

Periodic Report for the Year 2013

Chapter D Additional Details on the Corporation

Africa Israel Investments Ltd.

Regulation 8B

Significant Valuations

Attached to the Periodic Report are valuations of the AFI Mall City project, which meets the definition of a very material valuation for determining the value of data in the Periodic Report, pursuant to Regulation 8B.

For details regarding the material and very material valuations made during the reporting period (the year 2013), see Appendix A of the Directors Report.

Regulation 9

Financial Statements

Attached hereto are the audited annual financial statements of the Company as at December 31, 2013, prepared pursuant to the Securities Regulations (Annual Financial Statements) 2010. The financial statements include the report of the Company's auditors, dated March 30, 2014, on the said financial statements.

Regulation 9B

Report on the effectiveness of the internal audit on the Financial Statements and on disclosure

Attached hereto to this Periodic Report is a Report on the effectiveness of the internal audit on financial reporting and disclosure.

Regulation 9C

Separate Company Financial Statement

The Company's solo financial statement is attached to the Company's financial statements for the year ended December 31, 2013.

Regulation 9D

Report on liabilities by repayment date

For details on the Company's liabilities by repayment date, see the Immediate Report published by the Company on March 30, 2014 (Ref No. 2014-01-028980). The information contained in the said Report is hereby included by way of reference.

Regulation 10A

Condensed Quarterly Statements of Comprehensive Income

Attached hereto as **Appendix A** of this Chapter are the condensed quarter statements of comprehensive income.

Regulation 10C

Use of the proceeds of securities

According to a shelf offering report (amended) that the Company published on April 21, 2013 pursuant to the Company's shelf prospectus dated May 9, 2011 (as amended on May 28, 2012 and on December 18, 2012; hereinafter, "**the rights offering**" and "**the shelf prospectus**," respectively), the Company issued 28,999,563 ordinary registered shares of the Company of NIS 0.1 par value each, and 23,199,651 option warrants (Series 8) convertible into shares, such that each option warrant may be converted into a single ordinary share of the Company, in a rights offering. In consideration of the rights exercised as aforesaid, the Company received a total of NIS 217.5 million (gross). Until the final exercise date (October 31, 2013), 10,354 option warrants were exercised and converted into 10,354 ordinary shares of the Company, for a total of NIS 103 thousand. Unexercised option warrants expired on October 31, 2013. The proceeds of the issue were used by the Company to finance the Company's business operations, as decided by the Company's management and/or board of

directors, from time to time.

Regulation 11 **List of investments in subsidiaries and related companies as at the date of the statement of financial position**

Attached hereto as **Appendix B** to this Chapter is a list of investments in subsidiaries and related companies as at the date of the Report of the Financial Position.

Regulation 12 **Changes in investments in subsidiaries and related companies in the reported year**

Attached hereto as **Appendix C** to this Chapter are details of the changes in investments in subsidiaries and related companies in the reporting year.

Regulation 13 **Income of subsidiaries and related companies and income of the Company deriving from them, as at the date of the statement of financial position**

Attached hereto as **Appendix D** to this Chapter are details of the revenues of subsidiaries and related companies, and the Company's income therefrom, as at the date of the statement of financial position.

Regulation 14: **List of groups of outstanding granted loan balances as at the date of the statement of financial position**

The granting of loans is not one of the primary functions of the Company.

Regulation 20 **Trading on the Stock Exchange**

Pursuant to the rights offering published by the Company dated December 18, 2012 (and its amendment dated December 26, 2012), on the basis of the shelf prospectus, the Company issued, on January 1, 2013, bonds (Series ZA) of the Company in the amount of NIS 1,587,901,654 in exchange for bonds (Series Z) of the Company in the amount of NIS 1,468,484,494.18. Bonds (Series ZA) were listed for trade on the TASE.

Pursuant to the amended shelf offering published by the Company on April 21, 2013, the Company issued (by way of rights to its shareholders) 28,999,563 registered ordinary shares of the Company of NIS 0.1 par value each, and 23,199,651 option warrants (Series 8). The aforementioned shares were listed for trade on the TASE. The option warrants (Series 8) were listed for trade on the TASE. Until the final exercise date (October 31, 2013), 10,354 option warrants and 10,354 ordinary shares of the Company, were exercised and listed for trade on the TASE.

Option warrants (Series 8) that were not exercised by the final exercise date (October 31, 2013) expired and confer no right of any kind to the option warrant holders, and are null and void.

In the reporting period no suspensions of trading in the Company's securities occurred (excluding brief scheduled suspensions, as are customary at the time of publication of financial statements and/or Immediate Reports.

Regulation 21**Remuneration of Interested Parties and Senior Officers**

A. Set forth below are details of the remuneration¹ paid to each of the five parties having the highest remuneration among the senior officers of the Company or of any body corporate that it controls, in connection with their service in office in the Company or in such a controlled corporation in 2013 (in NIS thousands):

Name	Position	% of full-time position	% held in the Company's equity	Salary (*)	Bonus received in 2013 for previous years ²	Bonus approved for 2013 but not yet paid	Share-based payment	Management fees	Consulting fees	Other (**)	Total exc. equity-based awards	Grand Total
Lev Leviev (1)	COB of the Company and acting COB of AFI Development	(***)	47.38% (****)	4,331	-	2,166	12,892	644 (*****)	-	99	7,240	20,132
Mark Groisman (2)	CEO AFI RUS, Executive Director of AFI Development	100%	-	1,669	-	902	1,714	-	-	-	2,571	4,286
Abraham Novogrotsky (3)	CEO of the Company	100%	-	1,896	-	1,081 ³	368	-	-	161	3,075	3,442
Tzvia Leviev-Alazarov (4)	VP Marketing and Business Development in AFI Development	100%	-	1,098	-	541	1,371	-	-	332	1,971	3,343
Avinadav Grinson (5)	Deputy COB of the Company	100 hours	-	-	-	618 ⁴	264	-	1,357	313	2,288	2,553

(*) Ms Tzvia Leviev-Alazarov, Mr. Lev Leviev, and Mr. Mark Groisman received their salary in foreign currency. The amounts above have been translated based on the average exchange rate of the dollar in 2013: 3.609 NIS to the USD.

(**) For Ms Tzvia Leviev-Alazarov - flight expenses, rent, and education; For Mr. Lev Leviev and Mr. Abraham Novogrotsky – vehicle and mobile phone expenses; For Mr. Nadav Grinson – director's salary, vehicle and mobile phone expenses.

(***) Under a management services agreement between the Company and a company controlled by Mr. Lev Leviev, according to which Mr. Lev Leviev grants non-executive COB services to the Company, the percentage of a full-time position was not defined. Under an agreement to provide executive COB services between Mr. Lev Leviev and AFI Development, according to which Mr. Leviev serves as an executive COB on AFI Development, it was determined that, with consideration to his senior position, it is not possible to determine the scope of his position. Instead, the aforementioned service agreement defined a series of tasks to which he is committed as part of his position, alongside a declaration by Mr. Leviev, regarding his consent to devote to AFI Development the time necessary to perform the tasks.

(****) Through companies that he owns and controls, as detailed in Section 1.1.2 of the Description of the Company's Business.

(*****) Management fees were paid to a company owned by Mr. Leviev, as stated in Regulation 22 hereinafter.

¹ "Remuneration" – includes commitments to provide remuneration, directly or indirectly, and including a monetary amount and anything that constitutes a monetary equivalent, salary, bonus, management fees, consulting fees, rent, commission, interest, share-based payment, retirement compensation that is not a pension payment, a right of enjoyment and any other benefit – excluding dividends. The remuneration amounts in the table are presented in terms of cost to the Company.

² It should be noted that in the course of 2013, bonuses in respect of the year 2012 were paid to Mr. Groisman and Ms. Leviev- Alazarov. Nonetheless, in view of the fact that the amounts of these bonuses were included in Regulation 21 of the Chapter Additional Details on the Company, the aforesaid bonus amounts were not included in this regulation by the Company in order to prevent duplication in presentation, although the Company included them in the details on the terms of employment of each of the aforementioned officers.

³ The bonus to Mr. Novogrotsky was calculated according to the terms of the annual bonus plan for the year 2013, which are according to the Company's remuneration policy approved by the Company's general meeting on October 21, 2013. The bonus amount was determined in respect of satisfaction of meeting measurable targets determined on the basis of the Company's work plan for the year 2013, and with reference to the following measures: the Company's consolidated profit (before tax), cash flows, key performance indicators from the subsidiaries' work plans, and a qualitative measure of the supervisor's evaluation at a non-significant weight (20%). Mr. Novogrotsky's weighted aggregated score representing satisfaction of the Company's indices, individual targets, and supervisor's evaluation, was 134%. It should be clarified that the bonus was calculated separately for each index, based on his satisfaction of the target for that respective index.

⁴ The bonus to Mr. Grinson was calculated according to the terms of the annual bonus plan for the year 2013, which are according to the Company's remuneration policy approved by the Company's general meeting on October 21, 2013. The bonus amount was determined in respect of satisfaction of meeting measurable targets determined on the basis of the Company's work plan for the year 2013, and with reference to the following measures: the Company's consolidated profit (before tax), cash flows, key performance indicators from the subsidiaries' work plans, and a qualitative measure of the supervisor's evaluation at a non-significant weight (20%). Mr. Grinson's weighted aggregated score representing satisfaction of the Company's indices, individual targets, and supervisor's evaluation, was 134%. It should be clarified that the bonus was calculated separately for each index, based on his satisfaction of the target for that respective index. In view of Mr. Grinson's request to waive a share of the bonus to which he is entitled under the bonus plan for the year 2013, the Company's Remuneration Committee and Board of Directors decided to approve a smaller bonus for him in the amount of NIS 618 thousand.

Set forth below are additional details with regard to the recipients of the said remuneration:

(1) Lev Leviev

Agreement to provide management services as COB of the Company

The Company receives management services in the context of an agreement dated April 25, 1999 between the Company and Memorand Management (1998) Ltd., a Company owned and controlled by Mr. Lev Leviev, the controlling shareholder in the Company (hereinafter, “the Management Services Agreement”), who services as COB.⁵ The Management Services Agreement is not limited in time and can be terminated by 30 days’ notice or upon the termination of Mr. Leviev’s service as CPB. The consideration for the management services was set at NIS 40 thousand per month, linked to the CPI of January 1999 (that is, NIS 54 thousand as at the date of this Periodic Report) and VAT as mandated by law. The Company makes available to Mr. Leviev an appropriate vehicle and mobile telephone device, and covers all expenses and mandatory payments that apply to and/or related to the vehicle and/or the mobile telephone and/or making them available to Mr. Leviev, including tax payments in respect of the tax benefit embedded in making said vehicle available to him. Furthermore, Mr. Leviev is entitled to reimbursement of his expenses incurred in the course of his performance as COB of the Company, including travel and accommodation expenses overseas. In 2013, the Company paid Memorand Management management fees of NIS 644 thousand.

In September 2011, the general meeting of the Company ratified the Management Services Agreement for a further period of 3 years from September 15, 2011. For further information, see the Immediate Reports published by the Company on August 8, 2011 (Ref No. 235065-01-2011), on August 9, 2011 (Ref No: 236193-01-2011), on September 6, 2011 (Ref No. 265971-01-2011), and on September 13, 2011 (Ref No: 272694-01-2011). The information contained in the said reports in this Section as above has been included by way of reference.

Service as Executive Chairman of the Board of AFI Development

In November 2012, Mr. Lev Leviev was appointed to the position of Executive Chairman of the Board of Directors of AFI Development. For information see the Immediate Report published by the Company on November 23, 2012 (Ref No. 287793-01-2012, hereinafter, “The Report”). The information included in said report is included herein by way of reference.

In his new position, Mr. Leviev is entitled to a managerial remuneration package, as is every member of the management of AFI Development. Under this package, Mr. Leviev was awarded 31,430,822 option warrants (hereinafter, “The Option Warrants”) for AFI Development Ordinary B Class shares, each of USD 0.001 par value, at an exercise price of USD 0.5667, within the framework of an existing equity remuneration scheme for members of AFI Development Management. Mr. Leviev’s appointed may be terminated upon advance notice of three months, subject to accepted exceptions. The Management Services Agreement determined a series of tasks that Mr. Leviev committed to perform as part of his position, alongside a declaration of Mr. Leviev, regarding his consent to devote to AFI Development the time required to perform the tasks. For his service as Executive Chairman of the Board of Directors of AFI

⁵ It should be noted that taking into consideration the consideration in respect of the management services described hereinafter, Mr. Leviev receives no additional directors remuneration from the Company regarding his service as the COB of the Company.

Development, Mr. Leviev is entitled to a monthly payment of USD 100 thousand, and reimbursement of expenses. Furthermore, the Board of Directors of AFI Development may grant bonuses to Mr. Leviev, after approval of the Remuneration Committee of AFI Development, at its discretion, taking into consideration any business improvement in AFI Development and Mr. Leviev's contribution to it. For additional information on the terms of Mr. Leviev's employment in AFI Development and in connection with the option warrants, see Note 36(c)(1)(c) of the Company's Consolidated Financial Statements as at December 31, 2013.

