



2019 FINANCIAL RESULTS

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.

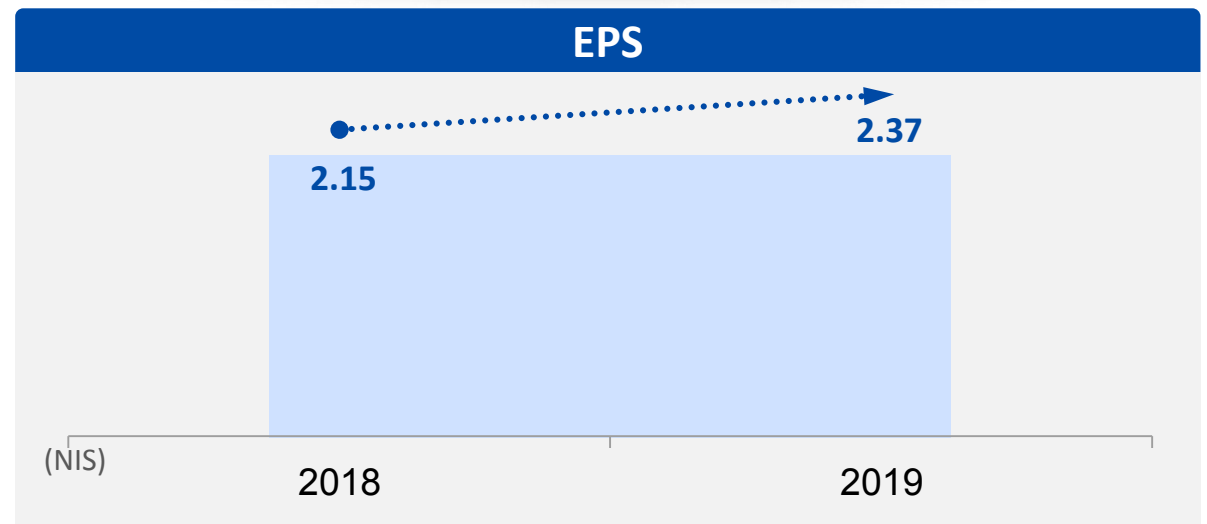
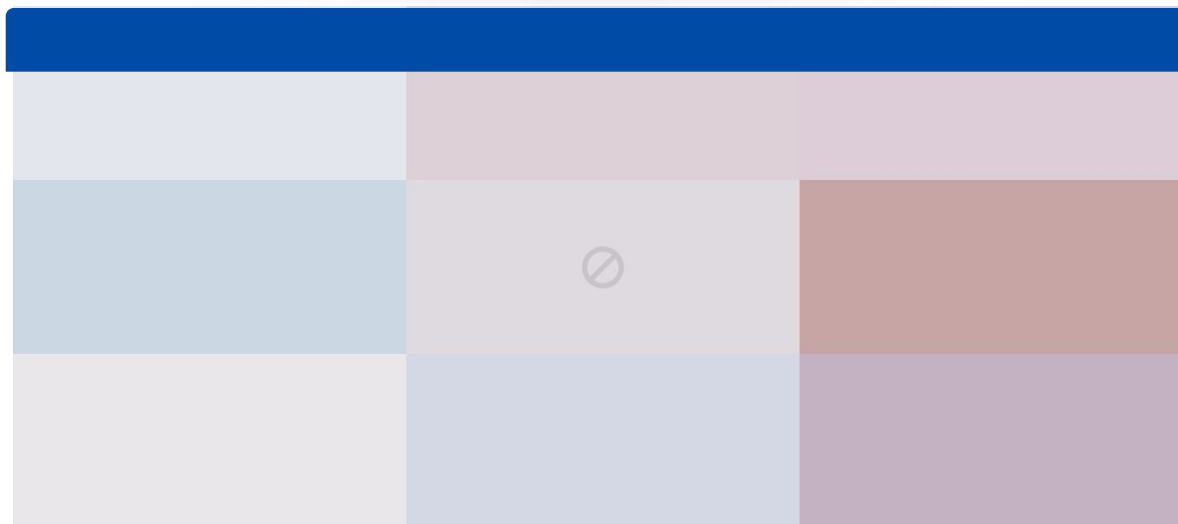
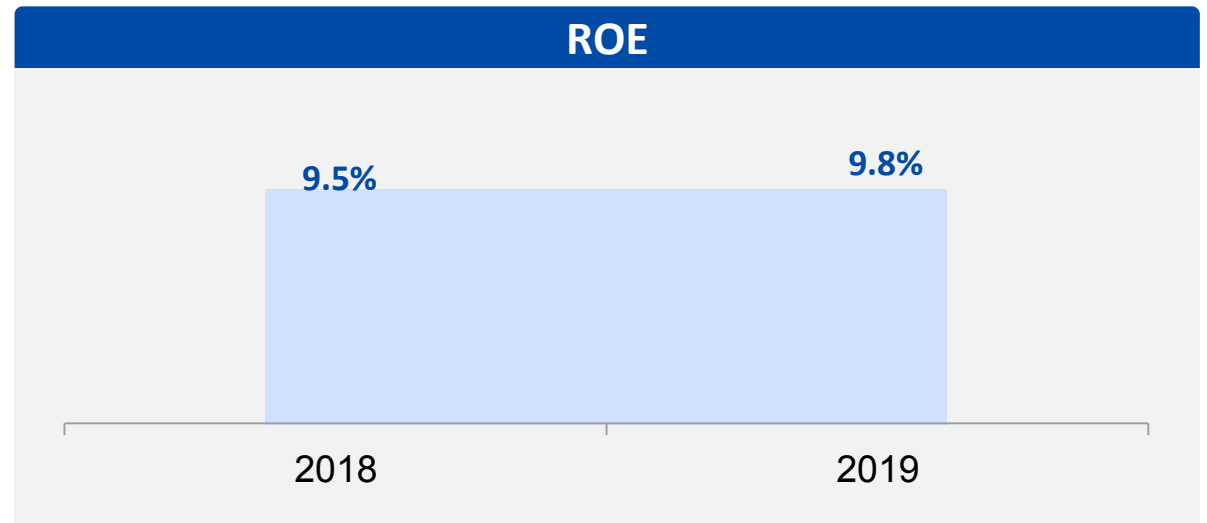
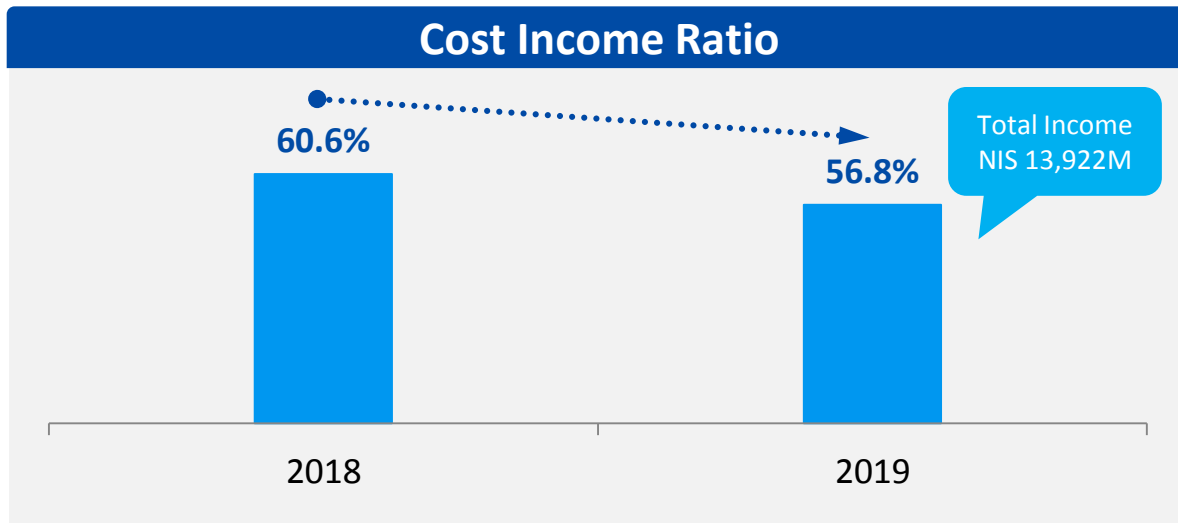
