

Q3 2024



Financial results presentation

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Strong underlying performance

Key financial metrics

	Q3 2024	9M 2024	FY 2023
Net Income	2,293	7,347	7,027
ROE	15.5%	17.1%	13.7%
Cost Income Ratio	31.1%	29.6%	32.6%
Credit Loss Expense Ratio	0.28%	0.16%	0.58%
Net Loan Growth	3.0% <small>Q-o-Q</small>	6.5% <small>YTD</small>	9.0% <small>Y-o-Y</small>
BVPS Growth	3.8% <small>Q-o-Q</small>	11.6% <small>YTD</small>	11.7% <small>Y-o-Y</small>

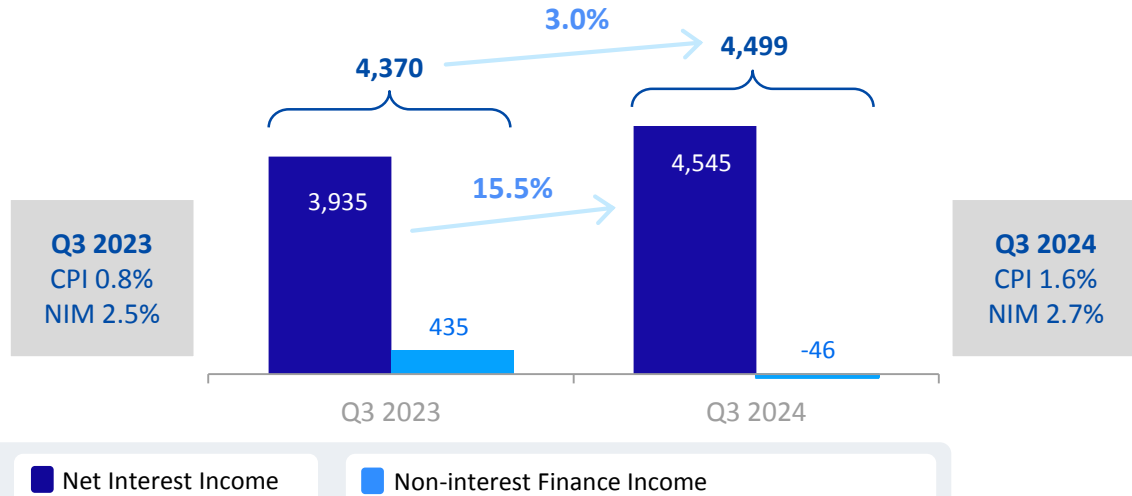
(NIS Millions)

Core Deposits = Deposits from Private individuals. BVPS = Book Value per Share.

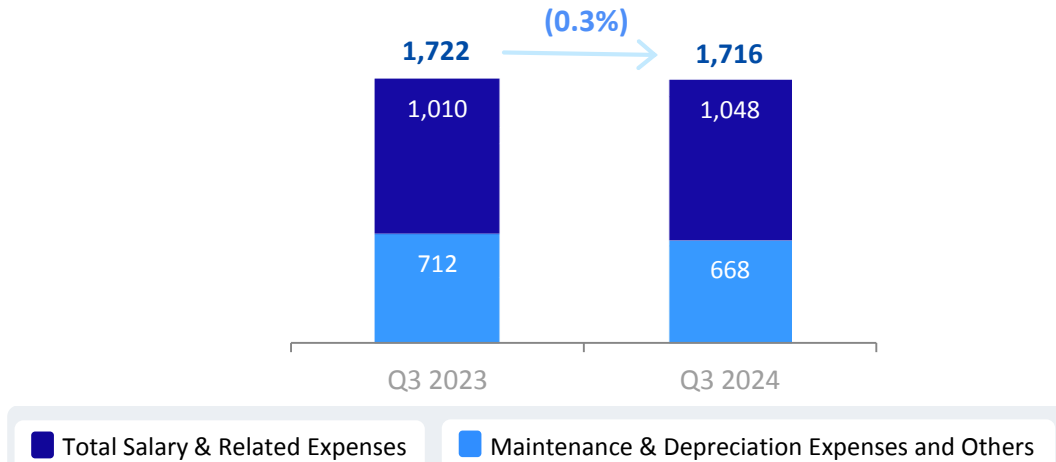
Q2 2024 results were impacted by a NIS 0.6 billion impairment of the bank's stake in Valley National Bank. Q1 2024 results were impacted by a NIS 0.6 billion after tax capital gain from real estate sales. FY 2023 results were impacted by a NIS 1.1 billion impairment of the bank's stake in Valley National Bank.

