

Q1 2025

Press Release | Financial Statements

First International Bank of Israel

Reports Financial Results for the First Quarter of 2025

Results Reflect continued growth and strong profitability while maintaining financial stability

Financial Highlights

- **Net income** of NIS 530 million in the first quarter of 2025 return on equity of 15.7%
- **Pre-tax income** grew by 4.1%, compared with the same quarter in the previous year and amounted to NIS 887 million
- **Credit to the public, net**, increased by 14.6% compared with the same period in the previous year and by 2% in the first quarter of the year
- **Deposits by the public, net**, increased by 12.4% compared with the same period in the previous year and by 2.9% in the first quarter of the year
- **Customer's assets** grew by 30% compared with the same period in the previous year and by 11.7% in the first quarter of the current year, reaching NIS 937 billion
- **Equity attributed to shareholders in the Bank** amounted to NIS 13,773 million, an increase of 2.6% compared to the end of 2024.
- **The tier-1 shareholders' equity** stood at 11.31%
- **The Bank's Board of Directors decided to distribute a dividend** for the first quarter of the year of NIS 212 million, representing a rate of 40% of the net income

Financial Results of the First Quarter of 2025

The First International Bank Group's net income amounted to NIS 530 million in the first quarter of 2025, a decrease of 6.9% compared with the same quarter last year. Return on equity reached 15.7%.

Pre-tax income grew by 4.1% compared with the same quarter last year and amounted to NIS 887 million. The increase in the effective tax rate compared with the same quarter last year, was primarily as a result of income recorded from prior years reported in the comparable period last year, amounting to NIS 49 million, and due to an increase in the special tax that is imposed on banks in Israel.

Credit to the public, net amounted to NIS 132 billion, an increase of 14.6% compared with last year and an increase of 2% in the first quarter of the year.

Deposits by the public amounted to approximately NIS 221 billion, an increase of 12.4% compared with last year and an increase of 2.9% in the first quarter.

The total customer assets portfolio increased by 30% compared with last year and by 11.7% in the first quarter of the year and amounted to NIS 937 billion.

Equity attributed to the shareholders of the Bank increased to NIS 13.8 billion, an increase of 2.6% compared to the end of 2024. The tier 1 shareholders' equity ratio stood at 11.31% - approximately 2.1% above the equity that is required by regulation, allowing for continued growth in the Group's activity.

Income on credit losses amounted to NIS 11 million in the first quarter of 2025, as compared with income of NIS 2 million in the same period in the previous year.

The quality of the credit portfolio - the NPL ratio (*the balance of non-accruing debts or debts that are in arrears of 90 days or more to the balance of the credit to the public*) improved and reached 0.46% at the end of the first quarter, compared to 0.6% in the same period in the previous year.

Operating and other expenses amounted to NIS 792 million, an increase of 8.3% compared with the same period in the previous year. The increase was primarily due to an increase in other expenses: capital market commissions, advertising and expenses relating to the departure of employees. The efficiency (cost income) ratio stood at 47.5%.

In light of the Supervisor of the Bank's guidance regarding "*Capital planning and profits distribution policies*", the Bank's Board of Directors decided to approve the distribution of a cash dividend in an amount of NIS 212 million to the shareholders, representing 40% of the net income. The Bank's Board of Directors will continue to discuss the implementation of the Bank's dividend distribution policy, pursuant to which the Bank will distribute up to 50% of the annual net income each year, in light of developments and their impact on the economy and on the Bank.

Management Comment

Eli Cohen, First International Bank's CEO commented: "We concluded a positive first quarter, continuing the growth trend that we have experienced in recent years. The results reflect our deepening activity in the capital markets and in credit, they reflect our focus on the unique needs of our customers, and our ability to provide excellent levels of service, even during uncertain times. This was achieved while maintaining the high quality of our credit portfolio, and a strong capital base and high liquidity.

"We have continued to expand our offerings of advanced products for both private and business customers during the quarter, and we have also strengthened our innovation and digital infrastructure.

"Since April, the Bank has been offering a new package of benefits and financial relief for customers, focused on evacuees and active duty/reserve soldiers, in which the Bank is granting significant benefits, amounting to approximately NIS 130 million a year.

"I am proud of our employees, who have shown commitment, professionalism and determination in order to deliver real value to our customers. I hope for the safe return of the hostages, the safety of the IDF soldiers and that the State of Israel will return to a path of peace and stability."

