

**Translation of Immediate Report**

T121  
Public

**Bank Leumi le-Israel B.M.**  
Registration No. 520018078  
Securities of the Corporation are listed on The Tel Aviv Stock Exchange  
Abbreviated Name: Leumi  
3 Abba Hillel Silver St. Lod 7129404  
Phone: 076-8858111, 076-889419; Facsimile: 076-8859732  
Electronic Mail: David\_S@bll.co.il

May 28, 2024  
Reference: 2024-01-053287

To: Israel Securities Authority (www.isa.gov.il)  
The Tel Aviv Stock Exchange (www.tase.co.il)

**Immediate Report for General Material Information**

Nature of Event: *Presentation of the Q1 2024 Financial Statements*

Issuance results should be reported using T20 form and not this form.  
Report on the rating of bonds or a corporation should be filed using a T125 form

Reference number of previous reports on the matter \_\_\_\_\_, \_\_\_\_\_.

Attached please find is a file [PresentationQ12024 isa.pdf](#)

The company is not an envelope company as that term is defined in the Stock Exchange bylaws.

Date and time at which the corporation first became aware of the event or matter: *May 28, 2024, at 15:37.*

**Details of signatories authorized to sign on behalf of the corporation:**

	<b>Name of the signatory</b>	<b>Title</b>	<b>Other</b>
<b>1</b>	<i>Omer Ziv</i>	<i>Head of the Capital Markes Division</i>	

In accordance with Regulation 5 of the Securities Regulations (Periodic and Immediate Reports), 1970, a report filed pursuant to these regulations shall be signed by the corporation's authorized signatories. For a staff position of this matter, see the Authority's website: [click here](#).

Reference number of previous reports on the matter (does not constitute inclusion by way of reference): \_\_\_\_\_

The securities of the corporation are listed for trading on the Tel Aviv Stock Exchange

Ticker: Leumi

Address: 3 Abba Hillel Silver St. Lod 7129404, Tel: 076-8858111, 076-8859419 Facsimile: 076-8859732 Electronic Mail: [David\\_S@bll.co.il](mailto:David_S@bll.co.il) company's website: [www.leumi.co.il](http://www.leumi.co.il)

*Previous names of the reporting entity:*

---

Name of Electronic Reporter: Shelly Bainhoren, Position: Bank Secretary, 3 Abba Hillel Silver St. Lod 7129404, Phone: 076-8859419, Electronic Mail: [Shelly.Bainhoren@BankLeumi.co.il](mailto:Shelly.Bainhoren@BankLeumi.co.il)

**Note: English translations of Immediate Reports of Bank Leumi are for convenience purposes only. In the case of any discrepancy between the English translation and the Hebrew original, the Hebrew will prevail.**

**The original Hebrew version is available on the distribution website of the Israel Securities Authority: <http://www.magna.isa.gov.il/>**

Q1 2024



# Financial results presentation

# 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 contained in this document and/or discussed throughout the conference call that does not refer to historical facts, constitutes forward-looking information with respect to the Bank's business, financial condition and results of its operations, which is based, inter alia, on forecasts of the future regarding various matters, which include but are not limited to changing economic conditions in Israel and abroad, especially in the foreign exchange and capital markets, legislation, directives of regulatory bodies, the behavior of competitors, product demand, pricing, market acceptance, risks in product and technological developments, personnel issues, the effect of the Bank's accounting policies as well as certain other risk factors which are detailed from time to time in the Bank's filings with the securities authority, 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.

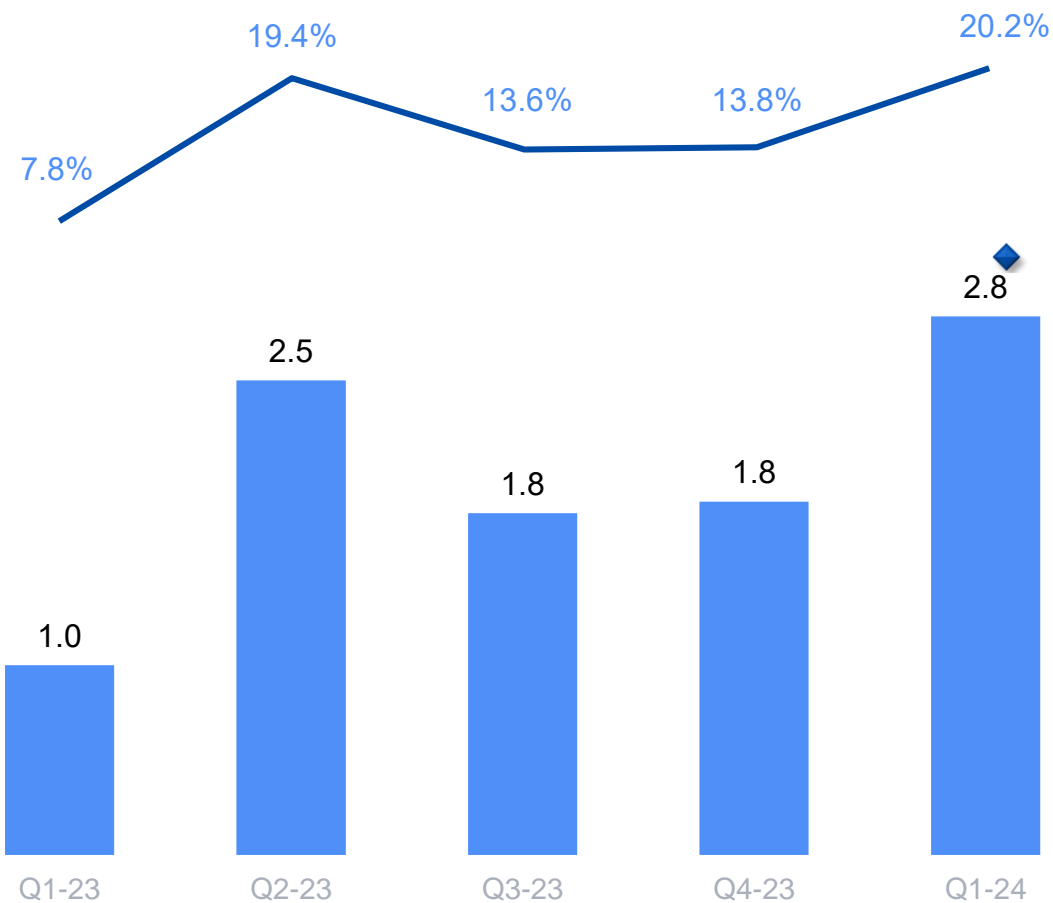
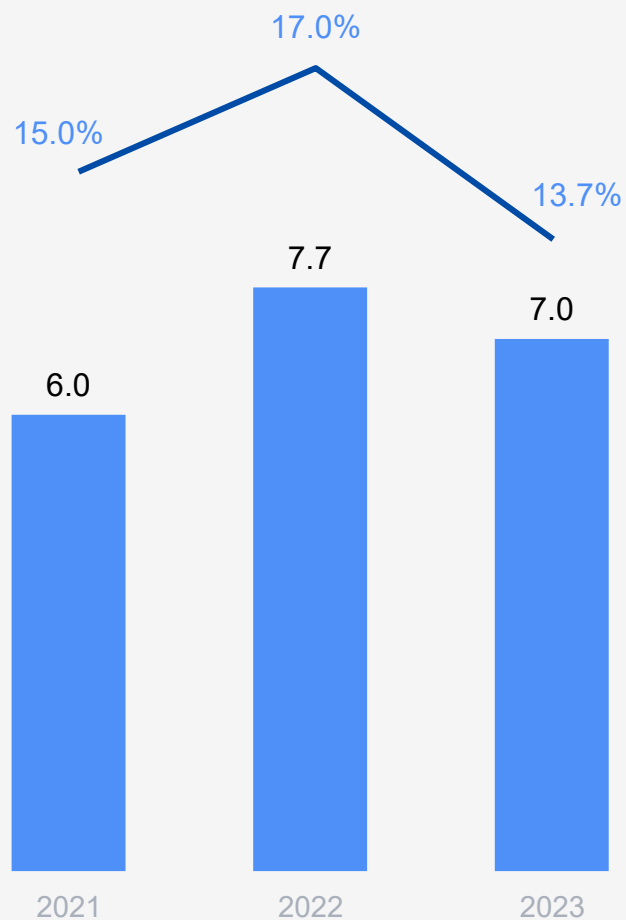
The conference call does not replace the need to review the latest periodic / quarterly reports in which full information is contained, including forward looking information, as defined in the Israeli Securities Law, and set out in the afore mentioned reports.

