

ISRAEL DISCOUNT BANK LTD.

Registration no.: 520007030

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

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

Magna transmission date: January 31,
2023 Reference No.: 2023-01-012939

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 December 31, 2022 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, 2023 at 08:00

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

	Name of Signatory	Position
1	Joseph Beressi	Other Senior Executive Vice President, Chief Accountant, Head of Accounting Division
2	Barak Nardi	Other Executive Vice President, Head of Planning, Strategy, Finance and Holdings Division

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: 31/12/2020

Abbreviated name: Discount

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Email: michal.sd@discountbank.co.il

Prior names of the reporting entity:

Name of person making electronic report: Sokolov-Danoch, Michal Position: Corporate Secretary Name of Employing Company:

Address: 23 Yehuda Halevi St., Tel Aviv 6513601, Israel Tel: 972-3-5145582; Fax: 972-3-5171674 Email: michal.sd@discountbank.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 2022 Results

2022 NET INCOME OF \$114.2M AND ROE OF 10.1% COMPARED WITH NET INCOME OF \$92.3M
AND ROE OF 8.1% IN 2021

Financial Highlights for FY2022:

- **FY22 net income** was \$114.2 million, compared with \$92.3 million in 2021, a 23.8% increase.
- **FY22 ROE** was 10.1%, compared with 8.1% in 2021.
- **FY22 total income** up to \$401.9 million, compared with \$343.8 in corresponding period of 2021, 16.9% increase.
- **For FY22, release of provision for credit losses** was \$2.7 million, compared with a release of \$5.1 million in FY2021.
- **Total non-interest expense for FY22** was \$254.4 million, compared with \$222.2 million in 2021, 14.5% increase.

Financial Highlights for 4Q22:

- **Net Income** was \$31.7 million in 4Q22, compared to \$25.0 million in 3Q22 and \$29.9 million in 4Q21. Net income increased by 26.4% compared with previous quarter and by 5.9% compared with 4Q21.
- **ROE** was 11.5% in 4Q22, compared with 9.2% for 3Q22 and 10.4% in 4Q21.
- **Total Income** for 4Q22 was \$104.1 million, versus \$109.0 million for the previous quarter, 4.5% decrease. Compared with 4Q21, total income increased by 12.8%.
- **Provisions for Credit Losses** for 4Q22 stood at \$1.3 million, 0.1% of average loans, compared to a provision of \$5.0 million in the previous quarter and a provision release of \$4.8 million in 4Q21.
- **Total Non-Interest Expense** for 4Q22 declined to \$63.8 million, from \$70.6 million in the previous quarter, a 9.7% decrease. Compared with 4Q21, total non-interest expense increased by 17.1%.

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

Main P&L data

	4Q 2022	3Q 2022	4Q 2021	Change vs. 3Q22	Change vs. 4Q21	2022	2021	Change
Total Interest and Dividend Income	151.6	122.8	77.6	23.5%	95.4%	445.5	287.1	55.2%
Total Interest Expense	59.4	31.2	6.7	90.7%	788.9%	110.7	30.1	268.3%
Net Interest Income	92.2	91.6	70.9	0.7%	30.0%	334.8	257.1	30.3%
Provisions (Release) for Loan Losses	1.3	5.0	(4.8)	(74.4%)	N/A	(2.7)	(5.1)	(47.4%)
Total Non-Interest Income	11.9	17.4	21.4	(31.5%)	(44.2%)	67.0	86.7	(22.7%)
Total Income	104.1	109.0	92.3	(4.5%)	12.8%	401.9	343.8	16.9%
Total Non-Interest Expense	63.8	70.6	54.5	(9.7%)	17.1%	254.4	222.2	14.5%
Income before Taxes	39.1	33.5	42.7	16.8%	(8.5%)	150.1	126.7	18.5%
Net Income	31.7	25.0	29.9	26.4%	5.9%	114.2	92.3	23.8%

Main Balance Sheet data

	As of Dec 31, 2022	As of Sept 30, 2022	As of Dec 31, 2021	Change vs. Sept 30, 2022	Change vs. Dec 31, 2021
Securities	2,454	2,553	2,824	(3.9%)	(13.1%)
Loans, net	8,154	8,455	8,421	(3.6%)	(3.2%)
Deposits	10,488	10,471	11,254	0.2%	(6.8%)
Total Equity	1,112	1,072	1,149	3.7%	(3.2%)
Total Assets	12,512	12,369	12,952	1.2%	(3.4%)

Selected ratios

	4Q 2022	3Q 2022	4Q 2021	2022	2021
Efficiency Ratio	61.3%	64.8%	59.0%	63.3%	64.6%
Return on Equity	11.5%	9.2%	10.4%	10.1%	8.1%
Loan Loss Provision Ratio	0.1%	0.2%	(0.2%)	(0.0%)	(0.1%)
Common Equity Tier 1	14.0%	13.4%	12.5%	14.0%	12.5%
Allowance for Loan and Lease Losses as a % of Total Loans	1.0%	1.0%	1.1%	1.0%	1.1%

About Israel Discount Bank of New York (“IDBNY” 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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