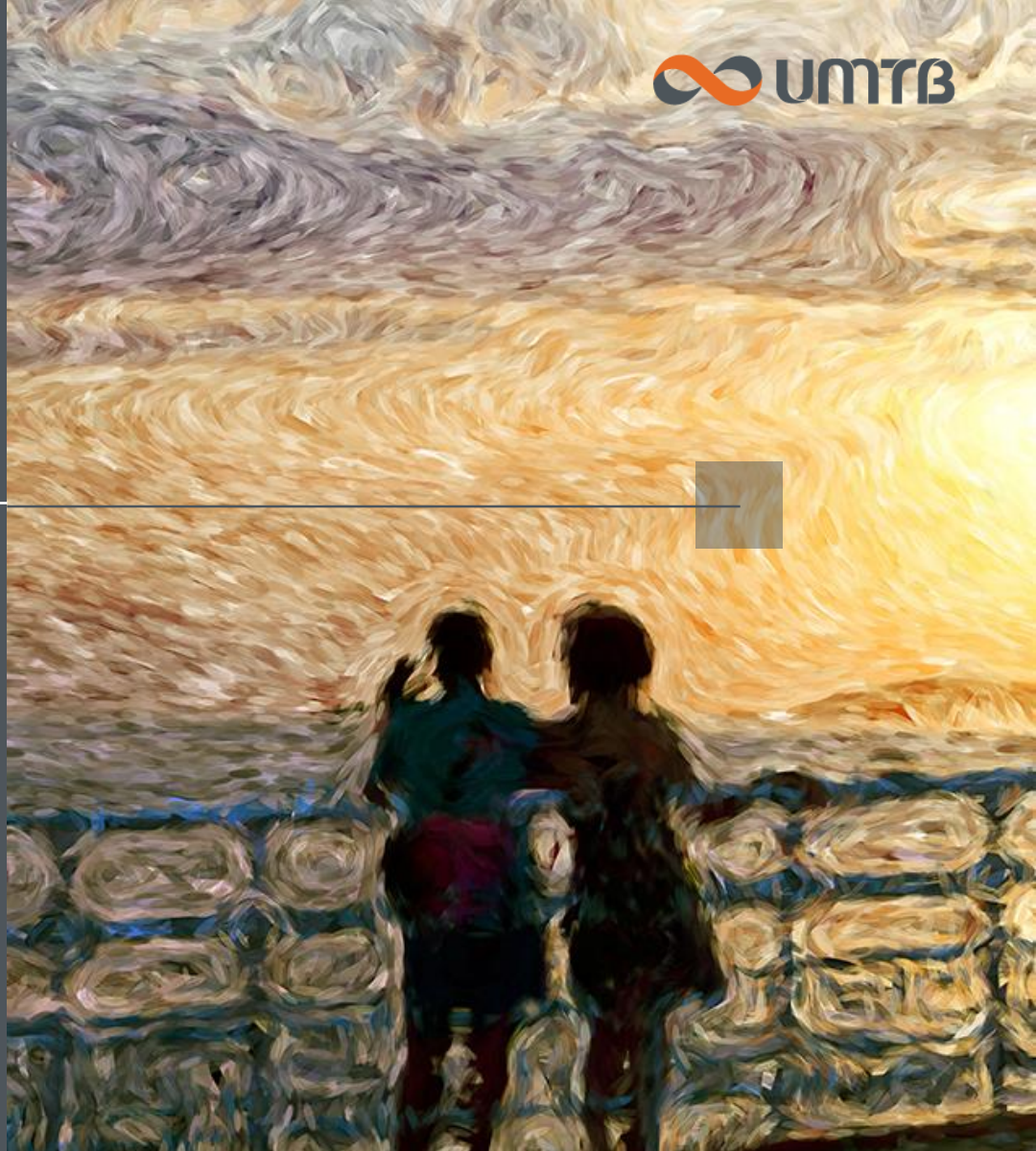


# Financial Statements

September 30, 2019



# Disclaimer

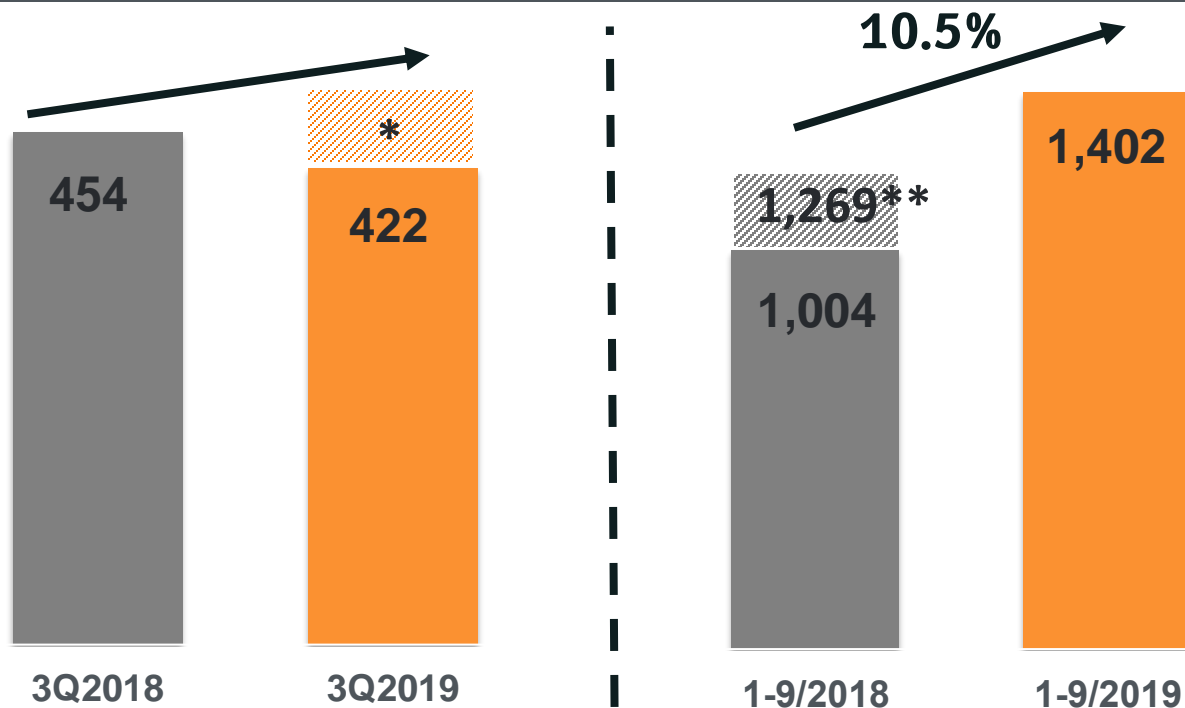
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**The strategy is  
working**



# Net profit

(NIS mil)



\*Assuming CPI at 0% (actual CPI -0.7% compared with 0.2% in Q3 2018)

\*\*Excluding the provisions for the US Department of Justice's investigation, and taking into account provisions for bonuses in line with the level of profitability from current operations, and the tax expenses derived from these

