

The background image features a stack of coins on the left, with a blue line graph overlaid on it. To the right, there is a bar chart with several vertical bars of varying heights. The overall scene is set against a blurred cityscape at night.

Financial statements

March 31, 2020

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Impact of the Corona virus crisis



Extensive
operational
preparation which
enabled
appropriate service
to bank customers

- At all time branch network remain operational
- Ensuring social distancing and implementation of capsules operation
- Remote operation from home

Response to
customers in
light of social
distancing
limitations and
the economic
situation

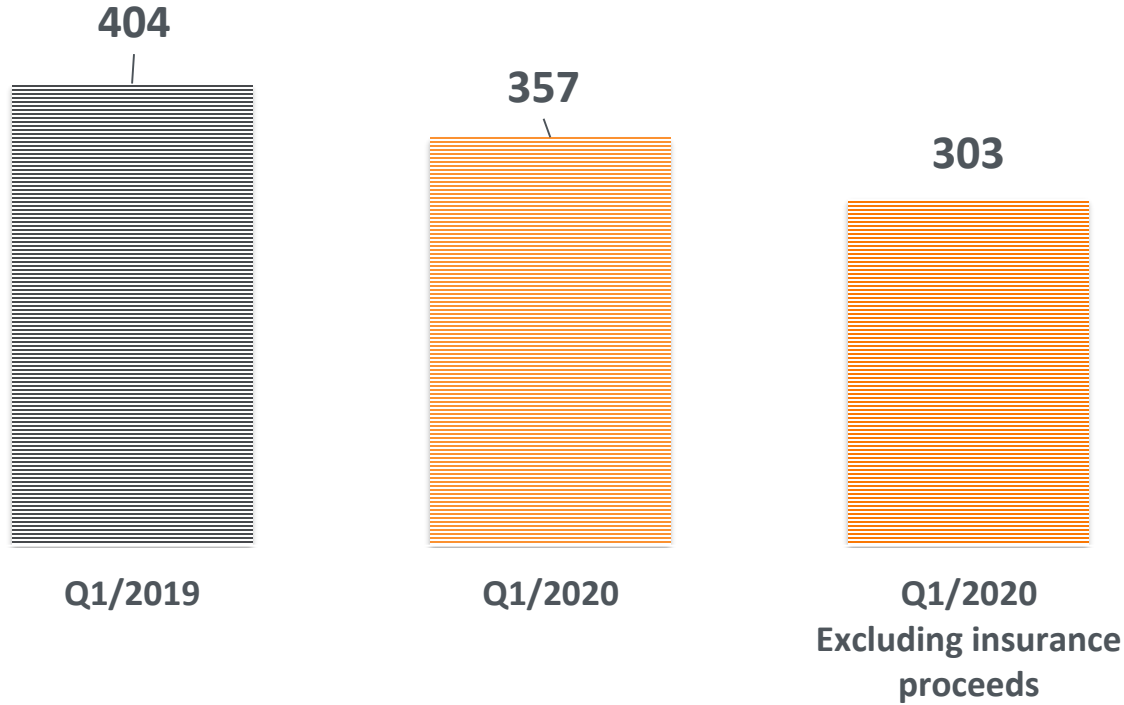
- Expansion of all digital branches in order to address clients' needs
An extensive approval of grace periods or bridge loans for customers
- Servicing clients through a mobile branch

Leveraging
business
opportunities

- Core deposits gathering
- Government-guaranteed loans for SMEs and midmarket
- Leveraging the bank's operational capabilities proven during the crisis period, to continue to recruit quality customers and improve operational efficiency

Net profit

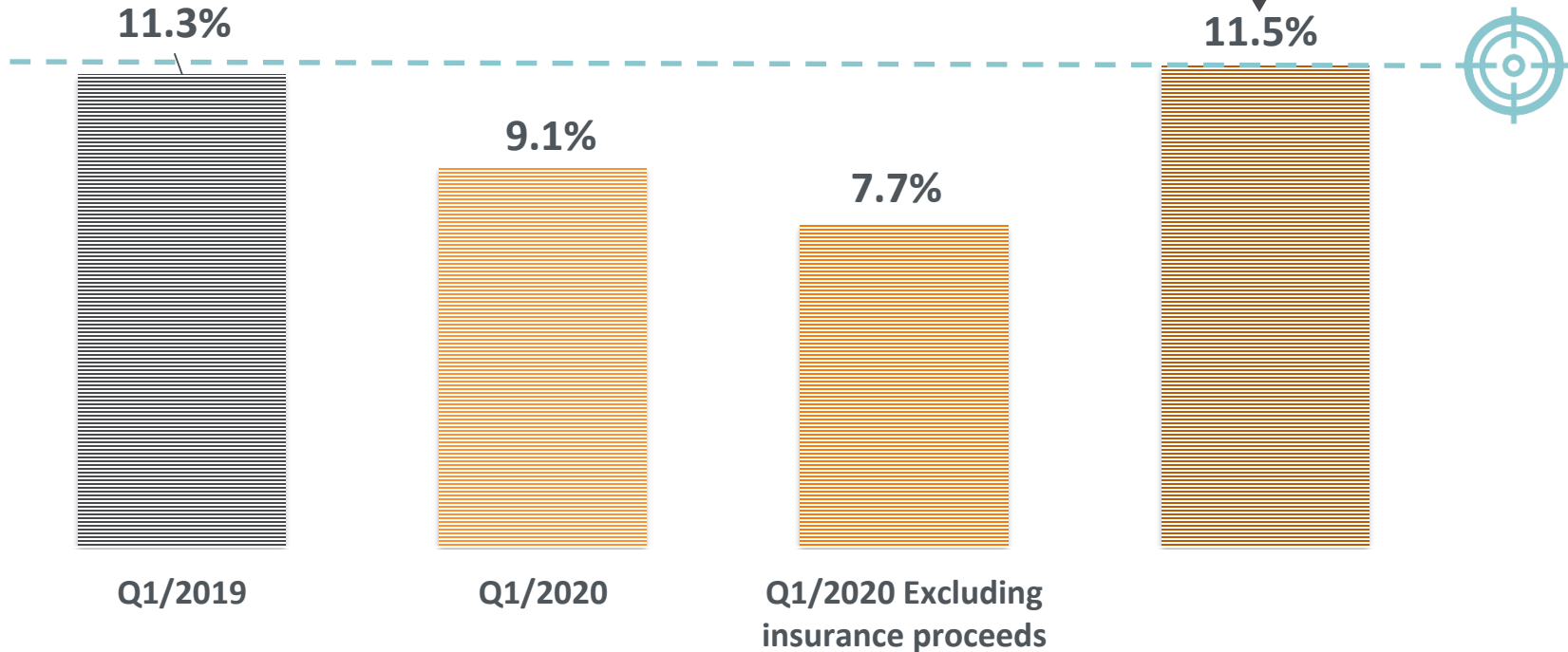
(NIS mil)



