



JUNE 30, 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.

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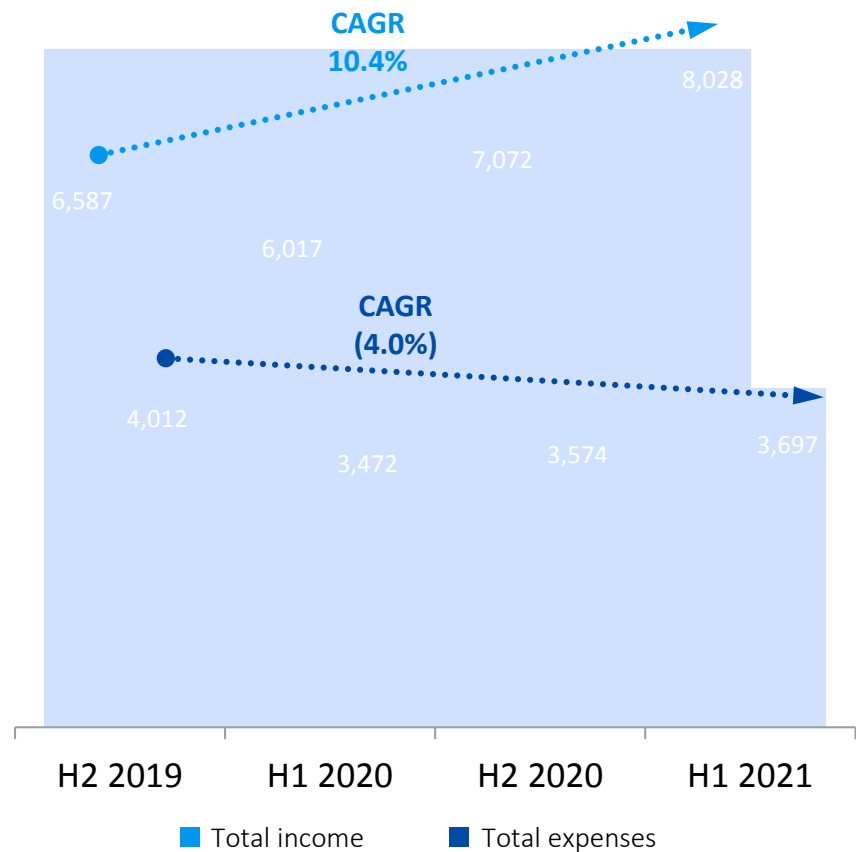
Core Business Continues to Improve - Key Financial Metrics

	H1 2021	Q2 2021	Q1 2021
ROE	16.1%	17.9%	15.0%
Cost / Income Ratio	46.1%	43.1%	49.4%
Credit Loss (Income) Expense Ratio	(0.24%)	(0.20%)	(0.28%)
PPNR / Average Assets*	1.5%	1.7%	1.4%
ROA	1.1%	1.2%	1.0%

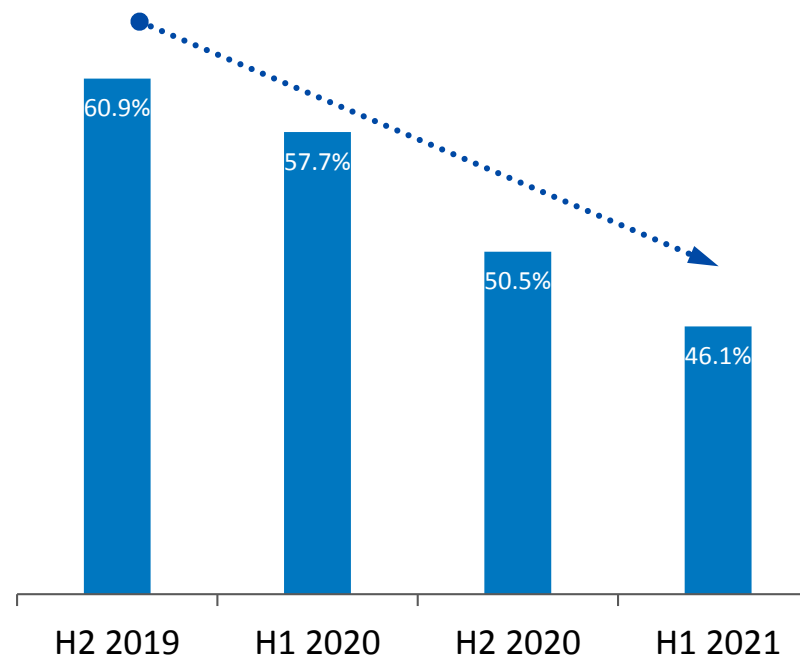
*Pre-provision net revenue equals net interest income plus total non-interest income less total non-interest expense; presented on an annualized basis

