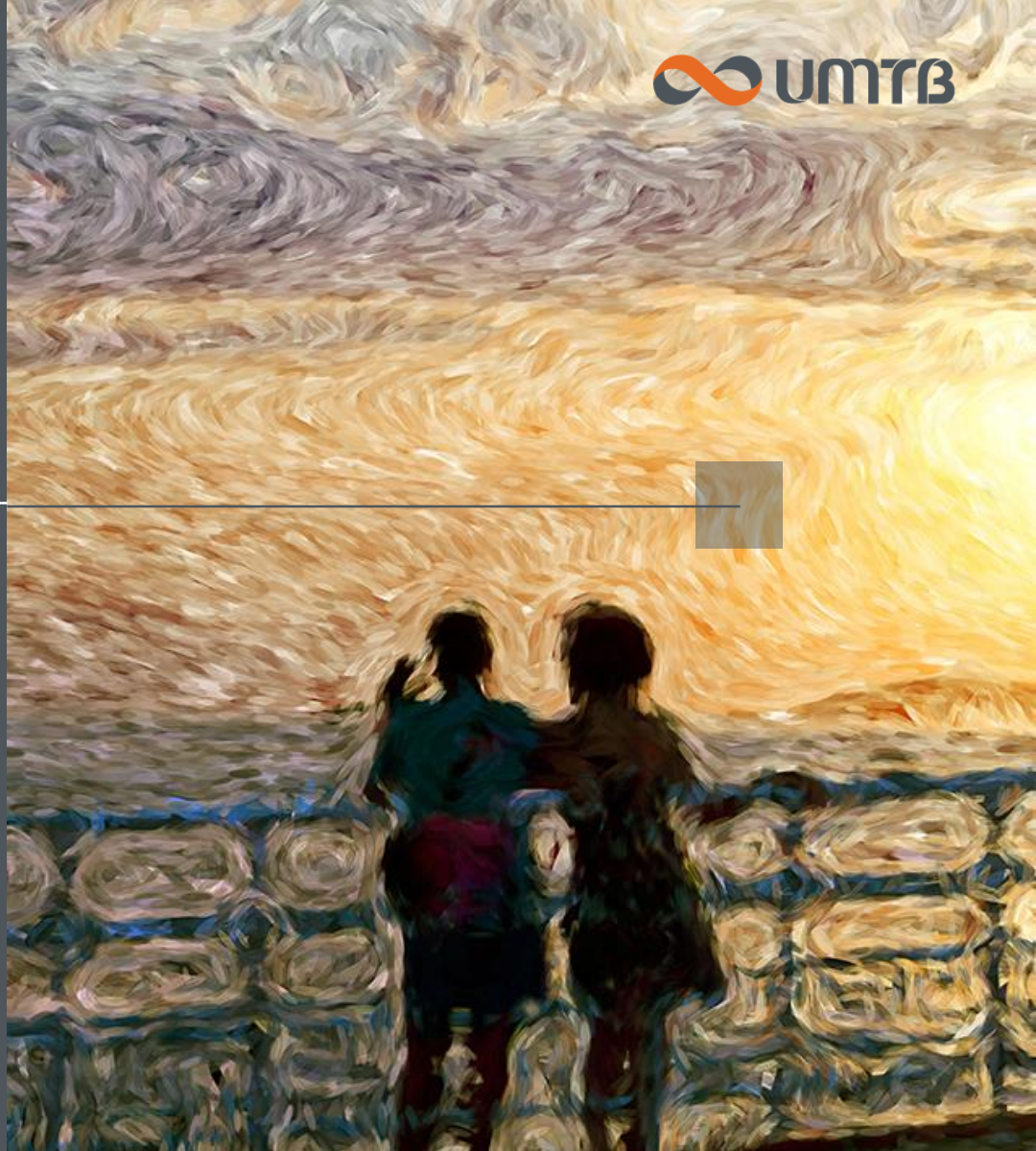


Financial Statements

March 31, 2019



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- Accordingly, the information contained in this document is only partial, is not exhaustive and does not include the full details regarding the bank and its operations or regarding the risk factors involved in its activity and certainly does not replace the information included in the periodic, quarterly or immediate reports published by the bank. In order to receive the full picture regarding the bank's 2019 quarterly reports, the aforesaid reports should be perused fully, as published to the public.
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Looking ahead



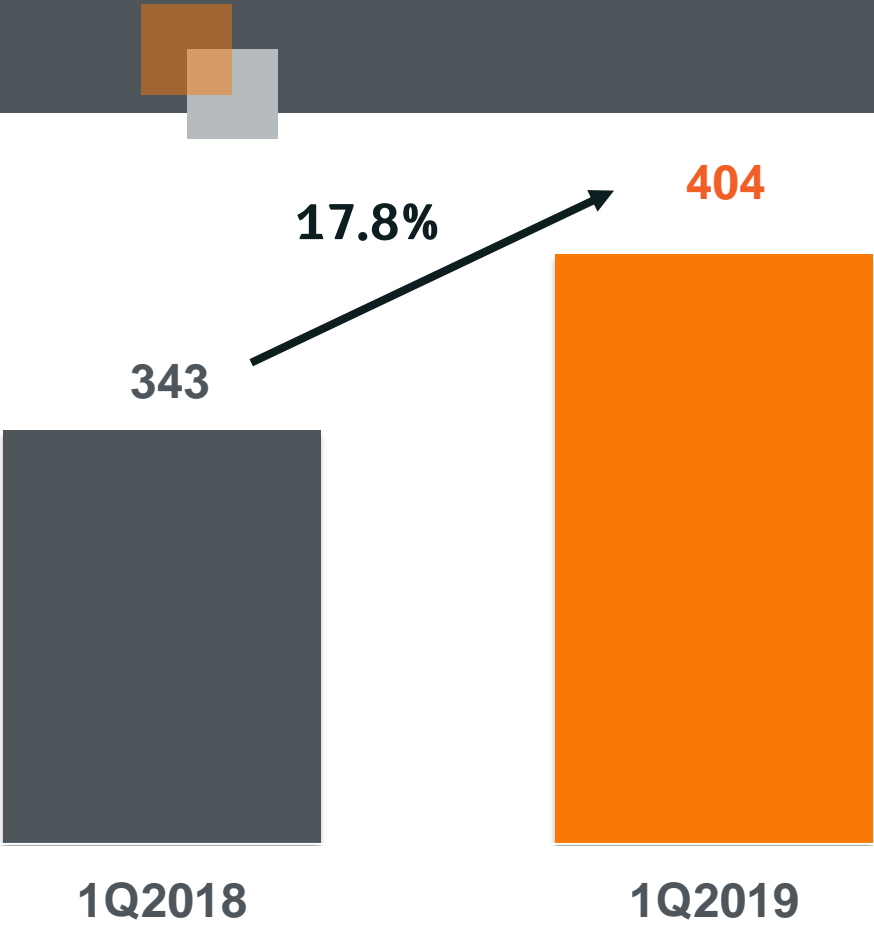
Now that the US Department of Justice's investigation is concluded, the Bank can focus on achieving the goals of the strategic plan and resume to act in accordance with the dividend policy as early as in respect of Q2/19 profits