# Strong underlying performance

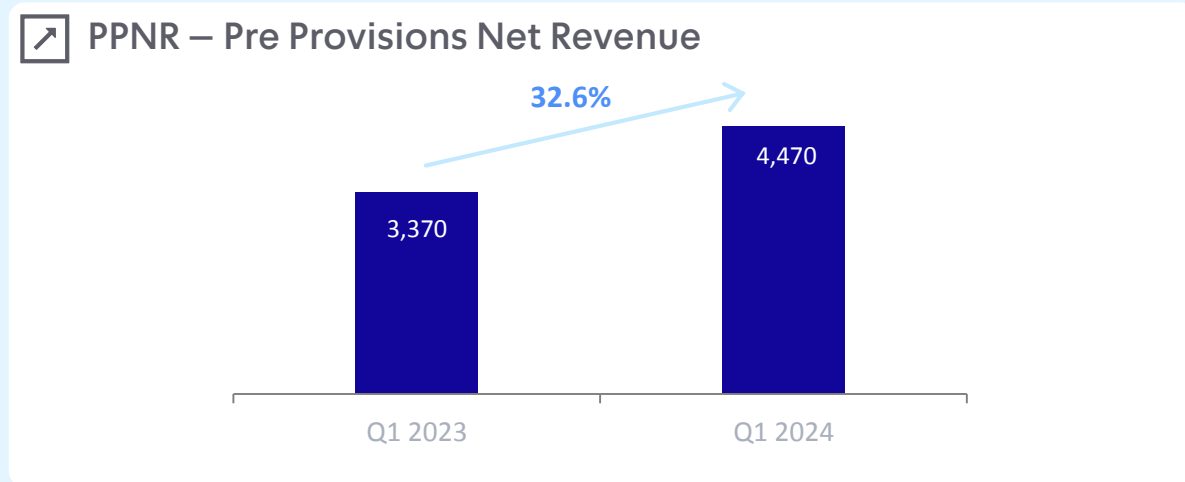
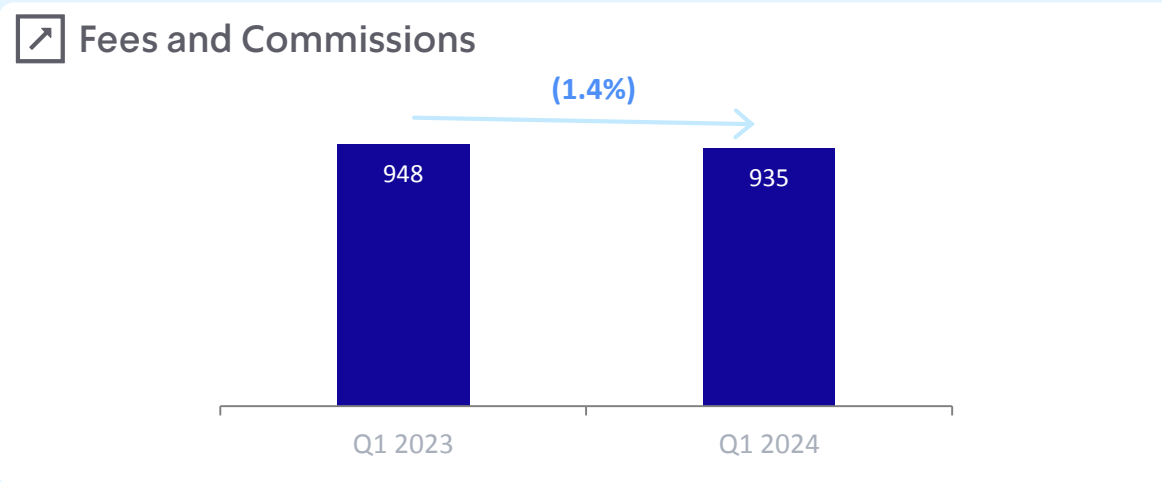
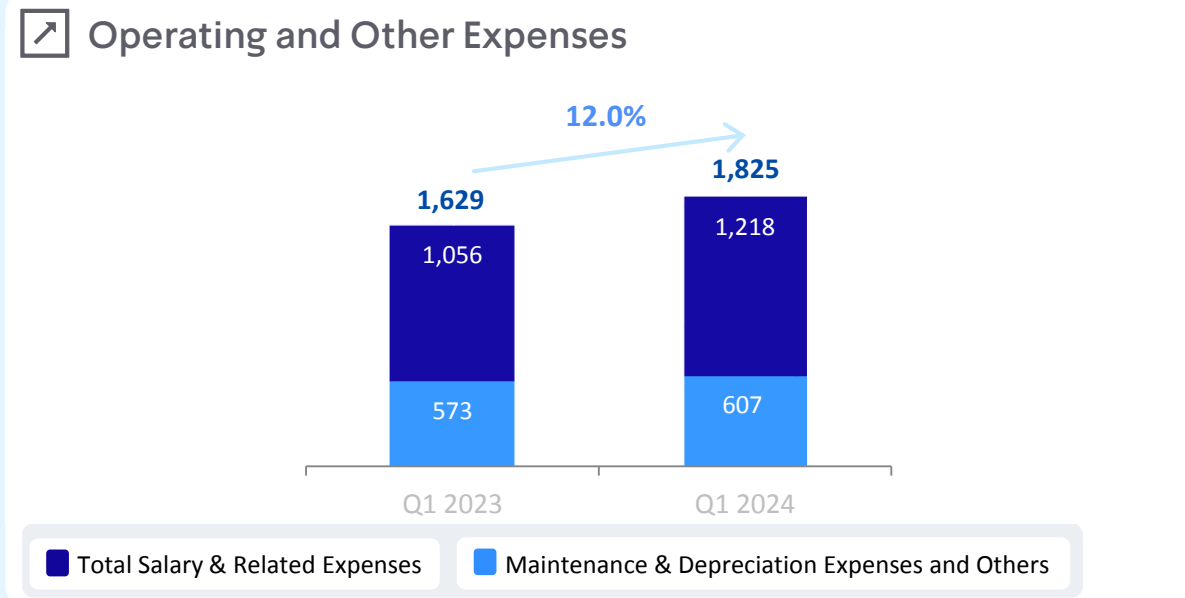
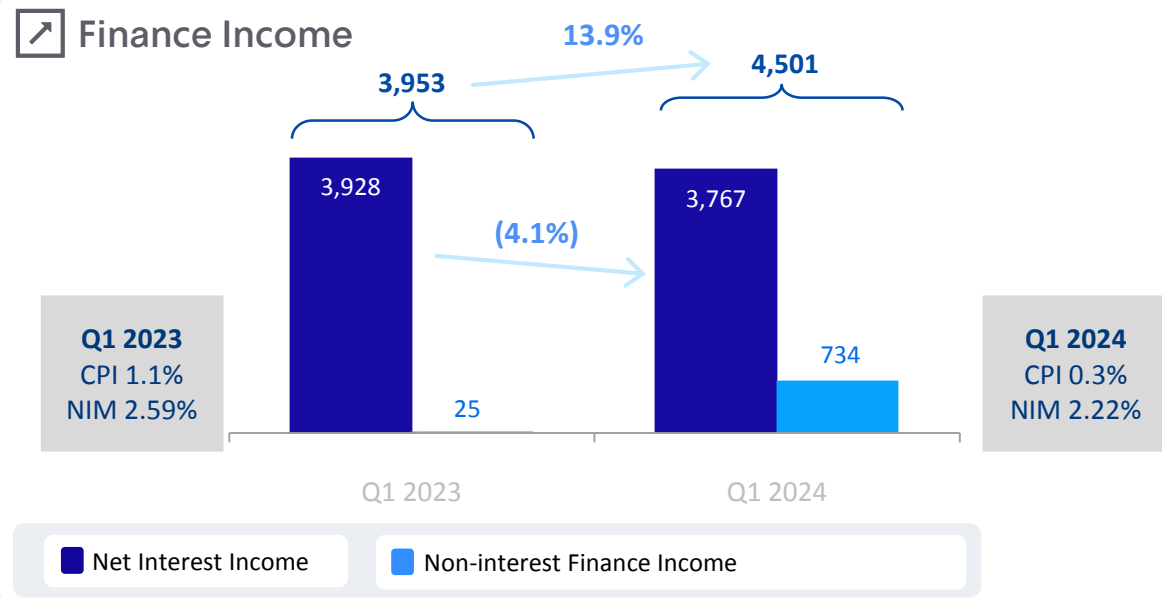
## Key financial metrics

