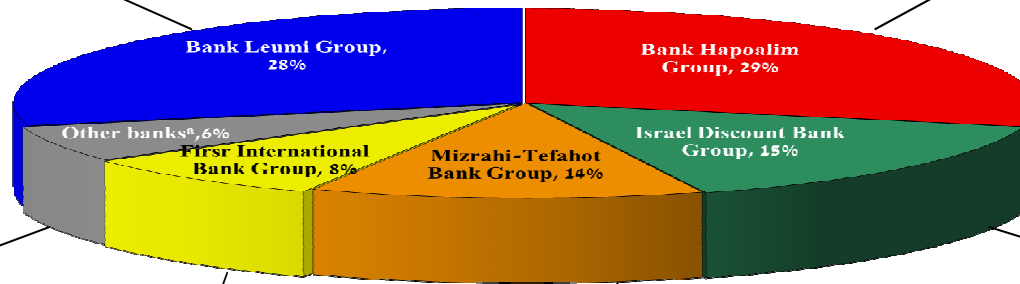


Figure 1.3

The structure of Israel's banking system and investments in main investee companies^a, December 2013

Total assets: NIS 1,324 billion
Herfindahl index: H = 0.19
CR₂ = 56%



Bank Leumi Group

A. Banking and finance in Israel

- Bank Leumi Le-Israel Ltd. (1)
- Arab Israel Bank Ltd. (1)
- Leumi Tech Ltd. (2)
- Leumi Finance Company Ltd. (3)
- Leumi Real Holdings Ltd. (6)
- Leumi Financial Holdings Ltd. (6)

B. Banking and finance abroad (5)

- Bank Leumi USA
- Bank Leumi UK plc
- Leumi Private Bank S.A.
- Bank Leumi Luxembourg
- Bank Leumi Romania
- Leumi International Investments NV
- Leumi Re Ltd.(8)

Other banking corporations

A. Banking and finance in Israel (1)

- Union Bank of Israel Ltd.
- Bank of Jerusalem Ltd.
- Dexia Israel Bank Ltd.

B. Foreign banks

- Citibank N.A.
- HSBC Bank plc
- Barclays Bank plc
- State Bank of India

C. Financial institutions

- “Hesech” Kupat Hisachon Lehinuch Ltd.

D. Joint service companies owned by the five major banking groups

- Automated Clearing House (Masav) Ltd.
- Automatic Banking Services (Shva) Ltd.

Definitions

- (1) Commercial banks
- (2) Investment finance banks
- (3) Financial institutions
- (4) Credit card companies
- (5) Subsidiaries abroad
- (6) Consolidated holding companies
- (7) Investment house
- (8) Capital market companies, including companies supplying operating services to institutions, and underwriting, trust, leasing, insurance, and asset management companies.

C. Capital market and financial services

- Leumi Card Ltd. (4)
- Leumi Securities and Investments Ltd. (8)
- Leumi Capital Market Services Ltd. (8)
- Bank Leumi Le-Israel Trust Co. Ltd. (8)
- Leumi Partners Ltd. (6)(8)

D. Nonbanking corporations

- The Israel Corporation Ltd.

First International Bank Group

A. Banking and finance in Israel (1)

- The First International Bank of Israel Ltd.
- Poalei Agudat Israel Bank Ltd.
- U-Bank (Israel) Ltd.
- Otsar Hahayal Bank Ltd.
- Bank Massad Ltd.

B. Banking and finance abroad (5)

- FIBI Bank (UK) plc
- FIBI Bank (Switzerland) Ltd.

C. Capital market and financial services

- First International Leasing Ltd. (8)
- Modus Selective Investment Management and Investment Consulting (8)
- U-Bank Investments and Holdings Ltd. (8)
- U-Bank Trust Company Ltd. (8)
- CAL (Cartisey Ashrai Le’Israel)–Israel Credit Cards Ltd. (4)

Mizrahi-Tefahot Bank Group

A. Banking and finance in Israel (1)

- Mizrahi-Tefahot Bank Ltd.
- Bank Yahav for Government Employees Ltd.

B. Banking and finance abroad (5)

- United Mizrahi Bank (Switzerland) Ltd.

C. Capital market and financial services

- Etgar Portfolio Management Ltd. (3)
- Mizrahi-Tefahot Issuing Company Ltd. (8)
- Mizrahi-Tefahot Trust Company Ltd. (8)
- Tefahot Insurance Agency Ltd. (8)
- Rosario Capital Ltd. (8)
- Mustang Mezzanine Fund Limited Partnership (credit provider)

D. Nonbanking corporations (consolidated companies)

- Pesagot Jerusalem Ltd.

Bank Hapoalim Group

A. Banking and finance in Israel (1)

- Bank Hapoalim Ltd.

B. Banking and finance abroad (5)

- Bank Hapoalim (Switzerland) Ltd.
- Banque Hapoalim (Luxembourg) S.A.
- Bank Hapoalim (Cayman Islands) Ltd.
- Hapoalim (Latin America) S.A.
- Bank Pozitif Kredi Ve Kalkinma Bankasi A.S. (with a holding in JSC Bank Pozitiv)

C. Capital market and financial services

- Iracard Ltd. (4)
- Poalim Express Ltd. (4)
- Poalim Capital Markets Ltd. (7)
- Poalim Sahar Ltd. (8)
- Bank Hapoalim Trust Company Ltd. (7)
- Poalim Asset Management (8)
- Poalim Securities Ltd. (8)
- Peilim Investment Portfolio Management Ltd. (8)

Israel Discount Bank Group

A. Banking and finance in Israel (1)

- Israel Discount Bank Ltd.
- Mercantile Discount Bank Ltd.
- First International Bank of Israel Ltd.

B. Banking and finance abroad (5)

- Israel Discount Bank of New York
- Discount Bank (Latin America)
- IDB (Swiss) Bank Ltd.

C. Capital market and financial services

- Discount Leasing Ltd. (8)
- Discount Manpikim (8)
- Israel Discount Capital Markets and Investments Ltd. (8)
- Tafnit Discount Asset Management Ltd. (8)
- CAL (Cartisey Ashrai Le’Israel)–Israel Credit Cards Ltd. (4)
- Diners Club Israel Ltd. (4)
- Discount Trust Ltd. (8)

^a Groups on consolidated basis. The calculation is based on total assets.

SOURCE: Based on published annual reports.