



DECEMBER 31, 2021 FINANCIAL RESULTS PRESENTATION

The conference call does not replace the need to review the latest periodic/quarterly reports in which full information is contained, including forward looking information, as defined in the Israeli Securities Law, and set out in the aforementioned reports.

DISCLAIMER

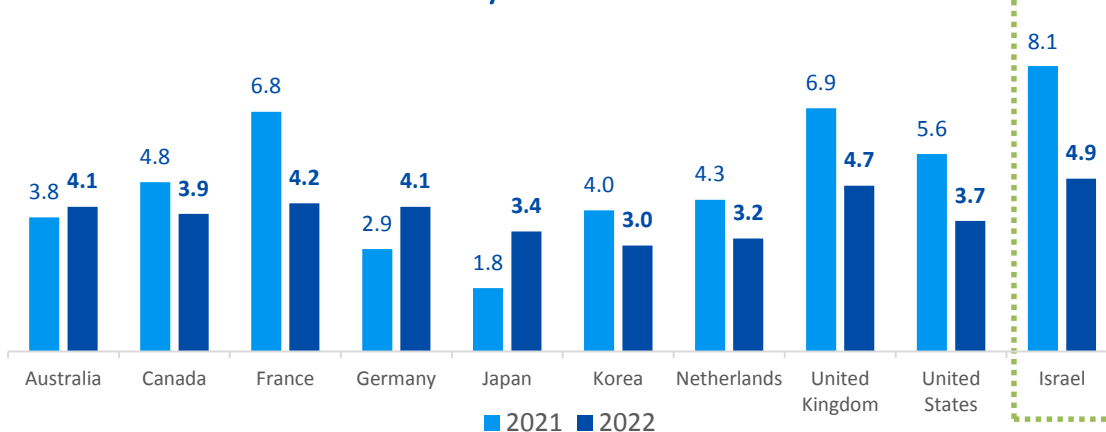
This document and the information contained herein –

1. Has been prepared by Bank Leumi le-Israel B.M. (the “Bank”) solely for the purpose of presenting the Bank's business;
2. Is provided solely for your information and may not to be copied, distributed or forwarded, directly or indirectly, in any form to any other person, nor published, wholly or partially, for any purpose;
3. Does not purport to be all-inclusive or to contain all the information that may be relevant in making any decision concerning an investment in the securities of the Bank.;
4. Some of the information in this document that does not refer to historical facts, constitutes forward-looking information, which is based, inter alia, on forecasts of the future regarding various matters related to economic developments in Israel and abroad, and especially to the foreign exchange and capital markets, legislation, directives of regulatory bodies, the behavior of competitors, technological developments, personnel issues, etc. and is subject to risks, uncertainties and changes in circumstances, that could cause actual results to differ materially from those included herein. For more information on the meaning of forward looking information, we would refer you to the Bank’s most recent published Consolidated Financial Statements;
5. Does not constitute an offer or invitation to purchase or subscribe for any securities, nor does it constitute advice;

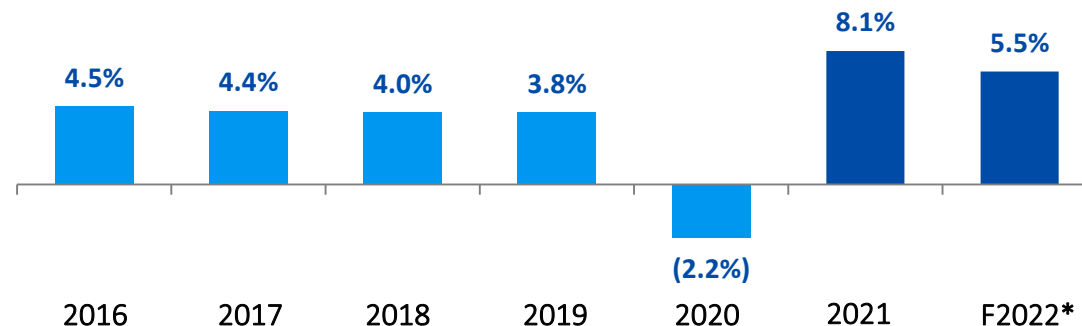
Macroeconomic Factors and Indicators

OECD- GDP Forecast for 2021-2022

Resilient Recovery from COVID-19 in Israel

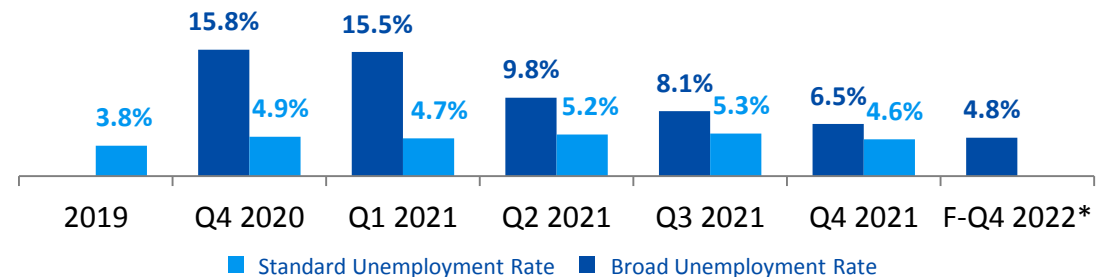


BOI - GDP, Rate of Change, Real Terms

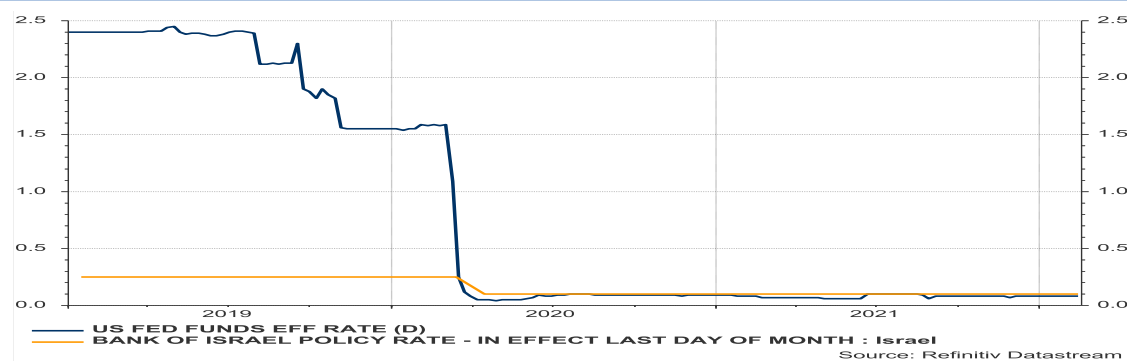


Broad Unemployment**, Age Group 15+

BOI estimates



Bank of Israel and Fed Funds Rates, %



Estimates

CPI

2020
(0.6%)

2021
2.4%

E2022
2.5%-3.5%

Sources: Bank of Israel, CBS, OECD as of December 2021.

*BOI Forecast as of Jan 3, 2022. CBS figures as of February 16, 2022. 2022 unemployment forecast refers to expected Q4 average.

**Broad Unemployment rate includes employees temporarily absent from their places of work due to the coronavirus crisis and those dismissed since March and who do not currently participate in the workforce.

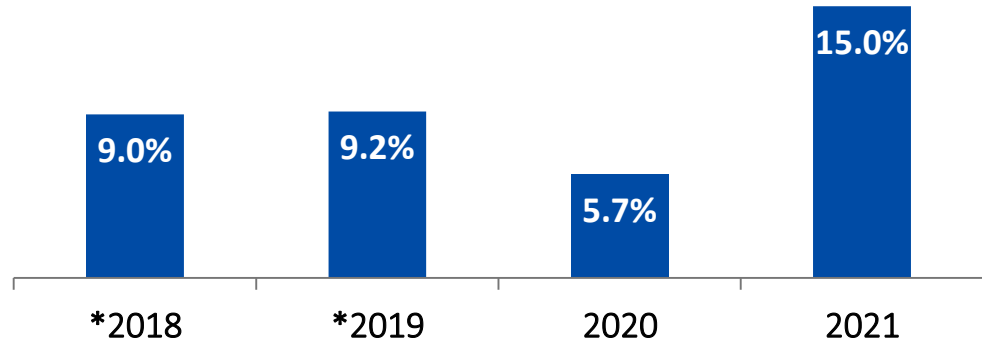
Core Business Continues to Improve - Key Financial Metrics

	2021	2020	Q4 2021
Net Income (NIS millions)	6,028	2,102	1,470
ROE	15.0%	5.7%	14.8%
Cost / Income Ratio	46.8%	53.8%	47.9%
Credit Loss (Income) Expense Ratio	(0.25%)	0.88%	(0.10%)
PPNR / Average Assets*	1.4%	1.2%	1.3%
ROA	1.0%	0.4%	1.0%

