



July 18 2022

To  
The Tel Aviv Stock Exchange  
2 Ahuzat Bayit Street  
Tel Aviv 6525216

To  
Israel Securities Authority  
22 Kanfei Nesharim Street  
Jerusalem 95464

Re: **Possible Issue of Notes to Institutional Investors Outside of Israel**

1. Bank Leumi le-Israel B.M. (the “**Bank**”) is pleased to announce that it is examining the possibility of issuing senior unsecured notes (the “**Notes**”), which shall be offered to institutional investors in Israel and outside of Israel pursuant to sections 15A(b)(1) and 15A(b)(2) of the Securities Law, 5728-1968, and all according to market conditions and subject to the Bank’s discretion (the “**Issue**”).
2. The Notes, if issued, shall be listed on TACT-Institutional of the Tel Aviv Stock Exchange Ltd. (“**TASE**”), subject to obtaining TASE’s approval.
3. The Issue, if carried out, shall be assisted by Citigroup as global coordinators, and by Barclays, J.P. Morgan, Jefferies and UBS as joint bookrunners. Leumi Partners will serve as distributor in Israel.
4. **It is clarified that as of the date of this immediate report, no date has been set for the Issue and there is no certainty with respect to carrying out the Issue, it’s scope and/or terms. Performance of the Issue, if at all, is subject to the Bank’s discretion, the existence of suitable market conditions and obtaining all legally required approvals, among others.** The Bank shall report on the results of the Issue pricing towards its completion, should the Issue reach the pricing stage.
5. Nothing in this report shall create any obligation on the Bank to carry out the Issue, and nothing in this report shall constitute an offer to the public or invitation to purchase securities of the Bank in Israel or abroad.
6. It is clarified that the Notes shall not be offered, sold, delivered or listed in any jurisdiction outside of Israel - except as set forth in sections 7 to 10 below.
7. The Notes shall not be listed for trade in accordance with US securities law, shall not be offered, sold or delivered in the US, or to and/or for and/or in favor of any U.S. Person (as such term is defined in Regulation S promulgated under US securities law), except under registration exemption according to US securities law and according to all state securities law that apply in such respect. Any offer in the US shall be made only to Qualified Institutional Investors, as such term is defined and in reliance upon SEC Rule 144A, or another exemption from registration requirements under US securities law. Outside of the US, any offer shall be made

to non-U.S. Persons according to Regulation S.

8. The Notes shall not be offered to the public in the UK. No prospectus has or shall be approved in the UK with respect to the Notes. The Notes shall be offered and distributed only to the following entities:
  - (i) persons who are outside the UK or (ii) inside the UK, “qualified investors” as such term is defined in section 2(e) of Regulation (EU) 2017/1129, which constitutes part of UK law by virtue of the European Union (Withdrawal) Act 2018: (1) persons who are investment professionals within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “**Order**”); (2) high net worth entities falling within Article 49(2) of the Order; or (3) other persons to whom this report may lawfully be communicated (all such persons together being referred to as “**Relevant Persons**”). Any person not included among the Relevant Persons shall not act or rely upon this report. Any investment or investment activity in connection with this report relates shall only be available to Relevant Persons. Any person who is not a Relevant Person shall not act or rely upon this report or its contents.
9. The Notes shall not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”) or in the UK. For this purpose, retail investor shall mean a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended from time to time, “**MiFID II**”); or (ii) a customer within the meaning of Directive (EU) 2016/97 (the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended from time to time, “**PRIIPs Regulation**”) shall be prepared for offering or selling securities or otherwise making them available to retail investors in the EEA or in the UK, therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation.
10. It is noted that FCA/ICMA stabilization actions are possible with respect to the Notes. In the EEA and UK, only eligible counterparts and professional clients (as such terms are defined in relevant legislation) may participate in the Issue (through all distribution channels).
11. It is clarified that any rating report to be published in connection with the Notes (if any) shall not constitute a recommendation to purchase, sell or hold securities and may be subject to updates, suspension or repeal at any time by the rating company. It is also emphasized that similar rating reports, prepared for different issuers and for different securities, do not necessarily have the same meaning, and therefore each rating report must be examined independent of any other rating report.



Sincerely,

**Bank Leumi le-Israel B.M.**

By: Omer Ziv, CFO