Return on equity



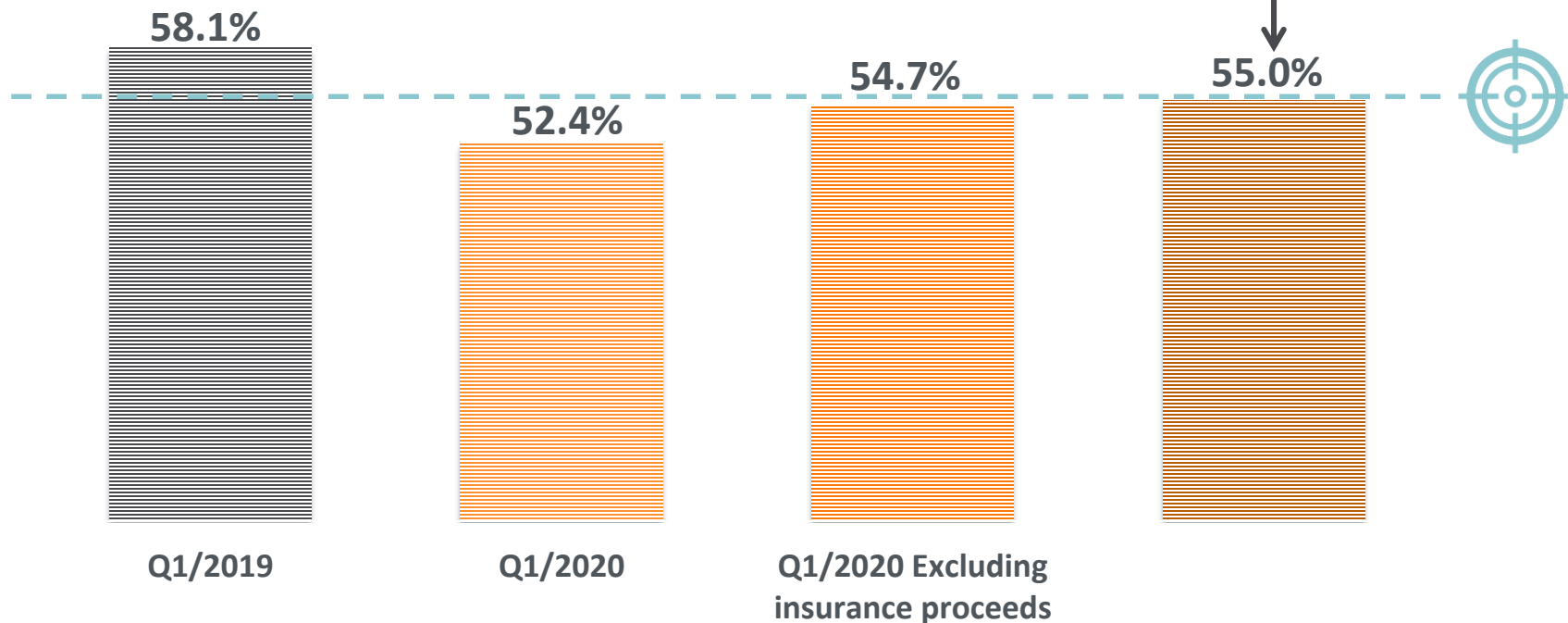
ROE 2021 target according to the strategic plan



Efficiency ratio



Cost/income ratio 2021 target according to the strategic plan



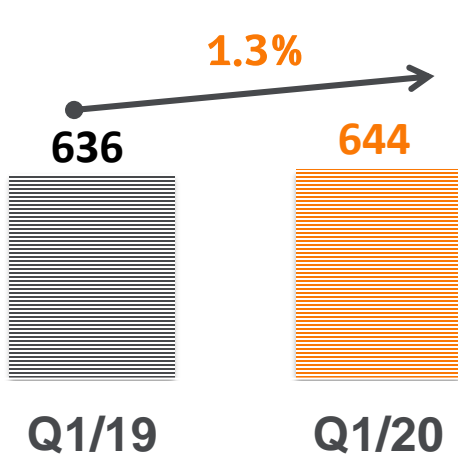
Expenses

(NIS mil)

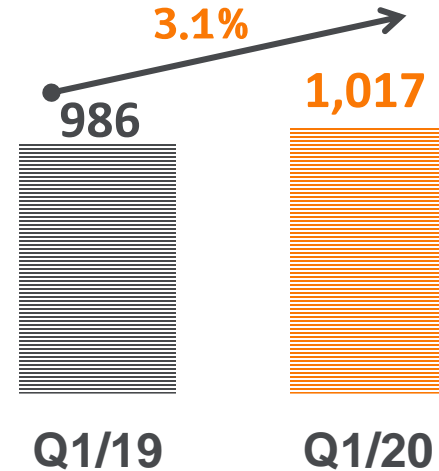


Annual growth target according to the strategic plan – 6%

Salaries

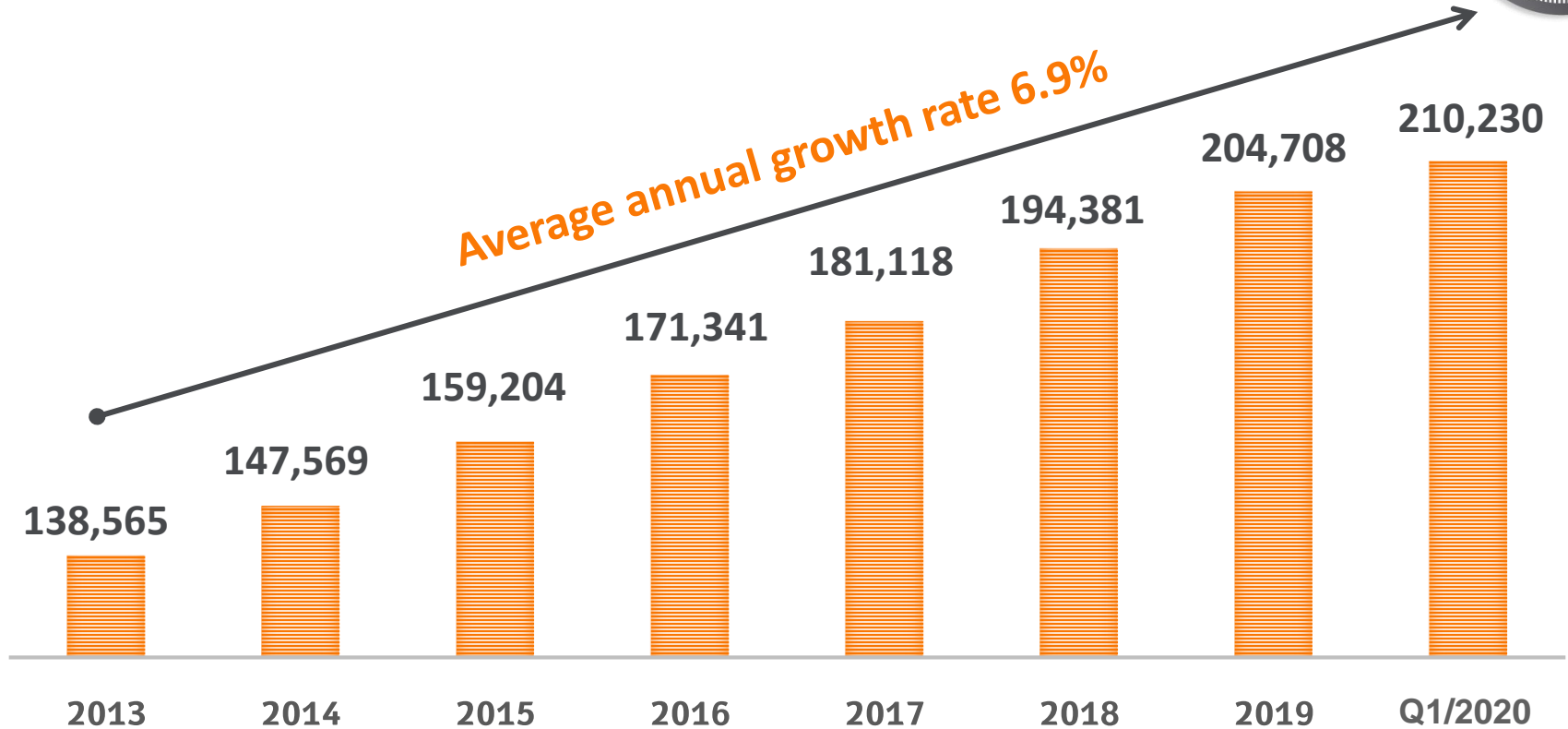


Operating and other expenses



Continuous loan growth

(NIS mil)



