

Clal Insurance Enterprises Holdings Ltd.

**Summary of Financial Results
as of 30 September 2011**

21 November 2011

Major factors affecting financial results between 1-9/2011

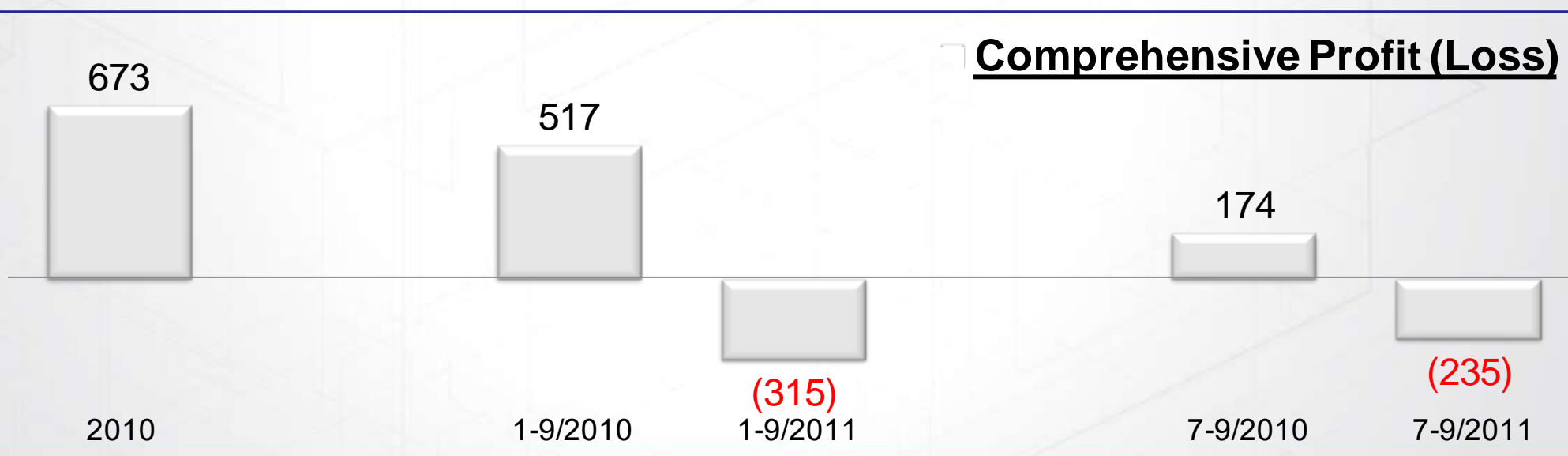
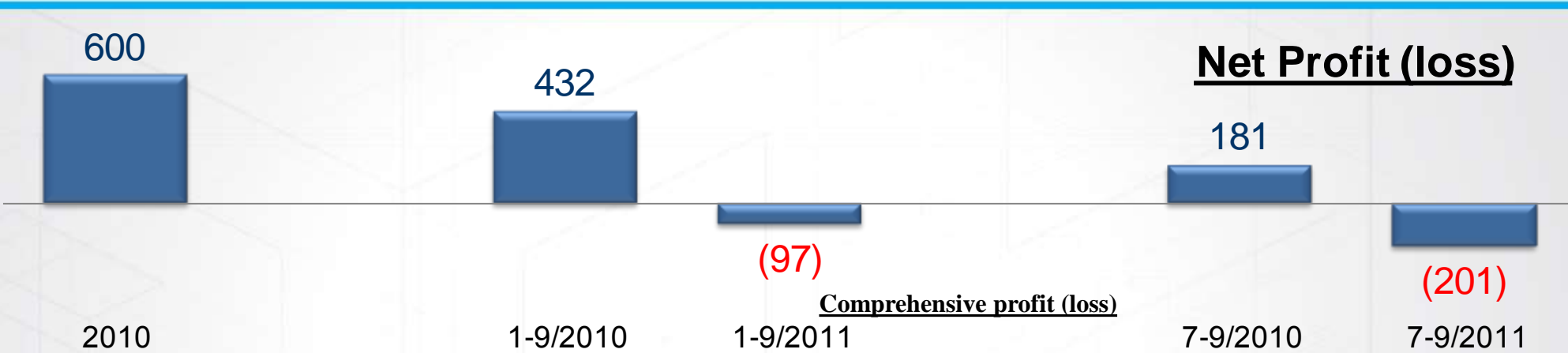
Business Environment:

- Ongoing declines in Israeli and foreign markets

segments of activity:

- **Long term savings:** Following negative returns, only fixed management fees were charged, hence, as of the day of the statement, the theoretical debt to members stands on approximately 368 million NIS (as of October approximately 241 million NIS)
- **Non-life insurance in Israel:** Loss in liabilities in light of investments outcomes
- **Non-life insurance in the USA:** Continued growth in activity and maintaining profitability
- **Health insurance:** Loss in long-term care insurance activity
- **Clal finances:** One-time profit of approximately 22 million NIS resulting from the sale of basket certificates, value decrease of 60 million NIS in trust funds during the third quarter
- **Non-life insurance in Europe:** Loss of the subsidiary, Broadgate, as a result of claims due to the natural disasters occurring during the first quarter in Japan, Australia and New-Zealand. In September, an agreement was reached to sell the Broadgate subsidiary to the Torus Insurance Corporation based on a value of 11 million Pounds.

Net and Comprehensive Profit (Loss) for **Shareholders** for the period (millions NIS)



Change in Net Profit (Loss) for Shareholders 1-9/2010 and 1-9/2011 (millions NIS)

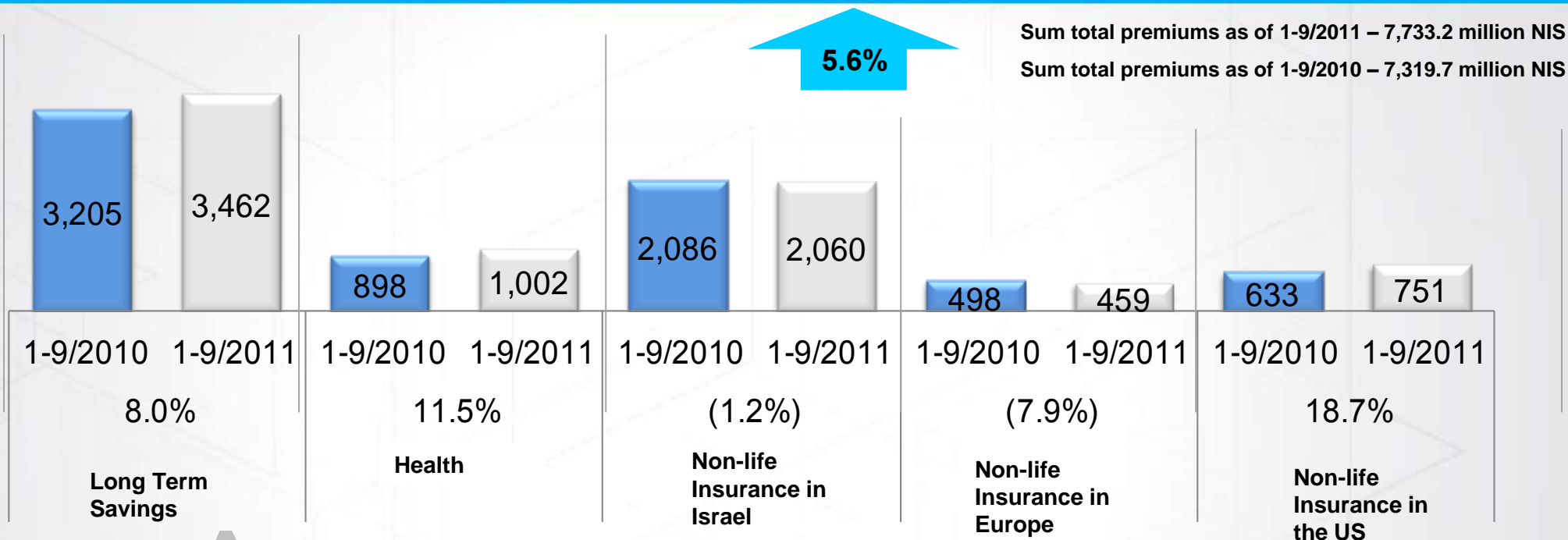
	7-9/10	7-9/11	1-9/10	1-9/11
Income before tax from long-term savings	192.9	20.6	390.4	157.2
Income (loss) before tax from health insurance	20.4	(52.4)	76.9	(38.2)
Income before tax from non-life insurance in Israel	80.4	(11.3)	230.9	88.4
Income (loss) before tax from non-life insurance in Europe	(20.2)	(43.1)	(89.7)	(129.9)
Income before tax from non-life insurance in the USA	32.7	27.8	84.9	82.2
Income (loss) before tax from financial services	(1.9)	(91.9)	40.1	(86.4)
Income (loss) before tax from other segments and not allotted to segments	48.6	(72.6)	27.4	(87.7)
* Inter-company adjustments and offsets	(44.5)	42.0	26.4	136.1
Comprehensive income before tax according to segments illustration	308.4	(180.8)	787.3	121.7
Other that does not belong to segments	(127.1)	(19.8)	(355.4)	(218.2)
Comprehensive Income after tax for shareholders	181.3	(200.6)	431.9	(96.5)