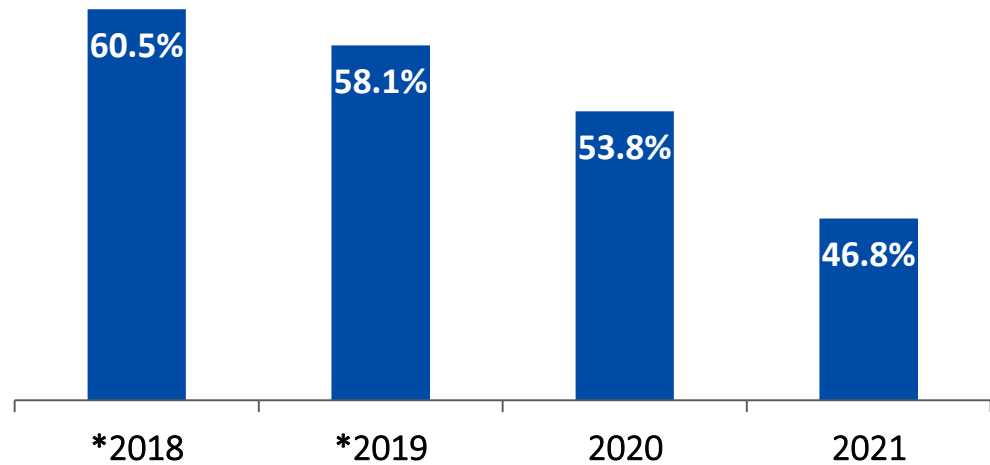
*Pre-provision net revenue equals net interest income plus total non-interest income less total non-interest expense; presented on an annualized basis

Performance Indicators

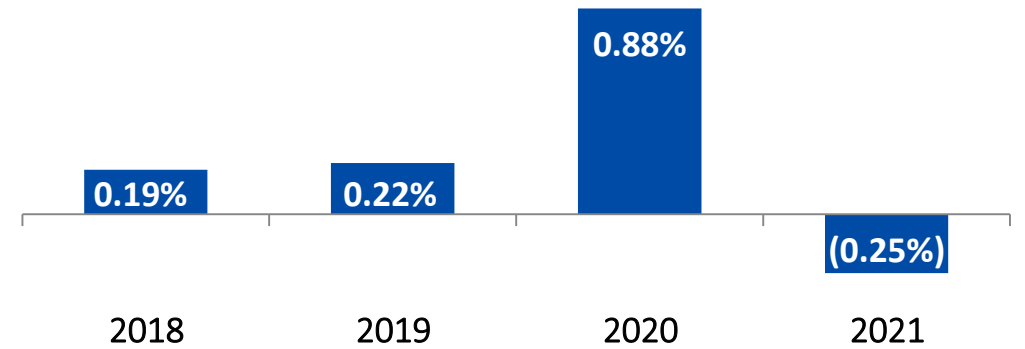
ROE - Annual Progress



Cost Income Ratio Continues to Improve



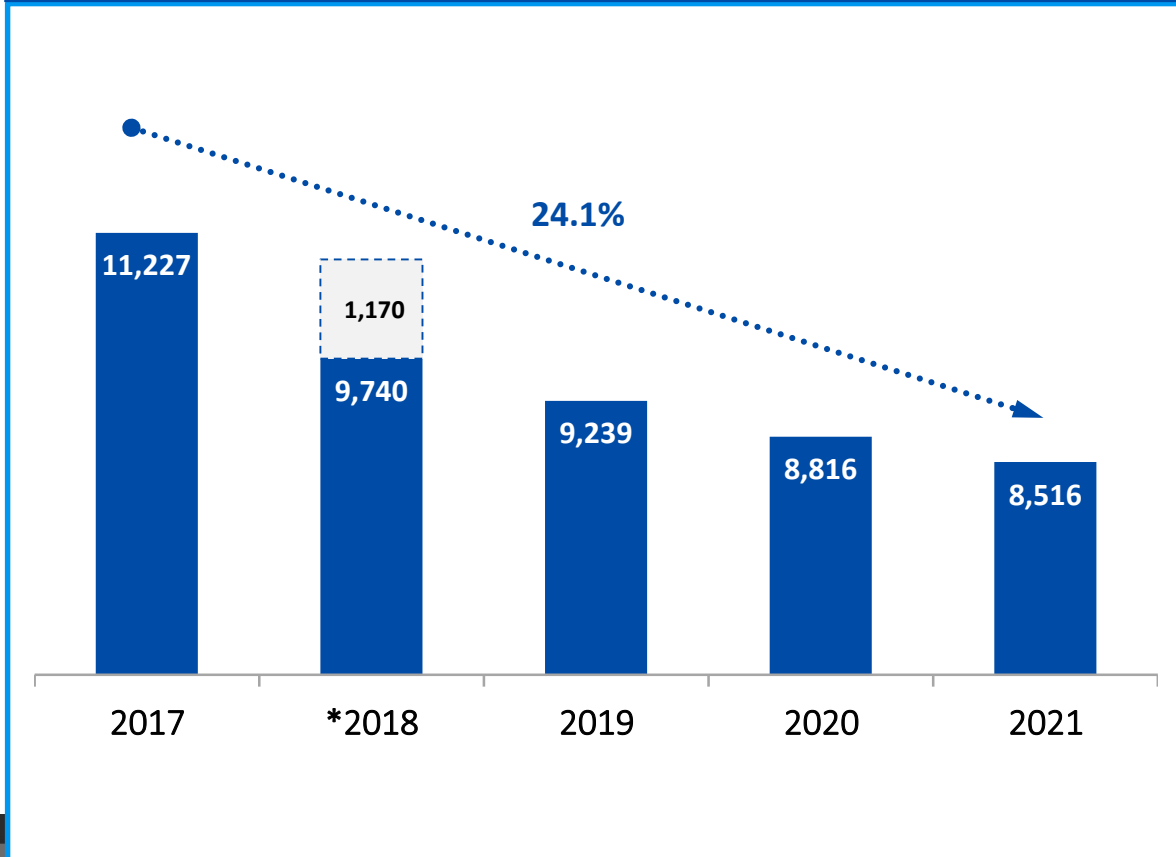
Loan Loss Expenses (Income) – 2018 through 2021



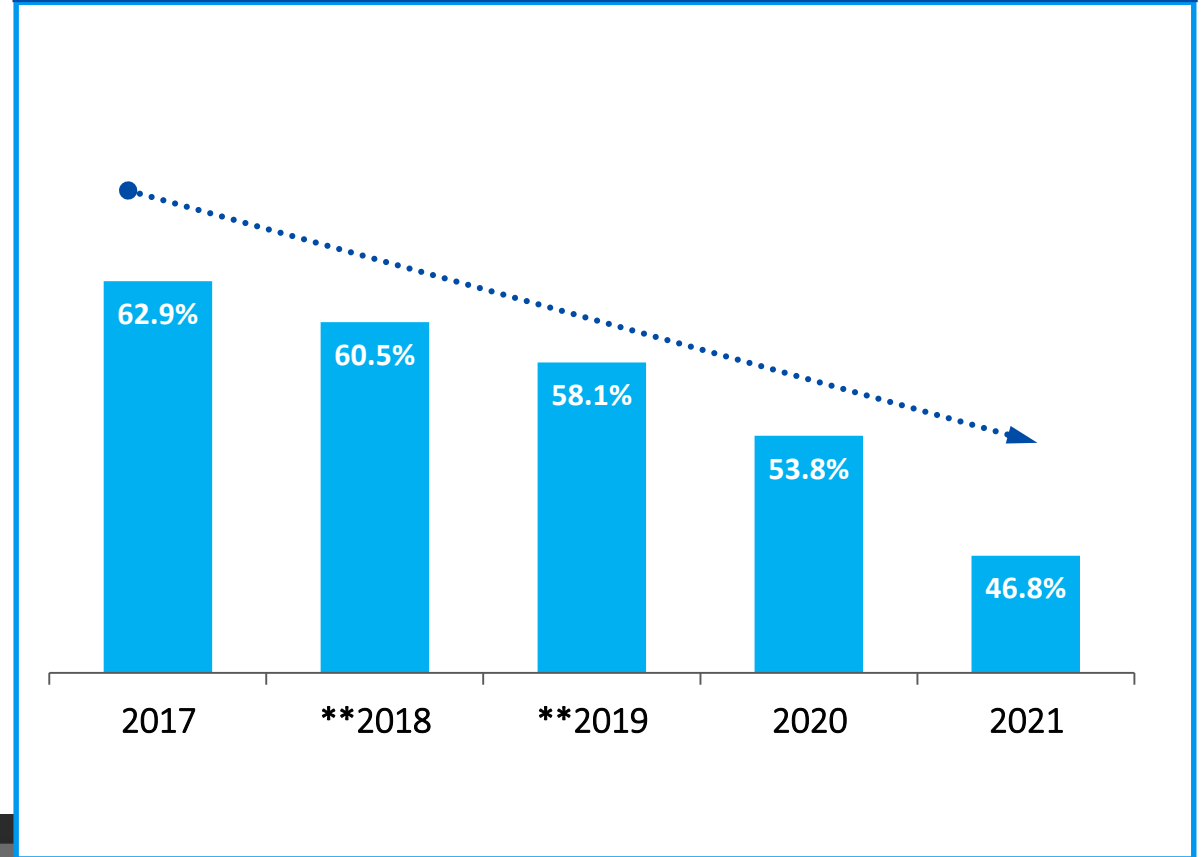
*2018 and 2019 ROE, Net Income and Cost Income Ratio are net of the effect of the sale of Leumi Card.

