



Financial Statements as of March 31, 2022

Disclaimer

Without derogating from the generality of the provisions contained in the Terms of Use as published on the website of The First International Bank of Israel Ltd. (the “Bank”), this presentation and its contents were prepared by the Bank for its exclusive use as part of the presentation of its quarterly and/or annual financial statements.

This presentation does not constitute, and is not to be interpreted as, an offer or solicitation to purchase securities of the Bank or of the Bank Group. The presentation is exclusively intended for purposes of providing information. The information contained herein is partial, is presented in concise form for convenience only, and is not intended to replace the need to read the reports of the Bank to the Israel Securities Authority and to the Tel Aviv stock Exchange Ltd., including the annual, quarterly and immediate reports of the Bank.

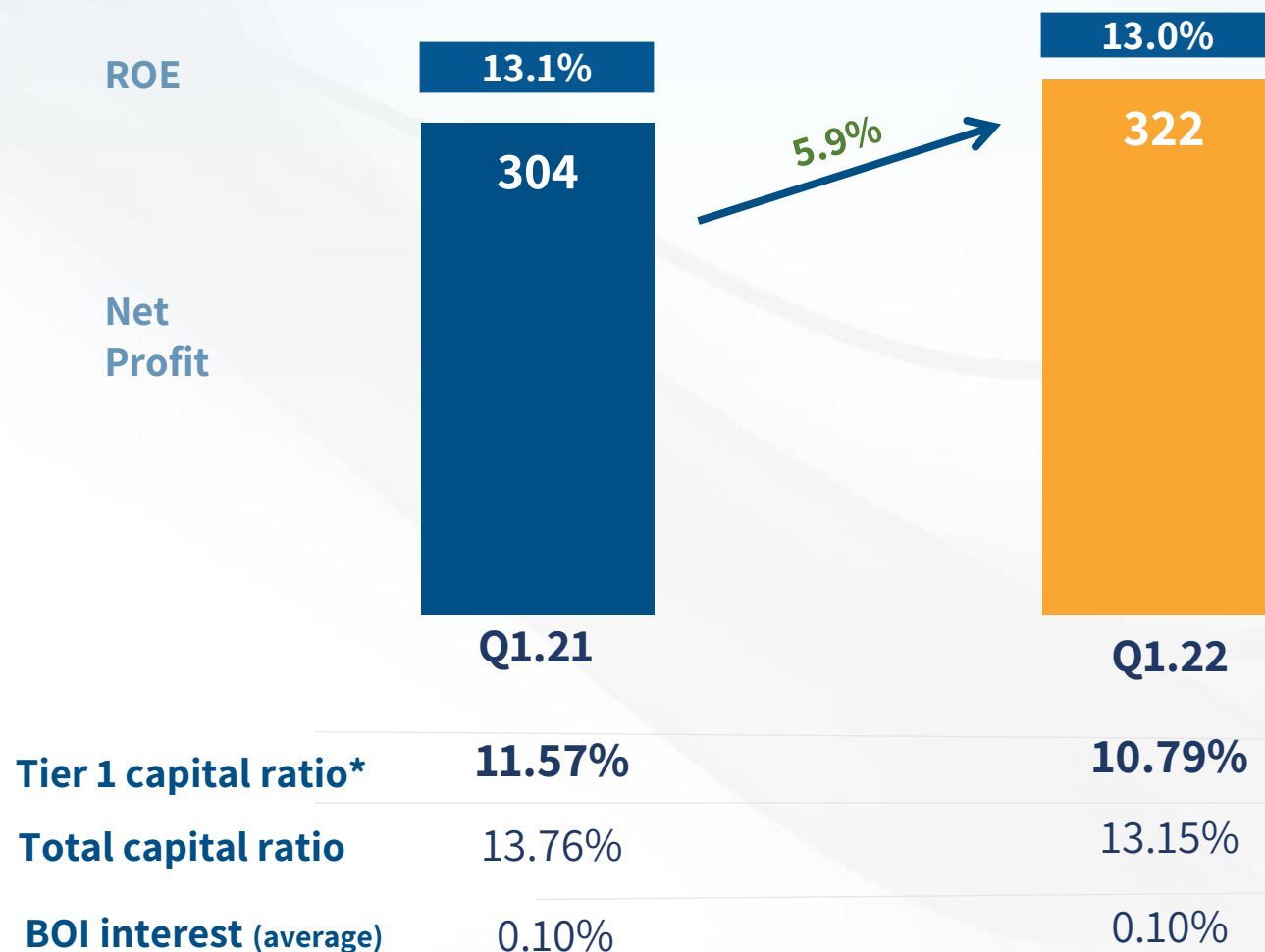
This presentation should not be relied upon in connection with any transaction, contract, undertaking or investment. The information contained herein does not constitute advice, a recommendation or the rendering of an opinion regarding the advantageousness of investment and does not replace an independent examination and the professional advice of a duly licensed expert investment consultant.

The Bank makes no warranty nor covenant with respect to the completeness, accuracy or truth of the information contained in this presentation. The Bank, its employees, its officers or its shareholders shall bear no liability for any damage and/or loss, direct or indirect, caused or which may be caused as a result of use of the information contained in this presentation.

The Bank shall not be liable for updating, and undertakes no obligation to update, the information contained in this presentation for any future change in economic, financial or legal conditions pertaining to the Bank and to any corporation and/or entity mentioned in this presentation, which may occur after the publication of this presentation.

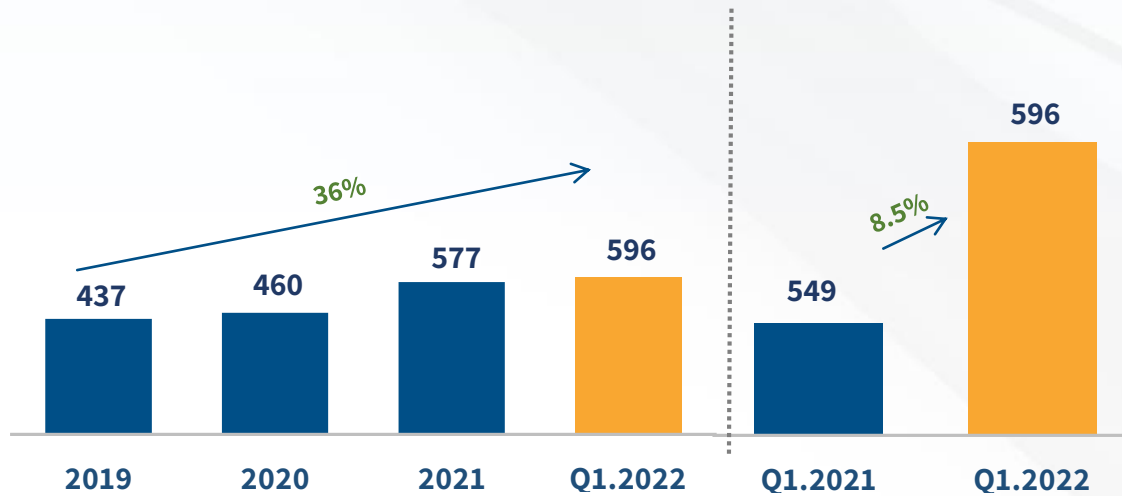
Part of the information contained in this presentation constitutes forward-looking information. Such information includes forecasts, goals, estimates and assumptions based on the opinion of Bank Management, which relate to future events or matters, the materialization of which is uncertain and is beyond the Bank’s control. Actual results may materially differ from those included in the forward-looking information as a result of numerous factors, including, inter alia, due to legislative changes and changes in the directives of supervisory authorities, economic developments, and changes in and the inherent uncertainty involved in the Bank’s business and the results of its diverse activities. For a detailed and accurate description of forward-looking information, see the section on forward-looking information in the financial statements of the Bank.