Consistent Improvement in Operating Efficiency

Total income and total expenses



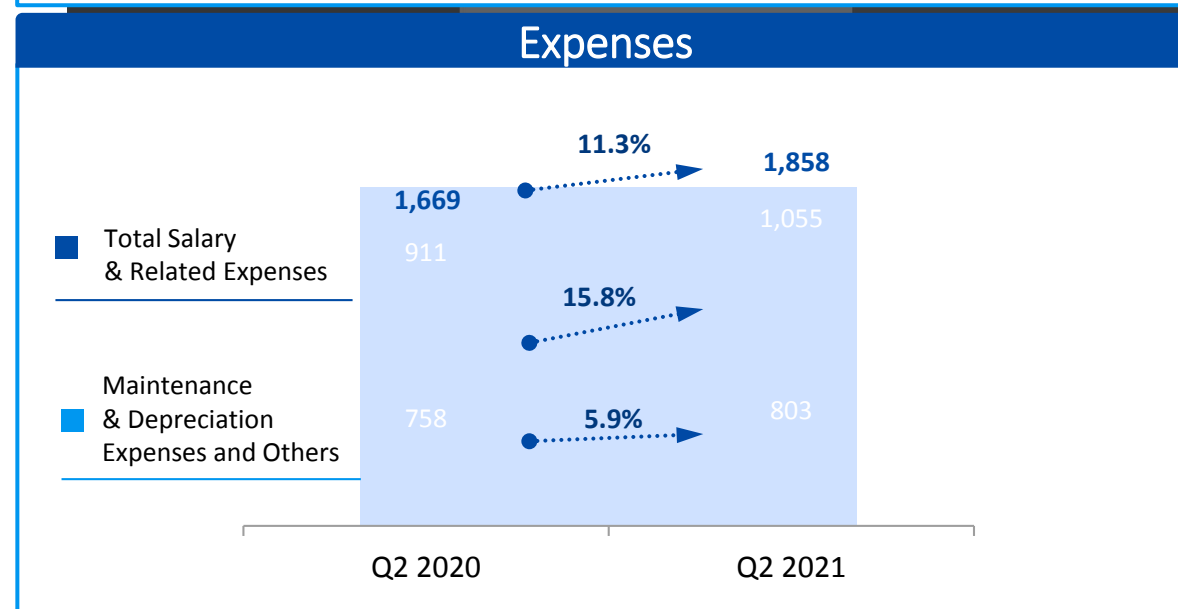
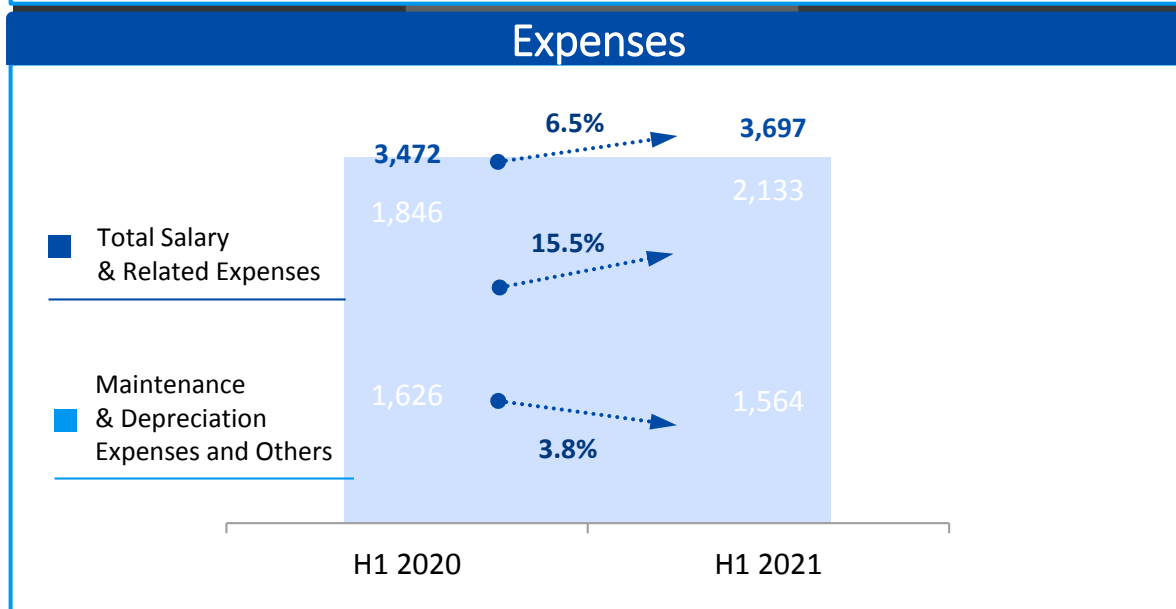
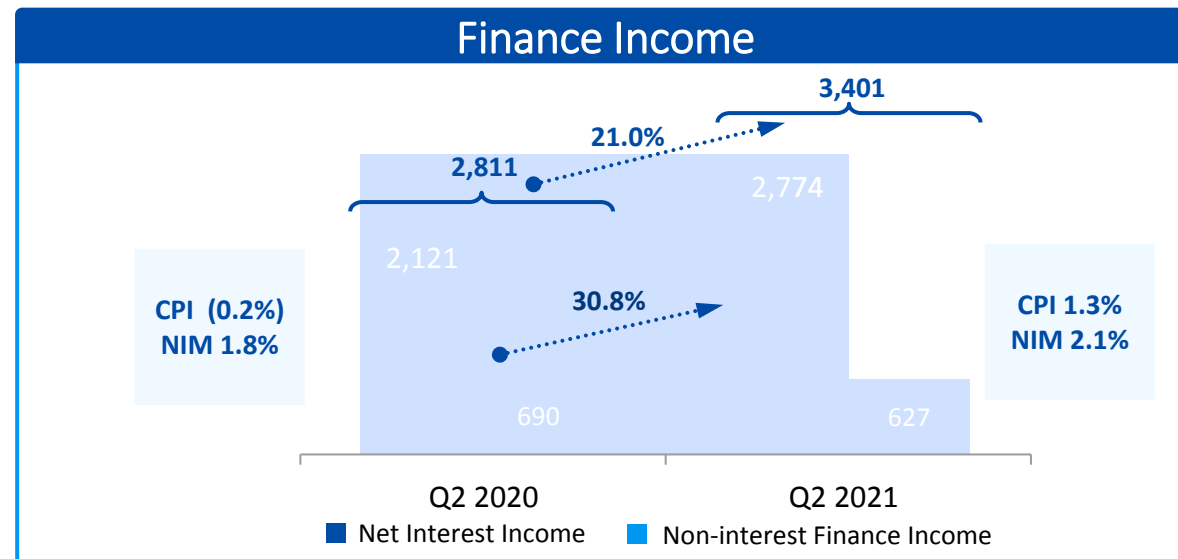
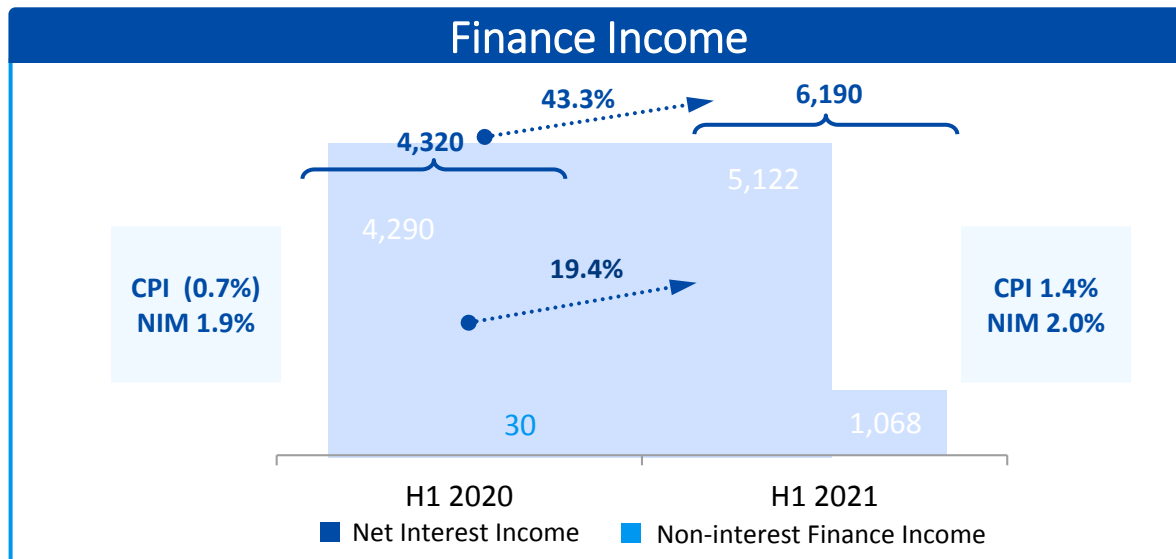
Improved Efficiency Ratio