**The strategy is
working**



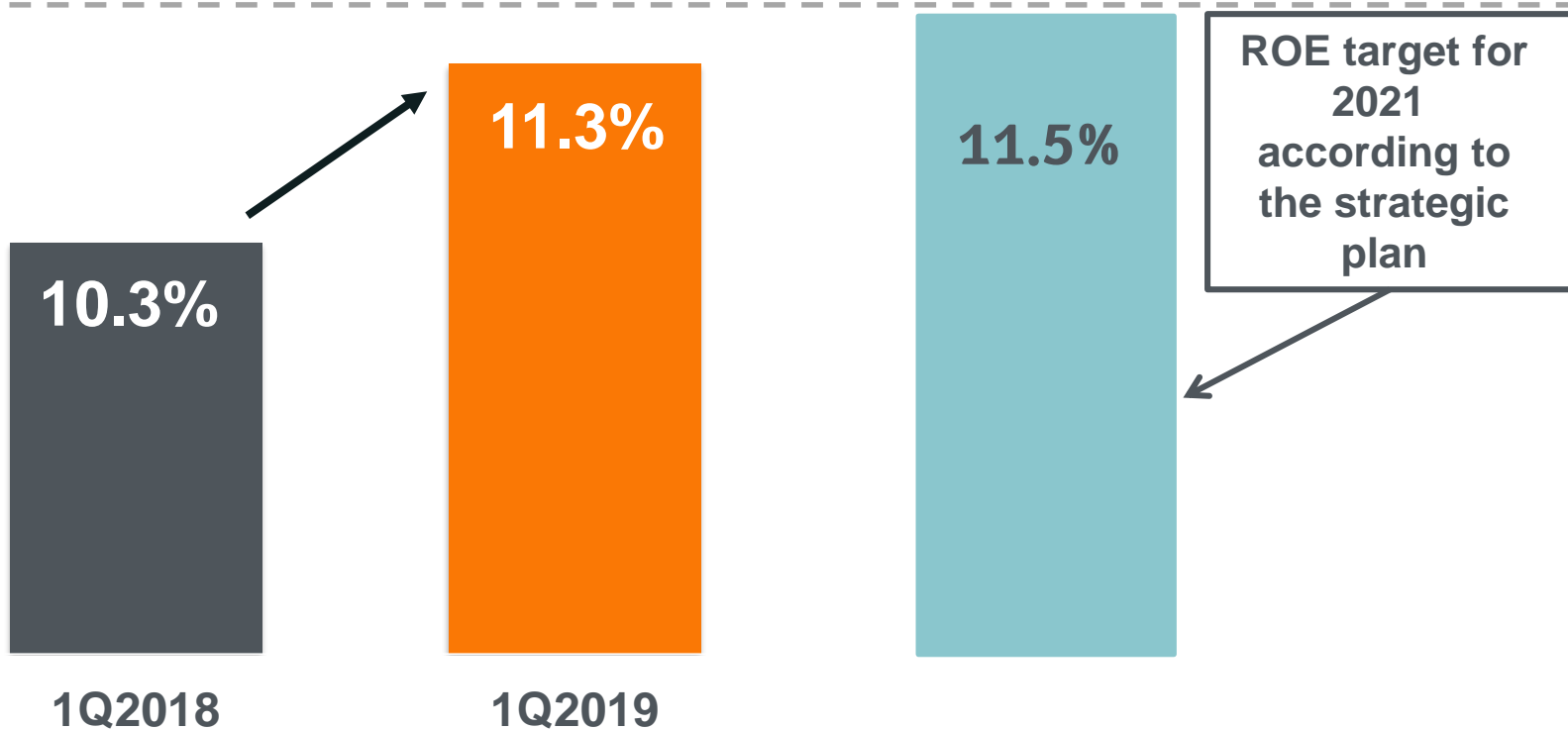
Net profit

(NIS mil)