	Q1 2024	Q1 2023	FY 2023
Net Income	2,785	981	7,027
ROE	20.2%	7.8%	13.7%
Cost Income Ratio	29.0%	32.6%	32.6%
Credit Loss Expenses	0.21%	0.41%	0.58%
Net Loan Growth	<small>Q-o-Q</small> 2.2%	<small>Q-o-Q</small> 4.9%	<small>Y-o-Y</small> 9.0%
Core Deposit Growth	<small>Q-o-Q</small> 2.0%	<small>Q-o-Q</small> 3.2%	<small>Y-o-Y</small> 6.9%

# High and stable profits and ROE over a sustained period

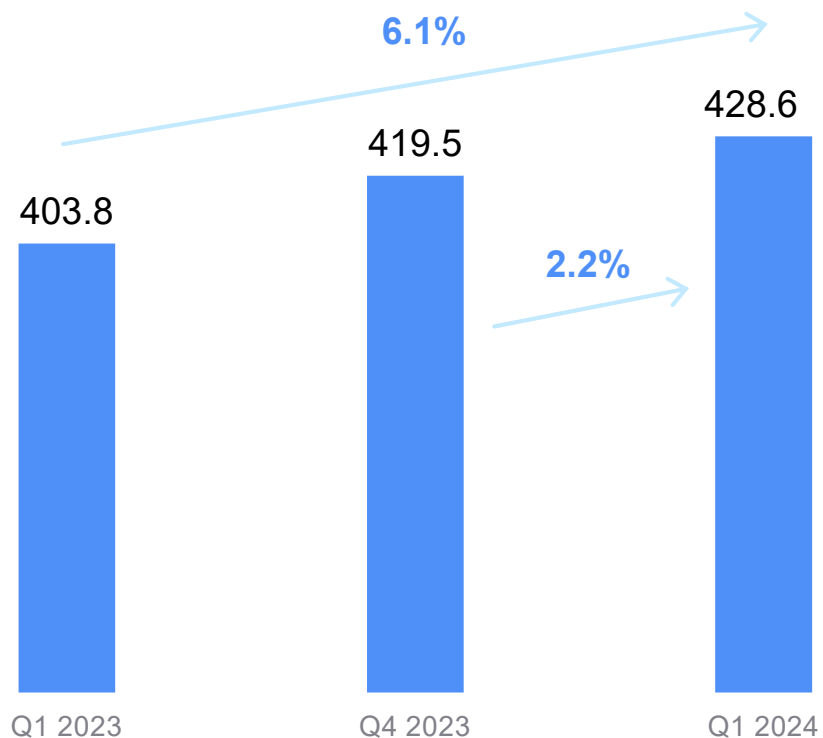


# Q1 2024 vs. Q1 2023 – Breakdown of Income and Expenses



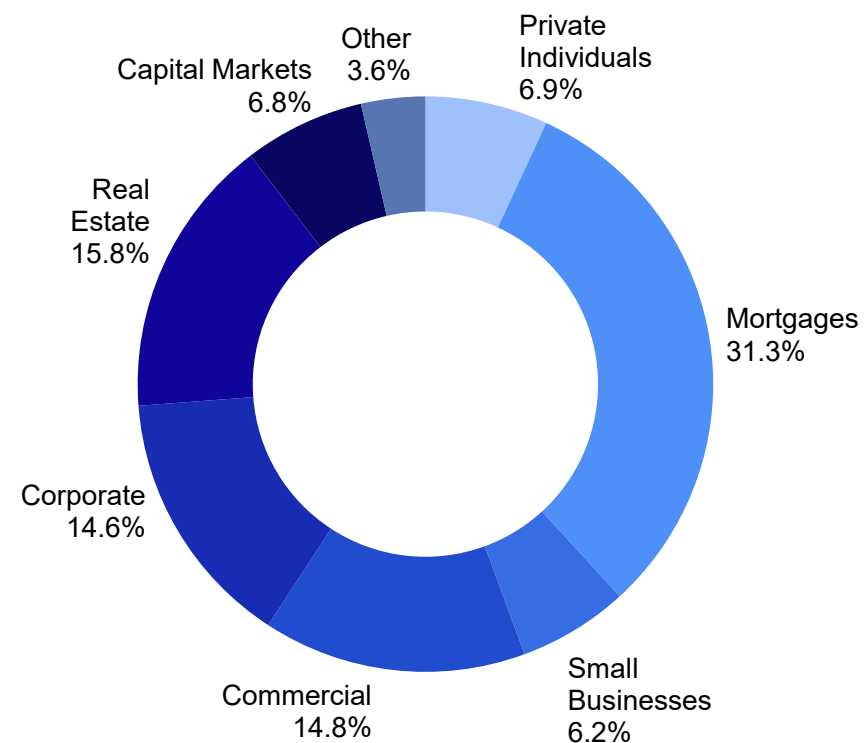
# Pick-up in credit growth

☑ Total Loans



(NIS Billions)