(2) Mark Groisman

In May 2011, Mr. Mark Groisman was appointed as CEO of an AFI Development subsidiary, AFI RUS, which is engaged in the management and operation of AFI Development's activities in Russia and commencing from January 2012, he was appointed to serve as Executive Director in AFI Development. At the date of this Periodic Report Mr. Groisman's annual remuneration amounts to USD 462 thousand. The AFI Development Board of Directors may award Mr. Groisman a bonus this after approval of the Remuneration Committee of AFI Development, as may be decided at its discretion, taking into account the business improvement in AFI Development and Mr. Groisman's contribution to this. Mr. Groisman is entitled to social benefits as is customary in AFI Development and also receives reimbursement of car and telephone expenses. In 2013 an annual bonus for 2012 amounting to approximately USD 250 thousand (NIS 887 thousand) was approved and paid to Mr. Groisman. On May 21, 2011, AFI Development issued to Mr. Groisman 5,238,470 non-negotiable option warrants convertible (notionally) for up to 5,238,470 ordinary shares (B-Shares) of AFI Development. Furthermore, on March 18, 2014, the Board Directors of AFI Development approved a bonus for Mr. Groisman in respect of 2013 amounting to NIS 902 thousands.

(3) Abraham Novogrotsky

Mr. Abraham Novogrotsky (hereinafter, "the CEO") has been serving as CEO of the Company since July 22, 2012. The employment of the CEO under the agreement is for an indeterminate period. Either party may terminate the Agreement upon written notice of 3 months in advance, subject to customary exceptions. The CEO's monthly salary is NIS 110 thousands gross (linked to the index of June 2012). At the date of this Periodic Report, the CEO's monthly salary amounts to NIS 113 thousands. The Company places at the CEO's disposal for the purposes of performing his duties, a customary vehicle (hereinafter in this subsection, "the Vehicle") and also bears all the expenses pertaining to the vehicle being made available and the grossed up tax in respect of the use value of the Vehicle. The CEO is entitled to paid sick leave, paid leave and convalescence, as well as other benefits as customary for senior executives, mobile telephone and landline maintenance, reimbursement of reasonable expenses. The Company and the CEO also make contributions to managerial insurance/pension fund/provident fund (as the case may be, jointly hereinafter, "the Pension Funds") in respect of benefits, severance pay, and disability pay, and contributions to a further education fund, at the customary rates. On March 30, 2014, the Company's Board of Directors (after approval of the Company's Remuneration Committee) approved Mr. Novogrotsky's entitled to a total of NIS 1,018 thousand, according to the Company's 2013 annual bonus plan that was approved by the general meeting of the Company. The annual 2014 bonus plan was also approved according to the

guidelines of the remuneration policy, subject to the approval of the Company's general meeting, notice of which shall be published in the next few days. According to the 2014 plan, Mr. Novogrotsky will be entitled to an annual bonus equal to nine monthly salaries, subject to his meeting target defined in the 2014 bonus plan. Furthermore, according to the three-year bonus plan approved by the Company's general meeting, Mr. Novogrotsky will be entitled to a three-year bonus of up to 4.5 monthly salaries (at the conclusion of three years of the plan), subject to his satisfaction of the multi-annual target defined in the three-year plan. For information on the 2014 plan and the three-year plan, see Sections 1.17.6.2(B)(4) and 1.17.6.2(B)(5) of the Chapter Description of the Company's Business. Under his employment contract, the Company undertook to take steps to approve an option plan for the CEO, subject to all the approvals required by law, according to which option warrants will be issued to the CEO, convertible into 1,007,553 ordinary shares of the Company (subject to customary adjustments)(0.75% of the rights in equity and voting rights).⁶ The exercise price of each option will be NIS 24.76.

In his previous position as CEO of Africa Industries, the CEO held 15,059 non-negotiable option warrants convertible into 15,059 ordinary shares of Africa Industries. For information on said option warrants, see Note 36(C)(5)(a) to the Company's financial statements as at December 31, 2013. Upon issue of the Company's option warrants to the CEO, all option warrants issued to him by Africa Industries will expire and be cancelled. Upon conclusion of his work in the Company, for any cause, the CEO will be entitled to receive all the moneys accrued in his favor in the Funds and said further education fund, severance pay on the basis of his last salary, less Fund moneys paid to him in respect of the severance pay component. The CEO will also be entitled to an adjustment bonus equal to 4 monthly salaries and the equivalent amount of the ancillary benefits, and an amount equal to the Company's contribution to the Funds in respect of four months of employment – unless the conclusion of the CEO's work was under circumstances that justify cancellation of severance pay by law, or in the event of a fundamental breach of the Agreement by the CEO. For information on the CEO's employment terms, see the Immediate Report published by the Company on July 8, 2012 (Ref no. 2012-01-179658), hereinafter in this Section, "the Immediate Report"). The information included in the Immediate Report is included herein by reference.

(4) Tzvia Leviev - Alazarov

Ms. Tzvia Leviev-Alazarov (hereinafter, "Tzvia") the daughter of Mr. Lev Leviev, the Chairman of the Board of Director of the Company and its controlling member, has been employed since August 2010 as director of marketing, property management, and business development in AFI Development. Tzvia's monthly salary amounts to USD 25,000 (gross). In addition, Tzvia is entitled to have residential accommodation provided for her as well as cost of living expenses of up to USD 5,000 per month. Tzvia is also entitled to payment by AFI Development in respect of 8 annual trips from Russia to Israel (or to another country subject to the flight tariff being identical) and payment by AFI Development in respect of annual flights from Russia to Israel (or to another country, subject to the flight tariff being identical) for Tzvia's relatives (6 annual flights for Tzvia's spouse, 4 annual flights for her children). In addition, AFI

⁶ At the CEO's request, action to promote approval of the option plan was suspended at this stage.

Development makes a vehicle and cellular telephone available to Tzvia for the performance of her duties, bears the costs of medical insurance for Tzvia and her family, and covers the expenses of education of Tzvia's children, amounting to about USD 1,500 per month. As part of the terms of her employment, Tzvia is entitled to 28 days paid leave per annum.

According to Tzvia's contract of employment, she will be entitled to bonuses, which will be paid to her according to AFI Development's policy, subject to the discretion of the CEO of AFI Development.

In 2013, Tzvia's salary in AFI Development amounted to approximately USD 304 thousands. On May 29, 2007, the Board of Directors of the Company and its Audit Committee made a decision whereby AFI Development issued 169,540 options to Tzvia convertible into up to 169,540 GDR Certificates representing shares of AFI Development. For further details about the options see Note 36(C)1(b) of the Consolidated Financial Statements of the Company as at December 31, 2013. In May 2012, the Company announced that AFI Development announced the issue of options, convertible into ordinary B-shares of AFI Development to officeholders in AFI Development's subsidiaries, including Tzvia, (to whom 4,190,776 options were issued), representing 1.6% of the capital and voting rights in AFI Development. For further details see the Immediate Report dated May 22, 2012 (Documentary Authority No.: 131187-01-2012). The information included in the same report is hereby included by way of reference. In 2012, an annual bonus in the amount of USD 150 thousand (NIS 579 thousand) was approved and paid to Tzvia in respect of the year 2012. On March 18, 2014, AFI Development's Board of Directors approved an annual bonus to Tzvia in respect of the year 2013, in the amount of NIS 150 thousand.

(5) Avinadav Grinspon

Mr. Avinadav Grinspon (hereinafter, "Nadav"), serves as Vice Chairman of the Company's Board of Directors and also provides it with consulting services in the sphere of investments and finance, under a Service Agreement signed with him in April 2007, and in an Addendum to the Service Agreement dated July 2008 (hereinafter, "the Service Agreement"). The term of the Service Agreement was limited to September 2014 but it may be terminated earlier by 30 day's advance notice or upon the conclusion of Nadav's service as a director of the Company. According to the Service Agreement, the services rendered will be of a scope of not fewer than 100 hours per month (excluding discussions of the Company's Board of Directors and hours devoted to preparations for said meetings). The consideration in respect of the services is NIS 100 thousand per months,⁷ and VAT as mandated by law. The consideration is linked to increases in the CPI relative to the CPI in respect of May 2008 (hereinafter, "the Monthly Consideration"). As at the date of this Periodic Report, the Monthly Consideration is NIS 103 thousand, and VAT. On March 30, 2014, the Company's Board of Directors approved (after receiving approval of the Company's Remuneration Committee) Nadav's eligibility to receive a bonus of a total amount of NIS 618 thousand, pursuant to the Company's 2013 annual bonus plan, which was approved by the general meeting of the Company, and after Mr. Grinspon requested to reduce the amount of the bonus. On March 30, 2014, the

⁷ In January 2009, Nadav informed the Company that as part of the steps towards the greater efficiency of the Company and with the object of assisting the Company in its preparedness for the world economic crisis and its effect on the Israeli economy, he had decided to waive 10% of his salary for 2009. As instructed by the Deputy COB, the reduction in his salary will continue until further notice.

Company's Board of Directors (after receiving approval of the Company's Remuneration Committee) the Company's 2014 annual bonus plan for the CEO and other Company officers, including Nadav. Nadav's participation in the plan is subject to the approval of the Company's general meeting, a notice of its convention will be published in the next few days. According to the 2014 plan, Mr. Grinson will be entitled to an annual bonus equal to nine monthly salaries, subject to his meeting target defined in the 2014 bonus plan. Furthermore, according to the three-year bonus plan approved by the Company's general meeting, Mr. Grinson will be entitled to a three-year bonus of up to 4.5 monthly salaries (at the conclusion of three years of the plan), subject to his satisfaction of the multi-annual target defined in the three-year plan. For information on the 2014 plan and the three-year plan, see Sections 1.17.6.2(B)(4) and 1.17.6.2(B)(5) of the Chapter Description of the Company's Business. The Company issued 225,000 non-negotiable option warrants to the Trustee for Nadav, convertible (subject to adjustments) into 225,000 ordinary Company shares. In June 2013, Nadav announced that he forgoes the option warrants that he held to that date. For information see Note 36(A)(1) to the Company's financial statements as at December 31, 2013. The Company makes available to Nadav, for the performance of his duties, a vehicle and a mobile telephone device, and covers all the expenses and mandatory payments that apply to them and the grossed up tax in respect of their usage value. Nadav is entitled to reimbursement of his expenses incurred in the performance of his duties, whether in Israel or overseas (including per diem), pursuant to the Company's procedures and is customary for CEO and COB positions of corporations that are members of the Company Group. Furthermore, the Company bears all taxes that apply to Nadav in respect of said reimbursement (if any). Furthermore, Nadav is entitled to remuneration in respect of his service as a Company director as long as he serves as said director, subject to the necessary approvals by law. The cost of the payments in respect of Nadav's service as director in the Company totaled NIS 139 thousand in 2013. In May 2007, Nadav was issued 254,310 option warrants for 254,310 Global Deposit Certificates (GDR) representing AFI Development's shares. On August 8, 2013, Nadav waived the right to these option warrants. For further information on the option warrants, see Note 36(C)(1)(a) of the Company's Consolidated Financial Statements as at December 31, 2013.

- B. Set out below is a detailed breakdown of remuneration paid in 2013, by the Company or by companies that it controls, to each interested party in the Company who is not a recipient of remuneration as stated in the above tables:

Directors' remuneration and attendant expenses that do not exceed the norm, paid by the Company to all the Company's directors totaled NIS 1,078 thousands in 2013.

On December 30, 2010, the Company's Board of Directors, after having received approval of the Audit Committee at its meeting on December 29, 2010, approved payment of remuneration to all the directors serving in the Company now and shall be serving in the future from time to time, including the outside directors, and Mr. Avinadav Grinson (who is employed by the controlling shareholder of the Company as part of his private business activities) (but with the exception of the Chairman of the Board of Directors, Mr. Lev Leviev, the controlling shareholder in the Company, who is employed under a separate management agreement). For further details on the directors' remuneration approved as aforesaid, see the

Immediate Repo published by the Company on January 2, 2011 (Ref No. 2011-01-001494). The information included in the said report is shown herein by way of reference.

Regulation 21 A **Control of the Company**

The controlling shareholders in Africa Investments are Mr. Lev Leviev and companies wholly owned and controlled by him.

Regulation 22 **Transactions with the Controlling Shareholder or in which the Controlling Shareholders has a personal interest**

Set forth below are details, to the best of the Company's knowledge, regarding each transaction with the Company's controlling shareholder or with respect to which the Company's controlling shareholder has a personal interest in its approval (hereinafter, "**Transaction with the Controlling Shareholder**"), which the Company, companies it controls, or its related companies (hereinafter, "**the Group Companies**") entered into in the Report Year, or at a date later than the end of the Report Year and up to the date of the Report or which is still in effect as at the date of the Report:

Transactions listed in Section 270 (4) of the Companies Law, 1999⁸

1. Officers Insurance Policies

The liability of officers of the Company and of several of its subsidiaries (including Mr. Lev Leviev, the Company's controlling shareholder, and Ms. Tzvia Leviev-Alazorov, the controlling shareholder's daughter) was insured in 2013 under an officer's liability insurance policy.

At the date of the Report, the Company has entered into insurance policies insuring the liability of officers for a period from May 1, 2013 until November 1, 2014.