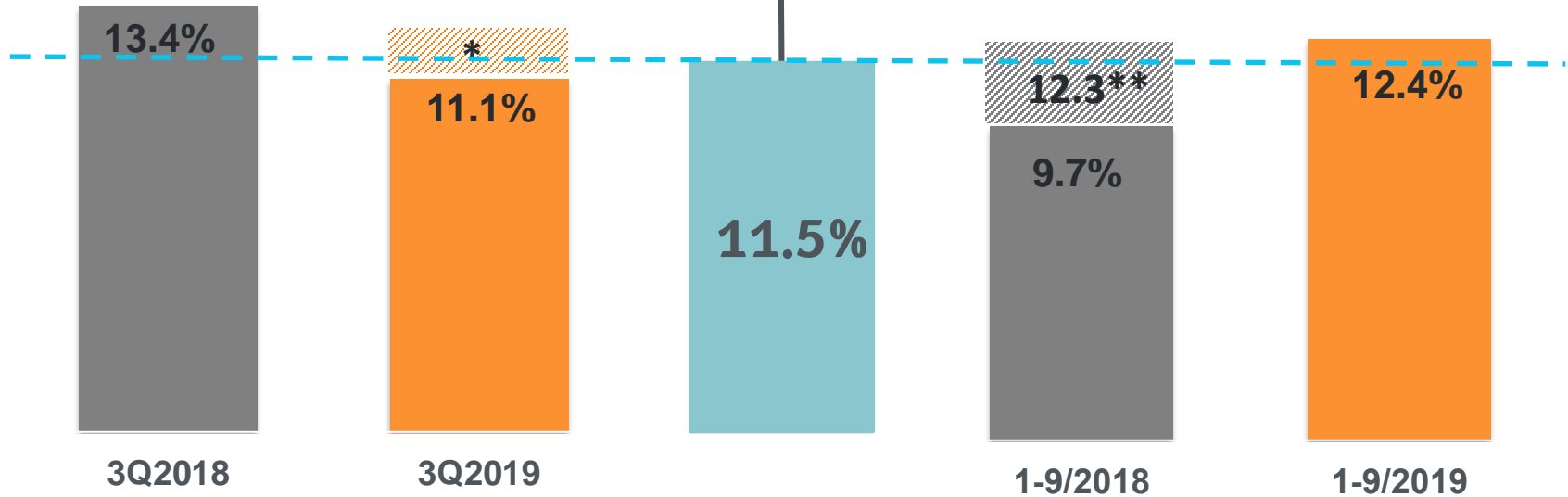


# Net profit - ROE

(NIS mil)



ROE target for 2021 according to the strategic plan



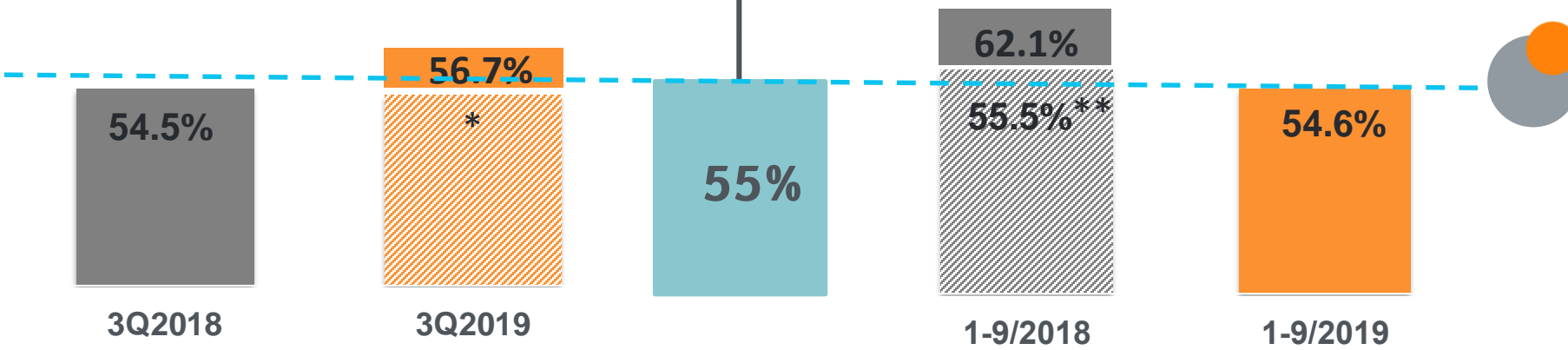
\*Assuming CPI at 0% (actual CPI -0.7% compared with 0.2% in Q3 2018)

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# Cost/income ratio



Cost/income ratio target for 2021 according to the strategic plan

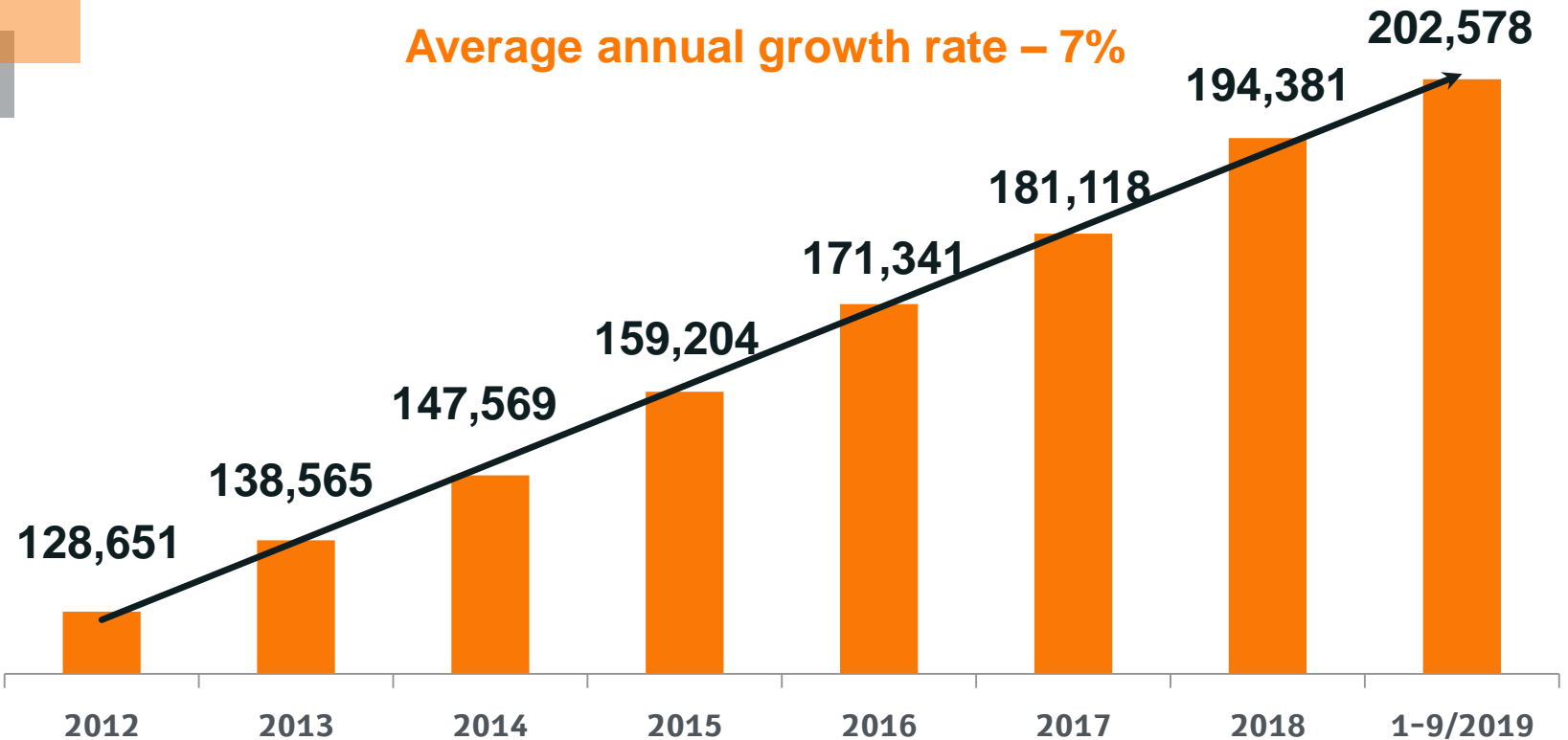


\*Assuming CPI at 0% (actual CPI -0.7% compared with 0.2% in Q3 2018)

