

Q1 2024



Financial results presentation

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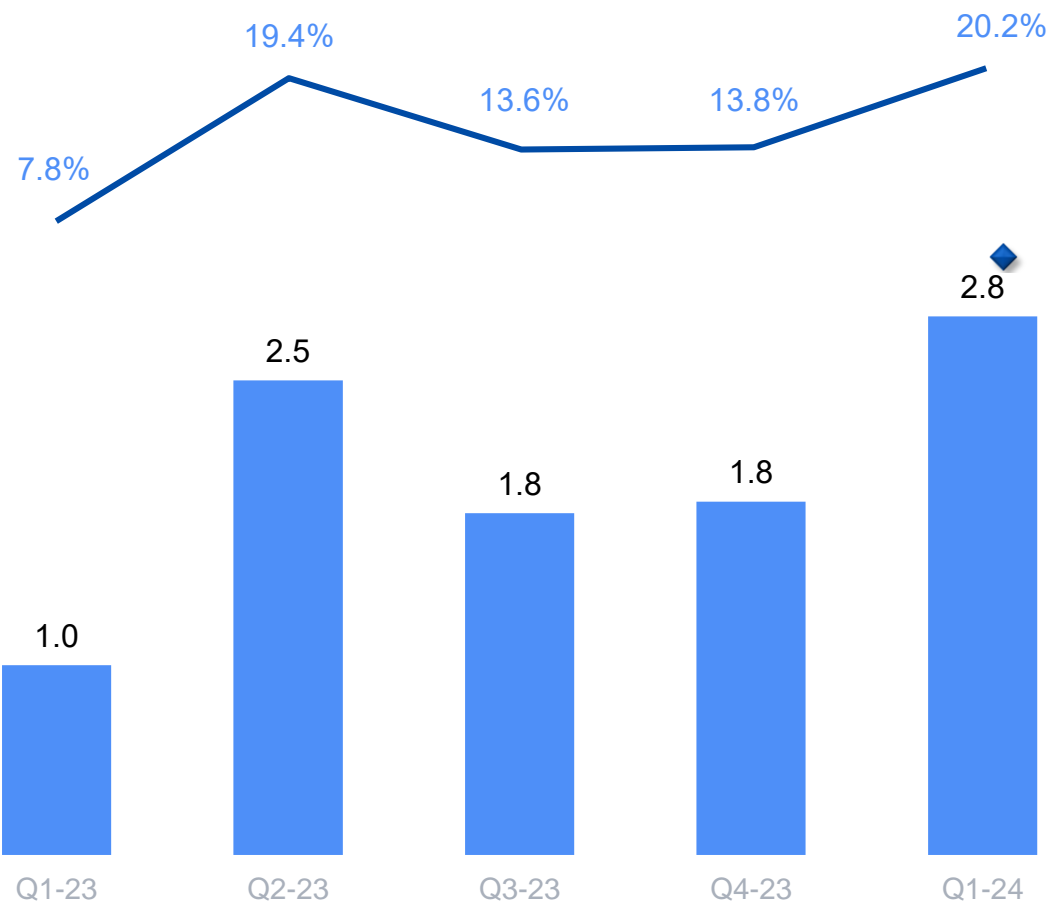
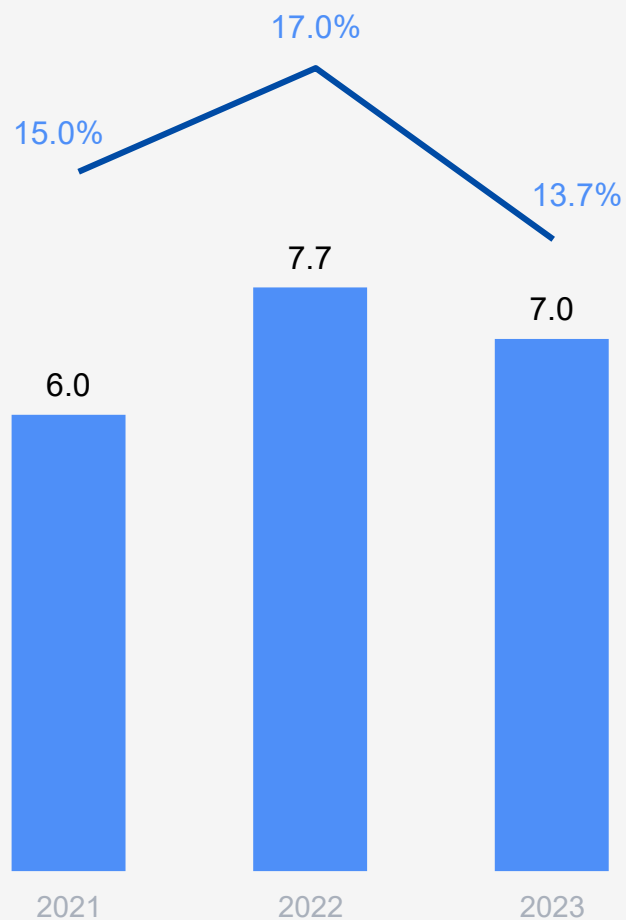
The conference call does not replace the need to review the latest periodic / quarterly reports in which full information is contained, including forward looking information, as defined in the Israeli Securities Law, and set out in the afore mentioned reports.

