

Translation of Immediate Report

T125
Public

Bank Leumi Le-Israel B.M.

Registration No. 52001807_

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

Abbreviated Name: Leumi

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Transmission Date: August 14 2019

Reference: 2019-01-084244

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

Immediate Report of Rating of Bonds/Rating of a Corporation, or of Withdrawal of Rating

On August 13 2019, Midroog published the following:

A rating report/update notice:

1. Rating report or notice

Rating of the corporation: Midroog _____ *Aaa.il stable*

Comments/Nature of Notice: After increasing the BCA from aa2.il to aa1.il

Ratings history for the 3 years preceding the date of the rating/notice:

Date	Subject of Rating	Rating	Comments/ Substance of Notice
August 16 2018	Bank Leumi Le-Israel Ltd.	<i>Midroog _____ Aaa.il stable _____</i>	Reiteration of rating
August 14 2017	Bank Leumi Le-Israel Ltd.	<i>Midroog Aaa.il _____ stable</i>	Reiteration of rating
December 13 2016	Bank Leumi Le-Israel Ltd.	<i>Midroog Aaa.il _____ stable</i>	Reiteration of rating
January 01 2015	Bank Leumi Le-Israel Ltd.	<i>Midroog Aaa.il _____ stable</i>	Reiteration of rating

2. Rating of the corporation's bonds:

Security name & type	TASE Security No.	Rating agency	Current rating	Comments / nature of notice
Bonds Series 177	6040315	Midroog _____	Midroog ____ Aaa.il stable ____	Reiterated rating
Bonds Series 178	6040323	Midroog _____	Midroog ____ Aaa.il stable ____	Reiterated rating
Bonds Series 179	6040372	Midroog _____	Midroog ____ Aaa.il stable ____	Reiterated rating
Sub. Bonds N	6040299	Midroog _____	Midroog ____ Aa1.il stable ____	Reiterated rating
Capital Notes Series 200	6040141	Midroog _____	Midroog ____ Aa2.il stable ____	Reiterated rating
Capital Notes Series 201	6040158	Midroog _____	Midroog ____ Aa2.il stable ____	Reiterated rating
Capital Notes Series 300	6040257	Midroog _____	Midroog ____ Aa2.il stable ____	Reiterated rating
Capital Notes Series 301	6040265		Midroog ____ Aa2.il stable ____	Reiterated rating

Rating history in the 3 year prior to the rating date/notice:

Security name & type	TASE Security No.	Date	Type of rated security	Rating	Comments / nature of notice
Bonds Series 177	6040315	Aug. 16 2018	Senior unsecured bonds	Midroog ____ Aaa.il stable ____	Reiterated rating
Bonds Series 177	6040315	Aug. 8 2017	Senior unsecured bonds	Midroog ____ Aaa.il stable ____	Reiterated rating
Bonds Series 177	6040315	Dec. 13 2016	Senior unsecured bonds	Midroog ____ Aaa.il stable ____	Reiterated rating
Bonds Series 177	6040315	Jan. 17 2016	Senior unsecured bonds	Midroog ____ Aaa.il stable ____	Reiterated rating
Bonds Series 177	6040315	Oct. 13 2015	Senior unsecured bonds	Midroog ____ Aaa.il stable ____	Reiterated rating
Bonds Series 177	6040315	Jul. 19 2015	Senior unsecured bonds	Midroog ____ Aaa.il stable ____	First rating
Bonds Series 178	6040323	Aug. 16 2018	Senior unsecured bonds	Midroog ____ Aaa.il stable ____	Reiterated rating
Bonds Series 178	6040323	Aug. 14 2017	Senior unsecured bonds	Midroog ____ Aaa.il stable ____	Reiterated rating
Bonds Series 178	6040323	Dec. 13 2016	Senior unsecured bonds	Midroog ____ Aaa.il stable ____	Reiterated rating
Bonds Series 178	6040323	Jan. 17 2016	Senior unsecured bonds	Midroog ____ Aaa.il stable ____	Reiterated rating
Bonds Series 179	6040372	May 31 2018	Senior unsecured bonds	Midroog ____ Aaa.il stable ____	First rating
Sub. Bonds N	6040299	Aug. 16 2018	Subordinated bonds	Midroog ____ Aa1.il stable ____	Reiterated rating
Sub. Bonds N	6040299	Aug. 14 2017	Subordinated bonds	Midroog ____ Aa1.il stable ____	Reiterated rating
Sub. Bonds N	6040299	Dec. 13 2016	Subordinated bonds	Midroog ____ Aa1.il stable ____	Upgraded outlook / forecast