Net Profit and ROE (NIS millions)

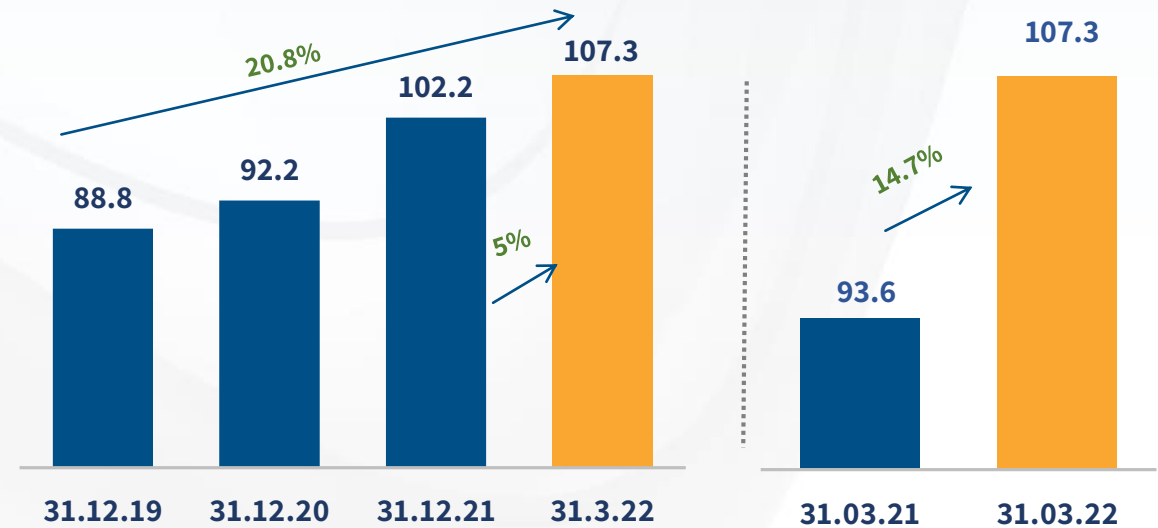


Growth

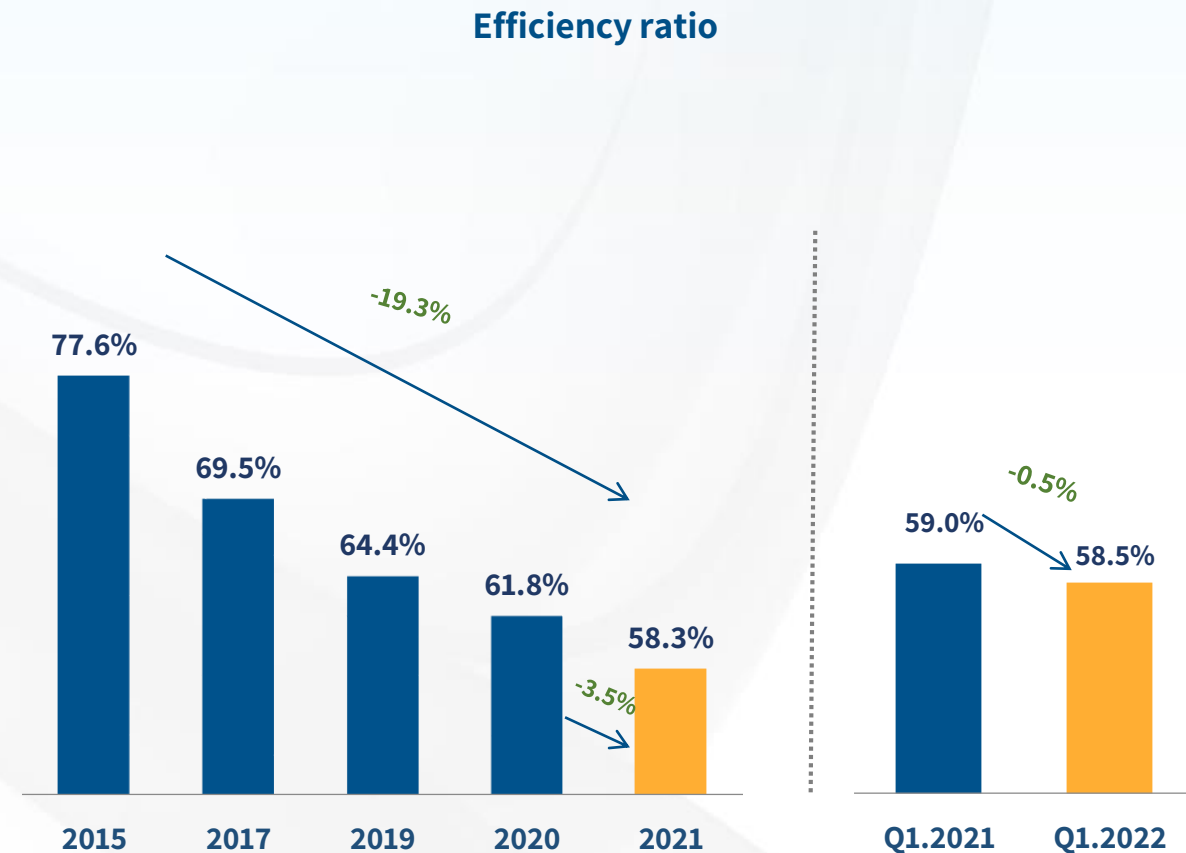
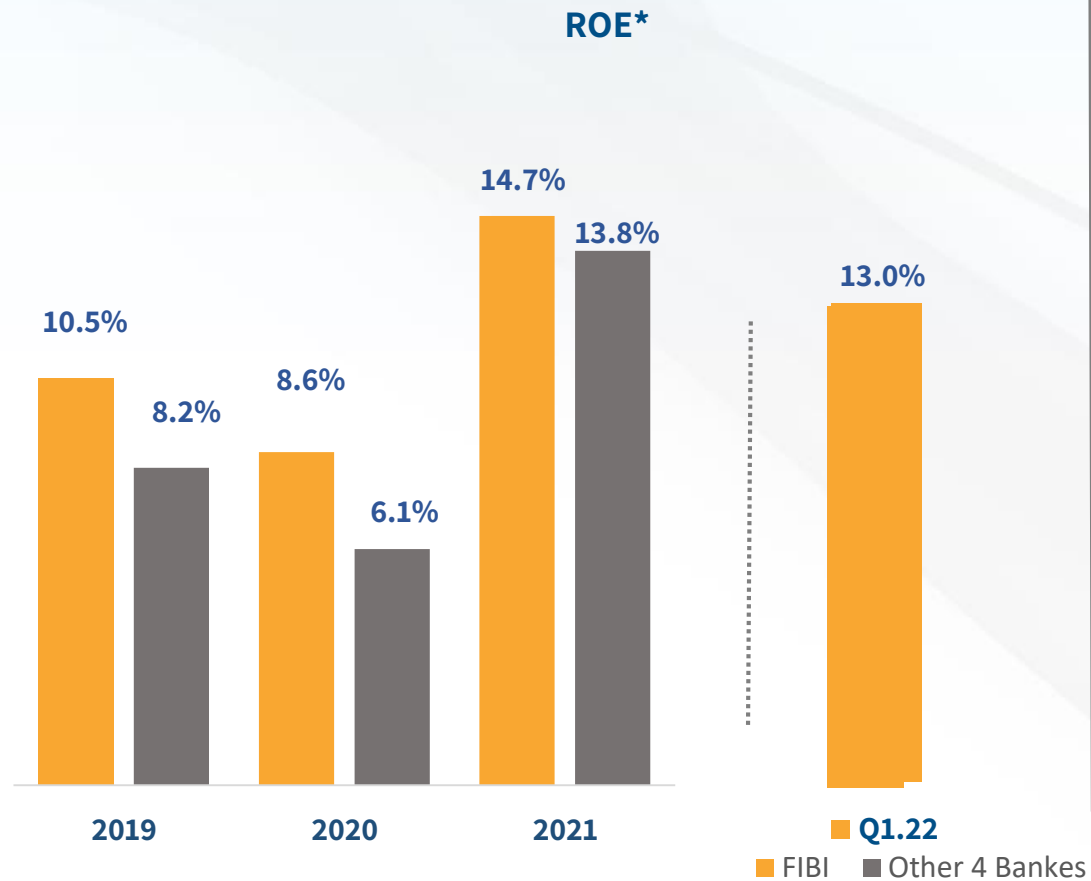
Total client asset portfolio (NIS billions)- Average