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	2.2% <small>Q-o-Q</small>	4.9% <small>Q-o-Q</small>	9.0% <small>Y-o-Y</small>
Core Deposit Growth	2.0% <small>Q-o-Q</small>	3.2% <small>Q-o-Q</small>	6.9% <small>Y-o-Y</small>

High and stable profits and ROE over a sustained period



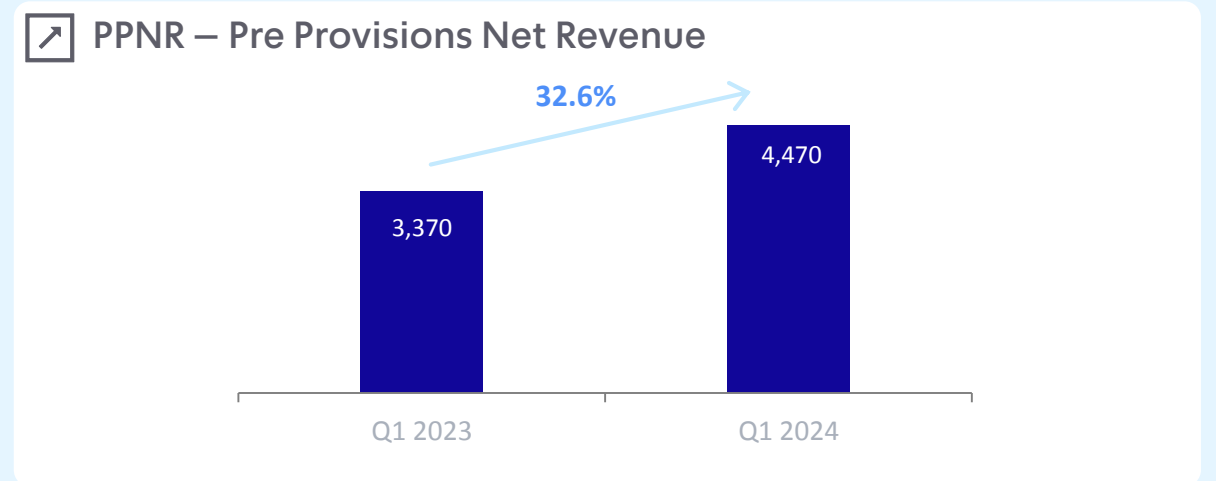
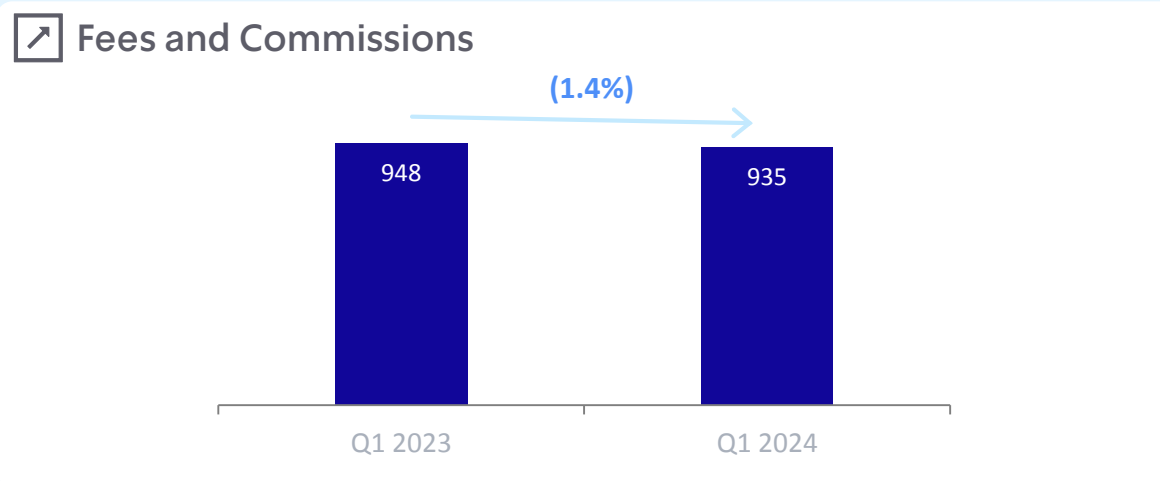
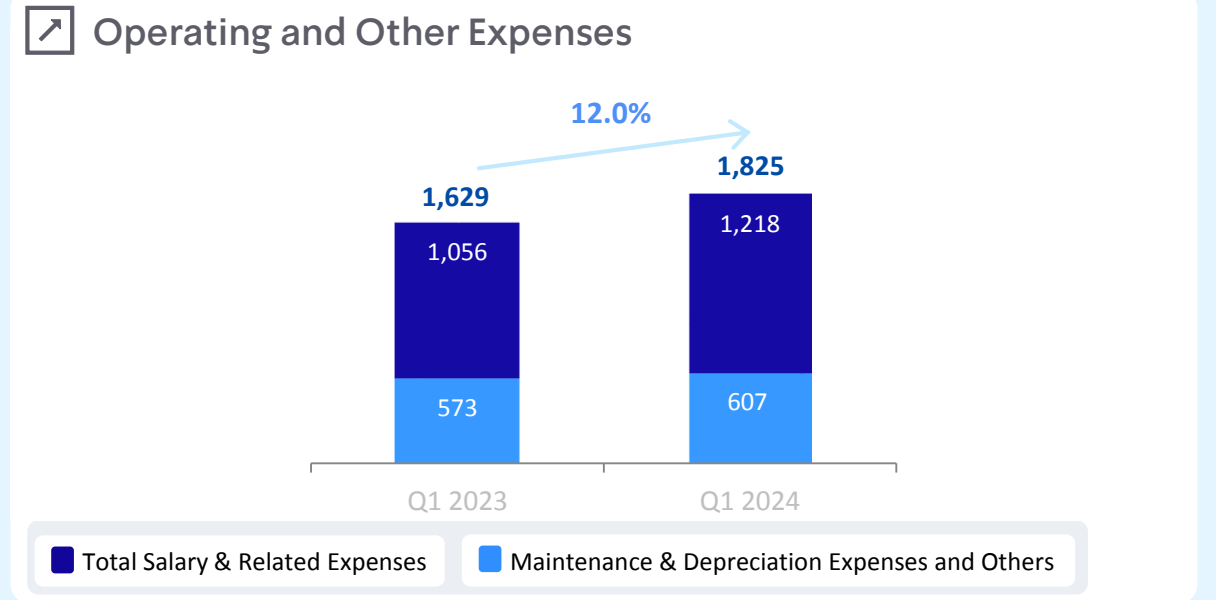
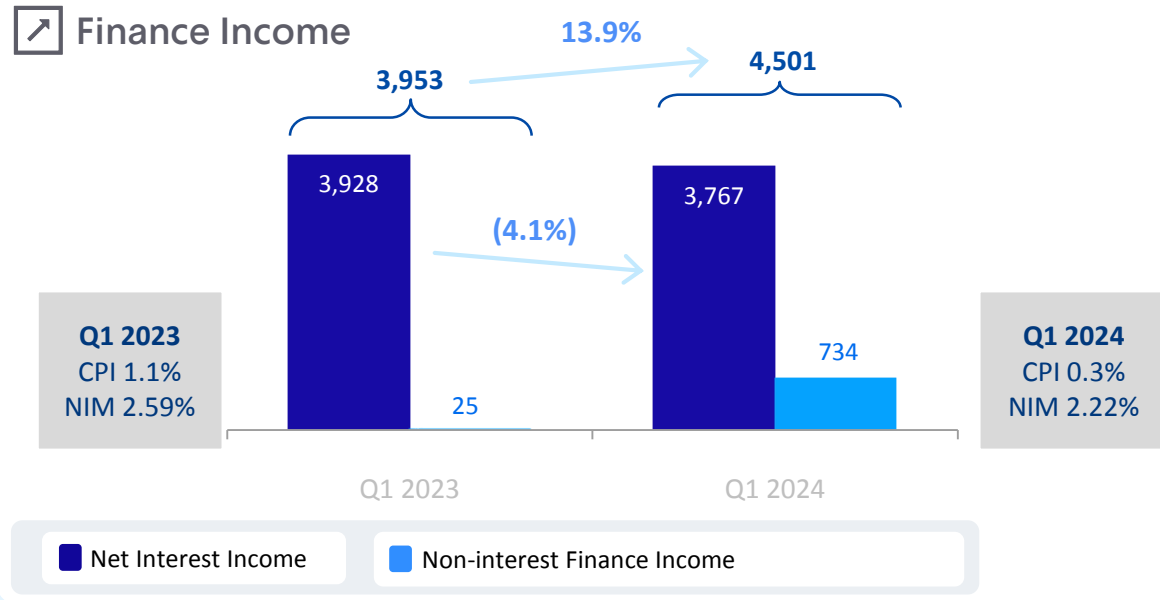
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(NIS Billions)