Clal Insurance (Consolidated) – Required and Existing Equity as of 30/09/2011 (millions NIS)

Required minimum equity as of 30/09/2011:	
Required equity as per old regulations	3,111.0
Required equity as per new regulations (to be completed until the end of 2011)	4,577.6
Sum of required equity to be gradually completed until the end of 2011	1,466.6
Existing equity as of 30/09/2011	
Existing equity as of 30/09/2011	4,849.7
Required equity as of 30/09/2011 according to new regulations	4,211.0
Surplus equity as of 30/09/2011*	638.7

*In October 2011 the commissioner authorized Clal a reduction of the minimum required capital due to the balance of the original increment attributed to the managing companies and provident funds, at a rate of 35% of the original increment balance, applicable as of the financial statement for 31 December 2011. According to the data of 30 September 2011, the aforementioned change would have resulted in a reduction in required minimum equity in the total sum of approximately 228 million NIS.

Gross Earned Premiums for the Period (millions NIS)



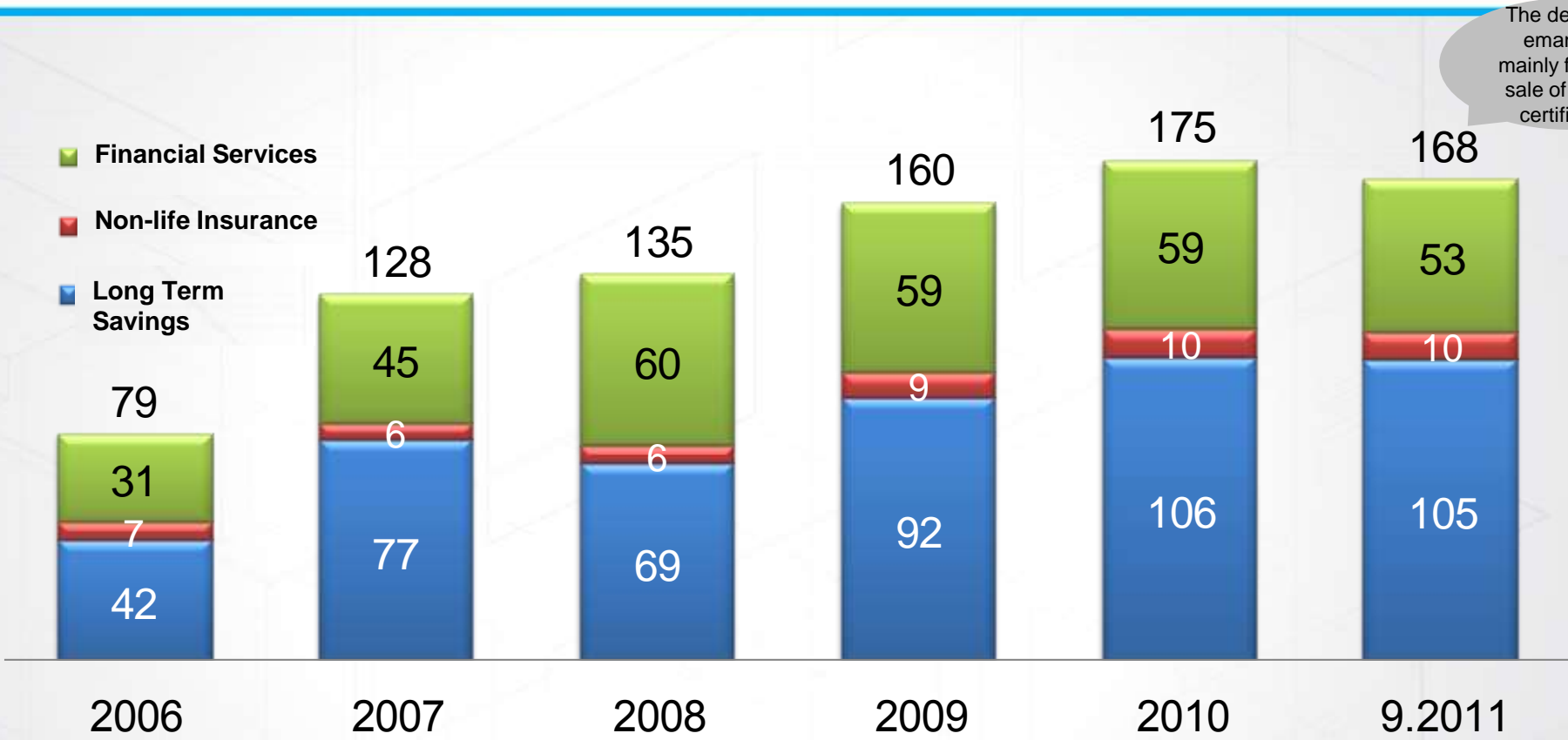
Sum total premiums as of 1-9/2011 – 7,733.2 million NIS