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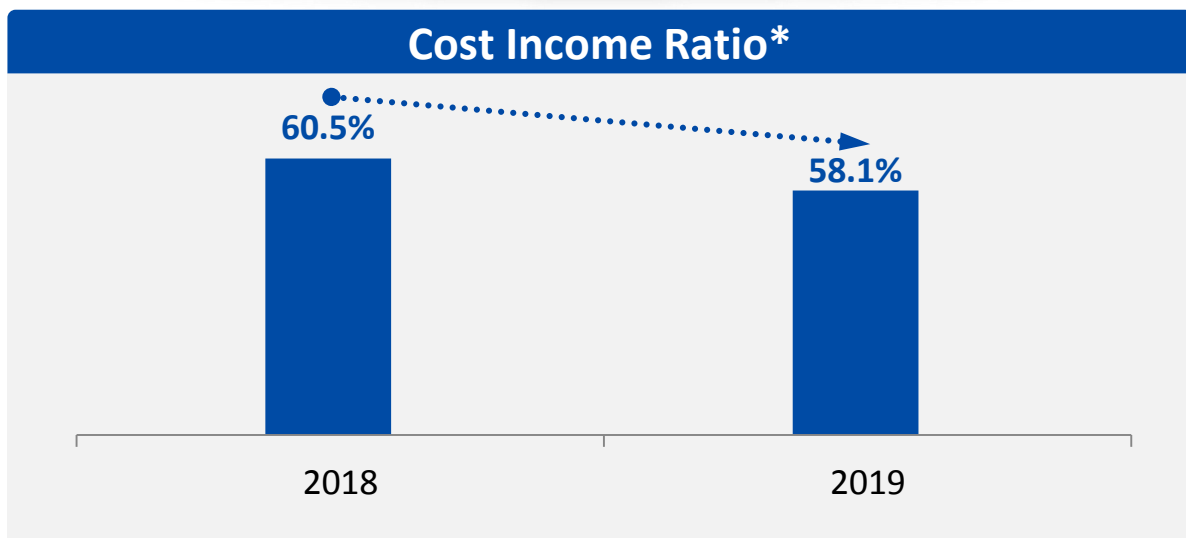
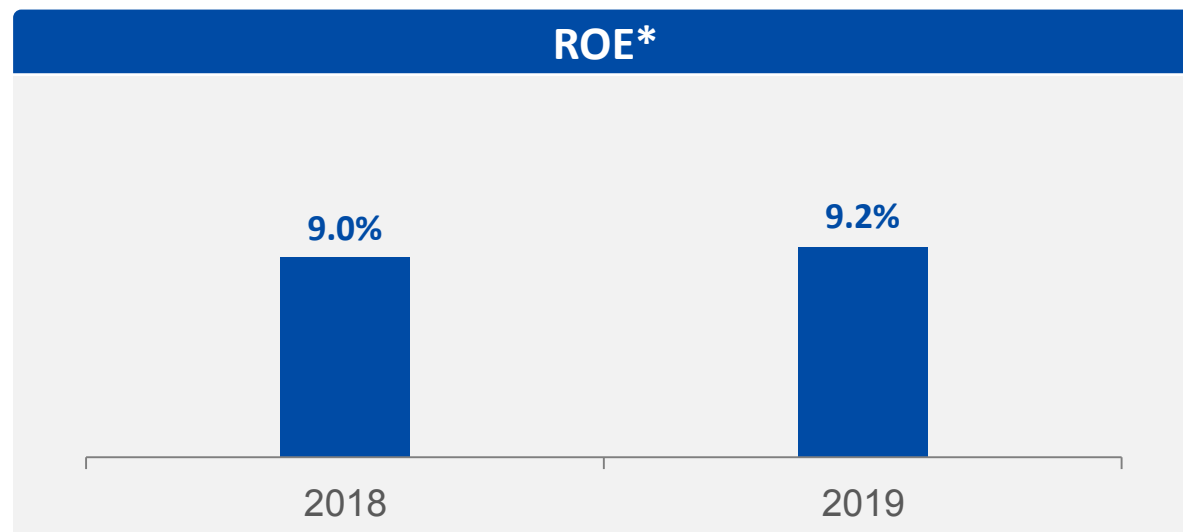
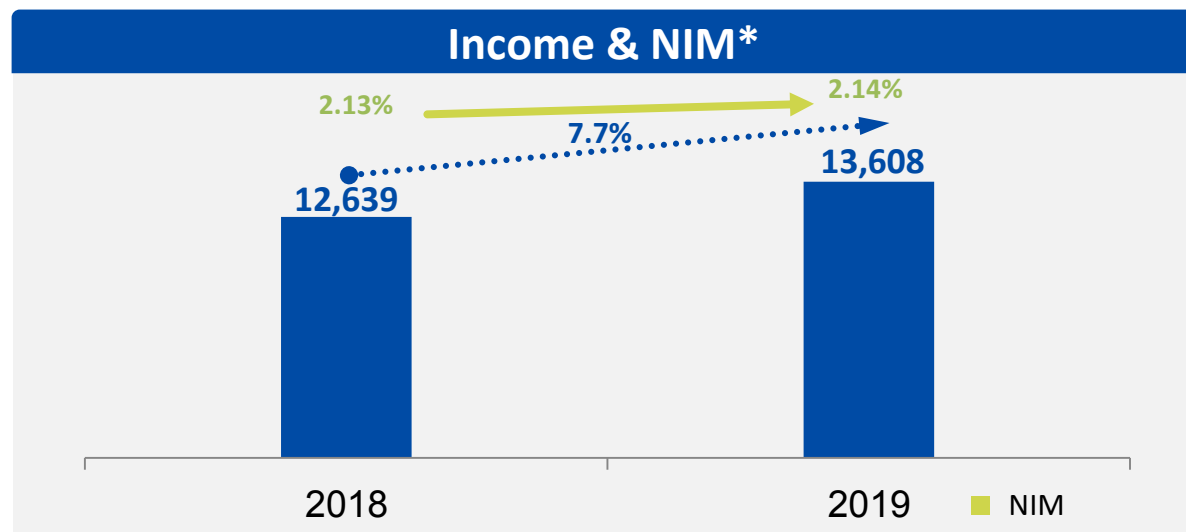
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2018 to 2019 – Improved Profitability and Efficiency Year-over-Year