Sub. Bonds N	6040299	Jan. 17 2016	<i>Subordinated bonds</i>	<i>Midroog</i> ____ Aa1.il negative ____	Reiterated rating
Sub. Capital Notes Series 200	6040141	Aug. 16 2018	<i>Subordinated capital notes</i>	<i>Midroog</i> ____ Aa2.il stable ____	Reiterated rating
Sub. Capital Notes Series 200	6040141	Aug. 14 2017	<i>Subordinated capital notes</i>	<i>Midroog</i> ____ Aa2.il stable ____	Reiterated rating
Sub. Capital Notes Series 200	6040141	Dec. 13 2016	<i>Subordinated capital notes</i>	<i>Midroog</i> ____ Aa2.il stable ____	Upgraded outlook / forecast
Sub. Capital Notes Series 200	6040141	Jan. 17 2016	<i>Subordinated capital notes</i>	<i>Midroog</i> ____ Aa2.il negative ____	Reiterated rating
Sub. Capital Notes Series 201	6040158	Aug. 16 2018	<i>Subordinated capital notes</i>	<i>Midroog</i> ____ Aa2.il stable ____	Reiterated rating
Sub. Capital Notes Series 201	6040158	Aug. 14 2017	<i>Subordinated capital notes</i>	<i>Midroog</i> ____ Aa2.il stable ____	Reiterated rating
Sub. Capital Notes Series 201	6040158	Dec. 13 2016	<i>Subordinated capital notes</i>	<i>Midroog</i> ____ Aa2.il stable ____	Upgraded outlook / forecast
Sub. Capital Notes Series 201	6040158	Jan. 17 2016	<i>Subordinated capital notes</i>	<i>Midroog</i> ____ Aa2.il negative ____	Reiterated rating
Sub. Capital Notes Series 300	6040257	Aug. 16 2018	<i>Subordinated capital notes</i>	<i>Midroog</i> ____ Aa2.il stable ____	Reiterated rating
Sub. Capital Notes Series 300	6040257	Aug. 14 2017	<i>Subordinated capital notes</i>	<i>Midroog</i> ____ Aa2.il negative ____	Reiterated rating
Sub. Capital Notes Series 300	6040257	Dec. 13 2016	<i>Subordinated capital notes</i>	<i>Midroog</i> ____ Aa2.il stable ____	Upgraded outlook / forecast
Sub. Capital Notes Series 300	6040257	Jan. 17 2016	<i>Subordinated capital notes</i>	<i>Midroog</i> ____ Aa2.il negative ____	Reiterated rating
Sub. Capital Notes Series 301	6040265	Aug. 16 2018	<i>Subordinated capital notes</i>	<i>Midroog</i> ____ Aa2.il stable ____	Reiterated rating
Sub. Capital Notes Series 301	6040265	Aug. 14 2017	<i>Subordinated capital notes</i>	<i>Midroog</i> ____ Aa2.il stable ____	Reiterated rating
Sub. Capital Notes Series 301	6040265	Dec. 13 2018	<i>Subordinated capital notes</i>	<i>Midroog</i> ____ Aa2.il stable ____	Upgraded outlook / forecast
Sub. Capital Notes Series 301	6040265	Jan. 17 2016	<i>Subordinated capital notes</i>	<i>Midroog</i> ____ Aa2.il negative ____	Reiterated rating
Sub. Capital Notes Series 301	6040265	Oct. 10 2015	<i>Subordinated capital notes</i>	<i>Midroog</i> ____ Aa2.il negative ____	Reiterated rating

For further details see attached Ratings Report:

[13082019_isa.pdf](#)

Midroog has upgraded the Bank's Baseline Credit Assessment (BCA) from aa2.il to aa1.il. Accordingly, the direction of BCA's development was changed from "positive" to "stable".

Furthermore, Midroog reiterated the rating of the long-term deposits and bonds at Aaa.il, the rating of the subordinated bonds (lower Tier 2 capital) at Aa1.il, the rating of the subordinated capital notes (upper Tier 2 capital) at Aa2.il(hyb), the subordinated capital notes (Tier 1 capital) at Aa3.il(hyb) and the rating of the short-term deposits at P-1.il.

For further details see the attached document.

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

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

Date on which the format of this form was updated: August 6 2019

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

The original Hebrew version is available on the distribution website of the Israel Securities Authority: <http://www.magna.isa.gov.il>

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