On July 8, 2013, the general meeting of the Company decided to approve and ratify the Company's enter into, with a group of insurers in the international insurance market (hereinafter, "the Insurers"), officers' liability insurance policies for the period from May 1, 2013 to November 1, 2014 (hereinafter, "the Insurance Period"), as set forth in the report to convene the meeting, published by the Company on May 29, 2013 (Ref. no. 2013-01-077542). The information included in the said report is included herein by way of reference.

2. Indemnification of Officers

Liability in respect of indemnification dated July 1999

⁸ Under the provision of the Arrangements and pursuant to the conditions of the Debentures (Series ZA), exceptional transactions with the controlling shareholders in the company or in respect of which the controlling shareholder has a personal interest, shall for a period of 5 years from the date of finalization of the Arrangement, be subject, in addition to all such approvals as are required by law, also to approval of the Bond Holders (Series Z and ZA) of the Company by a simple majority. For the removal of doubt, these provisions shall not apply in relation to exceptional transactions that were duly approved prior to the date of execution of the Arrangement. Additionally, the Company has undertaken that in a case in which the Company in the future seeks approval of a transaction or any action in accordance with the Companies Regulations (Relief in Transactions With Interested Party) 2000 (hereinafter, 'The Relief Regulations'), in that event, in the Immediate Report of the Transaction under the Relief Regulations (hereinafter in this Section: "The Relief Report") it should be stated that if one or more Bond Holders (Series Z) and/or (Series ZA), holding at least Five Per Cent (5%) of the balance of the par value of the Bonds of the relevant series, has given notice of his objection to the granting of such relief, the transaction or action shall be also subject to approval of a meeting of the Bond Holders of the relevant series. It is clarified that the entry into an exceptional transaction without receipt of approval of the Bond Holders (Series Z or ZA) in accordance with the provisions detailed above shall constitute a ground for calling in the Bonds (Series Z or ZA) for immediate repayment.

For information on the Company's liability to indemnify the Company's officers, from July 1999, see Note 39(H)(2) to the Company's Consolidated Financial Statements dated December 31, 2013.

For details concerning the decision of the Company's Audit Committee of September 15, 2011, for restricting the period of the 1999 Indemnification Decision to a period of 9 years from the date of the said Decision, namely until September 14, 2020, and in respect of the decision that the period of any letter of indemnity that may be issued from the day of this decision and thereafter, shall be for 9 years from the date of issue, see the Immediate Report published by the Company on September 18 2011 (Documentary Authority No: 276540-01-2011). The information included in the said Report is hereby included by way of reference.

Liability in respect of indemnification in relation to the 2007 Shelf Prospectus

For details concerning the Company's obligation to indemnify the Company officers with respect to the shelf prospectus dated 2007, see report of convening of a meeting published by the Company on May 15, 2007 (Ref. No: 391031-01-2007) and the report of the results of the meeting dated June 24, 2007 (Ref. No: 302080-01-2007). The information included in the said reports is included herein by way of reference.

2009 Liability in respect of indemnification

For details concerning the Company's 2009 obligation to indemnify the Company officers, See Note 39(H)(2) to the Company's Consolidated Financial Statements of December 31, 2013, and the amended report of the convening of the general meeting of the Company published by the Company on July 16, 2009 (Documentary Authority No: 172032-01-2009) (above and hereunder, "The Convening of the Meeting Report"), and also the Results of the Meeting Report published by the Company on August 16 2009 (Ref. No. 198330-01-2009) (hereinafter, "Results of the Meeting Report"). The information included in the Convening of the Meeting Report and in the Results of the Meeting Report is stated herein by way of reference.

For details concerning the decision of the Company's Audit Committee dated September 15, 2011 to restrict period of the 1999 Indemnification Decision to a period of 9 years from the date of the said Decision, namely until September 14, 2020, and as to the decision that the period of any letter of indemnity that may be issued from the date of this decision and thereafter will remain in effect for 9 years from the date of issue, see the Immediate Report published by the Company on September 18, 2011 (Ref. No: 276540-01-2011). The information included in the said Report is included herein by way of reference.

Liability in respect of indemnification dated January 2012

For information on the Company's obligation, made in advance, to indemnify the directors and other Company officers, dated January 2012, see Note 40(H)(2) to the Company's Consolidated Financial Statements of December 31, 2013, and the Supplementary Report to the Convening of the Meeting Report, dated December 28, 2011, (Ref. No: 377292-01-2011), and the Results of the Meeting Report dated January 4, 2012 (Ref. No: 005388-01-2012). The information contained in the said Supplementary Report and Results of the Meeting Report is included herein by way of reference.

Indemnification and insurance by subsidiaries

The Company's controlling shareholders and/or their relatives, as well as officers of the Company, serving as directors or as other officers in the Company's subsidiaries and/or related companies, are in receipt, from certain companies (which include Africa Properties, Africa Residential, Africa Industries and AFI Development), of letters of indemnity and their liability is insured under insurance policies, as is customary in these companies.

For details concerning the undertakings for indemnification given by the Company's subsidiaries to their officers, see Note 40(I)(3) – Note 40(I)(8) to the Consolidated Financial Statements as of December 31, 2013.

3. Agreement for the provision of management services by a company owned by the Chairman of the Board of Directors and terms of service in a subsidiary of the Company

For details concerning the Management Services Agreement between the Company and a company owned by the Chairman of the Board of Directors, and as to the terms of his service in AFI Development, a subsidiary of the Company, see Section (A)(1) of Regulation 21 above.

5. Terms of service and employment of Ms. Tzvia Leviev-Alazorov

For details concerning the terms of service of Ms. Tzvia Leviev-Alazorov, the daughter of Mr. Lev Leviev, the Chairman of the Company's Board of Directors and its controlling shareholder, see Section (a)(4) of Regulation 21 above.

6. Investment agreement in Vash Telecanal Ltd and agreement to sell the holdings of the Company and a company controlled by the Company's controlling shareholder in Vash Telecanal⁹

On January 14, 2013, Vash Telecanal entered into an contractual investment agreement (hereinafter, "**the Investment Agreement**") with a party unrelated to the Company (hereinafter, "**The Investor**"), under which the Investor (or a Company under his control) would invest money in Vash Telecanal in consideration for the allocation of Vash Telecanal shares, which would give the Investor, following his investment, about 48% of the issued capital of Vash Telecanal, a percentage identical to that that would be held upon conclusion of the transaction by the Company and Memorand Management, which is a company controlled by the Company's controlling shareholder.

Subsequently, on September 11, 2013, a transaction was concluded, according to which the Company and Memorand Management sold their entire holdings (65,204 shares) in Vash Telecanal to the Investor for a consideration of USD 5.96 million and loans that were granted by the Company and by Memorand Management, in equal shares, for a consideration of USD 0.54 million.

For additional information, see Section 1.20.1 of the Periodic Report.

7. The terms of employment of Ayelet Leviev in Africa Residences¹⁰

On March 3, 2013, the Africa Residential Board of Directors (following receipt of approval of the Africa Residences' Audit Committee) approved Africa Residences' entry into a contract of employment with Ms. Ayelet Leviev, the daughter of Mr. Lev Leviev, the Company's controlling shareholder, to the position of

⁹ Said agreements were approved by the Company's Audit Committee and Board of Directors, according to Article 275 of the Companies Law, and Article 1(4) of the Relief Regulations.

¹⁰ Approved by the Audit Committee and the Board of Directors of Africa Residential under Section 275 of the Companies Law and Section 1(b)(4) of the Relief Regulations.

sales representative (hereinafter, “Ayelet”), for a monthly salary of NIS 5,000 and reimbursement of expenses.

Ayelet concluded her employment in Africa Residences in August 2013.

8. The terms of employment of Hagit Sopofiev in AFI USA.¹¹

On July 11, 2013, the Company’s Board of Directors (after receiving the approval of the Audit Committee, dated July 4, 2013), approved AFI USA entering into an agreement with Ms. Hagit Sopofiev Leviev (hereinafter, “Ms. Leviev”), the daughter of Mr. Leviev, the controlling shareholder of the Company, in which Ms. Leviev will render general management services to AFI USA (and corporations that it controls) as an independent contractor, 50% of a full-time position, without any consideration and/or remuneration being paid to her in respect of said services. For information see the Immediate Report published by the Company on July 11, 2013 (Ref. No. 2013-01-091080). The information included in said report is included herein by way of reference.

9. Arrangement in respect of the Company’s obligations to the Bondholders

For details of the debt settlement Arrangement between the Company, its shareholders, the controlling shareholder and the Company’s old bondholders, see Sections 1.1.5 and 1.4A of the Chapter on the Description of the Company’s Business. As regards the foregoing in general, for information on waiver of claims against the Company, the controlling shareholder, officers of the Company, its advisors, employees and all those acting on its behalf, including the Company’s waiver of claims against the aforementioned under the Arrangement, see Section A.1.4.16 of the Chapter on the Description of the Company’s Business. Further, for details of the approval of the Meeting of the (Series Z) Bondholders of May 5, 2011 and as to approval of the general meeting of the Company on May 26, 2011, of the consent of the Company to the Addendum to the Irrevocable Undertaking signed by the controlling shareholder under the Arrangement for making additional investments in the Company’s capital pursuant to the Arrangement, see Section A1.4.1.7 of the Chapter on the Description of the Company’s Business.

Transactions not listed in Section 270 (4) of the Companies Law

Non-Exceptional Transactions with parties with an interest in the Company

On January 9, 2013, the Company’s Board of Directors, following approval of the Company’s Audit Committee, approved a procedure and criteria for the approval of non-exceptional transactions with interested parties in the Company, pursuant to the provisions of Section 117(A) of the Companies Law, which will be resubmitted for approval once annually.

Transactions that are approved in accordance with the aforementioned procedure will be reported pursuant to the relevant provisions of the Companies Law, subject to the Company’s insignificant transactions procedure, as set out below.

Insignificant transactions

- A. On February 25, 2010, the Company’s Board of Directors decided to adopt guidelines and rules with a view to classification of insignificant transactions as determined in Regulation 41(A)(6)(a) of the Securities

¹¹ Said agreement was approved by the Audit Committee and the Board of Directors under Section 275 of the Companies Law and Section 1(2) of the Relief Regulations.

(Annual Financial Statements) Regulations 2010. These guidelines and rules will also be used to examine the extent of disclosure in the periodic reports and in the Company's prospectuses (including in shelf offer reports), in respect of transactions of the Company, a corporation controlled by the Company and its related company jointly with a controlling shareholder or in which the controlling shareholder has a personal interest in its approval as stated in Regulation 22 of the Securities (Annual Financial Statements) Regulations 1970 (hereinafter, "the Periodic Reports Regulations"), and in Regulation 54 of the Securities Regulations (Details of the Prospectus and Draft of the Prospectus - Structure and Form) 1969, and also will be used to examine the necessity for publication of an Immediate Report in respect of such Company transactions, as provided in Regulation 37A(A) of the Periodic Reports Regulations.

- B. The Company's Board of Directors has determined that a transaction shall be deemed an insignificant transaction if in relation to it, the following conditions are satisfied:
- (1) It is not an "extraordinary transaction" (as defined in the Companies Law), in other words, it is in the ordinary course of the Company's business, under market conditions, and is unlikely to have a material effect on the Company's profitability, assets, or liabilities.
 - (2) The amount of the transaction does not exceed 0.1% of the Company's equity attributed to its shareholders, according to the most recently published annual financial statements. Notwithstanding the foregoing, a transaction of an amount of not exceeding NIS 1.5 million will be considered an insignificant transaction.
 - (3) The transaction is also insignificant from a qualitative standpoint.
 - (4) In multi-annual transactions (such as the leasing of a property over a period of several years), the insignificance of the transaction will be examined on an annual basis (for example as to whether the annual rent exceeds the amount stated above).
 - (5) Each transaction will be examined on its own merits, but the insignificance of combined or conditional transactions will be examined cumulatively.
 - (6) In cases in which a question arises as to application of the criteria detailed above, the Company shall exercise its discretion and shall examine the insignificance of the transaction on the basis of the purpose of the Periodic Reports Regulations, and the aforementioned guidelines and rules.
 - (7) The Company's Board of Directors may, from time to time and at its discretion, amend the guidelines and the rules detailed above. Such amendments will be reported as required by law.¹²
- C. To the best of the Company's knowledge, in the ordinary course of its business, the Company Group has conducted and/or is conducting transactions with controlling shareholders or in respect of which controlling shareholders have a personal interest in their approval, which are classified by the definition "insignificant transactions" in accordance with the tests detailed above. The said transactions are of such categories and have such characteristics as are detailed hereinafter (a) contracts for the purchase of advertising time on the specially designated Russian language television channel; (b) transactions for the leasing of office and commercial spaces.

¹² Up to February 25, 2010, the Company applied a test under which a transaction is was classified as insignificant if the effect on the relevant financial parameter was less than one per cent (1%) and less than 3% in aggregate for the year.

