

Press Release

November 25, 2025

Harel Investments Financial Statements | Q3 2025

Comprehensive income in Q3 increased by 33% to NIS 840 M, and ROE rose to 30%

Comprehensive income in the first nine months of 2025 increased by 65% to NIS 2.2 B, compared with the corresponding period last year;

Comprehensive income in the first nine months of 2025 exceeded the Company's profit targets for 2026 thanks to the ongoing improvement of results; the Company intends to revise the targets in the coming months

The Company continues to increase the Contractual Service Margin (CSM), which amounted to NIS 17.1 B, due to the business focus on growth products¹

Key results:

- In Q3 2025, **comprehensive income increased by 33% to NIS 840 M**, compared with NIS 632 M in the corresponding quarter in 2024.
- Return on Equity (ROE) in the third quarter rose to 30%, compared with 26% in the corresponding quarter in 2024.
- In the Reporting Period, **comprehensive income increased by 65% to NIS 2.17 B**, compared with NIS 1.32 B in the corresponding period last year.
- ROE in the first nine months of 2025 increased to 27% compared with 19% in the corresponding period last year.
- The increase in comprehensive income is attributable to the growth of underwriting profit in all the Company's insurance segments, to a positive contribution of the investment and financing income and higher profits in the asset management and credit sectors.
- Profit from insurance business **in Q3 2025 increased by 40% to NIS 1.12 B**, compared with NIS 803 M in the corresponding quarter in 2024. **Profit from insurance business in the Reporting Period grew by 73% to NIS 2.8 B.**
- **The Group continues to increase its future profit balance thanks to the increase of new sales of growth products (life risks, medical expenses and critical illness products):** despite the release of a CSM balance of NIS 1.22 B in the Reporting Period, future profits balance continued to increase and amounted at NIS 17.1 B at September 30, 2025 compared with NIS 16.5 B at December 31, 2024. This reflects a the creation of significant value from new business due to the business focus on risk products.

¹ Life insurance risk products, medical expenses, and critical illness products

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- Continuing growth of gross premiums earned, which in the Reporting Period **increased by 5.8% to NIS 33 B**, compared with the corresponding period last year.
- At September 30, 2025, AUM increased to NIS 571 B.
- The Group's equity at September 30, 2025 increased to NIS 11.5 B.
- The solvency ratio of Harel Insurance, with the transitional provisions, increased to 183% at June 30, 2025, compared with 172% at December 31, 2024. Excluding the transitional provisions, the ratio increased to 159%, compared with 149% at December 31, 2024.

Results according to the Group's operating segments:

Life insurance:

- In Q3 2025, **comprehensive income before tax in life insurance was NIS 244 M**, compared with NIS 320 M in the corresponding quarter in 2024.
- In the Reporting Period, **comprehensive income was NIS 792 M**, compared with comprehensive income NIS 299 M in the corresponding period last year. Underwriting profit improved in the Reporting Period due to the ongoing growth of activity in risk products.

Non-life insurance:

- In Q3 2025, **comprehensive income before tax in non-life insurance was NIS 278 M, an improvement of NIS 102 M over the corresponding quarter in 2024.**
- In the Reporting Period, **comprehensive income was NIS 858 M, an improvement of NIS 444 M over the corresponding period last year.**
- The significant improvement in comprehensive income in non-life insurance in the period is mainly attributable to an improvement in motor property and other property and liabilities lines of business.

Health insurance:

- In Q3 2025, **comprehensive income before tax in health insurance was NIS 605 M, an improvement of NIS 284 M over the corresponding quarter in 2024.**
- In the Reporting Period, **comprehensive income was NIS 1.16 B**, compared with NIS 944 M in the corresponding period last year.
- The Group presents further ongoing improvement in underwriting profit in health insurance in the third quarter and in the Reporting Period, amounting to NIS 324 M and NIS 807 M, respectively.

Asset management (pension, provident and financial services and investment contracts):

Comprehensive income before tax **from asset management was NIS 102 M** in Q3 2025, compared with NIS 68 M in the corresponding quarter in 2024. In the Reporting Period, **comprehensive income was NIS 240 M**, compared with NIS 191 M in the corresponding period last year.

At September 30, 2025, AUM in the asset management segment increased to **NIS 435 B**.

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Pension and provident:

- In Q3 2025, comprehensive income before tax in pension and provident was NIS 51 M, compared with NIS 36 M in the corresponding quarter in 2024. In the Reporting Period, comprehensive income was NIS 121 M, compared with NIS 101 M in the corresponding period last year. Results were affected by an increase in management fees driven by AUM growth.

Financial services - through Harel Finance Investment House:

- In Q3 2025, comprehensive income before tax from financial services activity was NIS 45 M, compared with NIS 27 M in the corresponding quarter in 2024. In the Reporting Period, comprehensive income was NIS 98 M, compared with NIS 73 M in the corresponding period last year. The growth of income is attributable to the positive trend in the capital markets and AUM growth in the mutual funds. At September 30, 2025, Harel Finance held AUM of NIS 119 B.