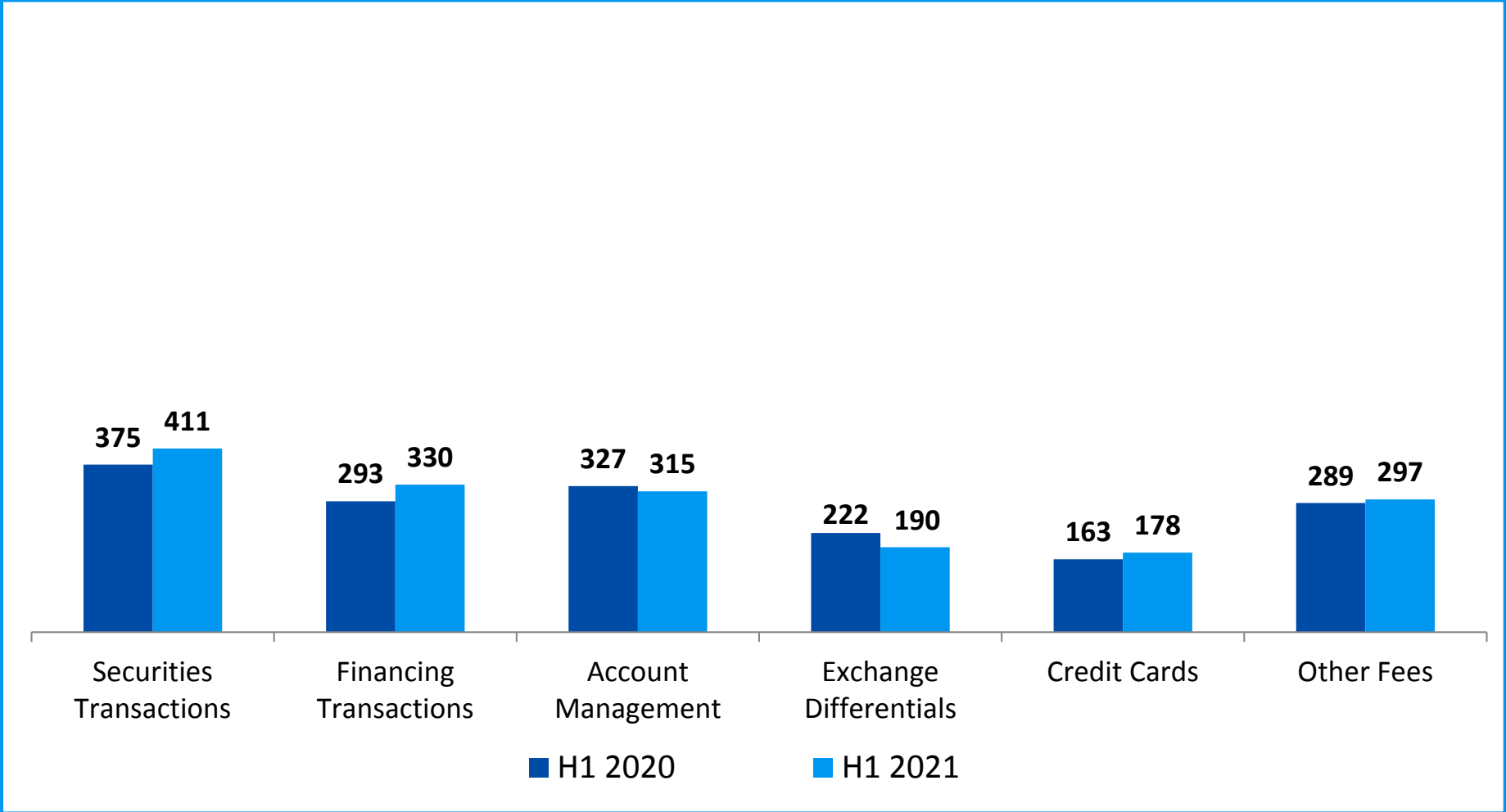
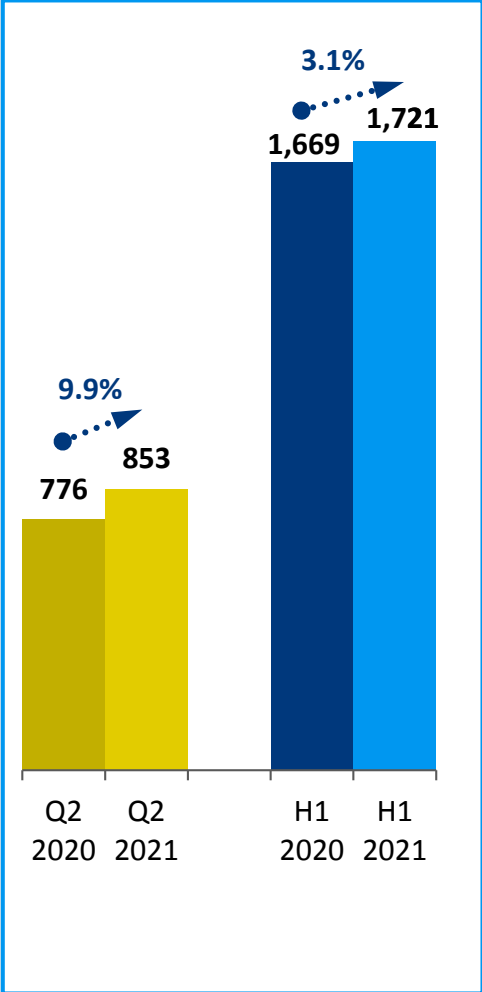
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(NIS Millions)

