



Trends Analysis in the Israeli Automotive Market

Q3/2025

PREFACE



Israel Vehicle Importers Association (I-via) publishes this quarterly overview to offer a comprehensive analysis of the Israeli market for new vehicles, highlighting relevant trends observed over the years.

It should be noted that the data presented in this document pertains to passenger cars and light commercial vehicles weighing up to 3.5 tons, falling within the N1+M1 categories (as classified by the EU), and imported solely by direct importers.

Hezi Shayb - Ph.D., CEO
Israel Vehicle Importers Association (I-via)

A handwritten signature in black ink, appearing to be 'Hezi Shayb'.

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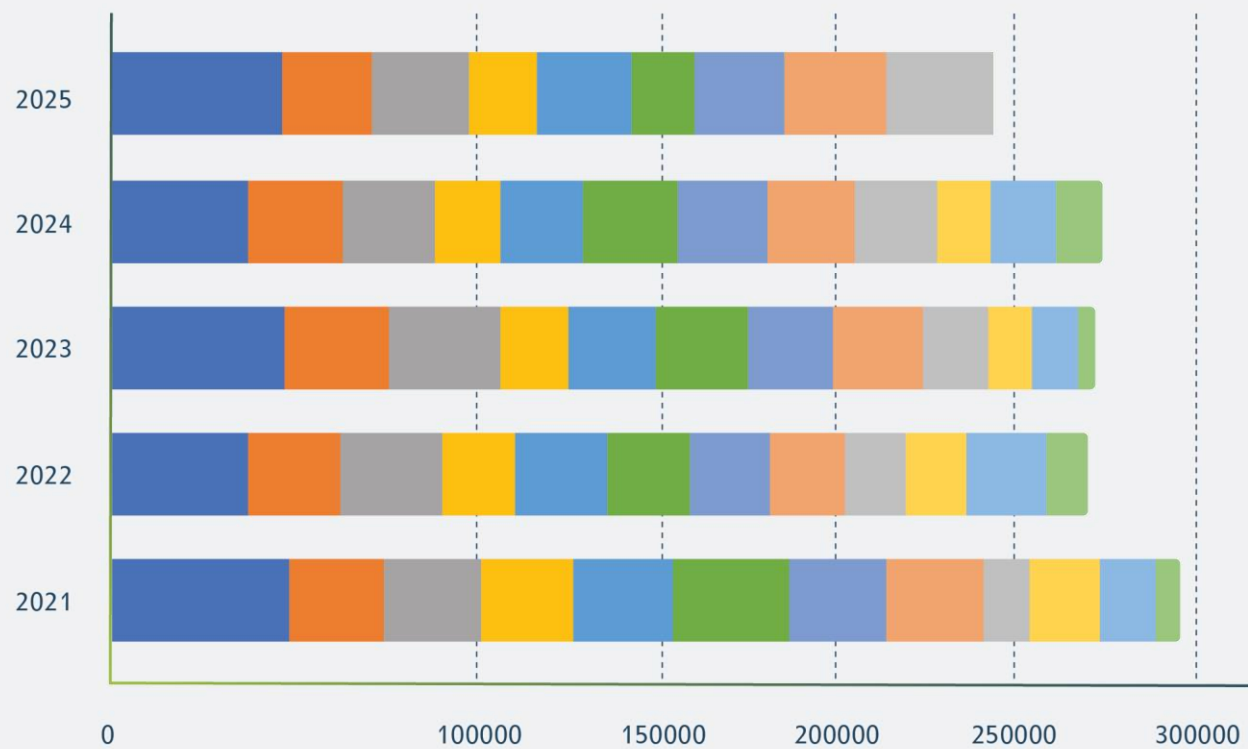
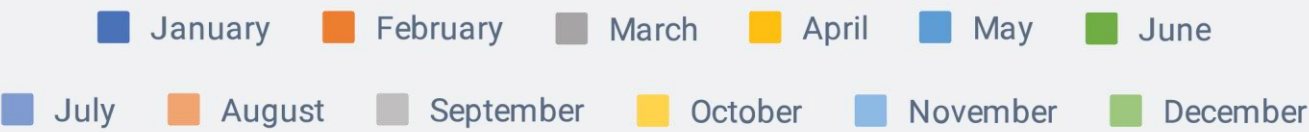


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The data analysis was performed in collaboration with Carzone Technologies Ltd.