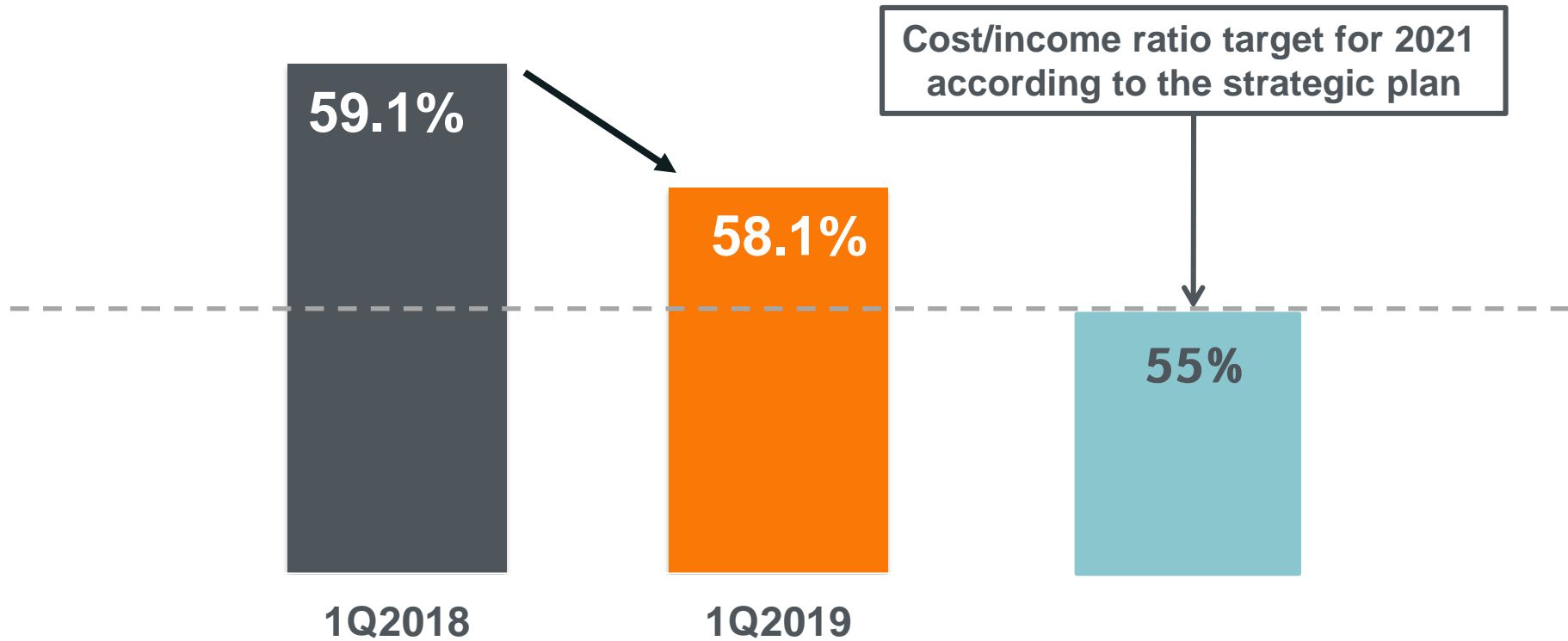


Net profit - ROE

(NIS mil)



Cost/income ratio

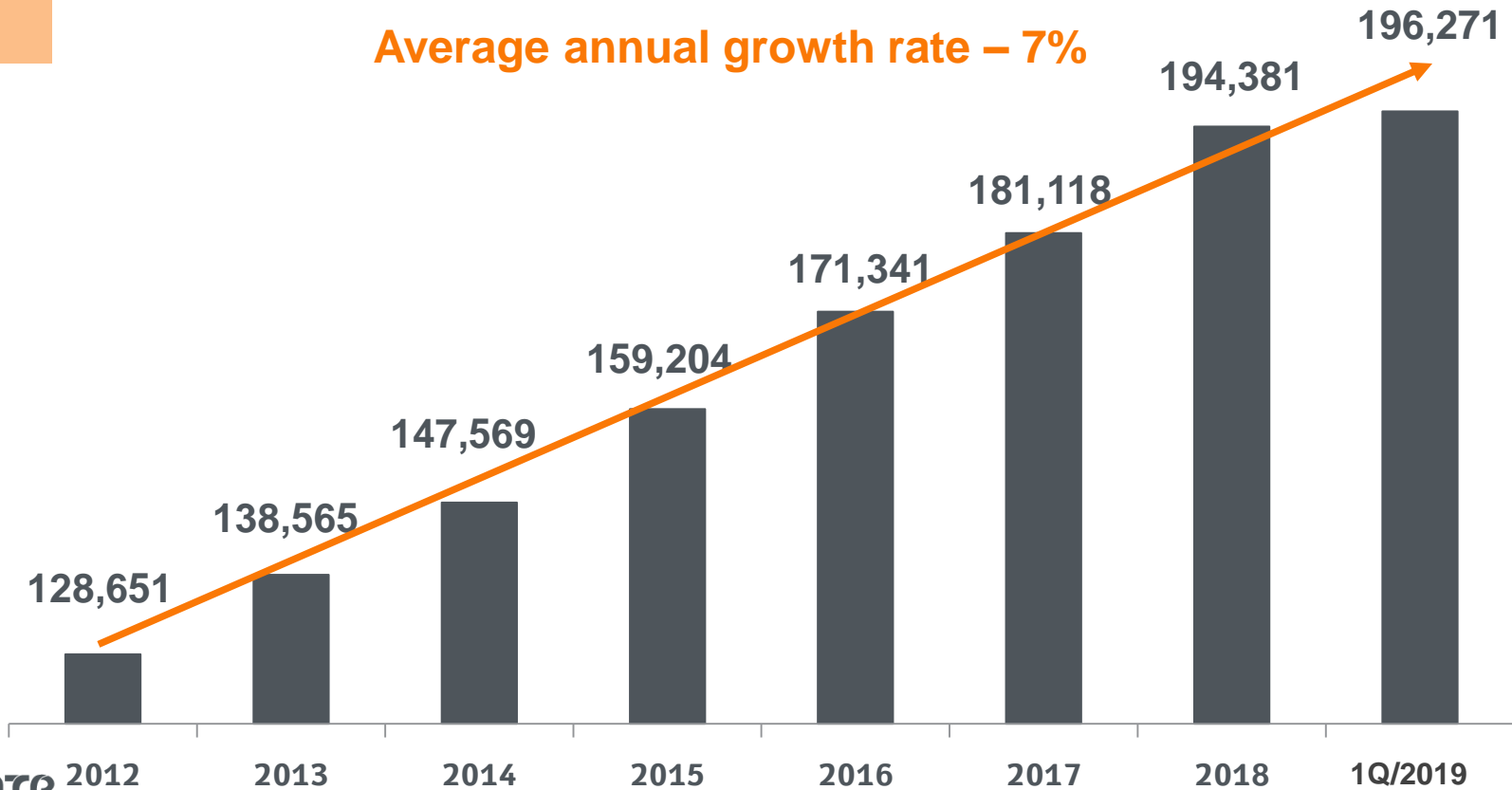


Continuous loan growth

Credit to the public (NIS mil)



Average annual growth rate – 7%



Credit growth in all segments: retail and business

(NIS mil)

	31.3.2019	31.3.2018	% of change
Housing loans	127,368	120,811	5.4%
Households and Private banking	21,222	20,164	5.2%
Small and micro businesses	19,632	17,184	14.2%
Medium businesses	6,789	5,906	15.0%
Large businesses and Institutional investors	17,103	15,954	7.2%
Overseas operations	4,157	3,609	15.2%
Total	196,271	183,628	6.9%