D. In November 2013, the Board of Directors of AFI Development approved the entry into an agreement of a subsidiary that holds the rights to the AFI MALL (hereinafter, “the Subsidiary”) and a company controlled by Mr. Leviev (hereinafter, “the Tenant Company”), the controlling shareholder and COB of AFI Development, according to which the Tenant Company will lease 1,500 sqm in the AFI MALL mall for a period of 10 years, for an annual consideration that is a function of, among other things, the store’s revenues, which is estimated to be between USD 600-900 thousands (depending on the projected store revenues (hereinafter, “the New Lease”).

The New Lease was approved by the Board of Directors of AFI Development, after having received the approval of a foreign investment bank that serves as an appointed consultant to AFI Development (“Sponsor”), pursuant to the stock exchange rules that apply to it in London, and after the Board of Directors of AFI Development determined that the agreement is within AFI Development’s normal scope of business and at market terms, taking into consideration the terms of agreements with other anchor tenants in AFI MALL that are not related to the controlling shareholder.

It should be noted that pursuant to the Company’s negligible transactions policy, and taking into consideration that the estimated consideration of the New Lease, entry into said New Lease constitutes a negligible transaction (being entered into in the normal course of business and at market terms, and its monetary scope does not exceed 0.1% of the equity attributed to the Company’s owners – which is the negligibility threshold). Nonetheless, considering the provisions of the procedure, according to which the negligibility of similar transactions, made at a similar time and place, are reviewed in aggregate, the Company gave notice of its entry into the New Lease, considering the existence of three previous agreements of AFI Development with companies controlled by the controlling owner to lease areas in AFI MALL totaling 1,400 sqm for periods of between five and seven years, and whose annual monetary extent, in aggregate, is USD 1 million in 2013 (an amount that it too, in itself, does not meet the negligibility threshold defined in the procedure).

Mr. Avinadav Grinspon’s terms of employment and service:

For information on the terms of employment and service of Mr. Avinadav Grinspon, who serves as the Deputy COB of the Company and renders to it consulting services in the field of investments and financing, based on a service agreement signed with him in April 2007, and amended by an addendum dated July 2008, and also serves as CEO and is employed by Memorand Management (1998) Ltd, which is an interested party in the Company and a company controlled by Mr. Lev Leviev, the Company’s COB and its controlling shareholders, see Section A(5) of Regulation 21 hereinabove. As the terms of Mr. Grinspon’s employment are consistent with the Company’s remuneration policy, as approved by the Company’s general meeting, the Company considers its entry into the service agreement with Mr. Grinspon a transaction that is not covered by Article 270(4) of the Companies Law (that is, is not an extraordinary transaction with other parties and is not terms of employment and service of a controlling shareholder or the relative thereof).

Regulation 24**Holdings of Interested Parties and Senior Officers**

To the best of the Company's knowledge, the Company's shares and other securities held by interested parties and executive officers of the Company, or in any of its subsidiaries or in any of its related companies, at or about the date of the Report, are as detailed in **Appendix E** attached to this Chapter.

Regulation 24A**Authorized, Issued Share Capital, and Convertible Securities**

For details of the Company's authorized and issued capital, see Note 34 to the Company's Financial Statements as of December 31, 2013. For details of the Company's convertible securities, see Note 36 to the Company's Financial Statements as of December 31, 2013.

Regulation 24B:**The Register of Shareholders:**

For details of the Company's Register of Shareholders see the Immediate Report published by the Company on March 9, 2014 (Documentary Authority No. 2014-01-008751). The information included in the said Report is stated herein by way of reference.

Regulation 25A**Registered Address, Telephone, and Fax Numbers**

Name of the Company: Africa Israel Investments Ltd.
The Company's registered address is: 4 Derech Hahoresh, Yehud.
Registration Number: 520005067
E-mail address: www.africa-israel.co.il
Telephone No. 03-5393535
Fax No.: 03-6321730

Regulation 26**The Company's Board of Directors**

Details of the Company's Board of Directors are listed in Appendix F to this Chapter.

Regulation 26A **Executive Corporate Officers**

Name	I.D. No.	Year of birth	Position in Company, subsidiary or in interested party	Family member of officer or interested party	Education	Business experience over the last 5 years	Start date of service
Abraham Novogrotsky	55106181	1958	CEO of the Company, CEO and Director of Africa Properties, Chairman and Director of subsidiaries and related companies in the Group	No	Academic - B.A. Degree in Business Administration from Bar Ilan University, MBA with specialization in Finance, from Bar Ilan University	Served as CEO of Africa Industries and as CEO of Packer Steel, a subsidiary of Africa Industries.	2012
Menashe Sagiv	054032750	1956	CFO of the Company and Director of subsidiaries and related companies in the Group	No	Academic – B.A. degree in Economics and Business Administration, MBA with specialization in Finance, from Bar Ilan University	Serving in his present position. Served as CFO in Israel Aircraft Industries.	2011
Larissa Cohen	034211235	1977	The Company Secretary and of subsidiaries in the Group	No	Academic - Bachelor of Law from the Hebrew University in Jerusalem and a graduate degree in Law from Tel Aviv University	Serving in her present capacity. Formerly, the Company's Attorney, an Attorney in the Law Firm of Wexler, Bergman and Co.	2012
Ronit Cohen-Nissan	24218257	1969	Comptroller. Director in subsidiaries and related companies in the Group	No	Academic – Bachelor's degree in Accounting from Tel-Aviv University, MBA from Bar Ilan University. CPA	Present position.	2001
Amihai Feivel	02850531	1971	Internal Auditor of the Company and of subsidiaries in the Africa Investments Group.	No	Academic - Bachelor's Degree in Business Administration from the College of Management, Master's degree in Law from Bar Ilan University	Deputy Chief Auditor of Africa Investments	2014

Regulation 26B **The Company's Authorized Signatories**

The Company has no independent authorized signatories.

Regulation 27 **The Company's Auditor**

The Company's auditors are: Somekh Chaikin, CPA, 17 Ha'arba'a Street, Tel Aviv;

And Deloitte Breitman, Almogor Zohar CPA, of Azrieli Building, 44th Floor, Round Building, Tel-Aviv.

Regulation 28 **Amendments to the Memorandum of Association or to the Articles of Association in the Reporting Year**

At the Company's general meeting on February 11, 2014, it was resolved to increase the Company's registered share capital. Accordingly, Section 12 of the Company's current Articles of Association and Section 4 of the Memorandum of Incorporation were amended to reflect the increase in the Company's share capital.

Regulation 29 **Recommendations and Resolutions of the Board of Directors and Resolutions of a Special General Meeting**

- A. At a general meeting of the Company on October 21, 2013, the following resolutions were adopted:
1. To approve the Company officers' remuneration policy according to Amendment 20 to the Companies Law;
 2. To approve the 2013 annual bonus plan for the Company's CEO, according to which the Company's CEO will be entitled to an annual bonus equal to 9 monthly salaries, subject to his meeting targets defined in the 2013 bonus plan, and a three-year bonus plan for the Company's CEO, according to which the Company's CEO will be entitled to a three-year bonus equal to up to 4.5 monthly salaries (at the conclusion of the three years of the plan), subject to his meeting targets defined in the three-year bonus plan;
 3. To approve the 2013 bonus plan for the Company's Deputy COB (hereinafter, "the Deputy COB"), according to which the Company's Deputy COB will be entitled to an annual bonus equal to 9 monthly salaries, subject to his meeting targets defined in the 2013 bonus plan, and a three-year bonus plan for the Company's Deputy COB, according to which the Company's Deputy COB will be entitled to a three-year bonus equal to up to 4.5 monthly salaries (at the conclusion of the three years of the plan), subject to his meeting targets defined in the three-year bonus plan;
- B. At the Company's general meeting on February 11, 2014, it was resolved to increase the Company's registered share capital by NIS 10,000,000, divided into 100,000,000 ordinary shares of the Company of NIS 0.1 par value each, such that after said increase, the Company's registered share capital will be NIS 30,000,000 divided into 300,000,000 ordinary shares of NIS 0.1 par value each.

Regulation 29A **Company Resolutions**

1. For information on the Board of Directors' decision to approve to AFI USA to enter into an agreement with Ms. Hagit Sopofiev, Mr. Lev Leviev's daughter (hereinafter, "Ms. Leviev"), according to which Ms. Leviev will render general management services to AFI USA (and corporations that it controls) as an independent contractor, 50% of a full-time position, without any consideration and/or remuneration paid to her in respect of said services, see Section (8) to Regulation 22 hereinabove.
2. Officers Liability Insurance
For details concerning the Company's Contract in an Officer's Liability Insurance Policy see Regulation 22, Subsection (a) above.
3. Indemnification of Officers
For details concerning indemnification of the directors and other officers of the Company from 1999, see Regulation 22 subsection (B) above.
For details concerning indemnification of the directors and other officers of the

Company in relation to the Company's 2007 Prospectus, see Regulation 22 subsection (B) above.

For details concerning indemnification of the directors and other officers of the Company from 2009, in connection with certain events that are foreseeable in light of the Company's actual activities, see Regulation 22 subsection (B) above.

For details concerning indemnification of the directors and other officers of the Company from 2011, in connection with certain events that are foreseeable in light of the Company's actual activities, see Regulation 22 subsection (B) above.

4. Waiver of claims as part of the Arrangement.

For details as to the various provisions concerning the waiver of claims and grant of exemption as part of the Company's debt arrangements, see Section A 1.4.16 of the Chapter on the Description of the Company's Business.

Date: March 30, 2014

Africa Israel Investments Ltd.

Abraham Novogrotsky
CEO

Menashe Sagiv
CFO

Appendix A

Condensed Quarterly Statements of Comprehensive Income (in NIS thousands)

	For the year ended December 31, 2013	Jan-Mar 2013	Apr-June 2013	Jul-Sep 2013	Oct-Dec 2013
	<u>(Audited)</u>	<u>(Unaudited)</u>	<u>(Unaudited)</u>	<u>(Unaudited)</u>	<u>(Unaudited)</u>
Revenues					
Construction and real estate transactions	3,193,070	734,803	919,344	759,824	779,099
Rentals and operation of properties	840,704	202,819	203,420	208,336	226,129
Industry	2,001,010	482,987	537,087	488,108	492,828
Other activities	76,497	18,496	20,424	18,480	19,097
Increase (Decline) in the value of investment property, net	384,798	55,132	143,948	189,577	(3,859)
Increase in the value of investment property under construction, net	220,776	13,547	11,617	191,538	4,074
Other income	<u>300,183</u>	<u>127,353</u>	<u>32,182</u>	<u>14,391</u>	<u>126,257</u>
	<u>7,017,038</u>	<u>1,635,137</u>	<u>1,868,022</u>	<u>1,870,254</u>	<u>1,643,625</u>
Costs and expenses					
Construction and real estate transactions	2,928,392	695,885	787,606	719,001	725,900
Re-evaluation of inventory of land and buildings	50,113	2,871	1,211	52,152	(6,121)
Maintenance, supervision and management of real estate and other properties	257,592	74,541	58,598	60,652	63,801
Share in income of investees treated in the equity method	24,903	13,450	13,141	(1,470)	(218)
Industry	1,837,835	447,866	492,857	452,255	444,857
Other activities	69,001	18,221	17,549	16,754	16,477
Administrative and general expenses	257,192	61,900	70,626	52,666	72,000
Amortization of intangible assets and other expenses	<u>98,620</u>	<u>14,117</u>	<u>51,696</u>	<u>20,451</u>	<u>12,356</u>
	<u>5,523,648</u>	<u>1,328,851</u>	<u>1,493,284</u>	<u>1,372,461</u>	<u>1,329,052</u>
Operating income	1,493,390	306,286	374,738	497,793	314,573
Financing expenses	(1,279,040)	(406,051)	(352,415)	(273,877)	(246,697)
Financing income	<u>138,282</u>	<u>76,838</u>	<u>20,650</u>	<u>19,431</u>	<u>21,363</u>
Financing expenses, net	<u>(1,140,758)</u>	<u>(329,213)</u>	<u>(331,765)</u>	<u>(254,446)</u>	<u>(225,334)</u>
Income (Loss) from ordinary operations before taxes on income	352,632	(22,927)	42,973	243,347	89,239
Taxes on income	<u>(202,398)</u>	<u>(18,013)</u>	<u>(48,272)</u>	<u>(94,572)</u>	<u>(41,541)</u>
Income for the period	<u>150,234</u>	<u>(40,940)</u>	<u>(5,299)</u>	<u>148,775</u>	<u>47,698</u>
Allocated to:					
Holders of rights in the Company's equity	(74,869)	(73,193)	(47,638)	43,013	2,949
Minority interests	<u>225,103</u>	<u>32,253</u>	<u>42,339</u>	<u>105,762</u>	<u>43,668</u>
Income for the period	<u>150,234</u>	<u>(40,940)</u>	<u>(5,299)</u>	<u>148,775</u>	<u>47,698</u>

