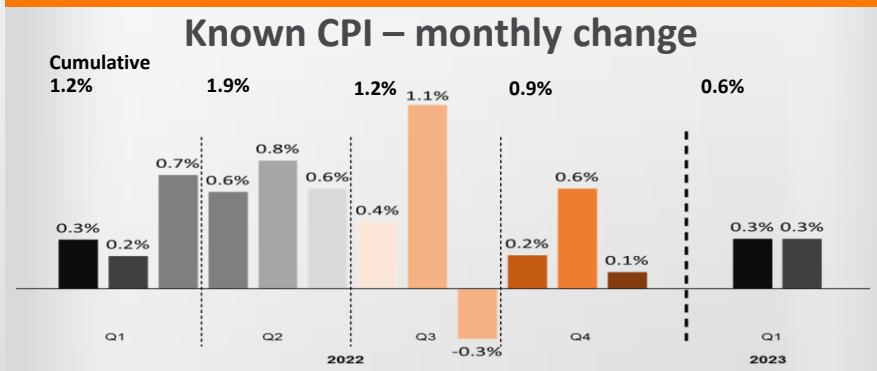
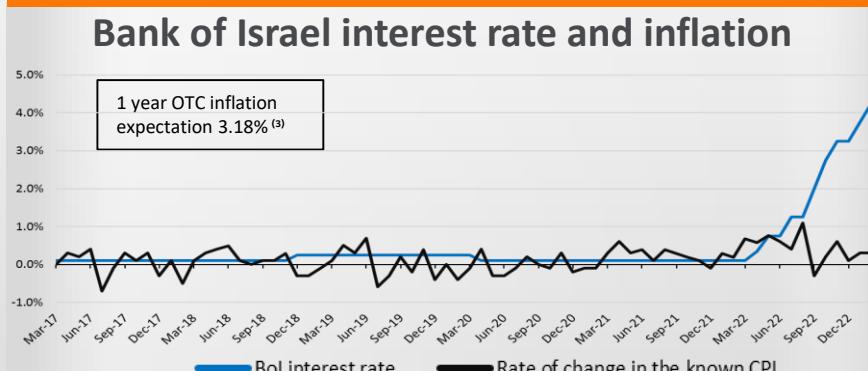
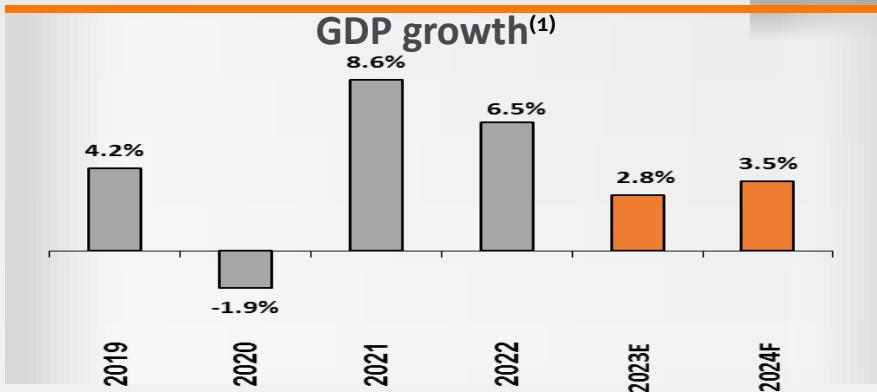
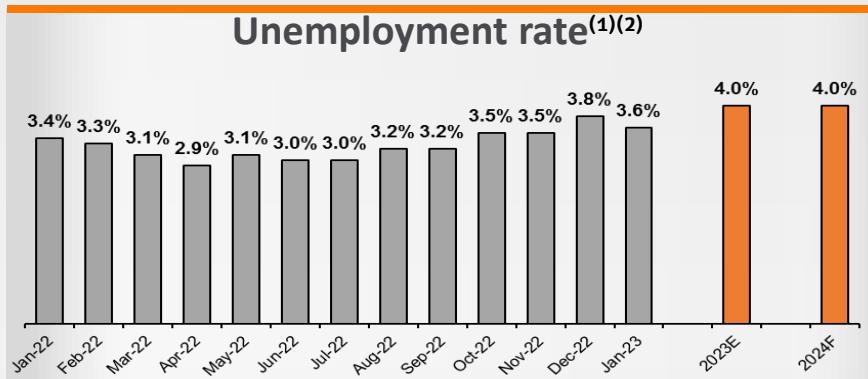




