

Press Release

Financial Statements Q1 2026





Bank Leumi opens 2026 with the strongest results in the system: Net income of approx. NIS 2.3 billion (\$742 million) and dividend distribution of NIS 1.3 billion (\$411 million)

- **Return on equity in Q1: 13.6% (15.1% excluding the effect of the special tax imposed on Israeli banks this year)**
- **Leumi's efficiency ratio continues to improve and remains the best in Israel and among the best globally: stood at only 29.1% in Q1, compared to 32.1% in the corresponding quarter last year**
- **Strong growth in corporate credit – above the average growth in the banking system: 10.3% growth in Q1 – an increase of 27.5% compared to the corresponding quarter last year. This growth was driven by the expansion of business activity in fields which are in strategic focus, alongside support of the Israeli economy during the war**
- **Responsible credit growth reflected in excellent credit quality metrics: NPL ratio among the lowest in the banking system – 040%, and a low loan loss expense ratio of only 0.12%**
- **Total capital return (cash dividend and share buyback) amounts to approx. NIS 1.3 billion (\$411 million) – the highest in the banking system**
- **Deposits from the public: increased by 16.5% compared to the corresponding quarter last year**
- **Robust financial indicators: CET1 ratio of 11.74%, total capital ratio of 14.07%, and liquidity coverage ratio of 117%**

TEL AVIV – May 19, 2026

Bank Leumi (TASE: LUMI) published today its financial statements for Q1 2026:

Net income in the first quarter of 2026 was the highest in the banking system, totaling NIS 2.35 billion (\$742 million), compared to NIS 2.4 billion (\$758 million) in the corresponding quarter last year. Excluding the effect of the special tax imposed on banks, net income in the first quarter amounted to NIS 2.6 billion (\$821 million).

Return on equity in Q1 2026 was 13.6%, compared to 15.4% in the corresponding quarter last year. Excluding the effect of the special tax, ROE in the first quarter stood at 15.1%, and was also influenced by the Bank's strong capital surplus.

Efficiency ratio in Q1 2026 was 29.1%, compared to 32.1% in the corresponding quarter last year. Leumi's efficiency ratio remains the best in Israel and among the best globally over time, among others in light of the successful execution of its technology leadership and AI strategy in recent years.

Dividend for the first quarter of 2026 amounts to NIS 1.3 billion (\$411 million), of which NIS 968 million (\$306 million) is cash dividend and the remainder is share buyback. Total capital return represents 55% of the quarterly net income.

Responsible growth in the loan portfolio with a focus on strategic segments: During the quarter, the Bank continued to focus its credit growth on the corporate, commercial and mortgage segments. In Q1, Leumi's loan portfolio grew by a higher rate than the average growth rate in the banking system: the Bank's credit portfolio increased by a total rate of 5.4% during the first quarter, with the corporate portfolio growing by 10.3%, the commercial portfolio growing by 3.1% and the mortgage portfolio growing by 2%.

Loan portfolio quality: Alongside credit growth, the Bank continues to present high-quality credit indicators. The NPL ratio remains among the lowest in the banking system, standing at only 0.40%. Loan loss expenses in Q1 2026 reflect an expense rate of 0.12% of the average outstanding loans to the public, compared to an expense rate of 0.05% in the corresponding period last year. **This marks the ninth consecutive quarter in which all the provision was collective, while the specific provision recorded an income.**

Deposits by the public in Q1 2026 increased by 16.5% compared to the corresponding quarter last year.

High capital adequacy: Common equity tier 1 capital ratio as at March 31, 2026 was 11.74% and total capital ratio was 14.07%.

Liquidity coverage ratio as at March 31, 2025 was 117%.

Operation "Lion's Roar": Leumi was the first bank to announce a dedicated relief program for its customers, with an emphasis on IDF soldiers and reservists, small businesses and self-employed who suffered a loss of income, as well as retail and business customers whose homes or property were damaged or who were evacuated. The Bank subsequently adopted the relief program introduced by the Bank of Israel. In addition, the Bank led significant social initiatives, including "Leumi Safe Place" for individuals aged 80+, under which the Bank funded stays in thousands of hotel rooms across Israel for elderly people lacking access to a protected space in their homes; and the "Banker at Your Doorstep" service, under which customers aged 80+ who were unable to leave their homes due to the security situation, could have requested a banker to visit their homes in order to perform essential banking transactions.