Appendix B**Investments in Subsidiaries and Related Companies**

Company name	Par value	Cost in NIS thousands	Company's share in net income/ losses from the purchase date, in NIS thousands	Value in the Company's Separate Financial Statements, in NIS thousands	Share in issued share capital, voting rights and the right to appoint directors	Stock exchange price on reporting date	Other holders who own more than 25% of the shares in subsidiaries and related companies, and their interests
Af-Sar Ltd (28)	6,158				100%		
Africa Israel Properties Ltd. (3)(6)	15,937,463	1,079,320	335,296	1,414,616	56%	5,495	Public company
Haifa Quarries Ltd. (2)	180,000				45%		Mirage Development Israel Ltd holds 45% of the issued share capital. Tiferet Hamichonit Haifa Ltd. Holds 10% of the issued share capital
Givat Savyon Ltd. (28)	38,350				85%		
Kiryat Hamada Migdal Ha'emek Ltd. (5)	6,000,100				100%		
Flamingo Ltd (28)	2,250				100%		
One Half Jubilee Ltd. (4)	100				49%		Raul Fairmont Properties LP owns 51% of the issued share capital
Africa Israel (Finance) 1985 Ltd.	100,000	267	38,363	38,630	100%		
Netzer Nesharim Ltd (28)	200				100%		
K.L. Police Campus Ltd. (28)	500				50%		
M.S.A. Efrat Investments Ltd (109)	84,888				100%		
D.B.M. Harel Investments (2006) Ltd. (109)	84,888				100%		
Africa Israel Residences Ltd. (3)(6)(18)	9,383,070	-	(82,995)	(82,995)	74.47%	5,803	Public company

Company name	Par value	Cost in NIS thousands	Company's share in net income/ Losses, capital funds, net, from the purchase date, in NIS thousands	Value in the Company's Separate Financial Statements, in NIS thousands	Share in issued share capital, voting rights and the right to appoint directors	Stock exchange price on reporting date	Other holders who own more than 25% of the shares in subsidiaries and related companies, and amount of their interests
MTS Ltd.	20	--		--	20%		Egged Holdings Ltd holds 20% of the issued share capital, and three additional companies each hold 20% of the issued share capital
Africa Israel Investment House Ltd.	960	27,715	1,869	29,584	100%		
Africa Israel Mutual Fund Management Ltd. (104)	10,000				100%		
Africa Israel Investment Portfolio Management Ltd. (104)	1,000				100%		
A.L.A. Management and Operations (2005) Ltd.(4)	10		(2,889)	(2,889)	50%		Minrav Engineering and Building Ltd. holds 50% of the issued share capital
Africa Israel Trade and Agencies Ltd.	10,200		133,819	133,819	100%		
Africa Israel Industries Ltd. (3)	1,153,522	295,697	51,686	347,383	76.6%	26,870	Public company
Packer Construction Steel – Registered Partnership					100%		
Givat Shmuel Hahadasha Ltd (4)(22)	1,000				50%		
P.A. Development and Construction in Jerusalem Ltd. (4)(22)	100				50%		
Someil Towers Ltd. (4)(22)	100				50%		
Ram-Nah Ltd. (22)	575				57.5%		
Avi Yavetz and Co. Ltd. (22)	4,802				100%		
Meidan Carmel Ltd. (22)	0.01				100%		
Packer Steel Industries Ltd. (9)	13,873,589				100%		
Negev Ceramics Ltd. (9)	9,407,213				100%		
Orgal E.L.P. (2007) Ltd (93)	2,000,000				75%		

Company name	Par value	Cost in NIS thousands	Company's share in net income/ losses from the purchase date, in NIS thousands	Net Value in the Company's Separate Financial Statements, in NIS thousands	Share in issued share capital, voting rights and the right to appoint directors	Stock exchange price on reporting date	Other holders who own more than 25% of the shares in subsidiaries and related companies, and amount of their interests
Via Arcadia Home Design Ltd (93)	109,153				100%		
Super Ceramic Home Finishing Products – RP (118)					100%		
H.G.Y.Y Building Products Marketing Ltd (93)	7,444				100%		
Negev Home Design Ltd (93)	2,000,000				100%		
Negev Ceramics Marketing (1982) Ltd. (93)	50				100%		
Maklef 51 Ltd. (48)	500				50%		Nitzan Sdera Management and Development Ltd owns 50% of the issued share capital and 40% of the management shares
Negev Ceramics Marketing Nazareth Ltd. (48)	50				50%		Samir Awad owns 50% of the issued share capital
El-Gal Marketing Com Ltd. (48)	1,002				50.10%		El-Gal Acrylic Industries Ltd owns 49.9% of the issued share capital
N.D.R. Design Ltd. (48)	500				50%		Dana Regalo Ltd. owns 50% of the issued share capital
P.L.E. Lighting Engineering Ltd. (85)	6,234				37.5%		Mar Telecom, Lev Ophir Group Ltd and Nadler Tal and Co Ltd each own 25% of the issued share capital
Negev Romania SRL (48)	4,990				99.80%		
Packer YDPZ Metals Ltd. (60)	6,300,001				100%		
Packer YDPZ Profiles Ltd. (60)	16,440,000				100%		
Packer YDPZ Profile Marketing Ltd. (47)	1,000				100%		
Packer YDPZ Galvan Works Ltd. (60)	2,100				100%		

Company name	Par value	Cost in NIS thousands	Company's share in net income/ losses from the purchase date, in NIS thousands	Value in the Company's Separate Financial Statements, in NIS thousands	Share in issued share capital, voting rights and the right to appoint directors	Stock exchange price on reporting date	Other holders who own more than 25% of the shares in subsidiaries and related companies, and amount of their interests
Imku YDPZ Industries Ltd. (60)	59,150				100%		
Koa Gas (51)	RUB 10,000				100%		
Packer YDPZ Investments Ltd. (60)	1,000				100%		
Contek Zayd Electrony Ltd (43)	350,000				50%		Solomon and Sasbon Equipment Industries (1989) owns 50% of the issued share capital.
Packer Steel Investments (1963) Ltd. (9)	9				100%		
Packer Steel Trading (1981) Ltd. (9)	5,500,019				100%		
Earsfield Special Steels B.V. (9)	EUR 20,000				100%		
Earsfield Steels Limited (50)	EUR16,674				100%		

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N. Packer Ltd. (9)	1,000				100%		
Packer Steel Finance and Issuances (1982) Ltd. (42)	1,000				100%		
Danya Cebus Cyprus (26)	1,000				100%		
Rumbrol Trading Limited (26)	800				97.6%		
Craespon Management Ltd (115)	EUR 855				50%		
Nouana Ltd. (115)	EUR 855				50%		
Eitan (Cyprus) Ltd. (115)	EUR 1,710				100%		
Ironaqua Holdings Ltd. (115)	EUR 1,710				100%		
Danya Cebus Rus (27)	9,7607				100%		
Danya Cebus PM (107)	RUB 10,000				100%		
Danya Cebus ROM SRL (107)	RON 200				100%		
Cebus Rimon Industrialized Construction (18)	100				100%		
Danya Cebus Ltd. (3)(37)	23,261,701	147,217	109,310	256,527	81.83%	1,970	Public company
Danya International Holdings Ltd. (18)	100				100%		
Forma Projects Ltd. (18)	100				100%		
Yovelim Personnel Ltd. (18)	2,000,000				100%		
IMB Israel Metro Builders (45)	49				40%		
Africa 38 Ltd. (formerly Danya 38 Ltd.) (22)	100				100%		
Gio-Danya (45) (4)	5.1				50%		

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Bat Savyon Ltd.	0.1	-	(6,138)	(6,138)	100%		
Danya Cebus Mafil Ltd. (18)	1,000				100%		
Danya Cebus and CCICS - RP (45)(112)					50%		
Nitivei Hayovel Ltd. (2) (45)	1,250				25%		
Africa Israel Communications Ltd.	501	11,957	(11,858)	99	50.10%		Memorand Management (1998) Ltd owns 49.9% of the issued share capital.
Africa Israel Hotels Ltd. (4)	58,498,117	95,000	65,615	156,615	50%		
E.M.T. Neve Savyon Ltd. (4)	1,000	-	(43)	(43)	33%		Aspen Group Ltd and Tashloz Investments and Holdings Ltd each own 33.33% of the issued share capital and voting rights and management shares.
Derech Eretz Construction Joint Venture Registered Partnership (4)(45)					33.3%		
Derech Eretz Joint Venture 18 (4)(45)					50%		A partnership of Housing and Construction – Solel Boneh - Infrastructure Development, Housing and Construction – Solel Boneh Infrastructure Ltd, and Danya Cebus Ltd.
Israel Canada Rapid Road Management Ltd . (2)	5,626	16,515	(2,622)	13,893	35.5%		Housing and Construction Ltd.owns 21.58% of the issued share capital and the remainder is owned by Alon Gas Chains Management and Operation (1999) Ltd.
Derech Eretz Highways Management Corporation Ltd. (2) (110)	49	-	2,774	2,774	35.5%		Israel Canada Rapid Road Management Ltd owns 51% of the issued share capital, and Housing and Construction Ltd owns 24.5% of the issued share capital.
Road Systems Section 18 Ltd (110)(2)	49	-	442	442	35.5%		Israel Canada Rapid Road Management Ltd owns 51% of the issued share capital, and Housing and Construction Ltd owns 24.5% of the issued share capital.
Advanced Solutions – Road Systems Ltd. (110)(2)	49		-	-	35.5%		Israel Canada Rapid Road Management Ltd owns 51% of the issued share capital, and Housing and Construction Ltd owns 24.5% of the issued share capital.
Derech Betucha Bakvishim Ltd. (2) (110)	49		2,324	2,324	35.5%		Israel Canada Rapid Road Management Ltd owns 51% of the issued share capital, and Housing and Construction Ltd owns 24.5% of the issued share capital.

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Derech Hatzafon Operations and Control Ltd. (2)(110)	49		1,613	1,613	35.5%		Israel Canada Rapid Road Management Ltd owns 51% of the issued share capital. Housing and Construction Ltd owns 24.5% of the issued share capital.
Nitivei 431 Operations and Control Ltd. (2)(110)	49		1,136	1,136	35.5%		Israel Canada Rapid Road Management Ltd owns 51% of the issued share capital. Housing and Construction Ltd owns 24.5% of the issued share capital.
Netivei Hacarmel Systems and Operations Ltd. (2)(110)	49		3,257	3,257	35.5%		Israel Canada Rapid Road Management Ltd owns 51% of the issued share capital. Housing and Construction Ltd owns 24.5% of the issued share capital.
Advanced Solutions – Road Systems Ltd. (2)(110)	49		1,253	1,253	35.5%		Israel Canada Rapid Road Management Ltd owns 51% of the issued share capital. Housing and Construction Ltd owns 24.5% of the issued share capital.
Renanot Enterprises & Investments Ltd. (4)	200	10,691	(21,057)	(10,366)	50%		Revaya Be'er Yaakov Water Supply Ltd owns 49.75% of the issued share capital.
Afriram Ltd.(2)	400	-	(13,937)	(13,937)	40%		Ramgur Investments Ltd owns 40% of the issued share capital and Ge'ulat Hkrach Ltd owns 20%.
Mapal Communications Ltd. (2)(119)	251	--	--	--	17%		Noa M.B. Communications Ltd owns 82.5% of the issued share capital.
Africa Israel International Holdings Ltd. (10)	100	130	(62,428)	(62,298)	100%		
Africa Israel International Investments (1997) Ltd. (10)	100	--	(2,892,279)	(2,892,279)	100%		
Africa Israel International Properties (2002) Ltd. (28) (10)	100				100%		

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Africa Israel (East Europe) Investments B.V. (17)	EUR 18,151				100%		
AIEE OVERSCHIE B.V.(21)	EUR 19,966				100%		
ADUT s.r.o (105)	CZK 100,000				100%		
M.I.C.C PRAGUE s.r.o. (105)	CZK 100,000				64%		Immoconsult Leasinggesellschaft mbH holds 36% of the issued share capital.
BALABENKA s.r.o. (105)	CZK 100,000				100%		
Bohemia – Sen s.r.o. (105)	CZK 100,000				100%		
National Technological Park s.r.o. (81)	CZK 200,000				50%		ProDelta Prague B.V. owns 50% of the issued share capital.
Lentjee Holding B.V(24)	EUR 18,000				100%		
AFI (East-Central Europe) Developments S.a.r.l. (17)	EUR12,500				100%		
Triumvirate I S.a r.l. (122)	EUR 100				100%		
Triumvirate II Sa r.l.(71)	EUR 100				100%		
Triumvirate III S.a r.l. (38)	EUR 100				100%		
Grande Postale S.a r.l.(88)	EUR 100				100%		

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Broadway Creseus s.r.o.(105)	CZK 100,000				100%		
Visuria Limited (116)	EUR 1				100%		
Aquamare Uno Ltd (116)	EUR 1				100%		
Aquamare Due Ltd (116)	EUR 1				100%		
Aquamare Tre Ltd (116)	EUR 1				100%		
Aquamare Quattro Ltd (116)	EUR 1				100%		
AFI Europe Czech Republic s.r.o (105)	CZK 100,000				100%		
Tulipa Modranska Rokle s.r.o. (105)	CZK 200,000				100%		
Tulipa Rokytka s.r.o. (81)	CZK 100,000				50%		
Classic Park Group s.r.o. (105)					100%		
Classic 7 s.r.o. (61)	CZK 200,000				100%		
Intrastar International Ltd. (105)	USD 16,254				53.7%		Mariner Fund, Aryeh Bachar, and Gil Geva own 46.3% of the issued share capital.
Galway Consolidated Ltd. (44)	EUR 29,000				100%		
Airport City d.o.o. (55)	EUR 20,246				100%		
AFI Europe N.V. (21)	EUR 930,000				100%		
AFI Europe Financing B.V (105)	EUR 90,000				100%		
AFI Properties Berlin B.V. (105)	EUR 18,000				92.8%		Prevezon Holdings Ltd.owns 30% of the issued share capital.