2018 to 2019 – Income and Profitability from Core Business Up

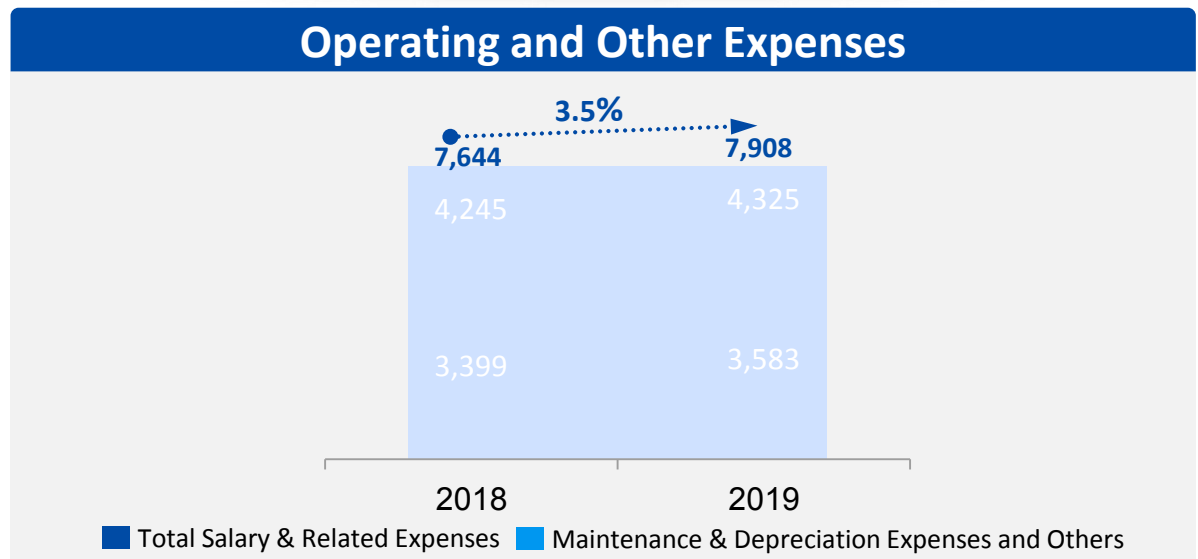
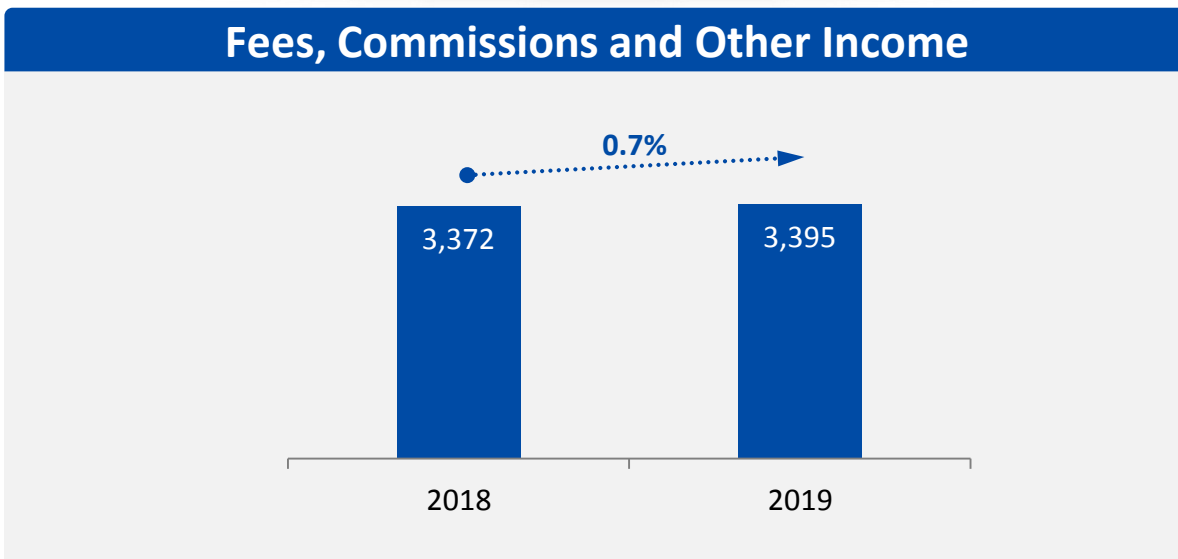
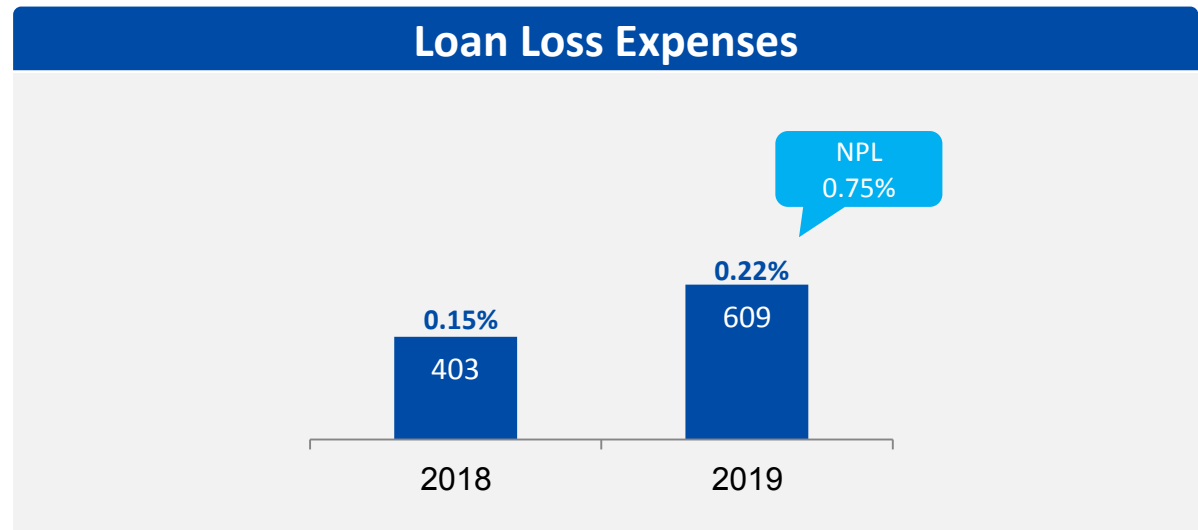
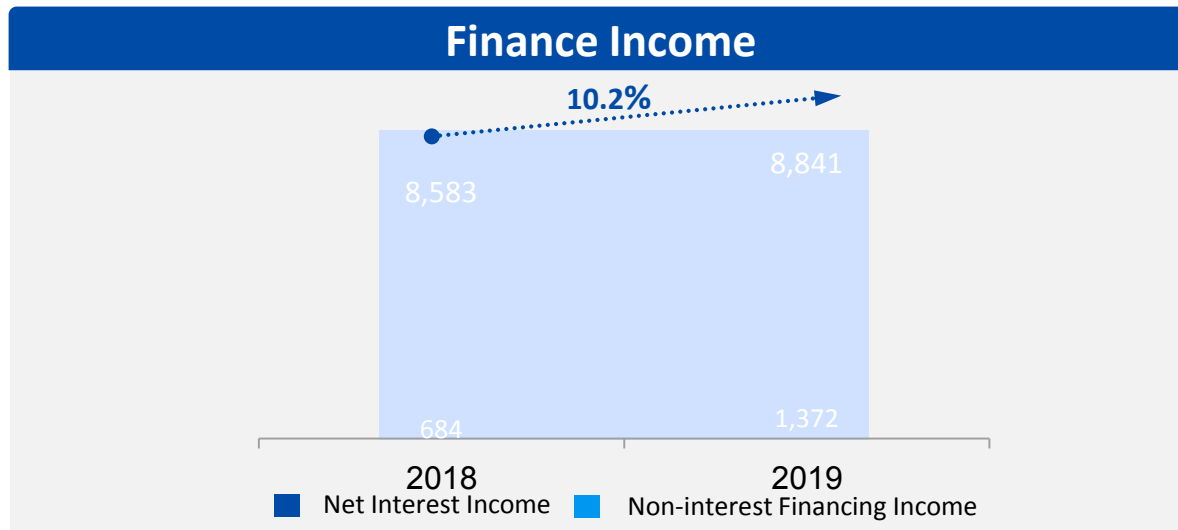


(NIS Billions)

* Net of the effect of Leumi Card as per the pro-forma financial statements presentation



