

## Translation of Immediate Report

T87  
Public

### **Bank Leumi Le-Israel B.M.**

Registration No. 520018078

Securities of the Corporation are listed on The Tel Aviv Stock Exchange

Abbreviated Name: Leumi

34 Yehuda Halevi Street, Tel Aviv 651316

Phone: 076-8858111, 076-889419; Facsimile: 076-8859732

Electronic Mail: Livnat.EinShay@bll.co.il

Transmission Date: February 26 2020

Reference: 2020-01-019515

To: Israel Securities Authority (www.isa.gov.il)  
The Tel Aviv Stock Exchange (www.tase.co.il)

### **Status of Capital, Award of Rights to Purchase Shares and Registers of the Corporation's Securities and Changes therein**

Regulation 31(e) of the Securities Regulations (Periodic and Immediate Reports), 1970

Regulation 31(a) of the Securities Regulations (Periodic and Immediate Reports), 1970

Regulation 31(b1) of the Securities Regulations (Periodic and Immediate Reports), 1970

Regulation 32 of the Securities Regulations (Periodic and Immediate Reports), 1970

Nature of the change: *Vesting of PSU 2017 Units into Leumi Shares*

**Explanation: please provide a short description of the nature of the change**

Reference numbers of previous reports on the subject: \_\_\_\_\_, \_\_\_\_\_.

#### 1. Status of the Corporation's Securities after the Change:

Type and Name of Security	Tel Aviv Stock Exchange Registration No.	Amount in Registered Capital	Issued and Paid-up Capital		Amount registered in name of nominee company
			Amount in the previous report	Current amount	
Leumi	604611	3,215,000,000	1,524,527,267	1,524,720,264	1,524,696,864
Leumi Subordinated Capital Notes (Series 200)	6040141	0	1,349,998,000	1,349,998,000	1,349,998,000

Leumi Subordinated Capital Notes (Series 201)	6040158	0	810,145,182	810,145,182	810,145,182
Leumi Subordinated Bonds Series N	6040299	0	893,843,900	893,843,900	893,843,900
Leumi Subordinated Capital Notes (Series 300)	6040257	0	999,999,000	999,999,000	999,999,000
Leumi Subordinated Capital Notes (Series 301)	6040265	0	999,999,000	999,999,000	999,999,000
Leumi Bonds (Series 177)	6040315	0	5,338,151,000	5,338,151,000	5,338,151,000
Leumi Debentures (Series 178)	6040323	0	1,150,000,000	1,150,000,000	1,150,000,000
Leumi Subordinated Bonds (Series 400)	6040331	0	925,750,000	925,750,000	925,750,000
PSU 2017	6040364	0	192,997	0	0
Leumi Bonds (Series 179)	6040372	0	1,285,970,000	1,285,970,000	1,285,970,000
Leumi Subordinated Bonds (Series 401)	6040380	0	613,800,000	613,800,000	613,800,000
Leumi Subordinated Bonds (Series 402)	6040398	0	209,100,000	209,100,000	209,100,000
Leumi Bonds (Series 180)	6040422	0	1,689,677,000	1,689,677,000	1,689,677,000
Leumi Subordinated Bonds (Series 403)	6040430	0	1,441,150,000	1,441,150,000	1,441,150,000
Leumi Subordinated Bonds (Series 404)	6040471	0	1,240,950,000	1,240,950,000	1,240,950,000
Leumi Dollar 2031-I	6040489	0	750,000,000	750,000,000	750,000,000

**Explanation: Please list all of the Company's securities, including unlisted securities.**

2. The corporation announces that on  
*February 26 2020*

Changes were made only to the corporation's securities register (including the rights to purchase shares), as a result of:

Description of the nature of the change – *Vesting of PSU 2017 units into Leumi shares*

**Explanation: Please describe all the details of the transaction or the action that triggered the change in the corporation's securities.**

1. Name of the registered holder regarding whom the change has taken place: *Bank Leumi Nominee Company Ltd.*

Identification Number Type: Number with the Israel Registrar of Companies:  
*510098064*

Nature of change: *Vesting of PSU 2017 units into Leumi shares*

Date of Change: *February 26 2020*

Executed through the Stock Exchange's clearing house: *Yes*

Type and name of the security in which the change has taken place: *Leumi*

Tel Aviv Stock Exchange Security No.: *604611*

Balance of this security, held by this holder as of the date of the last report: *1,524,503,867*