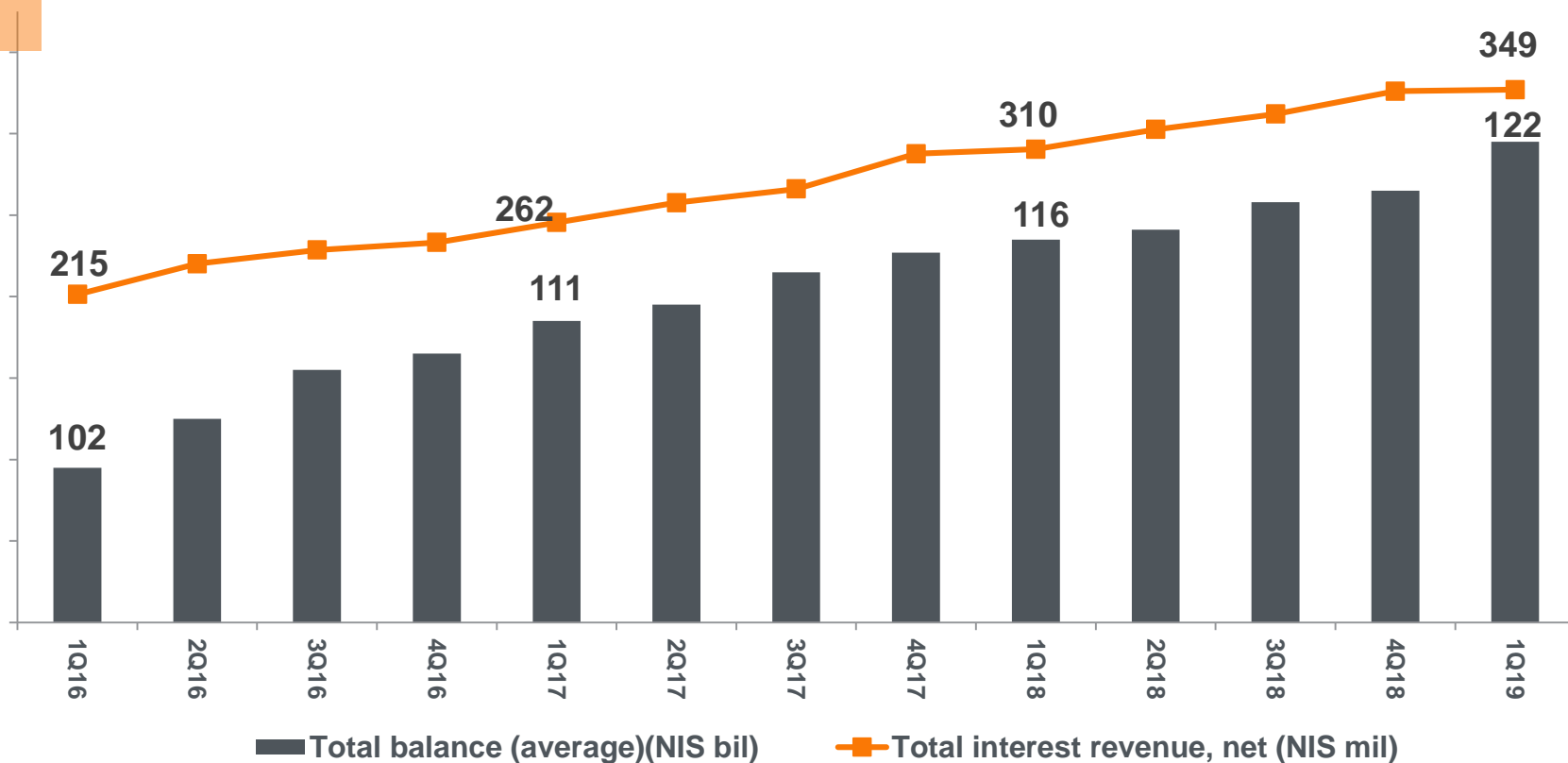
Significant growth in the business segments

(NIS mil)

	31.3.2019	31.3.2018	% of change
Housing loans	127,368	120,811	5.4%
Households and Private banking	21,222	20,164	5.2%
Small and micro businesses	19,632	17,184	Annual growth of 11.8% in business credit
Medium businesses	6,789	5,906	
Large businesses and Institutional investors	17,103	15,954	
Overseas operations	4,157	3,609	
Total	196,271	183,628	

Brackets in the table indicate a total increase of 47,748 for the business segments (Small and micro, Medium, Large businesses and Institutional investors, Overseas operations) and a total increase of 42,693 for the business credit segments (Small and micro, Medium, Large businesses and Institutional investors).

Mortgage – continuous growth of balance and revenues*

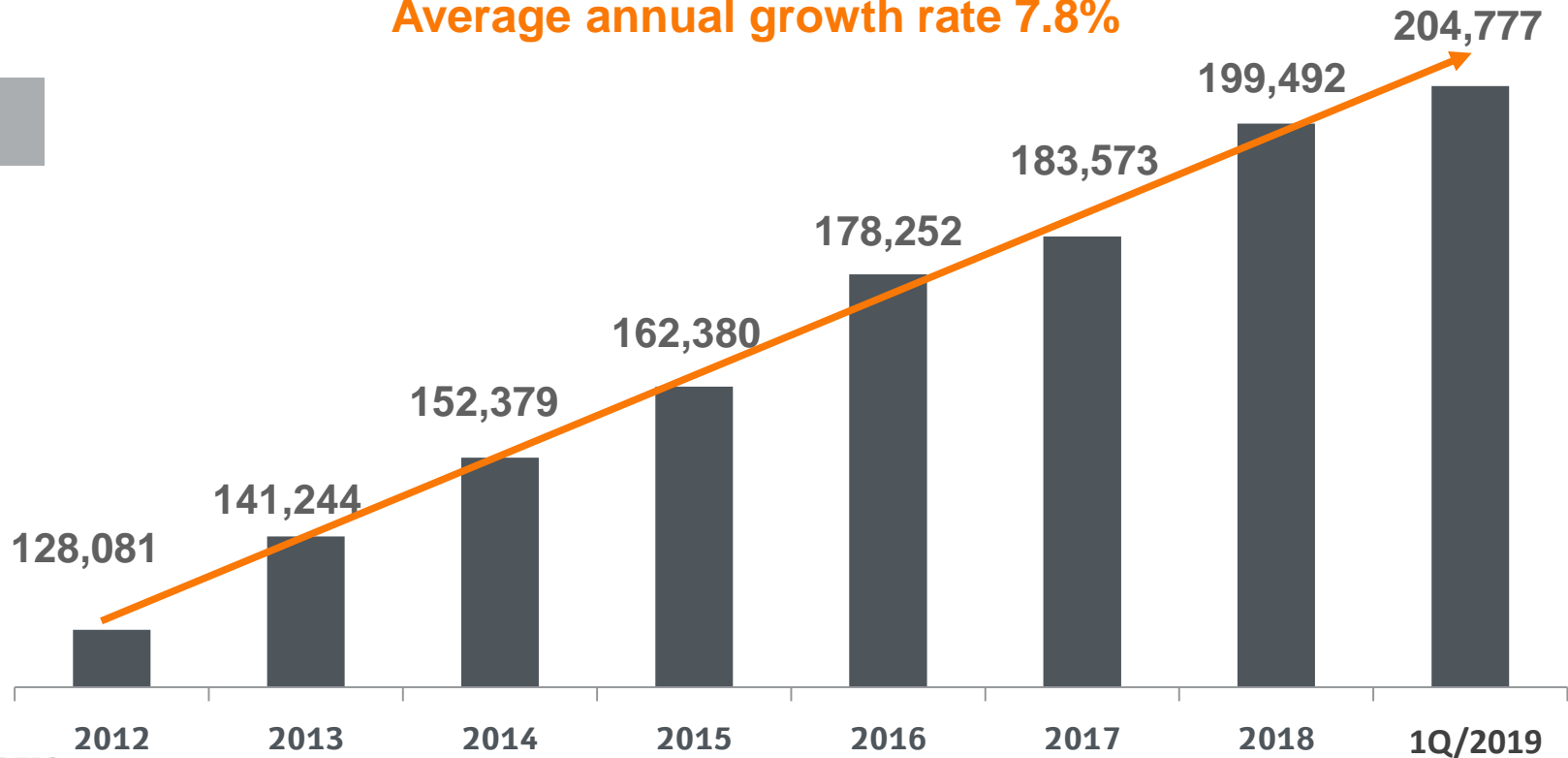


Continuous deposit growth

Deposits from the public (NIS mil)