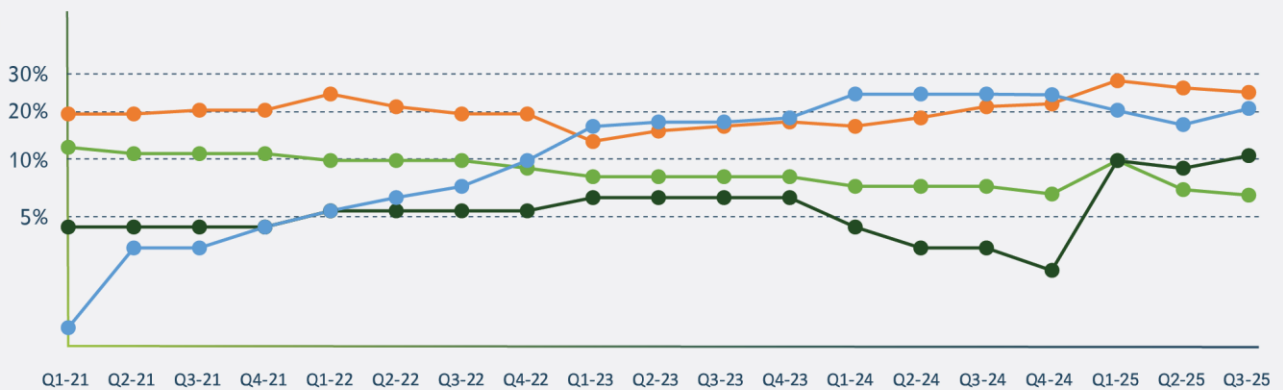
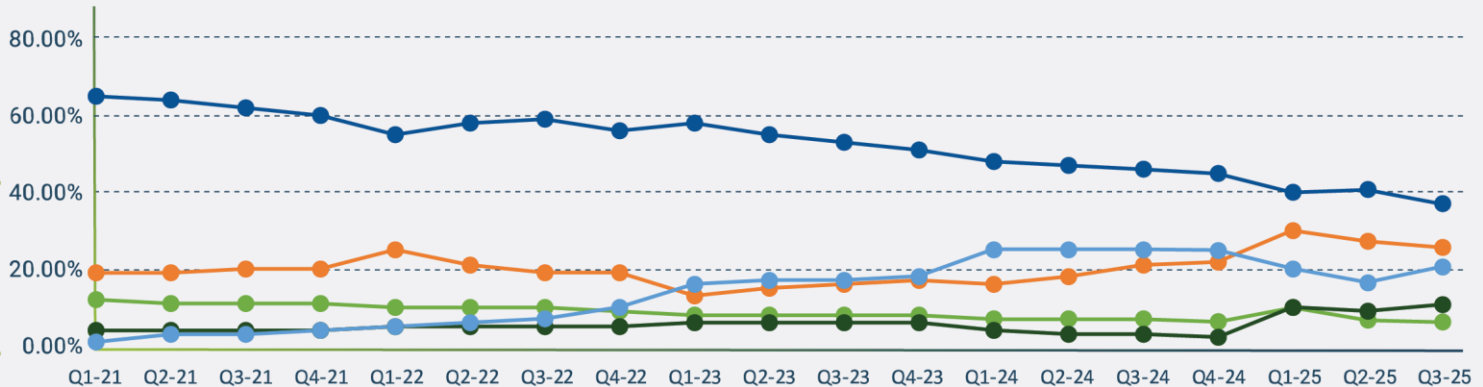
REGISTRATION DATA



REGISTRATIONS BY ENGINE TYPE



● Petrol ● hybrid ● Diesel ● phev ● Electric



It should be noted that the data presented in the graph in relation to each quarter in given year, are cumulative data from the beginning of that year.

