

MIDROOG LTD

No. with the Registrar of Companies: 513377424

To	<u>Israel Securities Authority</u>	To	<u>Tel-Aviv Stock Exchange Ltd</u>	D125 (Public)	Date of transmission: September 9, 2026
	www.isa.gov.il		www.tase.co.il		Ref: 2026-15-084688

Immediate Report on Rating Related EventsRegulations 13(g)(2), 14, 16(a) of the Credit Rating Companies Activity Regulation
Regulations, 5774-2014

Type of event:

1

Rating

Midroog assigns a rating of Aaa.il with a stable outlook to a bond issue (series 74) of up to NIS 2,500 million par value, a rating of P-1.il to the issue of commercial papers (series 7) of up to NIS 1,000 million par value, and a rating of Aa3.il(hyb) with a stable outlook to a CoCo issue (series 73) of up to NIS 750 million par value.

The publication heading /rating action:

1. Rated corporation details and the corporations to execute the transaction:

1.1. Rated corporation name: *Mizrahi Tefahot Issuing Company Ltd.*Identification number type: *a Companies Registrar registration number*Identifiable number: *520032046*Must execute a transaction to the corporation's reports: *Yes*

1.2. Additional corporations to execute a transaction to the corporations' reports in addition to section 1.1:

1. Name of the additional corporation:	<i>Mizrahi Tefahot Bank Ltd.</i>
Type of identification number:	<i>Companies Registrar registration number</i>
Identification number:	<i>520000522</i>

Note:

- It is emphasized that the details in this section are used to present the report as part of the reports of the corporations the details of which were specified above.*
- If the amending report includes only technical detail corrections (e.g. correcting an erroneous detail in a form) you may elect to present the report among the rated*

corporation's reports. An election not to execute a transaction is intended only for cases of reports concerning a correction of technical details, which means that the report will not be presented close to the rated company report.

2. Details concerning a rating report:

© File [M 5200032046 2811 2026 09 09.txt](#)

Explanation: A TXT type file, which will include details about the rating in a structure pre-coordinated with the authority. [A link to the characterization document](#)

○ Table:

SN	General details	Rating details	Additional details
1	Instrument internal identification number	Rating	First rating publication date:
	Rating subject		Last rating update date:
	Issue date	Adding a ticker to the rating	Rating cessation reason:
	Stock exchange security number:	☐ Nature of the notice:	
		☐ Rating discontinued	
	Rating initiated by	Determined on	
	Chief rating author		
	Chief rating author internal number		
	Secondary rating author		
	Secondary rating author internal number		

3. If a rating cessation notice was issued, please provide details about the reasons that led to the decision:

Explanation: The reasons may be added to the file, under the note "see details in the file".

4. The event date: September 9, 2026 at 11:16

The date on which the rating company first learned of the event: September 9, 2026 at 11:16

5. The immediate report: [PDFUA isa.pdf 090926 Mizrahi Tefahot Bank Ltd-Rating Action Update](#)

Reference numbers of previous documents on the matter (the reference does not constitute inclusion by reference):

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E-mail: sternschuss.a@midroog.co.il

Company website: www.midroog.co.il

Previous name of reporting entity:

Name of person reporting electronically:

Federman Amit

Address: 21 Ha'arba'a Street, Tel Aviv, 6473921

Their position:
Deputy CEO

Tel: 03-6844700

Name of employing company:

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Mizrahi Tefahot Bank Ltd.¹

Rating Action Update | September 2026

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¹ Mizrahi Tefahot Bank Ltd. holds approx. 4.9% of Midroog Ltd.'s share capital via Mizrahi Tefahot Invest Ltd. The company's shares lack any means of control.

Mizrahi Tefahot Bank Ltd.

Baseline credit assessment (BCA) for the bank	aa2.il	
Long-term deposits & bonds	Aaa.il	Outlook: stable
Contingent convertible bonds with contractual loss absorption mechanism (CoCo)	Aa3.il (hyb)	Outlook: stable
Short-term deposits/CP	P-1.il	-

Further to a rating action report dated August 31, 2026, Midroog is assigning a rating of Aaa.il with a stable outlook to a new bond series issue (series 74) of up to NIS 2,500 million par value, replacing an amount of NIS 1,500 million par value previously rated, and a rating of P-1.il to the issue of commercial papers (series 7) of up to NIS 1,000 million par value. Additionally, Midroog assigns a rating of Aa3.il(hyb) with a stable outlook to an issue of contingent bonds with a loss absorption mechanism (CoCo) (series 73) of up to NIS 750 million par value, replacing an amount of NIS 300 million par value previously rated, by series expansion. The issues will be executed by Mizrahi Tefahot Issuing Company Ltd., a subsidiary fully owned by Mizrahi Tefahot Bank Ltd. (hereinafter: the “Bank”), serving as the Bank’s issuing entity.