2018 to 2019 – Breakdown of Income and Expenses

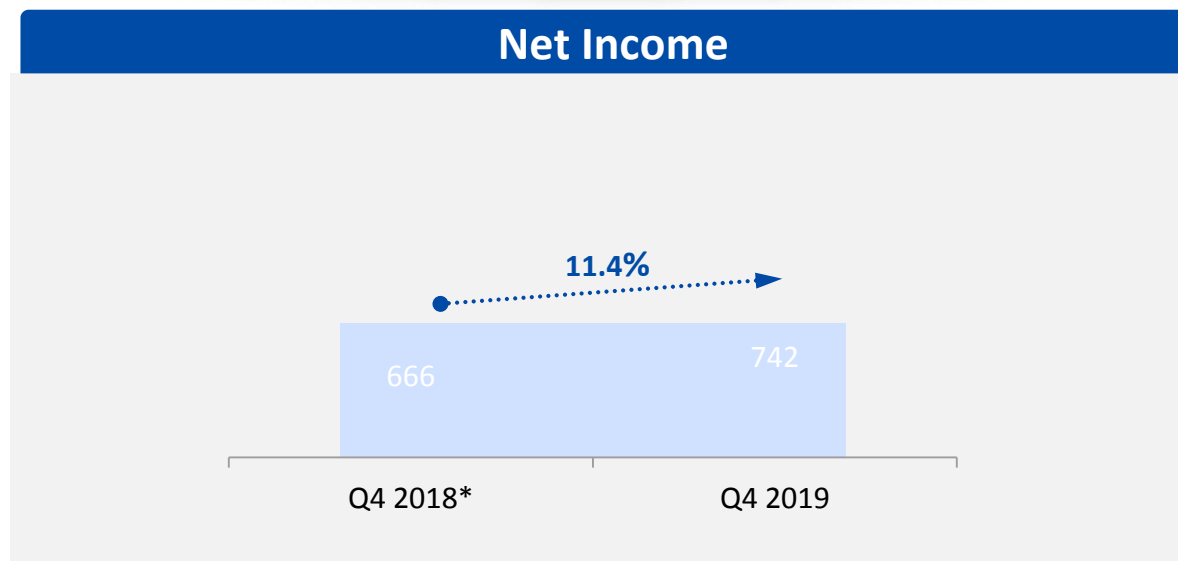
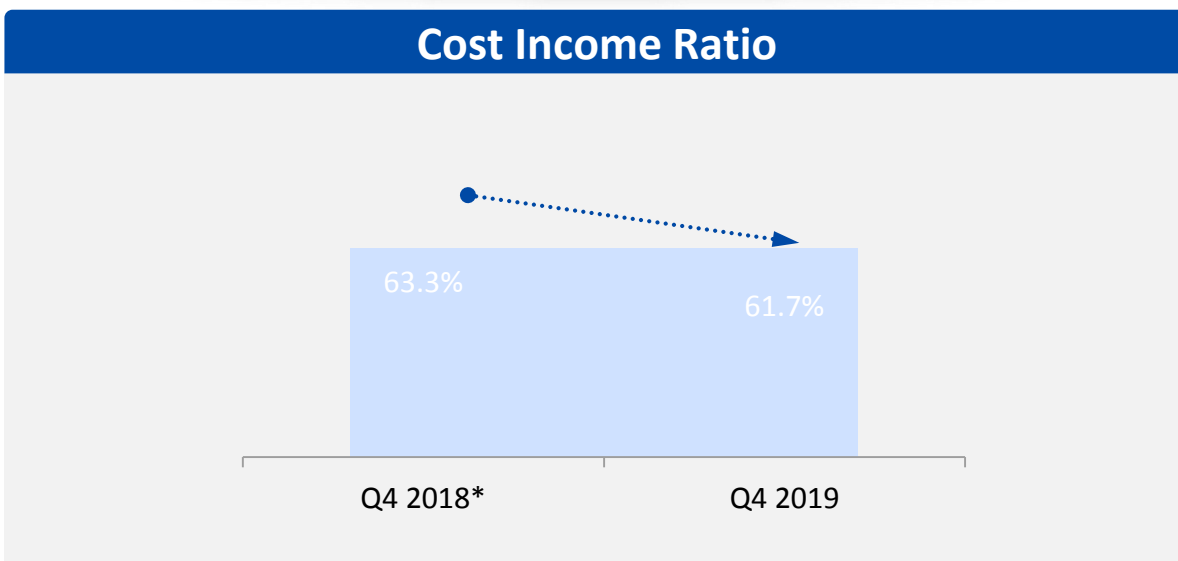
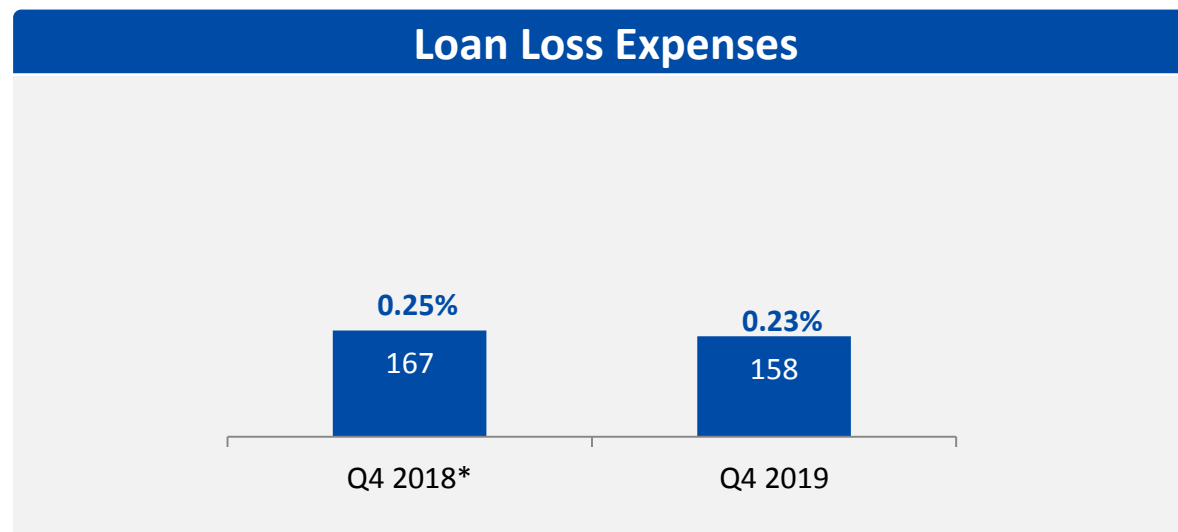
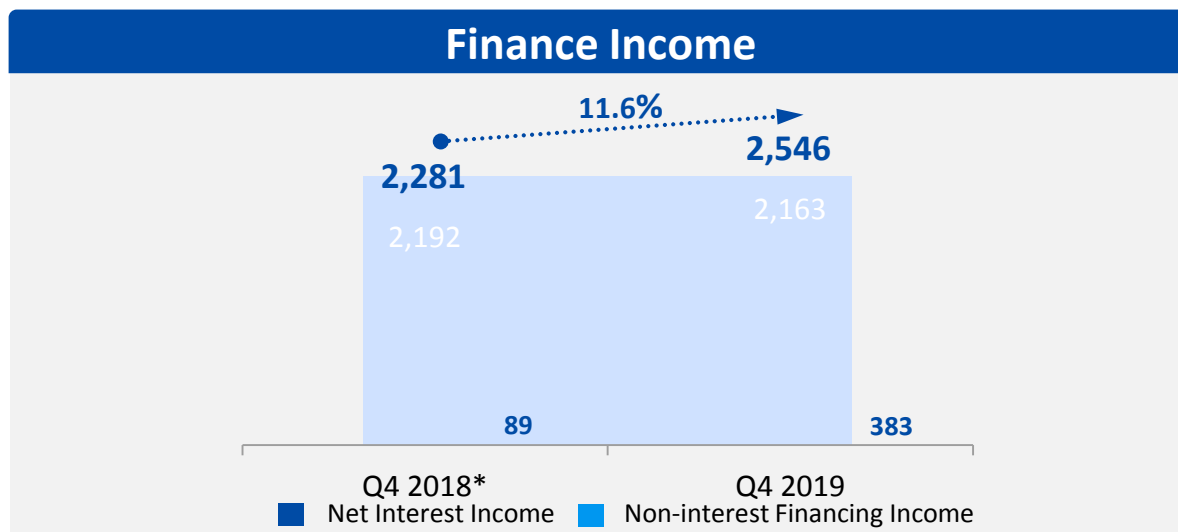