Excluding the NIS 1.1 billion impairment of the Valley stake, Adjusted net income and ROE were NIS 2.1 billion and 17.1% in Q1 2023 and NIS 8.1 billion and 15.9% in 2023.

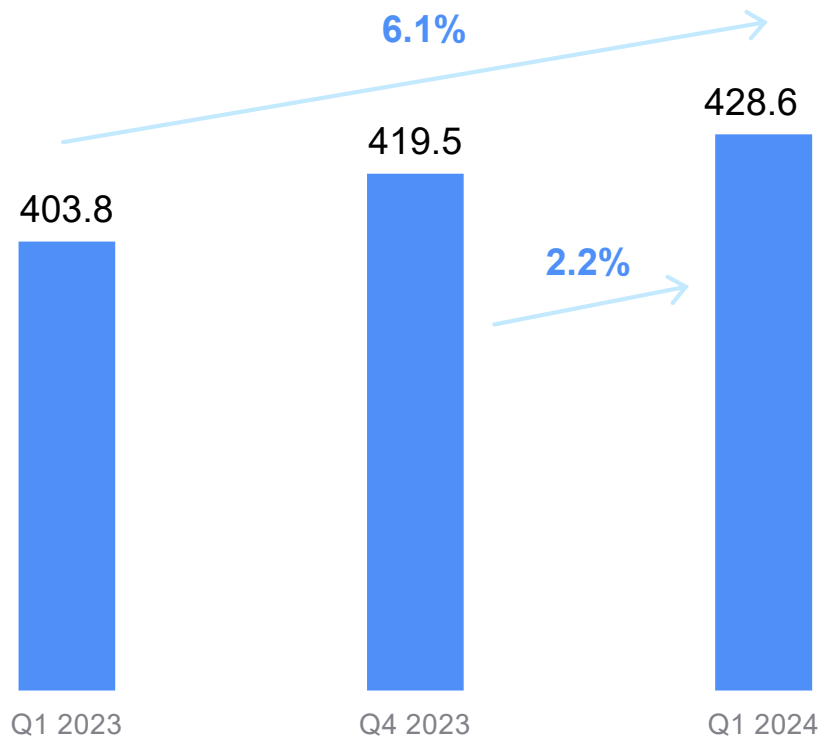
Adjusted net income and ROE in 2022 excluding Leumi USA merger proceeds of NIS 645 million were NIS 7.1 billion and 15.6%.

