

## 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  
34 Yehuda Halevi Street, Tel Aviv 651316  
Phone: 076-8858111, 076-889419; Facsimile: 076-8859732  
Electronic Mail: Livnat.EinShay@bll.co.il

Transmission Date: March 12 2020  
Reference: 2020-01-023850

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

### **Complementary report to the report filed on February 26 2020, Ref. No. 2020-01-019596**

Revision of the per-share dividend amount (NIS 0.2029202 per share in lieu of NIS 0.2024880 per share as previously reported), due to the increase in the number of treasury shares in the corporation's issued share capital as part of the implementation of the share buyback plan approved by the Bank's Board of Directors on February 26 2020. For more information, please see immediate report dated February 26 2020 (Ref. No. 2020-01-019590). A note was added regarding the adjustment of minimum prices of Subordinated Bonds (Series 400-404).

### **Immediate Report on Distribution of a Cash Dividend to Securities Regulation 37(A) to the Securities Regulations (Periodic and Immediate Reports), 1970**

1. We hereby report that on *February 26 2020* it was decided to pay a dividend to Company's securities.
2. The total dividend amount to be paid is: *NIS 296,925,226.8* \_\_\_\_\_.
3. The balance of the corporation's earnings as defined in Section 302 of the Companies Law, 1999 subsequent to the distribution, which is the subject matter of this report, is *NIS 25,466,000,000* \_\_\_\_\_.

4. The dividend distribution approval procedure

*In a Board of Directors meeting held on February 26 2020.*

Was the abovementioned distribution was approved by the Court pursuant to Section 303 of the Companies Law *No*

5. Record date: *March 12 2020*  
Ex-dividend date: *March 12 2020*  
Payment date: *March 23 2020*
6. Payment details

- Dividend distributed by an Israel resident company (for the composition of dividend sources and tax rates, see Section 7a).
- Dividend distribution by a Real Estate Investment Trust (REIT) (for the composition of dividend sources and tax rates, see Section 7c).

No. of eligible security	Security name	Dividend amount per one security	Dividend amount currency	Payment currency	Representative exchange rate for payment in respect of date	Individuals' tax %	Corporation tax %
604611	Leumi	0.2029202	NIS _____	NIS _____	_____	25	0

Dividend distributed by a foreign resident company (for tax rates, see Section 7b)

Security number	Security name	Gross amount per one security	Amount currency	% of foreign tax	% of tax as per tax treaty	Balance of individuals' tax deductible in Israel %	Balance of corporation tax deductible in Israel %
1		Amount payable in Israel per one security	Payment currency	Representative exchange rate for payment in respect of date	Effective individuals' tax %	Effective corporation tax %	

The dividend amount to be paid should be noted to seven decimal places for payments in NIS, and up to five decimal places for payments in other currencies. \_\_\_\_\_

Is the dividend amount per one security final Yes

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

7. The following tax withholding rates are for the purpose of tax withholding by the Stock Exchange Members.

7a. Composition of sources of dividend distributed by an Israel resident company out of shares and financial instruments excluding a REIT.

	% of dividend	Individuals	Corporations	Foreign residents
Income subject to corporation tax(1)	100%	25%	0%	25%
Income earned abroad(2)	0	25%	23%	25%
Income from approved/benefited enterprise(3)	0	15%	15%	15%
Income of a benefited enterprise under the Ireland track until 2013(4)	0	15%	15%	4%
Income of a benefited enterprise under the Ireland track as from 2014(5)	0	20%	20%	4%
Preferred income	0	20%	0%	20%
Income of approved enterprise operating in the tourism/agriculture sector(6)	0	20%	20%	20%
Income of approved/benefited enterprise that issued a waiver notice(7)	0	15%	0%	15%
Distribution classified as a capital gain	0	25%	23%	0%
Distribution by a participation unit	0	0	0	0
Other	0	0	0	0

Explanation:

- (1) Income subject to corporation tax – income from distribution of earnings or dividend out of income generated or accrued in Israel and received directly or indirectly from another body of persons that is subject to corporation tax.
- (2) Income earned abroad is income generated or accrued abroad and not taxed in Israel.
- (3) Including income from a benefited enterprise operating in the tourism sector, whose year of election/ activation is no later than 2013.
- (4) Benefited enterprise under the Ireland track, whose year of election is no later than 2013.
- (5) Benefited enterprise under the Ireland track, whose year of election is 2014 and thereafter.
- (6) Including income from a benefited enterprise operating in the tourism sector, whose year of election/ activation is 2014 and thereafter.
- (7) An approved or benefited enterprise that issued a waiver notice through June 30 2015, after deducting corporation tax therefrom.

