

May 19, 2026

Net profit in the first quarter: NIS 1.24 billion
Compared to NIS 1.29 billion in the corresponding quarter in 2025
4.0% decrease

Return on equity in the first quarter: 14.1%

Net profit in the first quarter excluding the effect of
the special tax outline for 2026 and benefits to customers under the
voluntary benefits outline (NIS 202 million net): **NIS 1.44 billion**

Return on equity excluding the above: **16.3%**

Loans to the public: NIS 413.6 billion
Compared to NIS 364.4 billion at the end of the first quarter last year
13.5% increase

Deposits from the public: NIS 450.7 billion
Compared to NIS 399.3 billion at the end of the corresponding quarter
last year
12.9% increase

Cost Income Ratio: 38.1%

Dividend distribution of NIS 619 million – 50% of the profit in the first
quarter

Continued growth and expansion in the Bank's activity

The first quarter's results indicate a continued growth trend in the Bank's businesses with a significant expansion of activities across all segments.

This growth trend is reflected in most balance sheet items, which have grown substantially in the first quarter of 2026 compared to the first quarter of 2025: The credit to the public portfolio increased by 13.5%, deposits from the public increased by 12.9%, total assets increased by 11.3%, and shareholders' equity increased by 9.8%.

An analysis of the Bank's credit operations in the first quarter of the year indicates that alongside a 9.2% increase in the residential mortgages portfolio compared to the first quarter of 2025 - while maintaining leadership in the mortgages market and a significant lead over its competitors - the increase in credit in the business segments stands out favorably.

In total, the Bank's business credit portfolio surged by 24.7%, compared to the corresponding quarter in 2025, with credit to large businesses increasing by 30.9% and credit to medium-sized businesses increasing by 25.7%.

The substantial growth in the Bank's business credit is consistent with one of the key targets of the strategic plan for 2025-2027, which was launched by the Bank last year. The Bank's success in rapidly expanding its business credit activity is the result of continuous improvement in its competitive capabilities, and its growing involvement in material transactions in general, and in national infrastructure transactions in particular.

'Boost to businesses' located in northern Israel and to businesses owned by reservists

In order to support and bolster businesses located near the northern front and those owned by reservists, during the first quarter the Bank launched a dedicated initiative - 'Boost to Businesses'. Under the initiative, which was launched as part of the Bank of Israel's outline of benefits to consumers, businesses which met the criteria were awarded a grant of up to NIS 30 thousand, which was automatically transferred to their account.

Concurrently, a dedicated new zone was launched on the Orange Israel platform, which was set up at the beginning of the war on the Bank's website; this new zone featured the stories of the hundreds of businesses included in the initiative, with the information and details through which the general public can purchase their products or services.

The 'Boost to Businesses' initiative was launched as part of an extensive advertising campaign, which brought to the forefront various business owners, who described the challenges and difficulties they experience when running their businesses in a reality of daily security escalation, or when they have to be away from their business for long periods due to successive reserve duty periods.

Moshe Lari: The Bank's results in the first quarter of 2026 indicate continued growth even in a particularly challenging and complex period

"The Bank's success in closing the first quarter of the year with a net profit of nearly NIS 1.25 billion and a return on equity of 14.1% - after the inclusion in the reported results of the effects of the special tax outline for 2026 and the benefits to customers under the voluntary benefits outline - is a commendable achievement, which should be credited to our dedicated employees, who deserve great appreciation for their efforts and contribution toward meeting the Bank's goals.

The Bank's results for the first quarter reflect its success in maintaining its growth momentum in recent years, even in such a challenging and complex period both from the security and the economic perspectives. In most balance sheet items, including: credit to the public, deposits from the public, total assets and shareholders' equity, the Bank achieved substantial growth compared to the first quarter of last year.

Thus, among other things, at the end of the first quarter credit to the public totaled NIS 413.6 billion, compared to NIS 364.4 billion in the corresponding period last year - 13.5% increase, which reflects accelerated growth in credit to the various business segments, in accordance with the targets set in the Bank's strategic plan. At the end of the first quarter of 2026, deposits from the public totaled NIS 450.7, compared to NIS 399.3 at the end of the first quarter of last year - 12.9% increase.

Thanks to the continued growth momentum – coupled with expense side discipline, the Bank posted a strong cost income ratio of 38.1% in the first quarter.

The strong confidence in Mizrahi Tefahot by financial markets in Israel and abroad provides it with excellent access to and maximum availability of long-term financing sources to meet the Bank's various needs. In the first quarter of the year the Bank executed two successful international offerings participated by a range of foreign investment entities: On January 15, the Bank raised from foreign institutional investors USD 750 million under an international issuance of contingent subordinated notes (CoCo), and on January 28 the Bank raised further USD 700 million from foreign institutional entities under an international issuance of bonds.

In accordance with the Board of Directors' resolution, Mizrahi Tefahot will distribute a dividend amounting to NIS 619 million - 50% of the Bank's profit in the first quarter, in accordance with the Bank's dividend distribution policy", **said the Bank's President & CEO Moshe Lari.**

Mizrahi Tefahot Ltd.
Highlights of condensed financial statements
As of March 31, 2026 (NIS in millions)

Key balance sheet items

	March 31		Rate of Change
	2026	2025	in %
Loans to the public, net	413,574	364,384	13.5
Deposits from the public	450,663	399,275	12.9
Shareholders' equity (attributable to shareholders of the Bank)	35,246	32,094	9.8
Total assets	554,365	498,029	11.3

Profit and profitability

	First quarter		Rate of Change
	2026	2025	in %
Total financing revenues before expenses with respect to credit losses	2,879	2,941	(2.1)
Commissions and other revenues	604	605	(0.2)
Total revenues	3,483	3,546	(1.8)
Expenses with respect to credit losses	31	103	-
Operating and other expenses	1,328	1,339	(0.8)
Net profit attributable to shareholders of the Bank	1,238	1,290	(4.0)

Key financial ratios (in percentages)

	March 31	
	2026	2025
Key performance indicators		
Net profit return on equity	14.1	16.2
Deposits from the public to loans to the public, net	109.0	109.6
Ratio of Tier I equity to risk components	10.17	10.37
Leverage ratio	5.89	6.03
Liquidity coverage ratio (quarterly)	147	139
Cost-income ratio	38.1	37.8
Additional data		
Share price (in NIS) as of March 31	227.8	166.5