Long-term Continuous Streamlining of the Business

Number of Employee Positions Continues to Fall



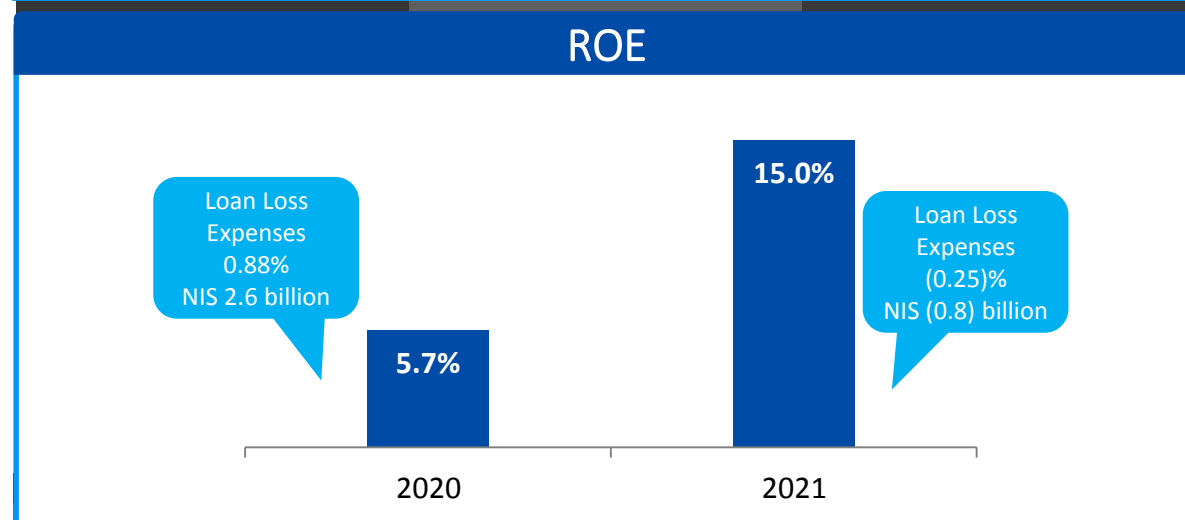
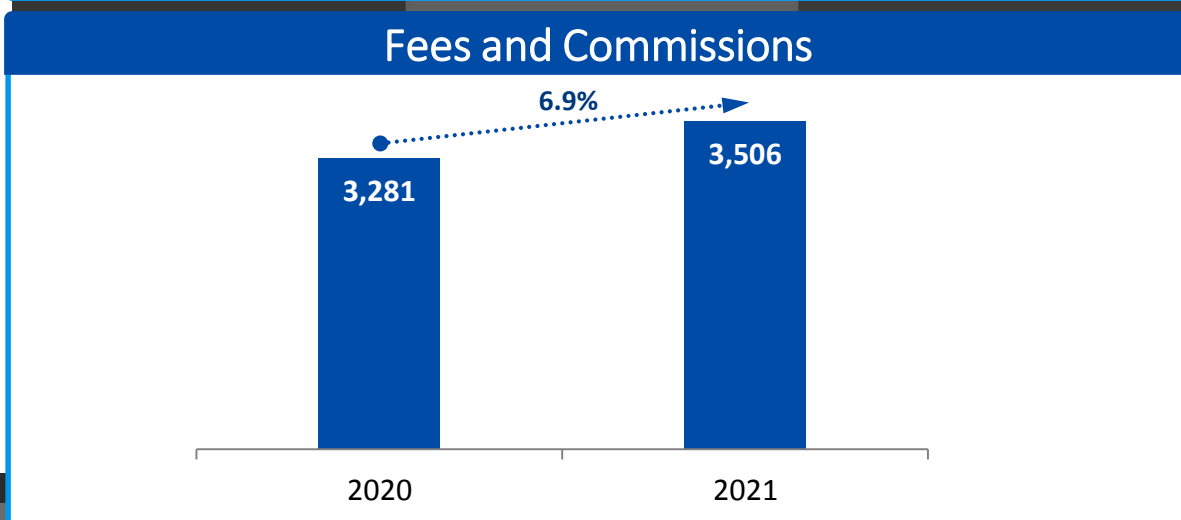
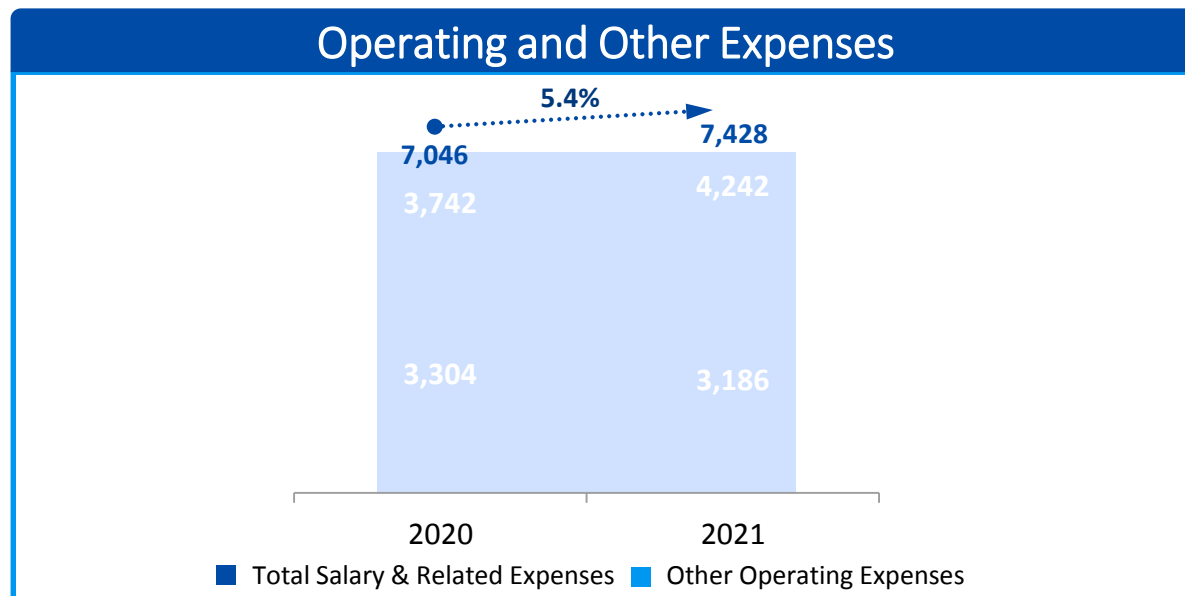
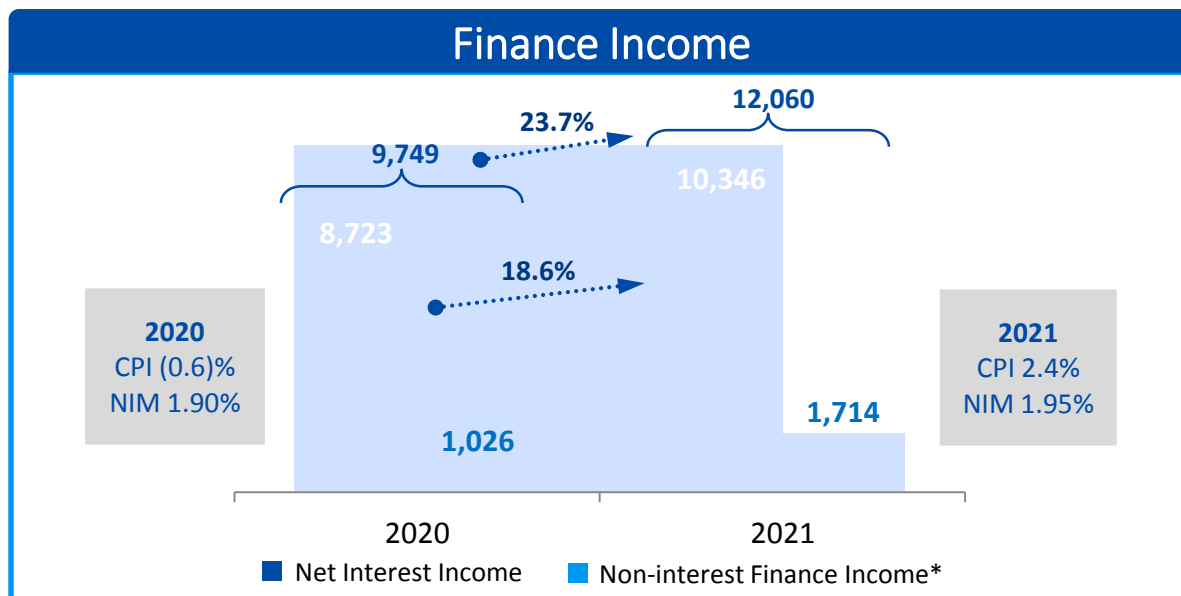
Cost-income Ratio Continues to Improve



*Including 1,170 employees of Leumi Card the divestment of which was completed in February 2019