(NIS Millions)

* Net of the effect of Leumi Card as per the pro-forma financial statements presentation



Q4 – Breakdown of Income, Expenses and Profit



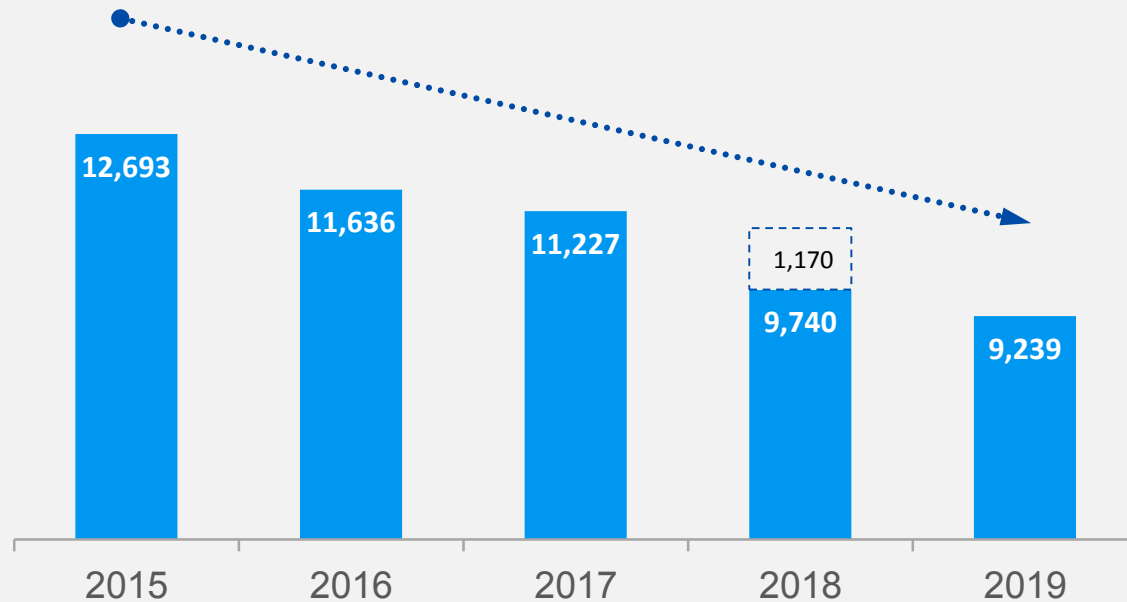
(NIS Millions)

* Net of the effect of Leumi Card as per the pro-forma financial statements presentation

