

January 31, 2019

Tel Aviv Stock Exchange
Ahuzat Bayit Street 2
Tel Aviv 6525216

Israel Securities Authority
Kanfei Nesharim Street 22
Jerusalem 95464

Dear Sir or Madam:

Re: **Notice concerning the results of an issue pursuant to the Shelf Offering Report dated 30 January 2019**

In accordance with Section 30 of the Securities Law, 5728-1968, and the Securities Regulation (Notice of Results of an Offering by Prospectus), 5730-1969, the Bank is pleased to announce the results of the issue pursuant to the Shelf Offering Report dated 30 January 2019 (hereafter: "the **Shelf Offering Report**"), which was published pursuant to the Bank's shelf prospectus dated 25 May 2018. All of the following expressions will have the meaning given to them in the Shelf Offering Report.

1. Pursuant to the Shelf Offering Report, the Bank offered, in two separate and independent tenders, the following securities:
 - 1.1 Up to NIS 750 million nominal value of Subordinated Debentures (Series 403), offered in 15,000 units, each including NIS 50,000 nominal value of subordinated debentures (Series 403) at a price of NIS 50,000 per unit (hereafter: "the **Series 403 Units**") through a tender for the annual interest rate to be borne by the Subordinated Debentures (Series 403), not to exceed 2.42%, all as described in the Shelf Offering Report.
 - 1.2 Up to NIS 1,850 million nominal value of Bonds (Series 180), offered in 1,850,000 units, each including NIS 1,000 nominal value of Bonds (Series 180) at a price of NIS 1,000 per unit (hereafter: "the **Series 180 Units**") through a tender for the annual interest rate to be borne by the bonds (Series 180), not to exceed 2.02%, all as described in the Shelf Offering Report.
2. The following are the results of the tender for the purchase of the Subordinated Debentures (Series 403) which was held on 30 January 2019:
 - 2.1 Eighty orders were received in the tender, for the purchase of 13,283 Series 403 Units, of which 39 were from classified investors for the purchase of 13,144 Series 403 Units, in accordance with the preliminary commitments as described in the Shelf Offering Report.
 - 2.2 The annual interest rate to be borne by the Subordinated Debentures (Series 403), as established in the tender, is 2.42% (hereafter in this section 2: "the **Uniform Interest Rate**"). The interest rate for the first interest period of the Subordinated Debentures (Series 403) (which will start on 31 January 2019 and will end on 27 February 2020) is 2.60564%. The anchor interest rate at the tender date is 0.03292%.
 - 2.3 In accordance with the terms of the offering, 13,283 Series 403 Units were allocated as follows:
 - 2.3.1 Thirty-nine orders from classified investors for the purchase of 13,144 Series 403 Units, bearing the Uniform Interest Rate or a rate lower than the Uniform Interest Rate – [were carried out in full].

- 2.3.2 Forty-one orders from the public for the purchase of 139 Series 403 Units, bearing the Uniform Interest Rate or a rate lower than the Uniform Interest Rate – [were carried out in full].
- 2.4 The Subordinated Debentures (Series 403) were issued without any premium.
3. The following are the results of the tender for the purchase of the Bonds (Series 180) which was held on 30 January 2019:
- 3.1 One hundred and eight orders were received in the tender, for the purchase of 1,689,677 Series 180 Units, of which 69 were from classified investors for the purchase of 1,686,334 Series 180 Units, in accordance with the preliminary commitments as described in the Shelf Offering Report.
- 3.2 The annual interest rate to be borne by the Bonds (Series 180), as established in the tender, is 2.02% (hereafter in this section: "the **Uniform Interest Rate**"). The interest rate for the first interest period of the Bonds (Series 180) (which will start on 31 January 2019 and will end on 27 February 2020) is 2.17496%.
- 3.3 In accordance with the terms of the offering, 1,689,677 Series 180 Units were allocated as follows:
- 3.3.1 Sixty-nine orders from classified investors for the purchase of 1,686,334 Series 180 Units, bearing the Uniform Interest Rate or a rate lower than the Uniform Interest Rate – [were carried out in full].
- 3.3.2 Thirty-nine orders from the public for the purchase of 3,343 Series 180 Units, bearing the Uniform Interest Rate or a rate lower than the Uniform Interest Rate – [were carried out in full].
- 3.4 The Bonds (Series 180) were issued without any premium.
4. The immediate gross consideration received by the Bank in the framework of the public offering amounted to a total of NIS 2,354 millions.
5. The Bank is grateful to the investing public for its response to the offering.

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.

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