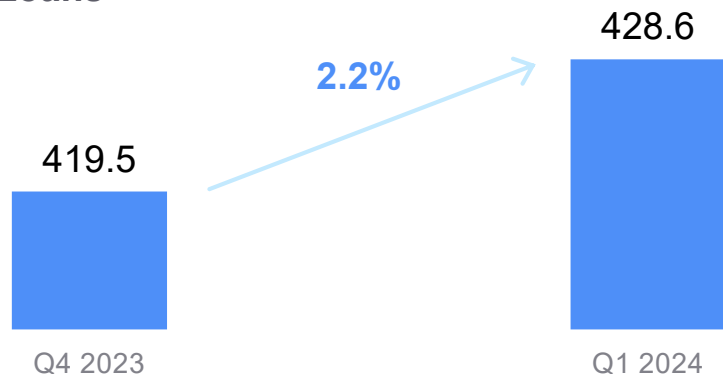
☑ Loan Breakdown by Segment



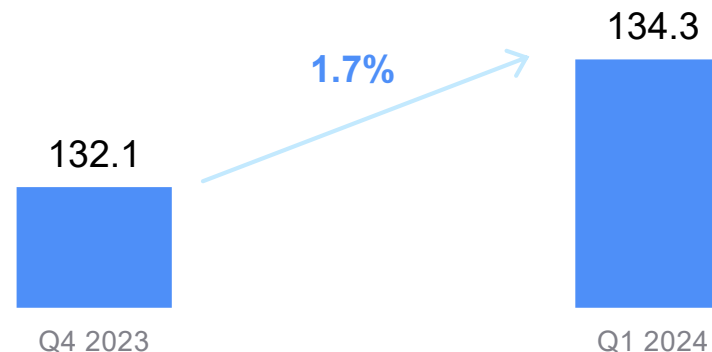


# Credit growth in target segments

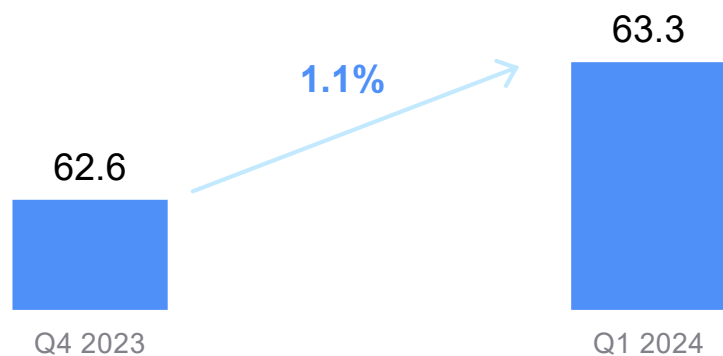
## 📈 Total Loans



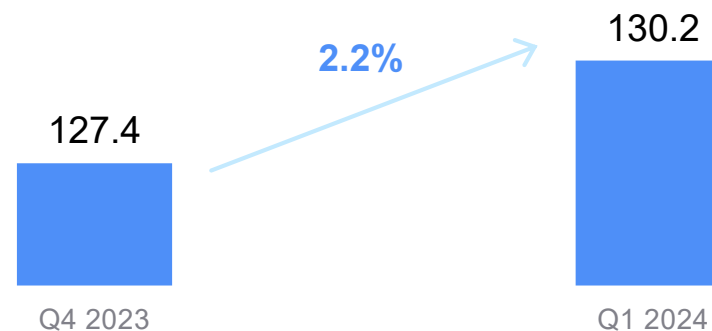
## 📈 Mortgages



## 📈 Middle-Market

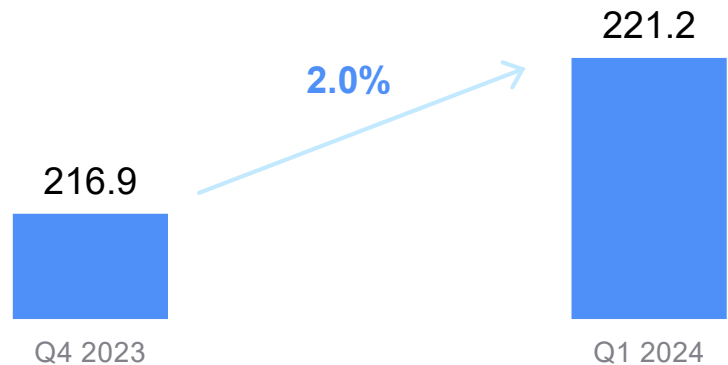


## 📈 Corporate

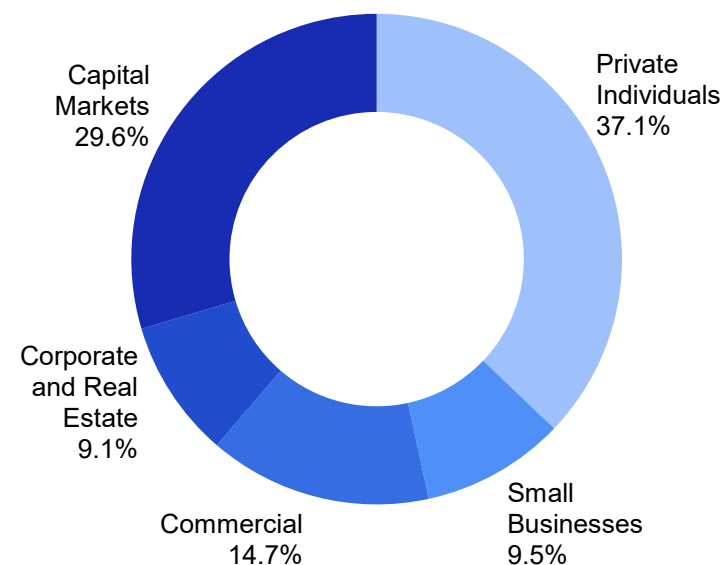