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



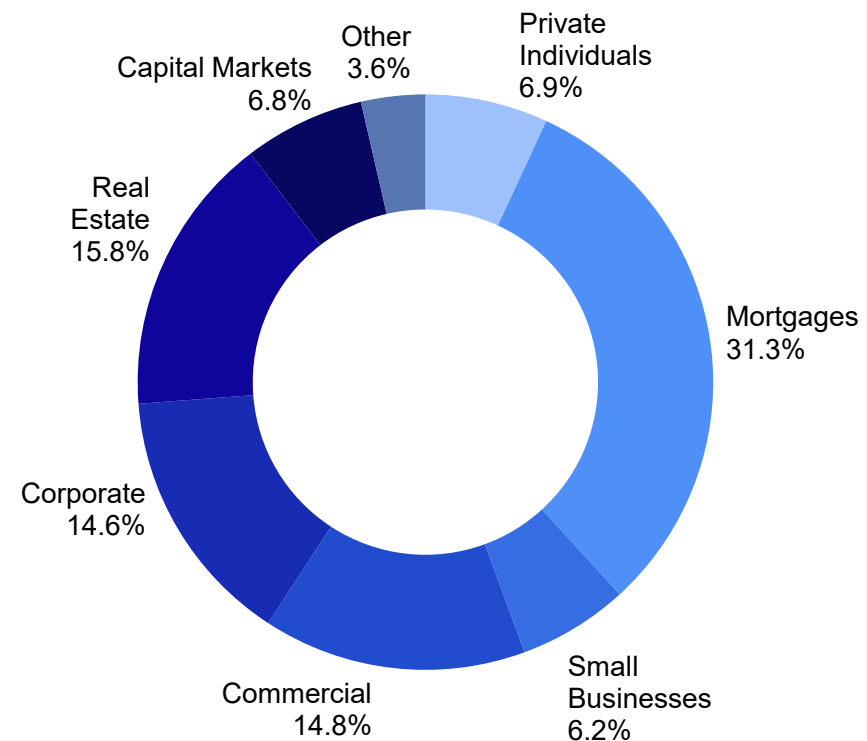
Pick-up in credit growth

📈 Total Loans



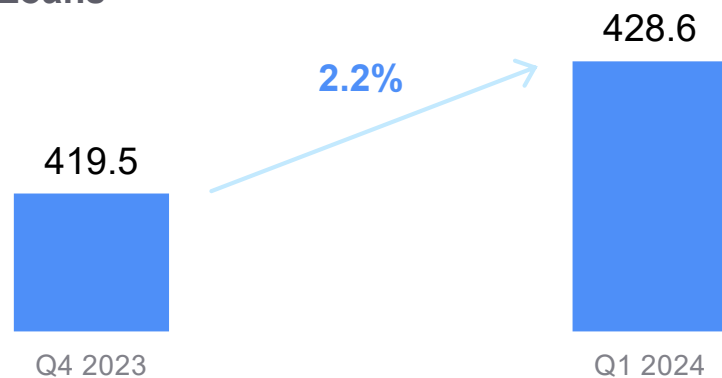
(NIS Billions)

