Financial Results

Q2-2026

MIGDAL
Insurance and finance

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1 **Performance Review and Message from the CEO**

2 Financial Results

3 Update on Strategic Goals

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View from the Top of the Tower

Strong Business Momentum Across All Key Metrics

92
Years of insurance

2.7 million
Customers

ilAA+
S&P Maalot - Stable Outlook

Aa1.il
Midroog - Stable Outlook

Premiums and Contributions

NIS billions

H1.26	**Q2.26**
19.3	**9.5**
H1.25	Q2.25
▲ 20%	▲ 21%

Core Profits

NIS millions

H1.26	**Q2.26**
1,311	**731**
H1.25	Q2.25
▲ 12%	▲ 5%

Comprehensive Income after Tax

NIS millions

H1.26	**Q2.26**
897	**575**
H2.25	Q2.25
▲ 9%	▲ 1%

Solvency ratio

Without transition provisions

H1.26
119%
***31.3.26**

Return on capital

H1.26	**Q2.26**
18.0%	**22.4%**

Comprehensive equity

NIS billions

30.6.26
20.8
31.12.25
▲ 8%

AUM

NIS billions

30.6.26
631
31.12.25
▲ 8%

* Estimated solvency ratio as of March 31 2026, has not been audited and reviewed by the independent auditors

“We conclude the first half of the year with **record core profit**, driven by the rigorous execution of our business strategy across all business lines. The Group reported a **comprehensive income of NIS 897 million** - representing a 9% year-over-year growth, stemming from a significant increase in both core profits and investment gains.

We delivered **20% growth in premiums and contributions**, alongside consistent growth in revenues and profitability. Our primary growth engines continue to generate strong results, led by our pension operations which grew by 16%, alongside a 38% surge in the provident fund sector. Migdal is currently cementing its position **as Israel’s fastest-growing pension fund**, benefiting from consistent positive mobility.

Assets Under Management (AUM), a core pillar of our strategy, continued its upward trajectory, **surpassing the NIS 631 billion mark**. These assets provide a robust foundation for the Group's continued profitable growth. **The upward momentum in asset management revenues continues** (variable management fees amounted to NIS 656 million in H1). This sustained growth is a testament to the quality of Migdal’s asset portfolio and the competitive advantage inherent in our asset mix.

Simultaneously, we are working to **accelerate growth in the general insurance segment**, with an emphasis on retail products, and anticipate that these strategic moves will translate into enhanced profitability.

We view Migdal's agencies arm as a strategic asset. A vital platform that enables us to provide a comprehensive suite of services to the end-customer, enhancing our value proposition across various domains. We are pursuing a dual-engine growth strategy in this segment, driving both organic growth and M&A activity. This operation generates stable and predictable cash flows, and is characterized by low capital requirements and minimal correlation to capital market volatility.

The results we are presenting today are the direct outcome of the meticulous execution of our work plans. We expect this current momentum, clearly reflected in these financial statements, to further accelerate, **bringing us closer to achieving our 2028 strategic goals**.”

Ronen Agassi
CEO of Migdal
Insurance

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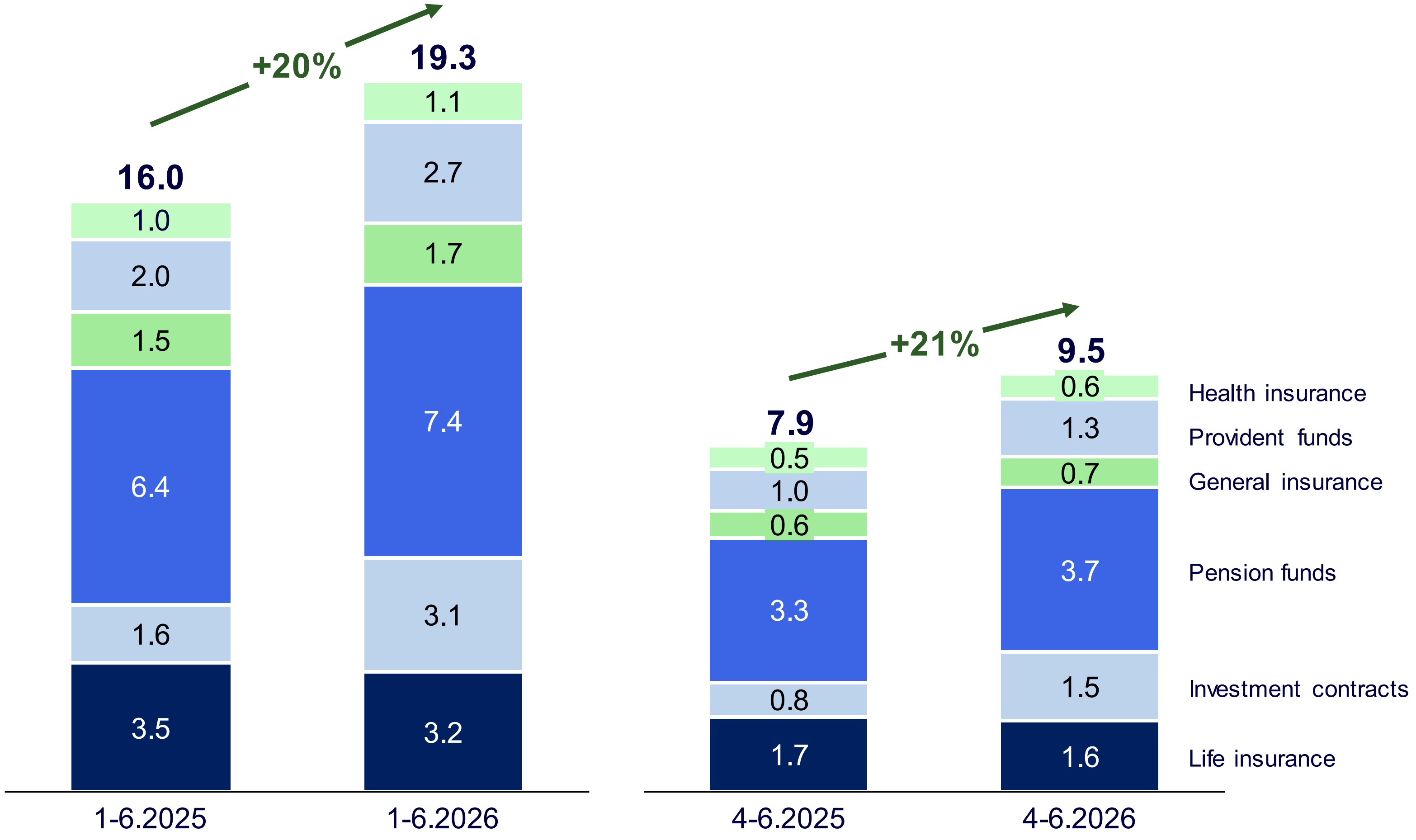
Premiums and Contributions (NIS billions)