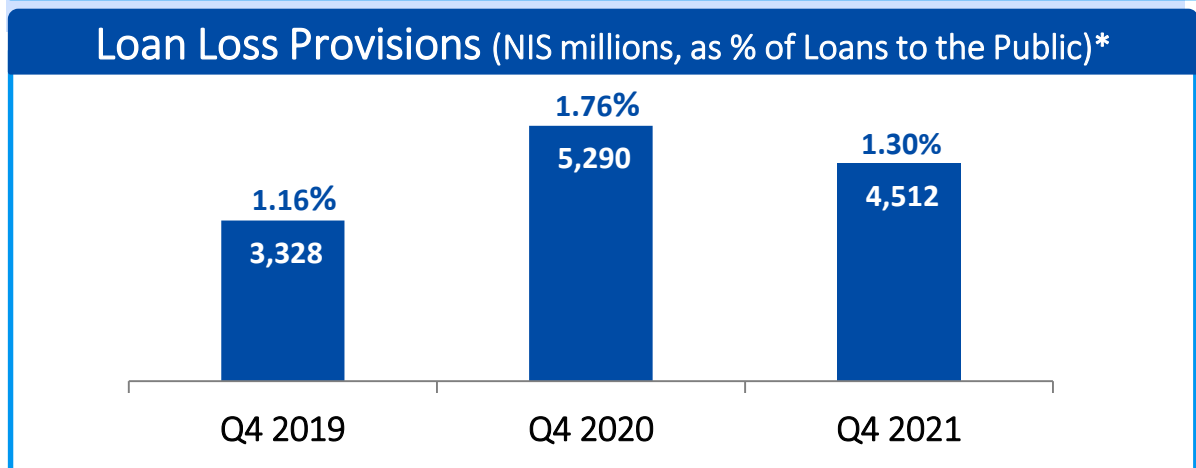
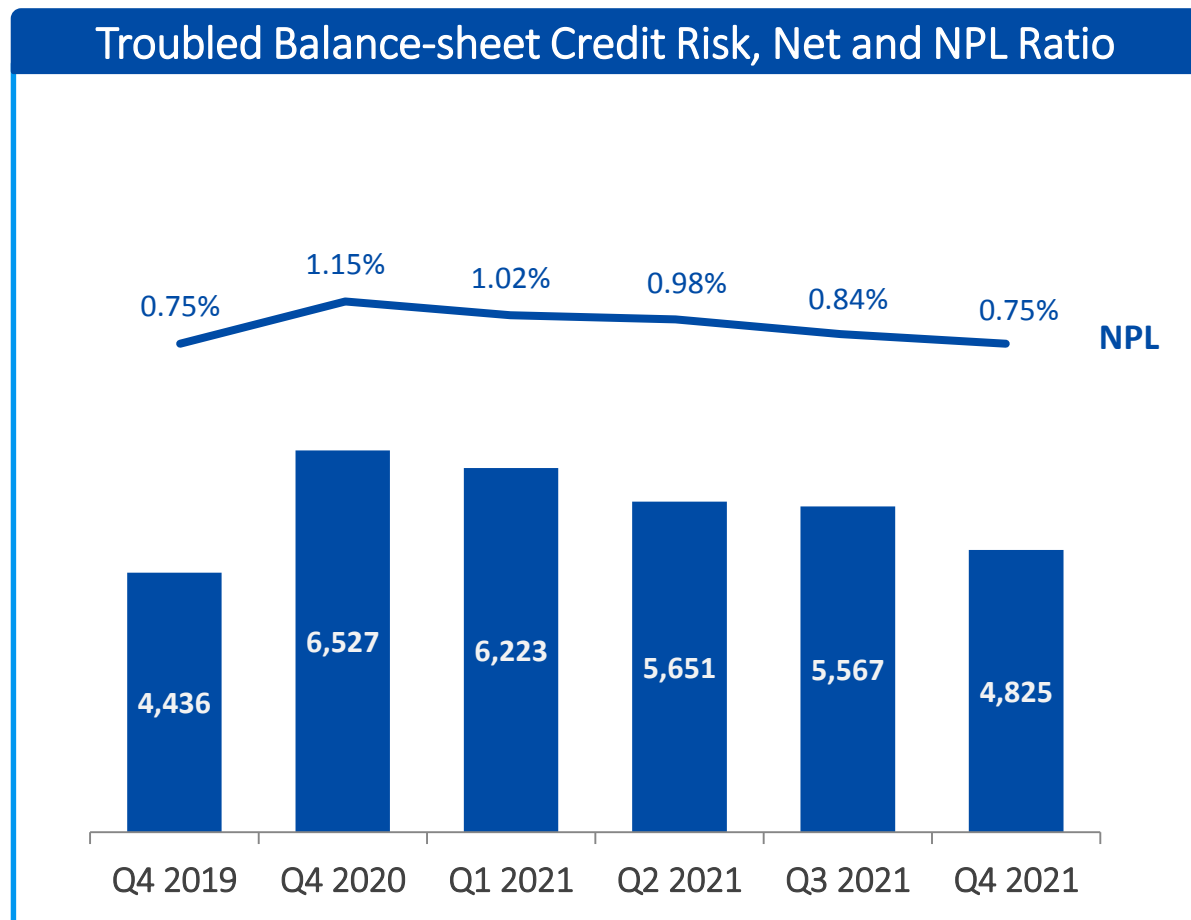
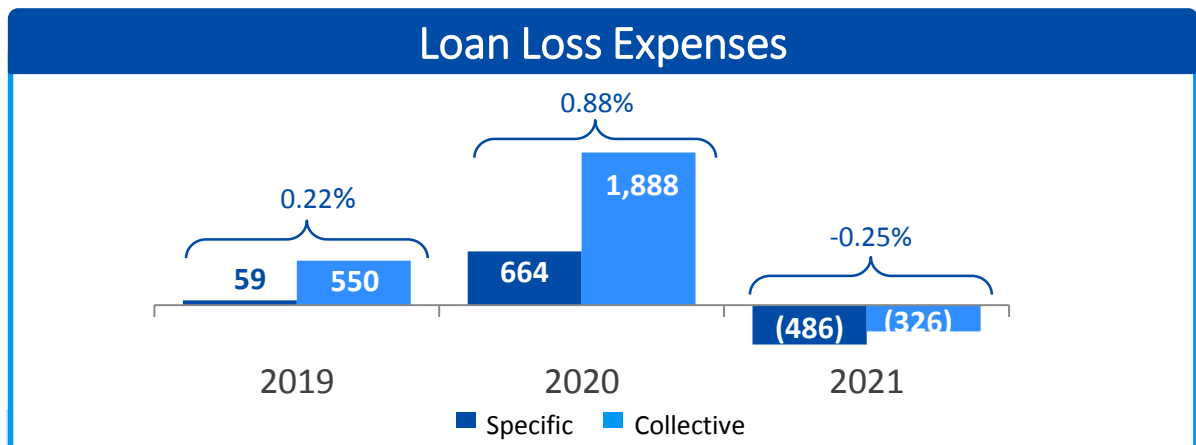
**2018 and 2019 Efficiency Ratio, net of the effect of the sale of Leumi Card.

2020 vs. 2021 – Breakdown of Income and Expenses



(NIS Millions)