\*\*Excluding the provisions for the US Department of Justice's investigation, and taking into account provisions for bonuses in line with the level of profitability from current operations, and the tax expenses derived from these

# Continuous loan growth

Credit to the public (NIS mil)



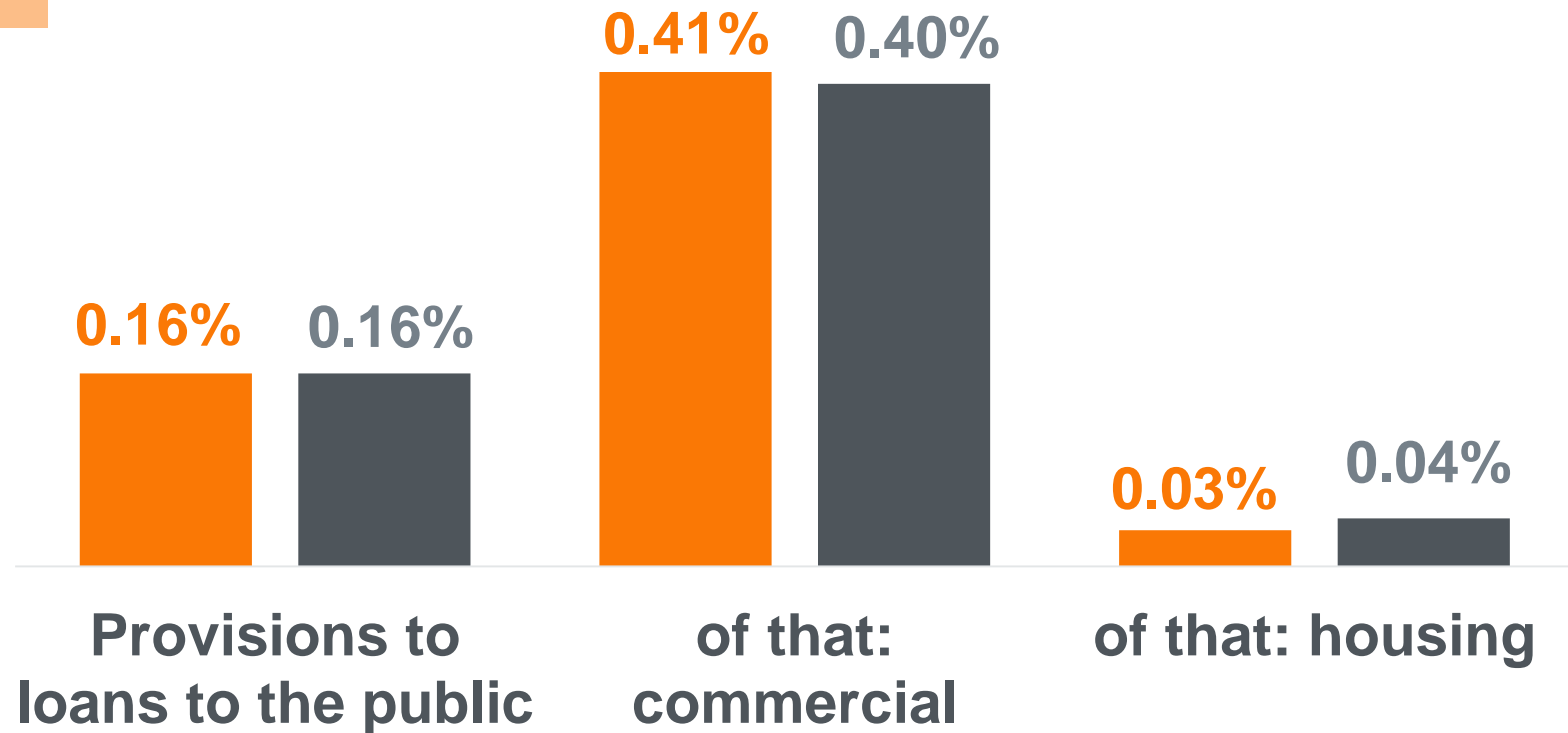
# Credit growth in all segments: retail and business

(NIS mil)

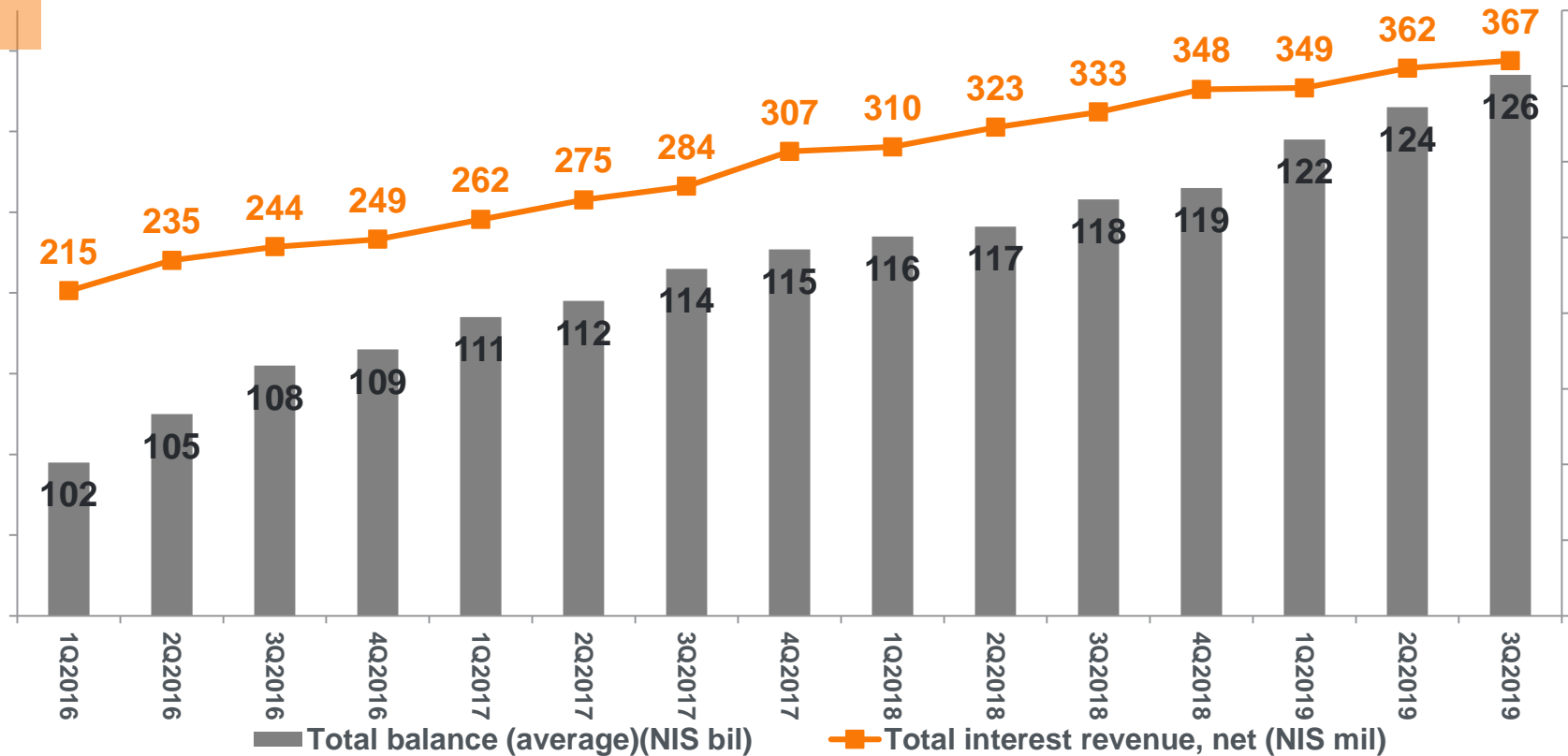
	30.9.2019	30.9.2018	% of change
Housing loans	132,371	123,848	6.9%
Households and Private banking	21,418	20,565	4.1%
Small and micro businesses	20,830	18,428	13.0%
Medium businesses	7,041	6,055	16.3%
Large businesses and Institutional investors	17,136	17,123	0.1%
Overseas operations	3,782	3,777	0.1%
<b>Total</b>	<b>202,578</b>	<b>189,796</b>	<b>6.7%</b>



