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Image alt: Phoenix Logo



Image alt: Additional Symbol

PHOENIX INSURANCE LTD.

Rating Action and August 2025

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Midroog

PHOENIX INSURANCE LTD.

Insurer Financial Strength Rating (IFS) Aaa.il

Rating Outlook: Stable

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Complex Subordinated Capital and Tier 2 Capital Instrument

Aa2.il(hyb)

Rating Outlook: Stable

Additional Tier 1 Capital Instrument

Aa3.il(hyb)

Rating Outlook: Stable

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Midroog assigns a rating of Aa3.il(hyb) with a stable outlook for the additional Tier 1 capital raising (Series 18, up to NIS 500 million par value), which PHOENIX INSURANCE LTD. (hereinafter: "the Company") intends to raise through its subsidiary, Phoenix Capital Raising (2009) Ltd. The proceeds will be fully deposited in the Company and recognized as an additional Tier 1 capital instrument²⁰¹ in accordance with the provisions regarding the equity of an insurance company²⁰².

The ratings of the subordinated debts reflect the legal-contractual subordination of these debts relative to the IFS rating, the seniority ranking among the subordinated debts themselves, and the impact of the loss absorption mechanisms embedded in them. Considering the Company's IFS level, the current and expected economic solvency, in our assessment, while maintaining a sufficient margin from the effective regulatory economic solvency requirement for the instruments, we assess that the uncertainty regarding the likelihood of reaching "triggering circumstances"²⁰³ and the occurrence of a "trigger event"²⁰⁴ is low, and therefore, no additional notch was deducted for the additional Tier 1 capital instruments.

For information on the full rating considerations, please refer to the August 2025 monitoring report²⁰⁵.

The outstanding bonds rated by Midroog:

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Bond Series	Security Number	Rating	Rating Outlook	Recognized Capital Type	Final Maturity Date
Phoenix Capital Bond E	1135417	Aa2.il(hyb)	Stable	Tier 2 Capital ¹	31/10/2029
Phoenix Capital Bond T	1155522	Aa2.il(hyb)	Stable	Tier 2 Capital	31/08/2029
Phoenix Capital Bond YA	1159359	Aa2.il(hyb)	Stable	Tier 2 Capital	30/04/2032
Phoenix Capital Bond YG	1188135	Aa2.il(hyb)	Stable	Tier 2 Capital	31/10/2032
Phoenix Capital Bond YD	1201946	Aa2.il(hyb)	Stable	Tier 2 Capital	28/02/2033
Phoenix Capital Bond TU	1201953	Aa2.il(hyb)	Stable	Tier 2 Capital	30/06/2033
Phoenix Capital Bond TZ	1220334	Aa2.il(hyb)	Stable	Tier 2 Capital	01/11/2034
Phoenix Capital Bond YZ	1220342	Aa2.il(hyb)	Stable	Tier 2 Capital	01/02/2035
Phoenix Capital Bond YB	1195585	Aa3.il(hyb)	Stable	Additional Tier 1 Capital	05/02/2071

¹ Complex subordinated.