Income and Expenses – H1 and Q2



H1 2021 vs. H1 2020 - Fees and Commissions Performance

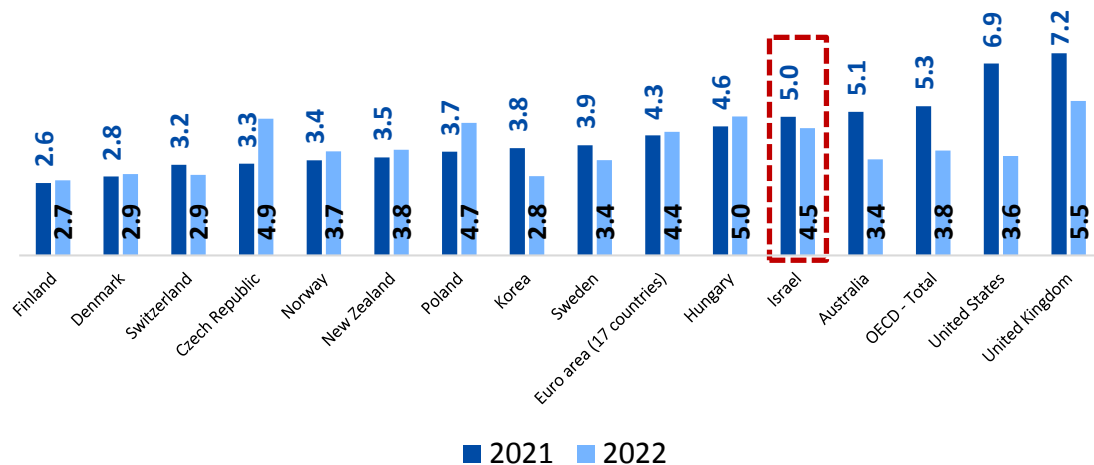


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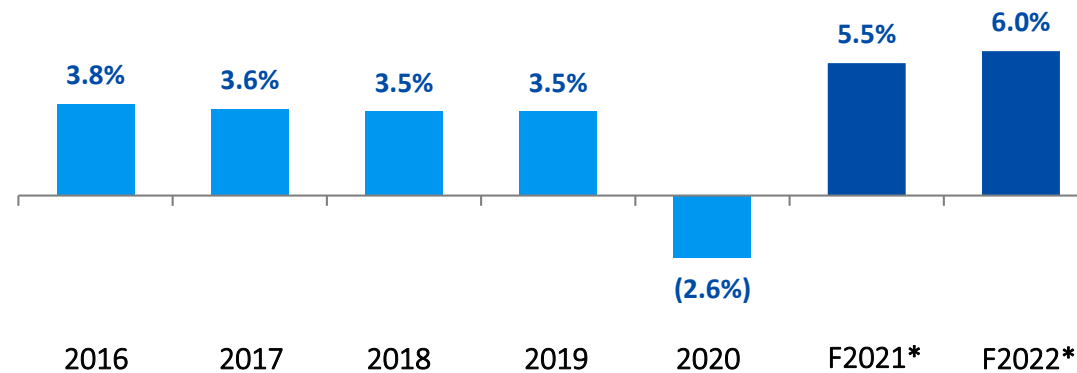
COVID-19, Macroeconomic Factors and Indicators

OECD- GDP Forecast for 2021-2022

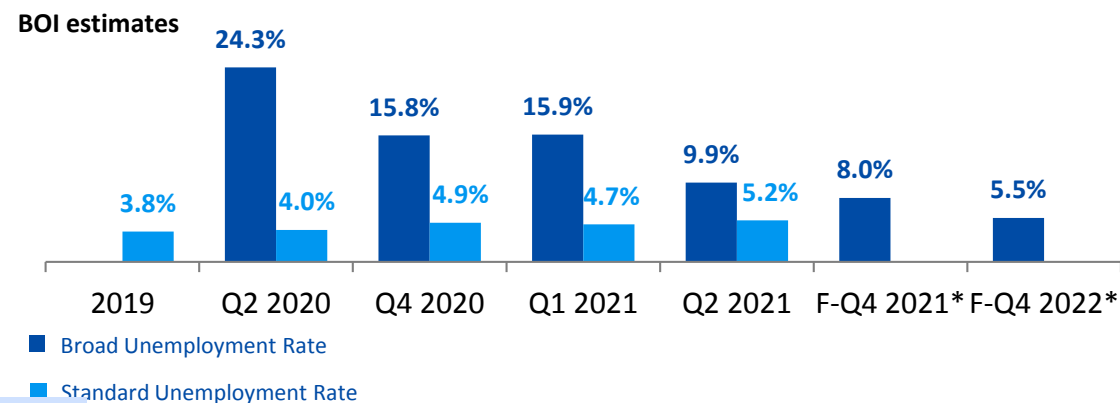
Resilient Recovery of COVID-19 in Israel



BOI- GDP, Rate of Change, Real Terms



Broad Unemployment**, Age Group 15+



CPI

BOI estimates



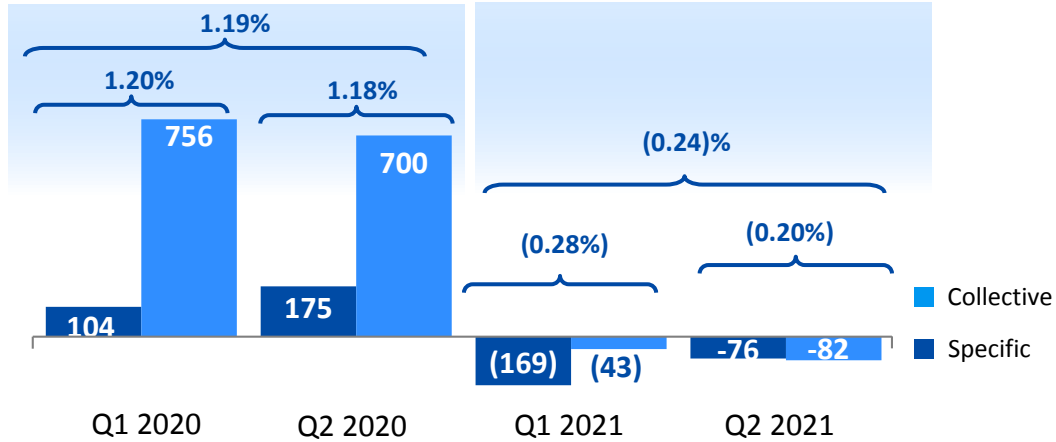
Sources: Refinitiv Datastream, Bank of Israel, Israel Ministry of Finance (MOF), Government Database for the Public data.gov.il.

*BOI Estimates as of July 5, 2021. CBS figures as of July 26, 2021. CPI 2021,2022 estimates refer to expected Q4 average comparison.

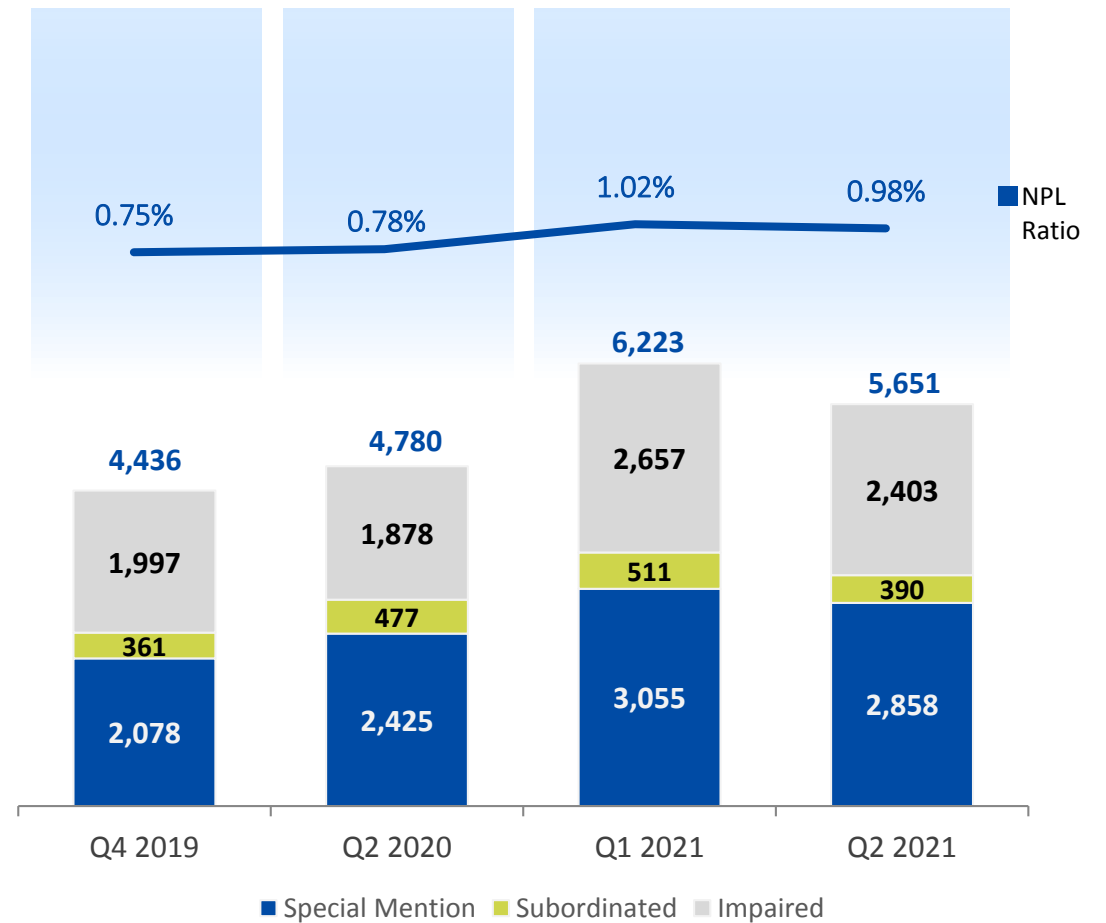
**Broad Unemployment rate includes employees temporarily absent from their places of work due to the coronavirus crisis and those dismissed since March and who do not currently participate in the workforce.