# Continuous loan growth while maintaining low provisioning level



# Mortgage – continuous growth of balance and revenues\*

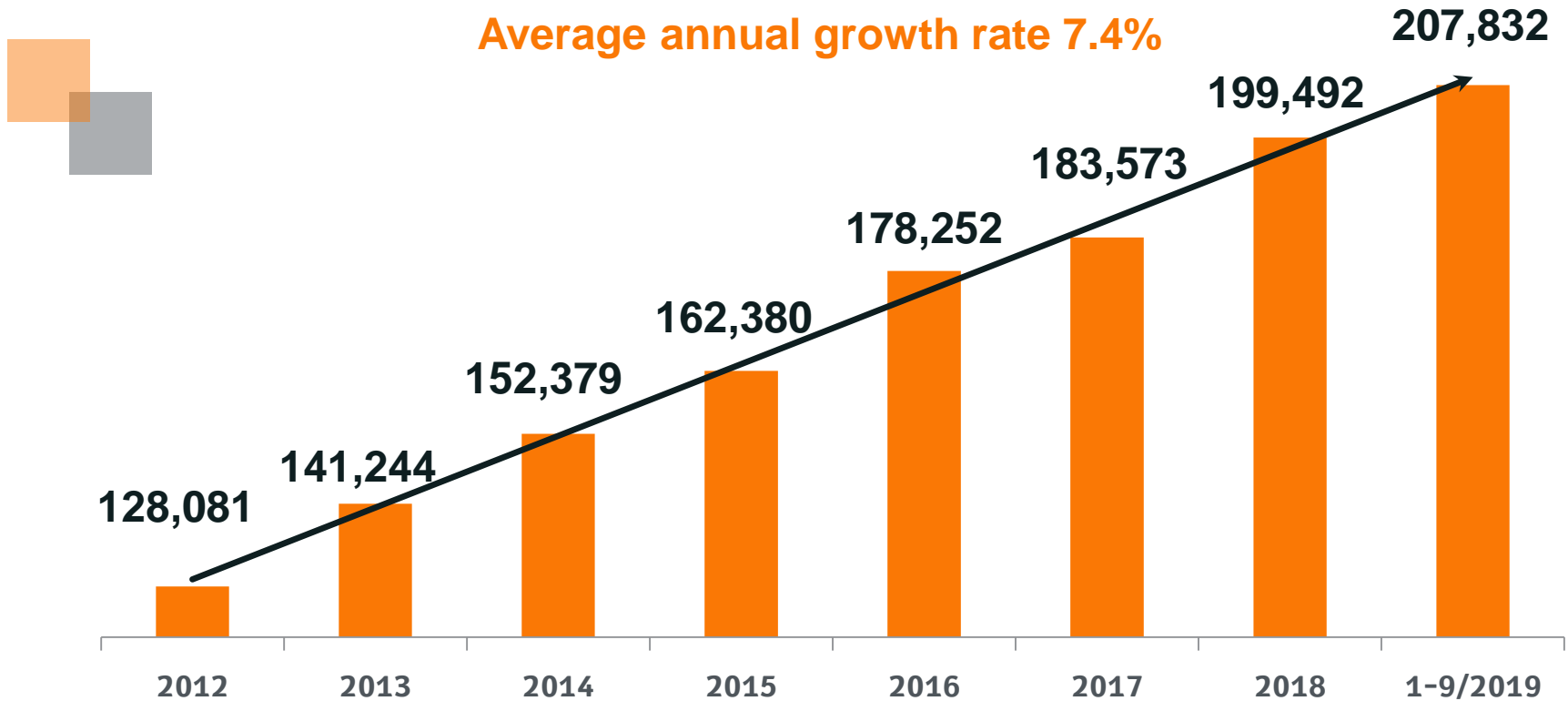


# Continuous deposit growth

Deposits from the public (NIS mil)



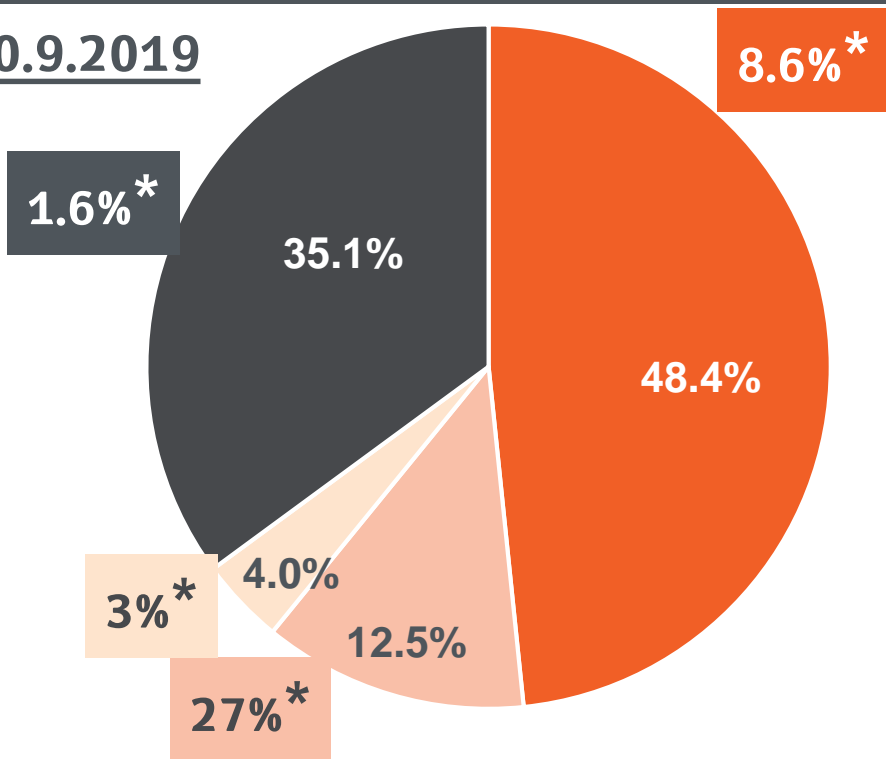
Average annual growth rate 7.4%



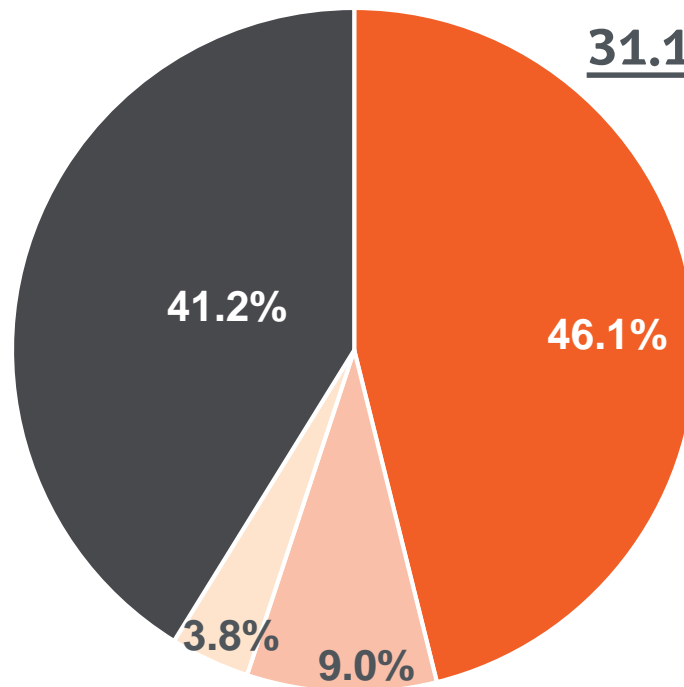
# Deposit growth – mainly in core deposits