Q3 2024 vs. Q3 2023 – Breakdown of Income and Expenses

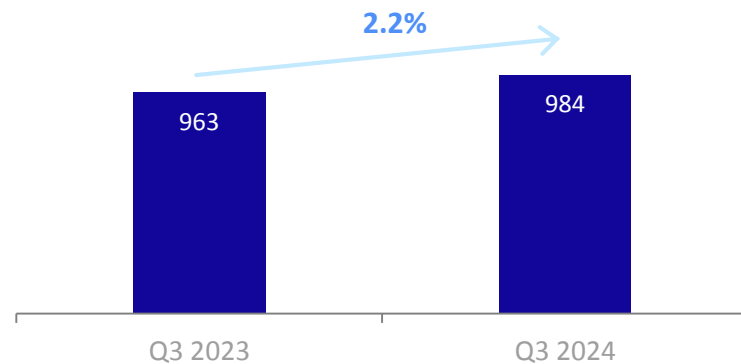
Finance Income



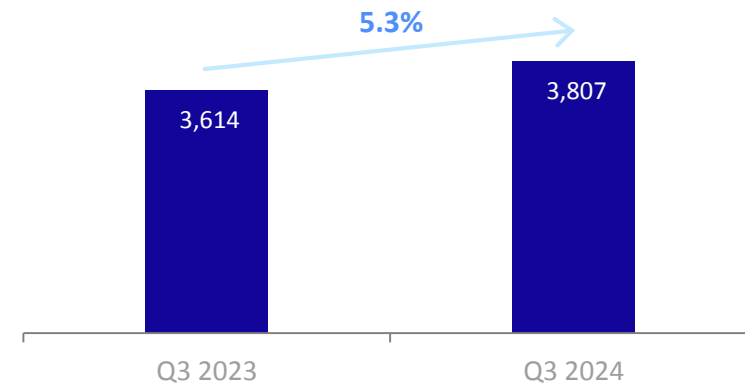
Operating and Other Expenses



Fees and Commissions

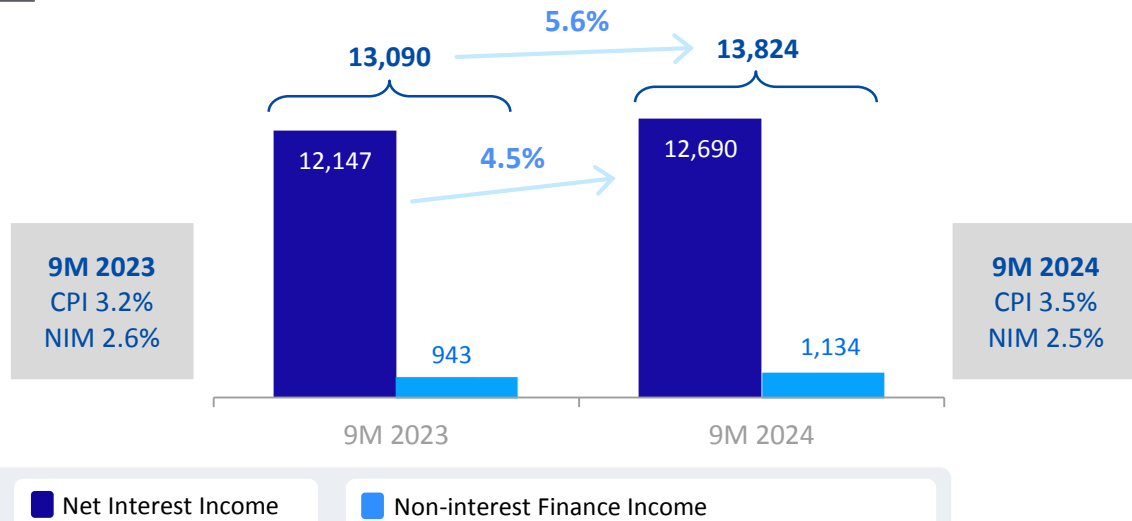


PPNR – Pre Provisions Net Revenue

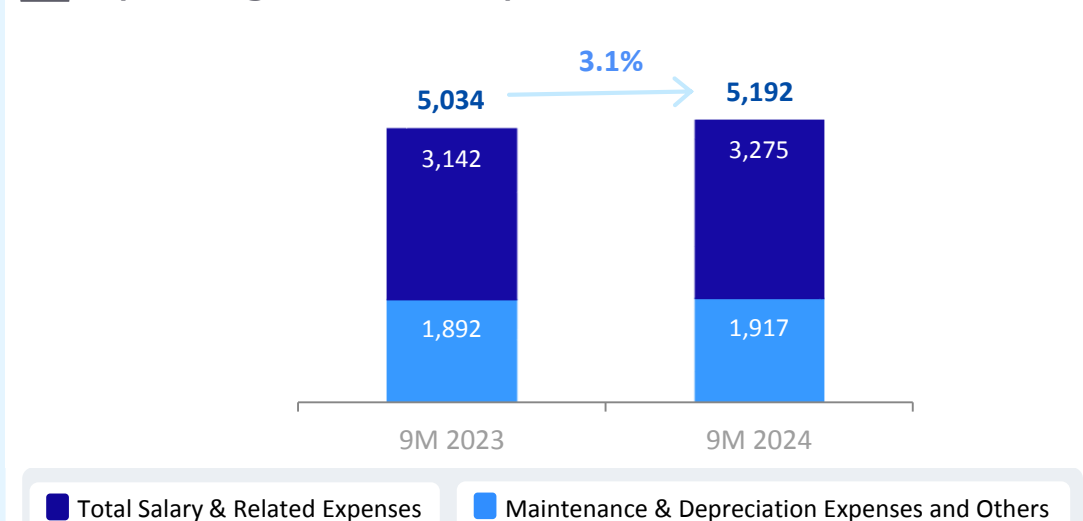