Credit

- In Q3 2025, comprehensive income before tax in the credit sector was NIS 56 M, compared with NIS 34 M in the corresponding quarter in 2024.
- In the Reporting Period, comprehensive income was NIS 169 M, compared with NIS 108 M in the corresponding period last year, after adjustment for the effect of changes in the fair value of financial assets in Harel 60+ and in the development property finance sector.
- The credit portfolio amounted to NIS 6.8 B at September 30, 2025, compared with NIS 4.3 B at September 30, 2024.

Addendum: Financial data for the Group

Gross earned premiums, benefit contributions and amounts received for investment contracts

| | 9M.25 | 9M.24 | Change | Q3.25 | Q3.24 | Change |
|---|---------------|---------------|---------------|---------------|---------------|---------------|
| Life insurance | 3,607 | 3,871 | -6.8% | 1,043 | 1,131 | -7.8% |
| Growth products* (life risks) | 1,101 | 1,027 | 7.2% | 373 | 350 | 6.6% |
| Products in Runoff* (savings products) | 2,506 | 2,844 | -11.9% | 670 | 781 | -14.2% |
| Health insurance | 4,382 | 4,038 | 8.5% | 1,521 | 1,414 | 7.6% |
| Growth products* (medical expenses, critical illness, personal accident and long-term health) | 3,614 | 3,261 | 10.8% | 1,260 | 1,137 | 10.8% |
| Products in Runoff* (personal lines and group long-term care) | 768 | 777 | -1.2% | 261 | 277 | -5.8% |
| Non-life insurance** | 4,120 | 4,024 | 2.4% | 1,374 | 1,387 | -0.1% |
| Total earned premiums, gross | 12,109 | 11,933 | 1.5% | 3,938 | 3,932 | - |
| Pension benefit contributions | 12,970 | 11,565 | 12.1% | 4,569 | 4,160 | 9.8% |
| Provident benefit contributions | 5,551 | 4,489 | 23.7% | 2,050 | 1,579 | 29.8% |
| Amounts received for investment contracts | 2,371 | 3,213 | -26.2% | 846 | 1,040 | -18.7% |
| Total | 33,001 | 31,200 | 5.8% | 11,404 | 10,711 | 6.5% |

* Growth products - business that the Group continues to market; Products in Runoff - business that the Group no longer markets

** Including the insurance companies overseas segment

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Comprehensive income (loss) before tax by segment

| | 9M.25 | 9M.24 | Q3.25 | Q3.24 |
|-------------------------------------|--------------|--------------|--------------|-------------|
| Life insurance | 813 | 316 | 250 | 325 |
| Provident | 44 | 39 | 19 | 11 |
| Pension | 77 | 62 | 32 | 25 |
| Total long-term savings | 934 | 417 | 301 | 361 |
| Health insurance | 1,158 | 944 | 605 | 321 |
| Non-life insurance | 858 | 414 | 278 | 176 |
| Insurance companies overseas | 1 | (33) | (3) | (14) |
| Financial services | 98 | 73 | 45 | 27 |
| Credit* | 160 | 184 | 56 | 34 |
| Equity and other | 50 | (29) | (24) | 42 |
| Total | 3,259 | 1,970 | 1,258 | 947 |

* Results in the Reporting Period include a **negative** effect in respect of a change in the fair value of financial assets of NIS 9 M (in the corresponding period last year, a **positive** effect of NIS 76 M). Results in Q3 include a **negative** effect in respect of the change in fair value of financial assets of NIS 6 million (in the corresponding quarter last year, there was a **negative** effect of NIS 5 million).

AUM

| | September 30, 2025 | September 30, 2024 | December 31, 2024 |
|--|-----------------------|-----------------------|----------------------|
| Yield-dependent [unit-linked] insurance contracts and investment contracts | 91.3 | 85.5 | 86.5 |
| Pension funds | 210.6 | 177.8 | 184.9 |
| Provident funds and education funds | 83.0 | 73.1 | 75.4 |
| Mutual funds | 99.6 | 82.6 | 87.9 |
| Portfolio management and other* | 19.0 | 17.9 | 18.0 |
| Total for insureds and members | 503.5 | 436.9 | 452.7 |
| Nostro** | 67.2 | 55.4 | 60.3 |
| Total | 570.7 | 492.3 | 513.0 |

* Including financial assets issued by the Group and managed in portfolios in the amount of NIS 5.5 B, NIS 6.4 B and NIS 6.1 B at September 30, 2025, September 30, 2024, and December 31, 2024, respectively ** including certificates of deposit issued by Harel Finance in the amount of NIS 22.1 B, NIS 14.2 B and NIS 17.3 B at September 30, 2025, September 30, 2024 and December 31, 2024, respectively, against liabilities in respect of bonds and short sales of securities and derivatives.