Sum total premiums as of 1-9/2010 – 7,319.7 million NIS

Insurance premiums that were excluded, summed up to approximately 346 million NIS in the first nine months of 2010 compared to approximately 457 million NIS in 2011

Gross insurance fees increased from approximately 168 million\$ in the first nine months of 2010 to approximately 213 million\$ in 2011

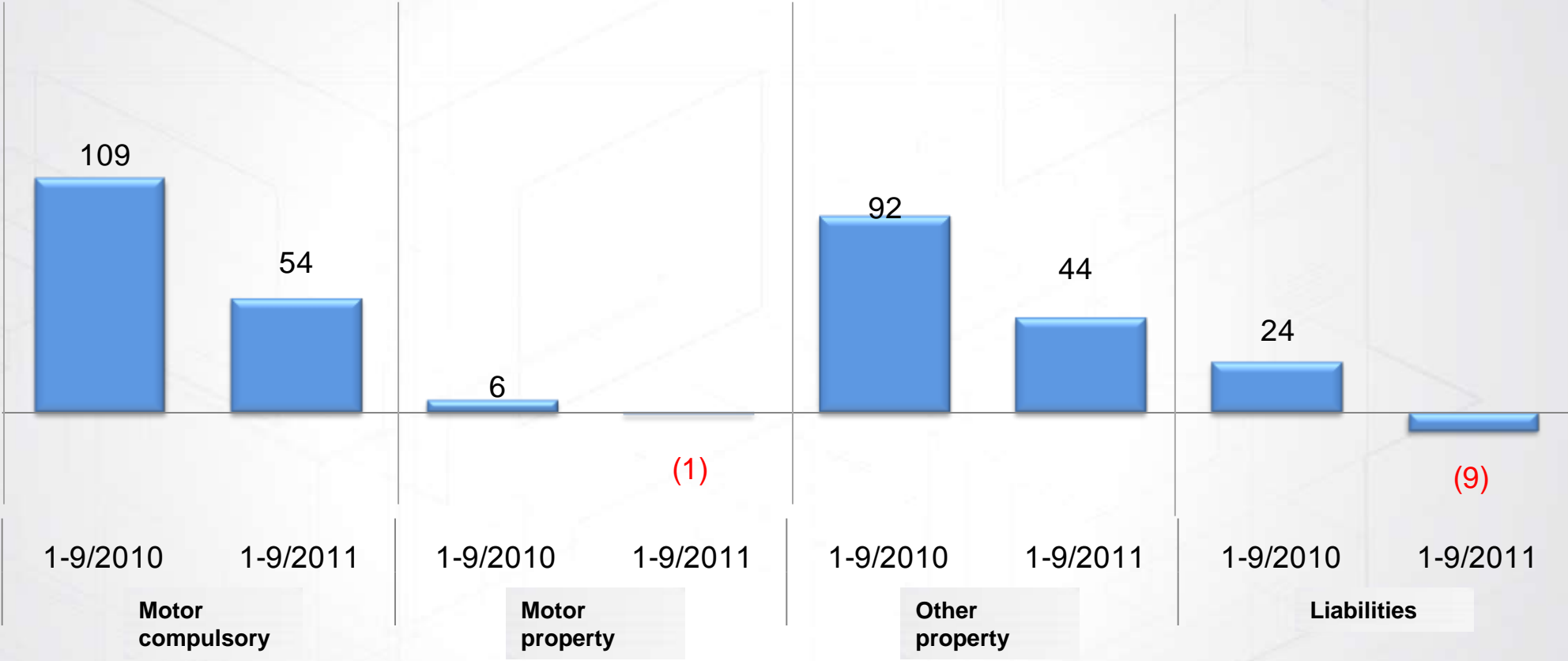
Financial Assets Managed by the Group (billions NIS)