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Rating History

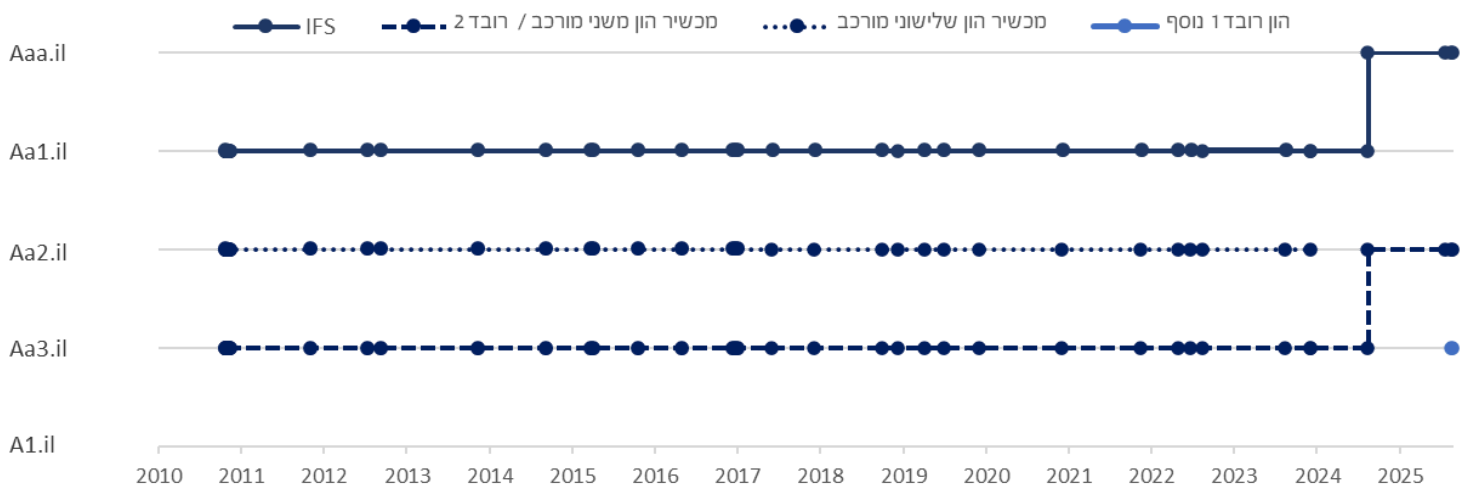


Image alt: Rating History Graph

Related Reports

PHOENIX INSURANCE LTD. - Related Reports
PHOENIX FINANCIAL LTD - Related Reports
Life, Health and General Insurance Companies Rating - Methodological Report, May 2022
Guidelines for Examining Environmental, Social and Corporate Governance Risks in Credit Ratings - Methodological Report, February 2022
Table of Affiliations and Holdings
Midroog's Rating Scales and Definitions
Reports are published on the Midroog website

www.midroog.co.il

General Information

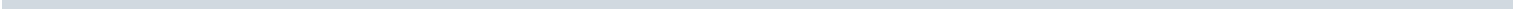
Rating Report Date:	27.08.2025
Last Rating Update Date:	24.08.2025
Date of Initial Rating Publication:	28.10.2010
Name of Rating Initiator:	PHOENIX INSURANCE LTD.

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Name of Entity that Paid for the Rating:	PHOENIX INSURANCE LTD.
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Information from the Issuer

Midroog relies in its ratings, among other things, on information received from authorized parties at the issuer.



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Local Long-Term Rating Scale

Aaa.il	Issuers or issues rated display, in Midroog's judgment, the highest credit repayment ability relative to other local issuers.
Aa.il	Issuers or issues rated display, in Midroog's judgment, a very high credit repayment ability relative to other local issuers.
A.il	Issuers or issues rated display, in Midroog's judgment, a high credit repayment ability relative to other local issuers.
Baa.il	Issuers or issues rated display, in Midroog's judgment, a medium credit repayment ability relative to other local issuers and may have certain speculative characteristics.
Ba.il	Issuers or issues rated display, in Midroog's judgment, a weak credit repayment ability relative to other local issuers and have speculative characteristics.
B.il	Issuers or issues rated display, in Midroog's judgment, a very weak credit repayment ability relative to other local issuers and have significant speculative characteristics.
Caa.il	Issuers or issues rated display, in Midroog's judgment, the weakest credit repayment ability relative to other local issuers and have the most significant speculative characteristics.
Ca.il	Issuers or issues rated display, in Midroog's judgment, an extremely weak credit repayment ability and are very close to default with some chance of principal and interest repayment.
C.il	Issuers or issues rated display, in Midroog's judgment, the weakest credit repayment ability and are generally in default with slim chances of principal and interest repayment.

Note: Midroog uses numerical modifiers 1, 2, 3 in each rating category from Aa.il to Caa.il. Modifier '1' indicates that the bond is at the higher end of its rating category, as indicated by the letters. Modifier '2' indicates it is in the middle of the rating category, and modifier '3' indicates the bond is at the lower end of its rating category, as indicated by the letters.

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PHOENIX INSURANCE LTD. - Rating Action

FOOTNOTE:

²⁰¹ Subject to the maximum rate limitation (20%) of additional Tier 1 capital.

²⁰² Provisions regarding the equity of an insurance company, Part B

²⁰³ Required capital for "triggering circumstances" is defined as 80% of the required solvency ratio during the transition period, after adjusting the equity scenario according to the Solvency Circular (hereinafter: "required solvency ratio").

²⁰⁴ "Trigger event" occurs upon one of the following: (1) The equity of the insurance company, according to the financial statement prior to the last published financial statement, is lower than the required solvency capital (SCR), and no capital injection was made; (2) According to the last published financial statement, the solvency ratio is below 75% and no capital injection was made; (3) If there are significant doubts about the continued existence of the insurance company as a going concern.

²⁰⁵ The rating report appears on the Midroog website.