30.9.2019



31.12.2015



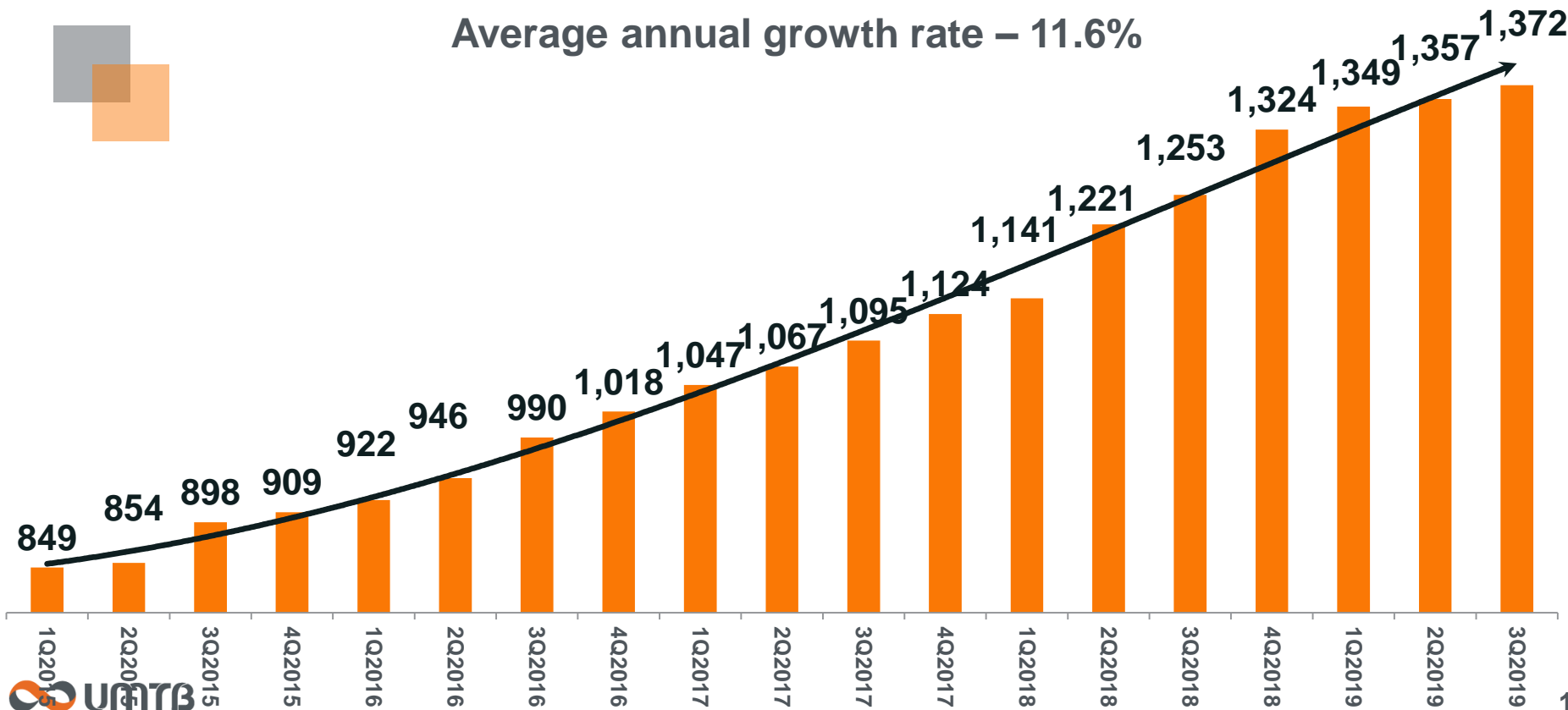
Large businesses, institutional investors & overseas operations
  Medium businesses
  Small and micro businesses
  Households and private banking

# Financing revenues from current operations continue to grow

(NIS mil)



Average annual growth rate – 11.6%



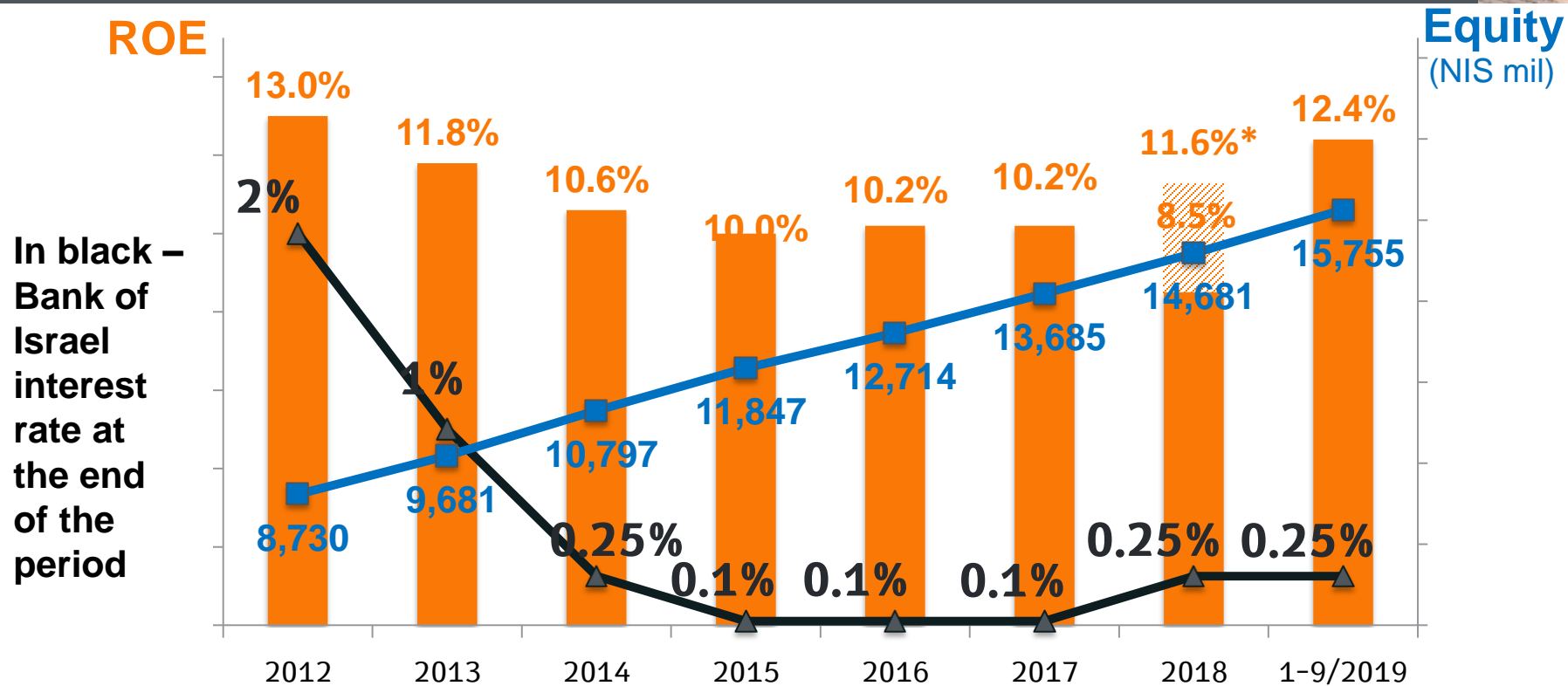
# Financing revenues grow at a higher pace that growth in credit\*