# Financial statements

December 31, 2022

- This document has been prepared by Mizrahi-Tefahot Bank Ltd (UMTB) solely for use at the company's presentation. The information contained in this document constitutes information from the bank's 2022 quarterly and annual reports and/ or immediate reports, as well as the periodic, quarterly and annual reports and/or immediate reports published by the bank in previous years.
- 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, annual or immediate reports published by the bank. In order to receive the full picture regarding the bank's 2022 quarterly and annual reports, the aforesaid reports should be perused fully, as published to the public.
- None of the company, or any of their employees or representatives shall have any liability whatsoever (in negligence or otherwise) for any loss howsoever arising from any use of this document or its contents or otherwise arising in connection with this document.
- The bank's results in practice may be significantly different from those included in the forecasting information, as a result of a large number of factors, including, *inter alia*, changes in the domestic and global equity markets, macro-economic changes, geo-political changes, legislation and regulation changes, and other changes that are not under the bank's control, which may lead to the estimations not realizing and/or to changes in the business plans.
- The forecasting information may change subject to risks and uncertainty, due to being based on the management's estimations regarding future events, which include, *inter alia*: global and local economic development forecasts, particularly regarding the economic situation in the market, including the effect of macro-economic and geo-political conditions; expectations for changes and developments in the currency and equity markets; forecasts related to other various factors affecting exposure to financial risks; forecasts with respect to changes to borrowers' financial strength, public preferences, changes in legislation and the provisions of regulators, competitors' behavior, the status of the bank's perception, technological developments and human resources developments.
- This document does not constitute an offer to sell, or a solicitation of an offer to buy, or a recommendation of any kind regarding any security or any interest in security.



1) 2023E-2024F according to Bol forecast from January 2023

2) Unemployment Rate in the general population, ages 25-64 excluding seasonality.

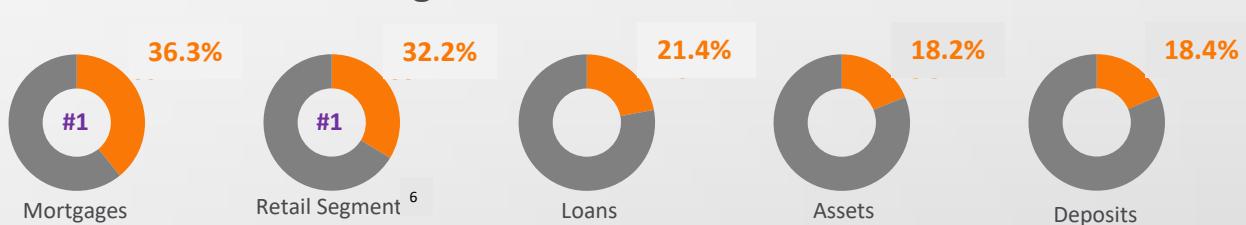
3) As of March 9, 2023



### Leading Israeli Bank

<b>NIS 428bn</b> Total Assets <sup>1</sup>	<b>NIS 307bn</b> Net Loans to the public <sup>1</sup>	<b>NIS 345bn</b> Deposits from the public <sup>1</sup>
<b>NIS 10.2bn</b> Net Interest Revenue <sup>2</sup>	<b>NIS 13.7bn</b> Total Revenue <sup>2</sup>	<b>NIS 4.5bn</b> Net Profit <sup>2</sup>
<b>NIS 30.5bn</b> Market Cap <sup>3</sup>	<b>&gt;7,500</b> Employees <sup>1, 4</sup>	<b>204</b> Branches <sup>1</sup>