Continuous loan growth in all segments

(NIS mil)



Business segment	31.03.2020	31.03.2019	% of change
Housing loans	137,227	127,368	7.7%
Households and Private banking	21,642	21,222	2.0%
Small and micro businesses	21,175	19,632	7.9%
Medium businesses	7,225	6,789	6.4%
Large businesses, Institutional investors and Overseas operations	22,961	21,260	8.0%
Total	210,230	196,271	7.1%

Continuous loan growth focusing on business segments



(NIS mil)

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51,361

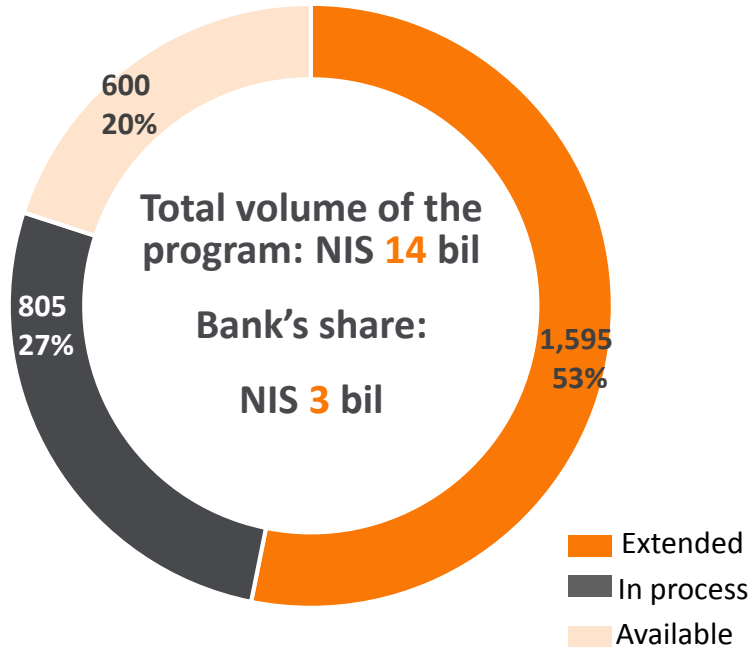
47,681

Annual growth of 7.7% in business segments

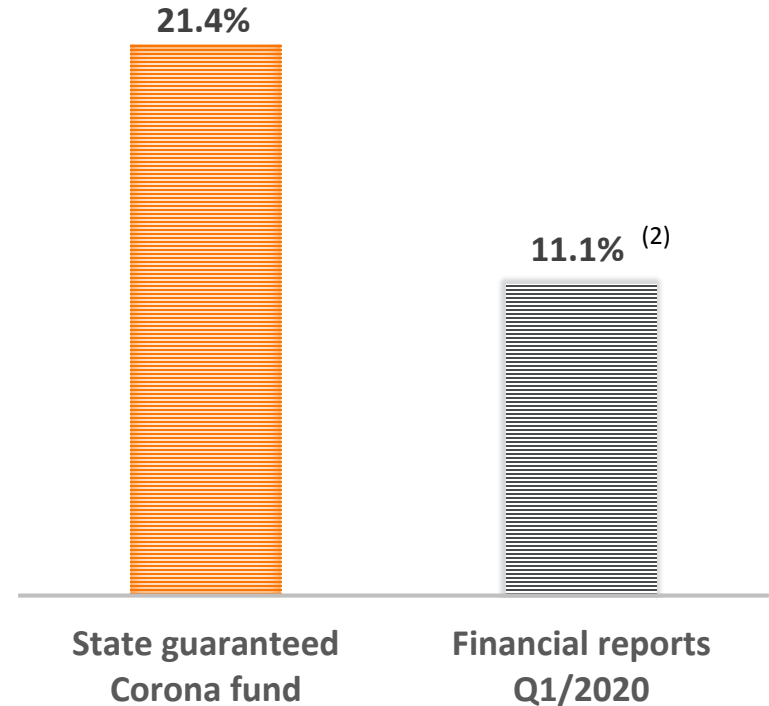
Government guaranteed special Corona program – Bank's share higher than its market share



Government guaranteed Corona program ⁽¹⁾



Marker share of the Bank



Adjusting provisions to market conditions

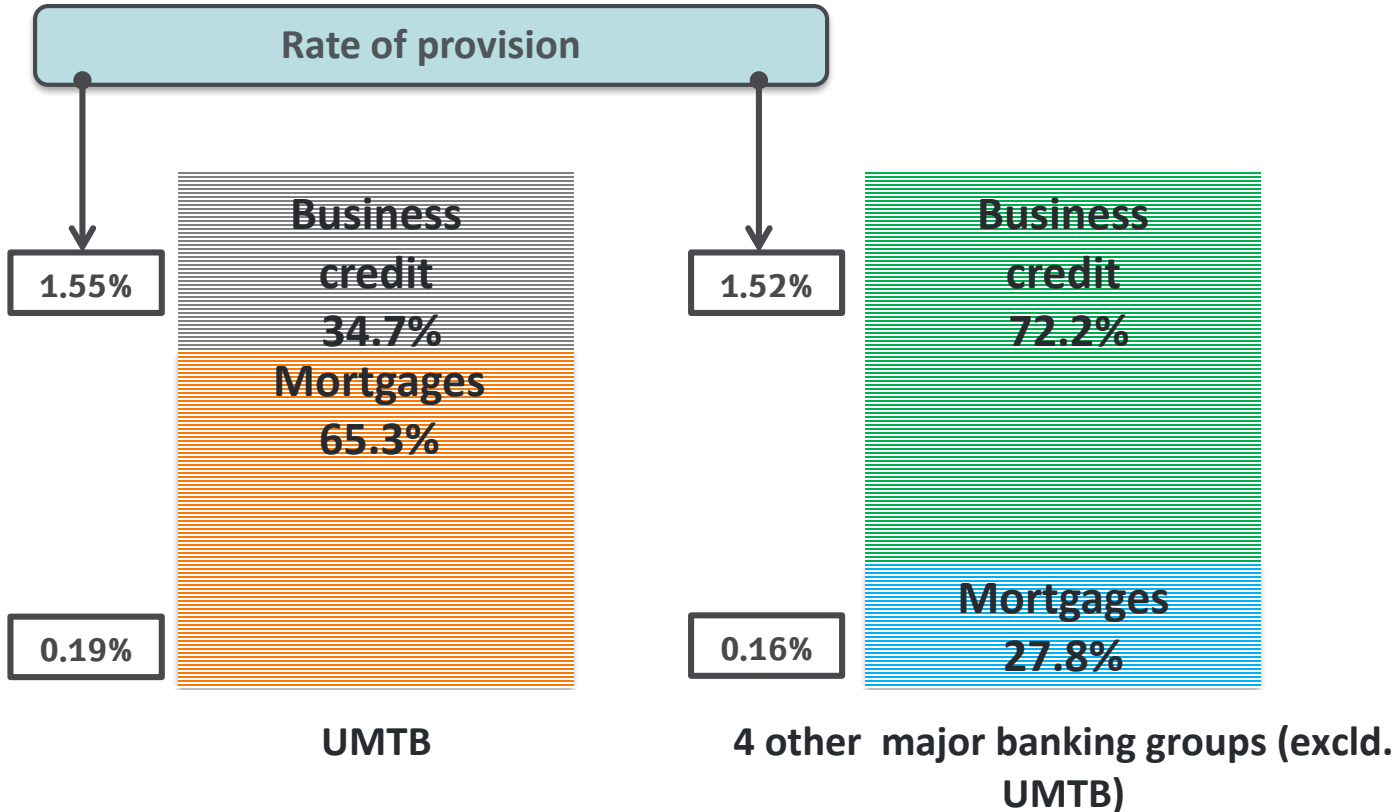
(NIS mil)