(NIS m)



	1-9/2019	1-9/2018	% of change
Housing loans	1,247	1,118	11.5%
Households and private banking	1,076	971	10.8%
Small and micro businesses	862	742	16.2%
Medium businesses	218	178	22.5%
Large businesses and institutional investors	480	483	(0.6%)
Overseas operations	168	157	7.0%

# Double digit ROE despite dramatic increase in equity and low interest rate



\*Excluding the provisions for the US Department of Justice's investigation, and taking into account provisions for bonuses in line with the level of profitability from current operations, and the tax expenses derived from these

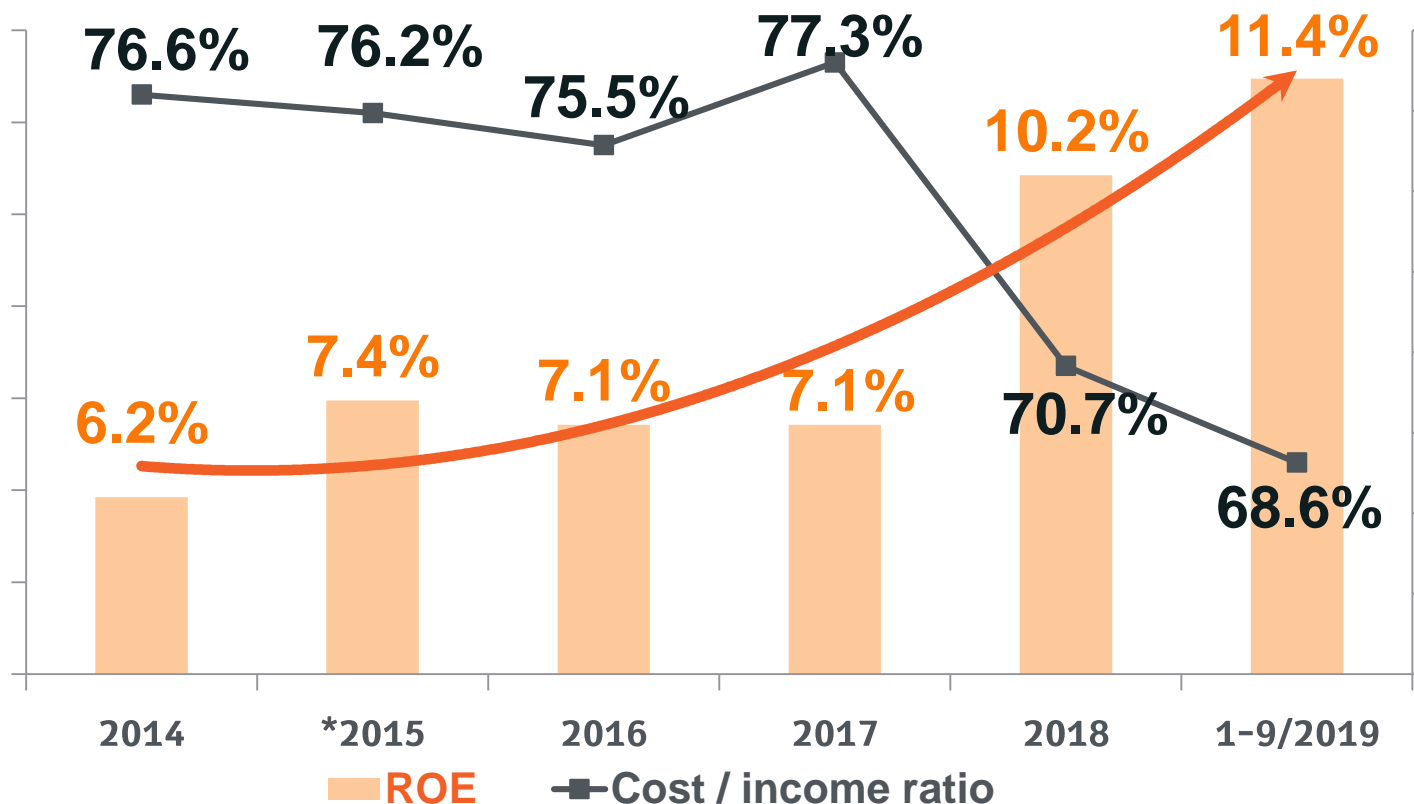
# Becoming a significant financial assets administrator in the system

## Financial assets administration services

	30.9.2019	30.9.2018	% of change
Securities	432,452	247,076	75.0%
Provident funds operation	90,964	82,113	10.8%
Trustee assets and mutual funds operations	83,858	93,130	(10.0%)
Other managed accounts	15,438	14,364	6.8%
Total	622,612	436,683	42.6%