9m 2024 vs. 9m 2023 – Breakdown of Income and Expenses

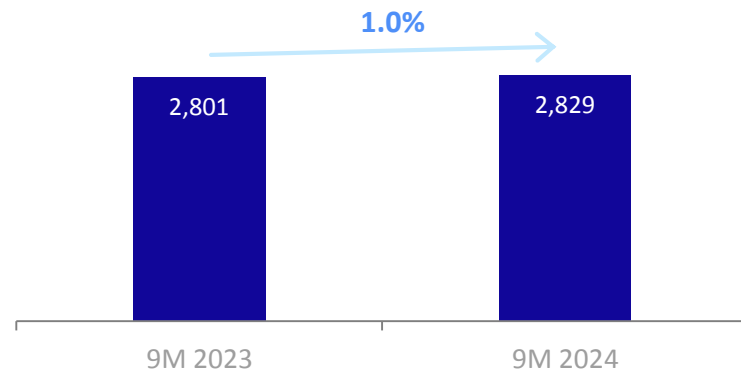
Finance Income



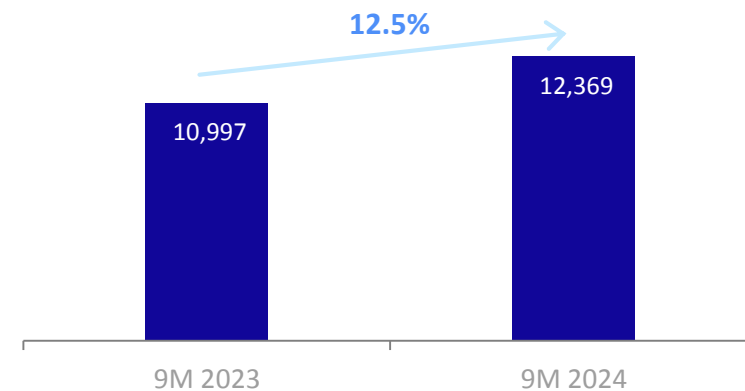
Operating and Other Expenses



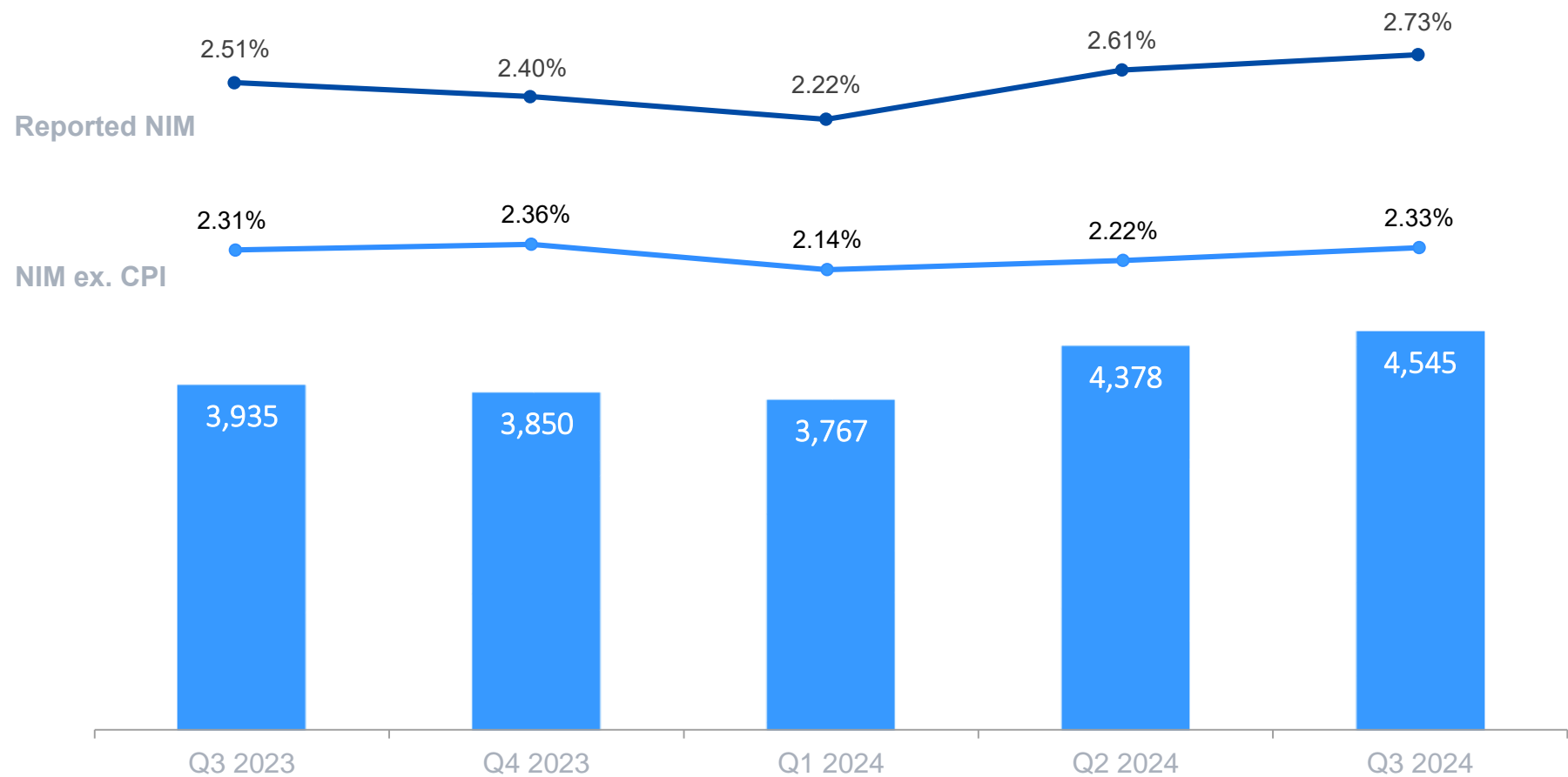
Fees and Commissions



PPNR – Pre Provisions Net Revenue

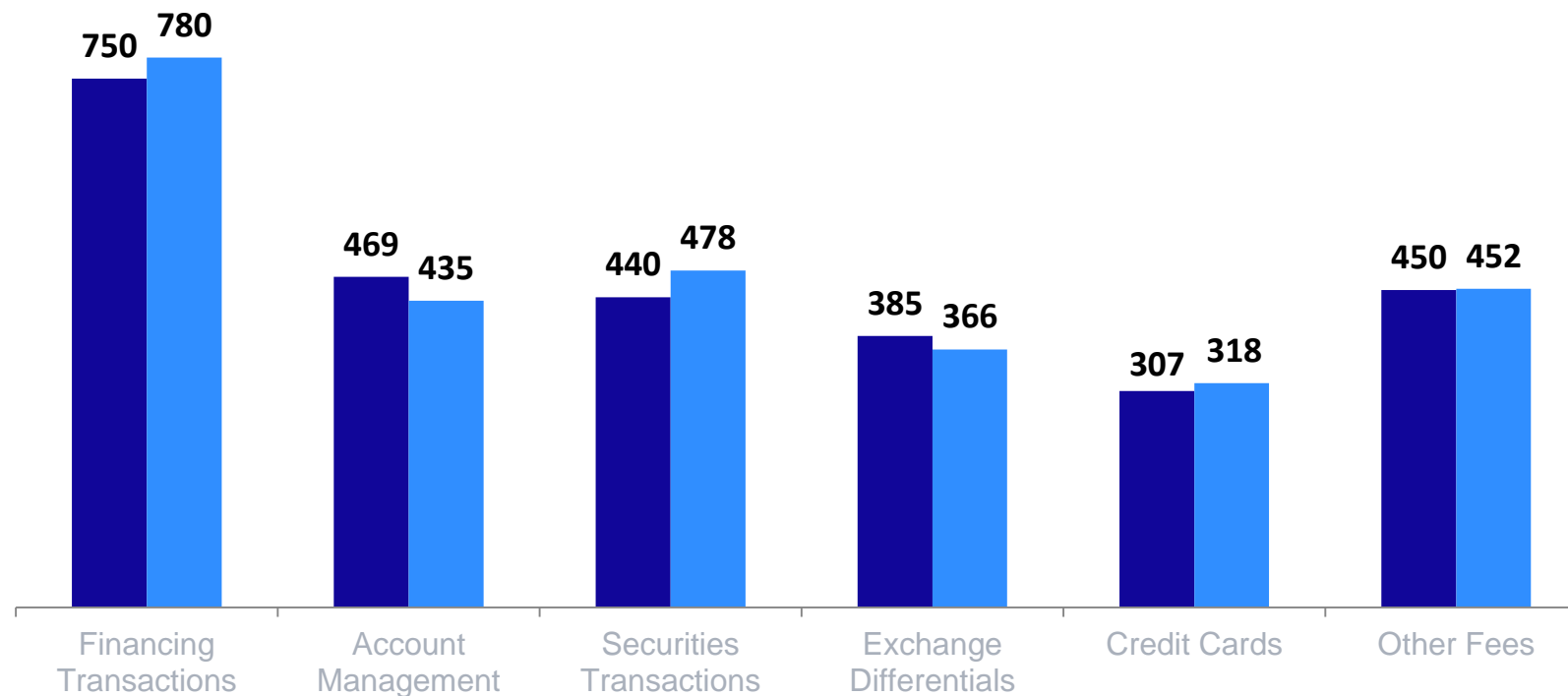
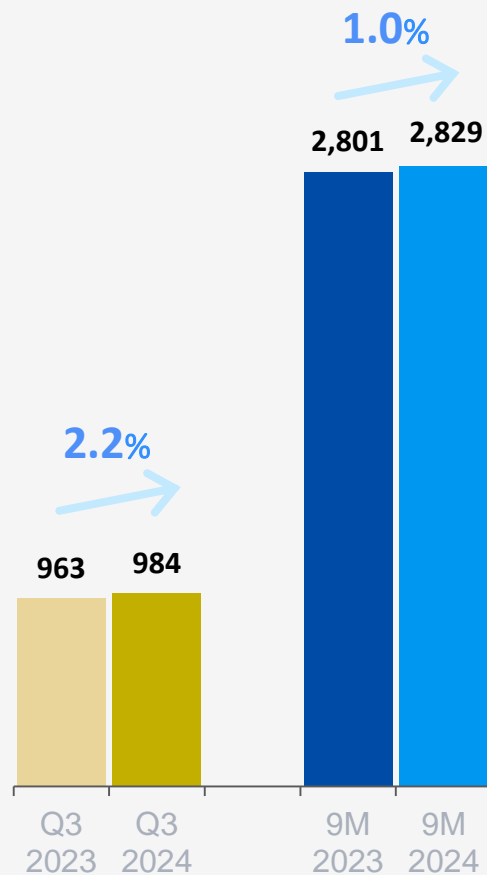