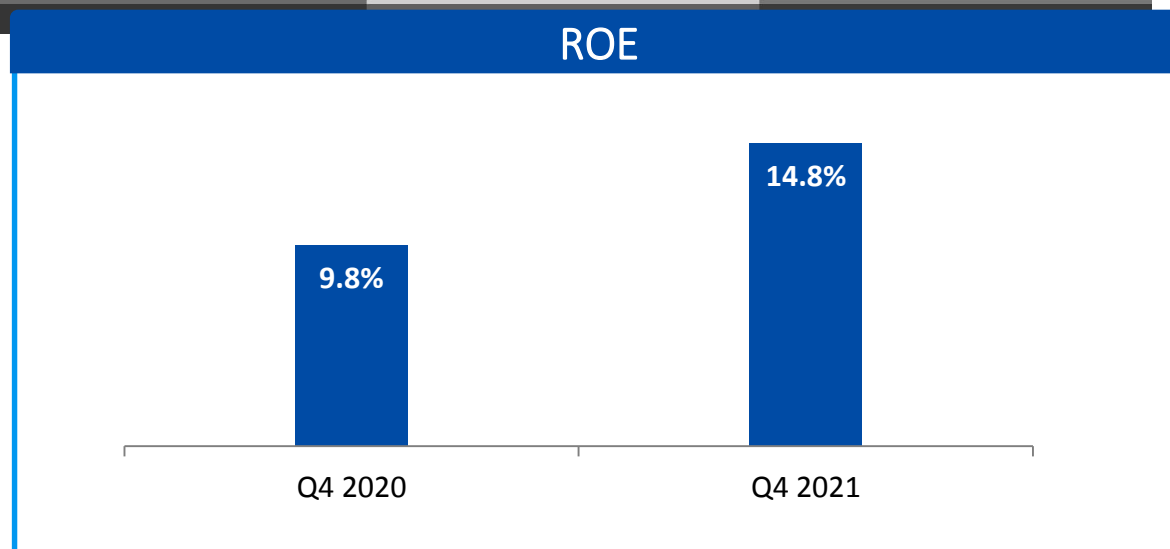
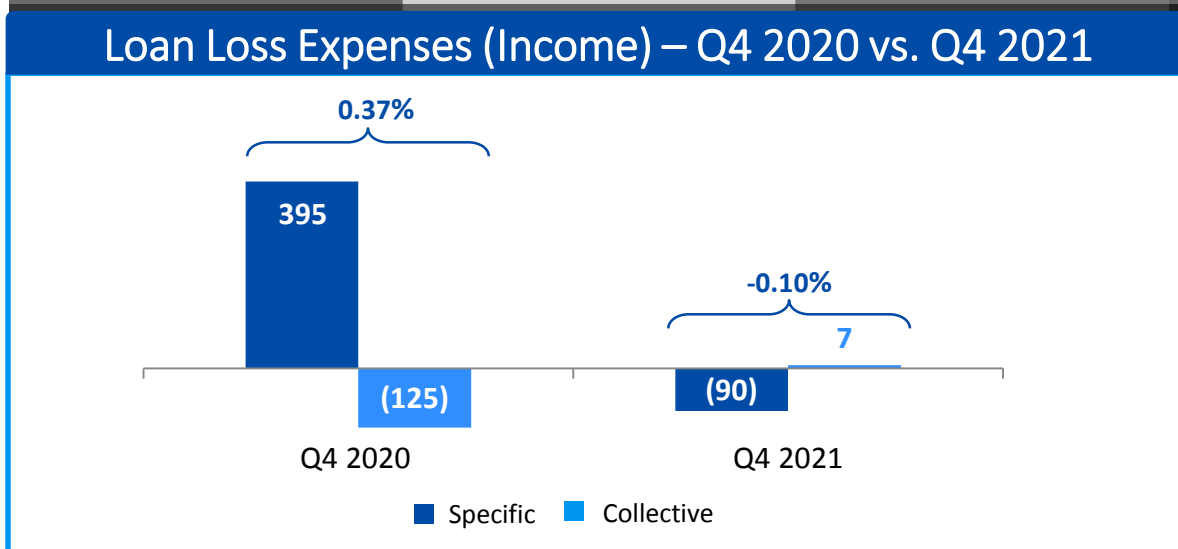
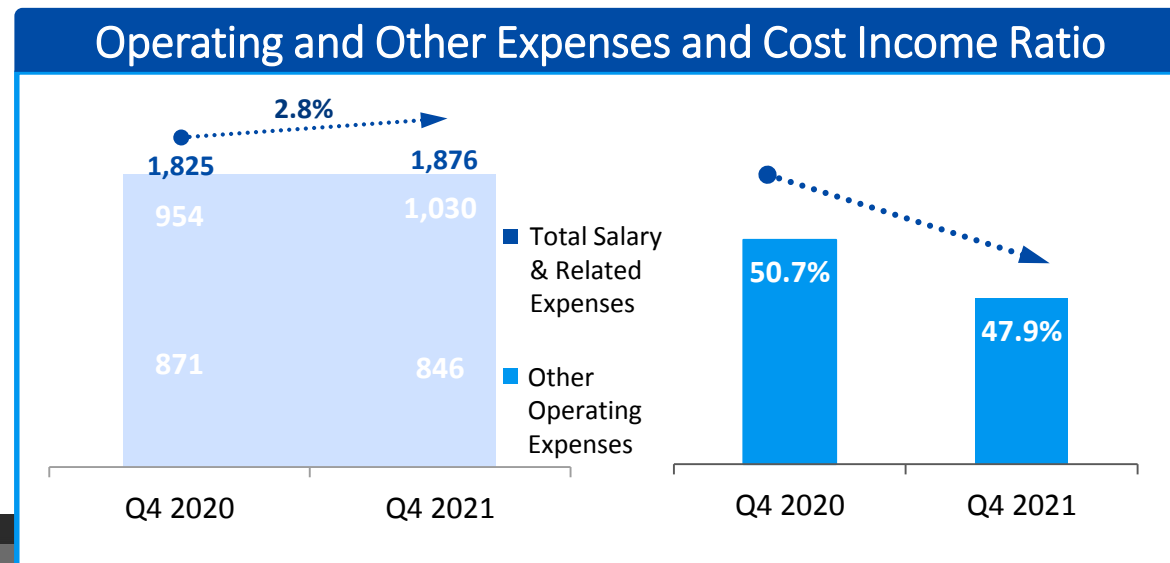
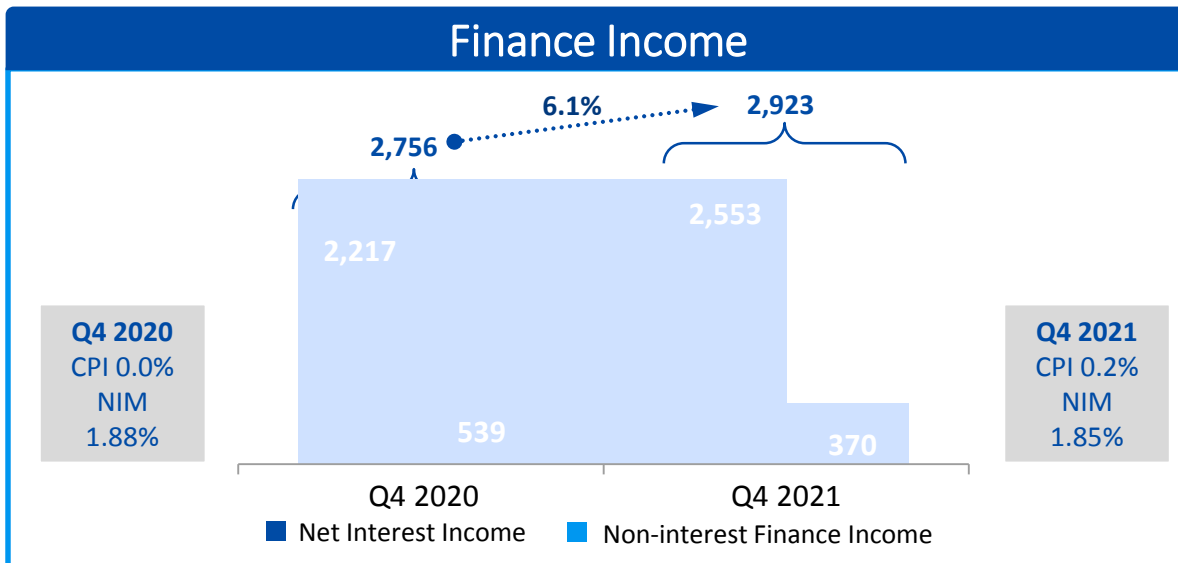
Monitoring our Loan Portfolio in Light of COVID-19



CECL- The Bank adopted the new directives starting January 1, 2022 with estimated effect of LLP increase (including for off-balance-sheet credit exposures in Other liabilities) for: (1) credit to private individuals - NIS 0.1 billion; (2) LLP increase for commercial credit - NIS 0.7 billion; and (3) LLP decrease for housing credit - NIS 0.2 billion.

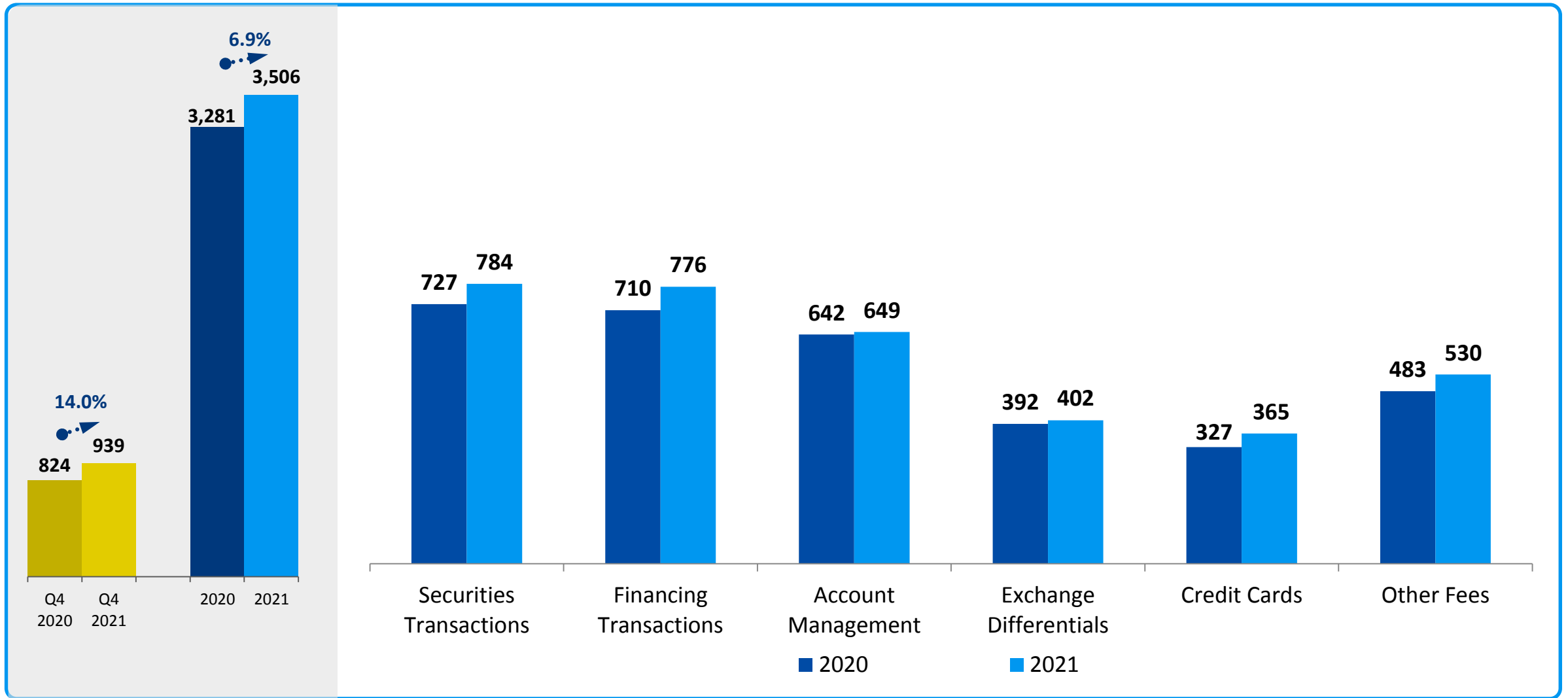
*Does not include provision for off-balance sheet items, Troubled Balance-sheet Credit Risk, Net – Includes the balance sheet items. NPL ratio: Non-accrual impaired loans to the public/Total loans to the public, (NIS Millions)