Monitoring our Loan Portfolio in Light of COVID-19

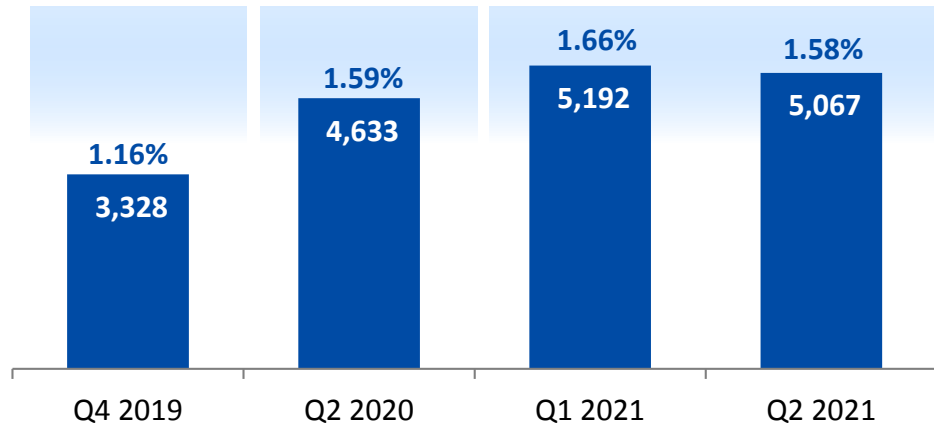
Loan Loss Expenses – Q over Q, Y over Y



Troubled Balance-sheet Credit Risk, Net and NPL Ratio



Loan Loss Provisions (NIS millions, as % of Loans to the Public)*



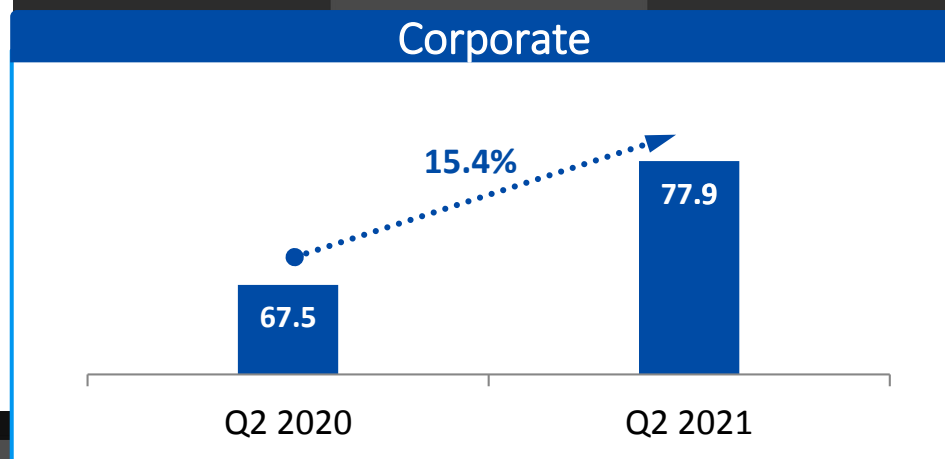
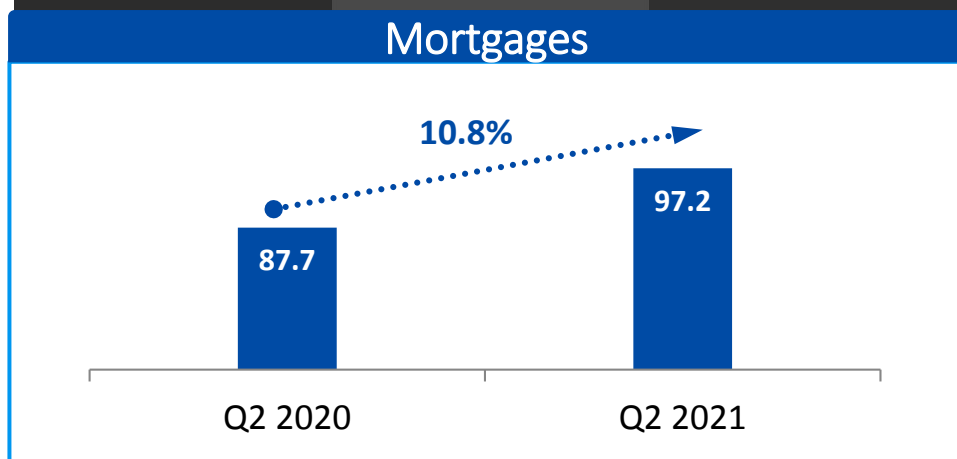
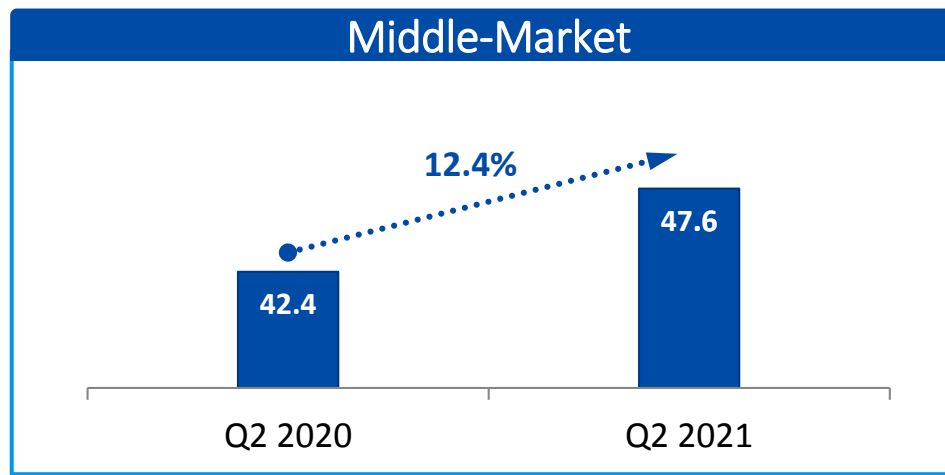
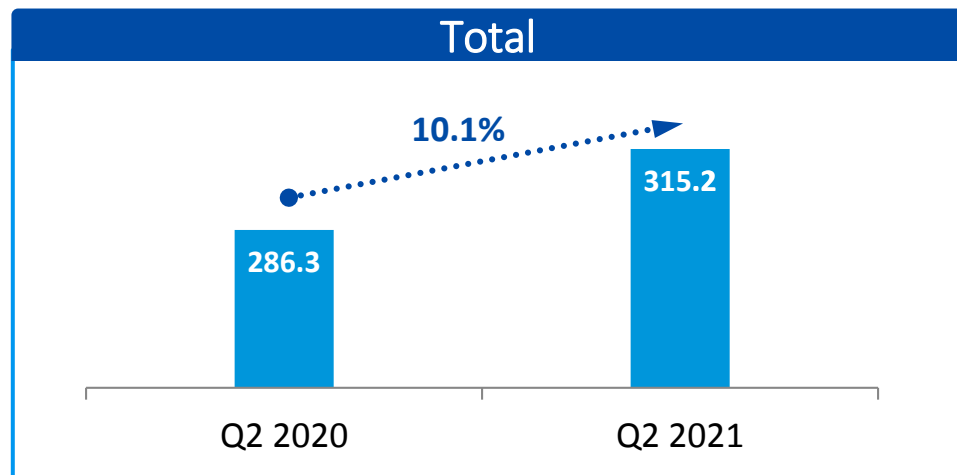
(NIS Millions)