CONDENSED PRINCIPAL FINANCIAL INFORMATION AND PRINCIPAL EXECUTION INDICES

Principal financial ratios	For the three months ended March 31,		For the year ended December 31,
	2025	2024	2024
			Percent
Principal execution indices			
Return on equity attributed to shareholders of the Bank ⁽¹⁾	15.7	18.7	19.0
Return on average assets ⁽¹⁾	0.84	1.03	1.02
Ratio of equity capital tier 1	11.31	11.78	11.31
Leverage ratio	5.22	5.27	5.18
Liquidity coverage ratio ⁽³⁾	146	161	165
Net stable funding ratio	131	150	140
Ratio of total income to average assets ⁽¹⁾	2.6	2.9	2.9
Ratio of interest income, net to average assets ⁽¹⁾	1.8	2.0	2.0
Ratio of fees to average assets ⁽¹⁾	0.7	0.7	0.7
Efficiency ratio	47.5	46.2	44.1
Credit quality indices			
Ratio of provision for credit losses to credit to the public	1.22	1.38	1.25
Ratio of total provision for credit losses ⁽²⁾ to credit to the public	1.36	1.53	1.38
Ratio of non-accruing debts or in arrears of 90 days or more to credit to the public	0.46	0.60	0.53
Ratio of provision for credit losses to total non-accruing credit to the public	275.1	236.1	244.6
Ratio of net write-offs to average total credit to the public ⁽¹⁾	(0.05)	(0.02)	(0.04)
Ratio of income from credit losses to average total credit to the public ⁽¹⁾	(0.03)	(0.01)	(0.01)
Principal data from the statement of income			
	For the three months ended March 31,		
	2025	2024	
	NIS million		
Net profit attributed to shareholders of the Bank	530	569	
Interest Income, net	1,154	1,115	
Income from credit losses	(11)	(2)	
Total non-Interest income	514	466	
Of which: Fees	425	365	
Total operating and other expenses	792	731	
Of which: Salaries and related expenses	453	*447	
Primary and diluted net profit per share of NIS 0.05 par value (NIS)	5.28	5.67	
Principal data from the balance sheet			
	31.3.25	31.3.24	31.12.24
	NIS million		
Total assets	253,748	225,941	248,563
of which: Cash and deposits with banks	77,342	76,731	77,175
Securities	35,946	26,375	34,396
Credit to the public, net	132,026	115,199	129,416
Total liabilities	239,296	212,989	234,479
of which: Deposits from the public	221,051	196,615	214,755
Deposits from banks	1,637	3,586	2,508
Bonds and subordinated capital notes	4,458	4,736	4,479
Capital attributed to the shareholders of the Bank	13,773	12,355	13,430
Additional data			
	31.3.25	31.3.24	31.12.24
Share price (0.01 NIS)	18,720	15,440	17,940
Dividend per share (0.01 NIS)	227	268	986

* Reclassified.

(1) Annualized.

(2) Including provision in respect of off-balance sheet credit instruments.

(3) The ratio is computed in respect of the three months ended at the end of the reporting period.

CONSOLIDATED STATEMENT OF INCOME

(NIS million)

	For the three months ended March 31		For the year Ended December 31
	2025	2024	2024
	(unaudited)	(unaudited)	(audited)
Interest Income	2,803	2,576	11,097
Interest Expenses	1,649	1,461	6,357
Interest Income, net	1,154	1,115	4,740
Income from credit losses	(11)	(2)	(16)
Net Interest Income after Income from credit losses	1,165	1,117	4,756
Non- Interest Income			
Non-Interest financing income	88	100	432
Fees	425	365	1,553
Other income	1	1	21
Total non- Interest income	514	466	2,006
Operating and other expenses			
Salaries and related expenses	453	*447	1,739
Maintenance and depreciation of premises and equipment	84	*82	359
Amortizations and impairment of intangible assets	35	31	134
Other expenses	220	171	745
Total operating and other expenses	792	731	2,977
Profit before taxes	887	852	3,785
Provision for taxes on profit	354	279	1,383
Profit after taxes	533	573	2,402
The bank's share in profit of equity-basis investee, after taxes	22	18	74
Net profit:			
Before attribution to non-controlling interests	555	591	2,476
Attributed to non-controlling interests	(25)	(22)	(105)
Attributed to shareholders of the Bank	530	569	2,371
			NIS
Primary profit per share attributed to the shareholders of the Bank			
Net profit per share of NIS 0.05 par value	5.28	5.67	23.63
Diluted profit per share attributed to the shareholders of the Bank			
Net profit per share of NIS 0.05 par value	5.28	5.67	23.63

* Reclassified.

The notes to the financial statements are an integral part thereof.



Ron Levkovich
Chairman of the Board



Eli Cohen
Chief Executive Officer



Nachman Nitzan
Executive Vice President, CFO
Chief Accountant

Tel-Aviv, May 14, 2025

STATEMENT OF COMPREHENSIVE INCOME

(NIS million)

	For the three months ended March 31		For the year Ended December 31
	2025	2024	2024
	(unaudited)	(unaudited)	(audited)
Net profit before attribution to non-controlling interests	555	591	2,476
Net profit attributed to non-controlling interests	(25)	(22)	(105)
Net profit attributed to the shareholders of the Bank	530	569	2,371
Other comprehensive income (loss) before taxes:			
Adjustments of available for sale bonds to fair value, net	38	(44)	31
Adjustments of liabilities in respect of employee benefits ⁽¹⁾	26	11	(60)
Other comprehensive income (loss) before taxes	64	(33)	(29)
Related tax effect	(24)	17	9
Other comprehensive income (loss) before attribution to non-controlling interests, after taxes	40	(16)	(20)
Less other comprehensive income attributed to non-controlling interests	-	-	3
Other comprehensive income (loss) attributed to the shareholders of the Bank, after taxes	40	(16)	(23)
Comprehensive income before attribution to non-controlling interests	595	575	2,456
Comprehensive income attributed to non-controlling interests	(25)	(22)	(108)
Comprehensive income attributed to the shareholders of the Bank	570	553	2,348

(1) Mostly reflects adjustments in respect of actuarial assessments as of the end of the period regarding defined benefits pension plans, of amounts recorded in the past in other comprehensive income.