📈 Loan Breakdown by Segment

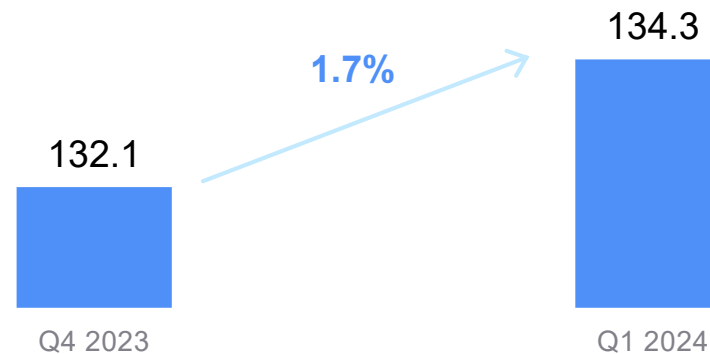


Credit growth in target segments

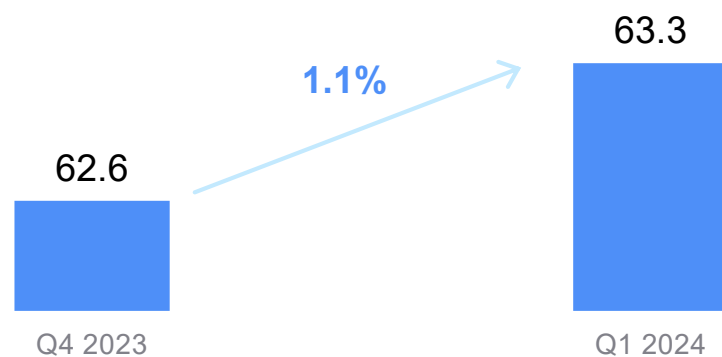
Total Loans



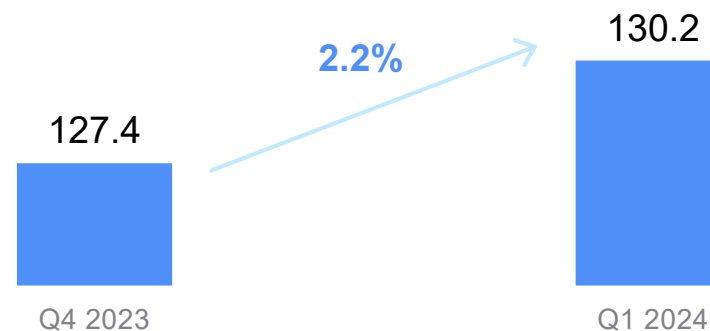
Mortgages



Middle-Market

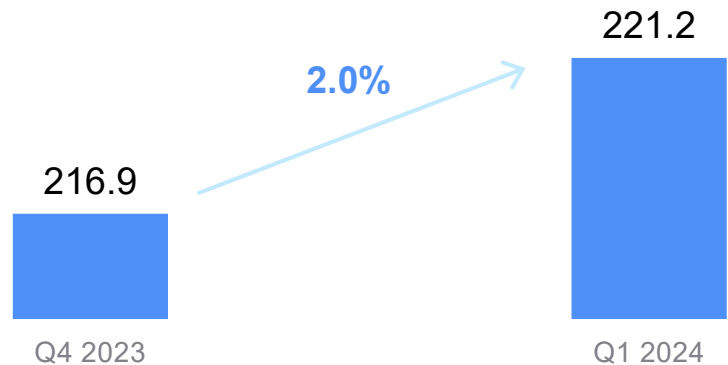


Corporate

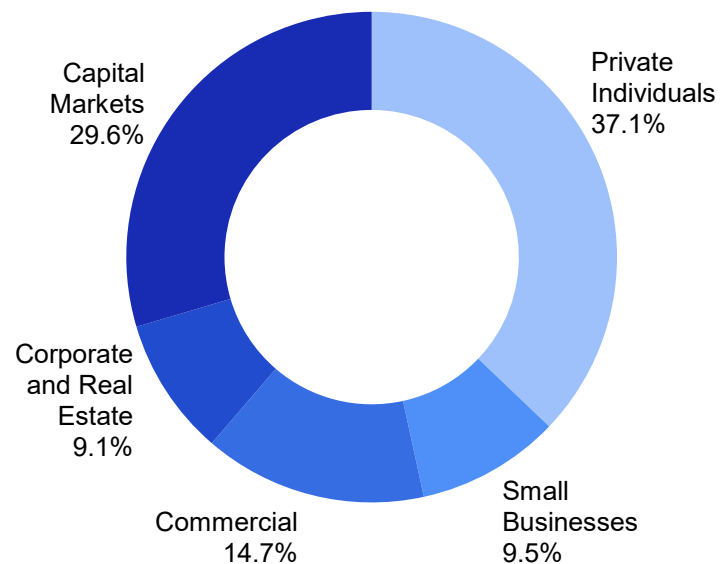


Expanding and diversifying deposit base

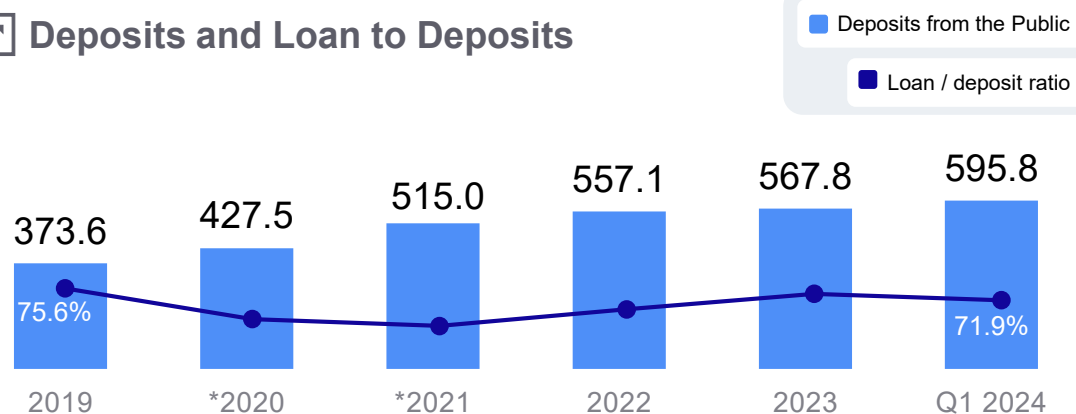
Core Deposits



Diversified deposit base



Deposits and Loan to Deposits



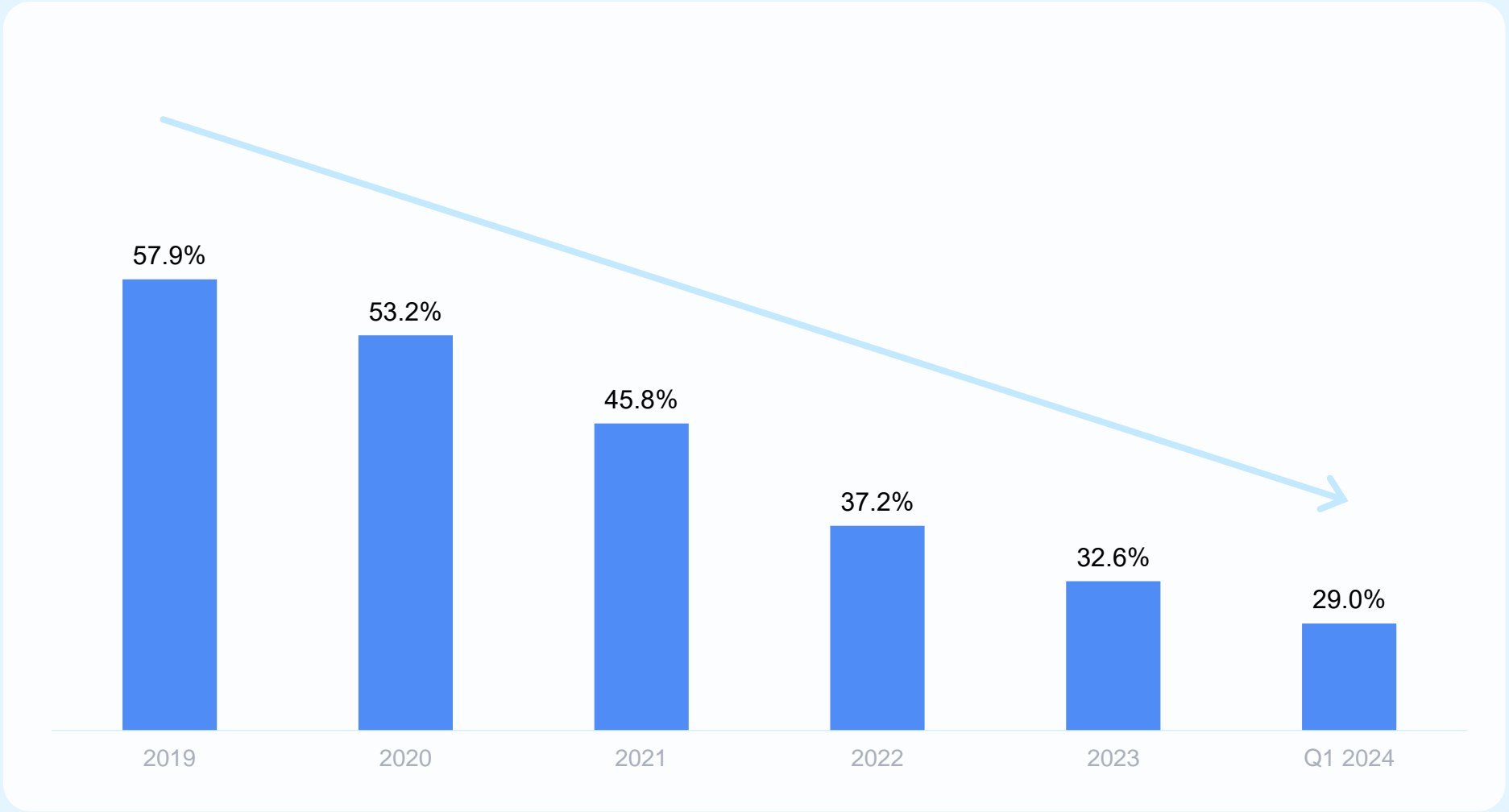
119%
NSFR⁽¹⁾

133%
LCR⁽²⁾

(NIS Billions)

