

## **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

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

29 January 2019

Reference: 2019-01-010617

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))

### **Immediate Report**

#### **Nature of Event: Results of Tender for Classified Investors**

Reference numbers of previous reports relating to the matter: 2019-01-007320, 2019-01-007347, 2019-01-009606

See Annex attached hereto [Immediate Report on the results of the institutional tender.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: 29 January 2019, at 8:30 a.m.

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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](mailto:david.sackstein@Bankleumi.co.il)

**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/>



29 January 2019

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: Notice concerning the results of a tender to classified investors

- a. Pursuant to the Bank's reports dated 17 January 2019 concerning a possible offering of bonds (Series 180) (hereafter: "the **Bonds**") and subordinated debentures (Series 403) (hereafter: "the **Subordinated Debentures**") (Reference Numbers: 2019-01-007101, 2019-01-007320 and 2019-01-007347), and the ratings report for the Bonds and the Subordinated Debentures (Reference No. 2019-01-007302), and pursuant to the publication of the updated drafts of the trust deeds for the Bonds and the Subordinated Debentures on 24 January 2019 (Reference Number: 2019-01-009606), the Bank is pleased to announce that a tender for classified investors (hereafter: the "**Institutional Tender**"), was held on 28 January 2018 for the offering of the Bank's Bonds and Subordinated Debentures.
- b. The Bonds (Series 180) were offered in the Institutional Tender to classified investors through an auction regarding the interest rate to be borne by the Bonds, with the composition of each unit being NIS 1,000 nominal value of Bonds (Series 180).
- c. In the framework of the Institutional Tender, the classified investors offered preliminary commitments for the purchase of the Bonds in a total financial amount of some NIS 3,614,180,000.
- d. The Bank intends to obtain preliminary commitments from classified investors for the purchase of a total of NIS 1,686,334,000 of the (Series 180) Bonds, with a maximum annual interest rate of 2.02%, which will constitute, in the public auction (if there is one), the maximum interest rate.
- e. The (Series 180) Bonds will not be linked to any currency and/or index.
- f. At this stage, and in light of the demand in the Institutional Tender described above, the Bank intends to offer the Bonds to the public in a total amount of NIS 1,850,000,000 nominal value, subject to – *inter alia* – the approval of the rating company.
- g. The Subordinated Debentures were offered in the Institutional Tender to classified investors through an auction regarding the interest rate to be borne by the

Subordinated Debentures, with the composition of each unit being NIS 50,000 nominal value of Subordinated Debentures (Series 403).

- h. In the framework of the Institutional Tender, the classified investors offered preliminary commitments for the purchase of the Subordinated Debentures in a total financial amount of some NIS 954,700,000.
- i. The Bank intends to obtain preliminary commitments from classified investors for the purchase of a total of NIS 657,200,000 of the Subordinated Debentures, with a maximum annual interest rate of 2.42%, which will constitute, in the public auction (if there is one), the maximum interest rate.
- j. Both principal and interest of the Subordinated Debentures will be linked to the Consumer Price Index published on 15 January 2019 for the month of December 2018 (hereafter: "the **Base Index**"), as follows: if, at the time of any payment of principal or interest whatsoever, whichever is relevant, the payment Index has either risen or fallen as compared to the Base Index, the Bank will make the principal or interest payment with either an addition or reduction, whichever is relevant, that is proportionate to the rate at which the payment Index has risen or fallen in comparison to the Base Index. It is noted that in accordance with the Stock Exchange guidelines, the principal and interest linkage method will not be changed throughout the lifespan of the Subordinated Debentures.
- k. At this stage, and in light of the demand in the Institutional Tender described above, the Bank intends to offer the Subordinated Debentures to the public in a total amount of NIS 750,000,000 nominal value, subject to – *inter alia* – the approval of the rating company.
- l. It is clarified that the publication of the Shelf Offering Report and the issue of the Bonds and the Subordinated Debenture will be subject to, *inter alia*, the receipt of all the approvals required by law, including approval from the Tel Aviv Stock Exchange Ltd. for the listing for trade of the Bonds and Subordinated Debentures and a resolution of the Bank's Board of Directors, and that there is no certainty that there will be a public offering. It is also clarified that the public offering, if it takes place, will happen within the framework of the Shelf Offering Report, through a uniform offering, and that the scope of the public offering and of its other terms will be specified therein, and that the final interest rate will be determined in the framework of the public auction, if and when it takes place.

Very respectfully,  
**Bank Leumi BM**

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