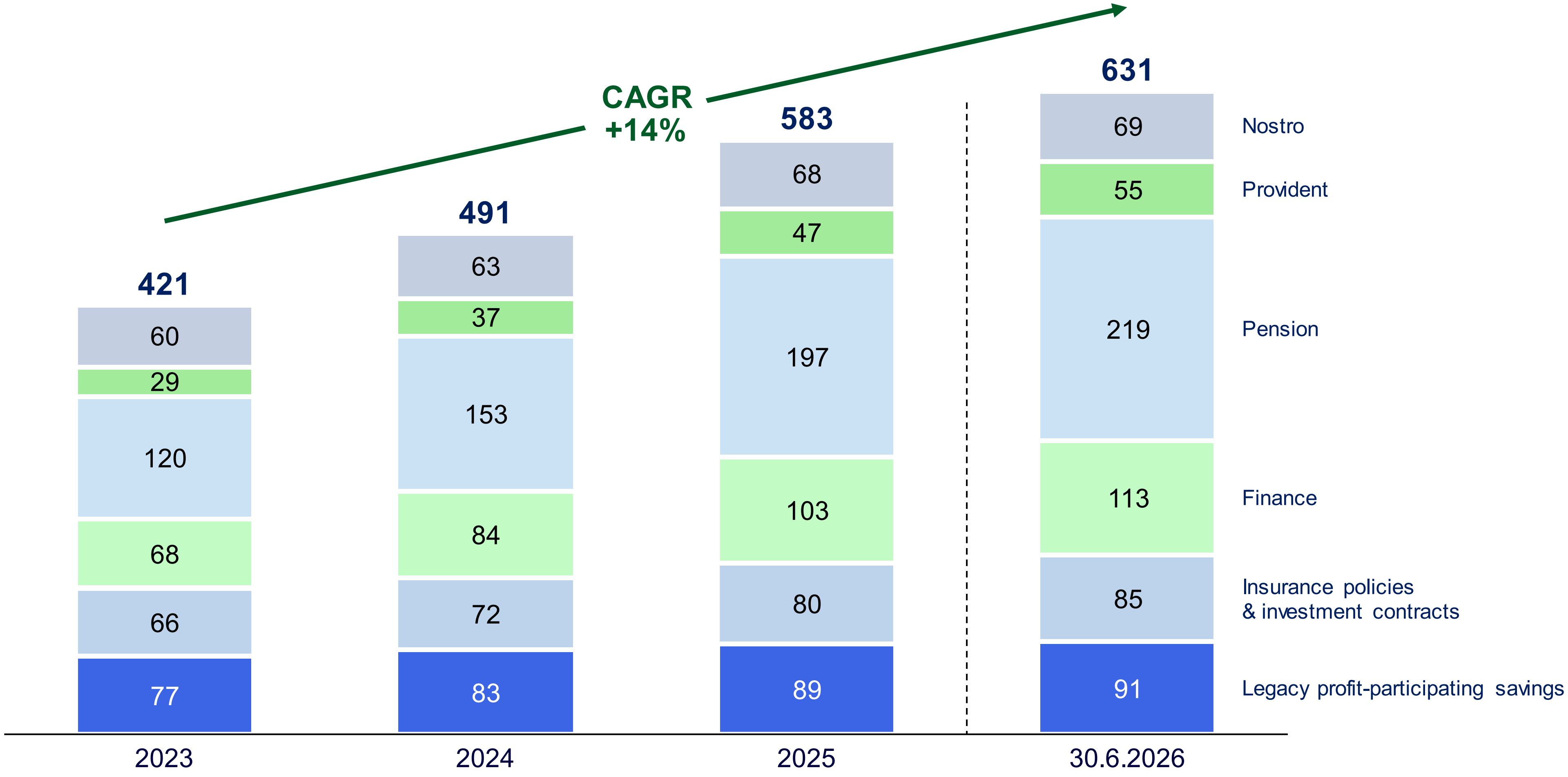
Sustained robust and accelerating growth: ~20% in H1 and Q2



- **Growth rate of premiums and contributions exceeds its 2025 levels**
- Pension and provident funds serve as the **primary growth drivers**, with a significant boost of **16% and 38%**, respectively in H1
- **Receipts on investment contracts double**
- The **market's fastest-growing** pension fund

AUM (NIS billions)

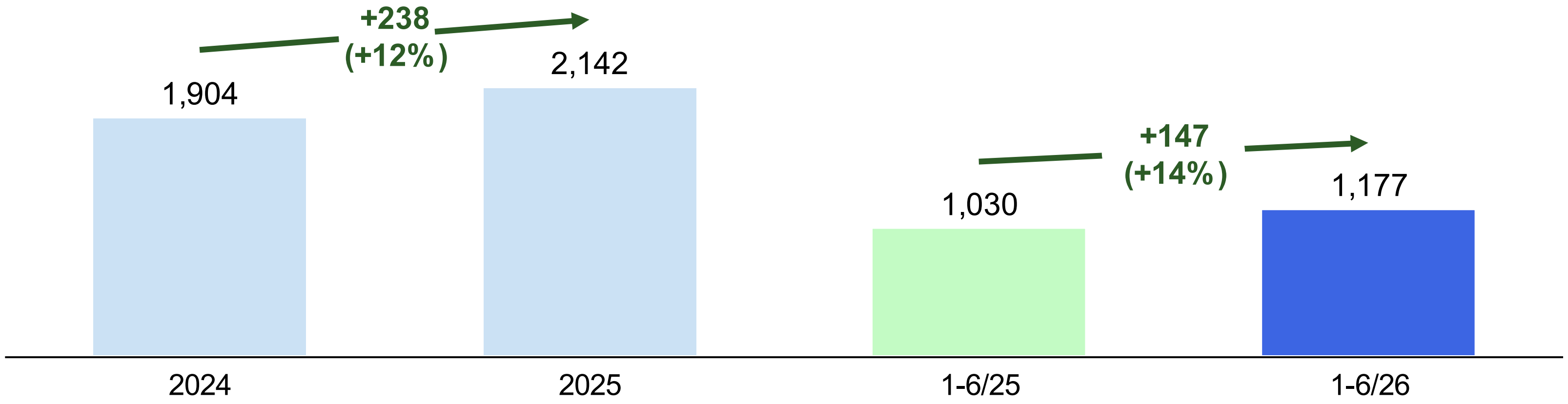
Sustained growth momentum: ~8% YTD



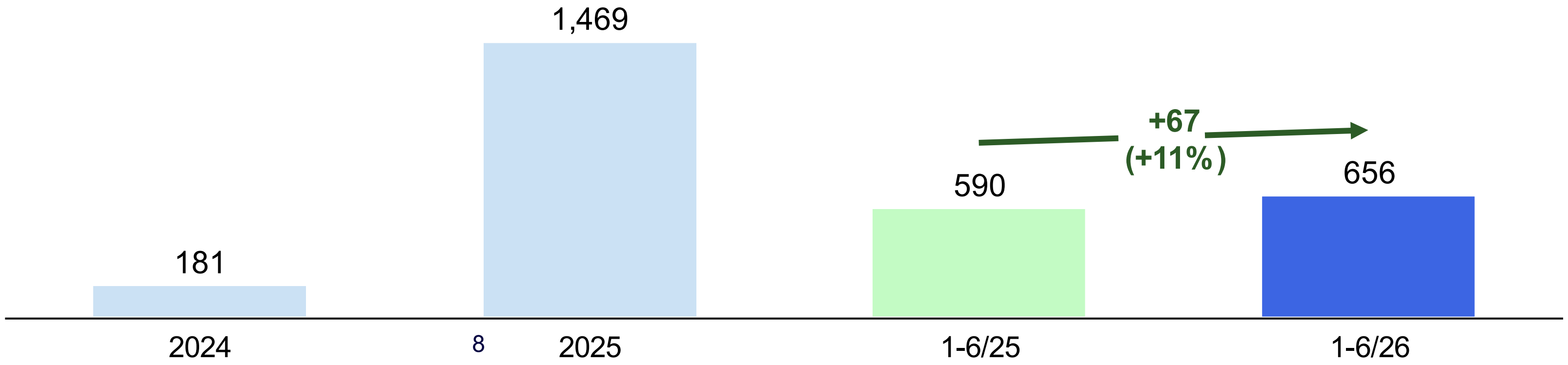
- **Net positive mobility in pension and provident funds**, coupled with positive market returns, drove AUM growth in H1
- **Increased** inflows into **mutual funds**