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

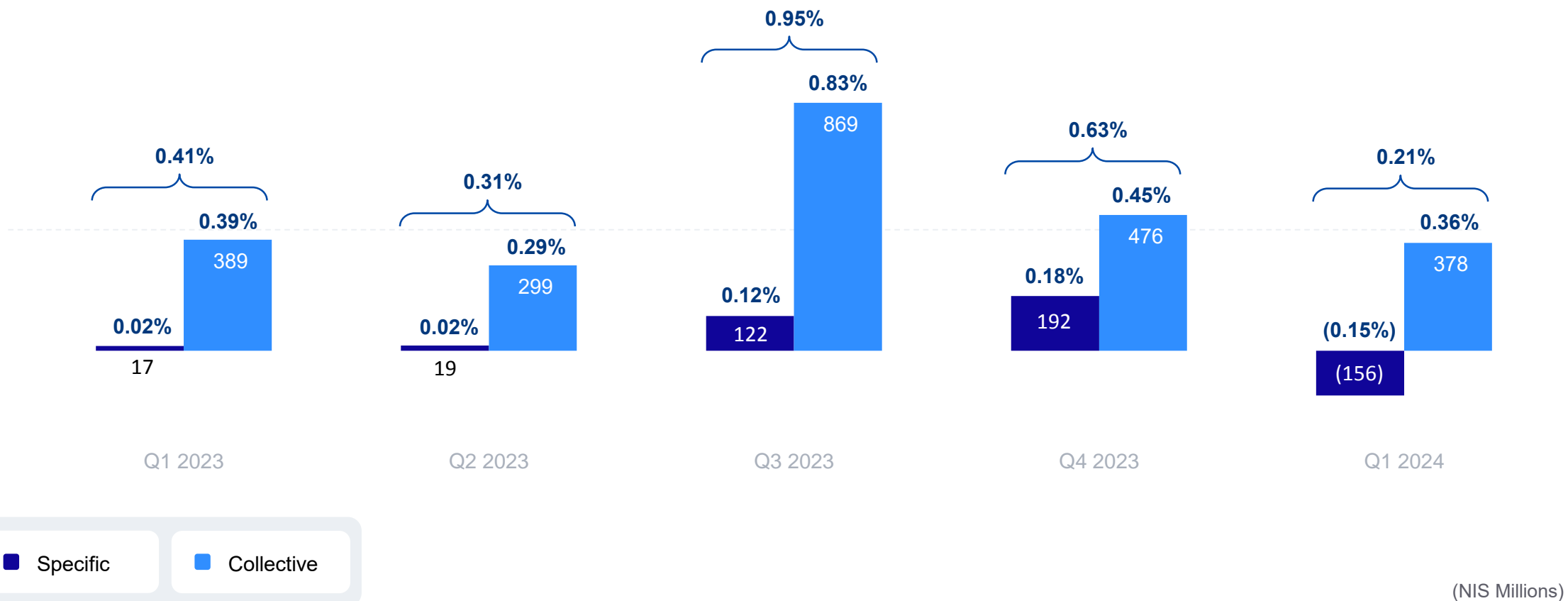
Multi-year decline in cost-income ratio



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

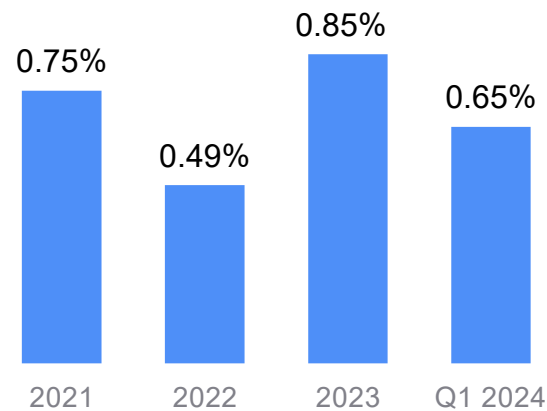
Loan loss expenses



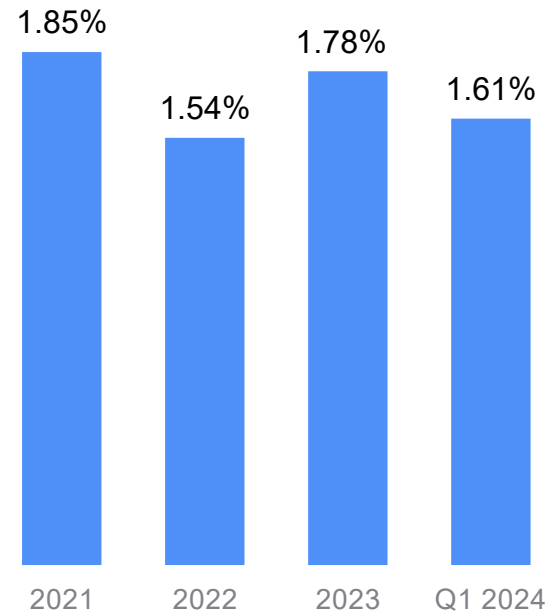
Credit quality improved in the quarter

Higher provisions and coverage despite lower NPLs

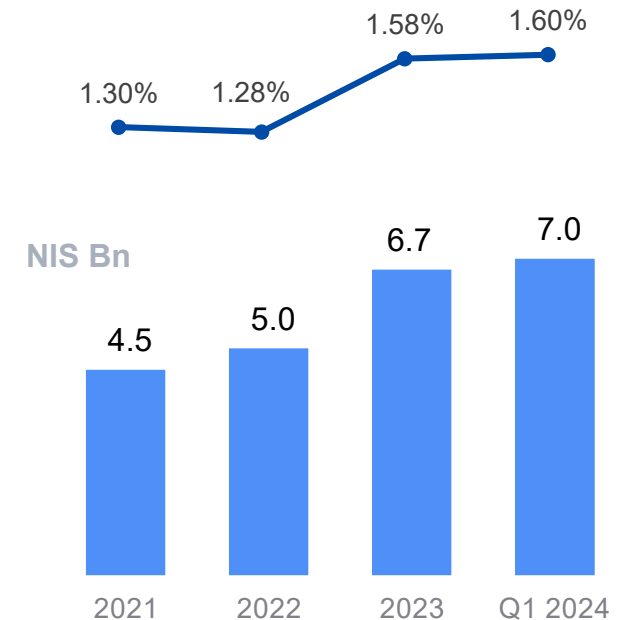
📈 NPLs



📈 Troubled Debts