The decrease emanates mainly from the sale of basket certificates

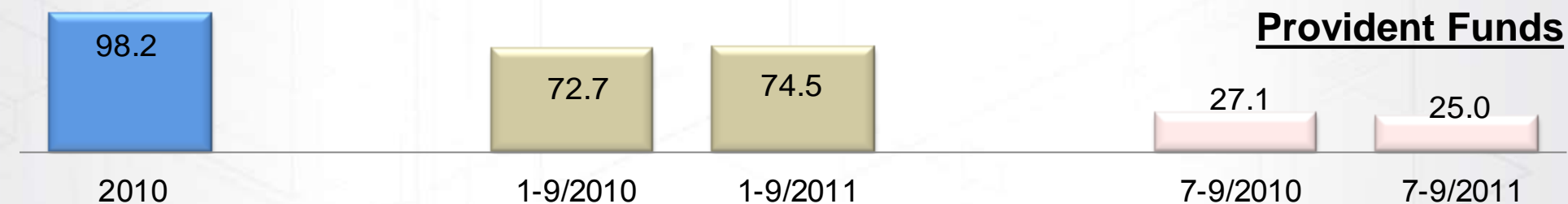
Non-life Insurance

Profit (Loss) per Branches in Non-life Insurance in Israel 1-9/2010-1-9/2011 (millions NIS)

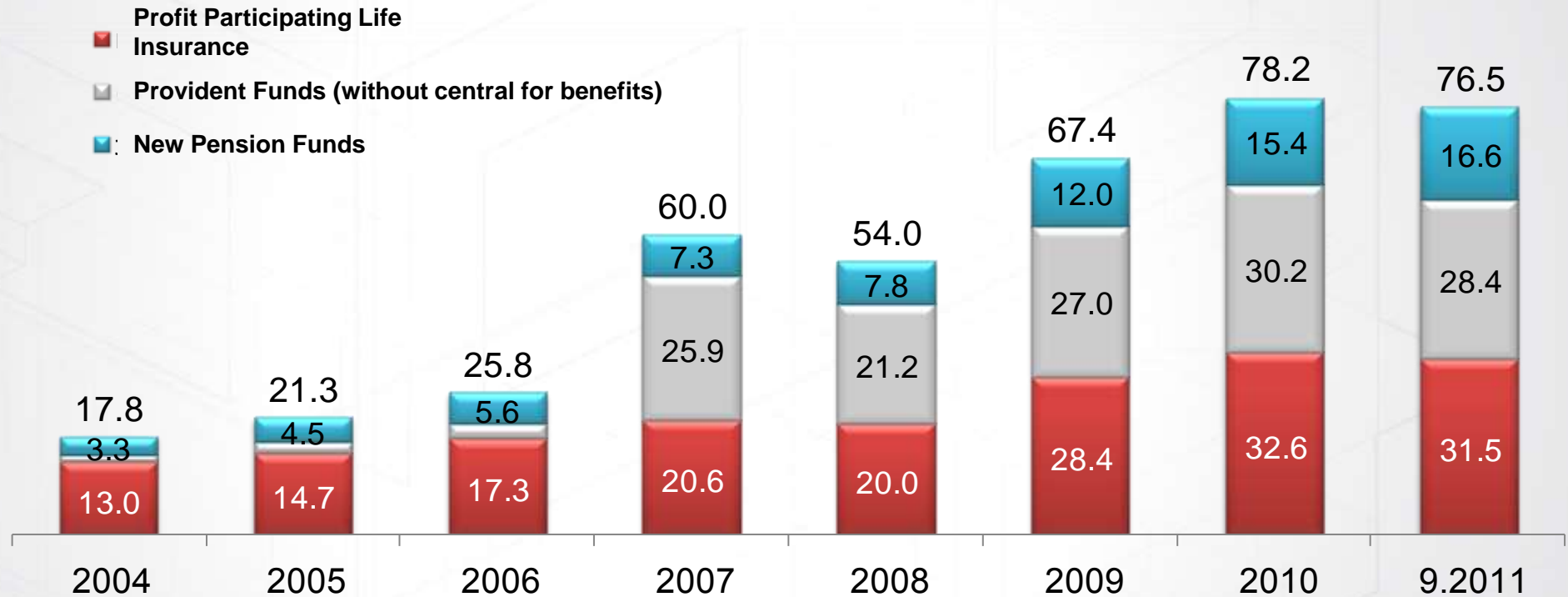


Long Term Savings

Long-Term Savings – Branches Profitability (millions NIS)