Net Interest Income and NIM



(NIS Millions)

Fees and Commissions Performance Year-over-Year

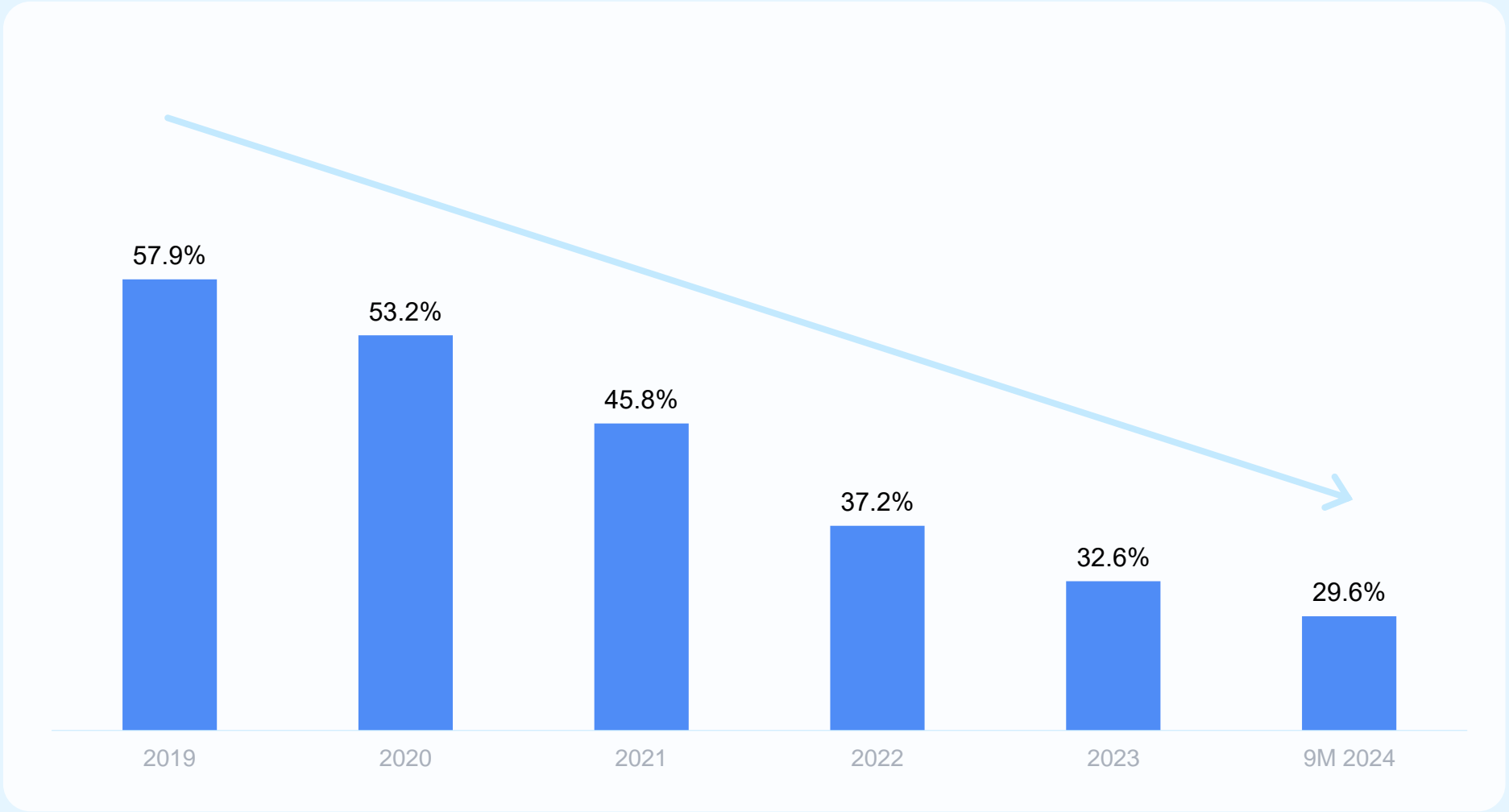


9M 2023

9M 2024

(NIS Millions)