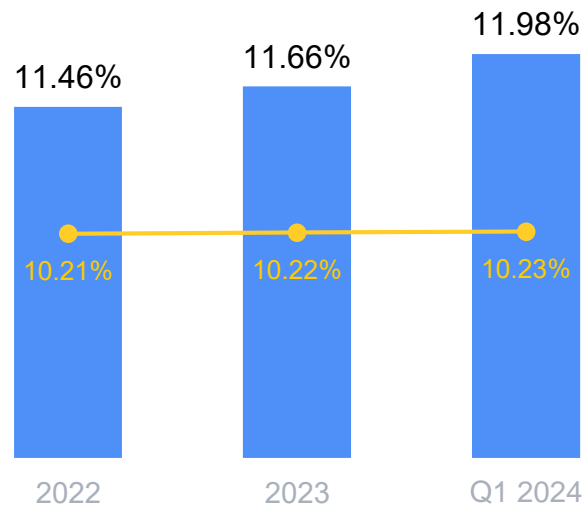
📈 Total Provisions



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

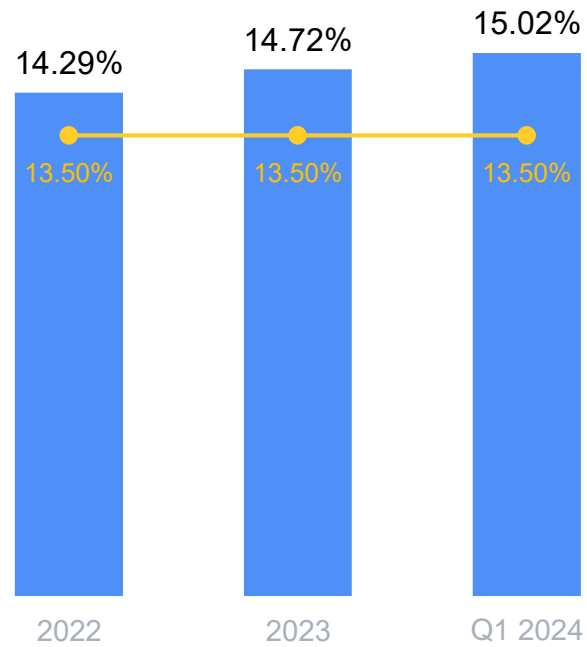
Solid capital and leverage ratios

📈 CET1 Ratio



■ CET1 ■ Minimum Regulatory Target

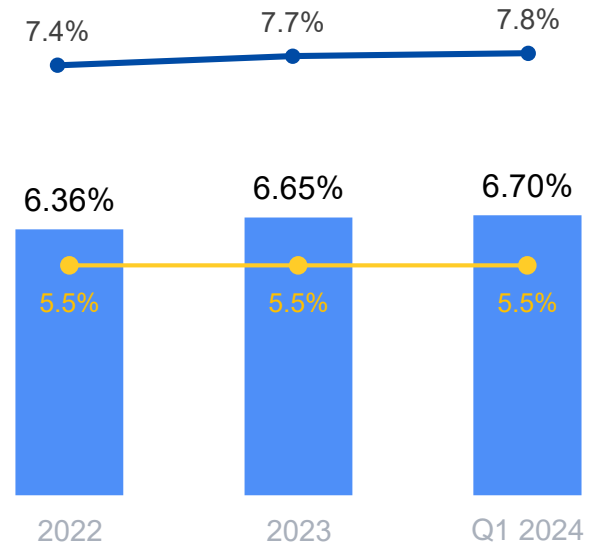
📈 Total Capital Ratio



■ TCR ■ Minimum Regulatory Target

📈 TCE and Leverage Ratios

TCE / Total Assets



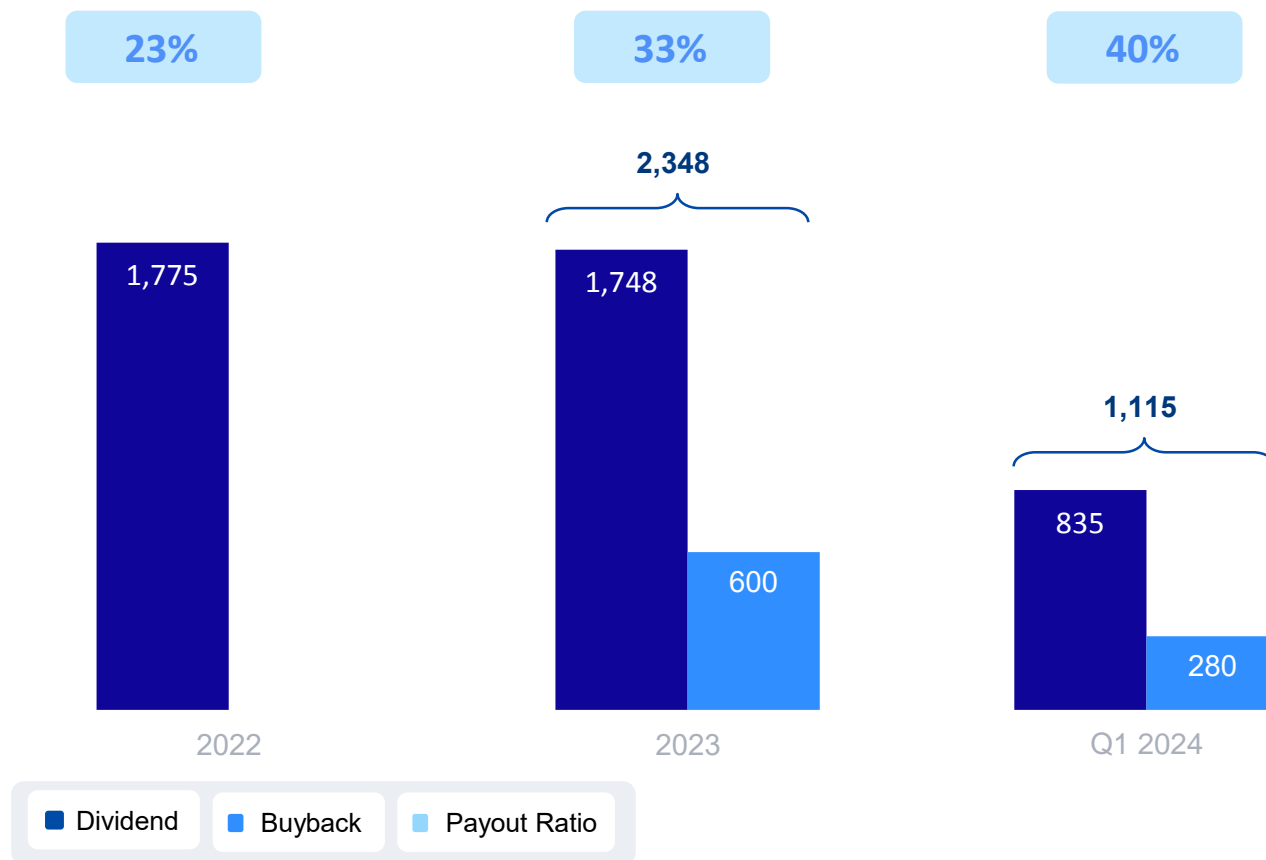
■ Leverage Ratio ■ Minimum Regulatory Target