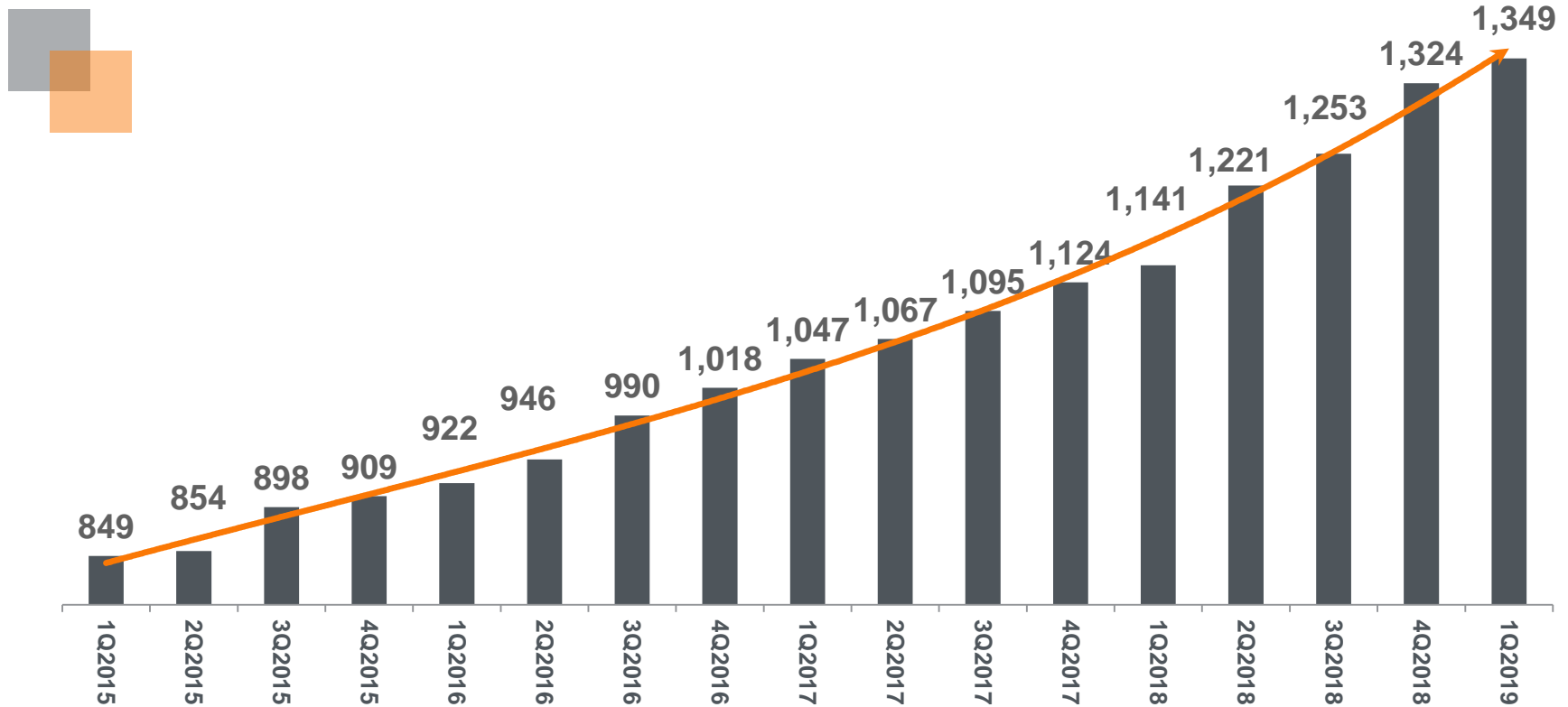


Average annual growth rate 7.8%



Financing revenues from current operations continue to grow

(NIS mil)



Growth in financing revenues in all business segments

Financing revenues (NIS m)



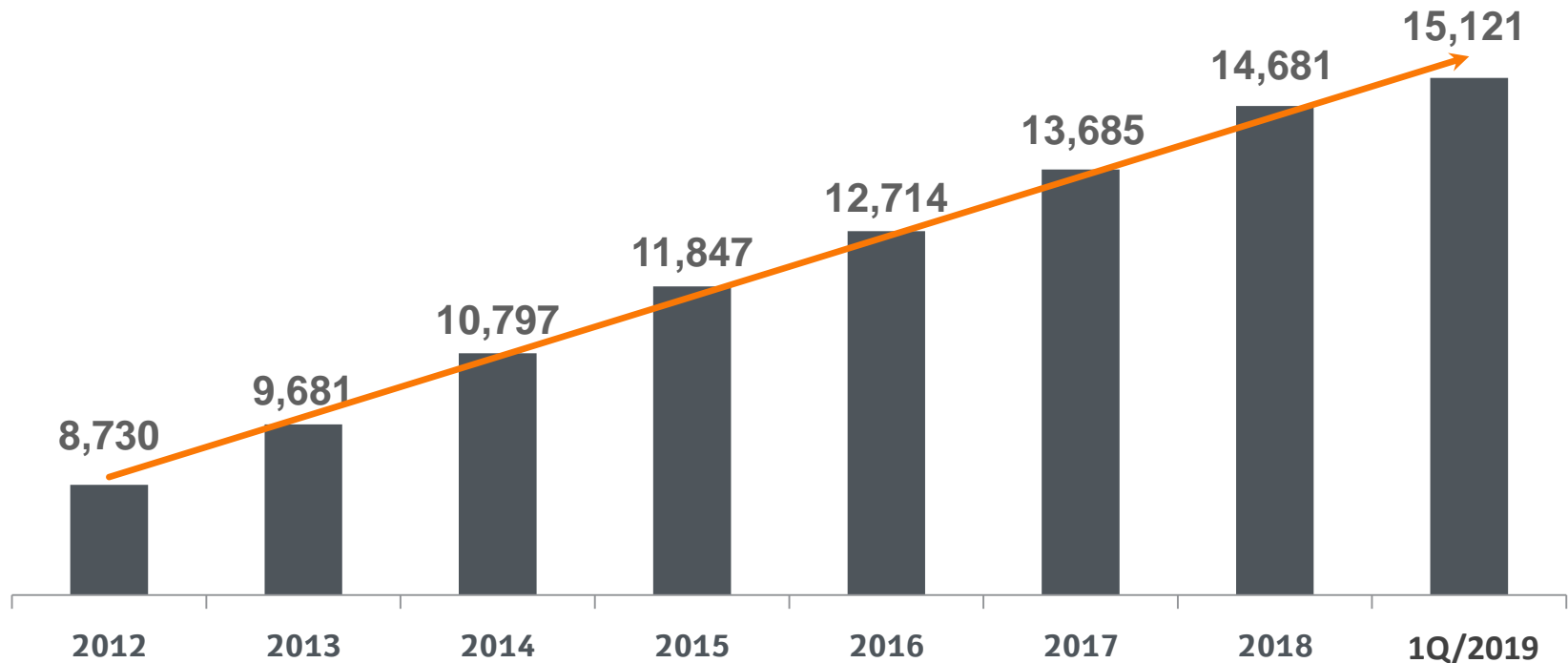
	Q1/2019	Q1/2018	% of change
Housing loans	403	357	12.9%
Households and private banking	371	324	14.5%
Small and micro businesses	279	232	20.3%
Medium businesses	68	58	17.2%
Large businesses and institutional investors	164	159	3.1%
Overseas operations	57	52	9.6%