Under Midroog’s methodology, the CoCo’s rating is based on the Bank’s BCA, which serves as the anchor for rating the Bank’s liabilities, and reflects the risk of failure and the Bank’s ability to serve its liabilities independently, without assuming external support. Given the above, Midroog adjusts the rating to the credit risk of the subordinated financial instrument according to its specific characteristics – taking into consideration the extent of the instrument’s contractual deferral, the loss absorption mechanisms under the instrument’s terms and conditions, and the uncertainty concerning their point of activation (by a contractual trigger or under the discretion of the Supervisor of Banks). We removed one notch from the Bank’s BCA in rating the CoCos issuable by the Bank, which embodies the legal-contractual deferral, and the contractual loss absorption mechanism. Taking into consideration the Bank’s BCA, and the current and expected capital adequacy level, in our assessment, and the appropriate liquidity profile, the uncertainty concerning the likelihood of reaching a point of non-viability is low, and, therefore, was not reflected by taking off another notch. Additionally, there is no assumption of external support in rating the CoCo.

Under Midroog's methodology, rating the Bank's commercial papers is based on the rating of the Bank's the long-term deposits and senior debt, and on an analysis of its short-term liquidity, based on the liquidity profile examined in evaluating the Bank's financial strength, the stability of the sources structure², and liquid assets³ relative to the total public deposits.

We refer you to the follow-up report dated August 2026, and the renewed rating action dated August 2026 for more information about the rating considerations⁴.

Related reports

[Mizrahi Tefahot Bank Ltd – Related reports](#)

[Bank Rating – Methodology Report, September 2019](#)

[Short-Term Rating- Methodology Report, November 2025](#)

[Promotion of Competition in the Banking System – Special Report, February 2023](#)

[Guidelines for Examining Environmental, Social and Corporate Governance Risks in Credit – Methodology Report, February 2022](#)

[Affinities, Affiliations and Holdings Table](#)

[Midroog Rating Scales and Definitions](#)

The reports are published on Midroog's website: www.midroog.co.il

General information

Rating report date:	September 9 2026
Last rating update date:	August 31 2026
Initial rating publication date:	September 10, 2017
Rating initiated by:	Mizrahi Tefahot Bank Ltd
Rating paid for by:	Mizrahi Tefahot Bank Ltd

Information by the issuer

In its ratings, Midroog relies, *inter alia*, on information received from authorized issuer agents.

² Deposits from banks, deposits from institutional bodies, bonds and undertaking letters payable within the upcoming twelve months, out of the total assets.

³ Cash and deposits in banks. Bonds of the Israeli and United States government and assets guaranteed by the United States government.

⁴ [The rating reports are available on Midroog's website](#)

Baseline Credit Assessment (BCA) rating Scale

aaa.il	Issuers and issues assessed at aaa.il are those that, in Midroog's judgment, have the highest internal or independent financial strength, relative to other local issuers, absent any possibility of external support from an affiliate or the government.
aa.il	Issuers and issues assessed at aa.il are those that, in Midroog's judgment, have very high internal or independent financial strength, relative to other local issuers, absent any possibility of external support from an affiliate or the government.
a.il	Issuers and issues assessed at a.il are those that, in Midroog's judgment, have relatively high internal or independent financial strength, relative to other local issuers, absent any possibility of external support from an affiliate or the government.
baa.il	Issuers and issues assessed at baa.il are those that, in Midroog's judgment, have moderate internal or independent financial strength, relative to other local issuers, absent any possibility of external support from an affiliate or the government, and may have certain speculative characteristics.
ba.il	Issuers and issues assessed at ba.il are those that, in Midroog's judgment, have relatively weak internal or independent financial strength, relative to other local issuers, absent any possibility of external support from an affiliate or the government, and have speculative characteristics.
b.il	Issuers and issues assessed at b.il are those that, in Midroog's judgment, have very weak internal or independent financial strength, relative to other local issuers, absent any possibility of external support from an affiliate or the government, and have significant speculative characteristics.
caa.il	Issuers and issues assessed at caa.il are those that, in Midroog's judgment, have excessively weak internal or independent financial strength, relative to other local issuers, absent any possibility of external support from an affiliate or the government, and have very significant speculative characteristics.
ca.il	Issuers and issues assessed at ca.il are those that, in Midroog's judgment, have extremely weak internal or independent financial strength, relative to other local issuers, absent any possibility of external support from an affiliate or the government, and are very near default, with some prospect of recovery of principal and interest.
c.il	Issuers and issues assessed at c.il are those that, in Midroog's judgment, have the weakest internal or independent financial strength, relative to other local issuers, absent any possibility of external support from an affiliate or the government, and are usually in default, with little prospects of recovery of principal and interest.