Asset Management Revenues | Management Fees (NIS millions)

Fixed management fees:



Variable management fees:

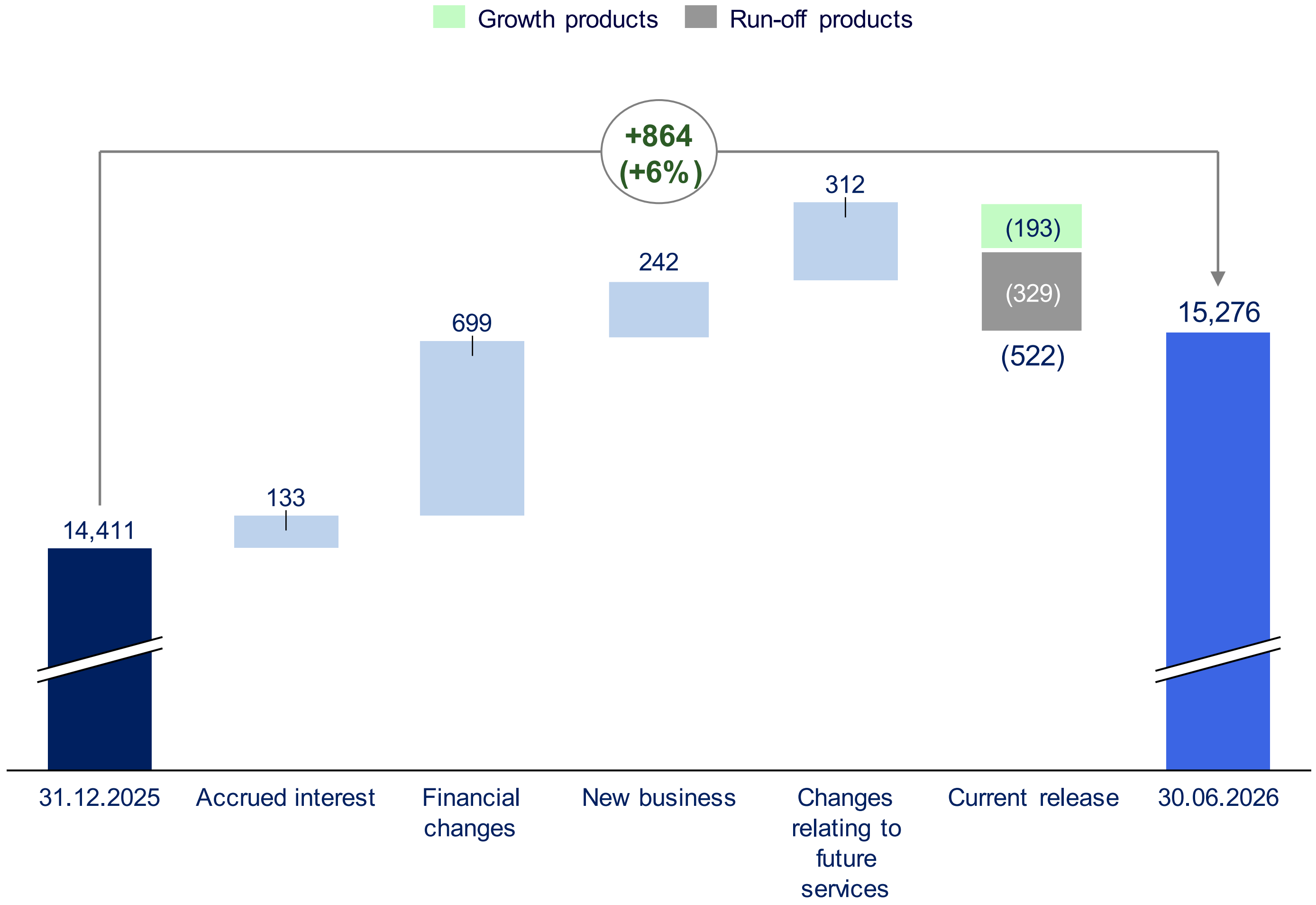


- Unique asset composition and portfolio mix, driving **industry-leading asset management revenues**
- **Variable management fees** serve as a significant value driver, expanding the CSM and **providing a key source for future profit growth**

CSM Expansion (NIS millions)

New-business CSM doubles

CSMdevelopment:



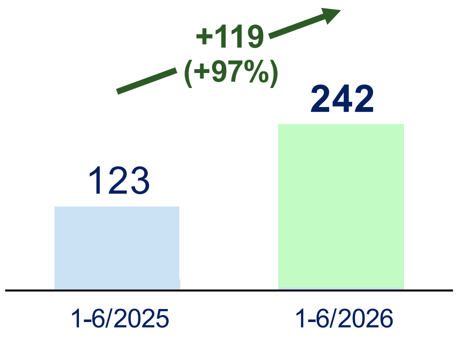
Total ratio of **new-business** CSM to CSM release for **growth products**

116%

Added value creation ratio*

134%

New-business CSM creation:



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* The **"Added Value Creation" metric** represents the ratio of new-business CSM plus CSM growth derived from **excess returns**, to the current CSM release (excluding long-term care release).

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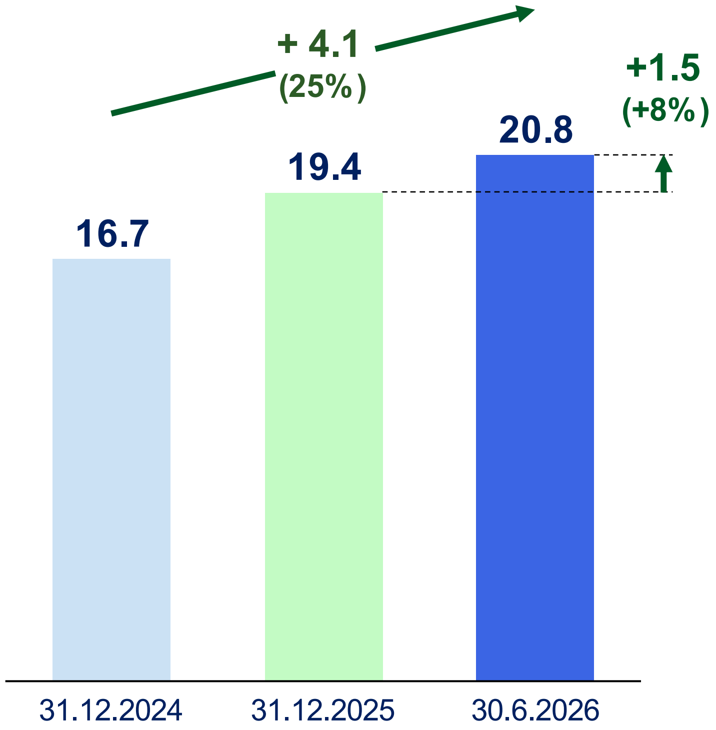
CSM and Comprehensive Equity