Total credit to Public (NIS billions)-End of period



Growth & Efficiency



* FIBI's average ROE in 2020-2021 was 11.4%.

* ROE growth was achieved while maintaining low volatility in margins.

Principal Information Q1.2022 (quarter on Parallel)

Profitability

ROE

13.0% 13.1%
Q1.2022 Q1.2021



Net income **growth**

322 **5.9%**
Q1.2022 change



Revenue **growth**

1,170 **5.3%**
Q1.2022 change



Interest income **growth**

744 **11.1%**
Q1.2022 change



Commission income **growth**

384 **6.4%**
Q1.2022 change



Growth

Credit **growth** end of period

14.7% **5%**
Compared Compared
31.03.21 31.12.21



Growth in the client asset portfolio

5.5% 8.5%
Compared Average
31.03.21 Q1.2021



Growth in total balance

5.5% **182.0**
Compared
31.03.21



Efficiency and Financial Strength

Improvement in the efficiency ratio

58.5% 59.0%
Q1.2022 Q1.2021



Income (expenses) from credit losses

— (0.04%)
Q1.2022 Q1.2021



Tier 1 capital ratio

10.79% 11.57%
31.3.22 31.3.21



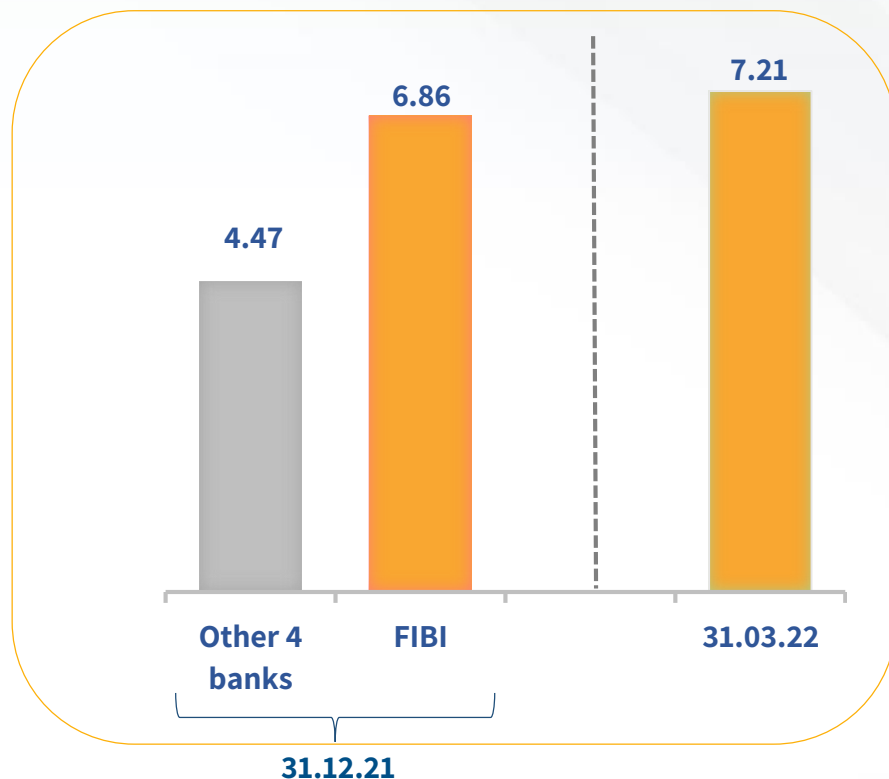
Condensed income statement Q1.2022

(NIS millions)	Q1.2022	Q1.2021	Change (before taxes)	% Change
Interest Income, net	744	670	74	11.0%
Non-Interest Financing income	34	76	(42)	(55.3%)
Total interest income	778	746	32	4.3%
Income from credit losses	-	(9)	9	
Fees	384	361	23	6.4%
Total interest and non-interest income (before provision for credit losses)	1,170	1,111	59	5.3%
Total operating and other expenses	684	656	28*	4.3%
Profit before taxes	486	464	22	4.7%
The bank's share in profit (loss) of equity-basis investee, after taxes	17	13	4	30.8%
Attributed to shareholders of the Bank	322	304	18	5.9%

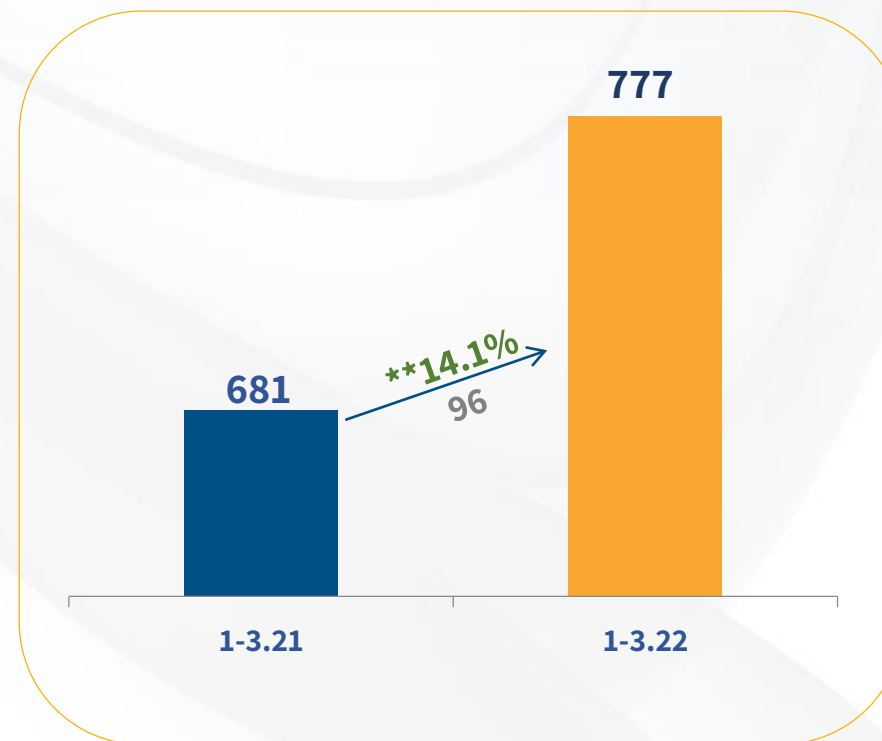
* Due to an increase in wage costs following timing differences in an inherently volatile salary component (including provision for leave).