Balance of this security, held by this holder after the change: *1,524,696,864*

Quantity of increase/decrease: *192,997*

Does this involve the award of rights to purchase shares *No*

Total consideration for allocated securities: \_\_\_\_\_

Number with the Stock Exchange of the share that will arise from the exercise of securities: \_\_\_\_\_

Number of shares to arise from full exercise/conversion of securities: \_\_\_\_\_

Total exercise price received from full exercise/conversion of securities into shares: \_\_\_\_\_

The period during which the securities can be exercised: \_\_\_\_\_

From \_\_\_\_\_ to \_\_\_\_\_

The allocated securities will be listed: \_\_\_\_\_

Allocation of the said securities is further to \_\_\_\_\_ published on \_\_\_\_\_, whose reference number is \_\_\_\_\_

- The security was fully repaid and full consideration was received
- The security was fully repaid, but full consideration was not received
- Issued for the purpose of ATM
- Other

*Vesting of PSU 2017 units into Leumi shares*

2. Name of the registered holder regarding whom the change has taken place: *ESOP Management and Trust Services Ltd.*

Identification Number Type: Number with the Israel Registrar of Companies:  
*513699538*

Nature of change: *Vesting of PSU 2017 units into Leumi shares*

Date of Change: *February 26 2020*

Executed through the Stock Exchange's clearing house: *Yes*

Type and name of the security in which the change has taken place: *PSU 2017*

Tel Aviv Stock Exchange Security No.: *6040364*

Balance of this security, held by this holder as of the date of the last report: *192,997*

Balance of this security, held by this holder after the change: *0*

Quantity of increase/decrease: *192,997*

Does this involve the award of rights to purchase shares *No*

Total consideration for allocated securities: \_\_\_\_\_

Number with the Stock Exchange of the share that will arise from the exercise of securities: \_\_\_\_\_

Number of shares to arise from full exercise/conversion of securities: \_\_\_\_\_

Total exercise price received from full exercise/conversion of securities into shares: \_\_\_\_\_

The period during which the securities can be exercised: \_\_\_\_\_

From \_\_\_\_\_ to \_\_\_\_\_

The allocated securities will be listed: \_\_\_\_\_

Allocation of the said securities is further to \_\_\_\_\_ published on \_\_\_\_\_, whose reference number is \_\_\_\_\_

- The security was fully repaid and full consideration was received
- The security was fully repaid, but full consideration was not received
- Issued for the purpose of ATM
- Other

*Vesting of PSU 2017 units into Leumi shares*

**Explanations:**

1. If the change affects more than one security, please describe the impact of the change in a separate line for each security.

2. Date of change – all changes of the same type, the same security, carried out on the same day shall be summarized in a single line; for that purpose, one should separate between changes executed in the Stock Exchange and changes executed directly in the Company’s books of accounts.

3. The change – for a decrease please add the sign “-“

4. In all quantity fields please fill out the number of securities rather than NIS par value.

A change has taken place only in the corporation’s register of shareholders (**with no changes in the number of the corporation’s securities**) as a result of:

Description of the nature of the change \_\_\_\_\_

Explanation: please describe all details of the transaction or actions that triggered the change in the register of shareholders.

1. Name of registered holder in respect of whom the change has taken place: \_\_\_\_\_

Identification Number Type: \_\_\_\_\_ Identification No.: \_\_\_\_\_

Date of Change: \_\_\_\_\_ Executed through the Stock Exchange’s clearing house: \_\_\_\_\_

Type and name of the security in which the change has taken place: \_\_\_\_\_

Security no. with the Stock Exchange: \_\_\_\_\_

Quantity of change: \_\_\_\_\_

Balance of this security, held by this holder after the change: \_\_\_\_\_

3. Principal data of the shareholders’ register as of report’s date are as follows:

No.	Name of registered shareholder	ID type	ID number	Security’s number with the Stock Exchange	Shares type and par value	Number of shares	Holder holds the shares as a trustee
1	_____	_____	_____	_____	_____	_____	_____

4. Attached is a file containing the register of shareholders in accordance with the provisions of Section 130 of the Companies Law, 1999 Register of Shareholders 260220 isa. pdf

5. Attached is an updated file containing the corporation’s securities register, including the register of option holders and the register of bond holders Register of Securities 260220 pdf isa.

