

Translation of Immediate Report

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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

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

19 June 2018

Reference: 2018-01-053382

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

Immediate Report - Nature of Event: Results of Tender for Classified Investors

See Annex attached hereto [Immediate Report on the results of the tender for classified investors .pdf](#)

The company is not an envelope company as that term is defined in the Stock Exchange bylaws.

Date and time at which the corporation first became aware of the event or matter: 18 June 2018, at 20:37.

Name of Electronic Reporter: David Raoul Sackstein, Position: Advocate, General Secretary
Yehuda Halevi Street 34, Tel Aviv 6513616, Phone: 076-8857984, Facsimile: 076-8859732
Electronic Mail: david.sackstein@Bankleumi.co.il

19 June 2018

To

Tel Aviv Stock Exchange
Ahuzat Bayit Street 2
Tel Aviv 6525216

To

Israel Securities Authority
Kanfei Nesharim Street 22
Jerusalem 95464

Dear Sir or Madam:

Re: **Immediate Report on the results of the tender for classified investors**

- a. Pursuant to the Report dated 31 May 2018 concerning the examination of the possibility of the Bank issuing debentures (Reference No. 2018-01-046119), and pursuant to the publication of a draft deed of trust for the debentures (Series 179) dated 14 June 2018 (Reference No. 2018-01-052008), the Bank is pleased to announce that on 18 June 2018 it held a tender for classified investors (hereafter: "the **Institutional Tender**") for the issuance of a new series of debentures (Series 179) for the Bank (hereafter: "the **Debentures**").
- b. The Debentures (Series 179) were offered in the Institutional Tender to classified investors through an interest rates tender, with each unit including NIS 1,000 nominal value of Debentures (Series 179).
- c. The classified investors submitted preliminary commitments, in the tender, for the purchase of Debentures (Series 179) with a total financial amount of NIS 2,618,012,000.
- d. The Bank intends to receive preliminary commitments from classified investors for the purchase of NIS 1,285,970 units of Debentures (Series 179) at a maximum annual interest rate of 0.83%, which will constitute the maximum interest rate in the public tender (if there is such a tender).
- e. The Debentures (Series 179) will be linked (principal and interest) to the Consumer Price Index published on 14 June 2018 for the month of May 2018 (hereafter: "the **Base Index**"), as follows: if it develops, on any date of the payment of either principal or interest, that the payment index has risen or fallen relative to the Base Index, the Bank will pay either an increased or reduced amount of principal or interest, whichever is relevant, at a rate which is proportionate to the rate of the increase or reduction of the payment index relative to the Base Index. Note that in accordance with the Stock Exchange's guidelines, the method used for linkage of the principal or interest will not be changed throughout the lifetime of the Debentures (Series 179).

- f. At this stage, and in light of the demand in the said Institutional Tender, the Bank intends to offer the debentures to the public in a total amount of NIS 1.45 billion nominal value (including in the public stage). This will be subject to, *inter alia*, the approval of the ratings agencies.

- g. It is clarified that the publication of the shelf offering report and the execution of the offering of the Debentures will be subject to, *inter alia*, the receipt of all the approvals required by law, including the approval of the Tel Aviv Stock Exchange Ltd. for the listing of the Debentures for trading, and there is no certainty that the public offering will be carried out. It is also clarified that the public offering, if it is carried out, will be done in the framework of the shelf offering report through a uniform offering; that the scope of the public offering and its other terms will be described in the framework of that report; and that the final interest rate will be set through the public tender, if such a tender is carried out.

Very respectfully,
Bank Leumi BM

Signed by Omer Ziv, Head of the Financial Division
Ronen Agassi, Head of the Capital Markets Division

Note: English translations of Immediate Reports of Bank Leumi are for convenience purposes only. In the case of any discrepancy between the English translation and the Hebrew original, the Hebrew will prevail.

The original Hebrew version is available on the distribution website of the Israel Securities

Authority: <http://www.magna.isa.gov.il>