

Mizrahi Tefahot Bank Ltd.'s Immediate Reports are published in Hebrew on the Israel Securities Authority and the Tel Aviv Stock Exchange websites.

The English version is prepared for convenience purposes only. The only binding version of the Immediate Reports is the Hebrew version.

In the event of any discrepancy or inconsistency between the Hebrew version and the translation to English, the Hebrew version shall prevail and supersede, for all purposes and in all respects.

MIZRAHI TEFAHOT BANK LTD
No. with the Registrar of Companies: 520000522

To	<u>Israel Securities Authority</u>	To	<u>Tel Aviv Stock Exchange Ltd</u>	T125 (Public)	Date of transmission: September 16 2024
	www.isa.gov.il		www.tase.co.il		Ref: 2024-01-603669

Immediate Report on the Rating of Bonds/Rating of a Corporation or Rating Cessation

On September 16 2024 S&P Maalot published:

A rating report/notice *initial*

A notice regarding rating cessation

1. Rating report or notice

Corporation's rating:

Comments/Notice summary:

Ratings history in the three years prior to the date of the rating/notice:

Date	Rating subject	Rating	Comments/Notice summary

Explanation: The ratings history should only detail the rating history of the company rating the subject of the immediate report

Rating of the corporation's debentures:

Name and type of security	Security number on the stock exchange	Rating company	Current rating	Comments/Notice summary
<i>Bonds (Series 70)</i>	0	S&P Maalot	<i>S&P Maalot iAAA None/NOO</i>	Initial rating
<i>Contingent convertible</i>	0	S&P Maalot	<i>S&P Maalot iAA- None/NOO</i>	Initial rating

bonds (Series 71)				
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Ratings history for the three years prior to the rating/notice date:

Name and type of security	Security number on the stock exchange	Date	Type of rated security	Rating	Comments/Notice summary

Explanation: The ratings history should only detail the rating history of the company rating the subject of the immediate report

Attached rating report [Maalot 16092024 isa.pdf](#)

2. On _____, _____ announced that it would cease rating _____

Details of the signatories authorized to sign on behalf of the corporation

	Signatory's Name	Position
1	Hanan Kikozashvili	Other Bank Secretary and Manager of the Bank's Headquarters

Explanation: According to Regulation 5 of the Securities (Periodic and Immediate Reports) Regulations, 5730-1970, a report filed under these regulations shall be signed by those authorized to sign on behalf of the corporation. The position of the senior staff on the matter (in Hebrew) can be found on the ISA's website: [Click here](#)

S&P's rating is given in connection with an issuance of a series of bonds (Series 70) and a series of contingent convertible bonds (Series 71), which is being examined by Mizrahi Tefahot Issuance Company Ltd, a subsidiary fully owned by the bank. It is hereby clarified that as of this report's date, there is no certainty regarding the execution of the issuance, its timing, its size and its terms.

No change was made to the bank's rating.

The reference numbers of previous documents on the subject (reference does not constitute incorporation by reference):

E-mail: management@umtb.co.il Company website: <https://www.mizrahi-tefahot.co.il>

Previous name of the reporting entity: **United Mizrahi Bank Ltd**

Name of the person reporting electronically:	Position:	Name of Employing
Kikozashvili Hanan	Bank Secretary	Company: Mizrahi Tefahot
		Bank Ltd

Address: 7 Jabotinsky Street, Ramat Gan,	Tel:	Fax:	E-mail:
52520	03-7559219	03-7559923	management@umtb.co .il

Mizrahi Tefahot Bank Ltd

Mizrahi Tefahot Issuance Company Ltd

September 16 2024

New Issuance

Granting of an 'ilAAA' Rating to an Issuance of Bonds at up to ILS 1 Billion N.V. and an 'ilAA-' Rating to an Issuance of Contingent convertible bonds with a Loss Absorption Capacity at up to ILS 300 Million N.V.

Primary Credit Analyst:

Regina Argenio, Milano 39-02-72111208 regina.argenio@spglobal.com

Additional Contact Person:

Matan Benjamin, Ramat Gan 972-3-7539716 matan.benjamin@spglobal.com

New Issuance

Granting of an ‘ilAAA’ Rating to an Issuance of Bonds at up to ILS 1 Billion N.V. and an ‘ilAA-’ Rating to an Issuance of Contingent convertible bonds with a Loss Absorption Capacity at up to ILS 300 Million N.V.

S&P Maalot hereby announces the granting of an ‘ilAAA’ rating to bonds at up to ILS 1 billion to be issued by Mizrahi Tefahot Bank Ltd (ilAAA/Negative) through the issuance of a new series, Series 70, and the granting of an ‘ilAA-’ rating to the issuance of contingent convertible bonds with a loss absorption capacity at up to ILS 300 million to be issued by the bank through the issuance of a new series, Series 71. The bonds and contingent convertible bonds with a loss absorption capacity will be issued via Mizrahi Tefahot Issuance Company Ltd.