# Expanding and diversifying deposit base

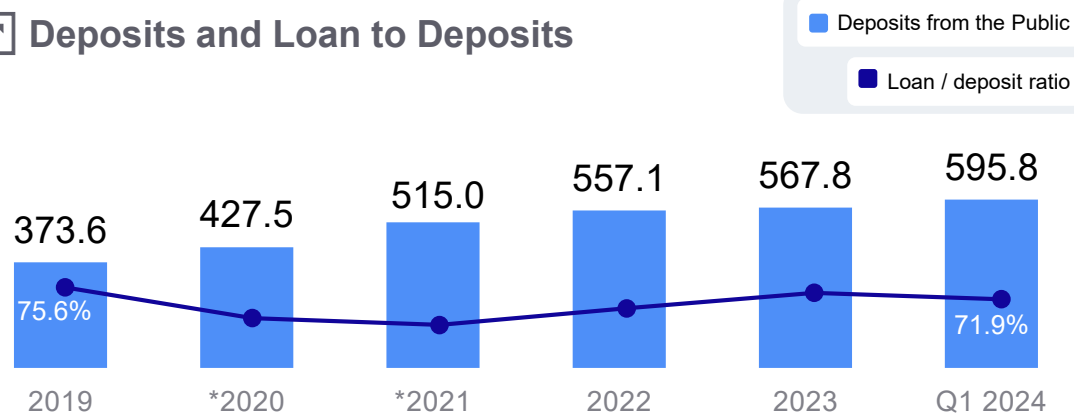
## Core Deposits



## Diversified deposit base



## Deposits and Loan to Deposits



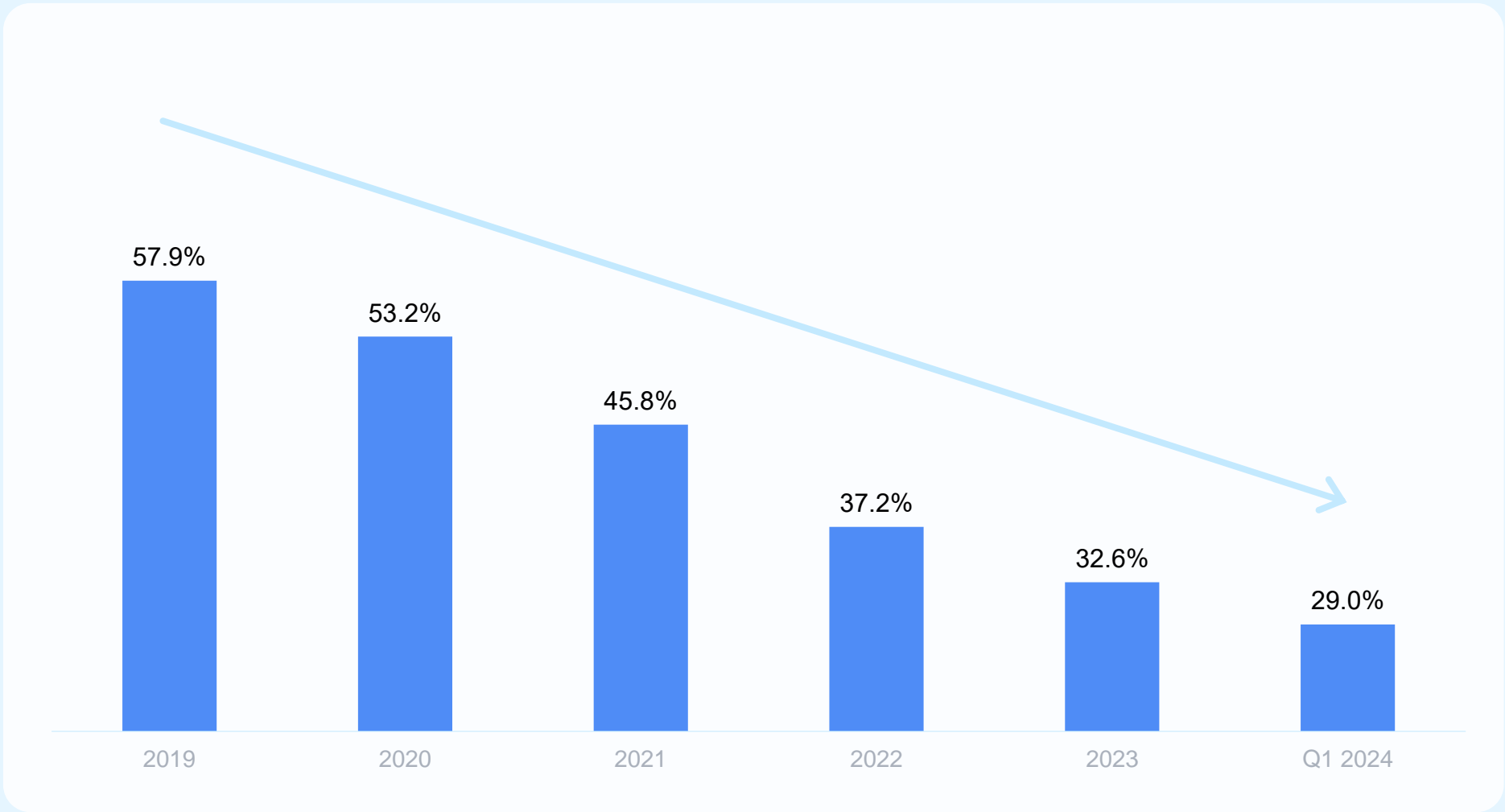
**119%**  
NSFR<sup>(1)</sup>

**133%**  
LCR<sup>(2)</sup>

(NIS Billions)

Core Deposits = Deposits from Private Individuals. \* Excluding Leumi USA. (1) Net Stable Funding Ratio. (2) Liquidity Coverage Ratio.