# Bank Yahav's business results continue to improve

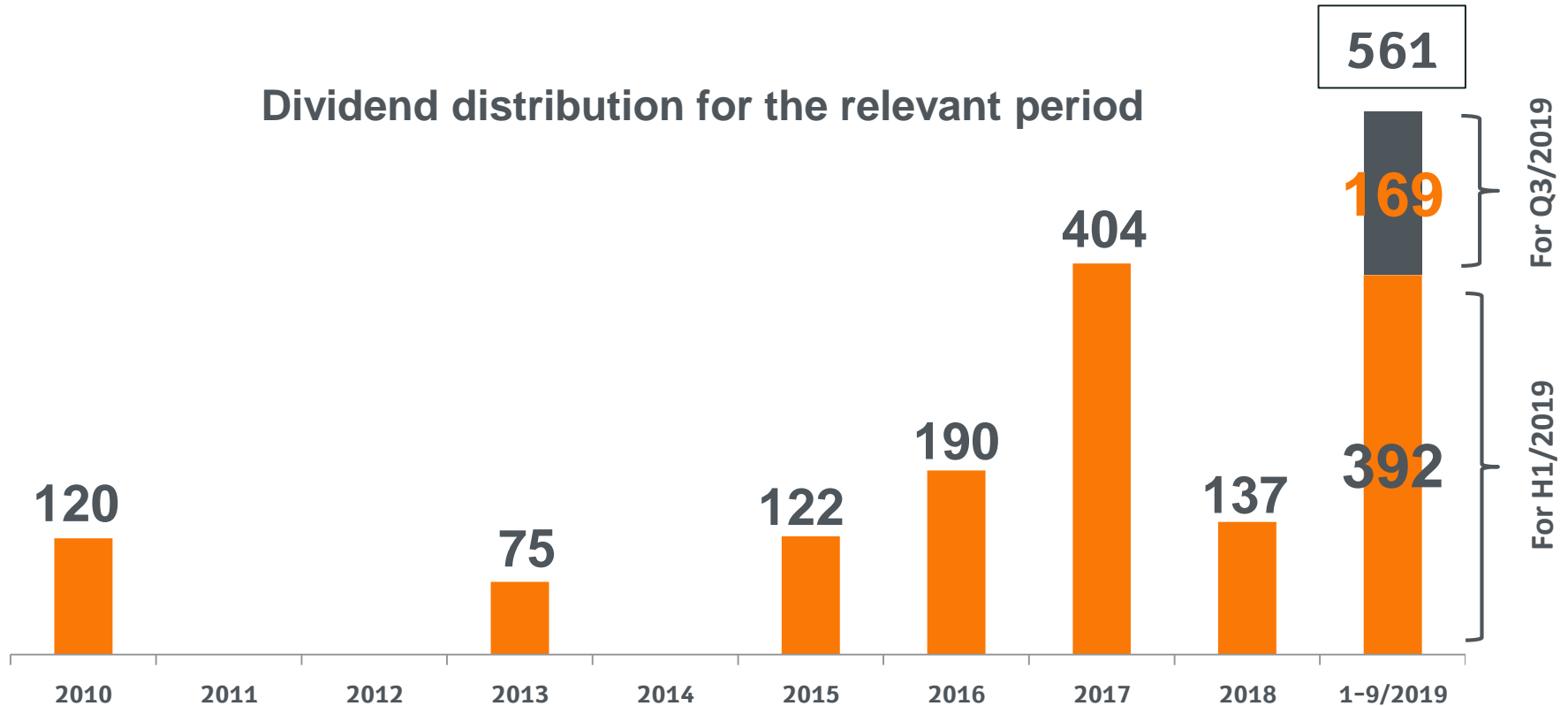


# Continue to distribute dividend according to the policy

(NIS mil)



Dividend distribution for the relevant period

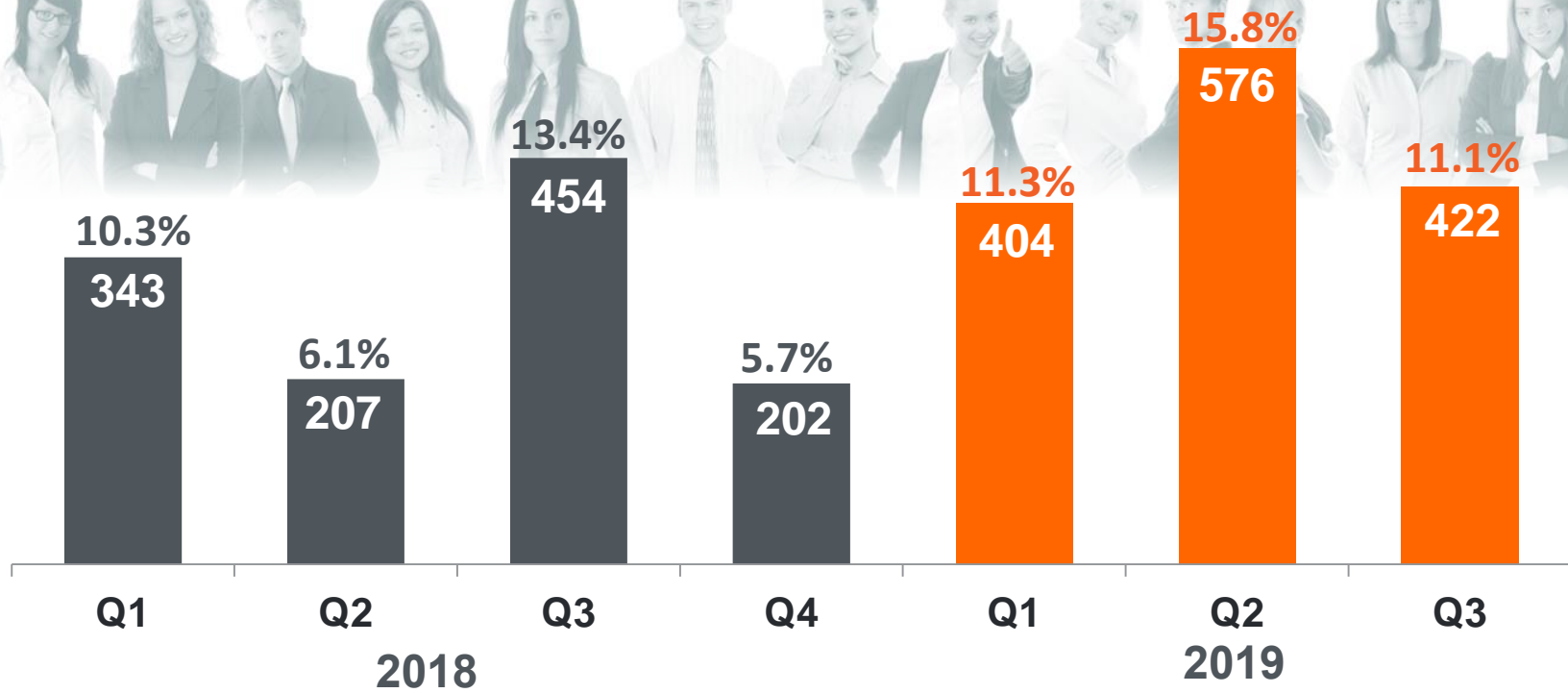


# Financial results



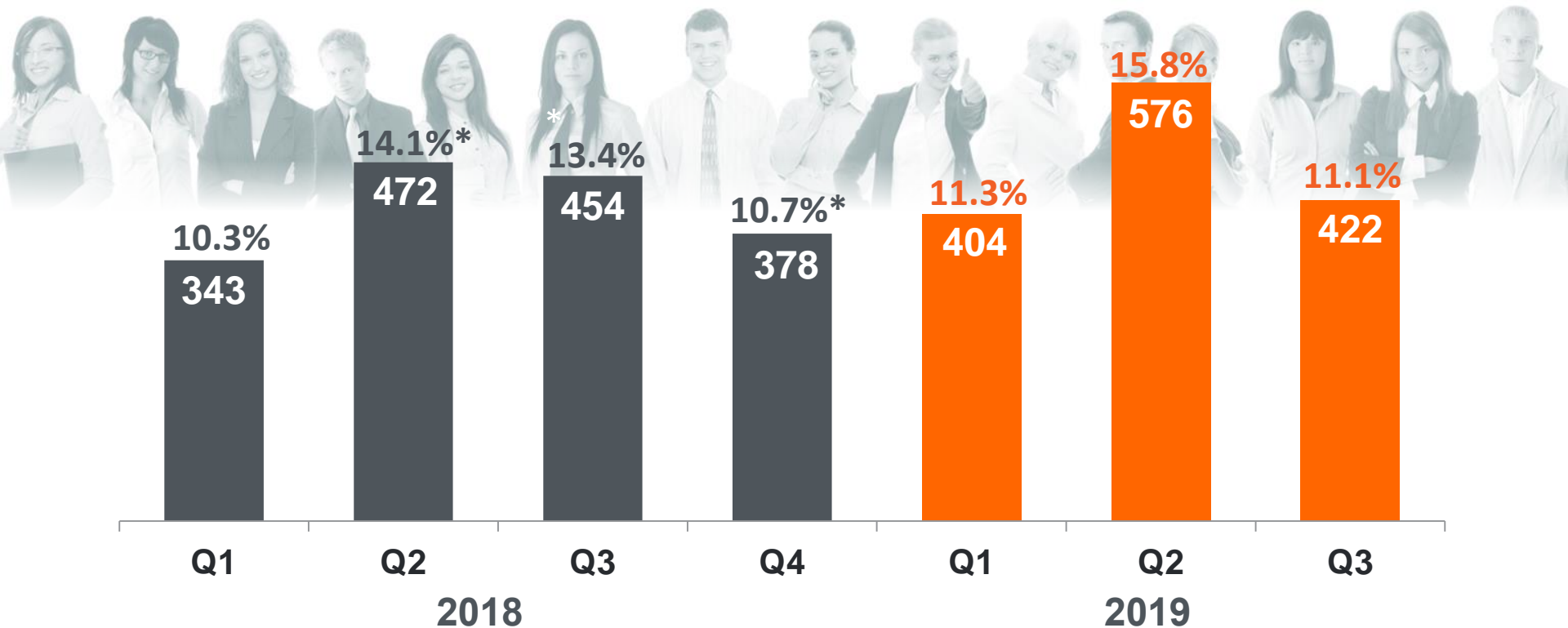
# Net profit and ROE

(NIS mil)