### Significant Market Shares<sup>5</sup>



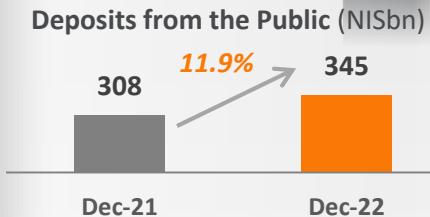
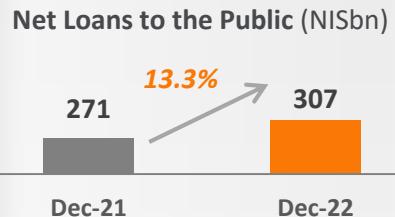
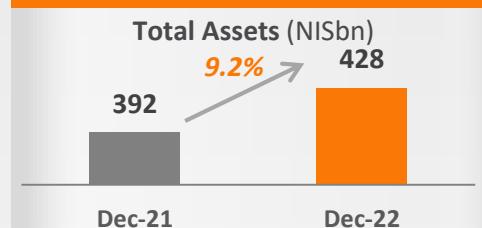
(1) As of December 31, 2022. (2) For 2022. (3) Tel Aviv Stock Exchange (as of March 8, 2022)

(4) Data through December 31, 2022 include 373 former Union Bank employees whose employment was terminated in early 2023.

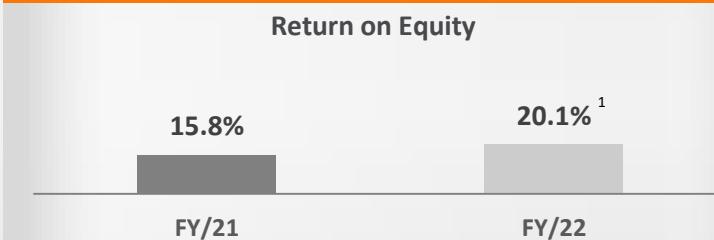
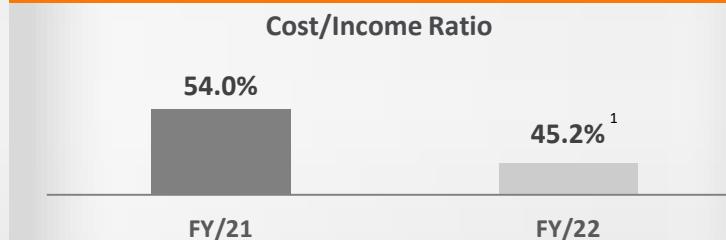
(5) As of September 30, 2022. (6) Market share in credit to Households and Private Banking segments (supervisory operating segments).



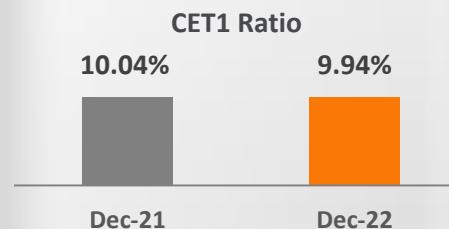
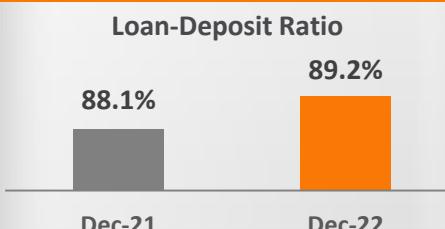
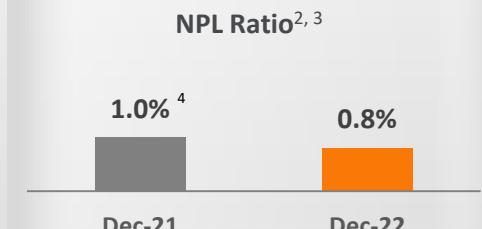
### Balance Sheet Growth



### Profitability



### Asset Quality, Liquidity and Capitalisation



(1) For 2022, excluding effect of capital gain in the first quarter of 2022 cost/income ratio: 46.4%, ROE 19.0%. (2) NPL Ratio is calculated as Impaired Credit not Accruing Interest Income, divided by Gross Loans to the Public. (3) As from the first quarter of 2022, due to application of CECL and other directives, residential mortgages in arrears or under re-structuring, which according to the new directives do not accrue interest revenues on the financial statements, previously presented under "Accruing problematic credit risk – housing" are now presented under "Non-accruing credit". Moreover, "Accruing problematic loans to the public – housing" includes loans accruing interest, which are classified as problematic due to lack of qualitative indications. (4) Applying CECL definitions to December 2021 figures.