Income from Financing Activities (NIS millions)

**Total demand deposits
(non-bearing interest) to equity
ratio**



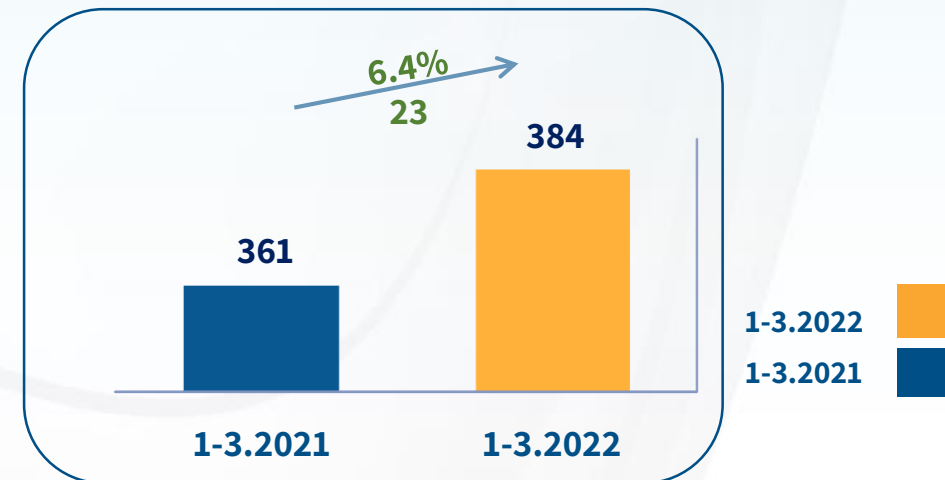
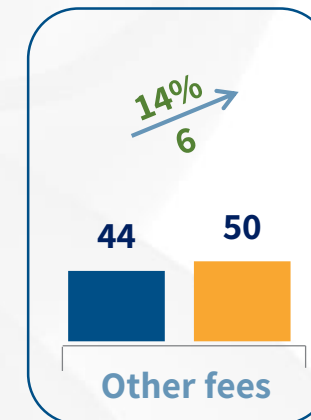
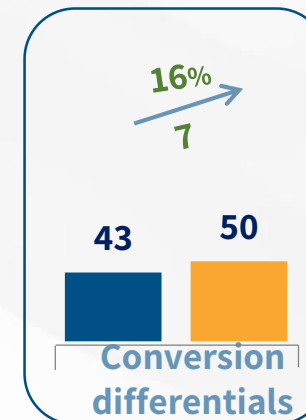
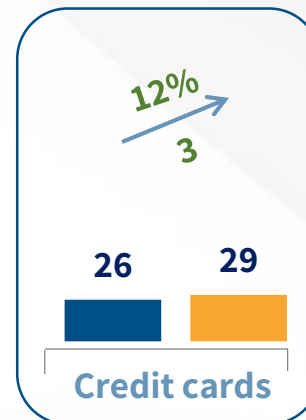
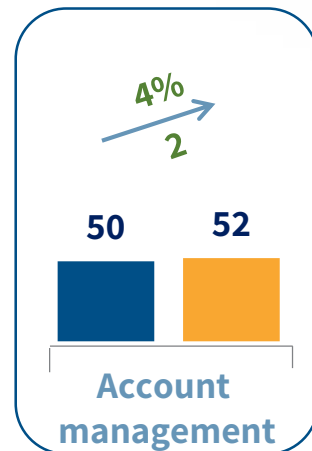
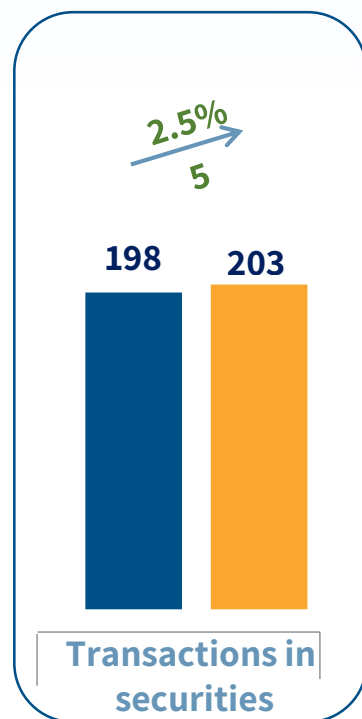
**Financing earnings from
operating activities***



*Financing earnings excluding fair value of derivatives and nostro realizations.

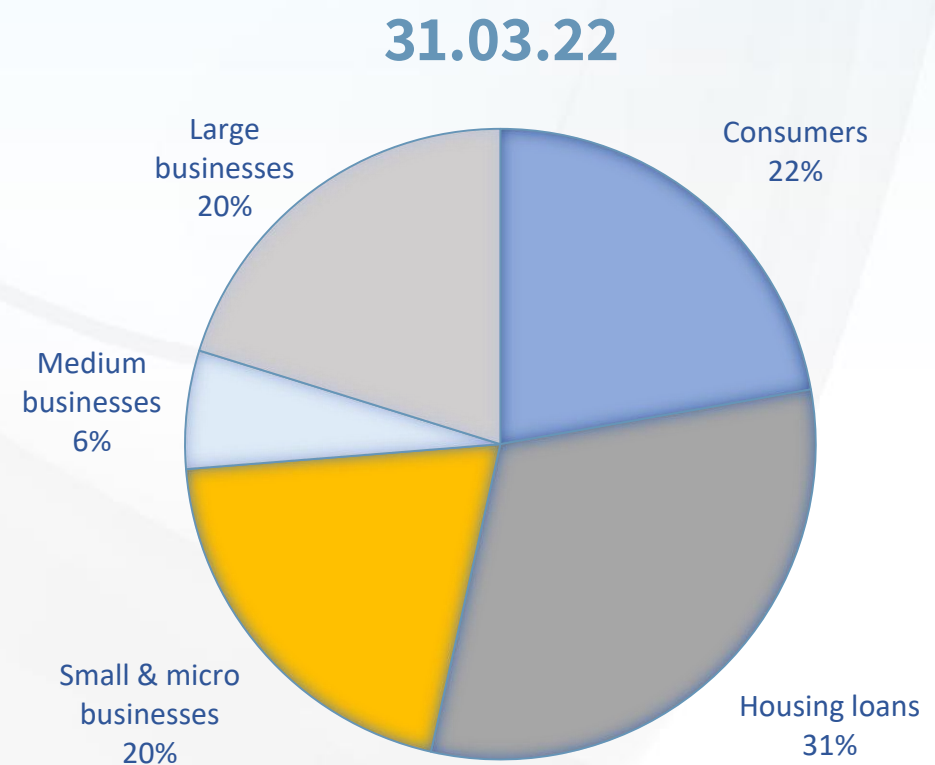
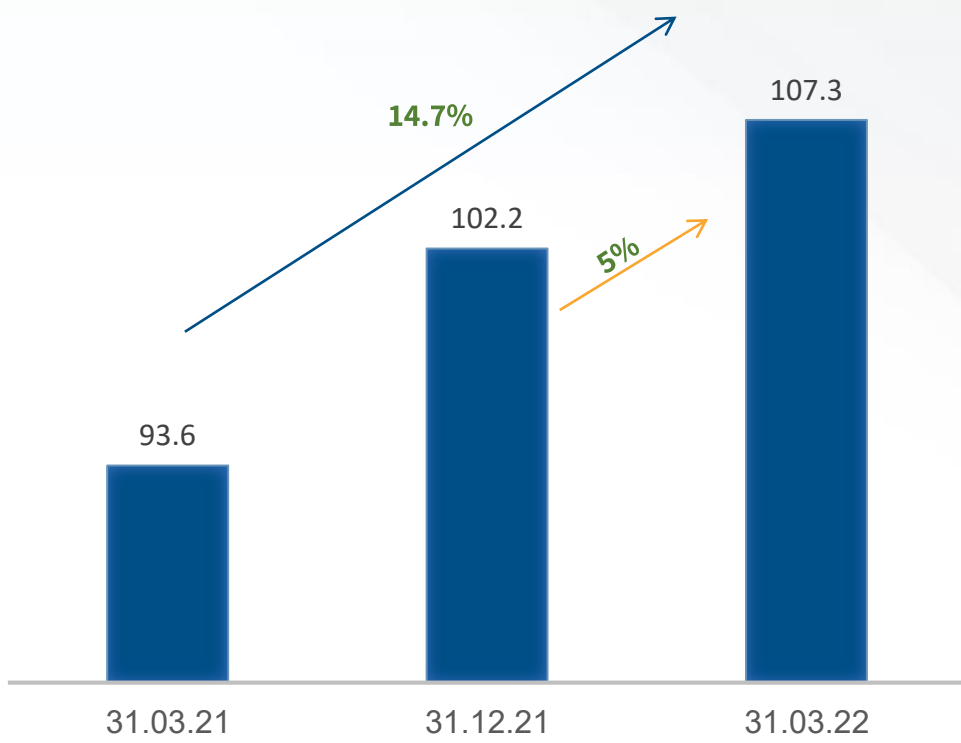
**Excluding the effects of changes in the CPI, an increase of 7.7% (52 NIS million).

