

# Press Release

August 28, 2025

## Harel Investments Financial Statements | Q2 2025

**Comprehensive income in Q2 increased by 87% to NIS 789 M, and ROE was 29%**

**Comprehensive income in H1 increased by 94% to NIS 1.3 B compared with the corresponding period last year; ROE was 25%**

**Underwriting profit from insurance business continued to improve, increasing by 8% to NIS 565 M in Q2**

**Profit from insurance business in H1.25 grew by 105% to NIS 1,685 M.**

**The Board of Directors of Harel Investments passed a resolution to distribute a dividend twice a year instead of once a year, reflecting the Group's financial strength.**

**The Company will distribute a dividend of NIS 400 M in respect of the first half of 2025**

### Key results:

- In Q2 2025, **comprehensive income after tax increased by 87% to NIS 789 M**, compared with NIS 423 M in the corresponding quarter in 2024, and reflecting ROE of 29%.
- In H1.25, **comprehensive income after tax increased by 94% to NIS 1,332 M**, compared with NIS 687 M in the corresponding half of 2024, and reflecting ROE of 25%.
- The increased income is attributable to the growth of underwriting profit from insurance activity, mainly due to a significant improvement in profit from non-life insurance.
- Profit from insurance business in Q2 2025 grew by 72% to NIS 1,005 M compared with the corresponding quarter last year. **Profit from insurance business in H1.25 grew by 105% to NIS 1,685 M.**
- **The Company continues to increase its accumulated profits balance thanks to the increase of new sales of growth products:** despite the release of a CSM balance of NIS 805 M in H1.25, the accumulated future profits balance (CSM) increased to NIS 16.7 B, at June 30, 2025 compared with NIS 16.5 B at December 31, 2024. This reflects the significant value creation from new business.
- Continuing growth of gross earned premiums, which in H1.25 **increased by 5% to NIS 21.6 B**, compared with the corresponding period last year.
- AUM was NIS 543 B at June 30, 2025
- For the first time, the Group's equity surpassed the NIS 11 B threshold and amounted to NIS 11.1 B.

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## Results according to the Group's operating segments:

### Life insurance:

- In Q2 2025 **comprehensive income before tax in life insurance was NIS 364 M**, compared with a comprehensive loss before tax of NIS 112 M in the corresponding quarter in 2024.
- In H1.25 **comprehensive income was NIS 548 M**, compared with a comprehensive loss before tax of NIS 21 M in the corresponding period last year.
- Underwriting profit improved in the first half of the year due to the continuing growth of activity in risk products.

### Non-life insurance:

- In Q2 2025, **comprehensive income before tax in non-life insurance was NIS 395 M, an improvement of NIS 315 M over the corresponding quarter in 2024.**
- **In H1.25, comprehensive income was NIS 584 M, an improvement of NIS 365 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 the compulsory motor and motor property lines of business.

### Health insurance:

- In Q2 2025, **comprehensive income before tax in health insurance was NIS 246 M**, as against NIS 615 M in the corresponding quarter in 2024
- **Comprehensive income in H1 was NIS 553 M** as against NIS 623 M in the corresponding period last year.
- Underwriting profit in health insurance was stable in the second quarter and first half of the year, at NIS 267 M and NIS 483 M, respectively.

### Asset management (pension, provident and financial services):

Comprehensive income before tax **from the asset management segment was NIS 78 M** in Q2 2025, compared with NIS 66 M in the corresponding quarter in 2024. Comprehensive income in H1.25 was **NIS 138 M**, compared with NIS 123 M in the corresponding period last year.

At June 30, 2025, AUM in the asset management segment increased to **NIS 413 B**.

### Pension and provident:

- In Q2 2025, **comprehensive income before tax in pension and provident was NIS 41 M**, compared with NIS 35 M in the corresponding quarter in 2024. Comprehensive income in H1.25 was **NIS 70 M**, compared with NIS 65 M in the corresponding period last year. Results were affected by an increase in management fees driven by the growth of AUM.

### Financial services - through Harel Finance Investment House:

- In Q2 2025, **comprehensive income before tax from financial services activity was NIS 30 M**, compared with NIS 24 M in the corresponding quarter in 2024. Comprehensive income in H1.25 was **NIS 53 M**,



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compared with NIS 46 M in the corresponding period last year. The growth of income is attributable to the positive trend in the capital markets and the growth of AUM in the mutual funds.

**At June 30, 2025, Harel Finance held AUM of NIS 113 B.**

## Credit

- In Q2 2025, **comprehensive income before tax from the credit segment was NIS 59 M**, compared with NIS 53 M in the corresponding quarter last year.
- In H1.25, **comprehensive income was NIS 107 M**, compared with NIS 67 M in the first half of 2024, 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 June 30, 2025**, compared with NIS 4.4 B on June 30, 2024.

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## Addendum: Financial data for the Group

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

	6M.25	6M.24	Change	Q2.25	Q2.24	Change
Life insurance	2,564	2,740	-6.4%	1,470	1,535	-4.2%
Health insurance	2,861	2,624	6.0%	1,457	1,325	10.0%
Non-life insurance*	2,746	2,637	4.1%	1,369	1,272	7.6%
<b>Total earned premiums, gross</b>	<b>8,171</b>	<b>8,001</b>	<b>2.1%</b>	<b>4,296</b>	<b>4,132</b>	<b>4.0%</b>
Pension benefit contributions	8,401	7,405	13.5%	4,317	3,836	12.5%
Provident benefit contributions	3,501	2,910	20.3%	1,707	1,469	16.2%
Amounts received for investment contracts	1,525	2,173	-29.8%	616	1,126	-45.3%
<b>Total</b>	<b>21,598</b>	<b>20,489</b>	<b>5.4%</b>	<b>10,936</b>	<b>10,563</b>	<b>3.5%</b>

\*Including the insurance companies overseas segment

### Comprehensive income (loss) before tax by segment

	6M.25	6M.24	Q2.25	Q2.24
Life insurance	563	(9)	371	(105)
Provident	25	28	14	14
Pension	45	37	27	21
<b>Total long-term savings</b>	<b>633</b>	<b>56</b>	<b>412</b>	<b>(70)</b>
Health insurance	553	623	246	615
Non-life insurance	580	238	392	89
Insurance companies overseas	4	(19)	3	(9)
Financial services	53	46	30	24
Credit	104	150	59	53
Equity and other	74	(71)	77	(90)
<b>Total</b>	<b>2,001</b>	<b>1,023</b>	<b>1,219</b>	<b>612</b>

### AUM

	June 30, 2025	June 30, 2024	December 31, 2024
Yield-dependent [unit-linked] insurance contracts and investment contracts	89.3	83.1	86.5
Pension funds	199.3	166.7	184.9
Provident funds and education funds	78.8	69.8	75.4
Mutual funds	94.7	76.8	87.9
Portfolio management and other*	18.0	17.6	18.0
<b>Total for insureds and members</b>	<b>480.1</b>	<b>414.0</b>	<b>452.7</b>
Nostro**	63.3	50.5	60.3
<b>Total</b>	<b>543.4</b>	<b>464.5</b>	<b>513.0</b>

\* Including financial assets issued by the Group and managed in portfolios, in the amount of NIS 5.2 B, NIS 6.4 B and NIS 6.1 B at June 30, 2025, June 30, 2024 and December 31, 2024, respectively.

\*\* Including certificates of deposit issued by Harel Finance in the amount of NIS 19.0 B, NIS 9.9 B and NIS 17.3 B at June 30, 2025, June 30, 2024 and December 31, 2024, respectively, to cover liabilities in respect of bonds and short sales of securities and derivatives.