- On December 29, 2022, the merger of Union Bank with and into Mizrahi Tefahot was completed. This includes the onboarding of Union Bank customers, closing of all Union Bank branches, and transfer of other operations from Union Bank to Mizrahi Tefahot.
- Upon completion of the merger, Union Bank ceased to exist as a separate legal entity, and all its assets and obligations have been assigned to Mizrahi Tefahot.
- After the balance sheet date, on January 15, 2023, the merger of Union Systems Ltd. with and into the Mizrahi Tefahot Technology Division Ltd. was completed.
- The merger transaction was a material, large-scale and highly complex process which entailed a wide range of risks. The process of customer transition, started in the second quarter of 2021, was gradual and concluded with IT transition of banking activity from Union Bank systems to Mizrahi Tefahot systems, including any accounts not previously transitioned.



Segment	2022		2021		Q4/2022		Q4/2021	
	Provision	Rate of provision	Provision	Rate of provision	Provision	Rate of provision	Provision	Rate of provision
Housing loans	99	0.05%	(133)	(0.08%)	11	0.02%	(41)	(0.09%)
Business	336	0.40%	(89)	(0.13%)	136	0.64%	48	0.27%
Households	97	0.36%	(56)	(0.21%)	44	0.65%	(22)	(0.34%)
<b>Total</b>	<b>532</b>	<b>0.17%</b>	<b>(278)</b>	<b>(0.10%)</b>	<b>191</b>	<b>0.25%</b>	<b>(15)</b>	<b>(0.02%)</b>
Of which Group based provisions	338				130			
<b>Total excluding group based provisions</b>	<b>194</b>	<b>0.06%</b>			<b>61</b>	<b>0.08%</b>		

Expenses with respect to credit losses in 2022 primarily include increase in the group-based provision due to growth of the Bank's commercial loan and residential mortgage portfolio, reflecting the higher market interest rate. The increase in group-based provision contributed NIS 338 million to total expenses with respect to credit losses in 2022 (in the fourth quarter of 2022: NIS 130 million). Excluding this contribution, expenses with respect to credit losses would have amounted to NIS 194 million in 2022 (in the fourth quarter of 2022: NIS 61 million), or 0.06% of total loans to the public (in the fourth quarter of 2022: 0.08%).

In the corresponding period last year, the Bank recognized revenues with respect to decrease in provision for credit losses, due to decrease in the group-based provision, against the background of improved macro-economic data, due to recovery from the Corona Virus crisis and decrease in loan amount subject to repayment deferral due to the Corona Virus crisis.

Provisions / loans to the public

0.17%

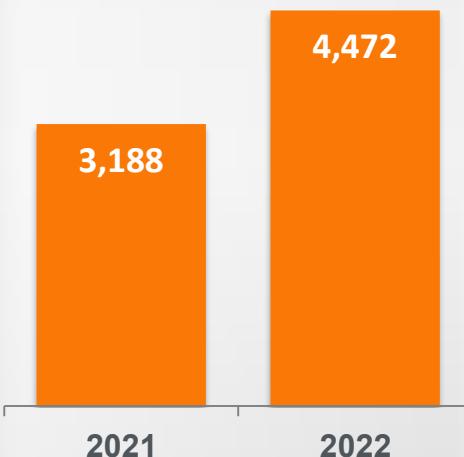
2021

2022

(0.10%)