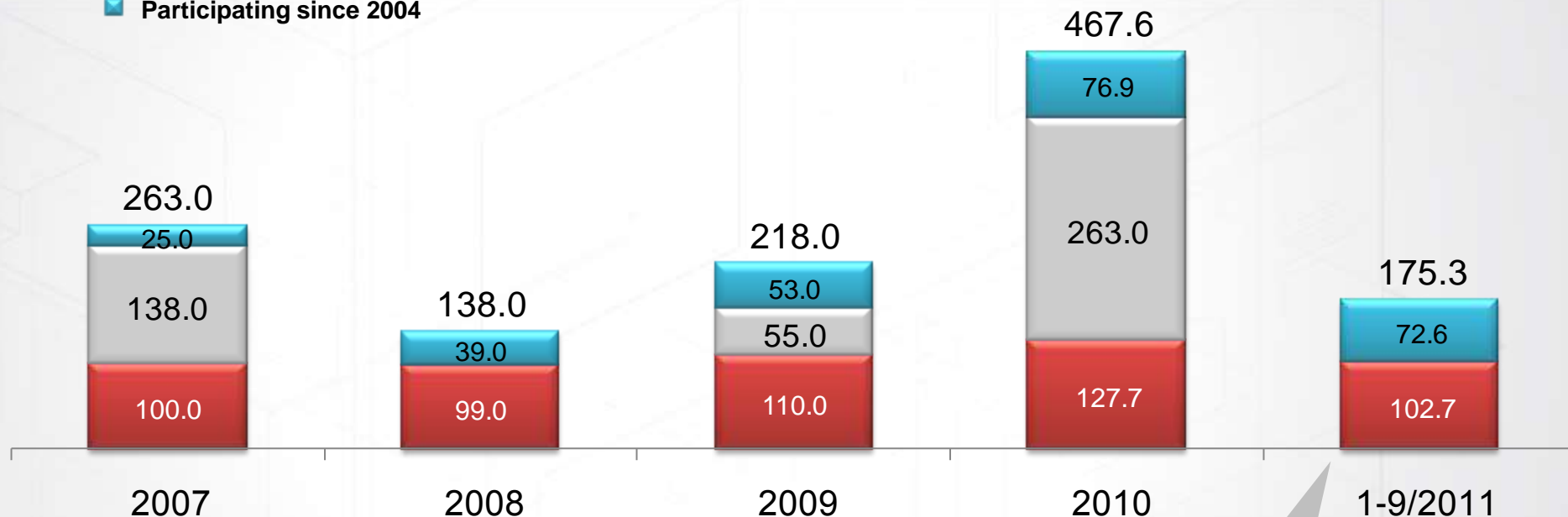


Long-Term Savings Assets Grouped as per the Commissioner's Definition (billions NIS)



Management Fees for Profit Participating Policies (millions NIS)

- Participating until 2003 - fixed management fees
- ▒ Participating until 2003 - variable management fees
- Participating since 2004

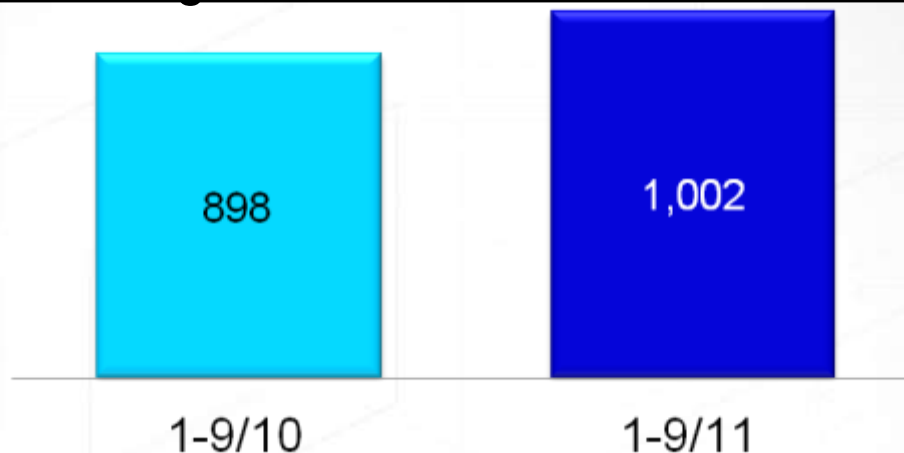


Sum total of theoretical debt for profit participating policies was estimated at about 368 million NIS in September and approximately 241 million NIS in October