Development of Balance Sheet Items:

Shareholders' equity as at March 31, 2026 totaled NIS 68.9 billion (\$21.8 billion), compared to NIS 63.8 billion (\$20.2 billion) as at March 31, 2025 – an 8% increase.

Net credit to the public as at March 31, 2026 totaled NIS 547.8 billion (\$173.1 billion), compared to NIS 462.8 billion (\$146.2 billion) as at March 31, 2025 – an 18.4% increase.

Housing loans (mortgages) as at March 31, 2026 totaled NIS 159.8 billion (\$50.5 billion), compared to NIS 148.3 billion (\$46.9 billion) as at March 31, 2025 – a 7.8% increase.

Credit to retail customers as at March 31, 2026 totaled NIS 31.8 billion (\$10 billion), compared to NIS 30.4 billion (\$9.6 billion) as at March 31, 2025 – a 4.6% increase.

Credit to small businesses as at March 31, 2026 totaled NIS 29.3 billion (\$9.3 billion), compared to NIS 27.5 billion (\$8.7 billion) as at March 31, 2025 – a 6.3% increase.

Middle-market credit as at March 31, 2026 totaled NIS 71.3 billion (\$22.5 billion), compared to NIS 65.6 billion (\$20.7 billion) as at March 31, 2025 – an 8.7% increase.

Corporate credit as at March 31, 2026 totaled NIS 182.5 billion (\$57.7 billion), compared to NIS 143.1 billion (\$45.2 billion) as at March 31, 2025 – a 27.5% increase.

Deposits by the public as at March 31, 2026 totaled NIS 695 billion (\$219.6 billion), compared to NIS 596.4 billion (\$188.4 billion) as at March 31, 2025 – a 16.5% increase.

Deposits by retail customers as at March 31, 2026 totaled NIS 230.7 billion (\$72.9 billion), compared to NIS 225.9 billion (\$71.4 billion) as at March 31, 2025 – a 2.1% increase.

Deposits by small businesses as at March 31, 2026 totaled NIS 61.3 billion (\$19.4 billion), compared to NIS 59 billion (\$18.6 billion) as at March 31, 2025 – a 3.9% increase.

CET1 capital ratio as at March 31, 2026 was 11.74%, compared to 12.15% as at March 31, 2025.

Total capital ratio as at March 31, 2026 was 14.07%, compared to 14.83% as at March 31, 2025.

Leumi Group – Key Financials

Profit and profitability (in NIS million)

	For the three months ended March 31		Change in NIS million	Change in %
	2026	2025		
Net interest income	3,909	4,017	(108)	(2.7)
Loan loss expenses	166	55	111	201.8
Non-interest income	1,556	1,368	188	13.7
Operating and other expenses	1,592	1,731	(139)	(8.0)
Profit before tax	3,707	3,599	108	3.0
Provision for tax	1,579	1,292	287	22.2
Profit after tax	2,128	2,307	(179)	(7.8)
The Bank's share in profits of associates	218	96	122	127.1
Net income attributable to the Bank's shareholders	2,346	2,403	(57)	(2.4)
Return on equity (%)	13.6	15.4		
Earnings per share (NIS)	1.58	1.60		

Development of balance sheet items (in NIS million)

	As at March 31		Change in %
	2026	2025	
Net loans to the public	547,780	462,847	18.4
Deposits by the public	694,961	596,447	16.5
Shareholders' equity	68,867	63,788	8.0
Total assets	903,887	763,750	18.3

Principal financial ratios (%)

	As at March 31	
	2026	2025
Net loans to the public to total assets	60.6	60.6
Deposits by the public to total assets	76.9	78.1
Total equity to risk assets	14.07	14.83
Tier 1 capital to risk assets	11.74	12.15
Leverage ratio	6.71	7.27
Liquidity coverage ratio	117	124

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 March 31, 2026 – NIS 3.165.