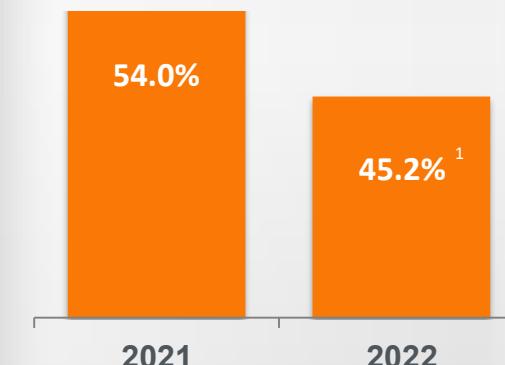
## Net profit (NIS mil)



## Return on equity



## Cost/income ratio

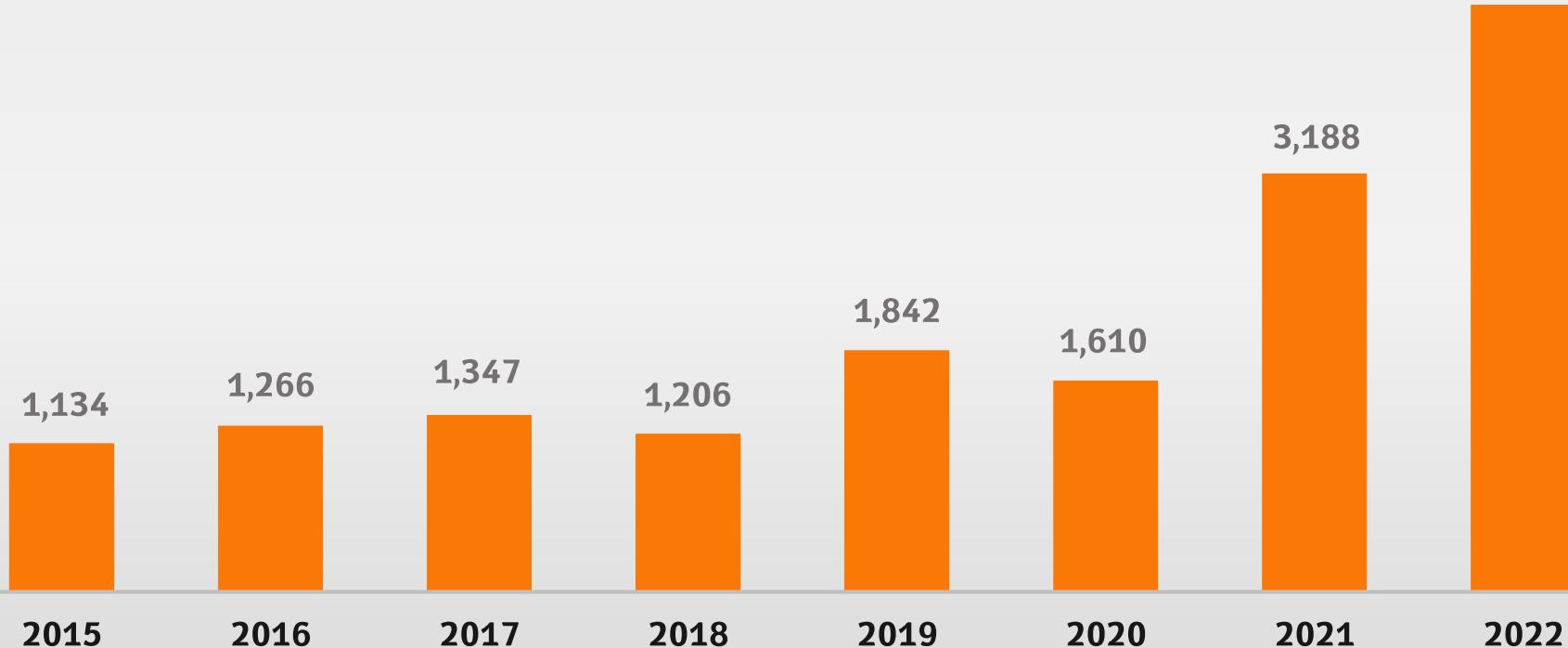


The bank recorded the highest profit ever

# Net profit in 2022 is the HIGHEST ANNUAL PROFIT ever

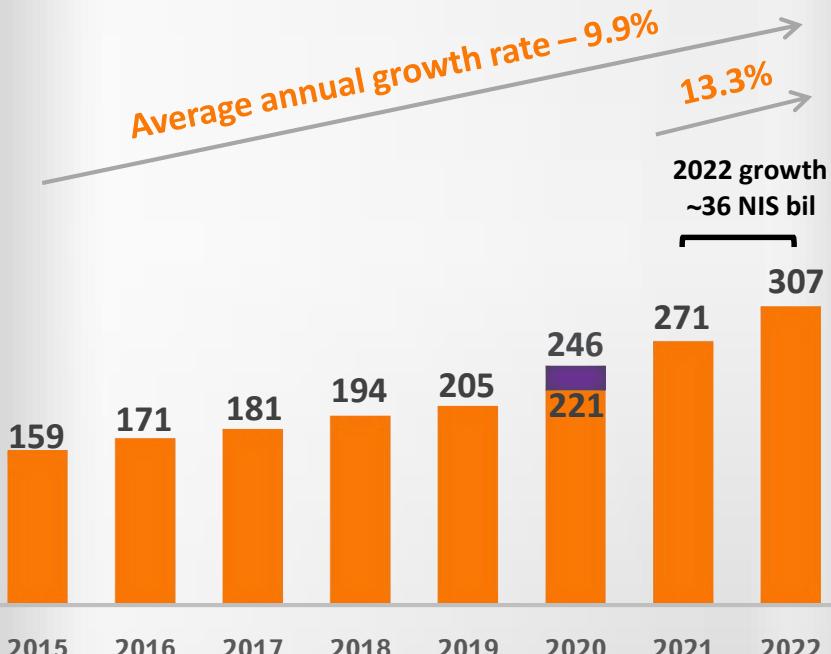


4,472