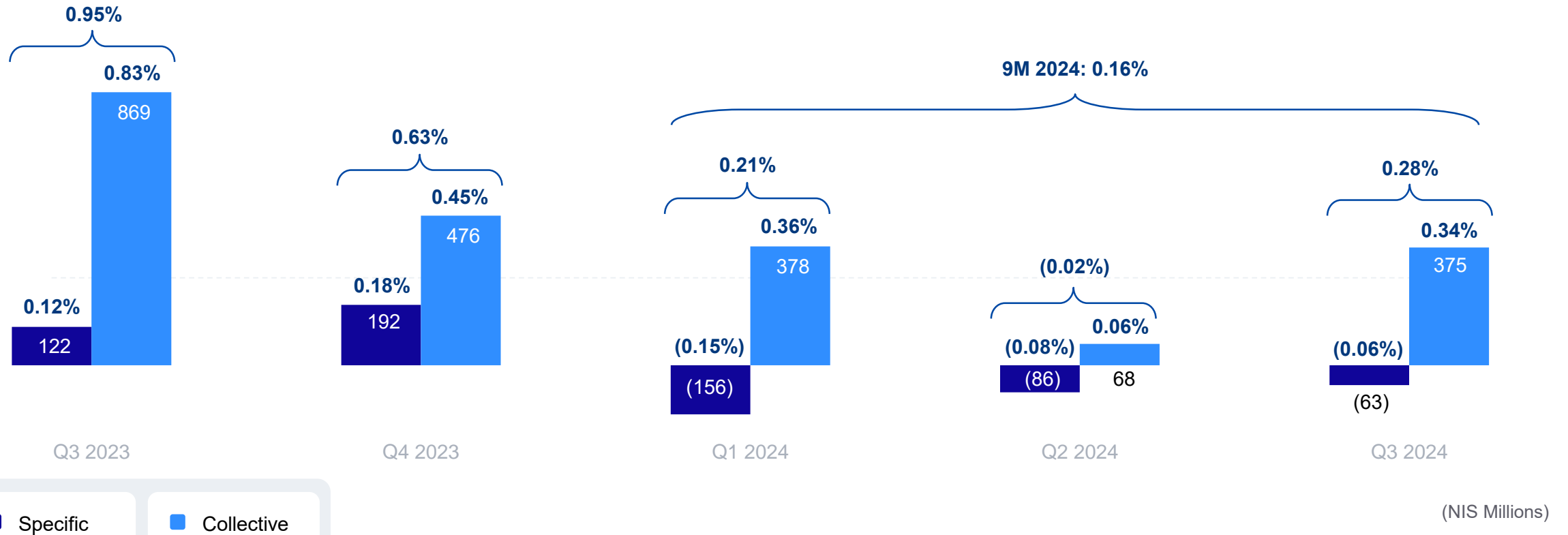
Multi-year decline in cost-income ratio



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

Stable loan loss expenses, With negligible specific provisions

Loan loss expenses

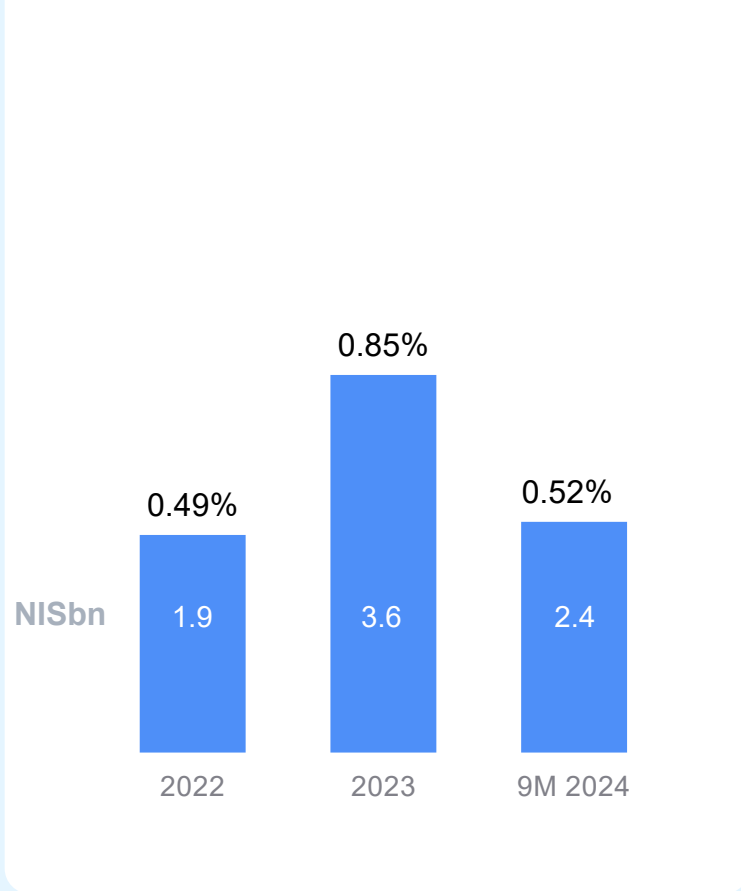


Note: 9M 2023 loan loss expenses were 0.56%.

