 31 December 2015

	2015	2014	2013
	(NIS millions)		
Cash flows generated by investment activity			
Acquisition of securities available for sale	**(78,007)**	**(30,592)**	**(57,082)**
Proceeds from sale of securities available for sale	**30,132**	**21,070**	**31,295**
Proceeds from redemption of securities available for sale	**27,827**	**25,934**	**17,921**
Acquisition of subsidiary consolidated for the first time (Appendix A)	**0**	**0**	**0**
Acquisition of shares in companies included on equity basis	**(75)**	**3**	**0**
Proceeds from realization of investment in companies included on equity basis	**707**	0	0
Net decrease (indecrease) in capital notes of investee companies	**89**	50	7
Acquisition of buildings and equipment	**(658)**	(438)	(435)
Proceeds from realization of buildings and equipment	**129**	**94**	**42**
Proceeds from realization of assets transferred to group ownership	**0**	**0**	**3**
Proceeds of sale of loan portfolios	**222**	**344**	**713**
Change in cash resulting from merger of Leeumi Mortgage and Maalot	**0**	0	(5)
Net cash for investment activity	**(19,634)**	**16,465**	**(7,541)**

Statement of Cash Flows (cont'd)

For the year ended 31 December 2015

	2015	2014	2013 (a)
	(NIS millions)		
Cash flows generated by financing activity			
Issue of debentures and subordinated notes	**3,315**	0	0
Redemption of debentures and subordinated notes	**(5,682)**	(855)	(582)
Issue of capital in consolidated companies to external shareholders	**0**	0	0
Additional acquisition of shares in consolidated companies	**0**	0	0
Dividend paid to shareholders	**0**	0	0
Dividend paid to minority shareholders of consolidated companies	**0**	0	0
Loans to employees for purchase of the Bank's shares	**42**	1	1
Net, cash flows generated by financing activity	**(2,325)**	(854)	(581)
Increase (decrease) in cash and cash equivalents	**2,707**	15,433	(7,827)
Balance of cash and cash equivalents at beginning of year	**53,145**	37,014	45,460
Effect of movements in exchange rates on cash balances and cash equivalents	**91**	698	(619)
Balance of cash and cash equivalents at end of year	**55,943**	53,145	37,014

	2015	2014	2013
	(NIS millions)		
Interest received	**8,350**	9,128	10,912
Interest paid	**(3,060)**	(3,602)	(5,242)
Dividend received	**973**	22	137
Taxes paid on income	**(1,133)**	(1,420)	(1,036)

(a) 2013 data does not include Leumi Mortgage which was merged with the Bank in 2013