## Credit to the public (NIS bil)



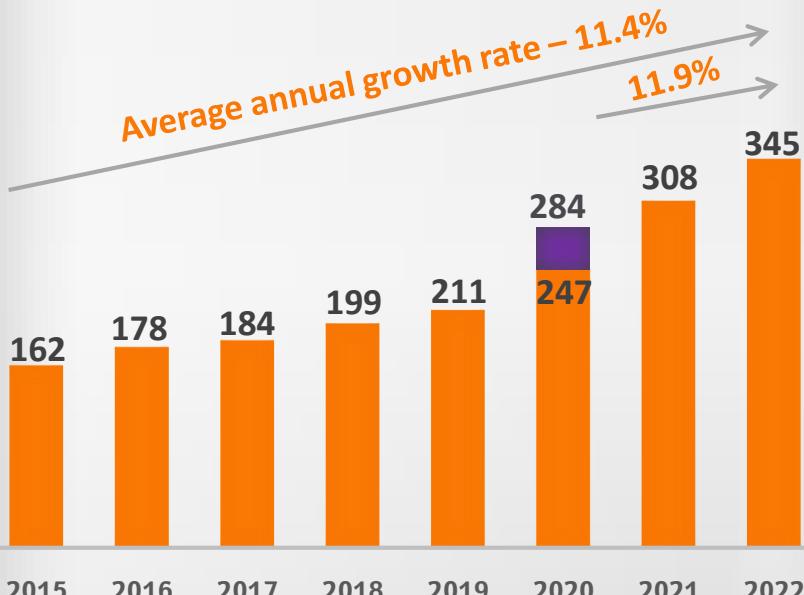
Business segment	31.12.22	31.12.21	% change in
Housing loans	195,820	174,822	12.0
Households + private banking	27,217	26,087	4.3
Total individuals	223,037	200,909	11.0
Total businesses <sup>(1)</sup>	84,435	70,519	19.7
<b>Total</b>	<b>307,472</b>	<b>271,428</b>	<b>13.3</b>