Significant and sustained growth in comprehensive equity

Comprehensive equity*

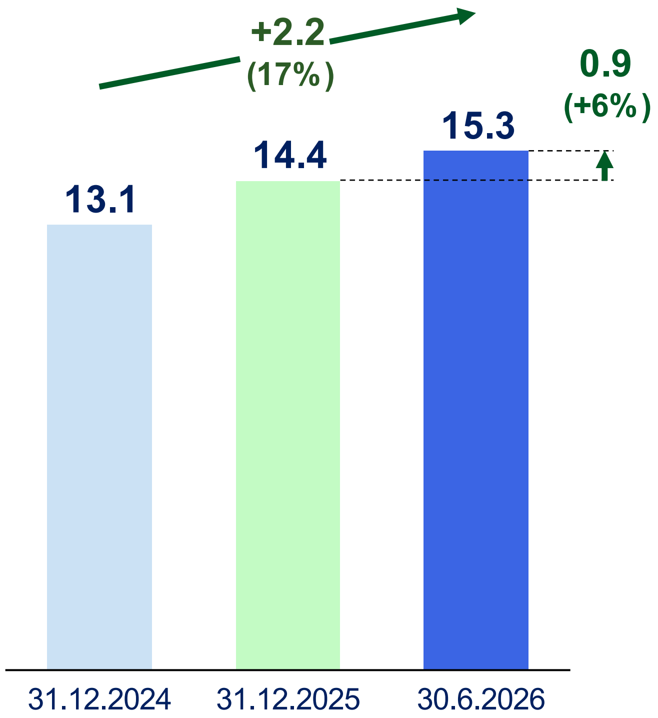
NIS billions



Comprehensive equity growth enhances the Company's financial stability and strength

CSM

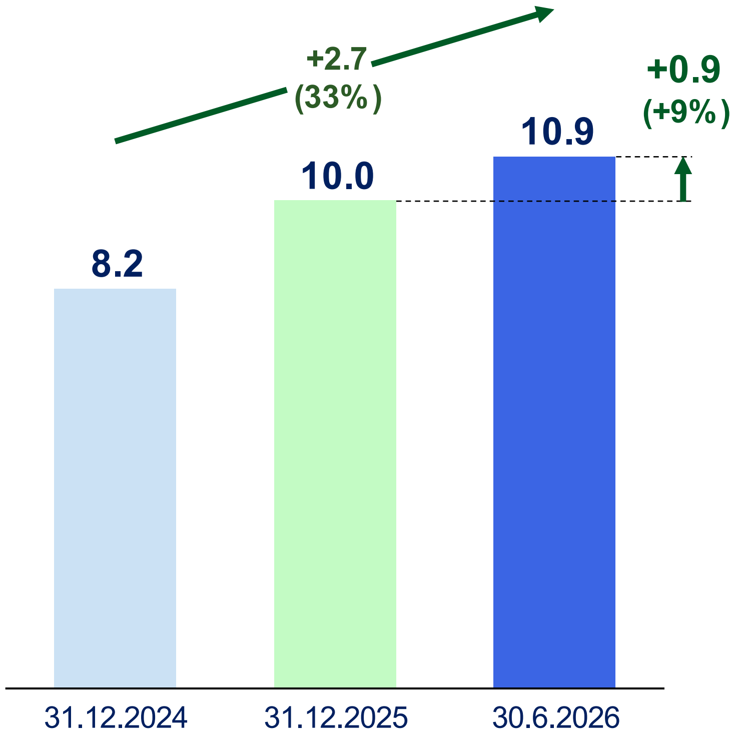
NIS billions



The growth stems mainly from favorable financial influences, changes in future services, updates to the stochastic model and new business growth

