

ISRAEL DISCOUNT BANK LTD.

Registration no.: 520007030

Magna transmission date: January 31, 2024
2024 Reference No.: 2024-01-011886

T121 (Public) FAO: The Tel Aviv Stock Exchange Ltd
www.tase.co.il

FAO: Israel Securities Authority
www.isa.gov.il

IMMEDIATE REPORT

Explanation: This form is not to be used if a form exists that is suitable for the reported event

Nature of the event: Immediate Report

Reference numbers of previous reports relating to this topic: _____

We hereby announce that the Call Report (draft financial statement) of Israel Discount Bank of New York as at September 30, 2023 has been filed with the authorized agencies in the USA. As is customary, the aforesaid report is available to the public on the Internet site of the FDIC: <https://cdr.ffiec.gov/public/ManageFacsimiles.aspx> [Institution name: Israel Discount Bank of New York].

It should be noted that the aforesaid Report has not yet been approved by the authorized organs of the said subsidiary and certain changes may be made thereto. Filing of the above Call Report prior to its approval by the authorized organs is done as required by US reporting rules.

This Immediate Report is submitted according to the format agreed upon between the Banking Supervision Department and the Israel Securities Authority.

See Attachment - Enclosed is a Press Release published in connection with the above.

The Company is not a shell company as defined in the TASE Code

The date when the Corporation first learned of the event: January 31, 2024 at 08:00

Details of signatories authorized to sign in the name of the Corporation:

	Name of Signatory	Position
1	<i>Joseph Beressi</i>	<i>Other Senior Executive Vice President, Chief Accountant, Head of Accounting Division</i>
2	<i>Asaf Pasternak</i>	<i>Other Executive Vice President, Head of Strategy & Finance Division</i>

Reference numbers of previous documents relating to this topic (their mention does not constitute their inclusion by way of reference):
N/A

The securities of the Corporation are listed for trade on the Tel Aviv Stock Exchange Date of updating structure of form: 31/12/2023
Abbreviated name: Discount
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Email: michal.sd@dbank.co.il

Prior names of the reporting entity:

Name of person making electronic report: Tenne, Ayelet Position: Lawyer, General Secretary Name of Employing Company:
Address: 1 Discount St., Rishon Lezion, 7574602 Tel: +972-76-8058862; Fax: +972-3-5171674 Email: ayelet.tenne@dbank.co.il

Israel Discount Bank's Immediate Reports are published in Hebrew on the website of the Israel Securities Authority and the Tel Aviv Stock Exchange.

The English translation is prepared for convenience purposes only.

In the case of any discrepancy between the English and Hebrew versions, the Hebrew will prevail.

IDBNY Announces 4th Quarter and FY 2023 Results

2023 NET INCOME OF \$64.8M AND ROE OF 5.6% COMPARED WITH
NET INCOME OF \$114.2M AND ROE OF 10.1% IN 2022

THE ADJUSTED NET INCOME FOR 2023, AS DETAILED HEREINAFTER, AMOUNTED TO \$85.9M

4Q23 NET LOSS OF \$4.4M AND ROE OF (1.5%) IS PRIMARILY ATTRIBUTED TO A REALIZED LOSS OF
\$30M ON THE AVAILABLE-FOR-SALE DEBT SECURITIES.

CONCURRENTLY, THE ADJUSTED NET INCOME FOR 4Q23 AMOUNTED TO \$16.6M

Financial Highlights for FY2023:

- **FY23 net income** was \$64.8million, compared with \$114.2 million in 2022, a 43.3% decrease.
- **FY23 ROE** was 5.6%, compared with 10.1% in 2022.
- **FY23 total income** was \$381.5 million, compared with \$401.9 in 2022, a 5.1% decrease.
- **For FY23, provision for credit losses** was \$8.4 million, compared with a release of \$2.7 million in FY2022.
- **Total non-interest expense for FY23** was \$292.3 million, compared with \$254.4 million in 2022, an 14.9% increase.