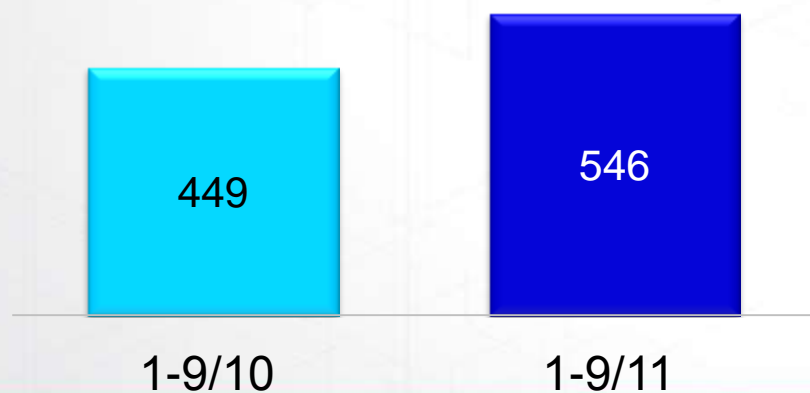
Health Insurance

Health Insurance – **Premiums** in the segment and in the Health Branches (millions NIS)

Health segment – Gross Earned Premiums



Premiums in Long-Term Care Branch

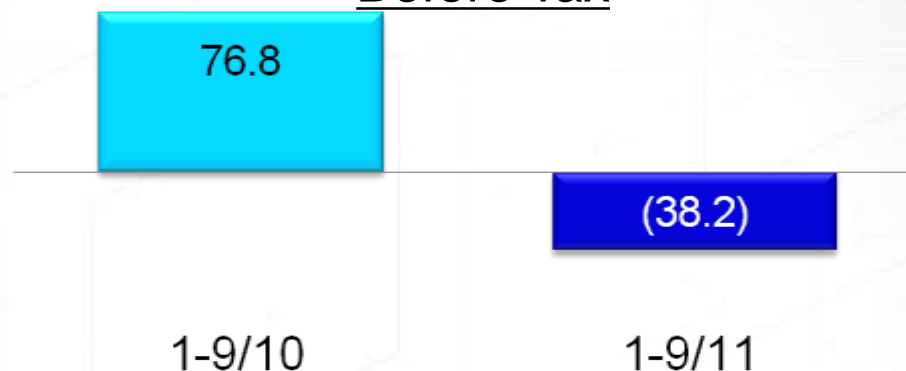


Premiums in Disease and Hospitalization Branch

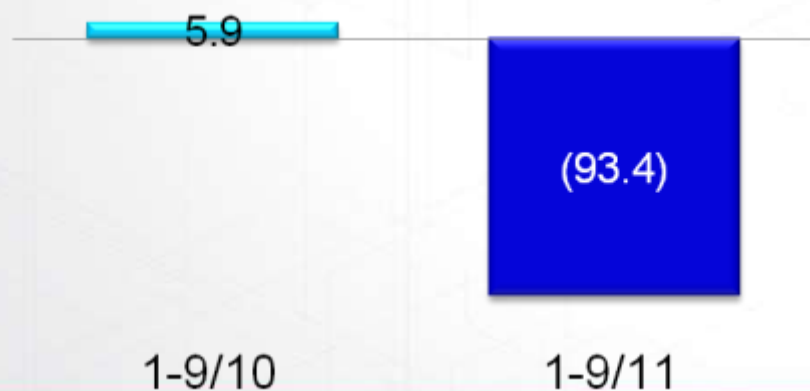


Health Insurance – **Income Before Tax** in the segment and in the Health Branches (millions NIS)