Supervisory operating segments

(1) Small and micro businesses, Medium businesses and Large businesses, Institutional investors and Overseas operations



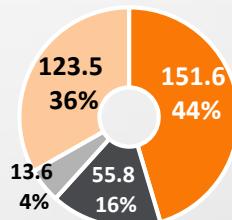
### Deposits from the public (NIS bil)



### Core deposits<sup>(1)</sup>



### Deposits by segments

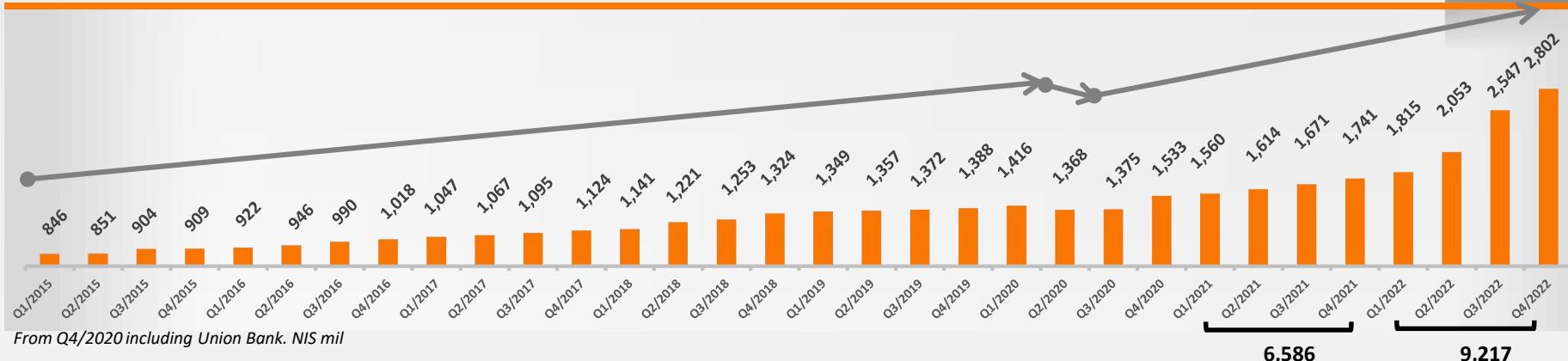


Total core deposits: NIS 221.0 bil  
Share of core deposits: 64%

#### Segment

- House holds and Private banking
- Small and micro businesses
- Medium businesses
- Large businesses, Institutional investors and Overseas operations

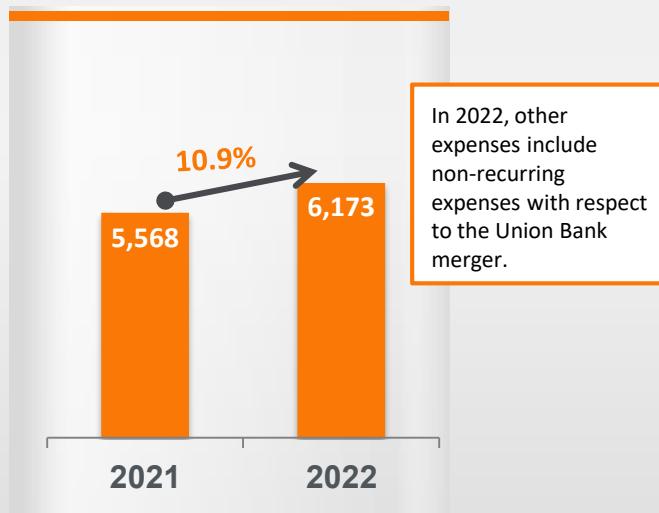
# Financing revenues from current operations continue to grow