Q3 2025 continues to reflect the deep transformation of Israel's powertrain mix, characterized by the decline of petrol engines and the steady consolidation of electrified powertrains.

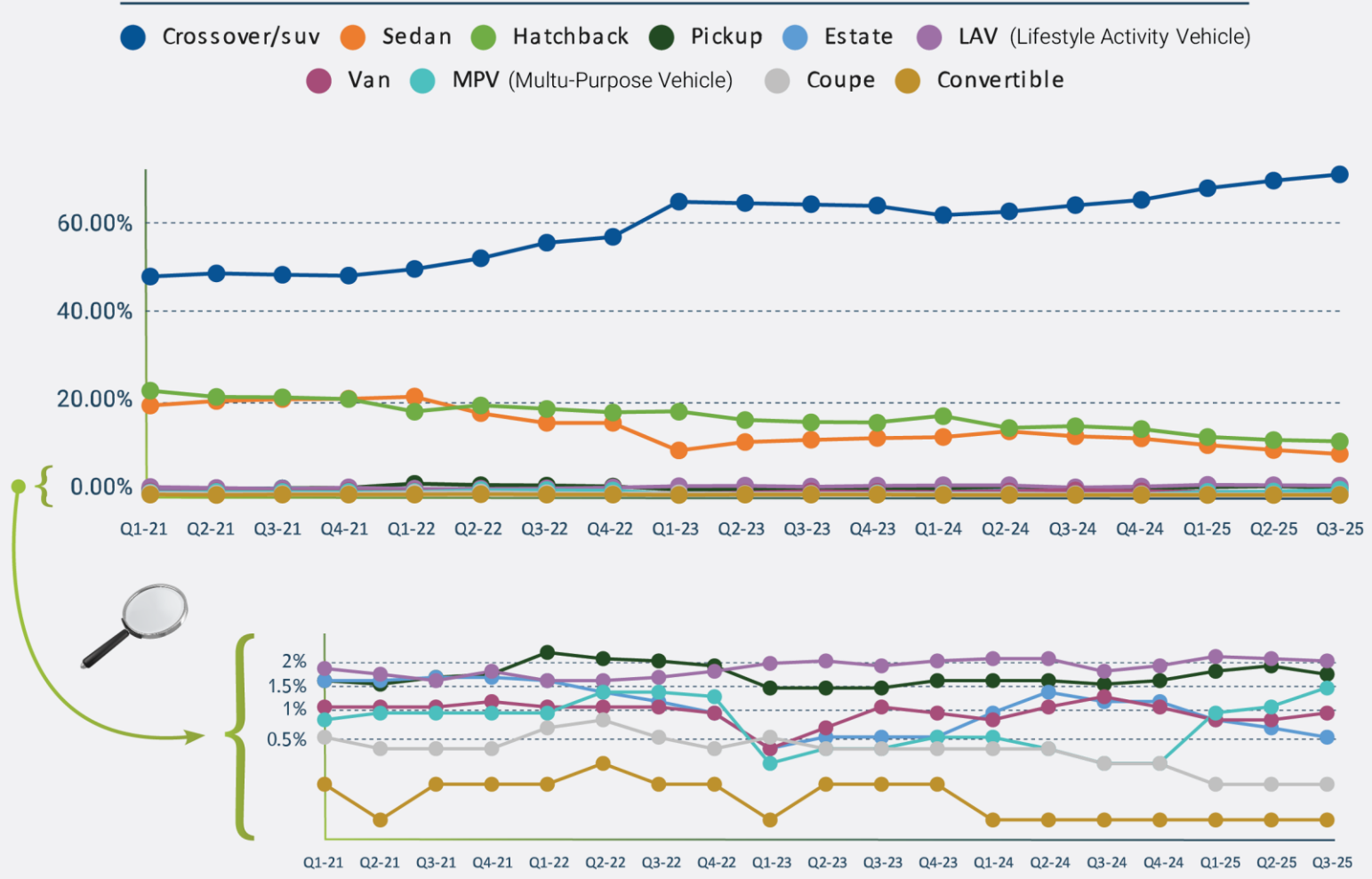
Petrol vehicles accounted for **37.0%** of total registrations in Q3 2025, down from **40.7%** in Q2 2025 and **46.0%** in Q3 2024. This represents a further erosion of the petrol share, which stood at **53.0%** in Q3 2023, marking a long-term structural decline in internal combustion engines.