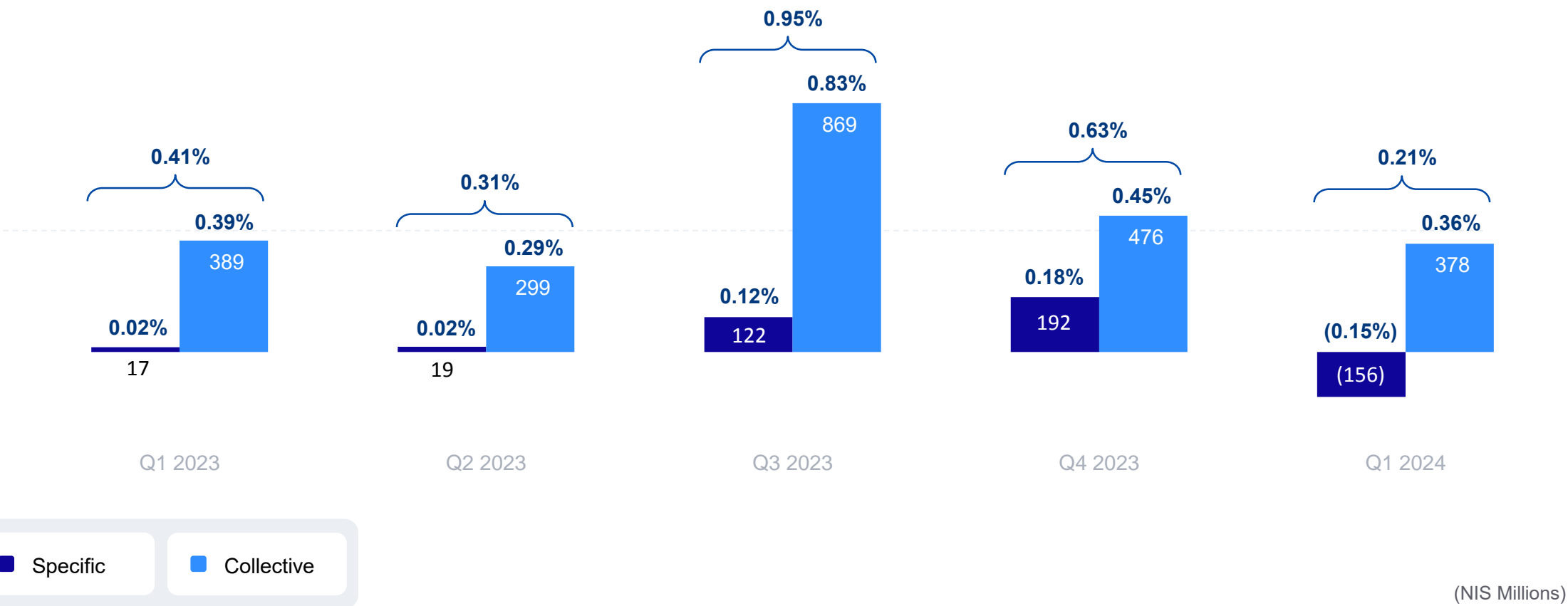
# Multi-year decline in cost-income ratio



Leumi cost income ratio for 2019 is net of the effect of Leumi Card and excludes Leumi USA and for 2020-2022 excludes Leumi USA.

# Low provisions reflect high quality credit portfolio

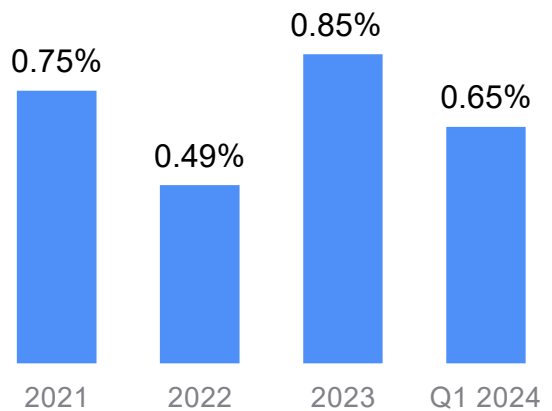
 Loan loss expenses



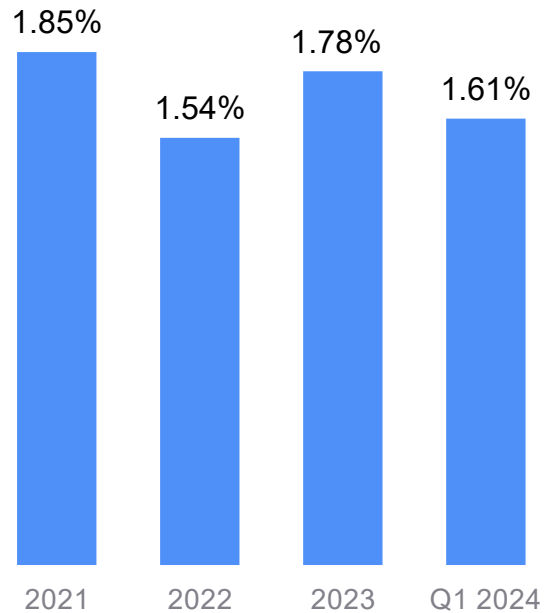
# Credit quality improved in the quarter