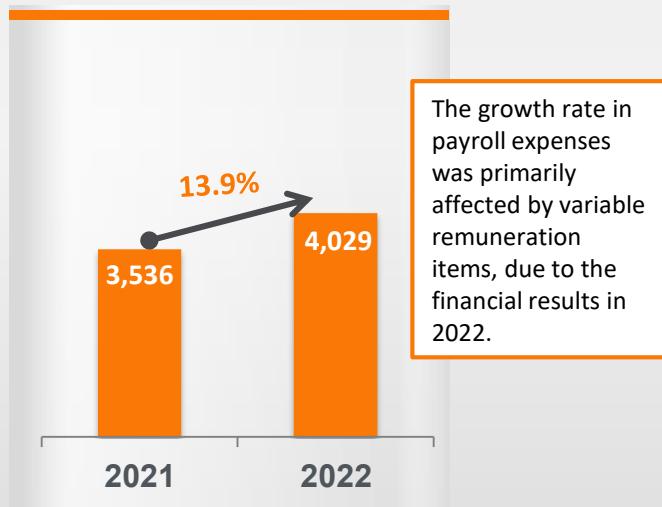
	2022	2021	Rate of change
Interest revenues, net	10,240	7,685	
Non-interest financing revenues	754	401	
<b>Total financing revenues Excluding Union Bank, less:</b>	<b>10,994</b>	<b>8,086</b>	<b>36.0%</b>
Effect of the Consumer Price Index	1,144	484	
Revenues from collection of interest on troubled debt	67	57	
Gains (losses) from bonds, shares and real investments	(3)	254	
Effect of accounting treatment of derivatives at fair value and others	569	705	
<b>Total effects other than current operations</b>	<b>1,777</b>	<b>1,500</b>	
<b>Total financing revenues from current operations</b>	<b>9,217</b>	<b>6,586</b>	<b>39.9%</b>



### Operating and other expenses (NIS mil)

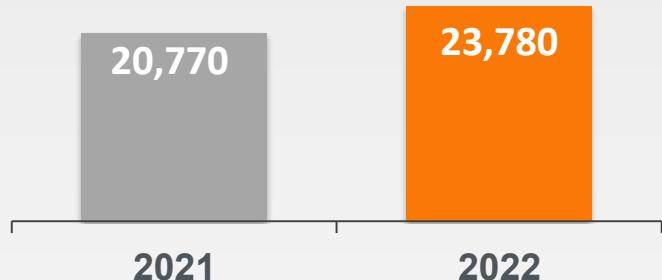


### Salaries (NIS mil)





Equity (NIS mil)



2021

2022

Dividend<sup>(1)(2)</sup> (NIS mil)

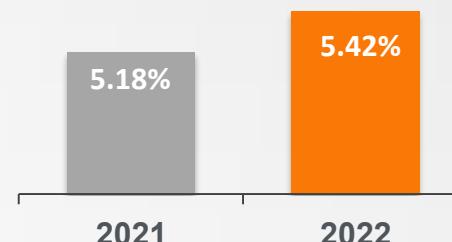
Dividend distributed for Q4/2022 at a rate of 30%  
of the net profit of that period

(1) For the relevant period

(2) It is hereby clarified that there is no change to the Bank's dividend policy, as detailed in the report published by the Bank on April 27, 2021 (reference no. 2021-01-071448).

(3) Including the interim BOI directive for the COVID period of reduction of regulatory capital requirements applicable to banks by one percentage point, that expired January 1, 2022

Leverage ratio

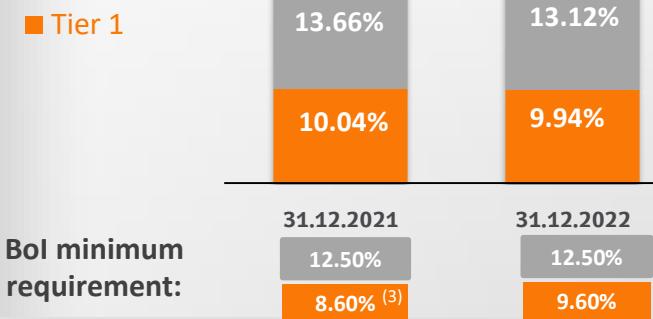


2021

2022

Capital adequacy

■ Total ratio  
■ Tier 1



BOI minimum  
requirement:



# Thank you