Q4 2020 vs. Q4 2021 – Breakdown of Income and Expenses



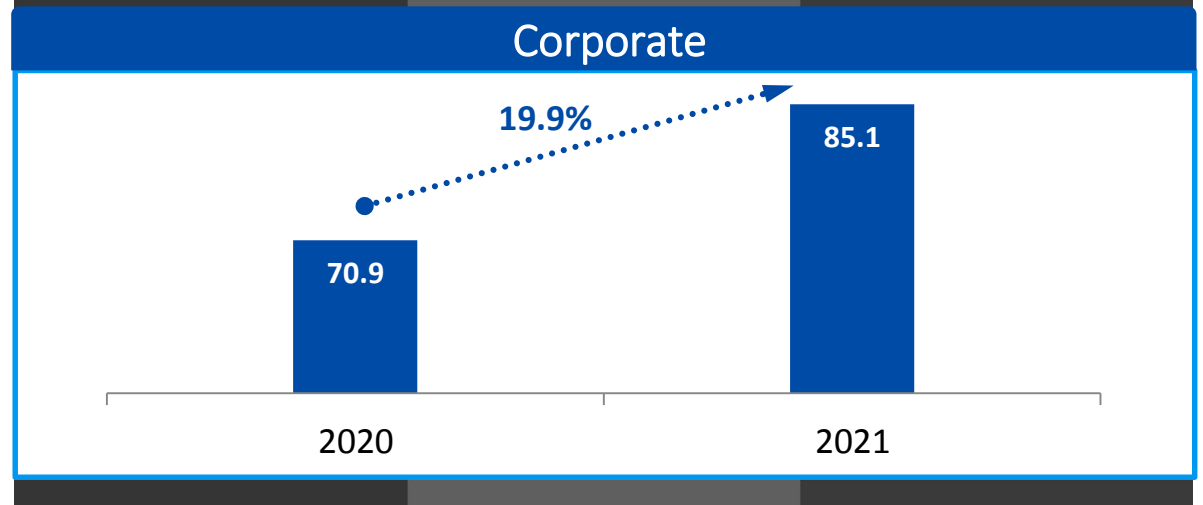
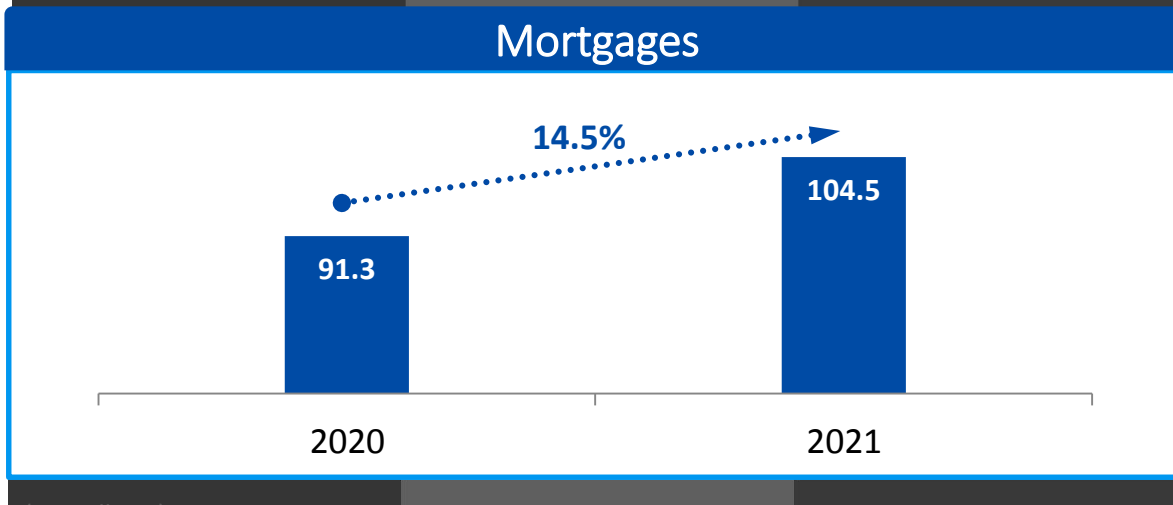
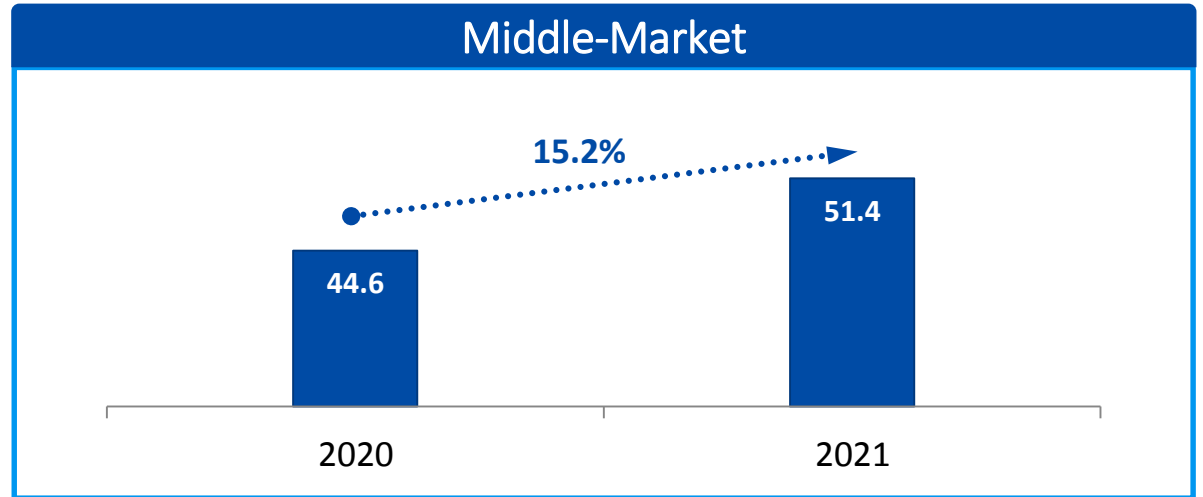
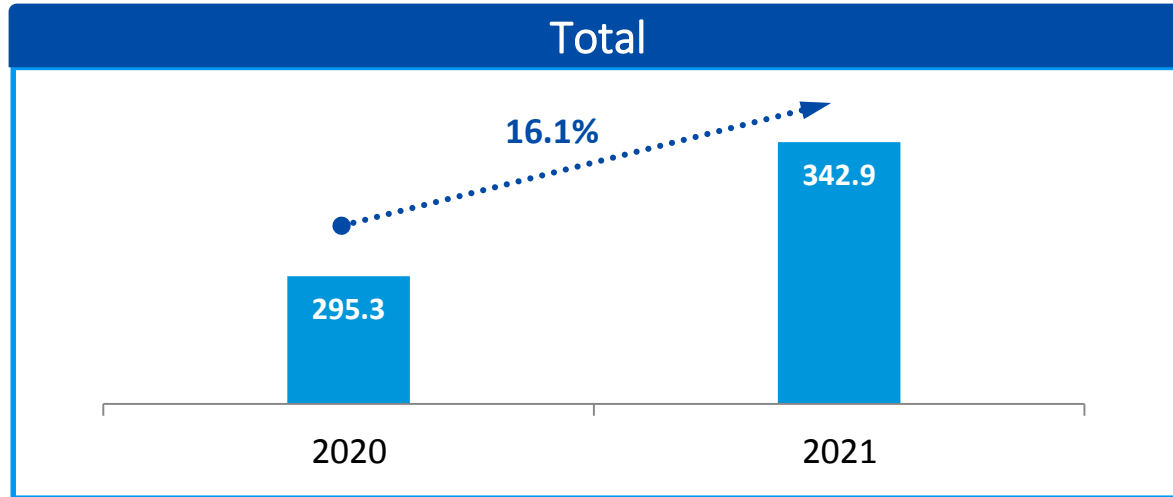
(NIS Millions)