Commissions & Charges for Banking Operations Q1.2022 VS Q1.2021



Credit Portfolio

End of period (NIS billions)

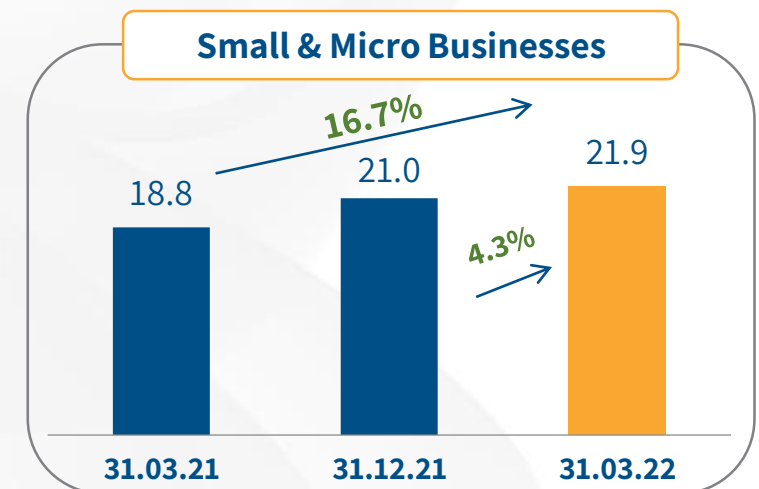
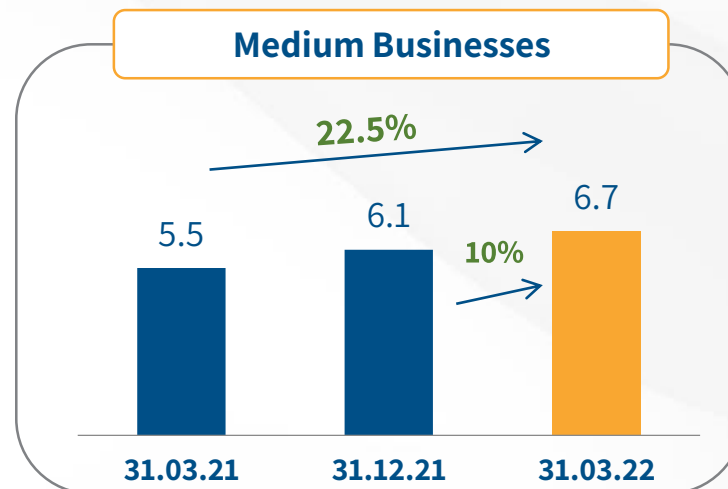
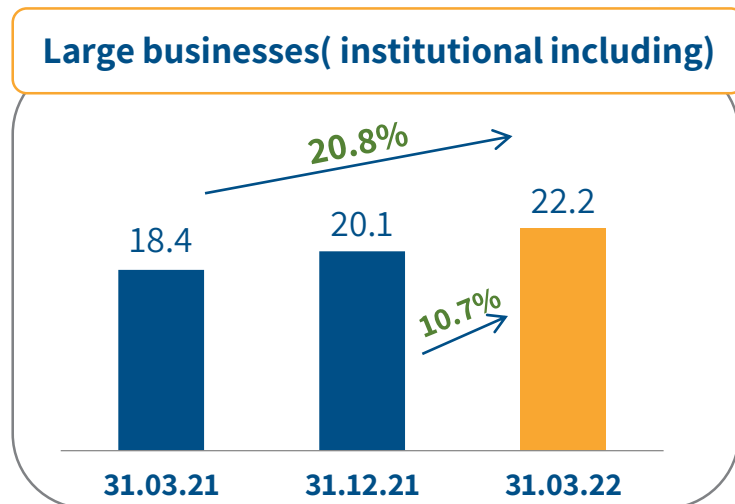
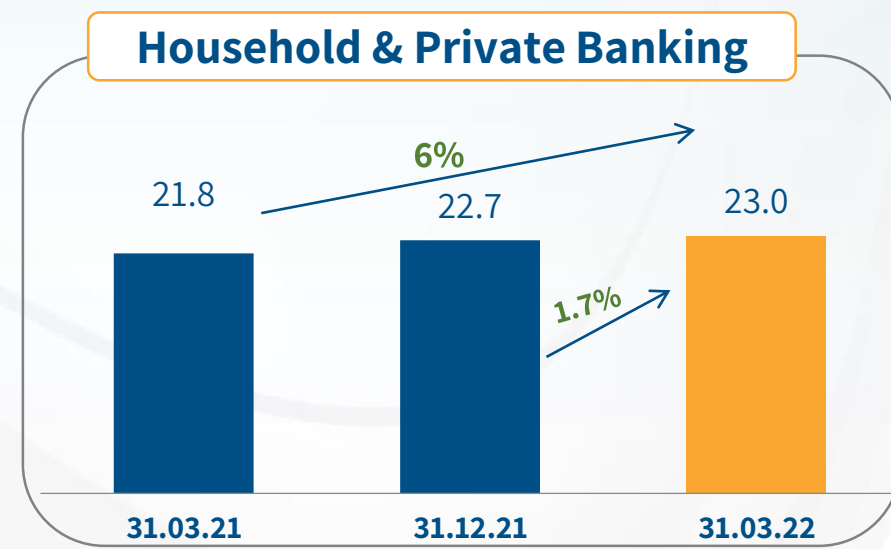
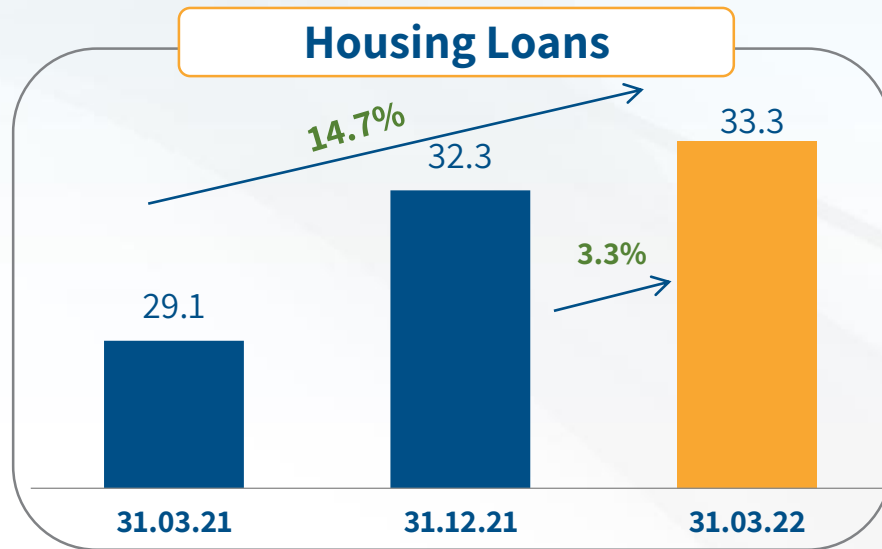