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AFI Properties Development B.V. (105)	EUR 18,000				92.8%		Prevezon Holdings Ltd owns 30% of the issued share capital.
AFI Properties Logistics B.V. (105)	EUR 18,000				92.8%		Prevezon Holdings Ltd owns 30% of the issued share capital.
AFI Properties B.V. (105)	EUR 18,000				92.8%		Prevezon Holdings Ltd owns 30% of the issued share capital.
Airport City Property Management d.o.o. (54)	EUR 500				100%		
AFI Europe Bulgaria EOOD (105)	BGN 5,000				100%		
Vitosha Gardens EOOD (105)	BGN 500,000				100%		
Malina Gardens EOOD (105)	BGN 500,000				100%		
AFI Lagera Tulip EOOD (105)	BGN 100				100%		
Plovdiv Logistic Center EOOD (105)	50,000				75%		ALBIS Holdings B.V. owns 25% of the issued share capital.
Cotroceni Park SA (82)	RON 1,936,545				98%		
Star Estate SRL (105)	RON 200				100%		
Europe Logistic SRL (105)	RON 10,000				100%		
AFI Europe Management SRL (105)	RON 200				100%		
ROI Management SRL (105)	RON 1,000				100%		
Premier Solution & Team SRL (105)	RON 1,000				100%		

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Tulip Management SRL(105)	RON 1,000				100%		
Plaza Arad Imobiliar SRL (105)	RON 1,000				100%		
Szepliget Kft (105)	HUF 3,000,000				100%		
Akar- Lak Kft (105)	HUF 3,000,000				100%		
Novo Maar SP. Z O.O (105)	PLN 1,000,000				100%		
Czerwone Maki Project SP. Z.O.O (105)	PLN 1,000,000				100%		
Wilanow one SP. Z O.O (105)	PLN 50				100%		
AFI Management SP. Z.O.O(105)	PLN 50				100%		
SIA AFI Management (105)	LVL 2,000				100%		
SIA AFI Investment (105)	LVL 2,000				100%		
SIA A.R Holdings (14)	LVL 5,000				100%		
SIA B.R Holdings (105)	LVL 2,000				100%		
SIA Anninmuizas ĪPAŠUMS (84)	LVL 5,000				100%		
AFI Germany GmbH (105)	EUR 25,000				100%		
AFI Germany Investment GmbH (105)	EUR 25,000				100%		

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Harel Grundstücks GmbH (13)	EUR 25,000				100%		
Peerly Grundstücks GmbH (11)	EUR 25,000				100%		
AFI Europe (Israel Branch) Ltd. (105)	100				100%		
AFI Europe Hungary Kft (105)	HUF 100,000				100%		
Pro-Mot Hungaria Kft (81)	HUF3,000,000				50%		SBI Real Estate Development B.V. owns 50% of the issued share capital.
Tulipa City s.r.o.(105)	CZK 100,000				100%		
Business Park Varna AD (105)	BGN 33,555,300				100%		
Premium Property Management EOOD (105)	BGN 5,000				100%		
Veroskip Trading SRL(105)	RON 200				100%		
AFI Park 2 SEL (105)	RON 10				100%		
AFI Park Building 3 SRL (105)	RON 10				100%		
AFI Palace Bi-Noi SRL	RON 10				100%		

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Margalit Grundstücks GmbH (20)	EUR 25,000				100%		
Margalit Teltower Damm Grundstücks GmbH (15)	EUR 25,000				100%		
LLC Or-Avner (108)	UAH 37,500				100%		
ABG Sozidatel LLC (103)	UAH 50,000,000				100%		
Budinkom Ukraina LLC (57)	UAH 549,000.65				100%		
Grifasi Investmnts Ltd (16)	EUR 2,000				100%		
Occuper Holdings Ltd (62)	EUR 2,000				100%		
AFI Development Hotels Limited (16)	EUR 2,000				100%		
Inscribe Ltd (16)	CYP 5,000				100%		
Hegemony Ltd (16)	EUR 1,000				100%		

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Stroyinkom k LLC(12)	RBL 8,400				100%		
Borenco Enterprises Ltd. (16)	CYP 1,000				100%		
AFI Development PLC (A)	USD 336,949	1,567,358	2,313,386	3,880,744	64.88%	USD 0.7155	Public company
AFI Development (B)	USD 342,800					USD 0.81	Public company
Avtostoyanka Tverskaya Zastava LLC (16)	RUB 10,000				100%		
Krown Investments LLC (16)	RUB 12,000,000				100%		
Incomstroy AG LLC (16)	RUB 300,000				100%		
Inzhstory AG LLC(16)	RUB 300,000				100%		
AFI RUS LLC (16)	RUB 10,000				100%		
Bellgate Construction Ltd (16)	USD 1,000,000				100%		
Falgaro Investment Ltd (16)	CYP 1,000				100%		

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Scotson Ltd. (16)	CYP 1,000				100%		
Krusto Enterprises Limited (16)	CYP 1,000				100%		
AFI DS 1 LLC (57)	UAH 51,500				100%		
AFI DS 2 LLC (57)	UAH 51,500				100%		
AFI DS 3 LLC (57)	UAH 51,500				100%		
AFI Region LLC (12)	RUB 9,900				100%		
Region k LLC (Kislovodsk) (36)	RUB 9,900				99%		
AFI FM (58)	RUB 9,900				99%		
Extraplus LLC (56)	RUB 10,000				100%		
Project + LLC (99)	RUB 10,000				100%		
AFI Development LLC (116)	RUB 10,000				100%		
NPC Plaza LLC (34)	RUB 5,000				50%		
Sanatorium Plaza LLC (34)	RUB 1,555,000				50%		
Tirel LLC(53)	RUB 39,215,746				50%		
Eitan LLC (59)	RUB 10,000				100%		
Sanatony Plaza SPA LLC(35)	RUB 10,000				100%		

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ZAO Nedra Publishing					90.17%		
Eitan K LLC (117)					100%		
Bugis Finance Ltd .(102)	USD 50,000				100%		
Severus Trading Ltd . (16)	CYP 1,000				100%		
Talena Development Ltd. (16)					100%		
Slytherin Developpment Ltd. (16)	CYP 1,000				100%		
AFI Ukraine Ltd. (16)	CYP 880				100%		
AFI D Finance SA (16)	CYP 5,000				100%		
LL Avia Management SA (40)	CYP 5,000				100%		
Keyiri Trade & Invest Ltd . (16)	CYP 5,000				100%		
Rognerstar Finance Ltd. (16)	CYP 5,000				100%		
Beslaville Management Ltd. (16)	CYP 562,000				95%		
Amakri Management Ltd . (57)	CYP 1,000				100%		
Jaquetta Investment Ltd (57)	CYP 1,000				100%		
Hermielson Investments Ltd (62)	CYP 1,000				100%		
Bioka Investments Ltd (16)	CYP 1,000				90%		

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Bastet Estates Ltd .(16)	CYP 1,000				100%		
Rubiosa Management Ltd . (16)	CYP 1,000				100%		
Amerone Development Ltd. (16)	EUR 2,000				100%		
Bundle Trading Ltd. (62)	EUR 1,000				100%		
Sherzinger Ltd. (16)	EUR 1,000				100%		
Bulidolla Properties Ltd (16)	CYP 1,000				100%		
Stroycapital LLC (8)					60%		
Maystroy LLC(16)	RUB 15,000,000				100%		
RAPO LLC (95)	RUB 500,000				100%		
PSO Dorokhovo LLC (100)					100%		
Semprex LLC (16)	RUB 10,000				100%		
Ultrainvest LLC (96)	RUB 500,410,000				100%		
Ultrastory LLC (96)	RUB 333,610,000				100%		
Aristeya LLC (97)	RUB 10,000				100%		
Mkpk JSC (97)	RUB 125,574				73%		
Corin Development LLC (16)	RUB 10,000				100%		

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Armand JSC (99)	RUB 10,000				100%		
Bizar LLC (16)					74%		
Volga Land Development LLC (98)					100%		
Christall Development LLC (16)					100%		
Volga Stroyinkom Development LLC (98)					100%		
Favorit LLC (89)					100%		
Nordservice LLC (90)					90%		
Titon LLC (86)					100%		
Zheldoruslugi LLC (101)					100%		
Izdatelstvo Nedra JSC (102)	RUB 88,500				90.17%		
MTOK CJSC (91)	RUB 3,048,000				99.38%		

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Ozerkovskaya, 24A LL(121)					100%		
AI Holdings (USA) Corp.(30)	USD 1,000				100%		
Savyone LP (2)		-			49%		Rosebud Real Estate Ltd owns app. 50% of the issued share capital.
AI Properties and Developments (USA) Corp.(46)					100%		
W Squared Managers, LLC (32)					65%		Boymelgreen owns 35% of the issued share capital..
60 Spring Street, LLC (64)					65%		Boymelgreen owns 35% of the issued share capital..
Spring-Lafayette, LLC (32)					65%		Boymelgreen owns 35% of the issued share capital..
20 Pine Street, LLC (67)					50%		
20 Pine Street Managers LLC (32)					50%		
84 Front Street LLC (32)					67%		Boymelgreen owns 33% of the issued share capital..
84 Front Street Management LLC (32)					65%		Boymelgreen owns 33% of the issued share capital..
15 Broad LLC (32)					65%		Boymelgreen owns 35% of the issued share capital..
15 Broad Street LLC (65)					100%		
15 Broad Street Managers LLC (32)					65%		Boymelgreen owns 35% of the issued share capital..

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Empire Stores, LLC (33)					49%		Boymelgreen Family LLC owns 51% of the issued share capital..
85 Adams LLC (32)					70%		Boymelgreen Family LLC owns 35% of the issued share capital..
85 Adams Street LLC (66)					100%		
AI 88 Leonard LLC (32)					100%		
85 Adams Street Managers, LLC (32)					70%		Boymelgreen Family LLC owns 35% of the issued share capital..
Africa Israel of Florida LLC (72)					100%		
LB Herald Ventures LLC (72)					65%		Boymelgreen Family LLC owns 35% of the issued share capital..
Scribe LLC (95)					50%		H&H Florida Investment LLC owns 50% of the issued share capital.
Park Fifth Associates LLC (113)					100%		
Leviev Fulton Club LLC (111)					50%		

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Africa Israel Marquis Developers LLC) (73)					100%		
Wall Street Commercial Owners LLC (32)					100%		
Spring Street Commercial Owners LLC (32)					100%		
LFC Mezz LLC (111)					50%		50% of the issued capital is held by Fulton Club LLC
AI Fulton LLC (32)					100%		
AI Nevada Holdings Inc. (46)	USD 2				100%		
Olympia Florida LLC(77)					100%		

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LB Broad Lessees LLC (32)					65%		Boymelgreen Family LLC owns 35% of the issued share capital.
Broad Street Lessors LLC(40)					65%		
A1 Broad Street Lessors LLC (1) (7)					65%		
AI Florida Holdings, Inc. (46)	USD 2				100%		
Block 42 Acquisition LLC (73)					100%		
35 Front Street, LLC (32)					52%		

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AI 229 West 43rd Street Senior Mezzanine, LLC (52)					50.1%		
AI 229 West 43rd Street Property Owner LLC (19)					50.1%		
AI Apthorp LLC (32)					100%		
Apthorp Management LLC (79)					50%		
Apthorp Holdings LLC (78)					50%		
Apthorp Mezzanine LLC (78)					20%		Held by Apthorp Mezzanine LLC.
Apthorp Associates LLC (78)					20%		
AI Broad Corp. LLC (32)					100%		
Broad Street San Francisco LLC (75)					50%		
AI Nevada Holdco LLC (74)					100%		
AI Nevada TIC LLC (76)					100%		
AI Arizona Inc. (46)	USD 2				100%		

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88 Leonard holdings, LLC					100%		
AI Phoenix, LLC (68)					100%		50% of the issued capital is held by B.S.R. Group
AI-B.S.R., LLC (63)					50%		
AILA Corp. (46)	USD 200				100%		
AFRINAM, LLC (80)					100%		
AI 229 West 43rd Street Member, LLC (32)					100%		
AI FM 229 West 43rd Street JV Holdings, LLC (41)					50.10%		
AI Spring Clock LLC (83)					100%		
AI Clock LLC (32)					100%		
AI Gowanus Village LLC (32)					100%		
AI W Squared LLC (32)					100%		
Africa Israel Marquis Managers LLC (73)					100%		
Savyon Nurseries Ltd (2)	6.4995	811	--	811	21%		Investments Savyon holds 78.97% of the issued share capital
Danya Cebus Holdings U.S Inc. (26)					100%		
Danya Cebus Development LLC (120)					100%		
Danya Cebus Construction LLC (120)					100%		