Applying methodology for possible future impact of the Corona virus on economic conditions

Segment	Q1/2020		Q1/2019		2019	
	Provision	Rate of provision	Provision	Rate of provision	Provision	Rate of provision
Housing loans	65	0.19%	8	0.03%	44	0.03%
Households and Private banking	39	0.72%	27	0.51%	101	0.46%
Small and micro businesses	72	1.37%	37	0.76%	166	0.80%
Medium businesses	72	4.05%	1	0.06%	42	0.59%
Large businesses, Institutional investors and Overseas operations	95	1.67%	5	0.09%	14	0.07%
Financial management	2	-	(2)	-	(3)	-
Total	345	0.66%	76	0.15%	364	0.18%

Robust, resilient balance sheet, **tilted towards mortgages with lower risk level**



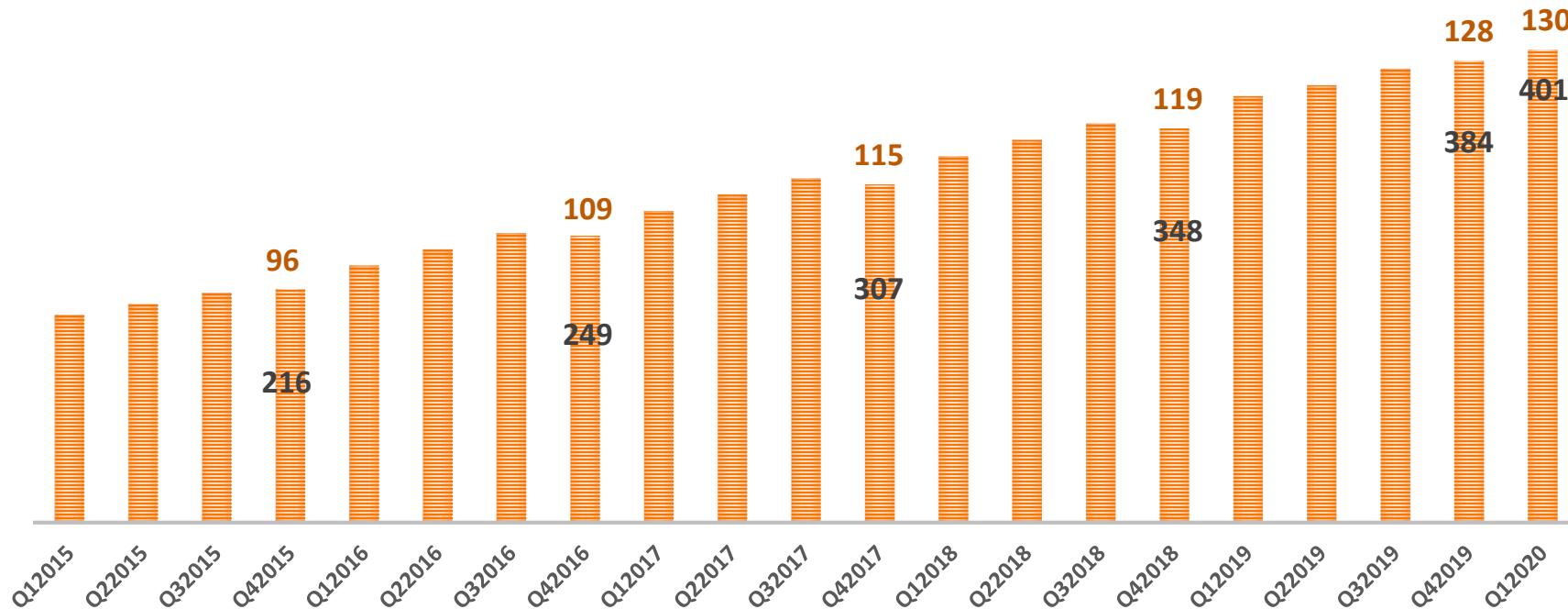
Mortgages - maintaining leading position



Continuous growth of balance and revenues

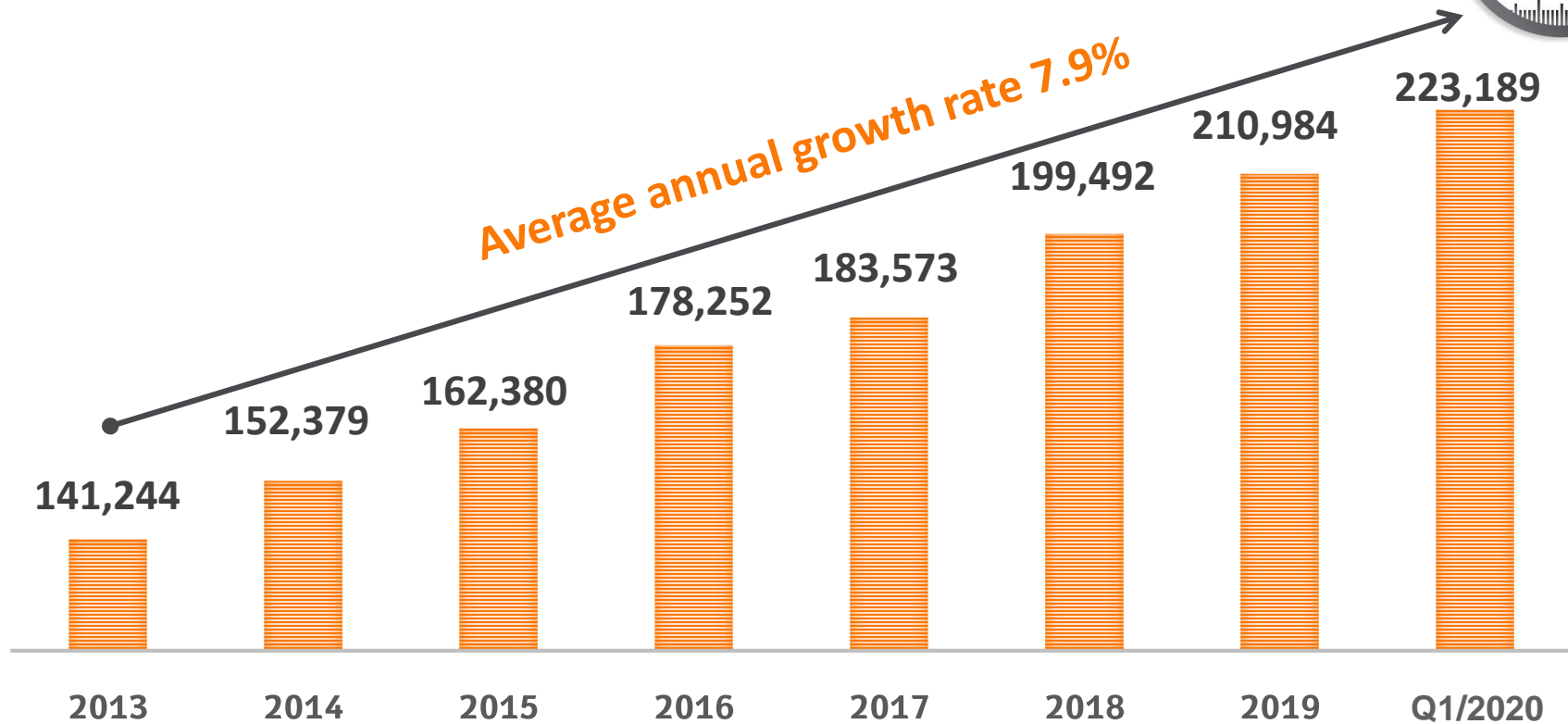
Total balance (average)(NIS bil)