2020 vs. 2021 - Fees and Commissions Performance



(NIS Millions)

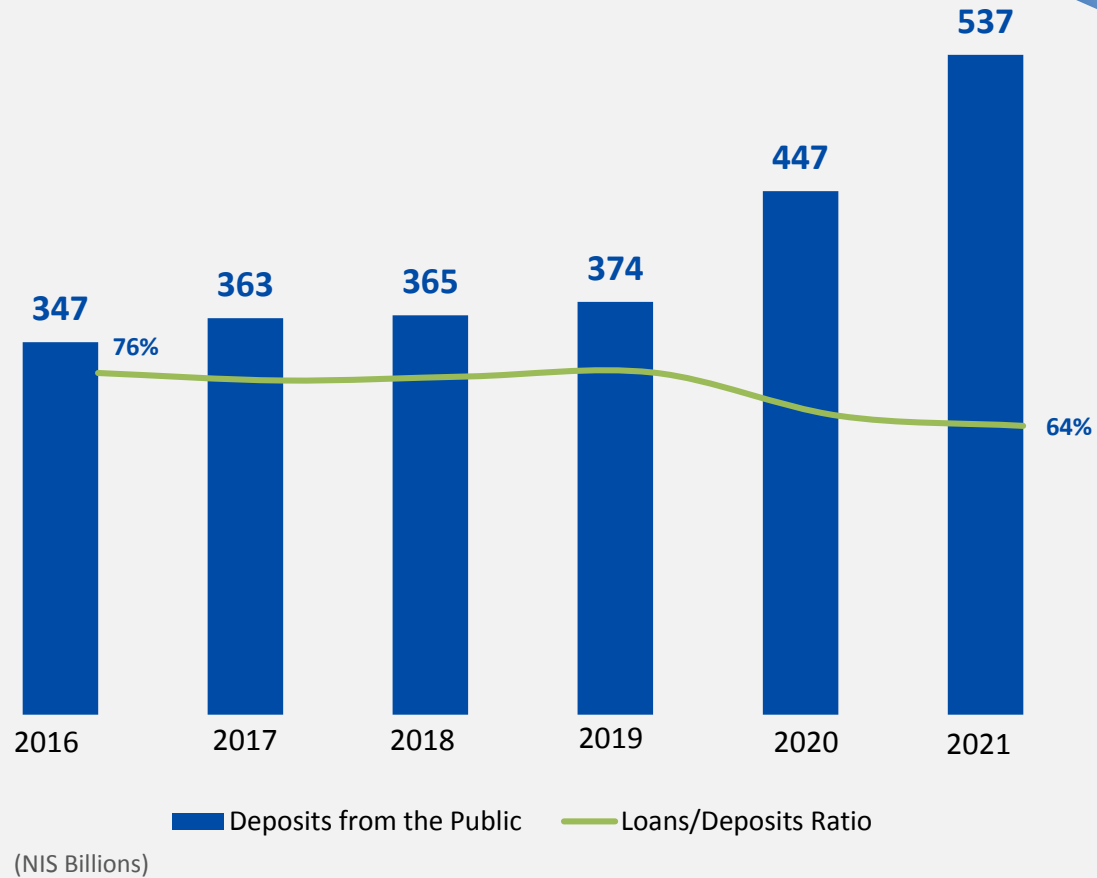
Loan Growth Continues in Line with Strategy



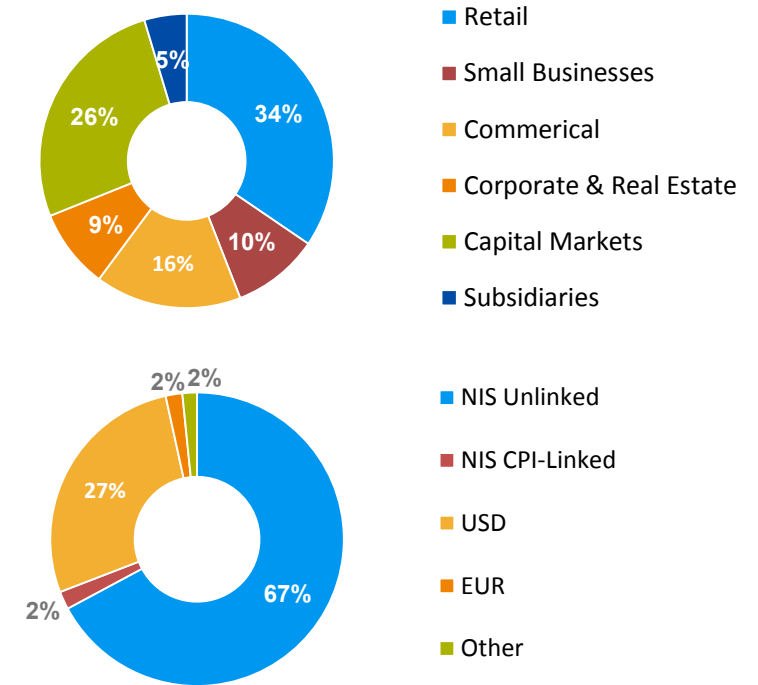
(NIS Billions)

Corporate includes Corporate and Real-Estate. The growth is mainly from Real-Estate.

Solid and Diverse Deposit Base. Conservative, Well-funded Portfolio



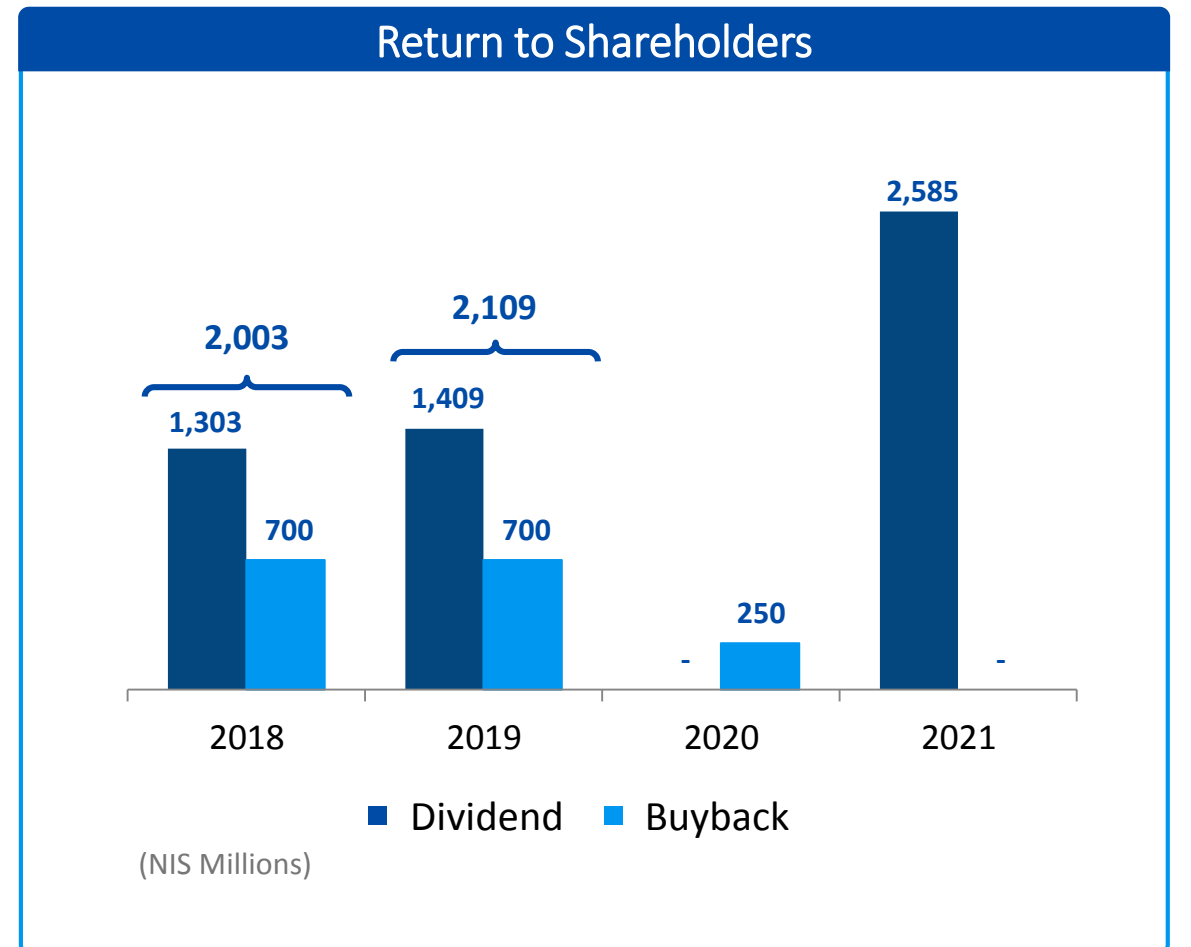
Deposits from the Public December 31, 2021



