

Press Release

Financial Statements Q2 2025





Bank Leumi concludes Q2 2025 with strong results: Net income of approx. NIS 2.6 billion (\$774 million) and ROE of 16.2%; Distribution of a 50% dividend

- Dividend rate will increase to 50% of the net income for the quarter – totaling NIS 1.3 billion (\$386 million), out of which approx. NIS 1 billion (\$297 million) is cash dividend and the remainder is share buyback
- Leumi continues to present a low and solid efficiency ratio – among the best in the global financial system: 26.9%
- Responsible growth in the loan portfolio and deposits by the public in Q2 2025: 5.7% and 7.7% respectively
- Loan portfolio quality: NPL ratio among the lowest in the banking system – only 0.43%
- Robust financial indicators: Tier 1 capital ratio of 12.3%, total capital ratio of 14.9% and liquidity coverage ratio of 130%

TEL AVIV – August 13, 2025

Bank Leumi (TASE: LUMI) published today its financial statements for Q2 2025:

Net income in the second quarter of 2025 amounted to approx. NIS 2.6 billion (\$774 million), compared to approx. NIS 2.3 billion (\$673 million) in the corresponding period last year – a 15% increase.

Return on equity in the second quarter of 2025 was 16.2%, compared with 15.9% in the corresponding period last year.

The efficiency ratio in Q2 2025 was 26.9%, compared with 28.7% in the corresponding period last year.

Dividend in Q2 2025 amounts to NIS 1.3 billion (\$386 million), out of which NIS 979 million (\$290 million) is cash dividend and the remainder is share buyback – NIS 326 million (\$97 million). The dividend and share buyback constitute 50% of the net income for the quarter.

Responsible growth in the loan portfolio in strategic segments: The Bank continues to focus its growth in the credit portfolio in the corporate, commercial and mortgage segments. In Q2 2025, the credit portfolio grew by 5.7%. Since the beginning of the year, the credit portfolio grew by a total rate of 7.4%, with the corporate portfolio growing by 12.5%, the commercial portfolio growing by 2.0% and the mortgage portfolio growing by 3.3%.

Loan portfolio quality: Alongside a high increase in the loan portfolio, the Bank continues to present a high-quality loan portfolio. The NPL ratio continues to be among the lowest in the banking system, standing at 0.43% only. Loan loss expenses in the first half of 2025 reflect an expense rate of 0.12% of the average outstanding loans to the public, compared to an expense rate of 0.09% in the corresponding period last year.

Deposits by the public increased by 7.7% in Q2 2025.

High capital adequacy: Common equity tier 1 capital ratio as at June 30, 2025 was 12.3% and total capital ratio was 14.9%.

Liquidity coverage ratio as at June 30, 2025 was 130%.

The Bank's initiatives due to the war: The Bank implemented many initiatives for the benefit of the general public and its customers, including a series of unique benefits for IDF soldiers and reservists, households whose homes or properties have been damaged and have been evacuated, business owners and self-employed.

These initiatives are part of Leumi's policy to expand the Bank of Israel's relief program, publishing its own comprehensive relief program (in several stages) to business and retail customers from across Israel, including during Operation "Rising Lion" in the first half of 2025.

The updated financial relief to eligible customers includes, among others: reimbursement of IDF reserve soldiers, deferral of mortgage and loan payments without being charged interest, reduction or exemption from interest charges on a negative balance in the current account (overdraft), providing interest on a positive balance in the current account, exemption from common current account fees and more.

In addition, since the outbreak of the war, the Bank made substantial donations for the benefit of residents of the confrontation lines, IDF soldiers – both on active and reserve duty, hospitals and first responder and aid organizations. The Bank also joined the national effort for rescuing Israelis that were stuck abroad during Operation "Rising Lion", by chartering a passenger ship to bring Israelis back home from Cyprus.

The total cost of relief and donations in Q2 2025 is estimated at NIS 85 million (\$25 million).

Development of Balance Sheet Items:

Shareholders' equity as at June 30, 2025 totaled NIS 65.5 billion (\$19.4 billion), compared to NIS 58.4 billion (\$17.3 billion) as at June 30, 2024 – a 12.2% increase.

Net credit to the public as at June 30, 2025 totaled NIS 489.2 billion (\$145.1 billion), compared to NIS 433.8 billion (\$128.6 billion) as at June 30, 2024 – a 12.8% increase.