*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,

Loan Growth Continues in Line with Strategy

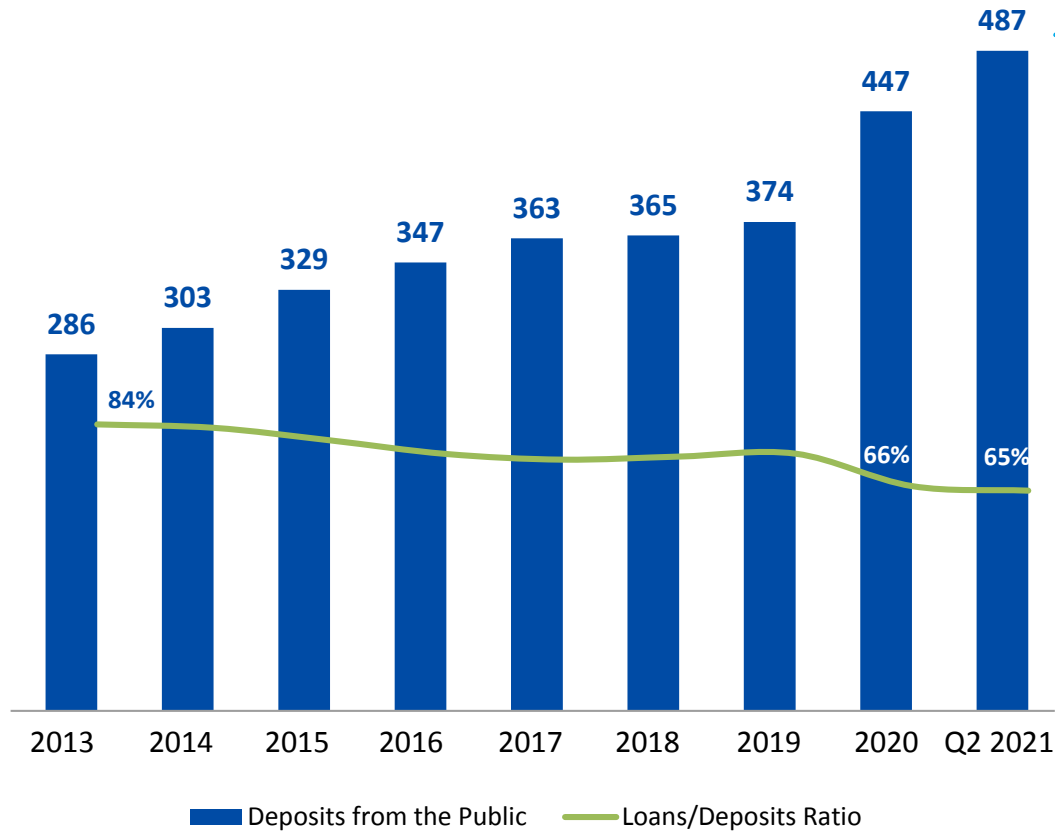


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(NIS Billions)

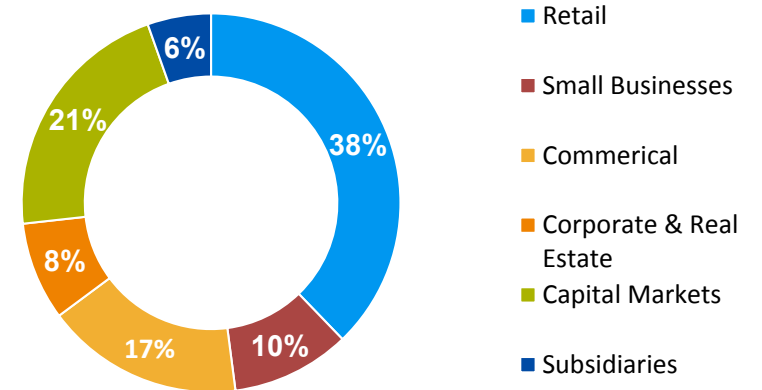
Corporate includes Corporate and Real-Estate