Equity

NIS billions

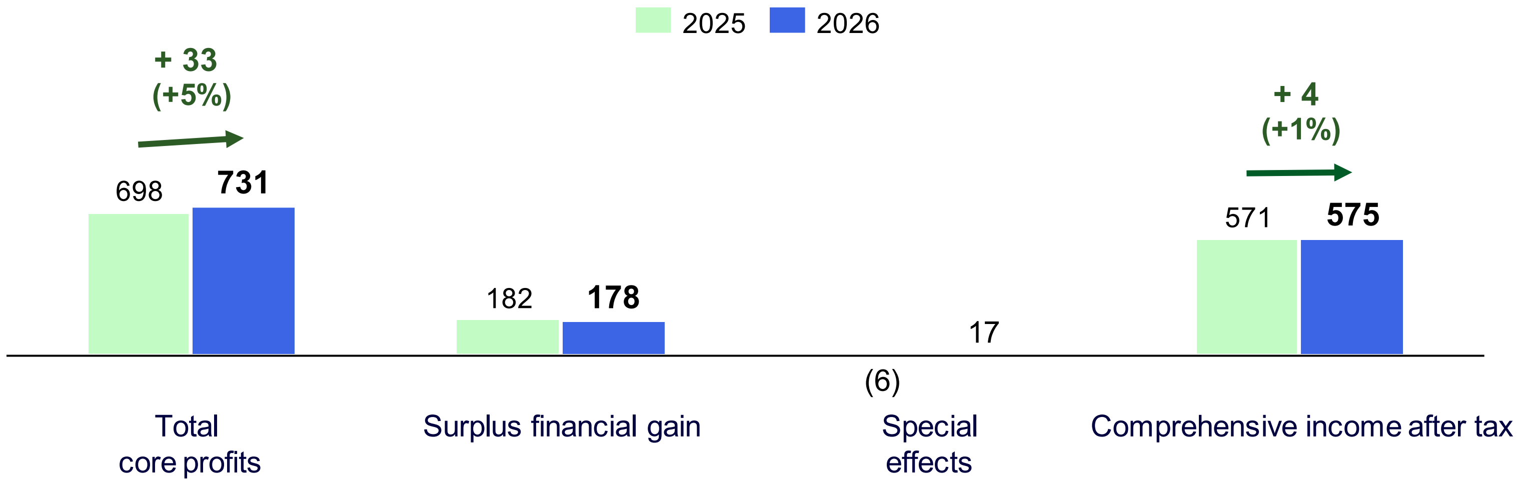


* Comprehensive equity = equity plus post-tax CSM

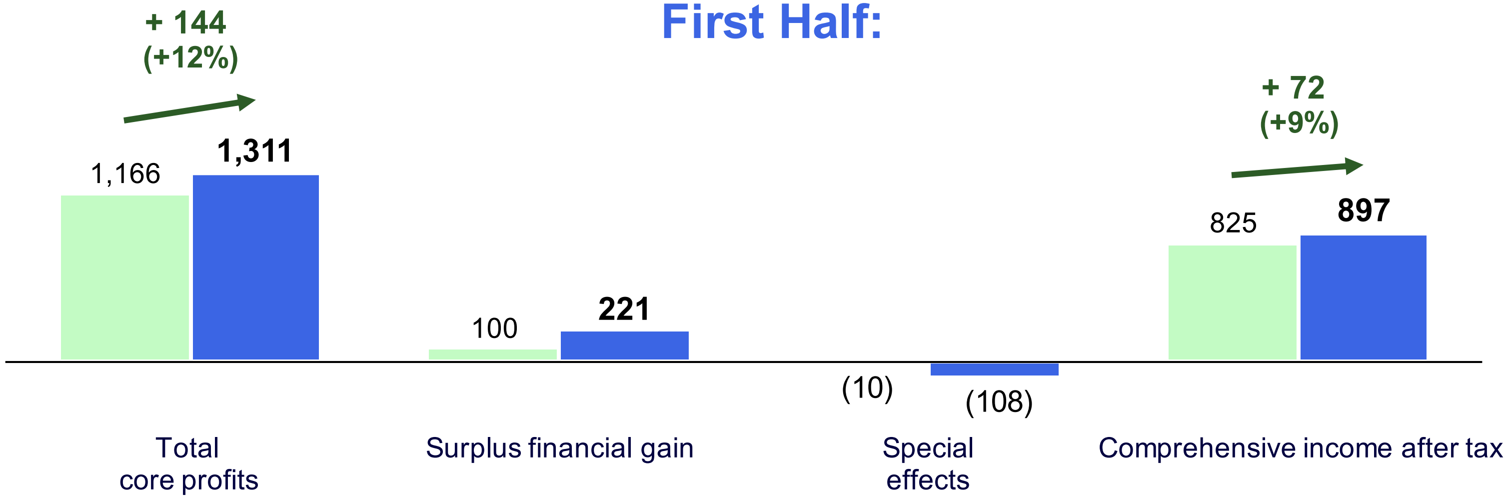
Comprehensive Income and Core Profits (NIS millions)

Record core profits in Q2 and H1

Second Quarter



First Half:

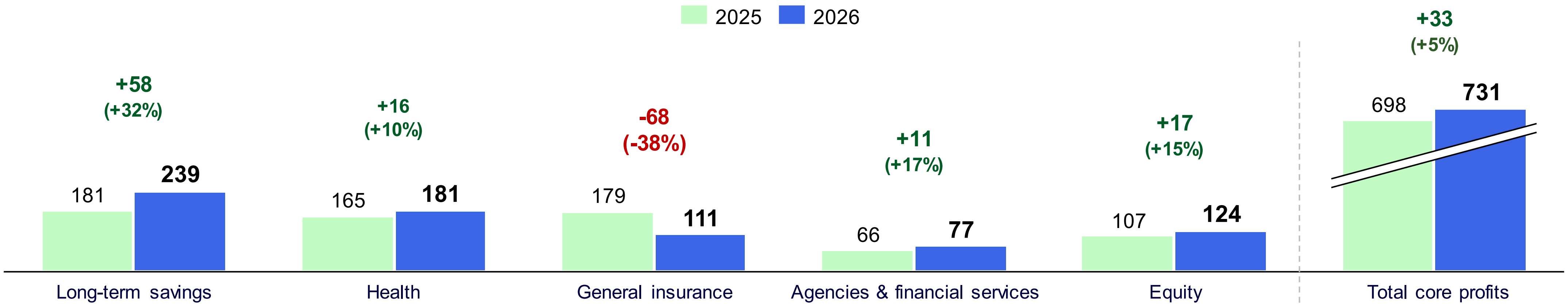


- Record core profits
- Ongoing nostro portfolio optimization, alongside strong market returns, boosted surplus financial gain in H1
- Sustained growth in the profitability of **Migdal Agencies** and **Migdal Capital Markets**

Core Profits (NIS millions)

Significant profitability growth across most business lines

Second Quarter:



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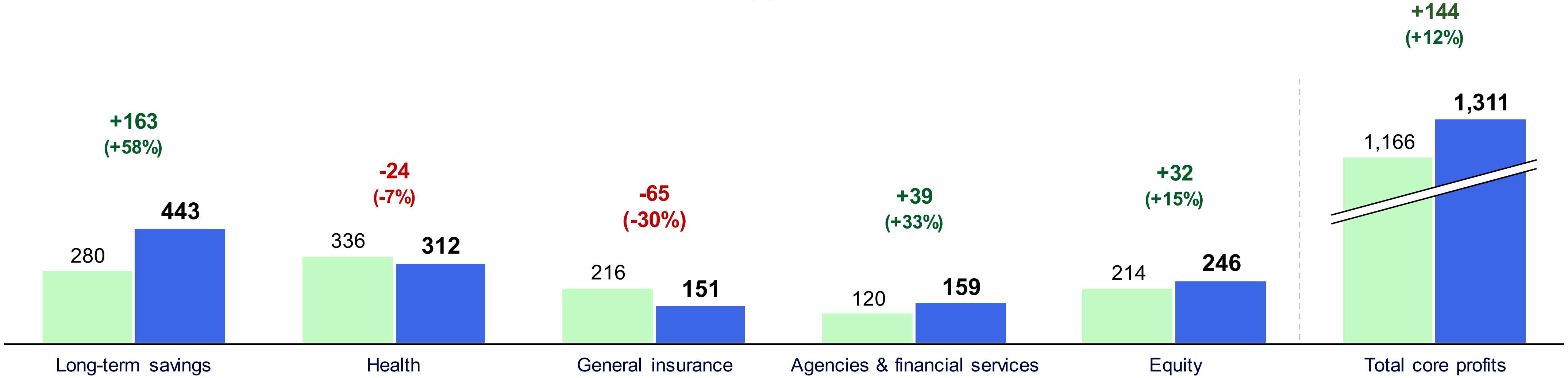
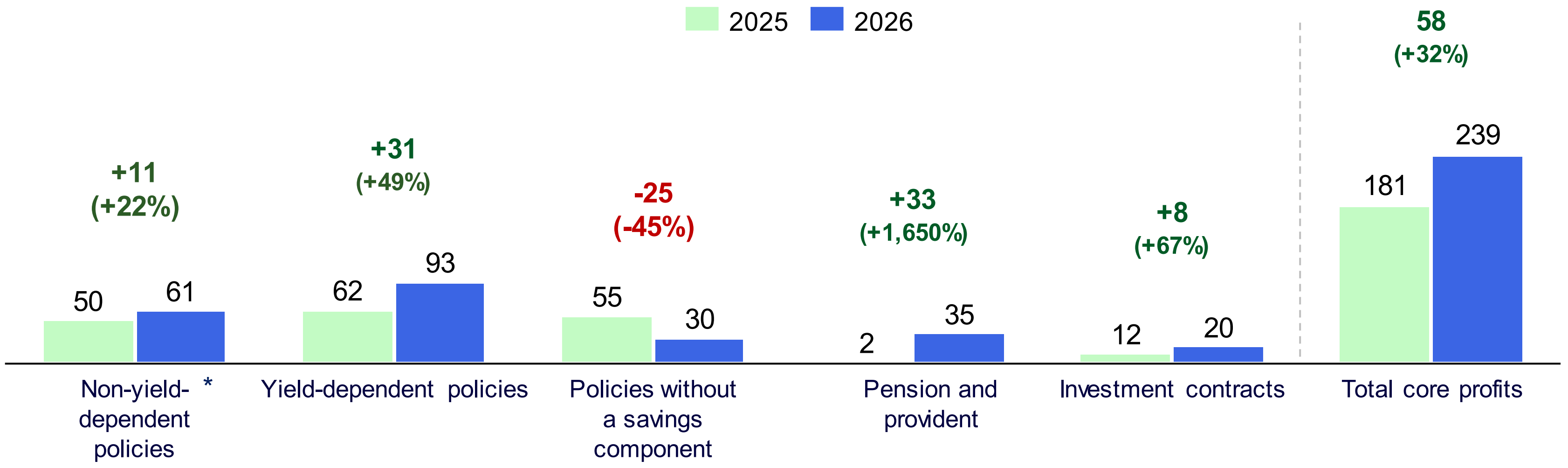