In determining the rating of the contingent convertible bonds with a loss absorption capacity, we implement, among other things, the methodology for rating banks’ complex instruments and the methodology to determine regional scale ratings. The rating’s starting point is the bank’s stand-alone credit profile (SACP), and not the issuer’s rating, which also includes state support, as we estimate that these instruments will not receive support from the state. We are removing two rating levels (notches) off the SACP as follows:

- One notch to reflect the loss absorption capacity embedded in the instrument in the form of write-off of the Contingent convertible bonds, should one of the trigger events defined in their conditions occur, i.e. a “formative principal loss absorption event”, wherein the bank’s tier 1 equity ratio would fall below 5%, or a “formative nonviability event”, which is defined as the earliest between a written notice from the Supervisor of Banks to the bank that a write-off of Contingent convertible bonds is necessary, since without it the bank would reach the point of nonviability, in the opinion of the Supervision of Banks; or a written notice from the Supervisor of Banks to the bank regarding a decision to inject capital from the public sector, or support of equivalent value, without which the bank would reach the point of nonviability, as determined by the Supervision of Banks (insolvency).

- One notch to reflect the contractual deferral of the instrument, compared with the bank's more senior debt (deferral).

An examination of the instrument in light of our complex instrument methodology does not, in our assessment, reveal additional default risks that would justify removing more notches beyond those specified above. In particular, we note that the current creditworthiness of the bank does not lead us to think that the likelihood of regulatory intervention with respect to the aforementioned bonds, as described above, requires an additional removal of rating levels.

For additional details regarding Mizrahi Tefahot Bank Ltd.'s rating and further regulatory requirements, see the rating report from August 7, 2024. For further details regarding the methodology of rating the bonds, please consult the list of methodology articles in the aforementioned rating report and the Q&A document "Rating of Complex Bank Instruments – Q&A" (November 29, 2015).

Mizrahi Tefahot Issuance Company Ltd	Rating	Date on which rating was first published	Date on which rating was last updated
Issuer rating(s)			
<ICRs>			
Issuance rating(s)			
<u>Complex subordinated debt</u>			
Contingent convertible bonds with loss absorption capacity Series 53	ilAA-	Dec 9 2020	Aug 7 2024
Contingent convertible bonds with loss absorption capacity Series 50	ilAA-	Jun 6 2019	Aug 7 2024
Contingent convertible bonds with loss absorption capacity Series 69	ilAA-	Dec 12 2023	Aug 7 2024
Contingent convertible bonds with loss absorption capacity Series 65	ilAA-	Dec 5 2022	Aug 7 2024
Series 71	ilAA-	Sep 16 2024	Sep 16 2024
<u>Short-Term Debt</u>			
Series 2 - CP	ilA-1+	Dec 18 2023	May 2 2024
Series 3 - CP	ilA-1+	Jun 2 2024	Jun 2 2024
<u>Senior unsecured debt</u>			
Series 40, 42	ilAAA	May 21 2015	Aug 7 2024
Series 45, 46	ilAAA	Sep 11 2017	Aug 7 2024
Series 62	ilAAA	Oct 6 2021	Aug 7 2024
Series 63, 64	ilAAA	Mar 28 2022	Aug 7 2024
Series 67	ilAAA	May 29 2023	Aug 7 2024
Series 68	ilAAA	Dec 12 2023	Aug 7 2024
Series 49	ilAAA	Jun 6 2019	Aug 7 2024
Series 52	ilAAA	Jun 17 2020	Aug 7 2024
Series 66	ilAAA	Dec 5 2022	Aug 7 2024
Series 70	ilAAA	Sep 16 2024	Sep 16 2024
Issuer rating history			

Mizrahi Tefahot Bank Ltd	Rating	Date on which rating was first published	Date on which rating was last updated
Issuer rating(s)			
Long term	ilAAA/Negative	Oct 9 2003	August 7 2024
Issuance rating(s)			
Issuer rating history			
<u>Long term</u>			
October 31, 2023	ilAAA/Negative		
December 25, 2014	ilAAA/Stable		
November 15, 2010	ilAA+/Stable		
September 14, 2009	ilAA+/Negative		
May 28, 2007	ilAA+/Stable		
October 9, 2003	ilAA+		
Additional details			
Time of the event's occurrence	September 16 2024 11:09		
Time at which the event first became known	September 16 2024 11:09		
Rating initiator	The rated company		

[legal disclaimer]