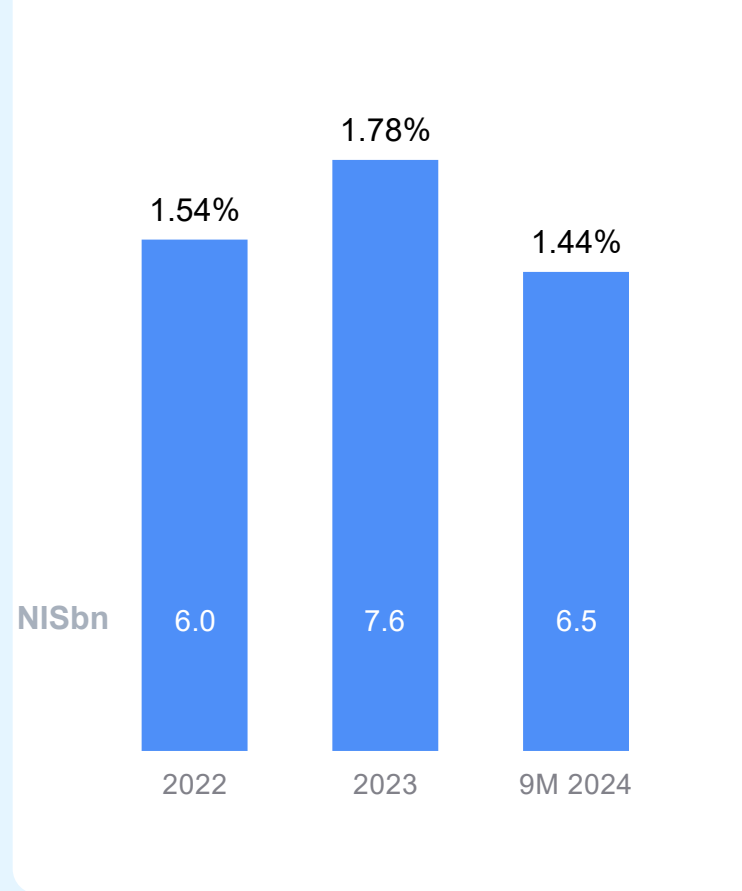
Credit quality improved in the quarter

Higher provisions and coverage despite lower NPLs

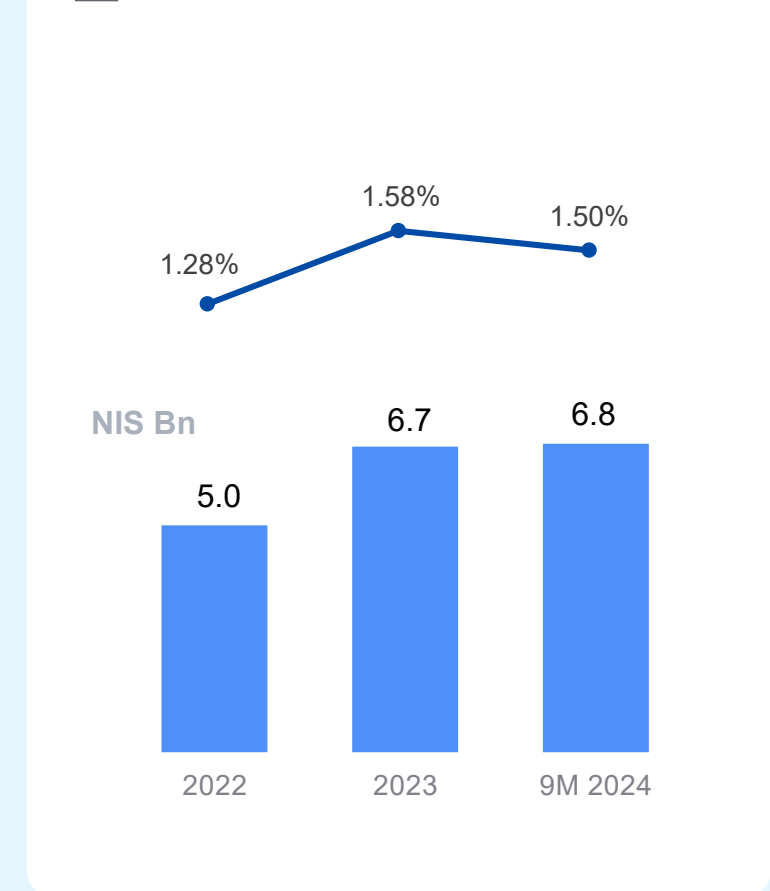
📈 NPLs



📈 Troubled Debts



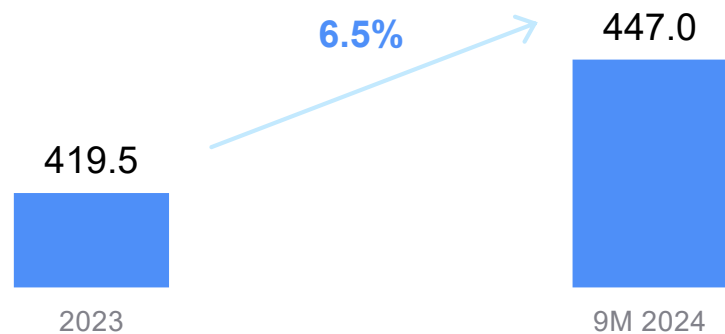
📈 Total Provisions



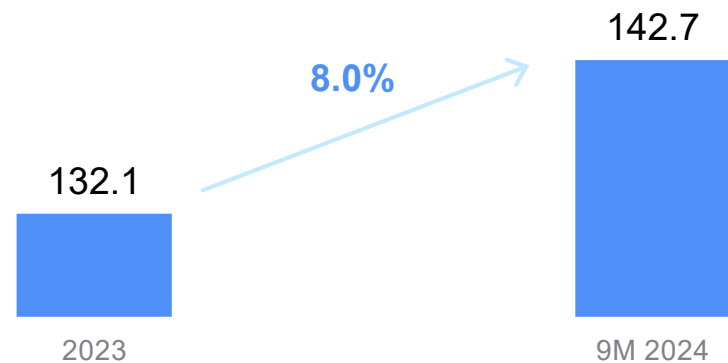
Reported. Total Troubled Debts, NPLs and Total Provisions are all as a % of Gross Loans.