Strong, diversified credit mix

**Housing loans & consumers:
53% of credit portfolio**

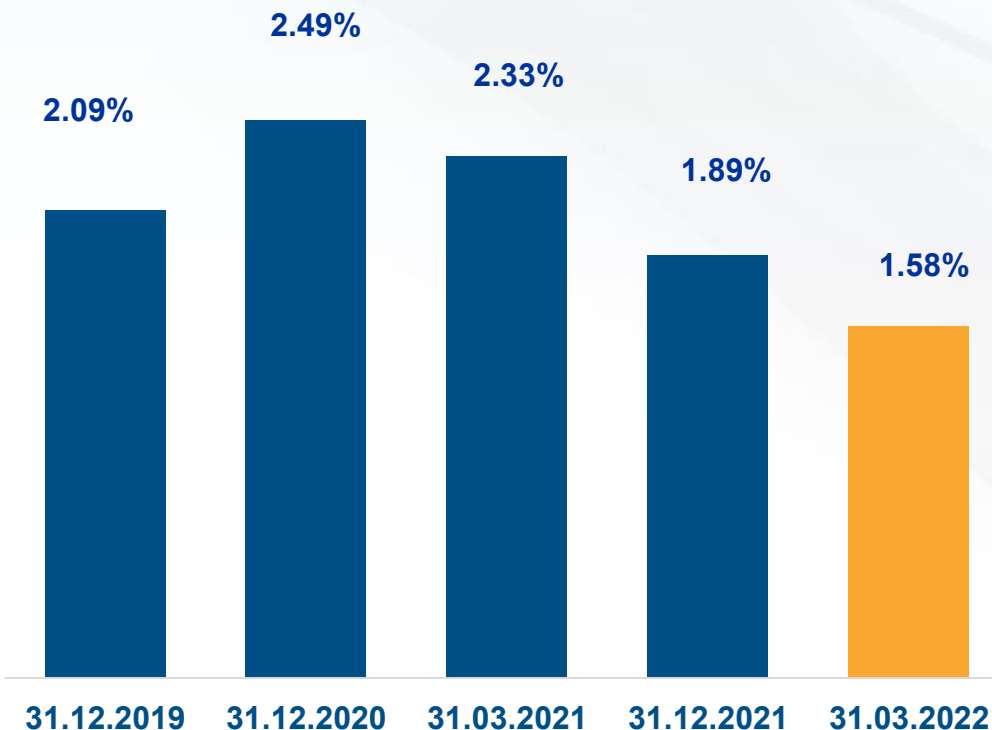
Credit Portfolio

End of period (NIS billions)