Appendix B

Investments in Subsidiaries and Related Companies – Cont'd

- (1) Subsidiary of Broad Street Lessors LLC
- (2) Associated company, the investment in which is presented using the equity method
- (3) Shares of this company are traded on the TASE
- (4) Jointly controlled companies, presented using the equity method
- (5) Subsidiary of Givat Savyon Ltd.
- (6) Bonds of this company are traded on the TASE
- (7) Subsidiary of AI Properties and Developments (USA) Corp (64%) and AI Broad Corp (1%)
- (8) Subsidiary of Robiosa Management Ltd.
- (9) Subsidiary of Africa Industries Ltd.
- (10) Has interests in international companies that operate overseas
- (11) Investee of AFI Properties B.V. (70%) M.S.A. Efrat Investments Ltd (15%) and D.B.M. Harel Investments (2006) Ltd (15%)
- (12) Subsidiary of Borengo Enterprises Ltd.
- (13) Investee of AFI Properties Logistics B.V. (70%) M.S.A. Efrat Investments Ltd (15%) and D.B.M. Harel Investments (2006) Ltd (15%)
- (14) Subsidiary of AFI Investment SIA
- (15) Investee of AFI Properties Development B.V.
- (16) Subsidiary of AFI Development Ltd.
- (17) Subsidiary of Africa Israel International Holdings Ltd.
- (18) Subsidiary of Danya Cebus Ltd.
- (19) Investee of AI 229 West 43rd Street Senior Mezzanine LLC
- (20) Investee of AFI Properties Berlin B.V. (70%) M.S.A. Efrat Investments Ltd (15%) and D.B.M. Harel Investments (2006) Ltd (15%)
- (21) Subsidiary of Africa Israel International Properties (2002) Ltd.
- (22) Investee of Africa Israel Residences Ltd.
- (23) Subsidiary of Africa Israel (East Europe) Investments B.V.
- (24) Subsidiary of AFI (East-Central Europe) Development s.a.r.l.
- (25) Subsidiary of Lentjee B.V.
- (26) Subsidiary of Danya International Holdings
- (27) Subsidiary of Rumbrol Trading Ltd.
- (28) Subsidiary of Africa Israel Properties Ltd.
- (29) Subsidiary of Danya Dutch B.V.
- (30) Subsidiary of Africa Israel International Investments (1997) Ltd.
- (31) Investee of Sherzinger Limited
- (32) Subsidiary of AI Properties and Developments (USA) Corp
- (33) Associate of AI Properties and Developments (USA) Corp
- (34) Subsidiary of Craespon Management Limited
- (35) Subsidiary of Ironaqua Holdings Limited
- (36) Subsidiary of Stroylnkom-K. (99%) and AFI Rus LLC (1%)
- (37) Held by the Company (22.07%) and by Africa Israel Trade and Agencies Ltd (50.93%)
- (38) Subsidiary of Aquamare Tre Ltd.
- (39) Investee of Africa Israel Communications Ltd.
- (40) Subsidiary of AI Properties and Developments (USA) Corp (64%) and AI Broad Corp (1%)
- (41) Subsidiary of AI 229 West 43rd Street Member LLC
- (42) Subsidiary of Packer N. Steel Ltd.
- (43) Associate of Packer Yadpaz Metals Ltd.
- (44) Subsidiary of Intrastar International Ltd.
- (45) Investee of Danya Cebus Ltd.
- (46) Subsidiary of AI Holdings (USA) Corp
- (47) Subsidiary of Packer YDPZ Profiles Ltd.
- (48) Investee of Negev Ceramics Marketing (1982) Ltd.
- (49) Subsidiary of Haifa Quarries Ltd.

- (50) Subsidiary of Earsfield Special Steels B.V.
- (51) Subsidiary of Earsfield Steels Limited
- (52) Investee of AI FM 229 West 43rd Street JV Holdings LLC
- (53) Subsidiary of Nouana Limited
- (54) Subsidiary of Airport City Belgrade d.o.o.
- (55) Subsidiary of Intrastar International Ltd. (85%) and Galway Consolidated Ltd. (15%)
- (56) Subsidiary of Hegemony Ltd.
- (57) Subsidiary of AFI Ukraine Ltd.
- (58) Subsidiary of Inscribe Ltd.
- (59) Subsidiary of Eitan (Cyprus) Limited
- (60) Investee of Packer Steel Industries Ltd.
- (61) Subsidiary of Faringer Enterprises Ltd.
- (62) Subsidiary of Grifasi Investment Ltd.
- (63) Subsidiary of AI Phoenix LLC
- (64) Subsidiary of Spring-Lafayette LLC
- (65) Subsidiary of 15 Broad Street Managers LLC.
- (66) Subsidiary of 85 Adams Street Managers LLC.
- (67) Subsidiary of 20 Pine Street Managers LLC.
- (68) Subsidiary of AI Arizona Inc.
- (69) Subsidiary of 14 Wall Street Mezz LLC.
- (70) Subsidiary off Spring Street Commercial Owners LLC.
- (71) Subsidiary of Aquamare Due Ltd.
- (72) Subsidiary of AI Florida Holdings LLC.
- (73) Subsidiary of Olympia Florida LLC.
- (74) Subsidiary of AI Nevada Holdings Inc.
- (75) Investee of AI Broad Corp.
- (76) Subsidiary of AI Nevada Holdco LLC.
- (77) Subsidiary of Africa Israel of Florida LLC.
- (78) Investee of Apthorp Management LLC.
- (79) Investee of AI Apthorp LLC.
- (80) Proportionately consolidated company of AILA Copr.
- (81) Investee of AFI Europe N.V.
- (82) Subsidiary of Cotroceni Investment Ltd.
- (83) Direct and indirect investee of 14 Wall/Spring Mezz LLC.
- (84) Subsidiary of B.R. Holdings SIA.
- (85) Associate of Packer Steel Industries Ltd.
- (86) Subsidiary of Rognerstar Finance Ltd.
- (87) Subsidiary of Buildola Properties ltd.
- (88) Subsidiary of Aquamare Quattro Ltd.
- (89) Subsidiary of Keyiri Trade & Invest Ltd.
- (90) Subsidiary of Bioka Investments Ltd.
- (91) Subsidiary of Bundle Trading Ltd.
- (92) Subsidiary of Hermielson Investments Ltd.
- (93) Subsidiary of Negev Ceramics Ltd.
- (94) Investee of LB Herald Venture LLC
- (95) Investee of Ultrainvest, Ultrastroy, Inzhstroy LLC
- (96) Subsidiary of Slytherin Development Ltd.
- (97) Subsidiary of Severus Trading Ltd.
- (98) Subsidiary of Christall Development LLC
- (99) Subsidiary of Maystroy LLC
- (100) Investee of Extraplus LLC
- (101) Subsidiary of Beslaville Management Ltd.
- (102) Subsidiary of Talena Development Ltd.
- (103) Investee of Or-Avner LLC
- (104) Investee of Africa Israel Investment House Ltd.
- (105) Subsidiary of AFI Europe N.V.
- (106) Investee of Krusto Enterprises Limited

- (107) Subsidiary of Danya Cebus Cyprus Ltd.
- (108) Investee of Jaquetta Investments Ltd. and Amakri Management Ltd.
- (109) Subsidiary of AFI Europe N.V., owns 30% in four German companies: Peerly Grudstucks, Margalit Grudstucks, Margalit TD Grudstucks, and Harel Grudstrucka
- (110) Direct investee (24.5%) and the remaining 11% held through Israel Canada Rapid Road Management Ltd. Data in the table represent direct holdings of 24.5%
- (111) Investee of AI Fulton LLC
- (112) Proportionately consolidated jointly controlled company
- (113) Subsidiary of Afri-nam LLC
- (114) Investee of LBN Management LLC
- (115) Investee of AFI Development Hotels Limited
- (116) Subsidiary of AFI Development Plc
- (117) Investee of Eitan (Cyprus) Limited
- (118) Investee of Via Arcadia Home Design Ltd.
- (119) Investee of Trade and Agencies Ltd.
- (120) Investee of Danya Cebus Holdings US Inc.
- (121) Subsidiary of Krown Investments
- (122) Subsidiary of Visuria Limited

Africa Israel Investments Ltd.
December 31, 2013

Appendix B

Company	NIS thousands	Loans and capital notes
Africa Israel International Investments (1997) Ltd.	91,281	Unlinked capital note, bearing no interest. Repayment date has not been determined. Issued on January 1, 2008. Maturity date not before January 2, 2013.
Africa Israel International Investments (1997) Ltd.	1,790,125	Unlinked capital note, bearing no interest. Issued on July 1, 2008. Maturity date not before July 2, 2013.
Africa Israel International Investments (1997) Ltd.	814,540	Unlinked capital note, bearing no interest.. Issued on October 1, 2008. Maturity date not before October 2, 2013.
Africa Israel International Investments (1997) Ltd.	16,378	Unlinked capital note, bearing no interest. Issued on December 30, 2008. Maturity date not before December 31, 2013.
Africa Israel International Investments (1997) Ltd.	495,916	Constituting 64 capital notes, unlinked and not interest bearing, issued on July 1, 2011, maturity date will be July 2, 2016.
Bat Savyon	6,138	Unlined capital note bearing no interest.
AFI (East-Central Europe) Developments S.a.r.l.	668	Owners' loans linked to the EUR, bearing annual interest at an annual rate of 4.25%.
Renanot Enterprise and Investments Ltd.	15,571	Unlinked owners' loans, bearing annual interest at a rate of 4.1%.
Afriram Ltd.	32,615	CPI-linked owners' loan, bears annual interest of 4%. Maturity date not determined.
Savyon Nurseries Ltd.	15,887	CPI-linked owners' loan, bears annual interest of 4%. Maturity date not determined.
Africa Hotels Ltd.	26,921	Unlinked owners' loan, bears annual interest of prime interest +1.8%. Maturity September 30, 2014.
Africa Hotels Ltd.	1,787	Unlinked owners' loan, bears annual interest of 4.1%. Maturity September 30, 2014.

Appendix C

Africa Israel Investments Ltd.
Changes in Investments in the Reporting Period
January 1, 2013 - December 31, 2013
(in NIS Thousands)

1. In the period of the report, dividends were received from the companies as follows:

Name of Company	Company's Share in the Dividend
Danya Cebus Ltd.	15,462
Africa Israel International Holdings Ltd.	148,145
Israel Canada Rapid Road Management Ltd.	1,511
Derech Eretz Management Corporation Ltd.	3,675

1. On September 11, 2013, the transaction for the sale of the Company's holdings in Vash Telecanal (a company treated according to the equity method, in which the Company holds 46% and in which the Company's controlling shareholder Mr. Leviev holds an additional 46% through a private company owned by him, hereinafter "Vash Telecanal") was concluded. Conclusion of the transaction had no material effect on the Company's business results. For information see Note 5(G)(1) to the financial statements of December 31, 2013.
2. In March 2013, the Company purchased an additional 1.23% of the shares of a subsidiary, Danya Cebus, for a cash consideration of NIS 5,925 thousand, thereby increasing its stake in Danya Cebus from 80.63% to 81.63%.

Appendix D

Africa Israel Investments Ltd. Income of Subsidiaries and Related Companies and Income from them

	Income (Loss) before tax	Income (Loss) ¹⁴ after tax	Dividend received up to the date of the statement of financial position ¹³	Dividend received after the date of the statement of financial position	Management fees received up to the date of the statement of financial position	Management fees received after the date of the statement of financial position	Interest received by the Company or that it is entitled to receive from any company
Africa Israel Properties Ltd.*	222,761	154,186	--	--	3,453	--	39
Africa Israel (Financing) 1985 Ltd.	(1,301)	(1,301)	--	--	--	--	1,274
Africa Israel International Holdings Ltd.*	(251)	(349)	148,145	--	--	--	--
Danya Cebus Ltd.*	9,770	5,642	15,462	--	1,663	--	10
E.M.T. Neve Savyon Ltd.	(119)	(119)	--	--	--	--	--
Africa Israel Hotels Ltd.*	5,936	5,817	--	--	299	152	1,255
Africa Communications Ltd.*	437	437	--	--	--	--	12
AFI Development Plc	488,648	375,321	--	--	1,067	--	--
Africa Israel Industries Ltd.	38,788	38,790	-	-	705	256	-
Israel Canada Rapid Road Management Ltd.	46,391	17,668	1,511	--	--	--	--
Africa Israel Trade and Agencies Ltd.	4,227	4,227	-	-	-	-	(408)
Africa Israel International Investments (1997) Ltd.*	(64,988)	(65,309)	--	--	-	--	277
Derech Eretz Management Corporation Ltd.	25,835	19,386	3,675	--	--	--	--
Africa Israel Investment House Ltd.*	(992)	(994)	--	--	-	--	(1,066)
A.L.A. Management and Operations (2005) Ltd.	(99)	(2,223)	--	--	-	--	-
Afriram Ltd.	151	151	--	--	--	--	1,799

¹³ The data relate to the Company's share.

¹⁴ The data, including for companies not wholly owned by the Company, refer to the comprehensive income of the subsidiary or the related company.