Increasing equity base

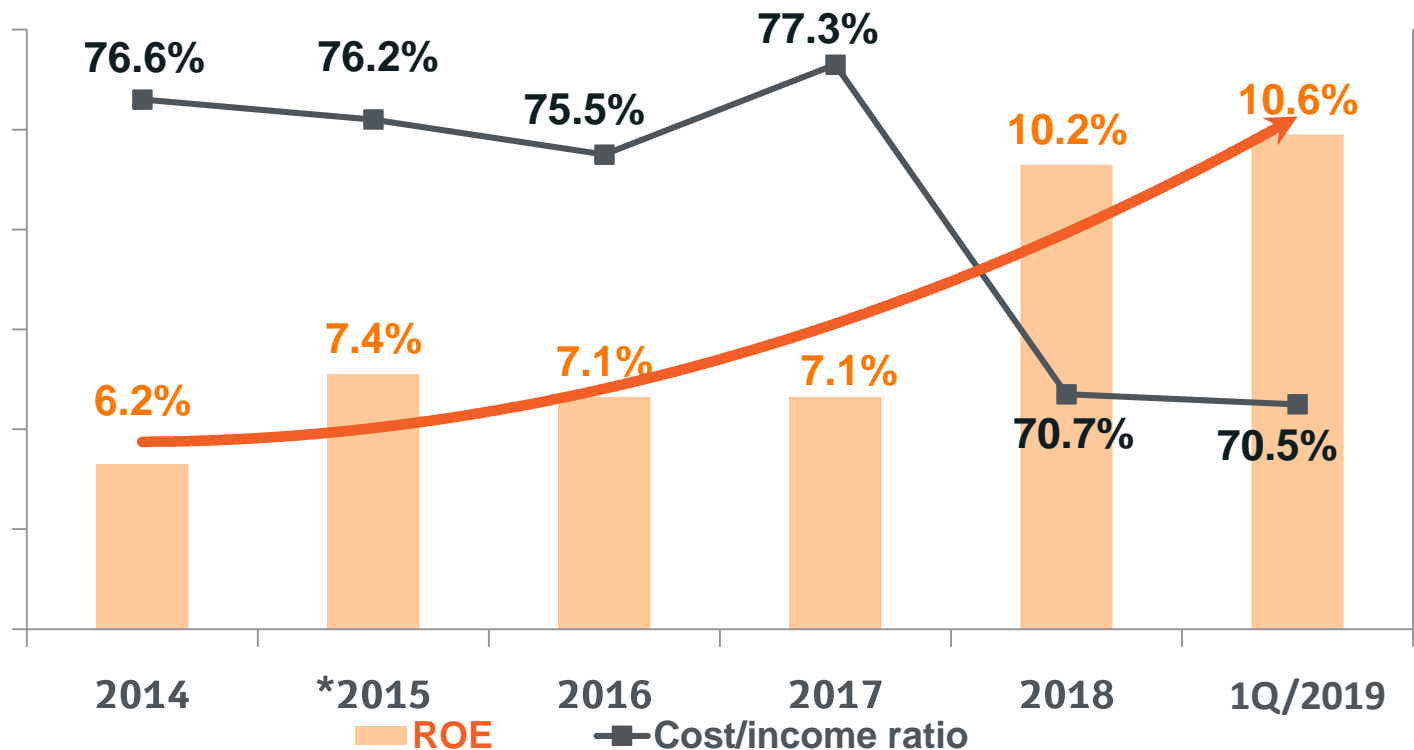
(NIS mil)