Credit growth in target segments

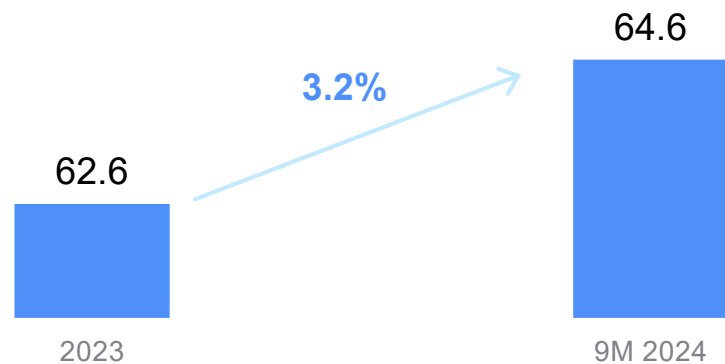
Total Loans



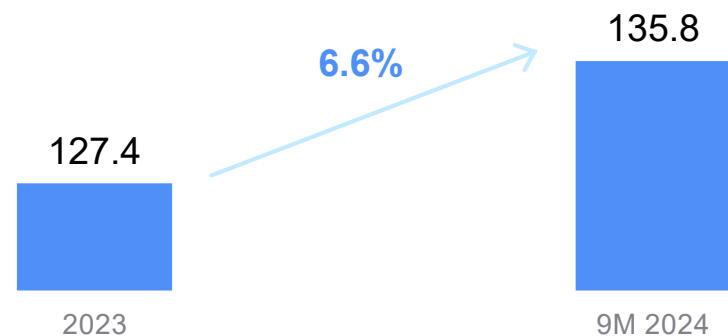
Mortgages



Middle-Market

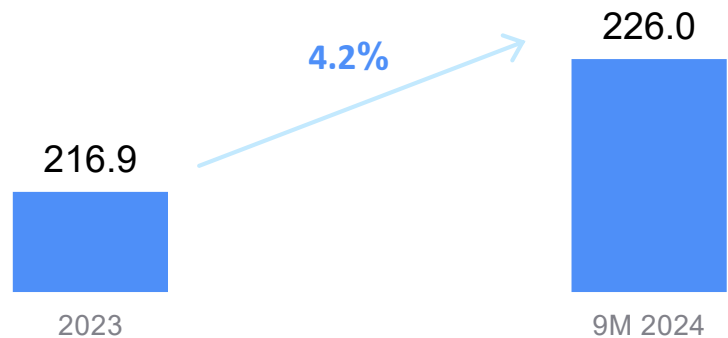


Corporate

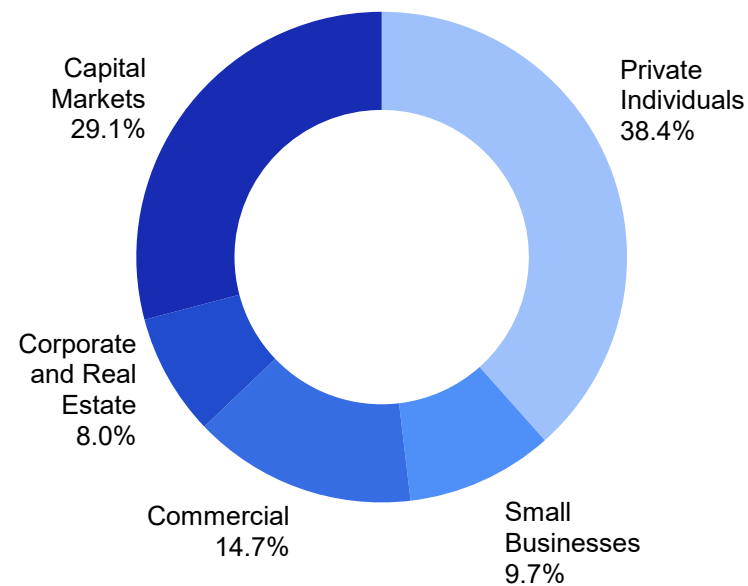


Expanding and diversifying deposit base

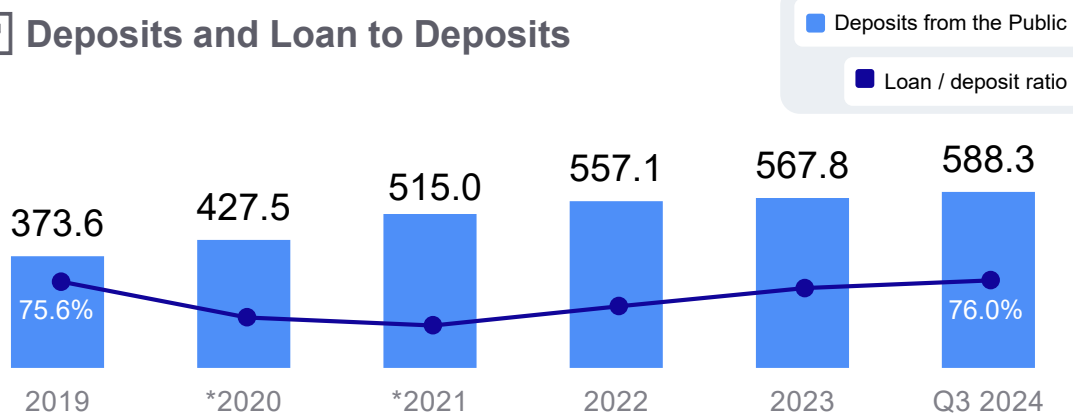
Core Deposits



Diversified deposit base



Deposits and Loan to Deposits



115%
NSFR⁽¹⁾

124%
LCR⁽²⁾

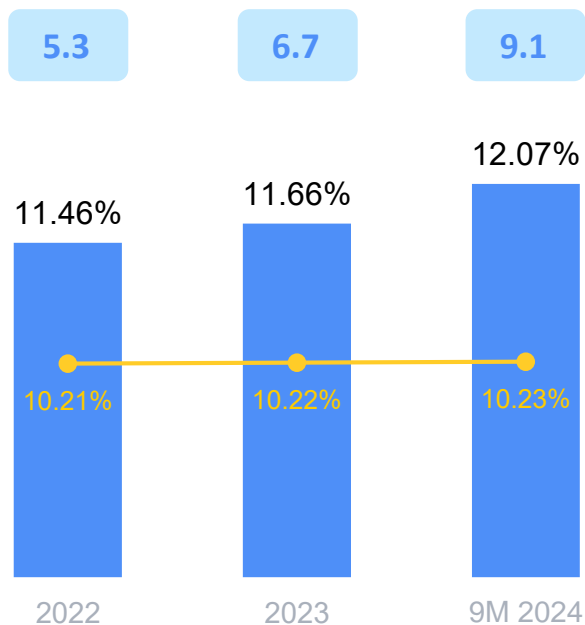
(NIS Billions)

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

Solid capital and leverage ratios

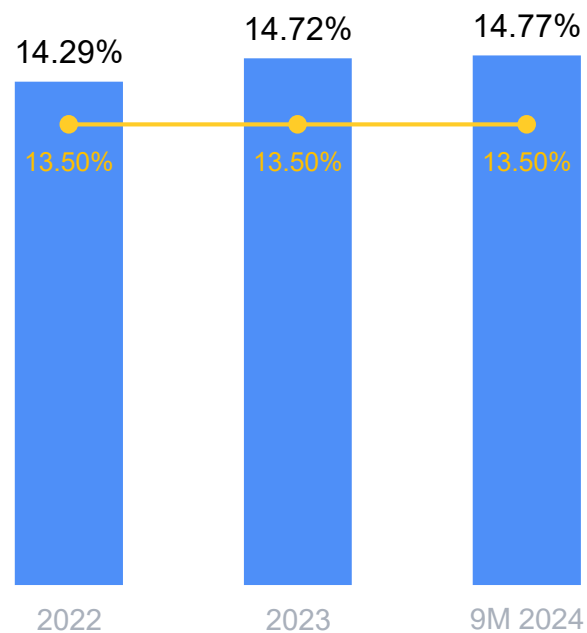
CET1 Ratio

Capital Buffer (NIS Billions)



■ CET1 ■ Minimum Regulatory Target

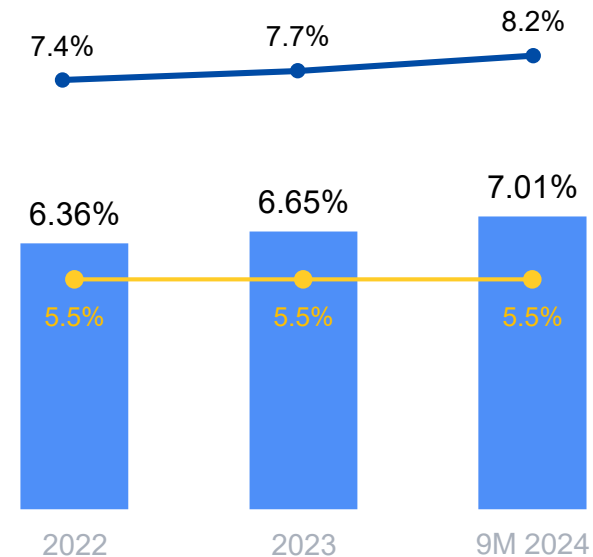
Total Capital Ratio



■ TCR ■ Minimum Regulatory Target

TCE and Leverage Ratios

TCE / Total Assets



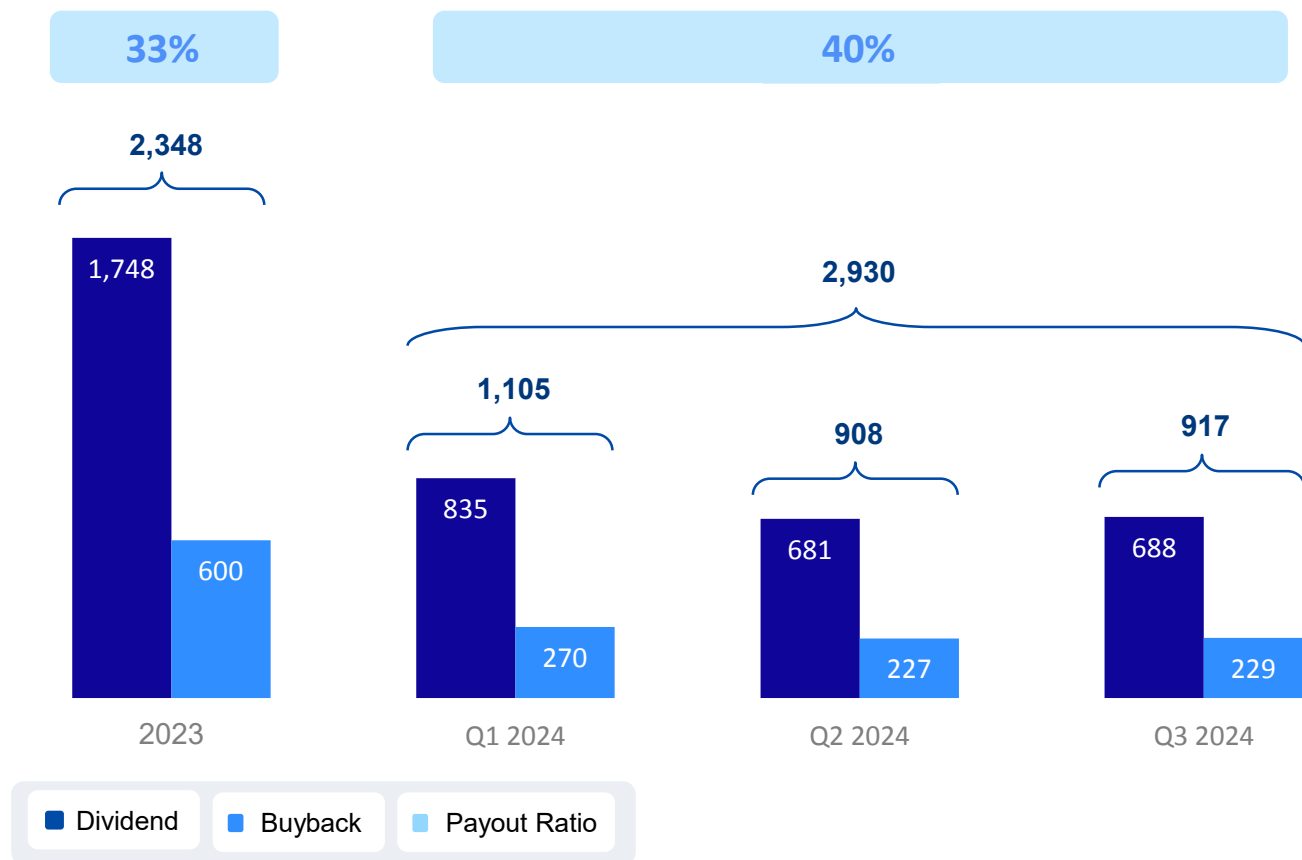
■ Leverage Ratio ■ Minimum Regulatory Target