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

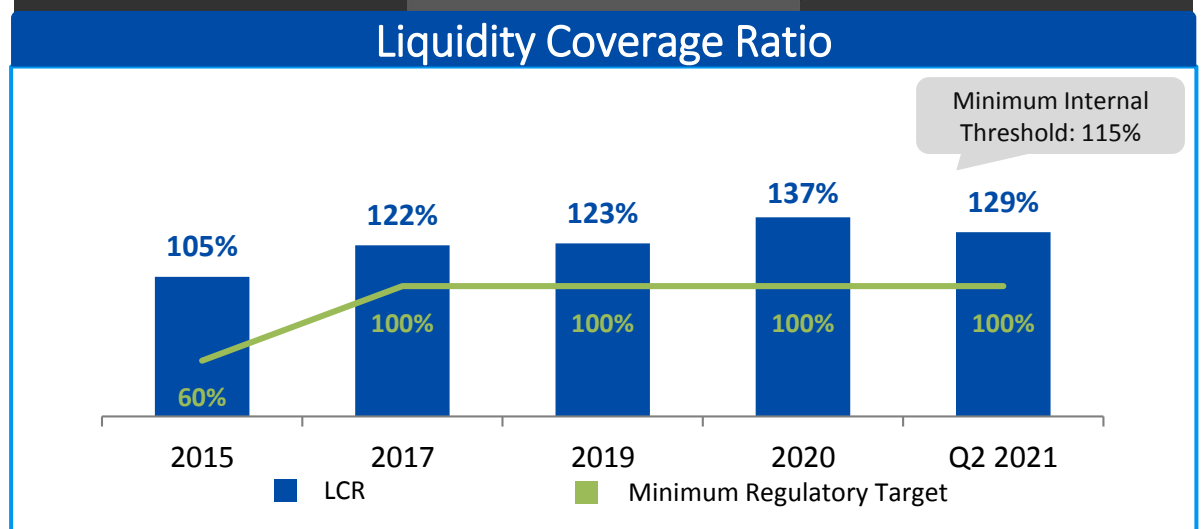
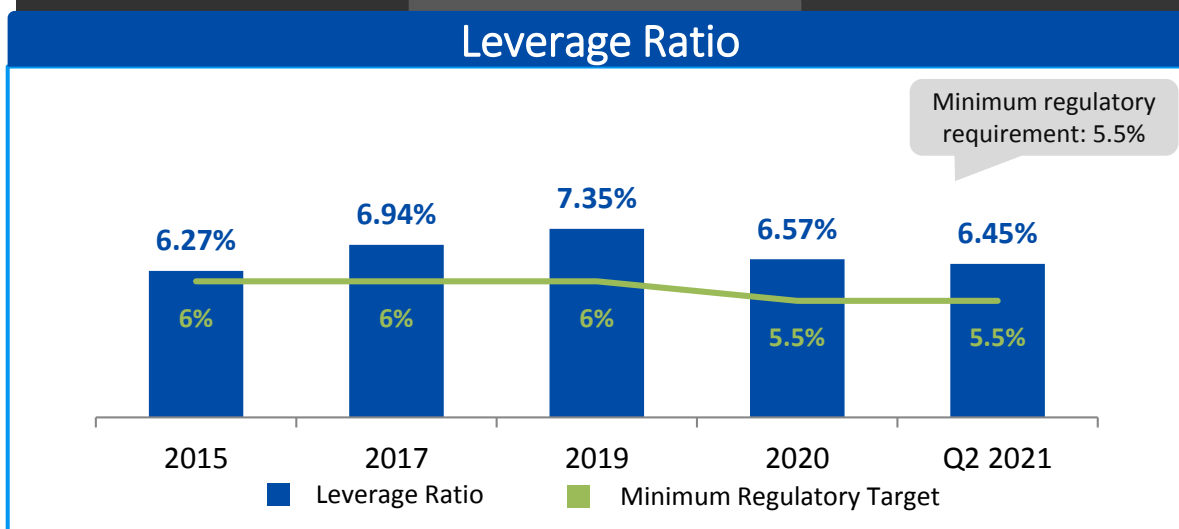
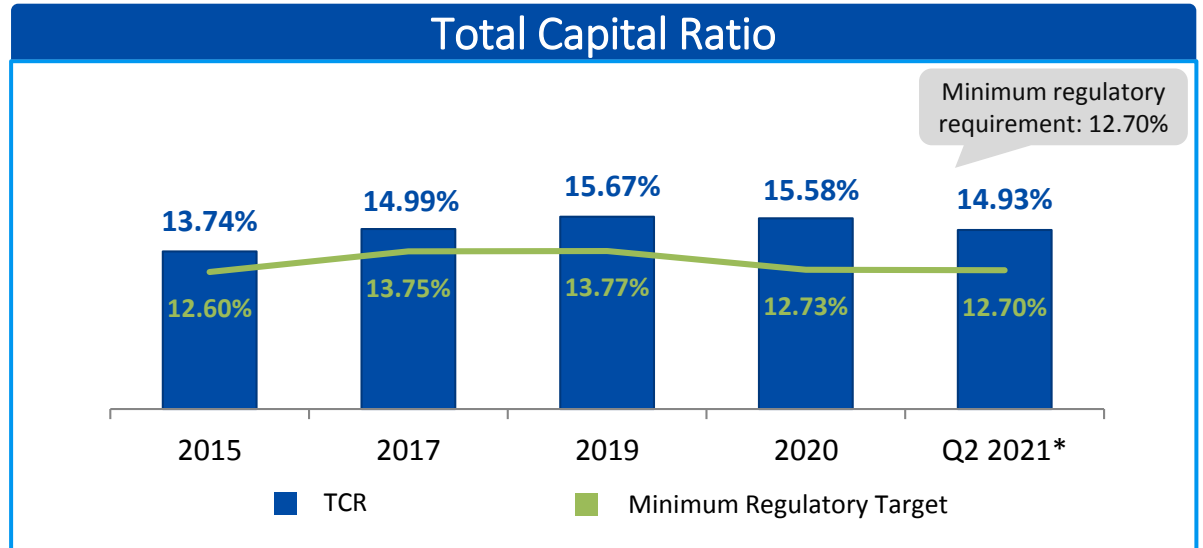
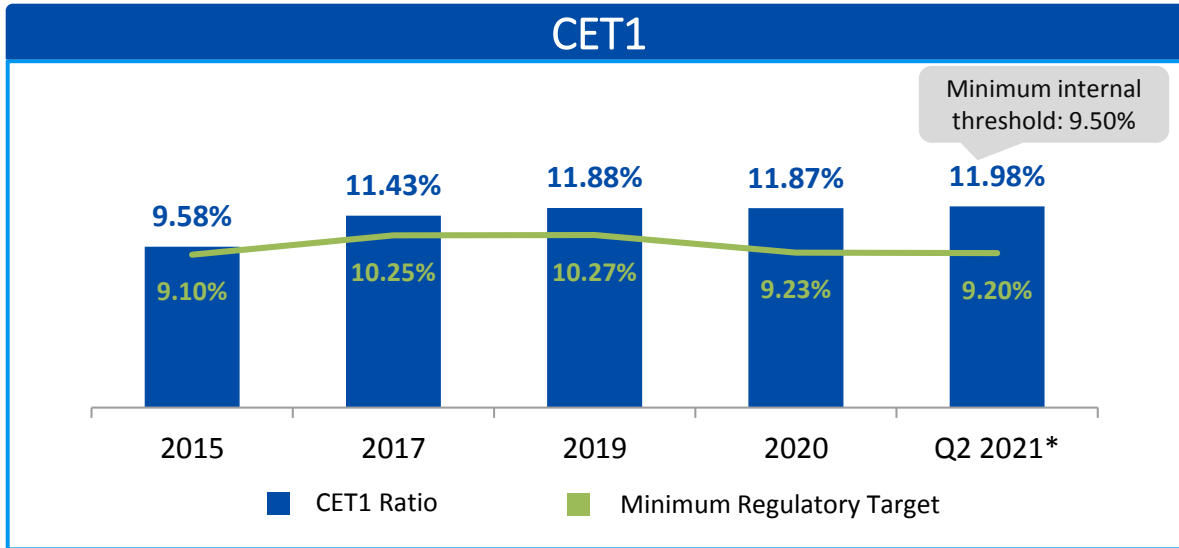