# Net profit\* and ROE\*

(NIS mil)



# Condensed P&L report



	1-9/2019	1-9/2018	% of change
Interest revenue, net	3,988	3,662	8.9
Non interest revenues	1,497	1,450	3.2
<b>Total</b>	<b>5,485</b>	<b>5,112</b>	<b>7.3</b>
Expenses with respect to credit losses	245	233	5.2
Operating and other expenses	2,995	3,173	(5.6)
Net profit	<b>1,402</b>	<b>1,004</b>	<b>39.6</b>

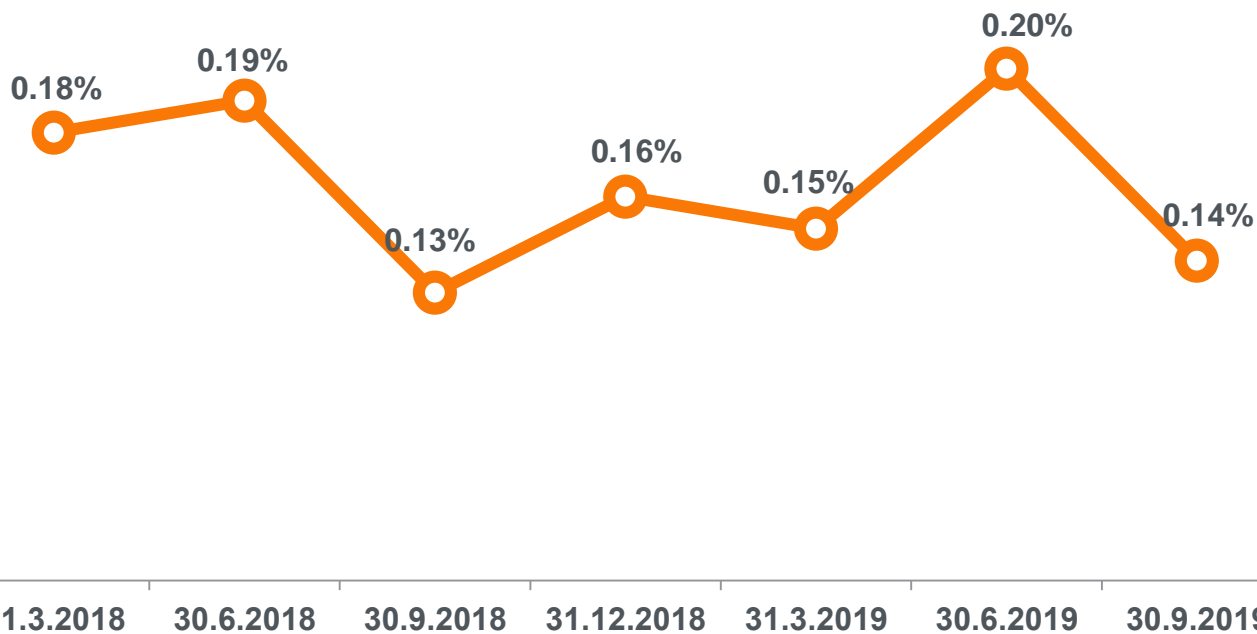
# Financing revenues

(NIS mil)



		1-9/2019	1-9/2018	Rate of change
Interest revenues, net		3,988	2,426	
Non-interest financing revenues		293	219	
<b>Total financing revenues</b>		<b>4,281</b>	<b>2,645</b>	<b>7.4</b>
Less	Linkage differentials with respect to CPI position	112	165	
	Revenues from collection of interest on troubled debt	27	29	
	Gain from debentures	43	13	
	Effect of accounting treatment of derivatives at fair value and others	21	164	
<b>Total effects other than current operations</b>		<b>203</b>	<b>371</b>	
<b>Total financing revenues from current operations</b>		<b>4,078</b>	<b>3,615</b>	<b>12.8</b>

# Provisions / loans to the public





# Operating and other expenses



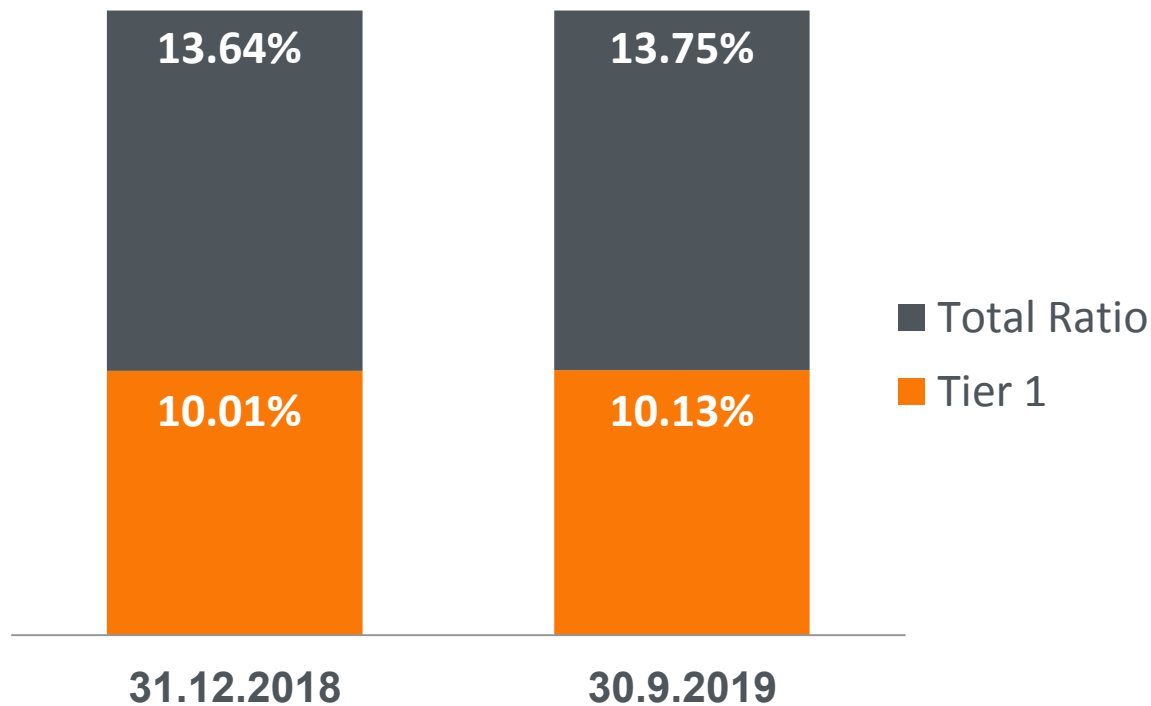
	1-9/2019	1-9/2018	% of change
Salaries	1,934	1,724	12.2
Building and equipment maintenance and depreciation	578	561	3.0
Others	483	463 <sup>*</sup>	4.3
<b>Total</b>	<b>2,995</b>	<b>2,748<sup>*</sup></b>	<b>9.0</b>

# Main balance sheet items development



	30.9.2019	30.9.2018	% of change
Total balance sheet	267,001	248,831	7.3
Loans to the public, net	202,578	189,796	6.7
Deposits from the public	207,832	192,943	7.7
Securities	10,566	10,093	4.7
Equity	15,755	14,441	9.1

# Capital adequacy



# Thank You

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