Long-Term Savings (NIS millions)

Significant growth momentum in Pension and Provident Funds

Second Quarter:



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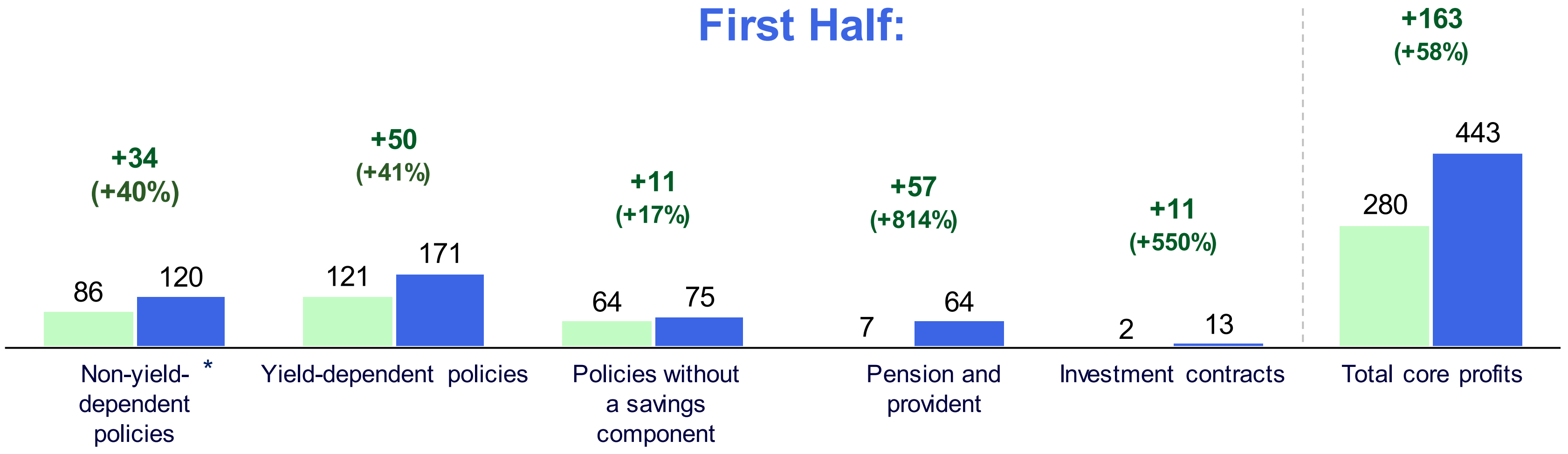


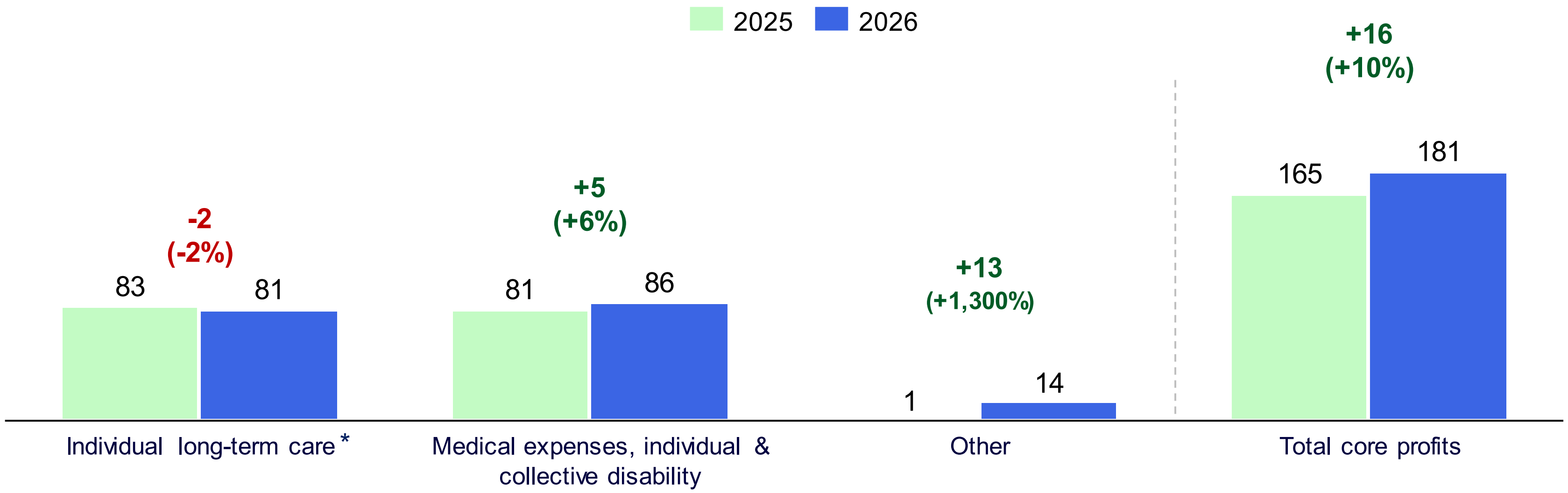
- Profitability improvement in participating policy portfolios primarily driven by an increased CSM balance due to excess returns and the effect of updates to the stochastic model
- Substantial expansion in provident funds and sustained high growth in the pension sector drove higher management fee revenues and increased profitability
- Sustained accelerated growth in investment contracts

* A reclassification performed in 2026 affected the financial gain carried to core profits

Health Insurance (NIS millions)

Key growth driver

Second Quarter:



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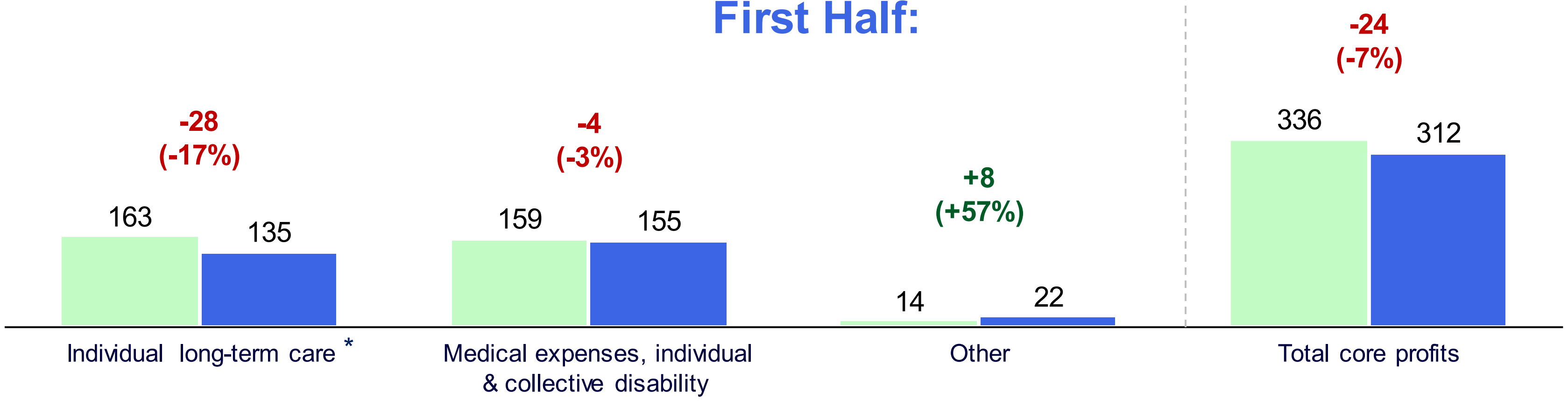