Average annual growth rate – 9.2%



Bank Yahav's business results continue to improve

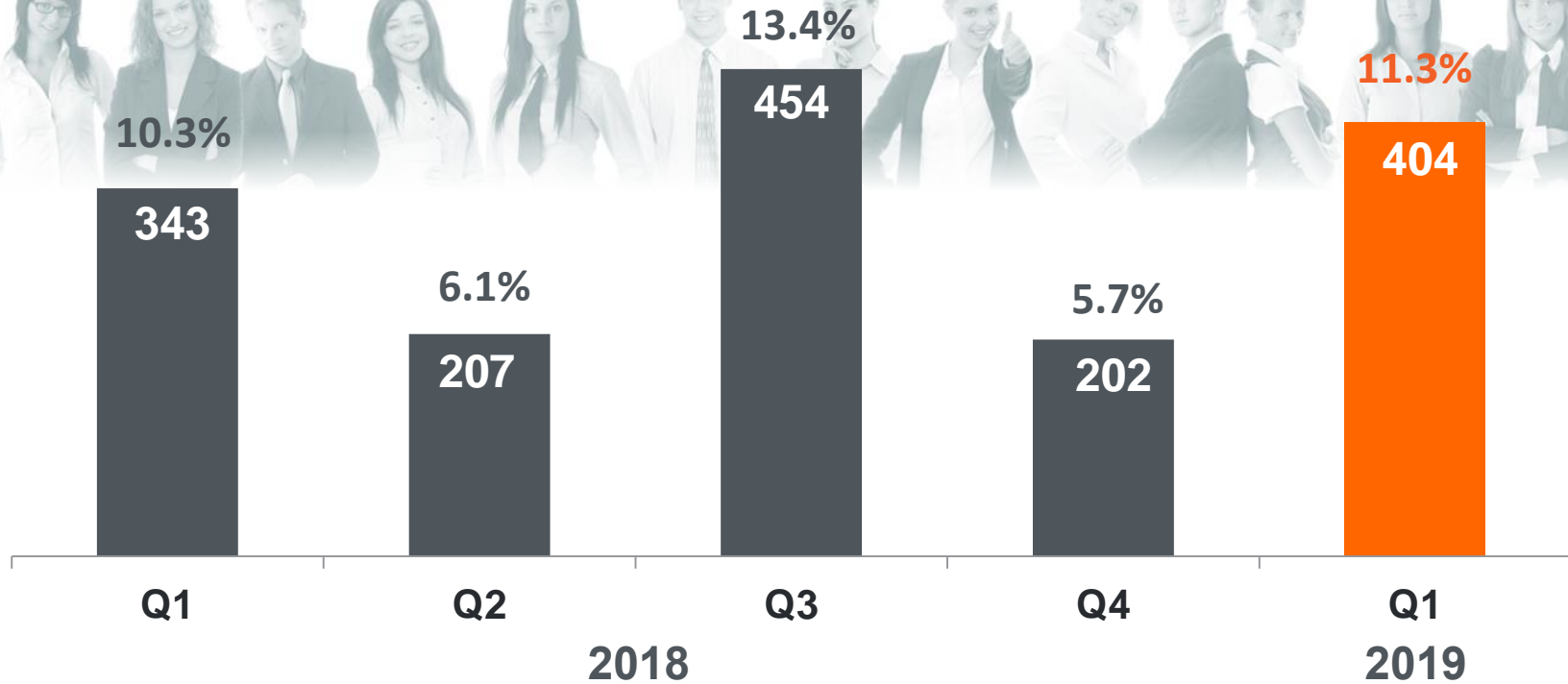
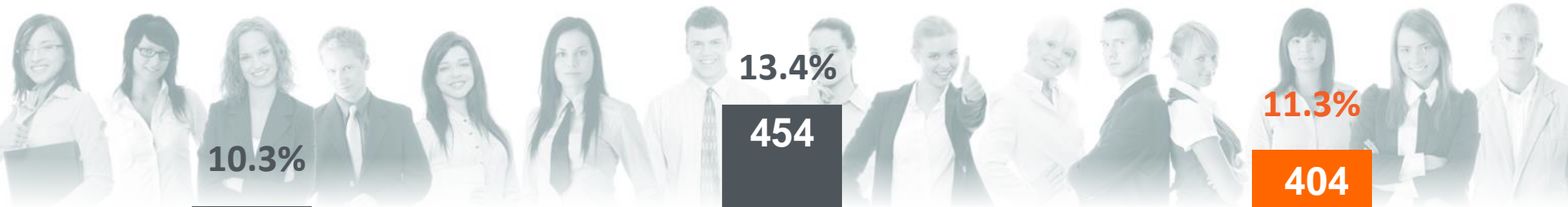


Financial results



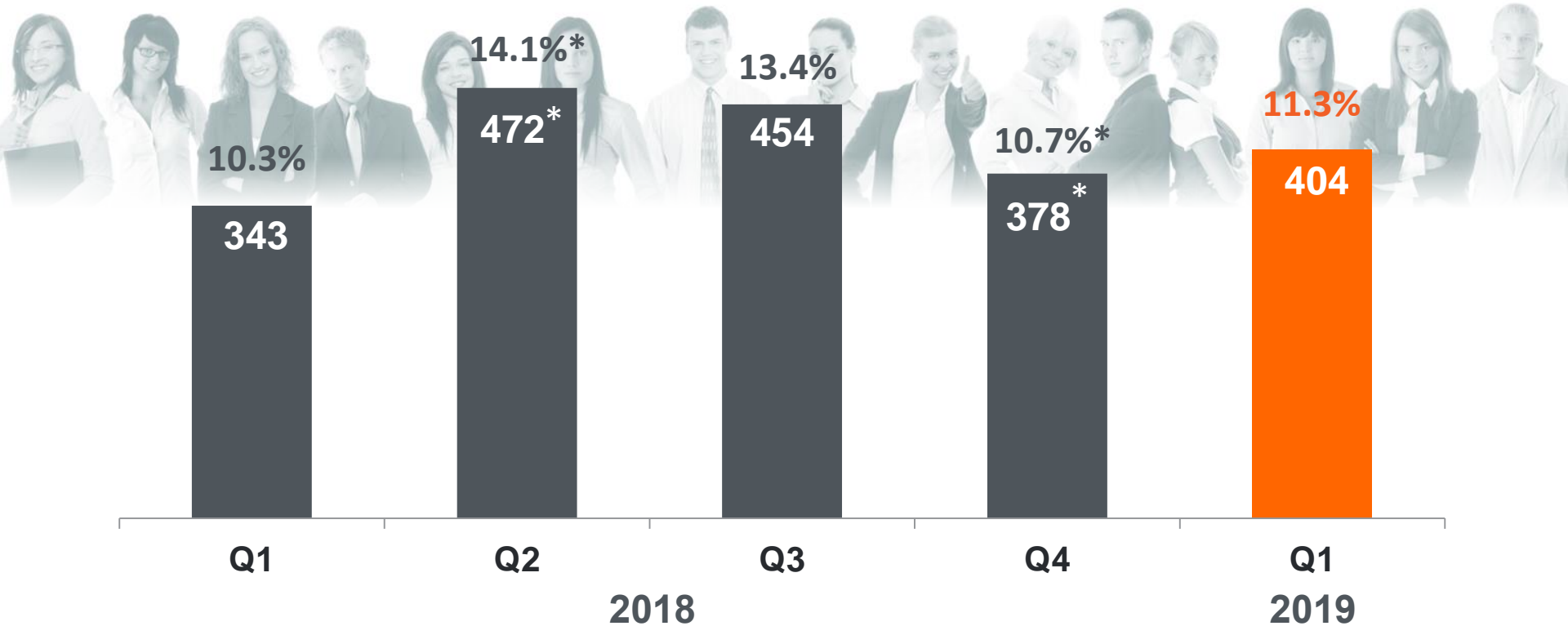
Net profit and ROE

(NIS mil)



Net profit* and ROE*

(NIS mil)