## Higher provisions and coverage despite lower NPLs

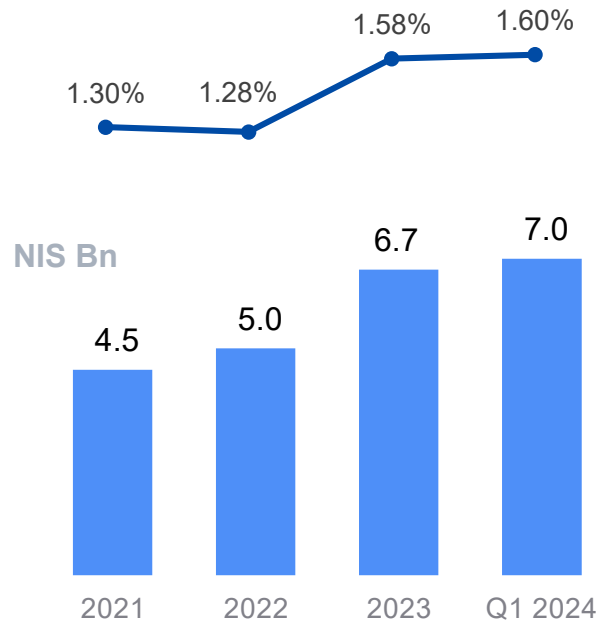
↗ NPLs



↗ Troubled Debts



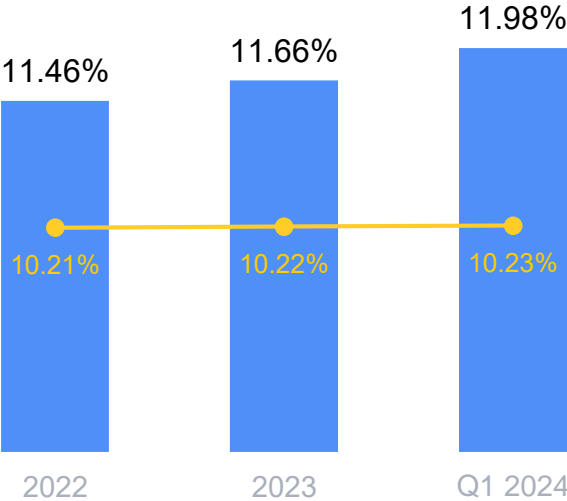
↗ Total Provisions



Reported. Total Troubled Debts, NPLs and Total Provisions are all as a % of Gross Loans.

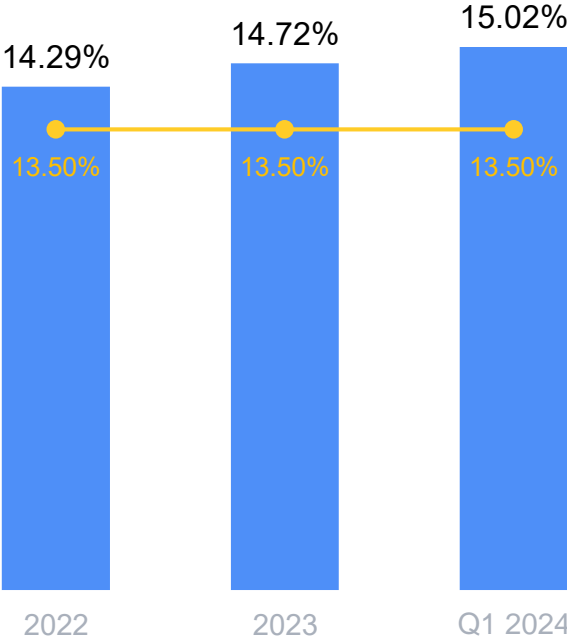
# Solid capital and leverage ratios

📈 CET1 Ratio



■ CET1 ■ Minimum Regulatory Target

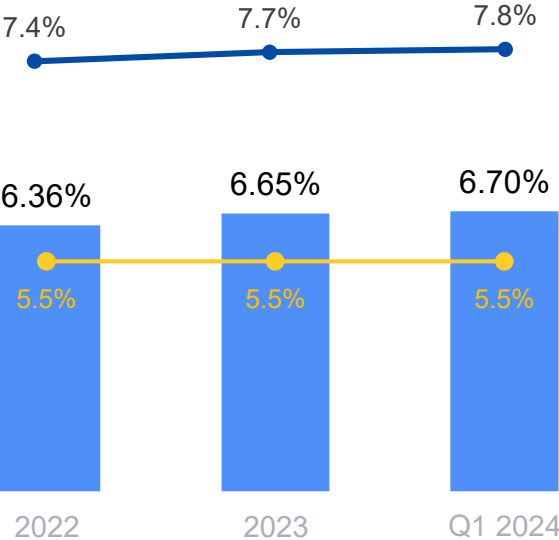
📈 Total Capital Ratio



■ TCR ■ Minimum Regulatory Target

📈 TCE and Leverage Ratios

TCE / Total Assets



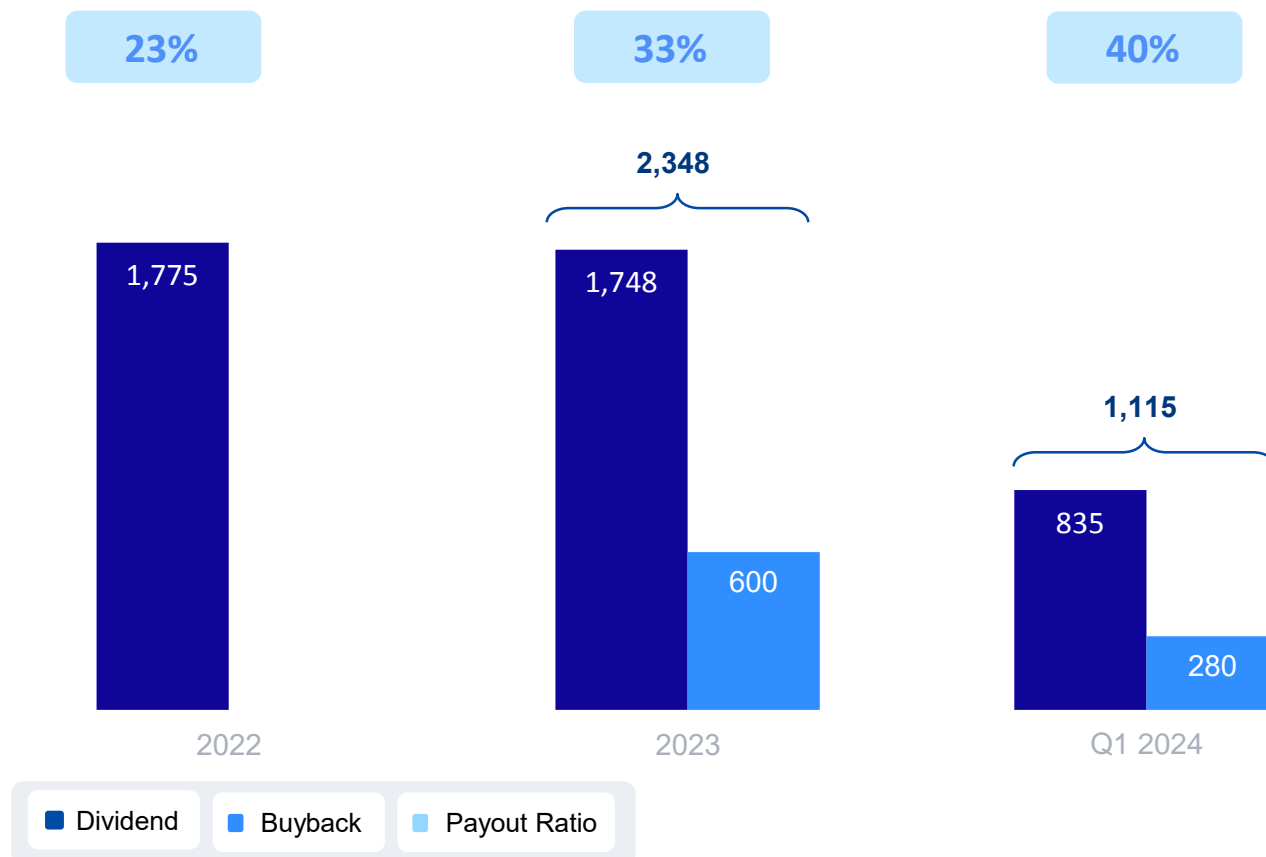
■ Leverage Ratio ■ Minimum Regulatory Target

Regulatory thresholds for CET1 and TCR are as of March 31st, 2024.

