

November 18, 2025

Net profit in the third quarter of 2025: NIS 1,483 million
Compared to NIS 1,425 million in the corresponding
quarter in 2024

Return on equity in the third quarter of 2025: 17.6%

Credit to the public as of September 30, 2025:
NIS 391.9 billion
Compared to NIS 348.3 billion in the corresponding
period last year
12.5% increase

Deposits from the public as of September 30, 2025:
NIS 421.5 billion
Compared to NIS 385.1 billion in the corresponding
period last year
9.4% increase

Cost-Income Ratio in the third quarter: 34.2%

Dividend distribution amounting to NIS 741.5 million –
50% of third quarter profit

Continued growth in the credit portfolio alongside an increased focus on business segments

The growth momentum achieved by Mizrahi Tefahot in recent years has continued through the first nine months of 2025, despite security and economic challenges.

The growth in the Bank's activity was reflected in most balance sheet items, including the Bank's shareholders' equity, which amounted to NIS 34 billion as of September 30, 2025 - an 11.7% increase compared to the corresponding period last year, and an 8.5% increase since the end of 2024; deposits from the public, which amounted to NIS 421 billion as of September 30, 2025 - a 9.4% increase compared to the corresponding period last year, and a 7.1% increase since December 31, 2024; and credit to the public, which amounted to NIS 392 billion as of the end of the third quarter - a 12.5% increase compared to the corresponding period last year, and a 9.5% increase since the end of 2024.

An analysis of the growth in the Bank's credit portfolio indicates accelerated growth in credit to businesses, which amounted to NIS 112.5 billion as of September 30, 2025 - a 23.0% increase compared to the corresponding period last year, and a 17.7% increase compared to the end of 2024.

These impressive data are consistent with the objectives of the strategic plan for 2025-2027, published by the Bank at the beginning of June, one of the objectives of which is the positioning of Mizrahi Tefahot as a key player in business banking in Israel, and increasing its market share in credit activity in general and in business credit in particular.

Maintaining leadership in the mortgage sector while expanding market share

Following the unprecedented records achieved by the mortgage sector in 2021 and 2022 - with annual transaction volume of approx. NIS 120 billion - and the significant decline in 2023, when transaction volume slumped to NIS 71 billion, in the past two years the sector has demonstrated renewed robustness despite the ongoing war. 2024 has concluded with a transaction volume of NIS 94 billion, and based on market activity in the first nine months of the year, it appears that 2025 will end with a transaction volume of over NIS 100 billion.

Despite intense competition, Mizrahi Tefahot continues to maintain its leading position in the mortgage sector, while steadily expanding its market share.

In the first nine months of 2025 the Bank executed housing and general-purpose mortgages totaling NIS 30.7 billion, reflecting a quarter-on-quarter growth: In this first quarter the Bank executed housing and general-purpose mortgages totaling NIS 8.9 billion; in the second quarter, volumes increased to NIS 9.7 billion, and in the third quarter, the Bank's activity in the sector exceeded NIS 12 billion.

Consequently, the Bank's market share in the third quarter of 2025 reached 39.3% - underscoring the professionalism, robustness, and dominance of the 'Tefahot' brand in the Israeli mortgage market.

As a market leader and out of appreciation to the reservists' critical contribution to national security, the Bank continues to offer a special mortgage benefit to reservists, who have served at least 90 days since October 2024: a NIS 100 thousand interest and linkage-free mortgage to those taking a mortgage with Tefahot to purchase their first home.

Moshe Lari: The Bank's results in the third quarter reflect our ability to continue growing even during a prolonged war and when faced with economic challenges

"The Bank's results in the third quarter of 2025, including record net profit of NIS 1,483 million and return on equity of 17.6% - reflect our ability to successfully maintain the Bank's growth momentum even during a prolonged war and when faced with economic challenges. This impressive success is attributed, first and foremost, to the many thousands of the Bank's excellent employees, who push the Bank forward with their professionalism and dedication, and lead it to extraordinary achievements, quarter after quarter, for which they deserve gratitude and many thanks.

The growth in the Bank's activity was reflected in the key balance sheet items, including shareholders' equity, total balance sheet, deposits from the public and loans to the public. In the third quarter of 2025, loans to the public increased by NIS 15.2 billion, compared to the second quarter of the year - an annual growth of 16.1%. The Bank's growing involvement in the business activity in Israel is reflected in a NIS 7.4 billion quarter-on-quarter growth in its business credit portfolio - an annual growth of 28.0%.

Concurrently, the Bank continued to exercise disciplined cost management with operating and other expenses in the third quarter of the year amounting to NIS 1,310 million compared to NIS 1,289 million in the corresponding quarter last year, a modest 1.6% increase. Consequently, the Bank reports an excellent cost-income ratio of 34.2% in the third quarter of 2025.

Bank Yahav of Mizrahi Tefahot Group has also posted record profits: In the third quarter, Bank Yahav posted a net profit of NIS 120 million, compared to NIS 117 million in the corresponding quarter, and in the first nine months of 2025 Bank Yahav posted a net profit of NIS 339 million, compared to NIS 320 million in the corresponding period.

In view of the Bank's financial results and having assessed its capital ratios under the different scenarios, its Board of Directors approved the distribution of a NIS 741.5 million dividend - 50% of the third quarter earnings. Subsequent to this distribution, the total amount of the dividend to shareholders in respect of the first three quarters of 2025 amounts to nearly NIS 2 billion.

The third-quarter report is published against the backdrop of the ceasefire during the longest war in our nation's history. The release of all fallen hostages and their proper burial will enable us to honor a collective moral and national obligation which weighs on us all - as a society and as a nation. Completing this mission, until the last hostage is returned home, is a prerequisite for starting the process of national rebuilding and healing, which is so vital for the country.

The Mizrahi Tefahot family embraces the bereaved families who lost their loved ones in the war, sends heartfelt wishes for a swift recovery to those wounded - body and soul - and expresses profound appreciation for the reservists, who put their lives on hold to defend the country driven by a sense of selflessness, determination, and unwavering commitment," said the **Bank's CEO, Moshe Lari**.

Mizrahi Tefahot Ltd.
Highlights of condensed financial statements
As of September 30, 2025 - NIS in millions

Key balance sheet items

	September 30		Rate of Change
	2025	2024	in %
Loans to the public, net	391,875	348,314	12.5
Deposits from the public	421,487	385,119	9.4
Shareholders' equity (attributable to shareholders of the Bank)	33,965	30,408	11.7
Total assets	525,389	472,379	11.2

Profit and profitability

	Third quarter		Rate of Change
	2025	2024	in %
Total financing revenues before expenses with respect to credit losses	3,203	3,216	(0.4)
Commissions and other revenues	627	581	7.9
Total revenues	3,830	3,797	0.9
Expenses (revenues) with respect to credit losses	44	130	-
Operating and other expenses	1,310	1,289	1.6
Net profit attributable to shareholders of the Bank	1,483	1,425	4.1

Key financial ratios (in percent)

	September 30	
	2025	2024

Key performance benchmarks

Net profit return on equity:		
For the third quarter	17.6	19.0
For the nine-month period	17.2	19.0
Deposits from the public to loans to the public, net	107.6	110.6
Ratio of Tier I equity to risk components	10.14	10.43
Leverage ratio	6.01	6.01
Liquidity coverage ratio (quarterly)	131	127
Cost-income ratio:		
For the third quarter	34.2	33.9
For the nine-month period	35.6	34.7

Other information

Share price (in NIS) as of September 30	217.9	145.5
---	-------	-------