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 27th 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

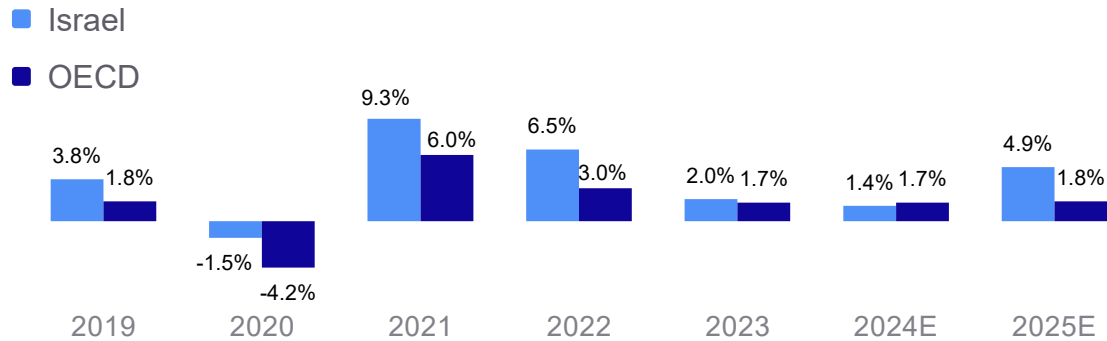
6 Quarterly total payout of 40% - NIS 835 million in cash and NIS 1 billion buyback for FY 2024

Slower growth in 2024

Economic fundamentals remain strong

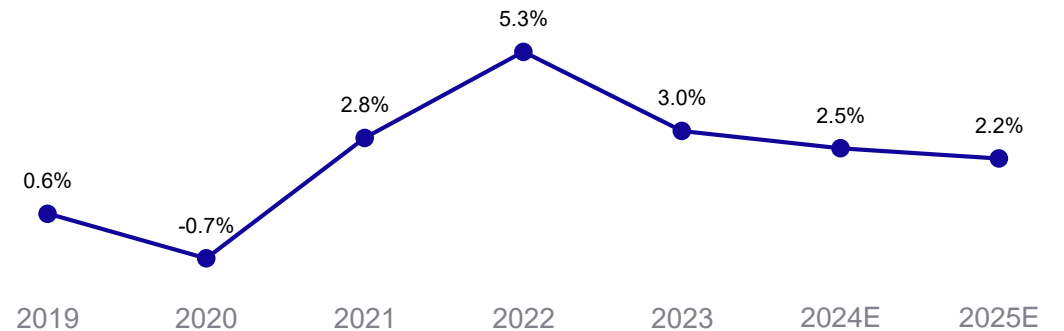
➤ GDP impact in 2024

(Real GDP Growth)



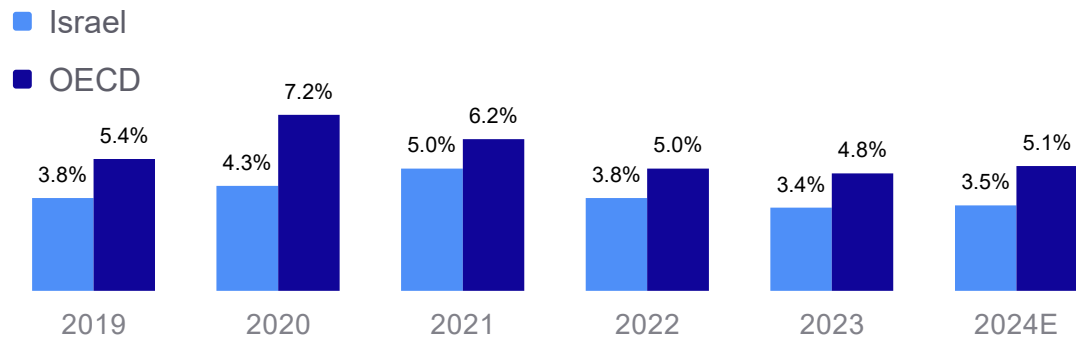
➤ Inflation slowing

(Inflation Evolution)



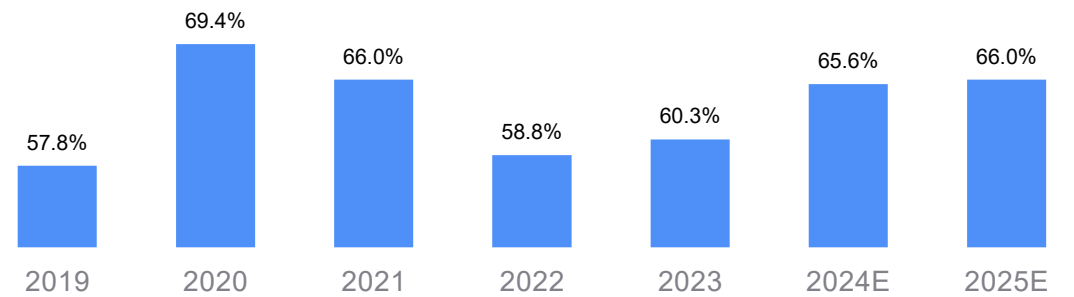
➤ Strong labor market

(Unemployment Rate ⁽¹⁾ Evolution)



➤ Moderate increase in public debts

(Government Debt/GDP)



Results
presentation

Thank you / Q&A 