12 Tangible Common Equity (TCE) = Retained Earnings + Share Capital and Reserves + Accumulated other comprehensive balance for employee benefits.

# High share returns via dividends and buybacks

## Capital Return



- NIS 835m dividend payout for Q1 2024 and a NIS 1 billion share buyback for FY 2024. The first tranche of the buyback is NIS 280m.
- Total capital return for Q1 2024 is NIS 1.1bn equal to a 40% payout ratio and an annualized yield of 10.3%.

(NIS Millions)

Annualized yield is based on closing share price on 27<sup>th</sup> May 2024.

# Investment highlights

1 Strong and consistent high ROE despite challenging economic backdrop

2 Long-term asset growth driving higher revenues and profitability

3 Operating leverage from best-in-class cost income ratio

4 Strong credit quality – income from specific provisions, low NPLs, low problematic debts

5 Strong capital position supporting growth and capital return

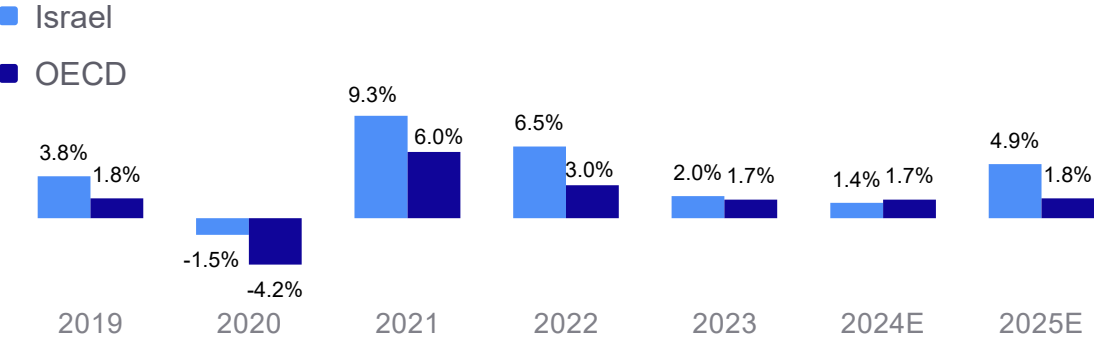
6 Quarterly total payout of 40% - NIS 835 million in cash and NIS 1 billion buyback for FY 2024



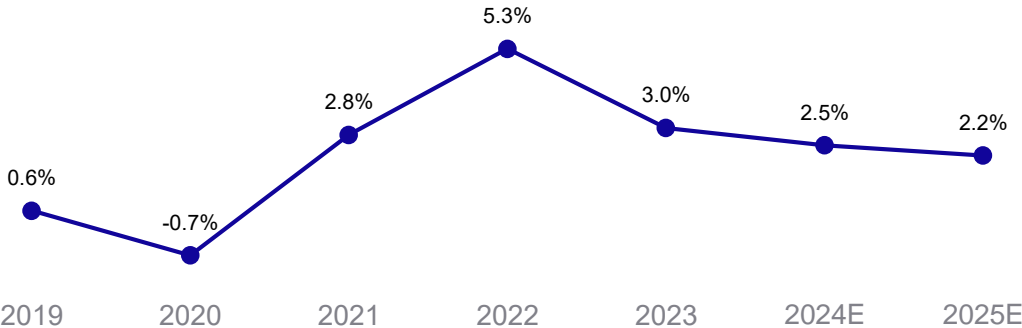
# Slower growth in 2024

## Economic fundamentals remain strong

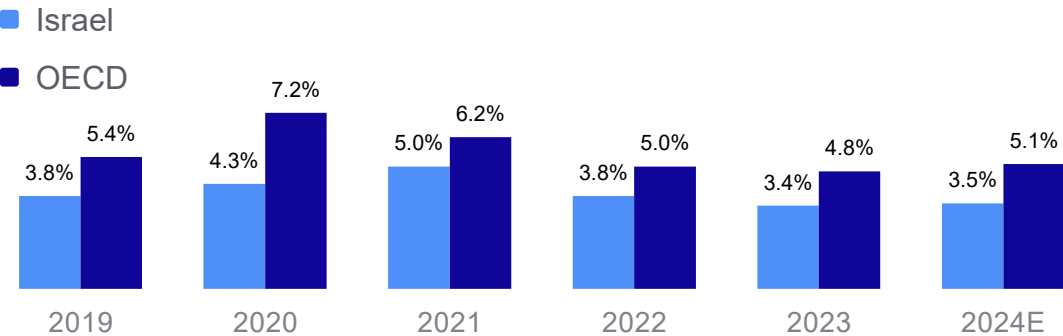
➤ **GDP impact in 2024** (Real GDP Growth)



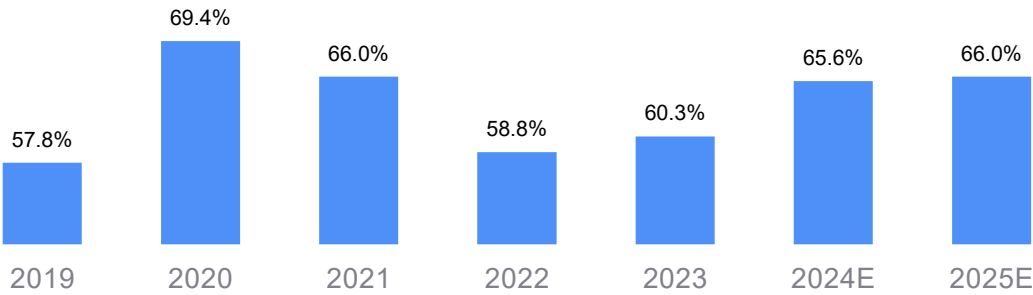
➤ **Inflation slowing** (Inflation Evolution)



➤ **Strong labor market** (Unemployment Rate <sup>(1)</sup> Evolution)



➤ **Moderate increase in public debts** (Government Debt/GDP)



15 Source: OECD. 2023-25E forecasts for Israeli GDP, inflation, unemployment and public debt are Bank Leumi's estimates.  
(1) Unemployment rate for persons aged 15+.

Results  
presentation

Thank you / Q&A 