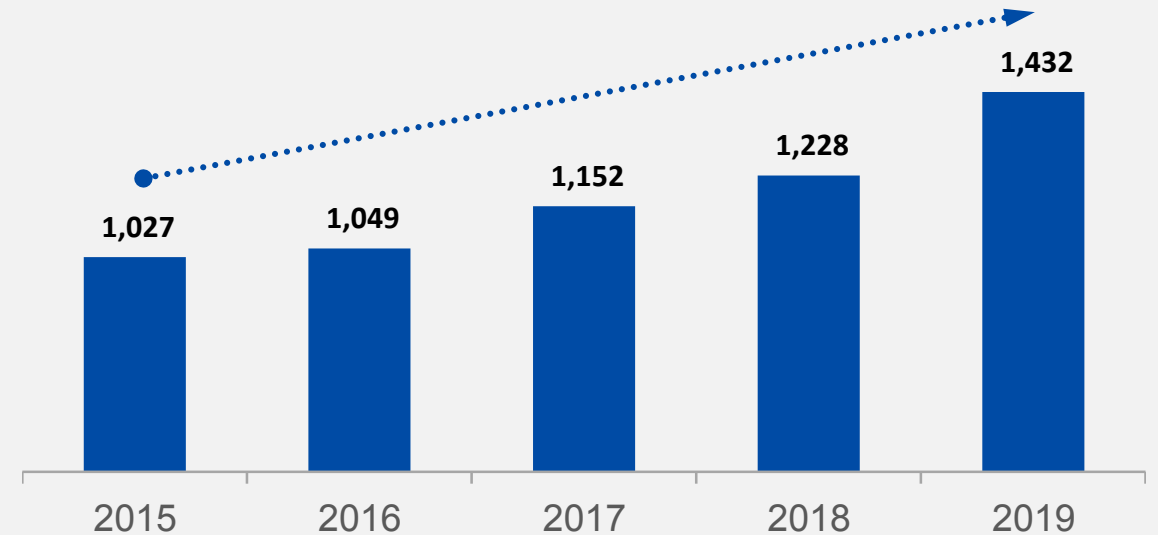


Continuous Streamlining of the Business

Number of Employee Positions Continues to Fall



Income Per Employee is on the Rise



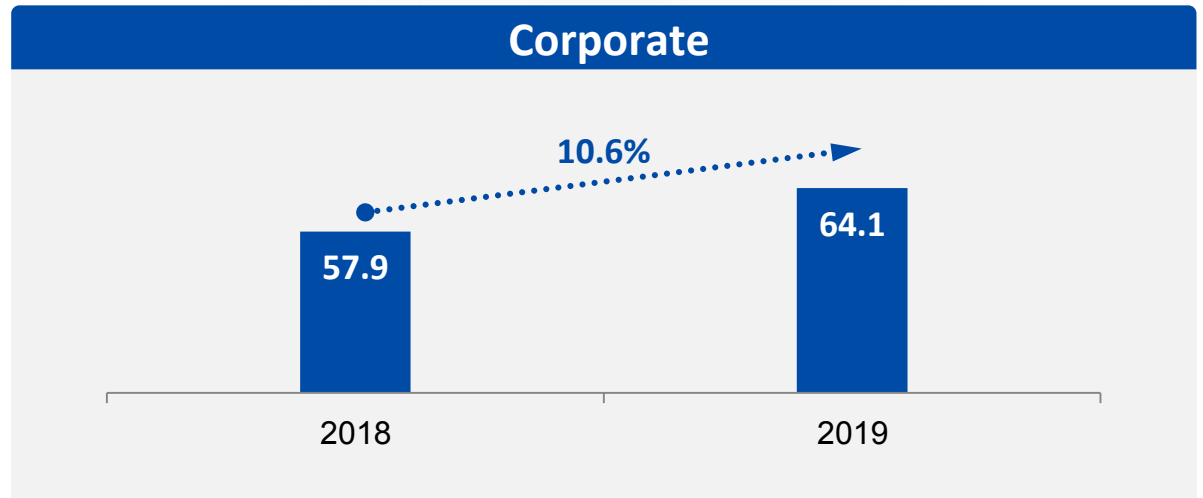
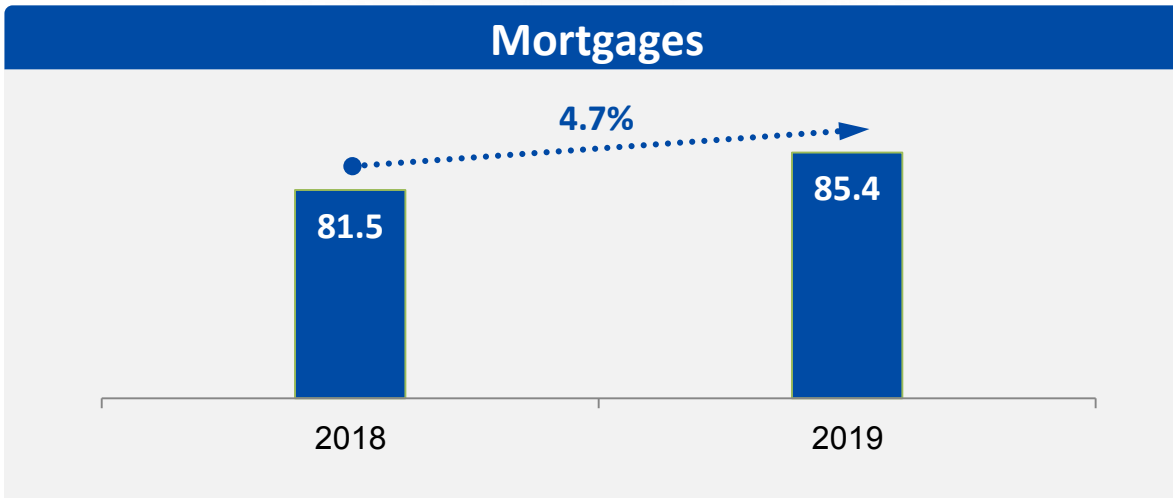
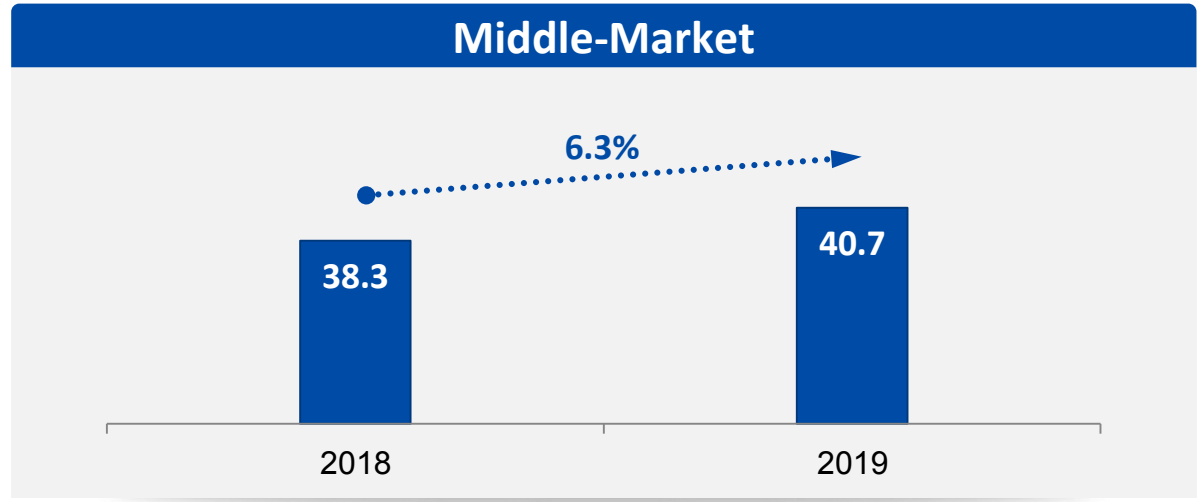
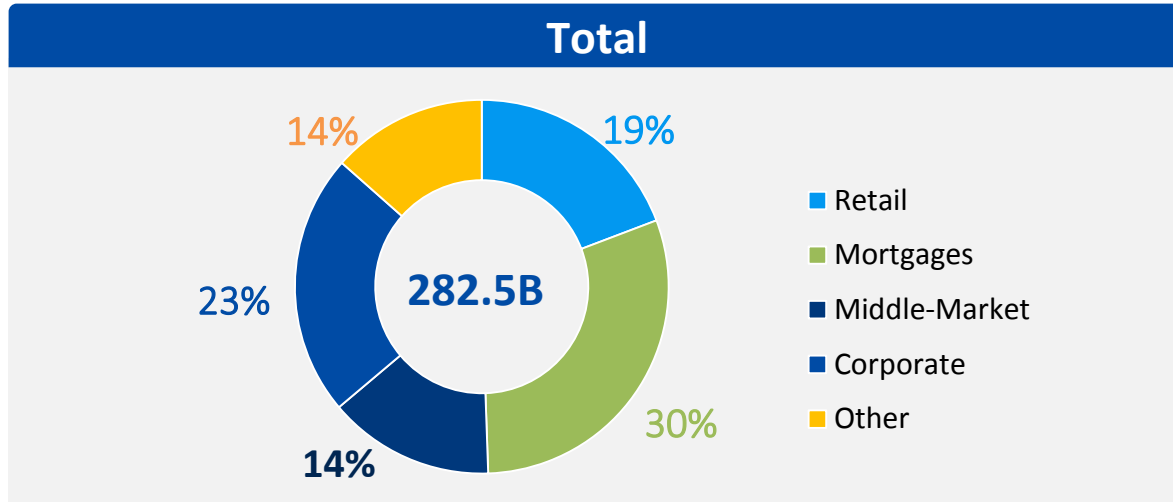
Source: Company filings.