Total interest revenue (NIS mil)



Continuous deposit growth

(NIS mil)



Growth of core* deposit

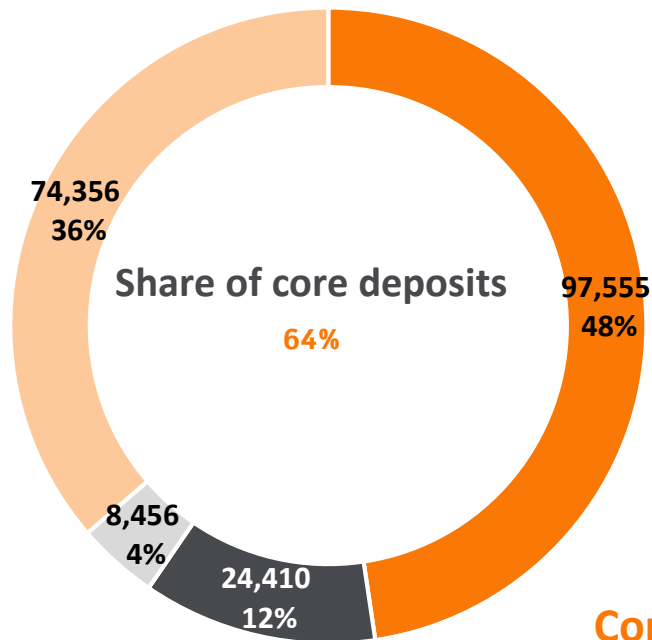
(NIS mil)



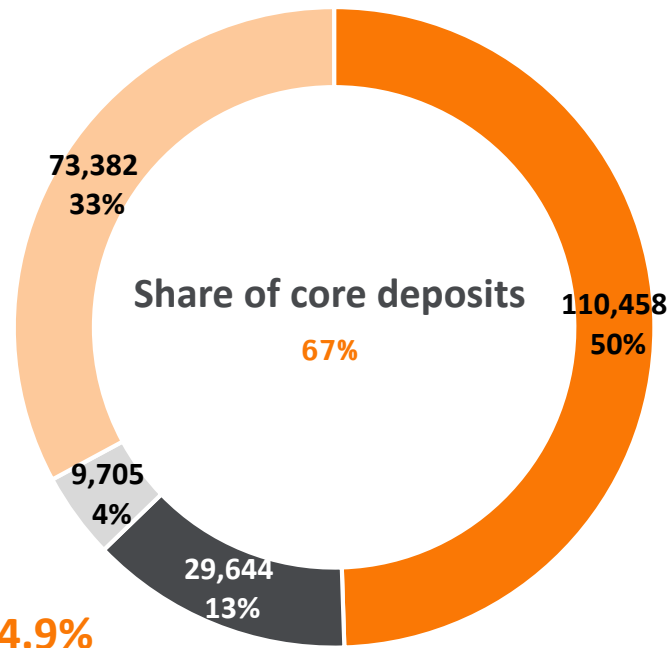
Deposits growth rate 9%



31.3.2019



31.3.2020



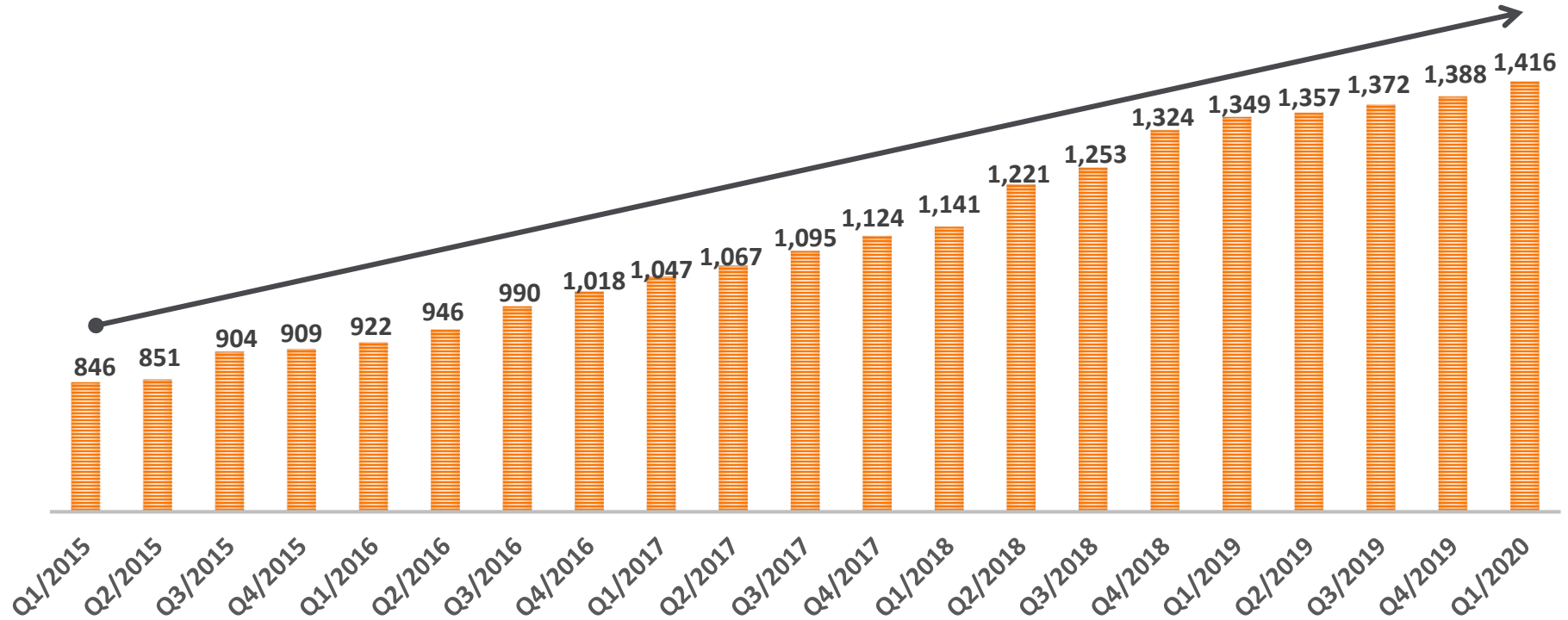
Segment	Rate of change
House holds and Private banking	13.2%
Small and micro businesses	21.4%
Medium businesses	14.8%
Large businesses, Institutional investors and Overseas operations	-1.3%