CONSOLIDATED BALANCE SHEET

(NIS million)

		March 31,	December 31,
	2025	2024	2024
	(unaudited)	(unaudited)	(audited)
Assets			
Cash and deposits with banks	77,342	76,731	77,175
Securities	35,946	26,375	34,396
Securities which were borrowed	71	2	70
Credit to the public	133,660	116,816	131,050
Provision for Credit losses	(1,634)	(1,617)	(1,634)
Credit to the public, net	132,026	115,199	129,416
Credit to the government	1,504	965	1,496
Investment in investee company	866	800	842
Premises and equipment	858	867	867
Intangible assets	356	325	363
Assets in respect of derivative instruments	3,376	3,324	2,565
Other assets ⁽²⁾	1,403	1,353	1,373
Total assets	253,748	225,941	248,563
Liabilities and Shareholders' Equity			
Deposits from the public	221,051	196,615	214,755
Deposits from banks	1,637	3,586	2,508
Deposits from the Government	483	710	2,540
Securities lent or sold under agreements to repurchase	3,813	-	2,304
Bonds and subordinated capital notes	4,458	4,736	4,479
Liabilities in respect of derivative instruments	3,158	3,085	2,729
Other liabilities ^{(1),(3)}	4,696	4,257	5,164
Total liabilities	239,296	212,989	234,479
Capital attributed to the shareholders of the Bank	13,773	12,355	13,430
Non-controlling interests	679	597	654
Total equity	14,452	12,952	14,084
Total liabilities and shareholders' equity	253,748	225,941	248,563

(1) Of which: provision for credit losses in respect of off-balance sheet credit instruments in the amount of NIS 184 million and NIS 170 million and NIS 177 million as of 31.3.25, 31.3.24 and 31.12.24, respectively.

(2) Of which: other assets measured at fair value in the amount of NIS 21 million and NIS 5 million and NIS 1 million as of 31.3.25, 31.3.24 and 31.12.24, respectively.

(3) Of which: other liabilities measured at fair value in the amount of NIS 21 million and NIS 5 million and NIS 11 million as of 31.3.25, 31.3.24 and 31.12.24, respectively.

STATEMENT OF CHANGES IN EQUITY

(NIS million)

For the three months ended March 31, 2025 (unaudited)								
	Share capital and premium ⁽¹⁾	Capital reserves from benefit due to share-based payment transactions	Total capital and capital reserves	Accumulated other comprehensive income (loss)	Retained earnings ⁽²⁾	Total share-holders' equity	Non-controlling interests	Total equity
Balance as of December 31, 2024 (audited)	927	-	927	(178)	12,681	13,430	654	14,084
Net profit for the period	-	-	-	-	530	530	25	555
Dividend	-	-	-	-	(228)	(228)	-	(228)
Benefit due to share-based payment transactions	-	1	1	-	-	1	-	1
Other comprehensive income, after tax effect	-	-	-	40	-	40	-	40
Balance as of March 31, 2025	927	1	928	(138)	12,983	13,773	679	14,452

	For the three months ended March 31, 2024 (unaudited)					
	Share capital and premium ⁽¹⁾	Accumulated other comprehensive loss	Retained earnings ⁽²⁾	Total share-holders' equity	Non-controlling interests	Total equity
Balance as of December 31, 2023 (audited)	927	(155)	11,299	12,071	575	12,646
Net profit for the period	-	-	569	569	22	591
Dividend	-	-	(269)	(269)	-	(269)
Other comprehensive loss, after tax effect	-	(16)	-	(16)	-	(16)
Balance as of March 31, 2024	927	(171)	11,599	12,355	597	12,952

For year ended December 31, 2024 (audited)						
	Share capital and premium ⁽¹⁾	Accumulated other comprehensive loss	Retained earnings ⁽²⁾	Total share-holders' equity	Non-controlling interests	Total equity
Balance as of December 31, 2023	927	(155)	11,299	12,071	575	12,646
Net profit for the year	-	-	2,371	2,371	105	2,476
Dividend	-	-	(989)	(989)	(29)	(1,018)
Other comprehensive income (loss), after tax effect	-	(23)	-	(23)	3	(20)
Balance as of December 31, 2024	927	(178)	12,681	13,430	654	14,084

(1) Including share premium of NIS 313 million (as from 1992 onwards).

(2) Including an amount of NIS 2,391 million which cannot be distributed as dividend.

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