Housing loans (mortgages) as at June 30, 2025 totaled NIS 151.5 billion (\$44.9 billion), compared to NIS 138.3 billion (\$41.0 billion) as at June 30, 2024 – a 9.5% increase.

Credit to retail customers as at June 30, 2025 totaled NIS 30.6 billion (\$9.1 billion), compared to NIS 29.6 billion (\$8.8 billion) as at June 30, 2024 – a 3.4% increase.

Credit to small businesses as at June 30, 2025 totaled NIS 27.5 billion (\$8.2 billion), compared to NIS 26.7 billion (\$7.9 billion) as at June 30, 2024 – a 3.0% increase.

Middle-market credit as at June 30, 2025 totaled NIS 66.4 billion (\$19.7 billion), compared to NIS 63.8 billion (\$18.9 billion) as at June 30, 2024 – a 4.1% increase.

Corporate credit as at June 30, 2025 totaled NIS 154.5 billion (\$45.8 billion), compared to NIS 133.8 billion (\$39.7 billion) as at June 30, 2024 – a 15.4% increase.

Deposits by the public as at June 30, 2025 totaled NIS 642.3 billion (\$190.5 billion), compared to NIS 581.2 billion (\$172.4 billion) as at June 30, 2024 – a 10.5% increase.

Deposits by retail customers as at June 30, 2025 totaled NIS 227.3 billion (\$67.4 billion), compared to NIS 224.2 billion (\$66.5 billion) as at June 30, 2024 – a 1.4% increase.

Deposits by small businesses as at June 30, 2025 totaled NIS 60.4 billion (\$17.9 billion), compared to NIS 56.9 billion (\$16.9 billion) as at June 30, 2024 – a 6.3% increase.

CET1 capital ratio as at June 30, 2025 was 12.28%, compared to 12.04% as at June 30, 2024.

Total capital ratio as at June 30, 2025 was 14.86%, compared to 15.04% as at June 30, 2024.

Leumi Group – Key Financials

Profit and Profitability (in NIS millions)

	For the three months ended June 30		Change in NIS million	Change in %
	2025	2024		
Net Interest income	4,540	4,378	162	3.7
Loan loss expenses (income)	223	(18)	241	
Non-interest income	1,446	1,365	81	5.9
Operating and other expenses	1,610	1,651	(41)	(2.5)
Profit before tax	4,153	4,110	43	1.0
Provision for tax	1,623	1,340	283	21.1
Profit after tax	2,530	2,770	(240)	(8.7)
The Bank's share in profits (losses) of associates	80	(501)	581	
Net income attributable to the bank's shareholders	2,610	2,269	341	15.0
Return on equity (%)	16.2	15.9		
Earnings per share (NIS)	1.74	1.49		

	For the six months ended June 30		Change in NIS million	Change in %
	2025	2024		
Net Interest income	8,557	8,145	412	5.1
Loan loss expenses	278	204	74	36.3
Non-interest income	2,814	3,893	(1,079)	(27.7)
Operating and other expenses	3,341	3,476	(135)	(3.9)
Profit before tax	7,752	8,358	(606)	(7.3)
Provision for tax	2,915	2,843	72	2.5
Profit after tax	4,837	5,515	(678)	(12.3)
The Bank's share in profits (losses) of associates	176	(461)	637	
Net income attributable to the bank's shareholders	5,013	5,054	(41)	(0.8)
Return on equity (%)	15.8	18.0		
Earnings per share (NIS)	3.34	3.32		



Development of Balance Sheet Items (in NIS millions)

	As at June 30		Change in %
	2025	2024	
Net loans to the public	489,227	433,799	12.8
Deposits by the public	642,253	581,187	10.5
Shareholders' equity	65,535	58,435	12.2
Total assets	844,333	734,039	15.0

Principal Financial Ratios (%)

	As at June 30	
	2025	2024
Net loans to the public to total assets	57.9	59.1
Deposits by the public to total assets	76.1	79.2
Total equity to risk assets	14.86	15.04
Tier 1 capital to risk assets	12.28	12.04
Leverage ratio	6.98	6.99
Liquidity coverage ratio	130	130

The data in this press release has been converted into US dollars solely for convenience purposes, at the representative exchange rate published by the Bank of Israel on June 30, 2025 – NIS 3.372.