Core deposits growth rate 14.9%



Financing revenues from current operations

continue to grow (NIS mil)



Growth in financing revenues from current

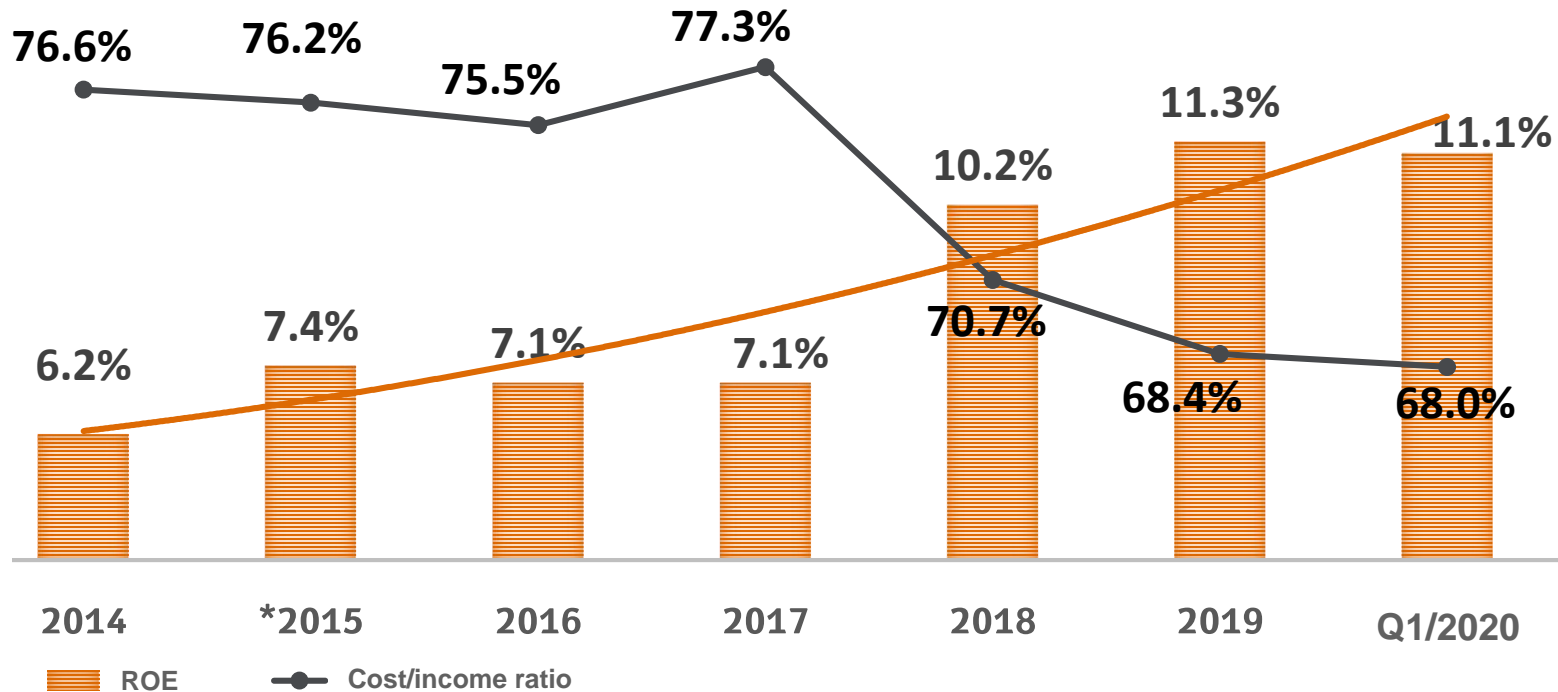
(NIS mil)



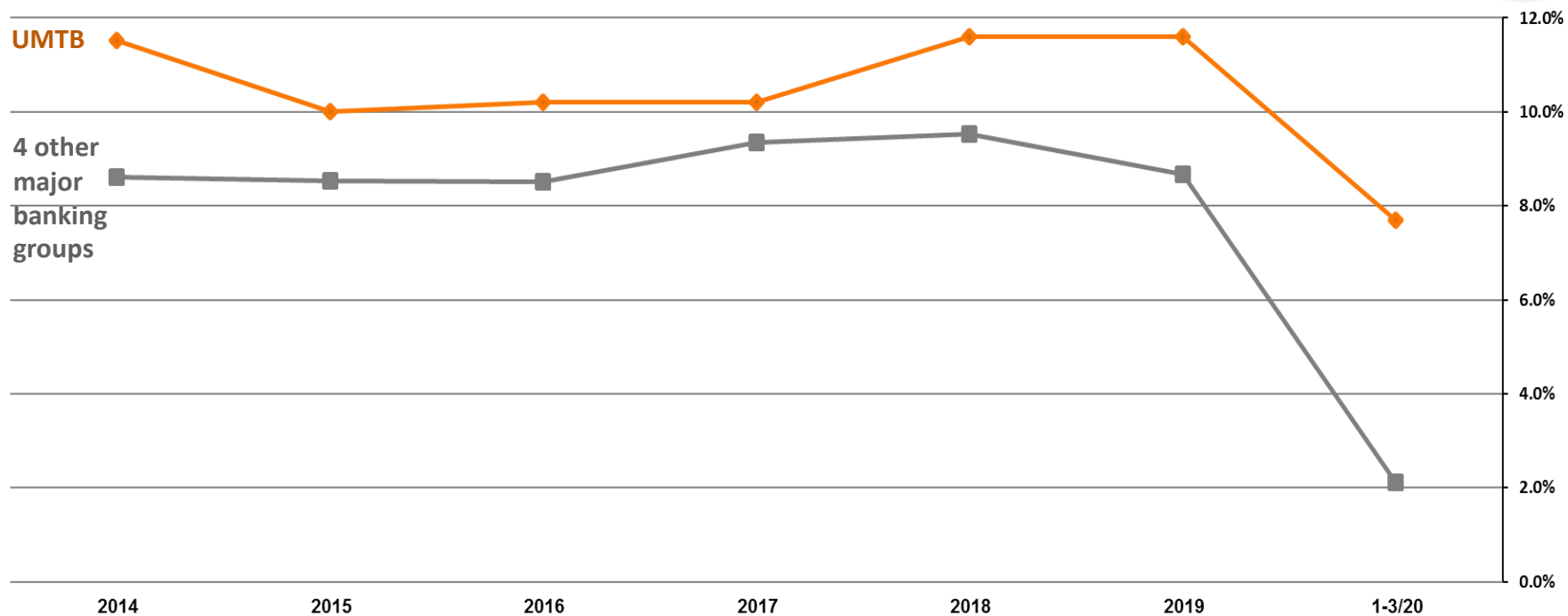
Led by substantial increase in mortgages, small and micro businesses and medium businesses