Note: Midroog appends numeric modifiers 1, 2, and 3 to each rating category from aa.il to caa.il. The modifier '1' indicates that the bond ranks in the higher end of its rating category, which is denoted by letters. The modifier '2' indicates that it ranks in the middle of its rating category and the modifier '3' indicates that the bond ranks in the lower end of that category, denoted by letters.

Local Long-Term Rating Scale

Aaa.il	Issuers or issues rated Aaa.il are those that, in Midroog's judgment, have the highest creditworthiness relative to other local issuers.
Aa.il	Issuers or issues rated Aa.il are those that, in Midroog's judgment, have very high creditworthiness relative to other local issuers.
A.il	Issuers or issues rated A.il are those that, in Midroog's judgment, have relatively high creditworthiness relative to other local issuers.
Baa.il	Issuers or issues rated Baa.il are those that, in Midroog's judgment, have relatively moderate credit risk relative to other local issuers, and could involve certain speculative characteristics.
Ba.il	Issuers or issues rated Ba.il are those that, in Midroog's judgment, have relatively weak creditworthiness relative to other local issuers, and involve speculative characteristics.
B.il	Issuers or issues rated B.il are those that, in Midroog's judgment, have relatively very weak creditworthiness relative to other local issuers, and involve significant speculative characteristics.
Caa.il	Issuers or issues rated Caa.il are those that, in Midroog's judgment, have excessively weak creditworthiness relative to other local issuers, and involve very significant speculative characteristics.
Ca.il	Issuers or issues rated Ca.il are those that, in Midroog's judgment, have extremely weak creditworthiness and very near default, with some prospect of recovery of principal and interest.
C.il	Issuers or issues rated C are those that, in Midroog's judgment, have the weakest creditworthiness and are usually in a situation of default, with little prospect of recovery of principal and interest.

Note: Midroog appends numeric modifiers 1, 2, and 3 to each rating category from Aa.il to Caa.il. The modifier '1' indicates that the bond ranks in the higher end of its rating category, which is denoted by letters. The modifier '2' indicates that it ranks in the middle of its rating category and the modifier '3' indicates that the bond ranks in the lower end of that category, denoted by letters.

Local Short-Term Rating Scale

P-1.il	Issuers rated Prime-1.il, in Midroog's judgment, have a very good ability to repay short-term obligations relative to other local issuers.
P-2.il	Issuers rated Prime-2.il, in Midroog's judgment, have a good ability to repay short-term obligations relative to other local issuers.
P-3.il	Issuers rated Prime-3.il, in Midroog's judgment, have a moderate ability to repay short-term obligations relative to other local issuers.
NP.il	Issuers rated Not Prime.il do not belong in any of the Prime categories.

The Correlation between the Long-Term and Short-Term Rating Scales

The following table shows how long-term ratings correlate with short-term ratings, when such long-term ratings exist.

Long-term rating	Short-term rating
Aaa.il	Prime-1.il
Aa1.il	
Aa2.il	
Aa3.il	
A1.il	
A2.il	Prime-2.il
A3.il	
Baa1.il	
Baa2.il	Prime-3.il
Baa3.il	
Ba1.il, Ba2.il, Ba3.il	Not Prime
B1.il, B2.il, B3.il	
Caa1.il, Caa2.il, Caa3.il	
Ca.il	
C.il	

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