

**BANK LEUMI LE-ISRAEL B.M**

To: Securities Authority

To: Securities Stock Exchange in Tel-Aviv Ltd.

T081 (Public)

MAGNA Transmission Date: 24/05/2018

Reference:

2018-01-042012

[www.isa.gov.il](http://www.isa.gov.il)

[www.tase.co.il](http://www.tase.co.il)

**DISTRIBUTION OF DIVIDEND IN CASH ON SECURITIES IMMEDIATE REPORT**

Regulation 37(a) to the Securities Regulations (Periodic and Immediate Reports) 5730 -1970

1. We hereby report that on *23/05/2018* it was resolved to pay dividend on securities of the company.
2. The total amount of dividend to be paid is: *NIS 291,890,348.40* \_\_\_\_\_.
3. The balance of the corporation's profits as defined in Section 302 to the Companies Law, 5759 -1999. Following the distribution subject matter of this report, a sum of *NIS 24,222,000,000* \_\_\_\_\_
4. The dividend distribution approval process

By the Board of Directors 23.5.2018

The foregoing distribution is with the court's approval in accordance with Section 303 to the Companies Law *NO*

5. The effective date (The Record Date): *05/06/2018*  
The Ex-Dividend Date: *05/06/2018*  
The Payment Date: *19/06/2018*

6. The payment details:

- Dividend distributed by an Israeli resident company (composition of the dividends sources and tax rates see Section 7A)
- Dividend distributed by a Real Estate Investments Trust (composition of the dividends sources and tax rates see Section 7C)

Number Eligible Securities	Of Securities Name	Dividend Amount For One Security	Dividend Amount Currency	Payment Currency	Representative Rate For Payment For Date	Individuals Tax %	Companies Tax %
604611	Leumi	0.1915264	NIS _____	NIS	_____	25	0

Dividend distributed from foreign resident company (for tax rates see Section 7B)

1	Number Of Securities	Securities Name	Gross Amount For One Security	Amount Currency	Tax Overseas %	Convention Tax %	Individuals Tax Balance to be deducted in Israel %	Companies tax balance to be deducted in Israel %
	_____	_____	_____	_____	_____	_____	_____	_____
			Payment Amount in Israel For One Security	Payment Currency	Representative Rate For Payment For Date		Actual Individuals Tax in Israel %	Actual Companies tax in Israel %
			_____	_____	_____	_____	_____	_____

State the exact dividend amount to be paid up to 7 digits after decimal point for payment in NIS and up to 5 digits after decimal point in the event of payment in other currency.

Is the dividend amount for one security final *YES* \_\_\_\_\_

The dividend amount for one security is subject to changes due to \_\_\_\_\_

7. Deduction of tax at source rates detailed below are for the purpose of deducting tax at source by the Stock Exchange Members

7A. Composition of dividend sources distributed by an Israeli resident company from shares and financial instruments except REIT Trust.

	Percentage Of Dividend	Individuals	Companies	Foreign Residents
Companies Taxable Revenues (1)	100	25%	0%	25%
Revenues originating overseas (2)	0	25%	23%	25%
Revenues from approved / preferred enterprise (3)	0	15%	15%	15%
Revenues from preferred enterprise Ireland until 2013 (4)	0	15%	15%	4%
Revenues from preferred enterprise Ireland commencing from 2014 (5)	0	20%	20%	4%
Preferred Revenues	0	20%	0	20%
Revenues from approved tourism/ agricultural enterprise (6)	0	20%	20%	20%
Revenues from approved/ preferred enterprise remitting waiver notice (7)	0	15%	0%	15%
Distribution classified as capital gain	0	25%	23%	0%
Distribution by RSUs	0	0	0	0
Other	0	0	0	0

**Explanation:**

- (1) Companies tax Taxable revenues from distribution of profits or dividend originating from revenues generated or deriving in Israeli received directly or indirectly from another group of persons subject to companies' tax.
- (2) Revenues originating overseas are revenue generated or deriving from overseas and will not be taxed in Israel.
- (3) Including but not limited to revenues from a tourism preferred enterprise and the choice / operation year is up to 2013.
- (4) Preferred enterprise Ireland whereby the choice year is up to 2013.
- (5) Preferred enterprise Ireland whereby the choice year is from 2014 onwards.
- (6) Including but not limited to revenues from tourism preferred enterprise whereby the choice/ operation year commences from 2014 onwards.
- (7) Approved or preferred enterprise remitting a waiver notice up to 30.6.2015, after deducting companies tax that it owed

**7B. Dividend distributed from foreign resident company**

	Individuals	Companies	Foreign Residents
Dividend distributed from foreign resident company	25%	23%	0%

7C. Dividend distributed by Real Estate Investments Trust

	% of dividend	Individuals (1)	companies	Foreign Resident Companies	Exempted Trust Fund	Provident Fund (2)
From land betterment, capital gain and depreciation (3)	_____	25%	23%	23%	0%	0%
Other taxable income (such as: rent)	_____	47%	23%	23%	23%	0%
Income generating real estate for leased dwelling	_____	20%	20%	20%	0%	0%
Revenues taxed by Fund(4)	_____	25%	0%	25%	0%	0%
Exceptional Revenue	_____	70%	70%	70%	60%	70%
Other	_____	_____	_____	_____	_____	_____
% deduction of tax at source weighted	100%	_____	_____	_____	_____	_____

- (1) Individuals – including but not limited to revenue from taxable trust fund, foreign resident individuals.
- (2) Pension or compensation provident fund as defined in the Income Tax Ordinance and provident fund or foreign pension fund being a resident of the taxed country.
- (3) From land betterment or from capital gain, to the exclusion of the sale of land held for a short period and from revenue of the amount of the depreciation expenses.
- (4) Distribution from taxed revenues by Trust in accordance with Section 63A4 (e).

\_\_\_\_\_

8. Number of dormant securities of the corporation not eligible for payment of dividend and for which a waiver letter must be furnished to receive payment of the dividend of \_\_\_\_\_.

9. The effect of distributing dividend on convertible securities:

- the company has no convertible securities
- the distribution of dividend has no effect on convertible securities
- the effect of the distribution of dividend on the convertible securities is as follows:

Security Name	Security Number	Comments
_____	_____	_____

10. The directors recommendations and decisions in connection with distributing dividend in accordance with Regulation 37(a)(1) to the Securities Regulations (Periodic and Immediate Reports), 5730 – 1970:

*Appendix to Report isa.pdf*

\_\_\_\_\_

The report was signed on the corporation’s behalf in accordance with Regulation 5 to the Securities Regulations (Periodic and Immediate Reports) 5730 – 1970, by Mr. Omer Ziv, Head of Finance Division.

The reference numbers of earlier documents pertaining to the matter (the mention thereof does not constitute incorporation by way of reference):

The corporation securities listed for trading on the Tel Aviv Stock Exchange

Date upon which the structure of the form was updated: 01/05/2018

Abbreviated Name: **Leumi**

**Address: 34 Yehuda Halevi, Street, Leumi House Tel Aviv 6513616, Telephone: 076-8858111, 076-8859419 Fax: 076-8859732**

**Email: Livnat.Ein-Shay@bll.co.il Company Website: www.leumi.co.il**

**Previous Names of Reporting Entity:**

---

**Name of Electronic Reporter: Sackstein David Raul, Position: Adv., General Secretary, Name of Employing Company :**

**Address: 34 Yehuda Halevi, Street, Tel Aviv 6513616, Telephone: 076-8857984, Fax: 076-8859732 Email: David.sackstein@Bankleun**