Electric vehicles (EVs), accounted for **20.5%** of the market in Q3 2025, a notable recovery from **16.4%** in Q2 2025, although below the exceptional **25.0%** share seen in Q3 2024. Compared to **17.0%** in Q3 2023, BEVs remain on an upward trajectory, maintaining a strong foothold in the market.

Hybrid vehicles reached **25.6%** of new registrations, slightly below Q2 2025 (27.2%) but significantly above both Q3 2024 (21.0%) and Q3 2023 (16.0%). The segment continues to demonstrate steady, organic growth, supported by the increasing availability of hybrid models across multiple brands.

PHEVs grew to **10.7%**, up from **9.0%** in Q2 2025 and significantly higher than **3.0%** in Q3 2024 and **6.0%** in Q3 2023. This reinforces the trend toward transitional electrified powertrains appealing to drivers seeking flexibility.

REGISTRATIONS BY SEGMENT TYPE



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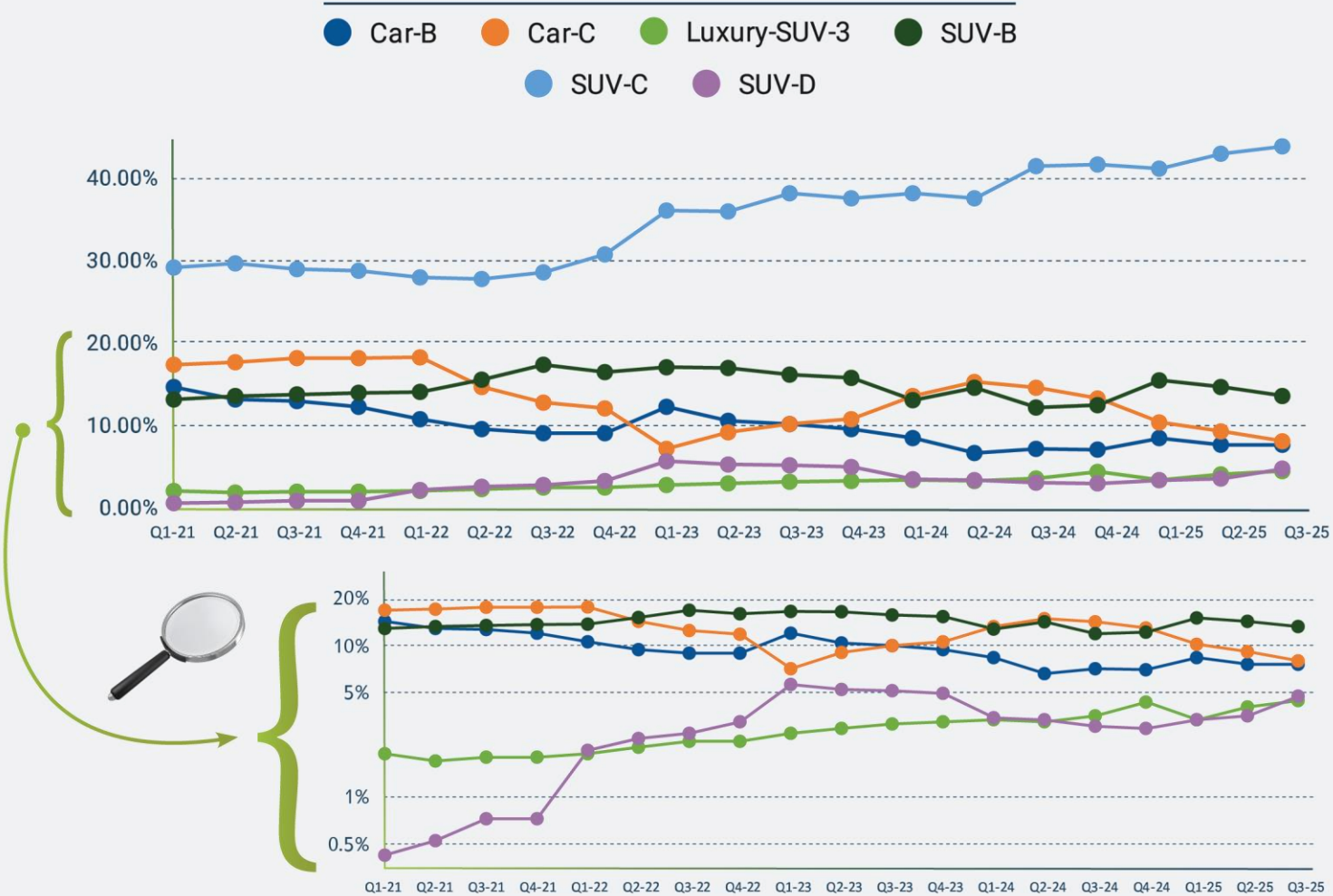
Q3 2025 highlights the continued dominance of crossovers and SUVs in Israel’s passenger car market, alongside the ongoing contraction of traditional sedan and hatchback formats.