(NIS Billions)

Deposits from the Public June 30, 2021



Solid Capital and Leverage Ratios



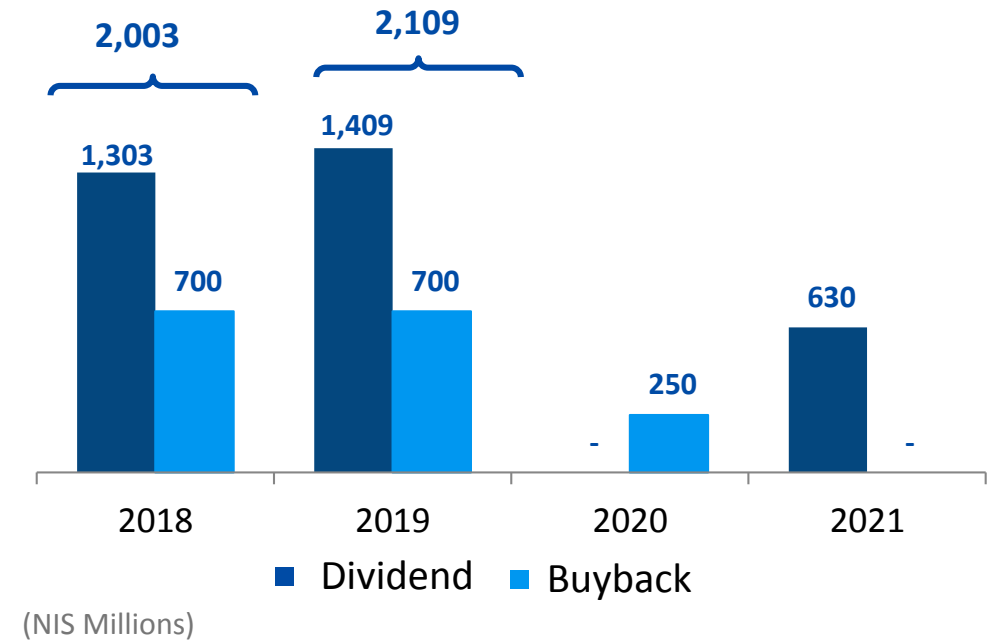
* Regulatory target currently valid through September 30, 2022

Dividend Announcement for 2020 Earnings

Dividends

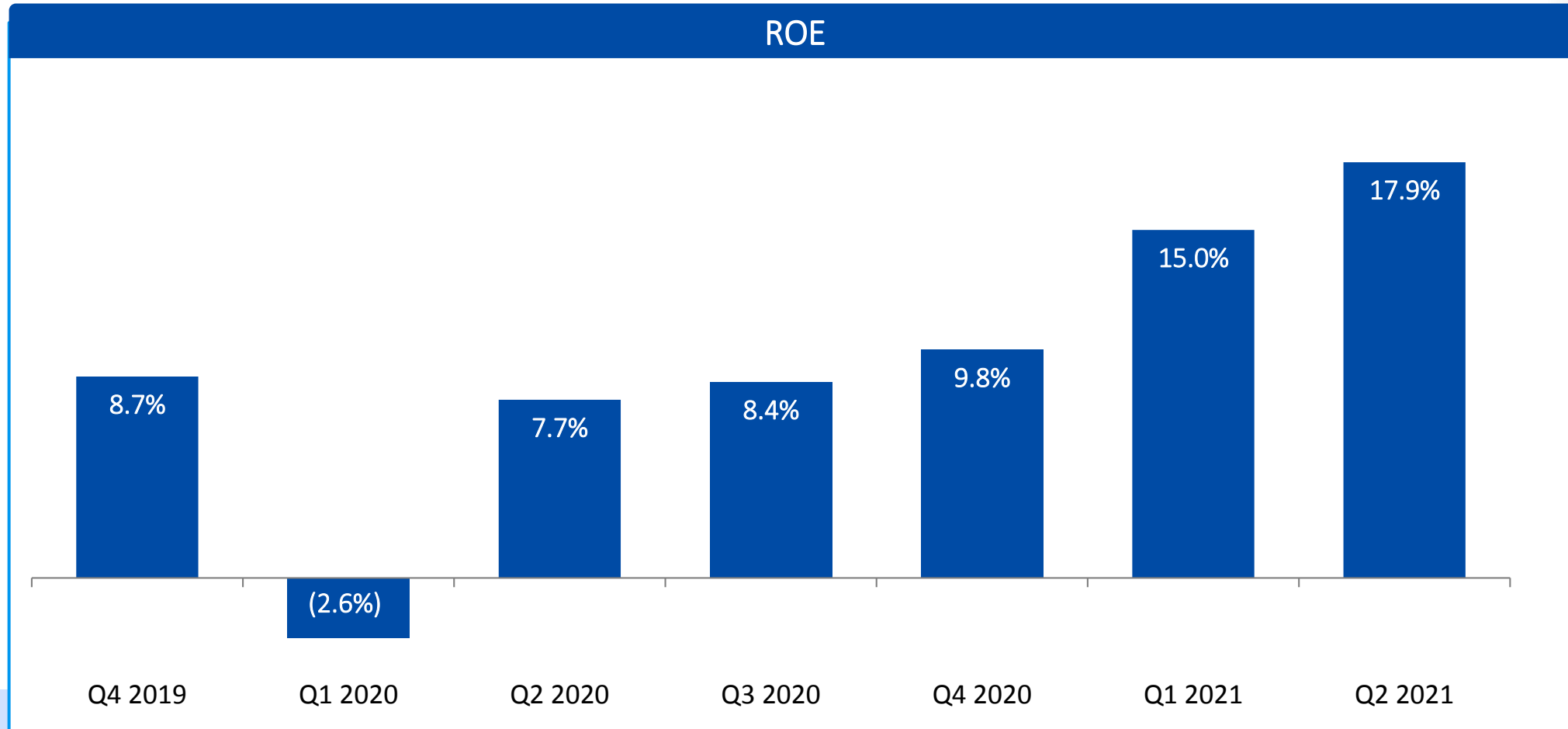
- 30% payout ratio on 2020 earnings
- Dividend payout of NIS 0.43 per share
- Following BOI partial easement of restrictions
- Dividend yield (semi-annual basis) ~ 3.3%*

Return to Shareholders



* As of August 11, 2021

Return on Equity





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Q&A



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THANK YOU