

Relatively Minor Second Quarter Losses for Harel Insurance – NIS 57 Million

Harel Insurance, which is controlled by the **Hamburger** family, ended the second quarter of 2012 with a comprehensive loss of NIS 57 million, in contrast with a profit of NIS 13 million in the parallel quarter – a relatively limited loss in comparison with other companies in the sector. The company concluded the first six months of the year with a comprehensive profit of NIS 230 million. In the quarter, Harel allocated a provision of NIS 24 million due to longer longevity. Harel life insurance swung to heavy losses, with the Company reporting a comprehensive loss of NIS 123 million in the sector, in comparison with a profit of NIS 17 million in the parallel quarter. In contrast, Harel recorded a profit of NIS 10 million in general insurance and a profit of NIS 51 million in health – a 100% and 16% increase respectively. In financial services, company profits declined by 43% to NIS 4 million. In terms of scale of activity, Harel recorded increases in most parameters. In long-term savings, premiums increased by 6% to NIS 793 million while in health, the scale of activity surged by 18% to NIS 705 million. In general insurance, the company maintained stability with a 2% increase in premiums to NIS 706 million. At the end of the quarter, Harel reported equity of NIS 3.76 billion.

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