- Profitability growth in the surgical sector due to claim management optimization

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* A reclassification performed in 2026 affected the financial gain carried to core profits

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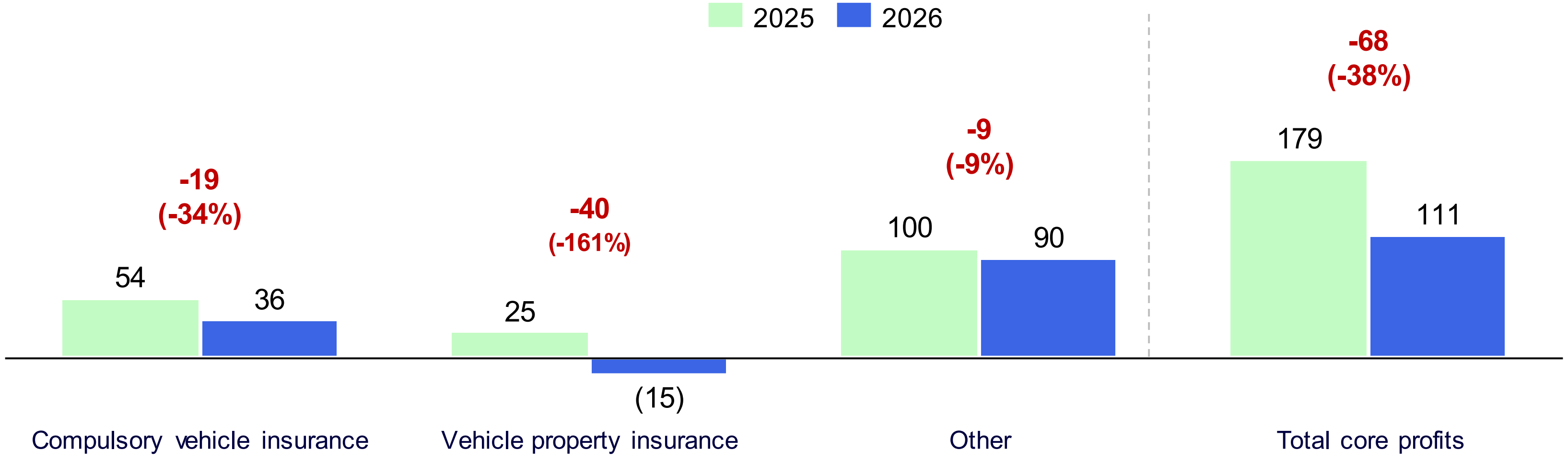
General Insurance (NIS millions)

Driving Continuous Profitability

Second Quarter:



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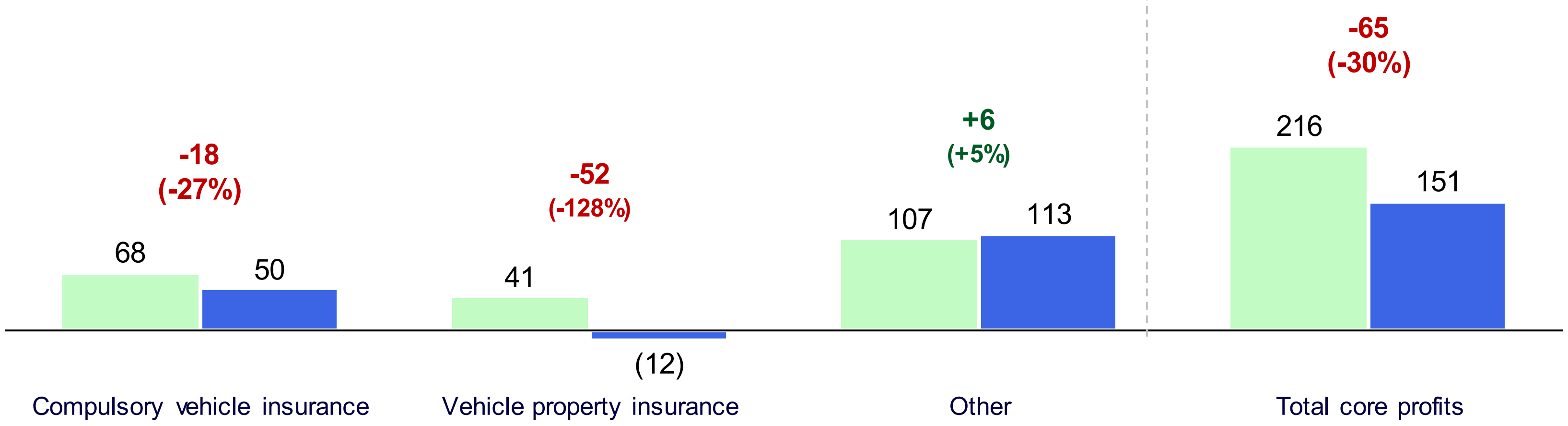
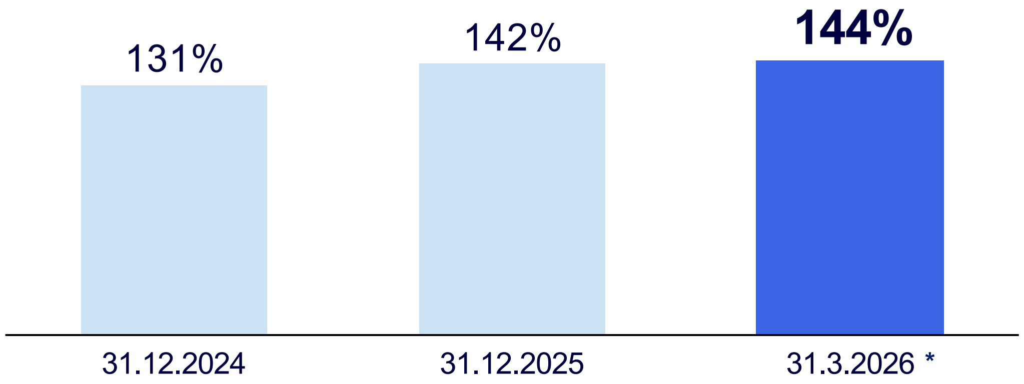


- Continued improvement in current profitability in compulsory vehicle insurance, alongside lower releases from prior underwriting years
- Average premium erosion resulted in a loss in vehicle property insurance