Credit quality and problematic credit risk

Ratio of problematic debts to total credit



Provision rates

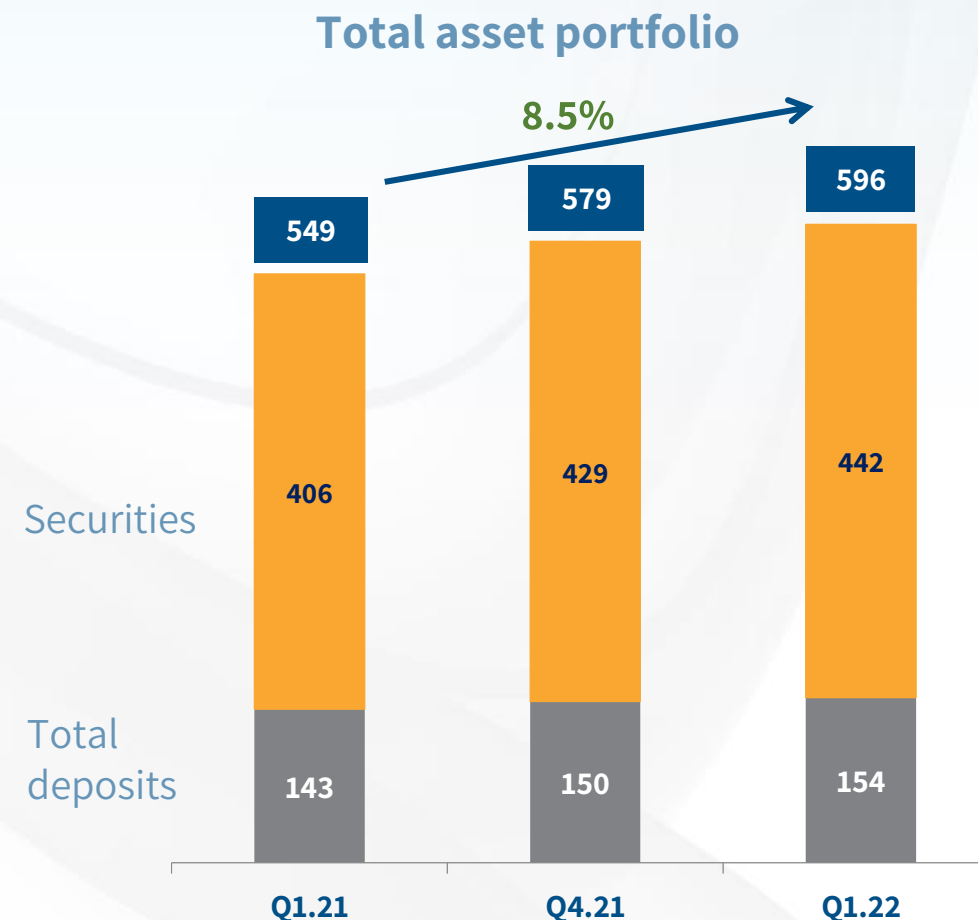
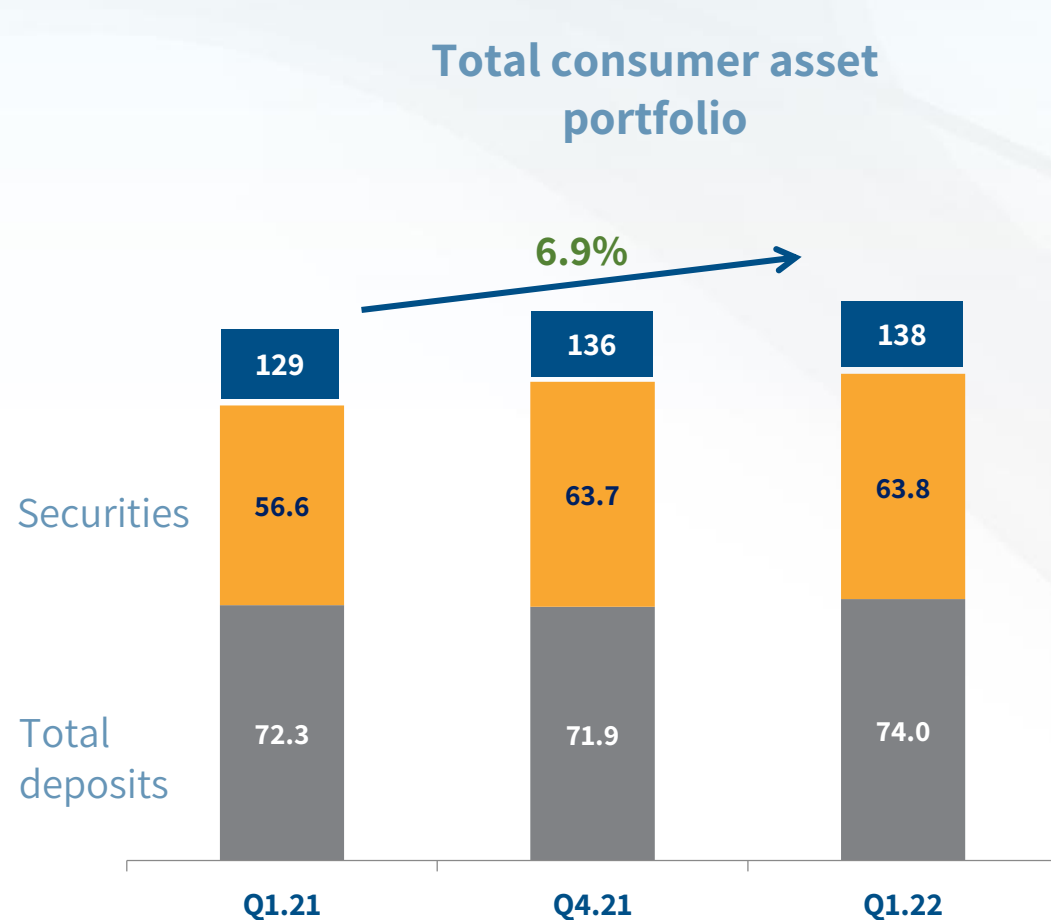
	Q1.22	Q4.21	Q1.21	2021
Individual provision (%)	(0.02%)	(0.07%)	0.01%	(0.04%)
Collective provision (%)	0.02%	0.03%	(0.05%)	(0.19%)
Provision for credit losses (%)	-	(0.04%)	(0.04%)	(0.23%)

A decline of 22% in problem credits in the past year, and of 12% in Q1 2022.

The Bank continues to maintain adequate provision buffers in light of macroeconomic uncertainty, due, among other factors, to the consequences of the COVID crisis.

Total Client Asset Portfolio Growth

Average balances (NIS billions)



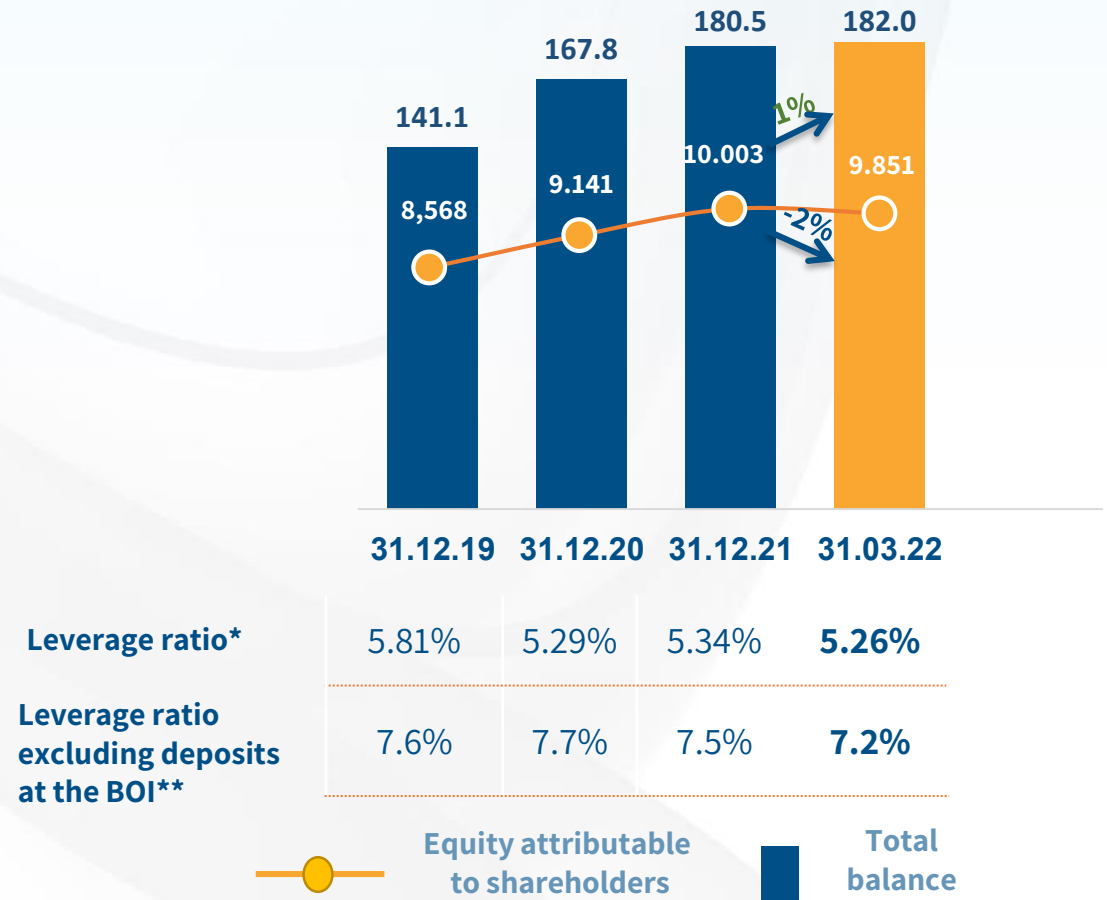
Sustained Robust Financial Strength

Equity attributable to shareholders of the Bank and financial ratios at period end (NIS billions)

	2019	2020	2021	Q1.22
Tier 1 capital ratio	10.81%	11.18%	11.46%	10.79%
Gap from the required regulatory Tier 1 capital ratio*	1.50%	2.89%	3.21%	1.54%**
Total capital ratio (total capital to risk-weighted assets)	13.70%	14.46%	13.59%	13.15%
LCR	128%	150%	128%	126%
Total deposit to credit balance	137%	156%	152%	145%

* On 2020-2021 Minimal ratio of equity capital tier 1 required by the Supervisor of banks was 8.25% (9.25% today)