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

Income per employee (NIS thousands) as per Average Number of Positions



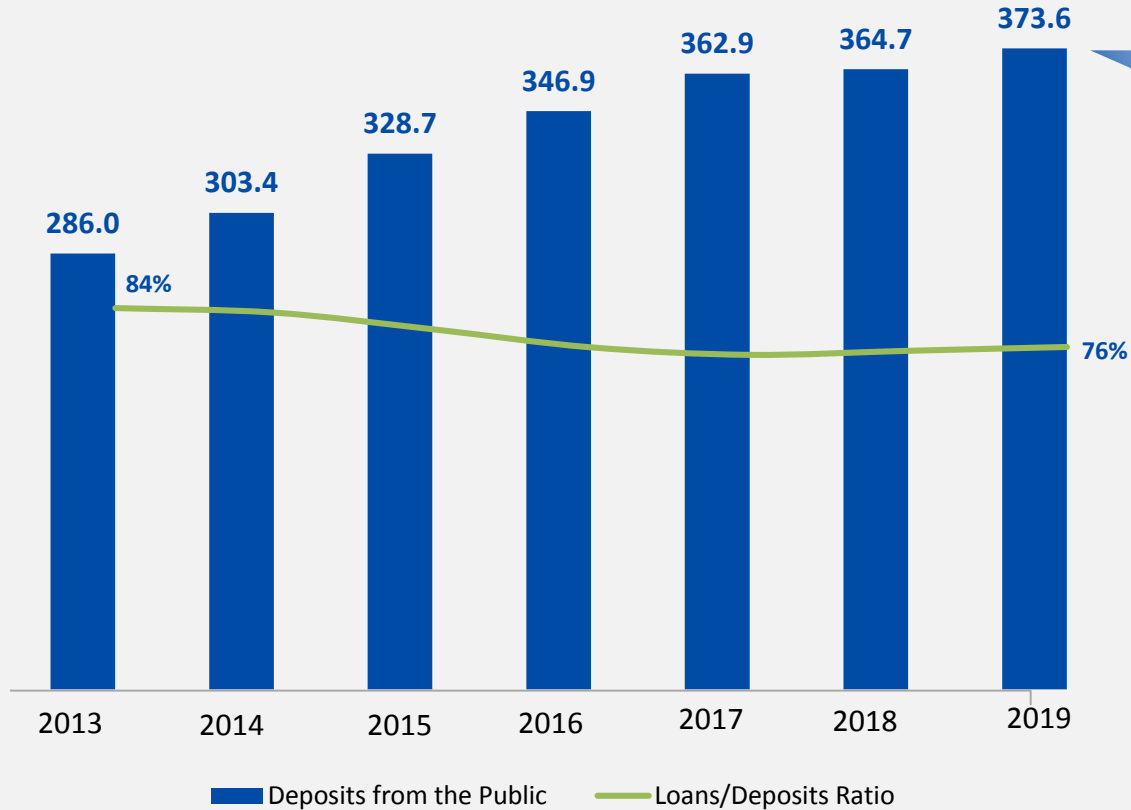
Loan Growth in Line with Strategy



(NIS Billions)
Corporate includes Corporate and Real-Estate

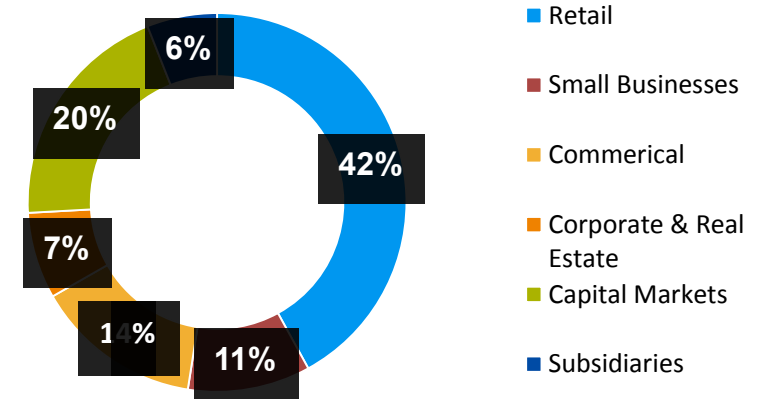


Solid and Diverse Deposit Base. Conservative, Well-funded Portfolio

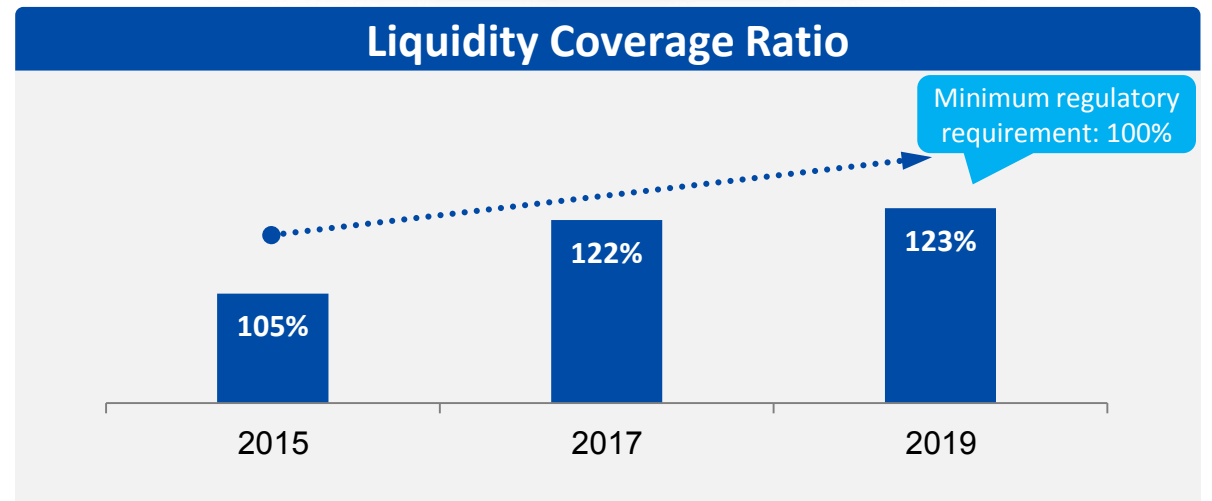
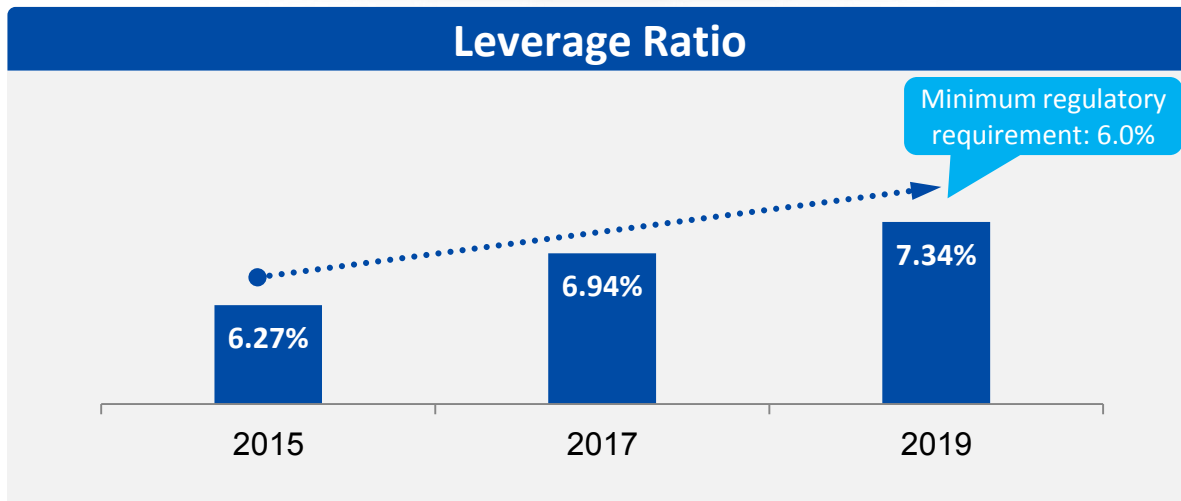
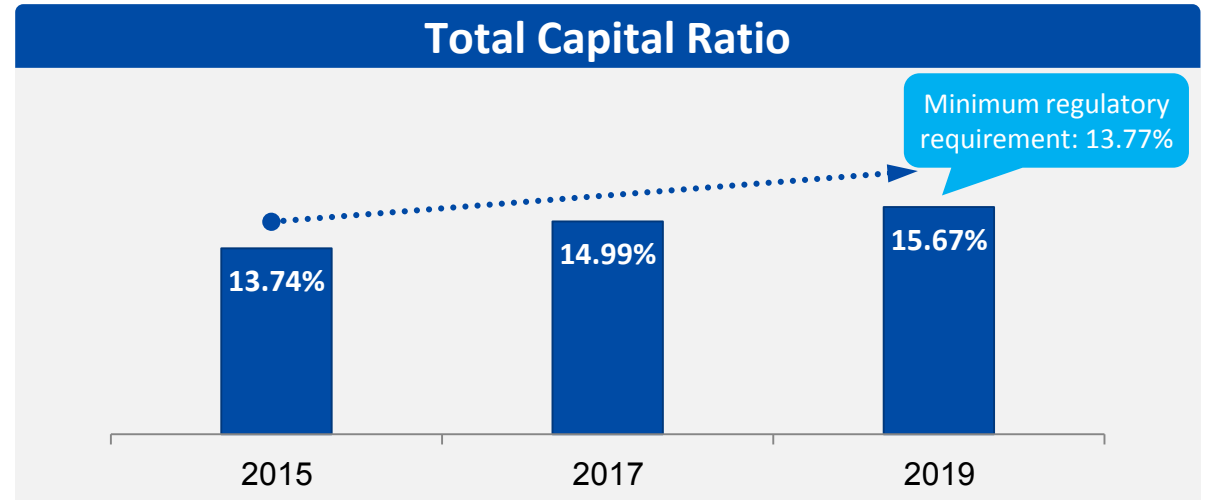
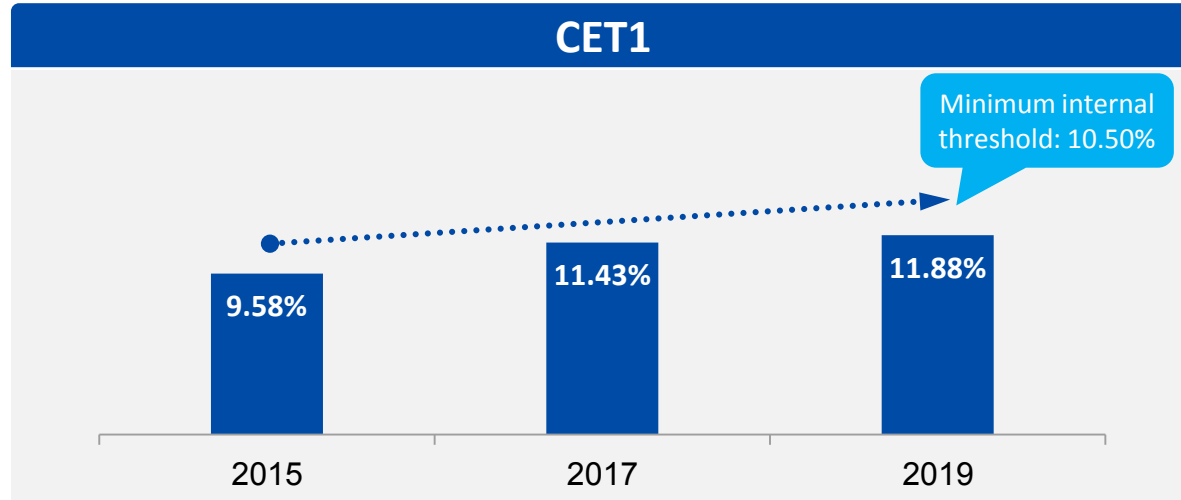