Segment	1Q/2020	1Q/2019	Rate of change
Housing loans	459	403	13.9%
Households and Private banking	359	357	0.6%
Small and micro businesses	298	280	6.4%
Medium businesses	76	68	11.8%
Large businesses, Institutional investors and Overseas operations	208	221	-5.9%
Total	1,400	1,329	5.3%

Bank Yahav business results continue to improve

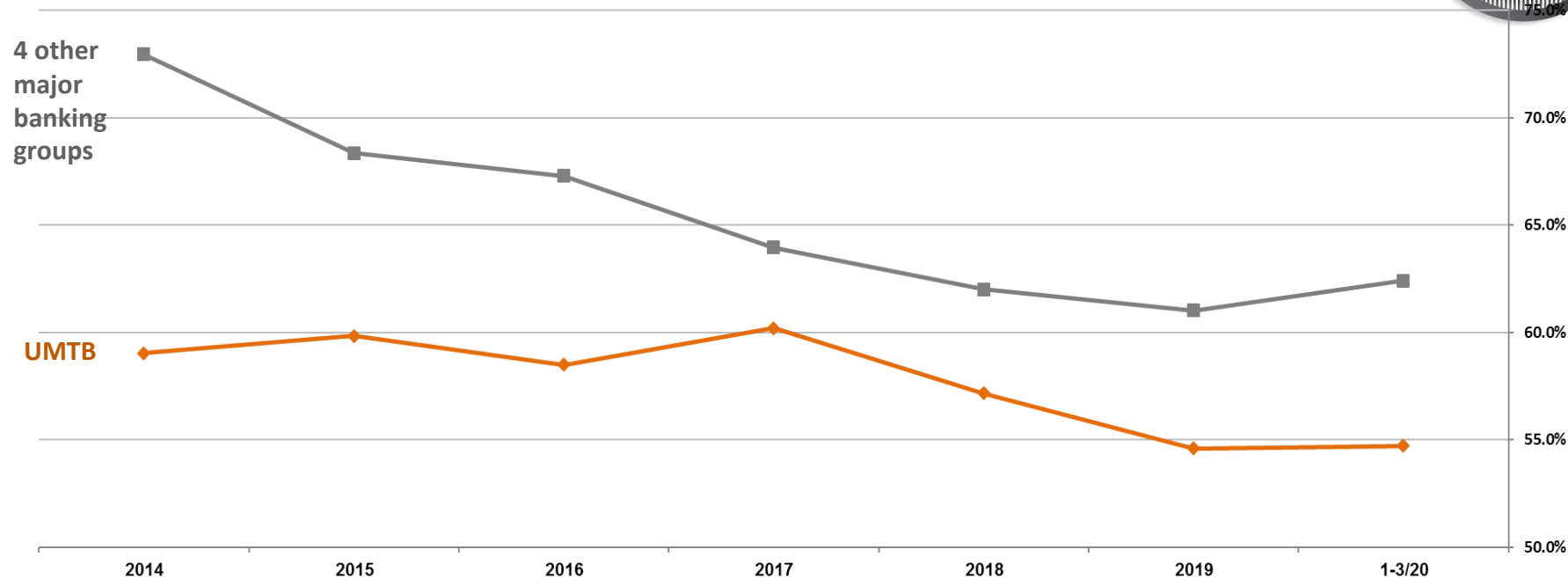


Highest ROE in the system, consistently ⁽¹⁾



(1) Excluding one offs and extra-ordinary items

Best cost/income ratio in the system, consistently ⁽¹⁾



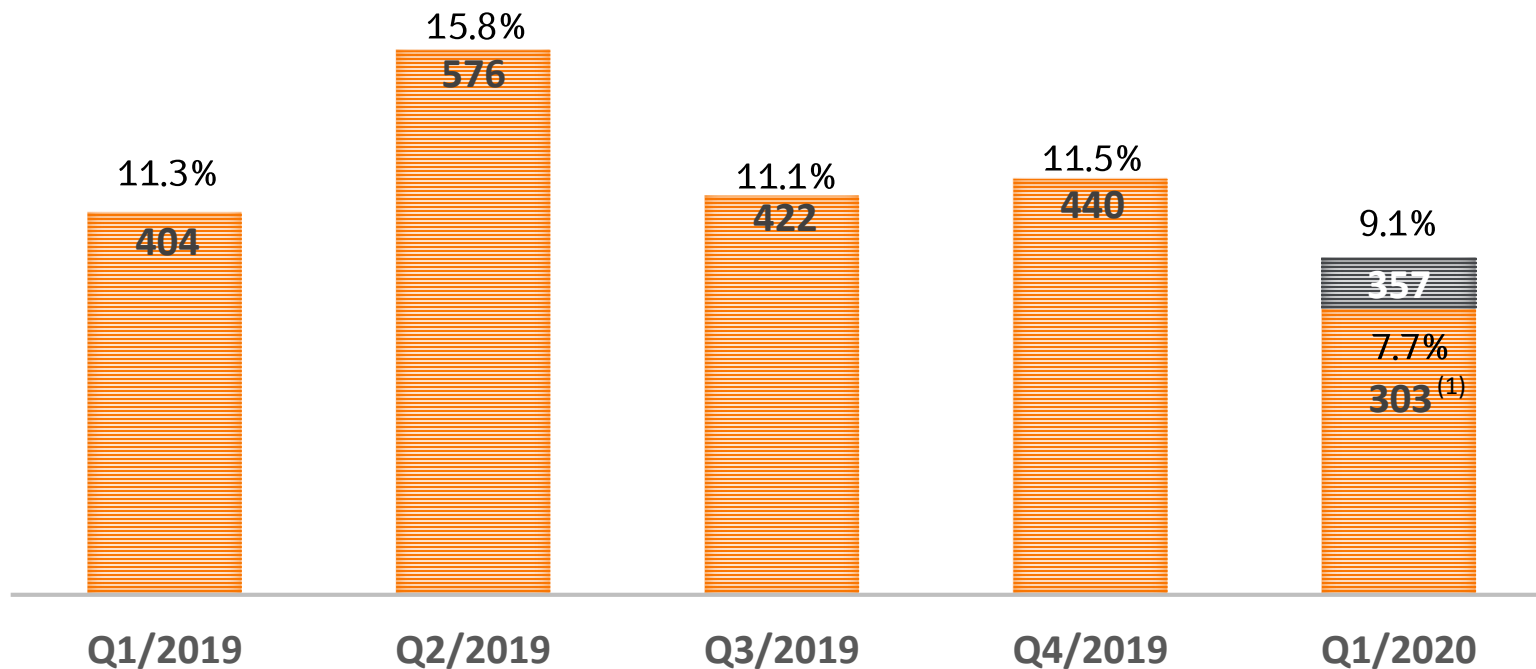
(1) Excluding one offs and extra-ordinary items



Financial Statements

Net profit and ROE

(NIS mil)



(1) Excluding revenues amounting NIS 82 million (net of taxes NIS 54 million) with respect to agreement with insurers to conclude derivative proceedings.