Regulatory thresholds for CET1 and TCR are as of September 30th, 2024. Capital Buffer = Difference between CET1 and minimum regulatory target.

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

High shareholder returns via dividends and buybacks

Capital Return



(NIS Millions)

- NIS 2.9 Billion capital return in 9M 2024 is higher than total capital return for FY 2023.
- Payout in 9M 2024 is equal to a 40% payout ratio and is made up of a NIS 2.2 Billion dividend and a NIS 0.7 Billion buyback (of a NIS 1 Billion plan).
- 9M 2024 annualized yield is ~6.4%.

Investment highlights

1 Strong and consistent high ROE despite challenging economic backdrop

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

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

4 Strong capital position supporting growth and capital return

5 Long-term asset growth driving higher revenues and profitability

6 Total payout of 40% - NIS 2.2 billion in cash and NIS 0.7 billion buyback in 9M 2024

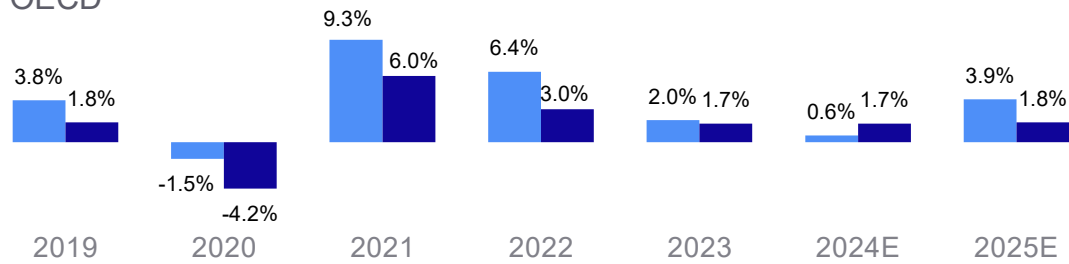
Slower growth in 2024

Underlying fundamentals remain strong

➤ GDP

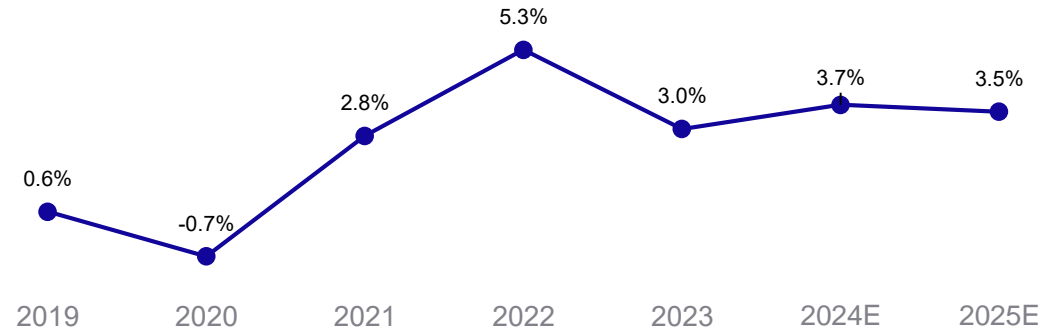
(Real GDP Growth)

- Israel
- OECD



➤ Inflation above BOI target range

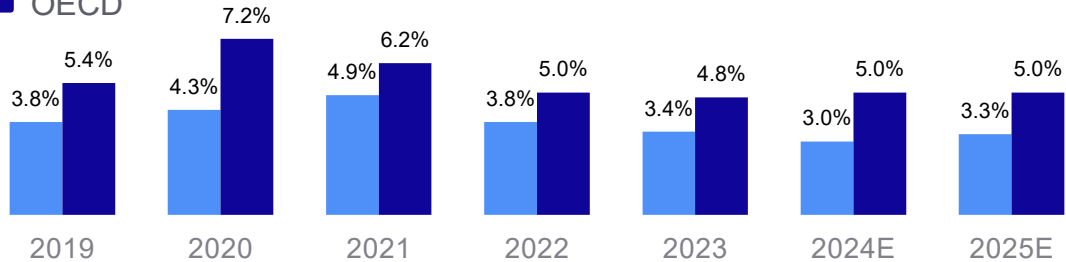
(Inflation Evolution)



➤ Strong labor market

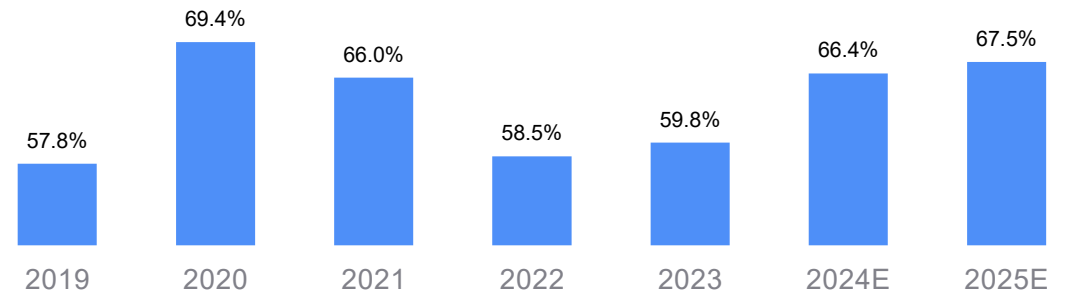
(Unemployment Rate ⁽¹⁾ Evolution)

- Israel
- OECD



➤ Moderate increase in government debt

(Government Debt/GDP)



Q3 2024

Results
presentation

Thank you / Q&A 