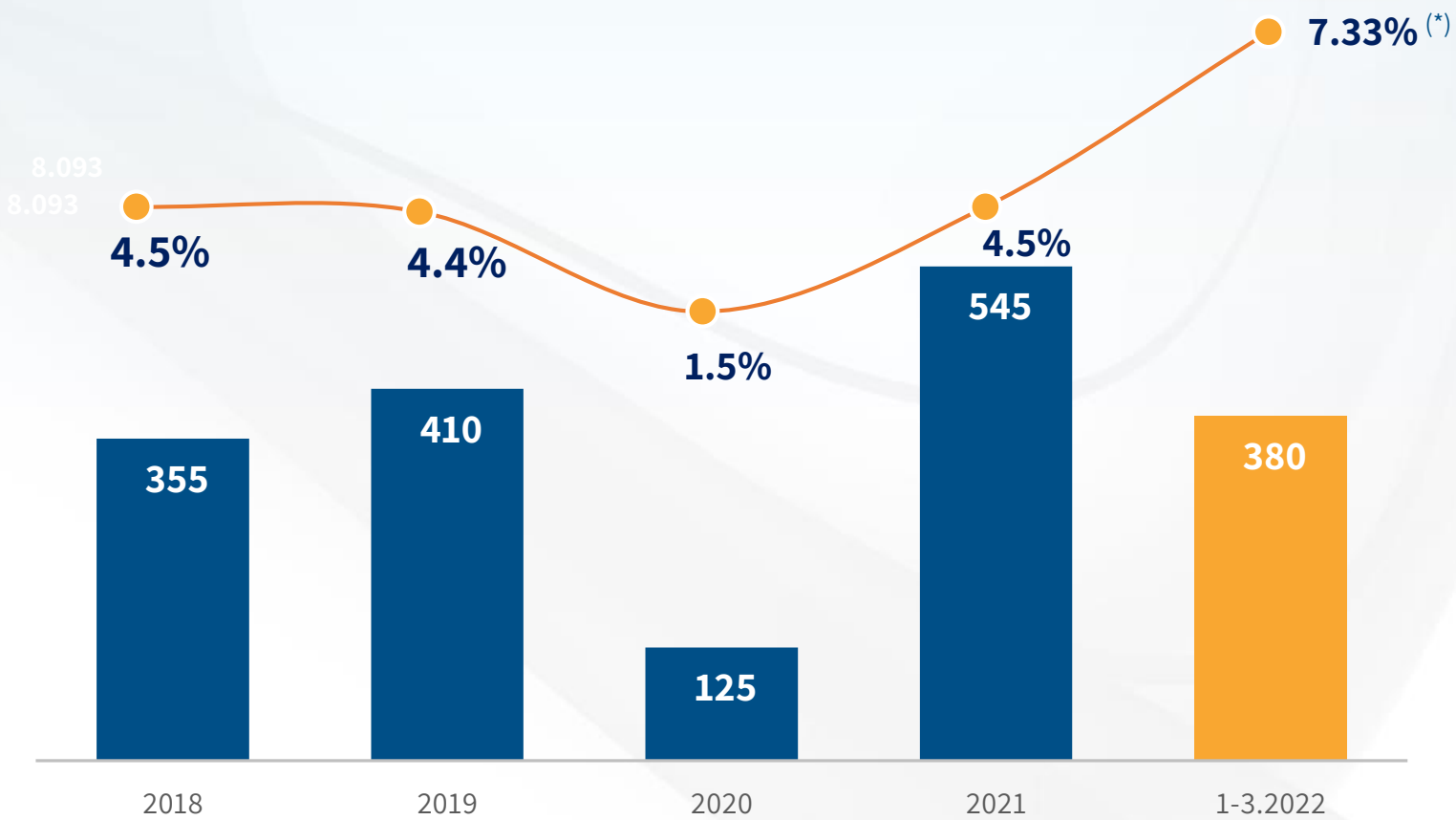
** The largest difference in the system



* Regulatory requirement, including temporary alleviation, 4.5%

** As of March 31, 2022, our share of cash balances in the Bank of Israel is 9.59%

Highest dividend yield in the Israeli banking system (NIS millions)



As of May 10, 2022 (*)

Average dividend yield of four banks as of May 10, 2022 – 4.02%.

On May 24, 2022, the Board of Directors of the Bank passed a resolution to approve the payment of a cash dividend to shareholders at a total of NIS 160 million, constituting 50% of net profit for Q1 2022 (in alignment with the Bank's policy).

Key Highlights 1-3.2022 – Growth and Robustness

Credit growth

14.7% (NIS 13.7 billion) annual growth in credit across all customer segments.
5.0% (NIS 5.1 billion) growth in credit in **Q1 2022**.
Growth was achieved across all business segments

Growth in the client asset portfolio

In Q1, 2022, the average customer asset portfolio was NIS 596 billion, **up by NIS 47 billion (8.5%)** compared to the corresponding period (growth in the customer asset portfolio was evident across all business segments)

Robust financial strength

High Tier 1 capital ratio of 10.79% (1.54% above Minimal ratio of capital required by the Supervisor of Banks)
Comprehensive ratio of capital to risk assets of 13.15% (0.65% above Minimal ratio of capital required by the Supervisor of Banks)
Liquidity ratio of 126% (Minimal regulatory requirement – 100%)

Dividend/ dividend yield

On May 10, 2022, the Bank's dividend yield per share was 7.33%, the highest in the banking system.
 On May 24, 2022, the Bank declared an additional dividend of NIS 160 million (50% of net Q1.22 net profit)

Key Highlights 1-3.2022 – Growth

Increase in net profit and ROE

Net profit amounted to NIS **322 million**, compared to NIS **304 million** in **Q1.21** (an increase of **5.9%**).
The growth in net profit was due to the rise in the volume of business activity
 ROE in the period was **13%**, compared to **13.1%** last year
 The Bank's margins are high over the long term and characterized by relatively low volatility.

Increase in the Group's total revenues

The Group's total revenues grew by **5.3% (NIS 59 million)** compared to Q1.21.

Increase in financing earnings

Net financing earnings increased **by 11% (NIS 74 million)**.
 Financing earnings from operating activities **increased by 14.1% (NIS 96 million)**.

Increase in operating commissions

Operating commissions increased by 6.4% (NIS 23 million) compared to the corresponding period last year

Innovation and Business Development



1

Launch of the **BEYOND** loyalty program, which enables customers to redeem points they have accumulated and enjoy unique leisure and vacation benefits in Israel and abroad



2

Launch of the Capital Markets Academy

An online course on different capital market topics, available to a defined population group via the Bank's website and app



3

Digital Mortgage

Transformation of the process of taking a mortgage to a short digital process continues, including addition of the option of refinancing with another bank, through to approval in principle sent by email



4

API Banking Services

Collaborations have expanded thanks to the ability to enable API interfaces with customer software systems, as well as other collaborations with SAAS solutions, including cash flow management systems



5

Life Plan

Pilot launch of a holistic financial planning system based on customer savings and investment data, designed to allow for long-term needs planning and goal setting



6

RPA

Expansion of RPA and automation projects in new operational areas



7

Click-to-Switch

Regular use is made by customers of the option of transferring their bank accounts to FIBI via the website and app



8

Open Banking

As the second phase of open banking goes live, FIBI is the first and only bank that works as a data consumer via the Multibank service

Thank You!!