Condensed P&L report



	Q1/2019	Q1/2018	% of change
Interest revenue, net	1,231	1,081	13.9
Non interest revenues	466	463	(0.6)
Total	1,697	1,544	9.9
Expenses with respect to credit losses	76	82	(7.3)
Operating and other expenses	986	912	8.1
Net profit	404	343	17.8

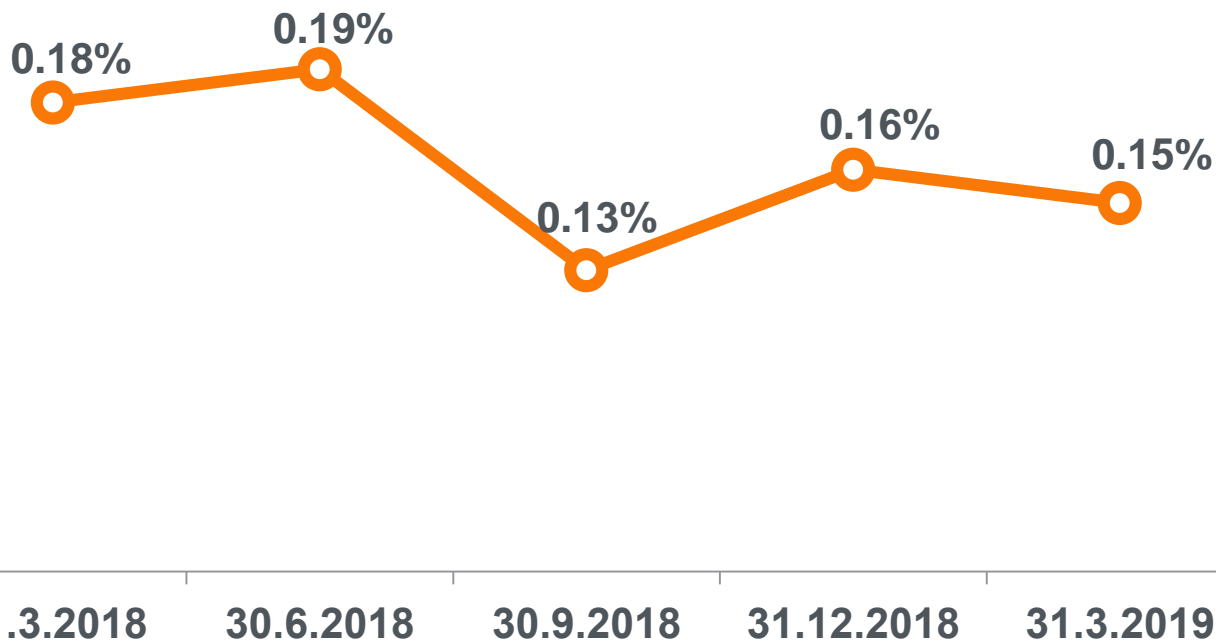
Financing revenues

(NIS mil)



		Q1/2019	Q1/2018	Rate of change
Interest revenues, net		1,231	1,081	
Non-interest financing revenues		57	90	
Total financing revenues		1,288	1,171	10.0
Less	Linkage differentials with respect to CPI position	(42)	39	
	Revenues from collection of interest on troubled debt	12	12	
	Gain from debentures	12	2	
	Effect of accounting treatment of derivatives at fair value and others	(43)	55	
Total effects other than current operations		(61)	30	
Total financing revenues from current operations		1,349	1,141	18.2

Provisions / loans to the public



Operating and other expenses



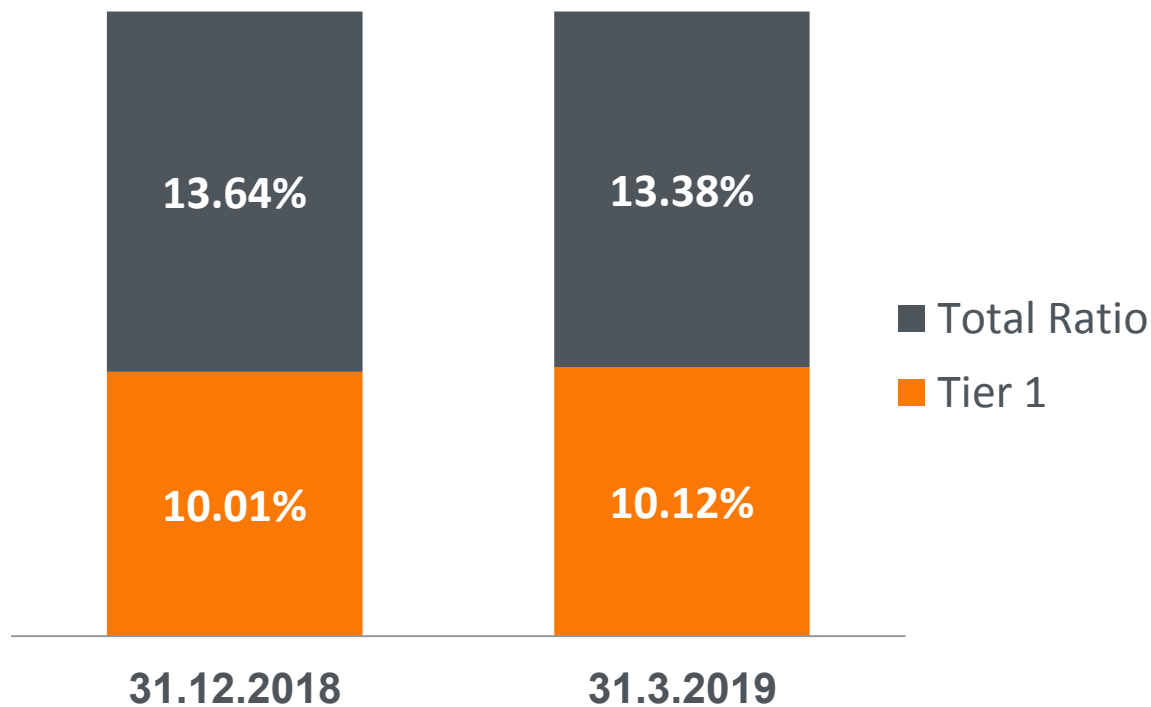
	Q1/2019	Q1/2018	% of change
Salaries	636	569	11.8
Building and equipment maintenance and depreciation	191	189	1.1
Others	159	154	3.2
Total	986	912	8.1

Main balance sheet items development



	31.3.2019	31.3.2018	% of change
Total balance sheet	260,108	242,805	7.1
Loans to the public, net	196,271	183,628	6.9
Deposits from the public	204,777	187,066	9.5
Securities	9,130	9,057	0.8
Equity	15,121	13,890	8.9

Capital adequacy



Thank You