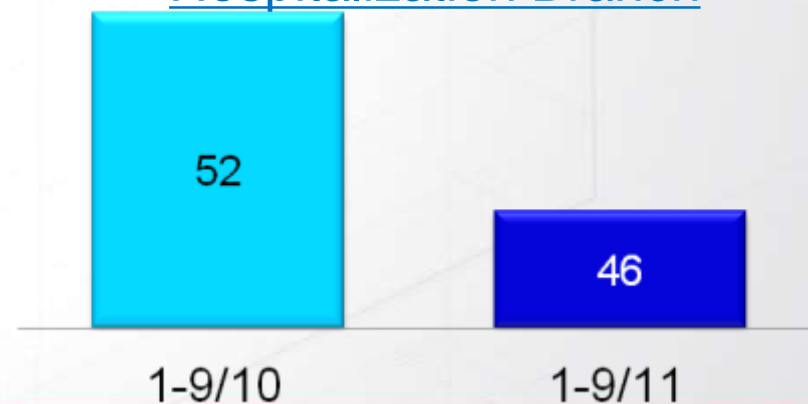
Health segment – Income Before Tax



Profit (Loss) in Long-Term Care Branch

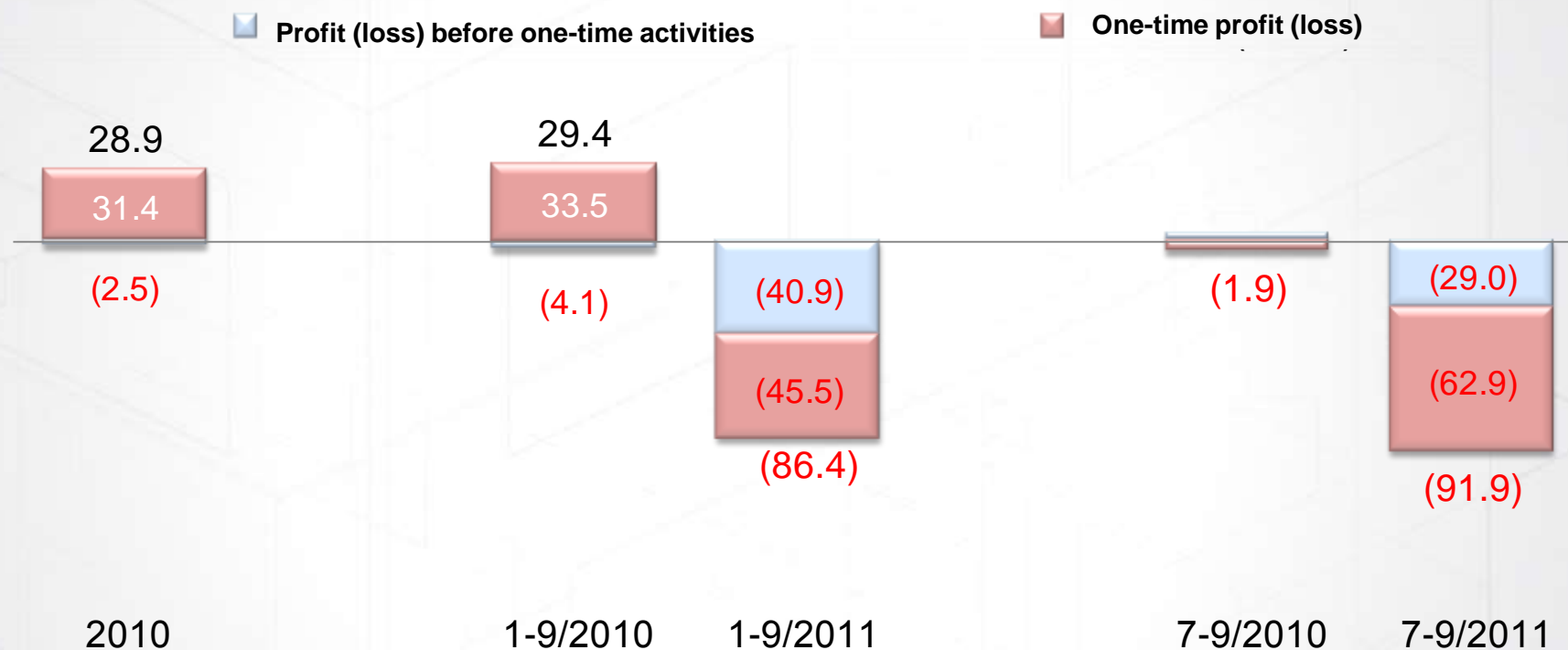


Profit in Disease and Hospitalization Branch



Finances

Finances segment – Income (Loss) Before Tax (millions NIS)



- Challenging times
- The group is prepared with adequate surplus equity
- Increase in sales of life insurance, pension funds and health insurances
- Ongoing emphasis on improving underwriting results and operational efficacy