	Interest received by the Company or that it is entitled to receive from any company	Management fees received after the date of the statement of financial position	Management fees received up to the date of the statement of financial position	Dividend received after the date of the statement of financial position	Dividend received up to the date of the statement of financial position¹⁶	Income (Loss)¹⁵ after tax	Income (Loss) before tax
Renanot Ltd.	--	--	--	--	--	--	626
Savyon Nurseries Ltd.	--	--	--	--	--	--	917
Nitivei Hacarmel Operations and Control Ltd.	7,668	5,748	--	--	--	--	--
Nitivei 431 Operations and Control Ltd.	1,082	820	--	--	--	--	--
Road Systems Section 18 Ltd.	(45)	(45)	--	--	--	--	--
Derech Btuha Bakvishim Ltd.	5,922	4,442	--	--	--	--	--
Advanced Road System Solutions Ltd.	2,013	1,540	--	--	--	--	--
Derech Hazafon Operations and Control Ltd.	4,072	3,059	--	--	--	--	--

* Includes subsidiaries and investee companies owned by this company.

¹⁵ The data, including for companies not wholly owned by the Company, refer to the comprehensive income of the subsidiary or the related company.

¹⁶ The data relate to the Company's share.

Appendix E - Holdings of Interested Parties and Executive Officers

Holdings in the Company's ordinary shares

Interest party and/or officer	Position with the Company	On or about the Reporting Date	Holding ¹⁷	Holding (fully diluted) ¹³
Lev Leviev ¹⁸	Chairman of the Board	77,396,384.81	47.38%	47.24%
Shlomo Borochoy	Director	12,017	App. 0%	App. 0%
Menashe Sagiv ¹⁹	CFO	624.67	App. 0%	App. 0%
Hermetic Trust (1975) Ltd.	-	4,308,947 ²⁰	App. 0%	App. 0%
The Company		8,147,179 ²¹	App. 0%	App. 0%

Holdings in the Company's Option Warrants

Name of Interested party and/or officer	Position with the Company	On or about the Reporting Date	Holding ²²	Holding (fully diluted) ¹⁸
Menashe Sagiv	CFO	236,694	0%	App. 0.14%
Ronit Cohen-Nissan	Comptroller	82,843	0%	App.0.05%

Holdings in the Company's Series Z bonds

Interested party and/or officer	Position with the Company	On or about the Reporting Date
Shlomo Borochoy	Director	226,059

Holdings in AFI Development's option warrants

Interest party and/or officer	Position with the Company	On or about the Reporting Date
Lev Leviev	Chairman of the Board	31,430,822

Holdings in securities of Africa Industries

Name of Interested party and/or officer	Position with the Company	Security	Immediately preceding the Reporting Date
Abraham Novogotsky	CEO	Ordinary shares	391
		Bonds (Series A)	14,399
		Africa Industries Employee Option Warrants 7/11	15,059

¹⁷ Holding is less Agreed Relief Shares held by the Trustee, as stated in Footnote 15 hereinafter, and which constitute dormant shares as long as they are held by the Trustee.

¹⁸ Holdings mean, including through companies wholly owned and controlled by Mr. Lev Leviev.

¹⁹ These holdings belong to Mr. Or Sagiv, son of Company CFO Mr. Moshe Sagiv.

²⁰ For information on the holdings of Hermetic Trust (1975) Ltd (hereinafter, "the Trustee") in the Agreed Relief Shares, as defined in the Arrangement, see Section 1.1.6.2(H) of the Description of the Company's Business. According to the terms of the Arrangement, the Trustee will hold the Agreed Relief Shares in trust for the controlling shareholder and/or any party on his behalf, the New Bond Holders and the Company, all as defined in the Arrangement. As long as the Agreed Relief Shares are held by the Trustee, they constitute dormant shares that do not confer to their holders any rights in equity, voting rights or rights in the Company (including the right to receive dividends) and/or any other right (including the right to participate in a rights issue).

²¹ Dormant shares held by the Company

²² Holdings are less the Agreed Relief Shares which are held by the Trustee as stated in Footnote 15 above, and which constitute dormant shares as long as they are held by the Trustee.

Appendix F

Regulation 26: The Company's Directors as at the Report Date

- A. Name: **Lev Leviev, Chairman of the Board of Directors.**
- B. I.D. No. 014224497.
- C. Date of Birth: July 30, 1956.
- D. Address for service of court process: 10 Compton Avenue, London, UK.
- E. Citizenship: UK (resident).
- F. Membership on committees of the Board of Directors: No.
- G. External Director/independent: No.
- H. Employee of the Company, a subsidiary, a related company or an interested party: Chairman of the Company's Board of Directors, Chairman of the Board of AFI Development PLC, a subsidiary of the Company.
- I. Date on which he commenced serving as a director: January 29, 1997.
- J. Education: High school and religious education.
- K. Employment over the past 5 years: Chairman of the Company's Board of Directors, President and owner of the Leviev – LLD Diamonds Ltd. Group, President of the Union of Jewish Communities in the Commonwealth of Nations; President and owner – private businesses.
- L. Other companies in which he serves as a director: Chairman of AFI Development PLC.
- M. Is he a family member of an interested party in the Company – No.
- N. Does he have accounting and financial expertise – No.

- A. Name: **Giorah Ofer.**
- B. I.D. No. 51922722
- C. Date of Birth: May 30, 1953.
- D. Address for service of court papers: 7 Maurizio Vitale Street, Tel Aviv.
- E. Citizenship: Israeli.
- F. Membership on committees of the Board of Directors: Audit Committee, Financial Statements Examination Committee, Remuneration Committee.
- G. External Director/independent: External Director.
- H. Employee of the Company, a subsidiary, related company or interested party: No.
- I. Date on which he commenced serving as a director: August 19, 2012.
- J. Education: Bachelor's degree in Economics and Political science from Ben Gurion University of the Negev. Master's degree in Industrial Engineering and Management from Ben Gurion University of the Negev.
- K. Employment over the past 5 years: Chairperson of Lahav Foundation – an investment and financing fund for companies in the Kibbutz sector. Former chairperson of Grand City Holland, CEO of Israel Discount Bank Ltd.
- L. Other companies in which he serves as a director: Chairperson of the non-profit Haznek La'atid, chairperson of the non-profit Le'atzmi.
- M. Is he a family member of an interested party in the Company – No.
- N. Does he have accounting and financial expertise – Yes.

- A. Name: **Avinadav Grinson, Deputy Chairman of the Board of Directors.**
- B. I.D. No. 028988715.
- C. Date of Birth: February 15, 1972.
- D. Address for service of court papers: 44 Tagor, Tel Aviv.
- E. Citizenship: Israeli.
- F. Membership on committees of the Board of Directors: No.
- G. External Director/independent: No.
- H. Employee of the Company, a subsidiary, related company or interested party: CEO of Memorand Management (1998) Ltd., which is an interested party in the Company.
- I. Date on which he commenced serving as a director: August 26, 2005.
- J. Education: Bachelor's degree in Accounting and Business Administration from the College for Administration; CPA.
- K. Employment over the past 5 years: CEO of Memorand Management (1998) Ltd.
- L. Other companies in which he serves as a director:

Chairman of board in: Africa Israel Properties Ltd., Africa Israel Investment House Ltd.,
Director in: Africa Israel Residences Ltd., Africa Israel Hotels Ltd., Africa Israel (Financing) 1985 Ltd., ,
Africa Israel Trade and Agencies Ltd., Africa Israel International Holdings Ltd., Africa Israel International
Investments (1997) Ltd., Africa Israel Industries, Bat Savyon, Danya Cebus Ltd., Derech Betucha
Bakvishim Ltd., Derech Tzafron Operations and Management Ltd., Derech Eretz Highways Management
Corporation Ltd., Israel Canada Rapid Highway Management Ltd., Road Systems Section 18 Ltd., Marlaz
Media 2001 Ltd., Memorand Ltd., Memorand Management (1998) Ltd., Netivei Hacarmel Systems and
Operations Ltd., Netivei 431 Operations and Control Ltd., Advanced Solutions – Road Systems Ltd.,
Memorand Ltd., Memorand Management (1998) Ltd., Memorand Investment (2000) Ltd., Memorand
Financial Management Ltd., Leviev Group Project Management Ltd., Memorand Holdings and Investments
Ltd., Tenderprice Ltd., L.L. Financial Holdings Ltd., Kfar Zvi Sitrin Ltd., Nimron Investments (2008) Ltd.,
AI Properties and Developments (USA) Corp., AI Holdings (USA) Corp., AI Florida Holdings Inc., and AI
Nevada Holdings Inc.

- M. Is he a family member of an interested party in the Company – No.
- N. Does he have accounting and financial expertise – Yes.

- A. Name: **Tzipora Samet.**
- B. I.D. No. 008962581.
- C. Date of Birth: March 5, 1946.
- D. Address for service of court papers: 29 Even Shmuel, Jerusalem.
- E. Citizenship: Israeli.
- F. Membership on committees of the Board of Directors: Audit Committee, Balance Sheet Committee, Remuneration Committee.
- G. External Director/independent: External Director.
- H. Employee of the Company, a subsidiary, related company or interested party: No.
- I. Date on which she commenced serving as a director: June 30, 2009.
- J. Education: Bachelor's degree in Economics and Mathematics from Hebrew University in Jerusalem. Master's degree in Economics from Hebrew University in Jerusalem.
- K. Employment over the past 5 years: Served as director of several companies.
- L. Other companies in which she serves as a director: Bank Leumi Israel Ltd., New Schahar Group Ltd., Meirav Yaniv Pension Consulting Ltd., Chairman of the Investments Committee of Capital Sourcing Company Ltd., Bioplasmer Ltd.
- M. Is she a family member of an interested party in the Company – No.
- N. Does she have accounting and financial expertise – Yes.

- A. Name: **Shmuel Shkedi.**
- B. I.D. No. 1093913.
- C. Date of Birth: November 16, 1948.
- D. Address for service of court papers: 19/3 Yordei Hasira, Jerusalem.
- E. Citizenship: Israeli.
- F. Membership on committees of the Board of Directors: Audit Committee.
- G. External Director/independent: No.
- H. Employee of the Company, a subsidiary, related company or interested party: No.
- I. Date on which he commenced serving as a director: March 27, 2005.
- J. Education: B.A. in Economics from Hebrew University in Jerusalem.
- K. Employment over the past 5 years: Deputy Mayor of Jerusalem, in charge of the Office of Education in Jerusalem.
- L. Other companies in which he serves as a director: None.
- M. Is he a family member of an interested party in the Company – No.
- N. Does he have accounting and financial expertise – No.

- A. Name: **Emmanuel Lazovik.**
- B. I.D. No. 061759643
- C. Date of Birth: January 13, 1950.
- D. Address for service of court papers: 44 Borochoy Street, Hertzliya.
- E. Citizenship: Israeli.
- F. Membership on committees of the Board of Directors: Audit Committee, Balance Sheet Committee,

Remuneration Committee.

- G. External /Independent Director: Independent Director.
- H. Employee of the Company, a subsidiary, related company or interested party: No.
- I. Date on which he commenced serving as a director: July 12, 2010.
- J. Education: Certified Public Accountant by the Institute of Public Accountants.
- K. Employment over the past 5 years: corporate director.
- L. Other companies in which he serves as a director: External Director in Elco Holdings Ltd.
- M. Is he a family member of an interested party in the Company – No.
- N. Does he have accounting and financial expertise – Yes.

- A. Name: **Shlomo Borochoy**.
- B. I.D. No. 016741431
- C. Date of Birth: August 9, 1941.
- D. Address for service of court papers: 58 Be'eri Street, Rehovot.
- E. Citizenship: Israeli.
- F. Membership on committees of the Board of Directors: Remuneration Committee.
- G. External Director/Independent: Independent Director:
- H. Employee of the Company, a subsidiary, related company or interested party: No.
- I. Date on which he commenced serving as a director: December 30, 2010..
- J. Education: Academic: M.A. Chemistry, Samarkand National University.
- K. Employment over the past 5 years: business consultant, businessman, member of the executives of the Israel-Russia and Israel-Ukraine Chambers of Commerce.
- L. Other companies in which he serves as a director: None.
- M. Is he a family member of an interested party in the Company – No.
- N. Does he have accounting and financial expertise – Yes.

- A. Name: **Eitan Raf**
- B. I.D. No. 001587161
- C. Date of Birth: August 31, 1941.
- D. Address for service of court papers: 1 King Saul Blvd., Tel Aviv.
- E. Citizenship: Israeli.
- F. Membership on committees of the Board of Directors: Financial Statements Committee.
- G. External Director/Independent: No:
- H. Employee of the Company, a subsidiary, related company or interested party: No.
- I. Date on which he commenced serving as a director: March 17, 2013.
- J. Education: Academic: B.A. Social Sciences and Economics, MBA, Hebrew University of Jerusalem.
- K. Employment over the past 5 years: senior business consultant at Morgan Stanley (2010 to present). Formerly COB of Bank Leumi Le'Israel Ltd.
- L. Other companies in which he serves as a director: Alon ALDW LP, Tamares Telecom Ltd., EPIC Ltd., Israel Corporation Ltd., Jarvinia Holdings Ltd., VerFone Holdings Ltd.
- M. Is he a family member of an interested party in the Company – No.
- N. Does he have accounting and financial expertise – Yes.