Crossover/SUV vehicles represented 72.0% of new registrations, a further increase from 70.6% in Q2 2025 and up sharply from 65.1% in Q3 2024 and 65.3% in Q3 2023. This segment continues to strengthen quarter after quarter, reflecting strong consumer preference for higher seating position, versatility, and perceived safety

Sedan accounted for 9.3% of registrations in Q3 2025 – a decline compared to both the previous quarter (10.2%) and the same period last year (13.3%). Two years earlier, in Q3 2023, sedans held 12.5%, confirming a clear and ongoing erosion of this traditional body style.

Hatchbacks captured 12.1% of the market in Q3 2025, slightly down from 12.4% in Q2 2025 and 15.5% in Q3 2024, as well as from 16.4% in Q3 2023. The data underscore the gradual shift away from compact passenger cars in favor of SUV-based.

REGISTRATIONS BY CATEGORY



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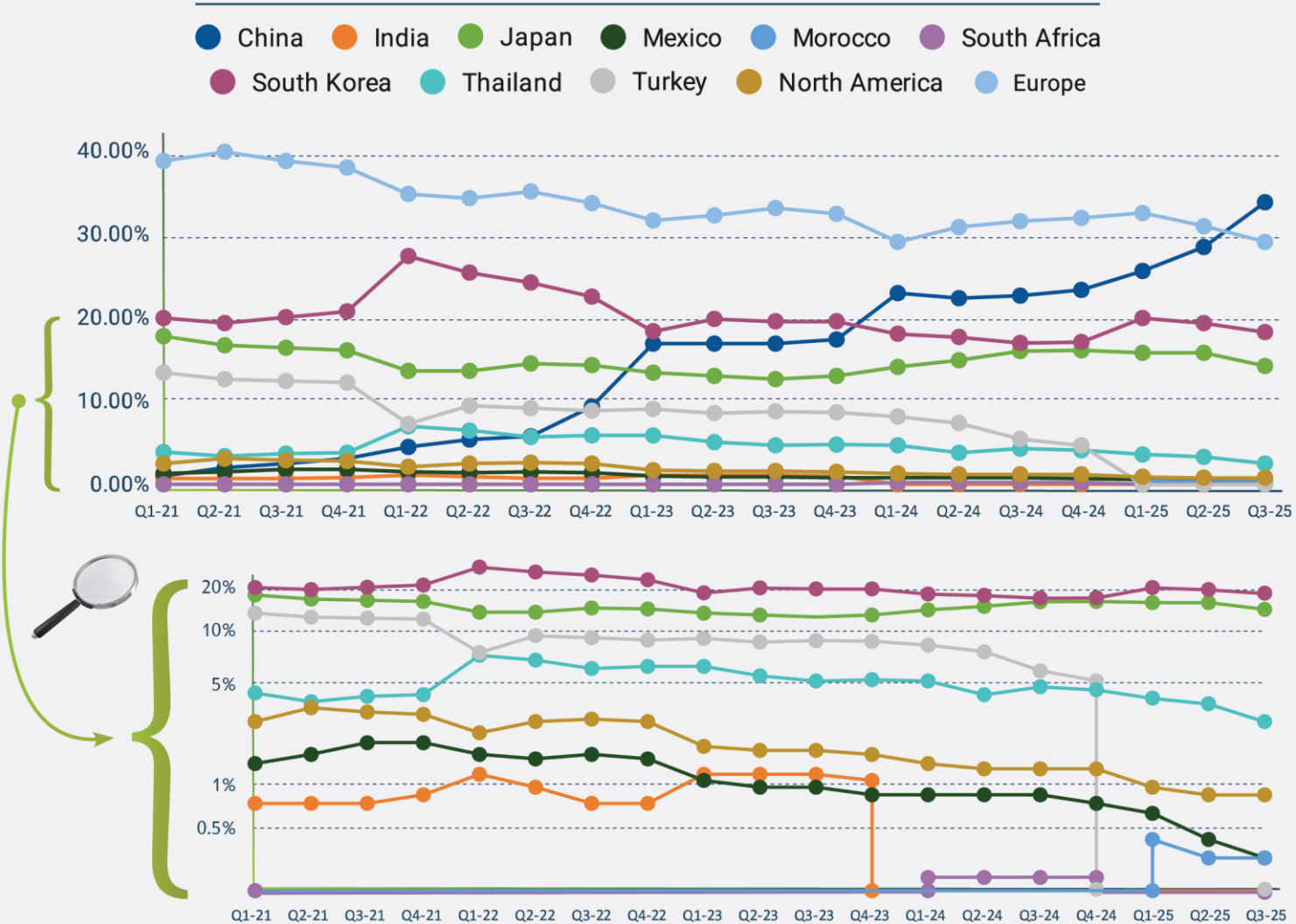
The category analysis for Q3 2025 shows continued consolidation around SUV segments, with compact (SUV-C) models strengthening their dominant position while traditional passenger car categories remain stable or in decline.

The **SUV-C** vehicles maintained their clear leadership, accounting for **43.7%** of total registrations in Q3 2025, up from **42.8%** in Q2 2025 and **41.3%** in Q3 2024. This compares to **38.0%** in Q3 2023, marking a consistent four-quarter expansion of this segment as consumer preference continues to shift toward family-sized SUVs.

