

MOODY'S

RATINGS

Announcement of Periodic Review: Moody's Ratings announces completion of a periodic review of ratings of First International Bank of Israel Ltd.

15 Oct 2025

Limassol, October 15, 2025 -- Moody's Ratings (Moody's) has completed a periodic review of the ratings of First International Bank of Israel Ltd. (FIBI) and other ratings that are associated with this issuer.

The review was conducted through a rating committee held on 3 October 2025 in which we reassessed the appropriateness of the ratings in the context of the relevant principal methodology(ies), and recent developments.

This publication does not announce a credit rating action and is not an indication of whether or not a credit rating action is likely in the near future. Please see the Issuer page on <https://ratings.moodys.com> for the most updated credit rating action information and rating history.

Key Rating considerations and rationale are summarized below.

FIBI's ratings, including its Baa1 long-term deposit ratings and baa2 Baseline Credit Assessment (BCA), as well as all the other ratings and assessments associated with this issuer remain unchanged. The rating outlooks for FIBI, where applicable, also remain unchanged at negative.

FIBI's Baa1 deposit ratings reflect the bank's baa2 BCA and one notch of rating uplift from our assessment of a very high likelihood of support from the Government of Israel (Baa1 negative), in case of need.

FIBI's standalone baa2 BCA reflects the bank's stable retail deposits, comfortable liquidity, strong presence in niche segments, low levels of problem loans and credit losses over past economic cycles and its modest, but consistently stable, capitalisation driven by conservative risk weights. The baa2 BCA also captures high geopolitical risks and the bank's significant exposure concentration to the property market.

The negative outlook on FIBI's ratings, where applicable, reflects both the negative outlook on the Government of Israel's rating and therefore the potential further weakening of the sovereign's capacity to provide support, as well as the risk that the bank's standalone fundamentals may be more severely and sustainably affected because of weaker economic growth and investment climate, and a more adverse impact from the conflict on key sectors and individual borrowers.

This document summarizes our view as of the publication date and will not be updated until the next periodic review announcement, which will incorporate material changes in credit circumstances (if any) during the intervening period.

The principal methodology used for this review was Banks published in November 2024. Please see the Rating Methodologies page on <https://ratings.moodys.com> for a copy of this methodology.

The net effect of any adjustments applied to rating factor scores or scorecard outputs under the primary methodology(ies), if any, was not material to the ratings addressed in this announcement.

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