7b.Dividend distributed by a foreign resident company

	Individuals	Corporations	Foreign residents
Dividend distributed by a foreign resident company	25%	23%	0%

7c.Dividend distributed by a REIT

	% of dividend	Individuals (1)	Companies	Foreign resident companies	Exempted mutual 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%
From income-generating residential real estate for renting-out purposes	_____	20%	20%	20%	0%	0%
Income in respect of which tax was deducted by the REIT(4)	_____	25%	0%	25%	0%	0%
Extraordinary income	_____	70%	70%	70%	60%	70%
Other	_____	_____	_____	_____	_____	_____
Weighted percentage of tax withheld	100%	_____	_____	_____	_____	_____

- (1) Individuals – including income of a taxable mutual fund, individuals who are foreign residents.
- (2) Pension or severance pay provident fund as defined in the Income Tax Ordinance and provident fund or foreign pension fund which is a resident of a reciprocating country.
- (3) From land betterment or capital gain, except for income from sale of land held for a short period, and income equal to the amount of depreciation expenses.
- (4) Distribution out of income in respect of which tax was deducted by the fund pursuant to Section 64A4(e).

8. Number of the corporation's treasury securities not eligible for dividend payment, in respect of which a letter must be issued waiving receipt of the dividend 61,459,380.

9. The impact of dividend distribution on convertible securities:

- The company does not have convertible securities.  
 The dividend distribution does not affect the convertible securities.  
 The impact of dividend distribution on the convertible securities is as follows:

Security name	Security number	Notes
_____	_____	_____

10. Directors' recommendations and decisions in connection with dividend distribution pursuant to Regulation 37(A)(1) to the Securities Regulations (Periodic and Immediate Reports), 1970:

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[Appendix to Report isa.pdf](#)

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

Name of signatory	Title	other
Omer Ziv	Other Head of Finance Division	

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](#).

Note to Sections 6 and 8:

- The dividend amount per one security is based on issued capital of 1,524,520,264 ordinary shares of NIS 1 p.v. each (net of 61,459,380 treasury shares bought as part of the Bank's buyback plans executed in 2018 and 2019 (please see immediate reports dated November 22 2018, Ref. No. 2018-01-112947 and November 21 2019, Ref. No. 2019-01-100803), as well as following an additional buyback plan, which was approved by the Bank's Board of Directors on February 26 2020, for up to NIS 700 million, as from March 1 2020 through February 26 2021. Please see immediate report dated February 26 2020 (Ref. No.: 2020-01-019590) as well as immediate report dated March 11 2020 (Ref. No. 2020-01-023607). The per-share dividend amount was revised (NIS 0.2029202 in lieu of NIS 0.2024880 per share, as previously reported); the balance of the corporation's earnings was also revised (from a total of NIS 25.466 billion, as previously reported, to a total of NIS 25.403 billion).

Following the dividend distribution which is the subject of this report, as of the ex-dividend date on March 12 2020, the minimum prices for converting the Subordinated Bonds (Series 400-404) of the Bank were adjusted, in accordance with the terms and conditions of the Subordinated Bonds, as follows:

Series No.	Adjusted minimum price
400	NIS 6.0763
401	NIS 10.1761
402	NIS 10.1761
403	NIS 10.9808
404	NIS 12.1747

*For the avoidance of doubt, it is hereby clarified, that the abovementioned adjusted minimum prices for the Subordinated Bonds (Series 401, 402, 403 and 404) do not include linkage differences to the CPI in accordance with the terms and conditions of said series.*

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

Reference numbers of previous documents on this subject (this reference does not constitute inclusion by way of reference):

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The securities of the corporation are listed for trading on the Tel Aviv Stock Exchange  
Form's structure update: February 18 2020

Ticker: Leumi

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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  
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**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/>