Condensed P&L report

(NIS mil)



	Q1/2020	Q1/2019	% of change
Interest revenue, net	1,347	1,231	9.4
Non interest revenues	593	466	27.3
Total	1,940	1,697	14.3
Expenses with respect to credit losses	345	76	-
Operating and other expenses	1,017	986	3.1
Net profit	357	404	(11.6)

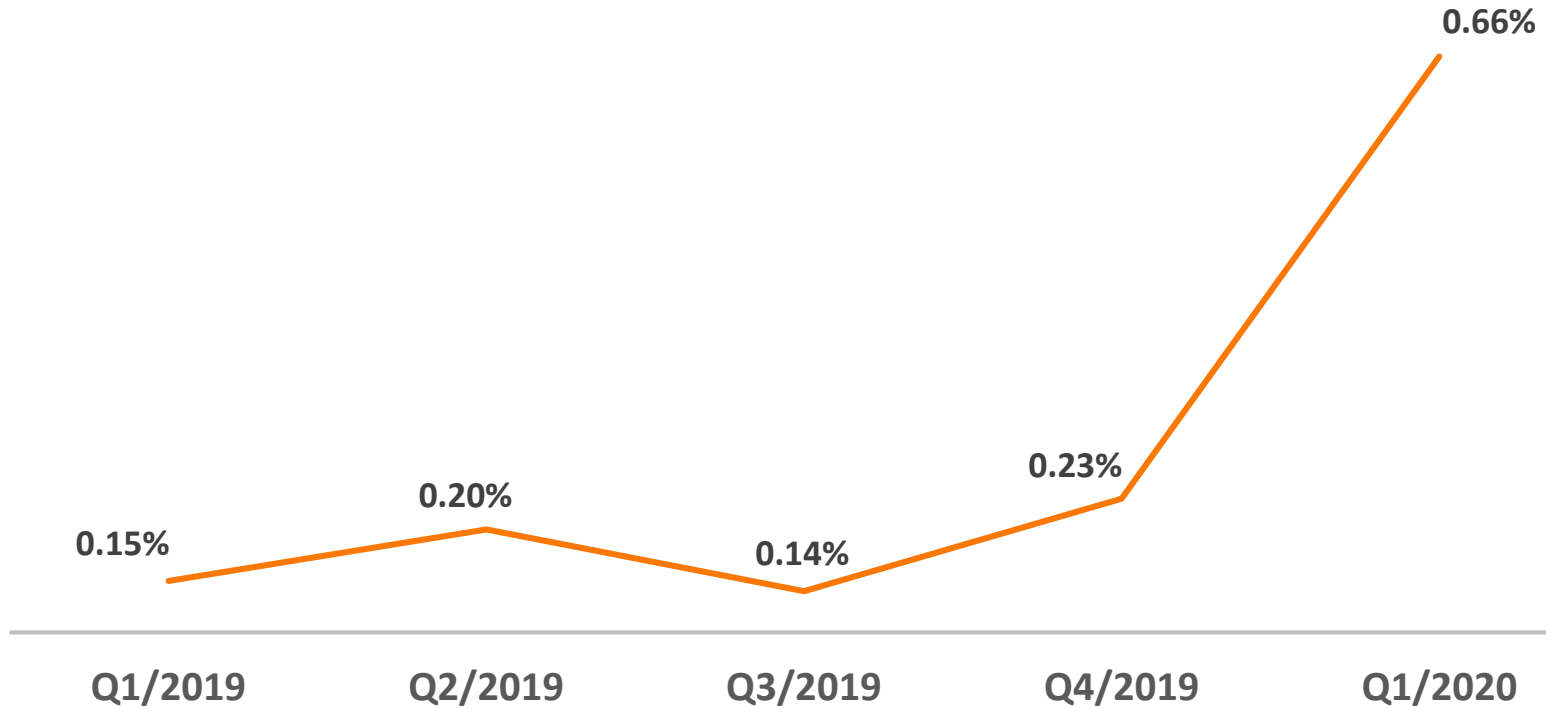
Financing revenues

(NIS mil)

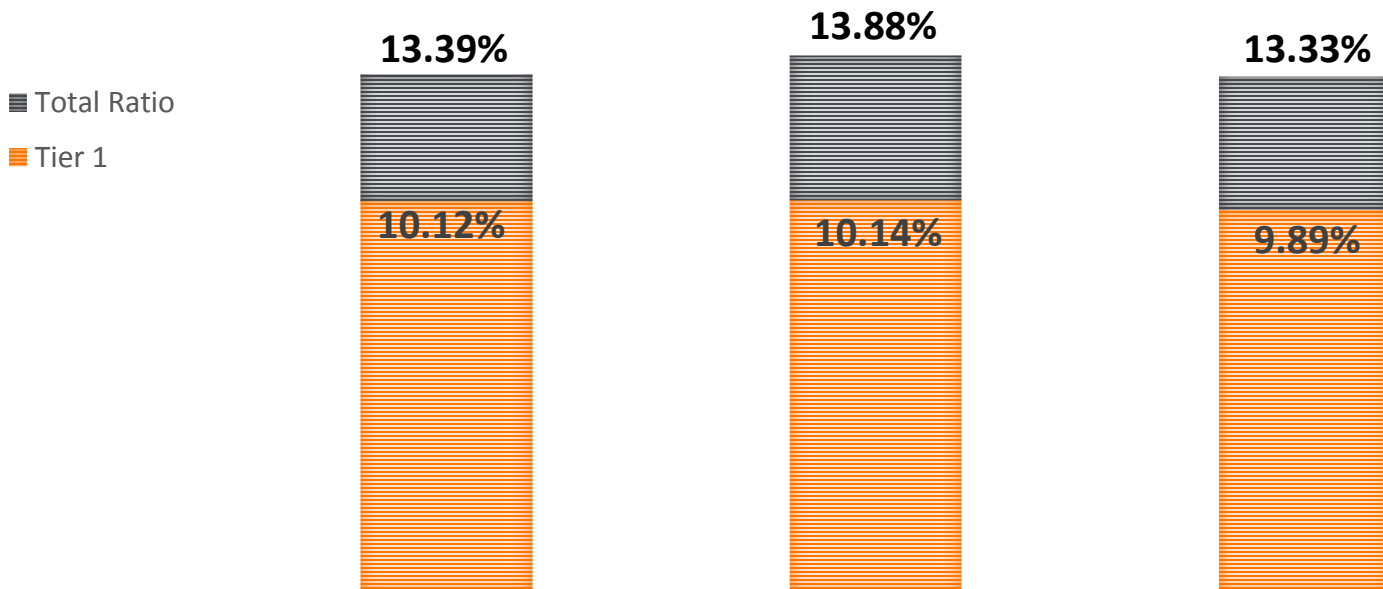


		Q1/2020	Q1/2019	Rate of change
Interest revenues, net		1,347	1,231	
Non-interest financing revenues		64	57	
Total financing revenues		1,411	1,288	9.5
Less:	Linkage differentials with respect to CPI position	(83)	(42)	
	Revenues from collection of interest on troubled debt	7	12	
	Gain from debentures	28	12	
	Effect of accounting treatment of derivatives at fair value and others	43	(43)	
Total effects other than current operations		(5)	(61)	
Total financing revenues from current operations		1,416	1,349	5.0

Provisions / loans to the public



Capital adequacy



■ Total Ratio
■ Tier 1

31.3.2019

31.12.2019

31.3.2020

Bol minimum requirement

Tier 1
Total Ratio

9.83%
13.33%

9.83%
13.33%

8.82%
12.32%

Total balance sheet items development

(NIS mil)



	31.3.2020	31.3.2019	% of change
Total balance sheet	284,731	260,011	9.5
Loans to the public, net	210,230	196,271	7.1
Deposits from the public	223,189	204,777	9.0
Securities	8,709	9,130	(4.6)
Equity	16,371	15,121	8.3

Equity

(NIS mil)