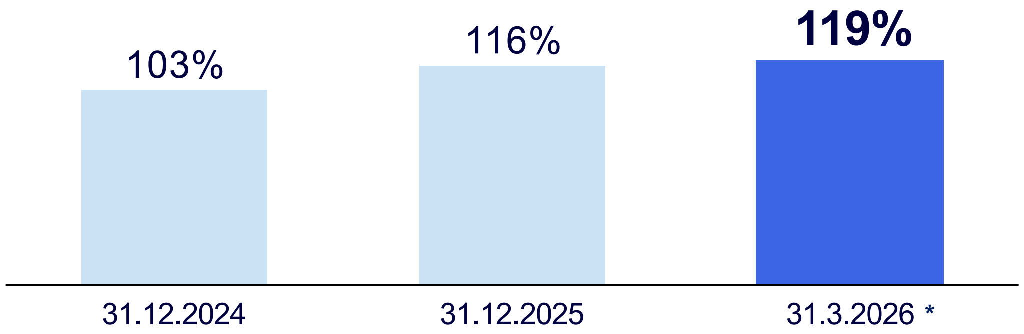
Solvency Ratio

Solvency ratio maintains consistent improvement up to 144%

With transition provisions



Without transition provisions



- According to an assessment that has not been reviewed and audited by the independent auditors, Migdal Insurance's economic solvency ratio as of March 31, 2026 **is 144%** (with the phase-in period transition provisions) and 119% (without the phase-in period transition provisions)
- Migdal Insurance **meets the minimum capital requirement for dividend distribution** set by the Board of Directors of Migdal Insurance in January 2025 (**115%** without accounting for the phase-in period transition provisions)

* Estimated solvency ratio as of March 31 2026, has not been audited and reviewed by the independent auditors

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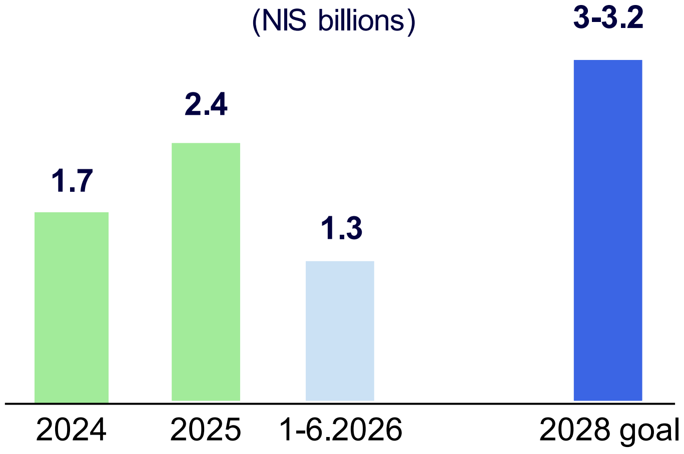
Update on Strategic Goals

On track to achieve 2028 goals

Core profit

(NIS billions)

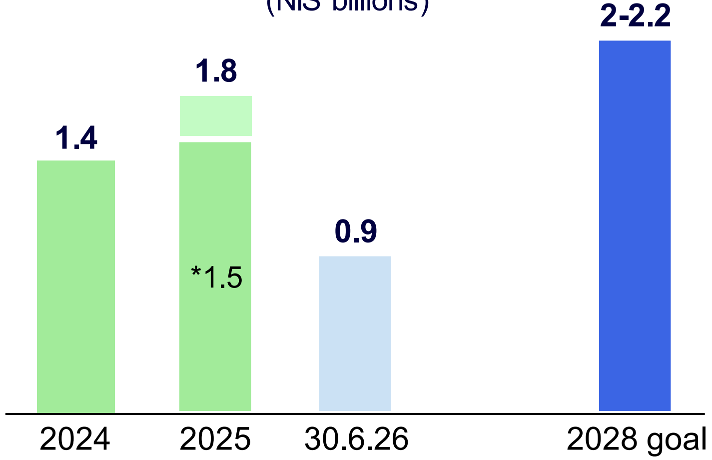


Dividend

Regular dividend distributions starting in 2027, in line with the original goal

Comprehensive Income after Tax

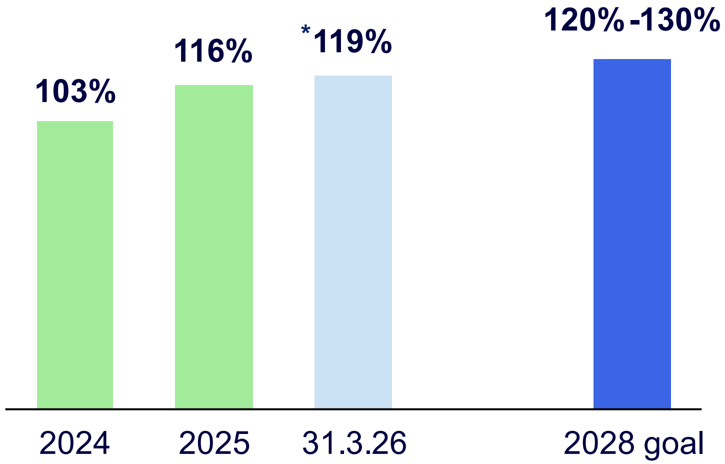
(NIS billions)



* Excluding surplus financial gain net of non-recurring losses (post-tax)

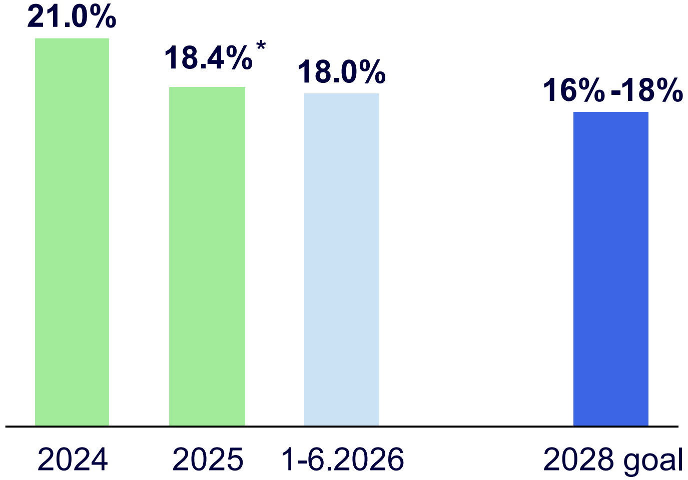
Solvency ratio

Without transition provisions



* Estimated solvency ratio as of March 31 2026, has not been audited and reviewed by the independent auditors

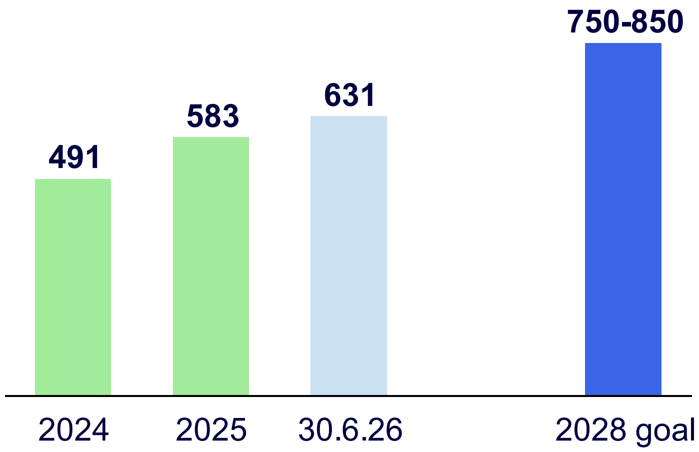
% Return on capital



* Based on a profit of NIS 1.5 billion
(excluding surplus financial gain and net of post-tax non-recurring losses)

AUM

(NIS billions)



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