Financial Highlights for 4Q23:

- **Net loss** was \$4.4 million in 4Q23, compared to net income of \$17.6 million in 3Q23 and \$31.7 million in 4Q22.
- **The net loss** is attributed to realized losses on available-for-sale debt securities amounted to \$30.0 million, while the adj. net income was \$16.6 million.
- **ROE** for the last quarter of 2023 stood at (1.5%), compared with 6.0% for 3Q23 and 11.5% in 4Q22.
- **Total Income** for 4Q23 was \$71.8 million, versus \$102.5 million for the previous quarter, a 29.9% decrease. Compared with 4Q22, total income decreased by 31.0%.
- **Provisions for Credit Losses** for 4Q23 stood at \$5.0 million, 0.2%% of average loans, compared with \$5.2 million in the previous quarter and \$1.3 million in 4Q22.
- **Total Non-Interest Expense** for 4Q23 inclined to \$77.4 million, from \$74.1 million in the previous quarter, a 4.5% increase. Compared with 4Q22, total non-interest expense increased by 21.4%.

Main highlights of P&L, Balance Sheet and Ratios
(USD millions)

Main P&L data

	4Q 2023	3Q 2023	4Q 2022	Change vs. 3Q23	Change vs. 4Q22	2023	2022	Change
Total Interest and Dividend Income	191.6	184.6	151.6	3.8%	26.4%	721.0	445.5	61.8%
Total Interest Expense	110.4	102.7	59.4	7.4%	85.8%	384.6	110.7	247.4%
Net Interest Income	81.2	81.9	92.2	(0.8%)	(11.9%)	336.4	334.8	0.5%
Provisions (Release) for Credit Losses	5.0	5.2	1.3	(3.2%)	295.8%	8.4	(2.7)	N/A
Total Non-Interest (Loss)/Income	(9.4)	20.7	11.9	N/A	N/A	45.2	67.0	(32.6%)
Total Income	71.8	102.5	104.1	(29.9%)	(31.0%)	381.5	401.9	(5.1%)
Total Non-Interest Expense	77.4	74.1	63.8	4.5%	21.4%	292.3	254.4	14.9%
(Loss)/Income before Taxes	(10.6)	23.3	39.1	N/A	N/A	80.8	150.1	(46.1%)
Net (Loss)/Income	(4.4)	17.6	31.7	N/A	N/A	64.8	114.2	(43.3%)

Main Balance Sheet data

	As of Dec 31, 2023	As of Sept 30, 2023	As of Dec 31, 2022	Change vs. Sept 30, 2023	Change vs. Dec 31, 2022
Securities		2,600	2,698	2,454	(3.6%) 5.9%
Loans, net		8,102	8,236	8,154	(1.6%) (0.6%)
Deposits		10,325	10,327	10,488	(0.0%) (1.6%)
Total Equity		1,214	1,160	1,112	4.7% 9.2%
Total Assets		12,220	12,443	12,512	(1.8%) (2.3%)

Selected ratios

	4Q 2023	3Q 2023	4Q 2022	2023	2022
Efficiency Ratio	107.8%	72.3%	61.3%	76.6%	63.3%
Return on Equity	(1.5%)	6.0%	11.5%	5.6%	10.1%
Loan Loss Provision Ratio	0.2%	0.2%	(0.0%)	0.1%	(0.0%)
Common Equity Tier 1	14.6%	14.4%	14.0%	14.6%	14.0%
Allowance for Loan and Lease Losses as a % of Total Loans	1.0%	1.0%	1.0%	1.0%	1.0%



About Israel Discount Bank of New York (“IDB NY” or “IDB Bank”)

IDB Bank is a New-York State-chartered commercial bank, a member of the FDIC, and a wholly owned subsidiary of Israel Discount Bank LTD., one of Israel's leading Banks. In addition to its Manhattan headquarters and branch offices in Brooklyn, N.Y, Staten Island, N.Y and Short Hills, N.J, the Bank maintains other full-service branches in South Florida and Southern California. The Bank provides a complete range of private banking and commercial banking services to U.S and international clients.

For 70 years IDB Bank has built its business by fostering deep relationships with its clients, rapid decision-making, and the ability to develop custom-tailored solutions for both its domestic and international clientele. To learn more about IDB Bank visit www.idbny.com

IDB Bank is a registered service mark of Israel Discount Bank of New York. MEMBER FDIC.

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