

Mapping of components used in presentation of regulatory capital composition

		As of September 30, 2014		
		NIS in millions		
			Amounts not deducted from equity, subject to required treatment prior to adoption of Directive 202, in conformity with Basel III	References from step 2
Common Equity Tier 1 capital: Instruments and retained earnings				
1	Ordinary share capital issued by the banking corporation and ordinary share premium for shares included in Common Equity Tier 1 capital	2,175	-	1+2
2	Retained earnings, including dividends proposed or declared after the balance sheet date	8,563	-	3
3	Accumulated other comprehensive income and retained earnings for which disclosure has been given	40	-	4
4	Tier 1 equity instruments issued by the banking corporation, eligible for inclusion in regulatory capital during transitional period	-	-	
5	Ordinary shares issued by consolidated subsidiaries of the banking corporation, which are held by a third party (non-controlling interest)	470	154	5
6	Common Equity Tier 1 capital before regulatory adjustments and deductions	11,248	154	
Common Equity Tier 1 capital: Regulatory adjustments and deductions				
7	Prudential valuation adjustments	-	-	
8	Goodwill, net of related deferred tax liability, if applicable	87	-	6
9	Other intangible assets, other than mortgage-servicing rights, net of related deferred tax liability	-	-	7+8
10	Deferred tax assets that rely on future profitability of the banking corporation, excluding those arising from temporary differences	-	-	9
11	Accumulated other comprehensive income with respect to cash flow hedging of items not listed at fair value on the balance sheet	3	13	10
12	Shortfall of provisions to expected losses	-	-	
13	Increase in shareholder equity due to securitization transactions	-	-	
14	Unrealized gain / loss from changes to fair value of liabilities arising from change to own credit risk of the banking corporation. In addition, with regard to liabilities with respect to derivatives, all debt value adjustments (DVA) arising from own credit risk of the banking corporation is to be deducted	4	16	11
15	Excess deposit over provision, net of deferred tax liabilities to be settled should the asset become impaired or be disposed in conformity with Public Reporting Regulations	-	-	12+13
16	Investment in own ordinary shares, held directly or indirectly (including commitment to purchase shares subject to contractual obligations)	-	-	
17	Reciprocal cross-holdings in ordinary shares of financial corporations	-	-	
18	Investments in the capital of financial corporations not consolidated on the public financial statements of the banking corporation, where the banking corporation does not hold more than 10% of the issued ordinary share capital of the financial corporation	-	-	14
19	Investments in the capital of financial corporations not consolidated on the public financial statements of the banking corporation, where the banking corporation holds more than 10% of the issued ordinary share capital of the financial corporation	-	-	

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20	Mortgage servicing rights whose amount exceeds 10% of Tier 1 capital	-	-
21	Deferred tax assets arising from temporary differences, whose amount exceeds 10% of Tier 1 capital	-	-
22	Amount of mortgage servicing rights, deferred tax assets arising from temporary differences and investments that exceed 10% of the ordinary share capital issued by financial corporations, which exceeds 15% of Tier 1 capital of the banking corporation	-	-
23	Of which: With respect to investments that exceed 10% of the ordinary share capital issued by financial corporations	-	-
24	Of which: With respect to mortgage servicing rights	-	-
25	Of which: Deferred tax assets arising from temporary differences	-	-
26	Regulatory adjustments and other deductions stipulated by the Supervisor of Banks	-	-
26.A	Of which: With respect to investments in capital of financial corporations	-	-
26.B	Of which: With respect to mortgage servicing rights	-	-
26.C	Of which: Additional regulatory adjustments to Tier 1 capital, not included in sections 25.A and 25.B.	-	-
	Regulatory adjustments to Tier 1 capital, subject to required treatment prior to adoption of Directive 202, in conformity with Basel III	-	-
27	Deductions applicable to Tier 1 capital, due to insufficient additional Tier 1 and Tier 2 capital to cover deductions	-	-
28	Total regulatory adjustments to and deductions from Common Equity Tier 1 capital	94	29
29	Common Equity Tier 1 capital	11,154	183

Additional Tier 1 capital: Instruments

30	Additional Tier 1 equity instruments issued by the banking corporation and premium for such instruments	-	-
31	Of which: Classified as equity in conformity with Public Reporting Regulations	-	-
32	Of which: Classified as liabilities in conformity with Public Reporting Regulations	-	-
33	Additional Tier 1 equity instruments issued by the banking corporation, eligible for inclusion in regulatory capital during transitional period	-	-
34	Additional Tier 1 equity instruments issued by subsidiaries of the banking corporation, held by third party investors	-	-
35	Of which: Additional Tier 1 equity instruments issued by subsidiaries of the banking corporation, held by third party investors, subject to phase-out from additional Tier 1 capital	-	-
36	Tier 1 capital, before deductions		

Additional Tier 1 capital: Deductions

37	Investment in own additional Tier 1 equity instruments, held directly or indirectly (including commitment to purchase such instruments subject to contractual obligations)	-	-
38	Reciprocal cross-holdings in additional Tier 1 equity instruments	-	-