**Details of signatories authorized to sign on behalf of the corporation:**

Name of signatory	Title	Other
<i>Livnat Ein-Shay Wilder</i>	<i>Secretary of the Group and the Bank</i>	

In accordance with Regulation 5 of the Securities Regulations (Periodic and Immediate Reports), 1970, a report filed pursuant to these regulations shall be signed by the corporation’s authorized signatories. For a staff position of this matter, see the Authority’s website: [click here.](#)

1. *NIS 925,750,000 par value Subordinated Bonds (Series 400) were issued by the Bank on January 21 2016 and are convertible, under certain circumstances, into up to 150,680,438 ordinary shares of the Bank, as of February 26 2020. For further details regarding the conversion of the Subordinated Bonds (Series 400) into Bank shares, see the Deed of Trust for the Subordinated Bonds (Series 400) which constitute an appendix to the Shelf Offering Report published on January 20 2016 (Reference No. 2016-01-014872).*
  
2. *Pursuant to the Immediate Report filed by the Bank on March 30 2017 regarding a Material Private Offering Report approved by the Bank's Board of Directors on March 29 2017 (Reference No. 2017-01-033966) (hereinafter - the "Private Offering Report"), on April 6 2017 the Bank allocated 578,969 PSU 2017 units (hereinafter - the "PSU 2017 Units") to the Trustee, ESOP Management & Trust Services Ltd., Private Company No. 51-369953-8, on behalf of the Offerees, as set out in the Private Offering Report (hereinafter – the "Offerees"). The number of shares that will be arise from the vesting of the PSU 2017 Units that have been allocated is based on the assumption that all the PSU 2017 Units that have been allocated pursuant to the Private Offering Report will be vested, and on the assumption that the maximum number of shares are allocated, such that each PSU 2017 Unit will vest into one ordinary Bank share, of NIS 1.0 par value each. The vesting of the PSU 2017 Units is subject to the conditions set out in Section 3 of the Private Offering Report. For further information regarding the PSU 2017 Units, see the Private Offering Report. On March 5 2018, 192,981 units which constitute the first tranche of the PSU 2017 Units, vested into shares. For details see immediate reports dated March 6 2018. (Reference Numbers: 2018-01-021457 and 2018-01-021445). As part of the vesting of the first tranche, 8,084 dormant shares of the Bank were transferred to owners of PSU 2017 Units, which vested as aforesaid. For details see immediate reports dated March 6 2018. (Reference Numbers: 2018-01-021445 and 2018-01-021448). On March 6 2019, 192,991 PSU 2017 Units, which constitute the second tranche of the PSU 2017 Units, vested into shares. For further information, see immediate reports dated March 7 2019. (Reference No.: 2019-01-019870). On February 26 2020, 192,997 PSU 2017 Units, which constitute the third and last tranche of PSU 2017 Units vested into ordinary Bank shares. To date 578,969 PSU 2017 Units vested into ordinary shares of the Bank that constitute the entire balance of PSU 2017 Units.*
  
3. *On July 8 2018, NIS 613,800,000 par value of Subordinated Bonds (Series 401) and NIS 209,100,000 par value of Subordinated Bonds (Series 402) were issued by the Bank; the said subordinated bonds and are convertible, under certain circumstances, into 59,535,439 and 20,281,623 ordinary Bank shares, respectively, as of February 26 2020. For further details regarding the conversion of the Series 401 and Series 402 Subordinated Bonds into Bank's shares, see the Shelf Offering Report published on July 5, 2018 (Reference No. 2018-01-060390). For further details regarding the results of the issuance of the Series 401 and Series 402 Subordinated Bonds, see immediate report of July 8 2018 (Reference No.: 2018-01-061236).*
  
4. *On January 31 2019, the Bank issued NIS 664,150,000 par value Subordinated Bonds (Series 403) and on March 14 2019, the Bank issued further NIS 777,000,000 par value Series 403 Subordinated Bonds by way of series expansion. As of February 26 2020, the abovementioned Subordinated Bonds are convertible, under certain circumstances into 129,540,541 ordinary Bank shares. For further details in connection with the conversion of the Series 403 Subordinated Bonds into Bank's shares, see the Deed of*

*Trust attached as Appendix A to the Shelf Offering Report published on January 30 2019 (Reference No. 2019-01-010896).*

*For further details regarding the results of the issuance of the Series 403 Subordinated Bonds on January 31 2019, see immediate report of January 31 2019 (Reference No.: 2019-01-011433).*