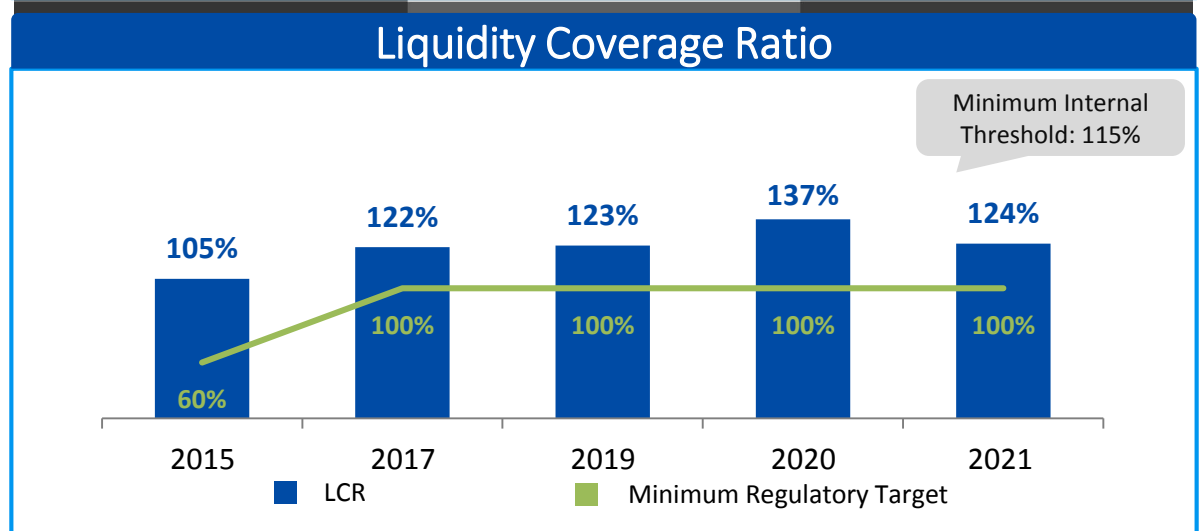
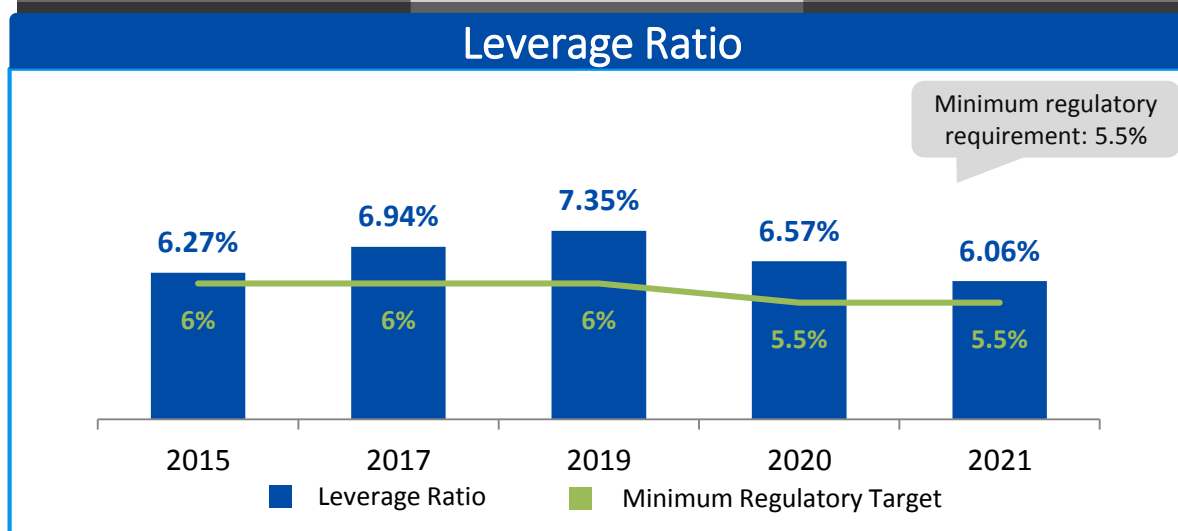
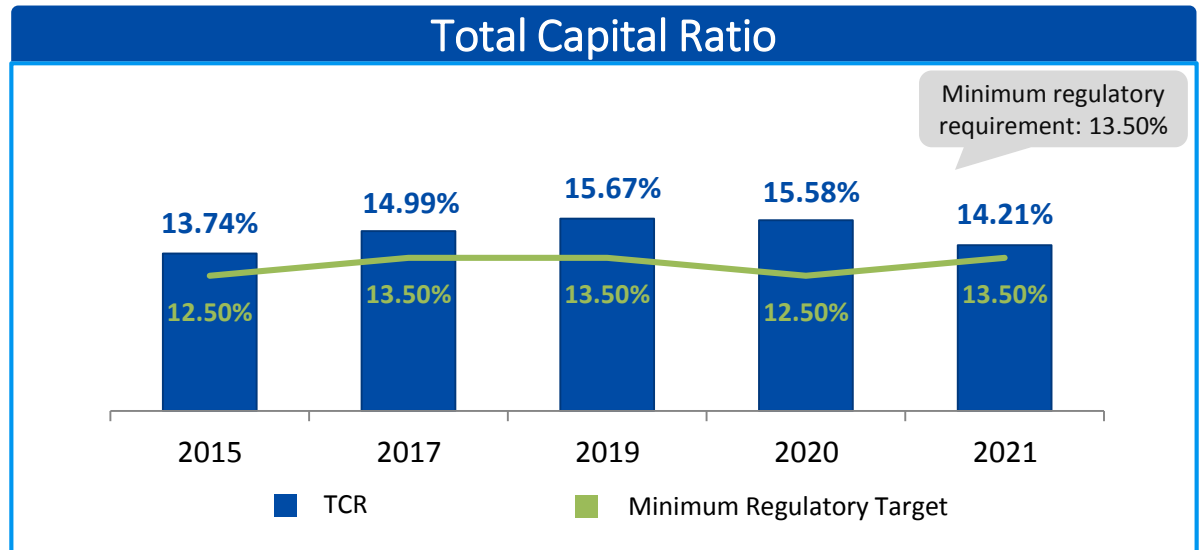
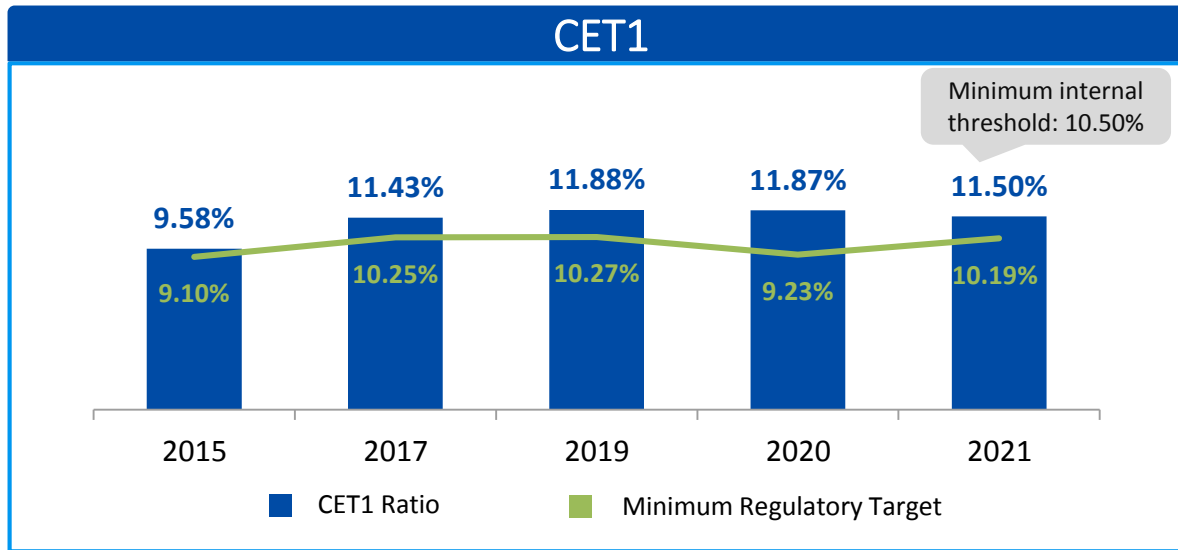
Dividend Distribution and Announcement

Dividends

- Since Covid-19 eruption until June 2021 BOI restricted dividends and buy-backs.
- BOI allowed dividend distribution of up to 30% of 2020 and 9M of 2021 net income ; Leumi distributed the maximum totaling NIS 1,997M.
- Leumi announced a dividend of NIS 588M (40% of Q4 2021 net income).



Solid Capital and Leverage Ratios



Regulatory and internal thresholds for CET1 and TCR as of January 1, 2022.

Wrapping Up

Strong growth in credit portfolio, focused on Mortgages, Middle Market and Corporate

Significant improvement in cost income ratio

High ROE, no intangible assets

Robust capital surplus and high dividend distribution

NIS 650-750M after tax profit to be recorded with the merger of BLUSA with Valley National



התמונה
לא נבדקה
לפי הגדרותיך



התמונה
לא נבדקה
לפי הגדרותיך

Q&A



התמונה
לא נבדקה
לפי הגדרותיך



התמונה
לא נבדקה
לפי הגדרותיך

THANK YOU