(NIS Billions)

Deposits from the Public December 31, 2019



Robust Capital Ratios and Leverage



High Share Returns via Dividend and Buyback

Dividends

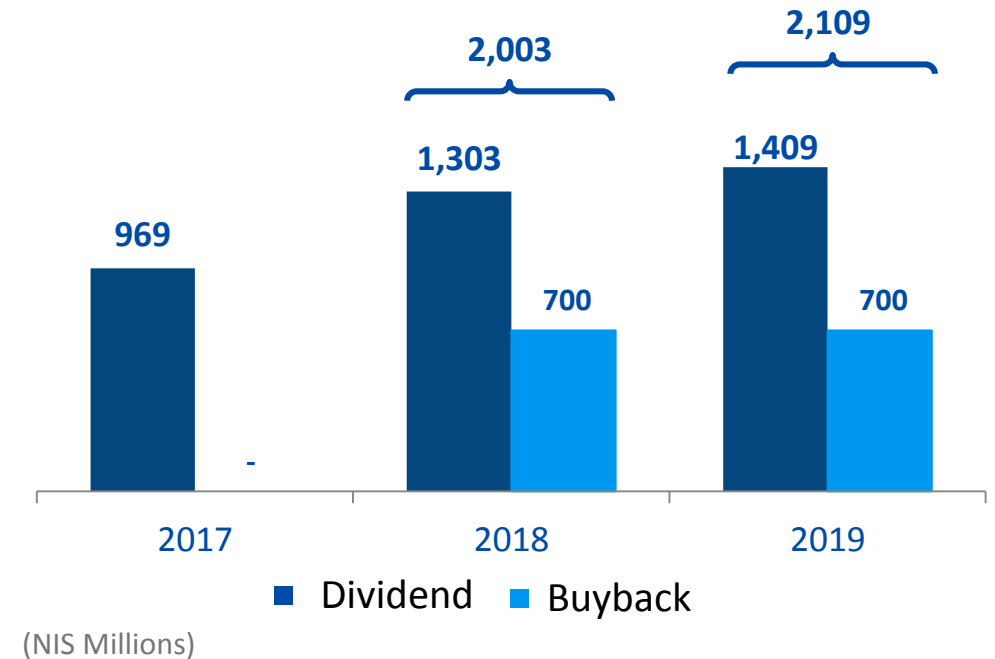
- 40% payout ratio
- 4.2% annualized dividend yield

Buyback Plan

- 2019 NIS 700 million share buy-back plan completed
- New 2020 Plan Approved, NIS 700 million

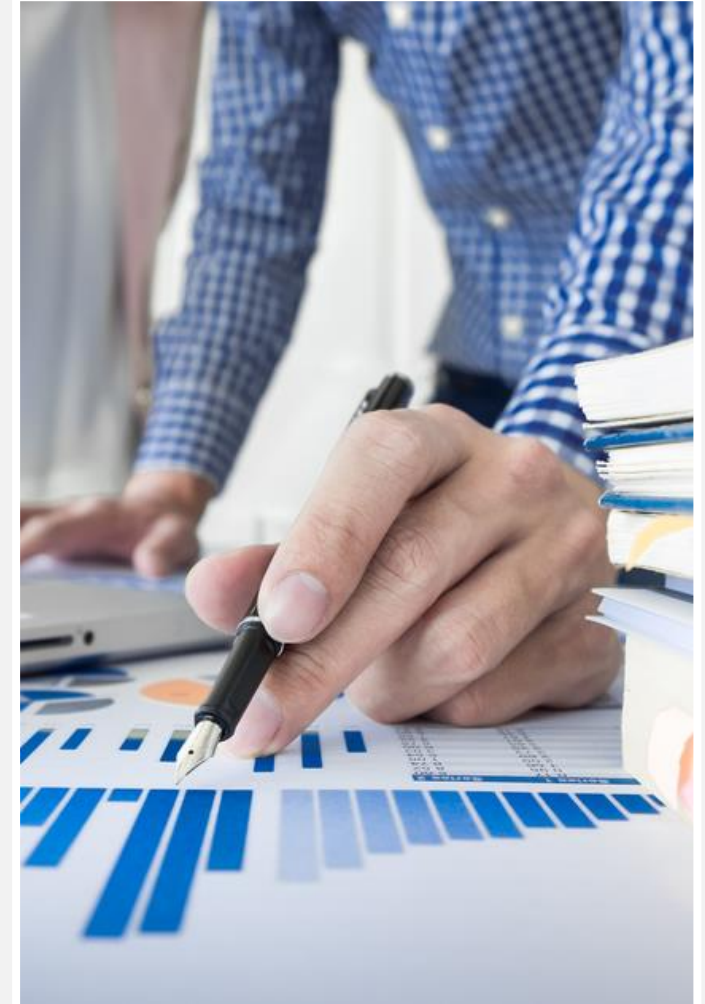
60% effective profit distribution

Return to Shareholders



Wrapping Up

| | |
|--------------------|---|
| Profitability | <ul style="list-style-type: none">• ROE reached 9.8% for 2019• Cost Income Ratio Improved• 2019 Efficiency plan – 400 employees retired at year-end |
| Loans and Deposits | <ul style="list-style-type: none">• Selective Loan Growth Aligned with Strategy• Diversified, Increased Deposit Base with Low L/D Ratio |
| Robust Capital | <ul style="list-style-type: none">• Robust Capital Adequacy Ratios• Substantial Returns to Shareholders• New buyback plan for 2020 |
| Business Model | <ul style="list-style-type: none">• Business Model Evolving to Match Digital Migration |





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Q&A



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THANK YOU



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APPENDIX

Macro Profile – a Positive for Leumi

| | E2020* | E2019* | 2018 | 2017 |
|--------------------------------------|------------|--------|--------|--------|
| GDP, rate of change, real terms | 3.0% | 3.3% | 3.4% | 3.6% |
| Private Consumption | 2.9% | 3.9% | 3.7% | 3.4% |
| Current account surplus, % of GDP | 3.9% | 3.7% | 2.6% | 2.4% |
| Government budget deficit, % of GDP | (3.5%) | (3.6%) | (2.9%) | (1.9%) |
| Government debt, % of GDP | 61.9% | 60.4% | 59.9% | 58.8% |
| Unemployment, Annual Average | 3.8% | 3.8% | 4.0% | 4.2% |
| CPI, year-end change | 0.3-1.3% | 0.6% | 0.8% | 0.4% |
| NIS-USD, average exchange rate | 3.35-3.55 | 3.56 | 3.59 | 3.60 |
| NIS-GBP, average exchange rate | 4.60-4.70 | 4.55 | 4.79 | 4.67 |
| NIS-EUR, average exchange rate | 3.65-3.85 | 3.99 | 4.24 | 4.07 |
| Bank of Israel average interest rate | 0.10-0.50% | 0.25% | 0.11% | 0.1% |



Source: Central Bureau of Statistics, *Leumi forecast