*For further details regarding the results of the issuance of the Series 403 Subordinated Bonds on March 14 2019 by way of series expansion, see immediate report of March 14 2019 (Reference No.: 2019-01-022135).*

5. *Over the course of 2018, the Bank implemented a buyback plan at the scope of NIS 700 million pursuant to the Safe Harbor Protection mechanism published by the Securities Authority (Legal Position No. 199-8). On November 22 2018, the aforesaid buyback plan was concluded; as part of this plan, an external Stock Exchange Member purchased 30,412,578 shares for NIS 700 million. For further details, see Note 9A in the Q3 2018 financial statements and immediate report dated November 22 2018, Reference Number: 2018-01-112947).*

*During the course of 2019, the Bank executed an additional buyback plan at the scope of NIS 700 million pursuant to the Safe Harbor Protection mechanism published by the Securities Authority (Legal Position No. 199-8). The buyback was carried out in two phases. The first phase of the aforesaid plan commenced on May 28 2019 and ended on August 2 2019; as part of this phase, 11,961,092 shares amounting to NIS 301 million were purchased through an external Stock Exchange Member. The second phase commenced on August 15 2019; as part of this phase, further NIS 399 million were transferred to the external Stock Exchange Member for the purpose of continuing the buyback pursuant to the plan. The aforesaid buyback plan was completed on November 21 2019; under this plan, the external Stock Exchange Member purchased 27,923,659 shares totaling NIS 700 million. For further details, see immediate report of May 27 2019 (Reference Number: 2019-01-051052), immediate report of November 21 (Reference Number: 2019-01-100803) and Note 9A of the financial statements as of September 30 2019 published on November 26 2019 (reference no.: 2019-01-102249).*

6. *On July 15 2019, the Bank issued NIS 1,240,950,000 par value of Series 404 Subordinated Bonds. As of February 26 2020, the said Subordinated Bonds are convertible, under special circumstances, into up to 102,114,826 ordinary shares of the Bank. For further details in connection with the conversion of the Series 404 Subordinated Bonds into Bank's shares, see the Deed of Trust attached as Appendix A to the Shelf Offering Report published on July 9 2019 (Reference No. 2019-01-070048). For further details regarding the results of the issuance of the Series 404 Subordinated Bonds, see immediate report of July 14 2019 (Reference No.: 2019-01-071584).*
7. *On January 29 2020, the Bank issued US\$750,000,000 par value subordinated bonds with a loss absorption mechanism by means of forced conversion into Bank's ordinary shares, pursuant to the provisions of Proper Conduct of Banking Business Directive 202. The subordinated bonds shall be repaid in a single payment 11 years after issuance thereof. The Bank may early repay the bonds after 6 years from issuance date, subject to certain conditions (hereinafter – "Early Repayment"). Furthermore, the subordinated bonds include a loss absorption mechanism by means of conversion into ordinary Bank shares, upon the occurrence of certain circumstances that the Bank is not necessarily able to predict and/or which are not under the Bank's control, based on a pre-determined conversion formula that includes a floor price. The abovementioned subordinated bonds are convertible under special circumstances into up to 208,055,925 ordinary Bank shares as of February 26 2020, subject to adjustments to the floor price. For further details, see the Bank's immediate reports of January 13,*

23 and 29 2020 (reference numbers: 2020-01-005175, 2020-01-008041 and 2020-01-011058, respectively).

*The report was signed on behalf of the corporation, in accordance with Regulation 5 of the Securities Regulations (Periodic and Immediate Reports), 1970, by Livnat Ein-Shay Wilder (Adv.), Secretary of the Group and the Bank.*

Reference number of previous reports on the matter (does not constitute inclusion by way of reference):

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

*Ticker: Leumi*

*Address: Yehuda Halevi Street 34, Tel Aviv 6513616, Tel: 076-8858111, Facsimile: 076-8859732 Electronic Mail: [Livnat.Ein-Shay@bll.co.il](mailto: Livnat.Ein-Shay@bll.co.il) company's website: [www.leumi.co.il](http://www.leumi.co.il)*

*Previous names of the reporting entity:*

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Name of Electronic Reporter: Livnat Libby Wilder, Position: Secretary of the Bank  
34 Yehuda Halevi Street, Tel Aviv 6513616, Phone: 076-8857984, Facsimile: 076-8859732 Electronic Mail: [Livnat.Ein-Shay@bll.co.il](mailto: Livnat.Ein-Shay@bll.co.il)

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