SUV-B vehicles reached **13.4%**, down slightly from **14.5%** in Q2 2025 and 12.0% in Q3 2024, but lower than their 16.0% share in Q3 2023. Despite the moderate decline, the segment remains the second-largest in the market, sustained by compact urban SUV models.

Car-C models represented **7.9%** of new registrations this quarter, a marginal decrease from **9.1%** in Q2 2025 and **14.4%** in Q3 2024, continuing their gradual long-term decline from **10.0%** in Q3 2023.

REGISTRATIONS BY COUNTRY OF ORIGIN



It should be noted that the data presented in the graph in relation to each quarter in given year, are cumulative data from the beginning of that year.

Overall, Q3 2025 reinforces the market’s structural realignment: Chinese vehicles have now overtaken Europe as the leading source of passenger cars in Israel, marking a historic shift in the composition of the local market.

China strengthened its leading position, accounting for **34.1%** of all new passenger car registrations, a sharp increase compared to **28.7%** in Q2 2025, **22.8%** in Q3 2024, and **17.0%** in Q3 2023. The data indicate an ongoing, consistent expansion of vehicles manufactured in China in the Israeli market.

Europe represented **29.3%** of new registrations in Q3 2025, compared with **31.2%** in Q2 2025, **31.8%** in Q3 2024, and **33.4%** in Q3 2023. The figures show a gradual decrease in Europe’s share over the past two years.

South Korea accounted for **18.0%** of registrations, versus **19.5%** in Q2 2025, **17.1%** in Q3 2024, and **19.7%** in Q3 2023. The data suggest minor quarterly fluctuations within a relatively consistent range.