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39	Investments in the capital of financial corporations not consolidated on the public financial statements of the banking corporation, where the banking corporation does not hold more than 10% of the issued ordinary share capital of the financial corporation	-	-
40	Investments in the capital of financial corporations not consolidated on the public financial statements of the banking corporation, where the banking corporation does not hold more than 10% of the issued ordinary share capital of the financial corporation	-	-
41	Other deductions stipulated by the Supervisor of Banks	-	-
41.A	Of which: With respect to investments in capital of financial corporations	-	-
41.B	Of which: Other deductions from Tier 1 capital, not included in section 1.A	-	-
	Other deductions from Tier 1 capital, subject to required treatment prior to adoption of Directive 202, in conformity with Basel III	-	-
	Of which: Additional regulatory adjustments to Tier 1 capital, not included in section 38.A	-	-
42	Deductions applicable to additional Tier 1 capital, due to insufficient Tier 2 capital to cover deductions	-	-
43	Total deductions from additional Tier 1 capital	-	-
44	Additional Tier 1 capital	-	-
45	Tier 1 capital	11,154	183

Tier 2 capital: Instruments and provisions

46	Instruments issued by the banking corporation (not included in Tier 1 capital) and premium on such instruments	-	-	18a
47	Tier 2 equity instruments issued by the banking corporation, eligible for inclusion in regulatory capital during transitional period	3,573	3,573	18b
48	Tier 2 equity instruments issued by subsidiaries of the banking corporation to third party investors	-	-	19
49	Of which: Tier 2 equity instruments issued by subsidiaries of the banking corporation, held by third party investors, subject to phase-out from Tier 2 capital	-	-	
50	Group provisions for credit losses subject to effect of related tax	1,298	-	20
51	Tier 2 capital, before deductions	4,871	3,573	

Tier 2 capital: Deductions

52	Investment in own Tier 2 equity instruments, held directly or indirectly (including commitment to purchase such instruments subject to contractual obligations)	-	-
53	Reciprocal cross-holdings in Tier 2 equity instruments of financial corporations	-	-
54	Investments in the capital of financial corporations not consolidated on the public financial statements of the banking corporation, where the banking corporation does not hold more than 10% of the issued ordinary share capital of the financial corporation	-	-

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55	Investments in the capital of financial corporations not consolidated on the public financial statements of the banking corporation, where the banking corporation holds more than 10% of the issued ordinary share capital of the financial corporation	-	-	
56	Other deductions stipulated by the Supervisor of Banks	-	-	
56.A	Of which: With respect to investments in capital of financial corporations	-	-	
56.B	Of which: Other deductions from Tier 2 capital, not included in section 51.A	-	-	
	Regulatory adjustments to Tier 2 capital, subject to required treatment prior to adoption of Directive 202, in conformity with Basel III	-	-	
57	Total deductions from Tier 2 capital	-	-	
58	Tier 2 capital	4,871	3,573	
59	Total equity	16,024	3,756	
60	Total risk weighted assets in conformity with treatment required prior to adoption of Directive 202, in conformity with Basel III			
	Total risk weighted assets	123,812	-	
Capital ratios and capital conservation buffer				
61	Common Equity Tier 1 capital	9.01%		
62	Tier 1 capital	9.01%		
63	Total capital	12.94%		
64	Not applicable	-		
65	Not applicable	-		
66	Not applicable	-		
67	Not applicable	-		
68	Not applicable	-		
Minimum requirements stipulated by the Supervisor of Banks				
69	Minimum Common Equity Tier I capital adequacy ratio required by Supervisor of Banks	9.0%		
70	Minimum Tier I capital adequacy ratio required by Supervisor of Banks	9.0%		
71	Minimum overall capital adequacy ratio required by Supervisor of Banks	12.5%		
Amounts below deduction threshold (before risk weighting)				
72	Investments in capital of financial corporations (other than banking corporations and subsidiaries thereof), that do not exceed 10% of ordinary share capital issued by the financial corporation and that are below the deduction threshold	-	-	
73	Investments in Tier 1 capital of financial corporations (other than banking corporations and subsidiaries thereof), that do exceed 10% of ordinary share capital issued by the financial corporation and that are below the deduction threshold	2	-	21
74	Mortgage servicing rights	-	-	
75	Deferred tax assets arising from temporary differences, that are below the deduction threshold	780	-	

As of September 30, 2014

NIS in millions

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Cap for inclusion of provisions in Tier 2			
76	Provision eligible for inclusion in Tier 2 in respect of exposures subject to standardized approach, prior to application of cap	1,298	-
77	Cap on inclusion of provisions in Tier 2 under standardized approach	1,435	-
78	Provision eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach, prior to application of cap	-	-
79	Cap on inclusion of provisions in Tier 2 under internal ratings-based approach	-	-
Equity instruments not eligible as regulatory capital subject to transitional provisions			
80	Current cap for instruments included in Common Equity Tier 1 capital that are subject to transitional provisions	-	-
81	Amount deducted from Common Equity Tier 1 capital due to cap	-	-
82	Current cap for instruments included in additional Tier 1 capital that are subject to transitional provisions	-	-
83	Amount deducted from additional Tier 1 capital due to cap	-	-
84	Current cap for instruments included in Tier 2 capital that are subject to transitional provisions	3,573	-
85	Amount deducted from Tier 2 capital due to cap	226	-