

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>	T053 (Public)	Date of transmission: November 8, 2018
	www.isa.gov.il		www.tase.co.il		Ref: 2018-01-106707

Immediate Report of an Event or Matter which Deviates from the Corporation's Ordinary Course of Business

Regulation 36 of the Securities Regulations (Immediate and Periodic Reports), 5730-1970.

Issue results must be reported under T20 and not under this form.

Bond rating or corporation rating reports must be submitted through Form T125

Report on: A report whose submission was delayed

Nature of the Event: "Ofer Group" – Separation Agreement

- Attached is a notice received by the the Bank from Ofer Investments Ltd. and Ofer Brothers Holdings (1989) Ltd. regarding a separation agreement in the "Ofer Group"

Updat regarding separation agreement Ofer_group_08112018_isa.pdf

- Date and time at which the corporation first learned of the event:
 November 8 2018 at 18:43.
 Report delayed per Regulation 36(b):
- If the report was delayed, the reason due to which its submission was delayed:
- On _____ at _____ the report embargo was removed
- The company is a shell company, as defined in the TASE Rules and Regulations.

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

2018-01-020733

Securities of a Corporation Listed for Trading on the Tel Aviv Stock Exchange Form structure revision date: November 6, 2018

Abbreviated Name: Mizrahi Tefahot

Address: 7 Jabotinsky Street, Ramat Gan, 52520 Tel:03-7559720 Fax:03-7559923

E-mail: mangment@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: Maya Feller Position: Company secretary Name of Employing Company:

Address: 7 Jabotinsky Street, Ramat Gan, 52520 Tel: 03-7559321 Fax: 03-7559148 E-mail: management@umtb.co.il

November 8, 2018

Mizrahi Tefahot Bank Ltd.
Attn.: Mr. Eldad Fresher, CEO

By e-mail

Dear Sir,

Re: **The Law for the Promotion of Competition and Reduction of Concentration, 5774-2013 (the "Concentration Law")**
Update on the signing of a separation agreement in Ofer Group

Further to our letter of March 17, 2018 in reference to the above matter, Ofer Investments Ltd. ("**Ofer Investments**") and Ofer Brothers Holdings (1989) Ltd. ("**Ofer Holdings**"), respectfully notify as follows:

1. As stated in our above-referenced letter, following the provisions of the Concentration Law, the shareholders of Ofer Investments and Ofer Holdings are required to separate the control of Ofer Investments and Melisron Ltd. ("**Melisron**") (which are defined as "substantial real corporations") from the control of Mizrahi Tefahot Bank Ltd. ("**UMTB**") (which is defined as a "substantial financial entity"), until the date set forth in the Concentration Law. Accordingly, the parties have put together principles for an outline, which is aimed at bringing about the said separation, as described in our previous letter (the "**Separation Outline**").
2. Further to the principles of the Separation Outline, and after negotiations held between the shareholders of the Ofer Group companies, a detailed agreement was signed on November 8, 2018 between Ms. Liora Ofer (and a company wholly owned by her) and Lin (Holdings) Ltd. ("**Lin**"), a company affiliated with Mr. Eyal Ofer, and the Ofer Group companies, which regulates the separation of their joint holdings in Ofer Investments and Melisron on the one hand, and UMTB on the other hand (the "**Separation Agreement**"). The Separation Agreement provides, *inter alia*, that on the completion date and subject to fulfillment of the suspensory conditions set forth in the agreement: (a) Lin would acquire all of the shares of UMTB held by Ofer Investments and Ofer Holdings (for a consideration equal to the price of the company's share at the beginning of February 2018 (NIS 64.43), at which time the negotiations in connection with the financial principles of the separation began to take shape, subject to adjustments for dividends distributed and/or to be distributed from such time until the completion date); (b) Ms. Liora Ofer, through a company wholly owned by her, would acquire all of the shares of Ofer Investments held by Lin (33.33%), such that following the completion of the agreement, Ms. Liora Ofer would hold 85% of the share capital of Ofer Investments, and Mr. Doron Ofer would hold 15% of the share capital of Ofer Investments.
3. The result is that upon and subject to the completion of the Separation Agreement, Ms. Liora Ofer (through a company wholly owned by her) shall

only hold control of the real holdings (Ofer Investments and Melisron), and separate from her holding in the substantial financial entity (UMTB); while Lin shall only hold control of the substantial financial entity (UMTB), and separate from its holding of the substantial real corporation (Ofer Investments and Melisron).

4. The completion of the transactions contemplated in the Separation Agreement, which is scheduled for mid-February 2019, is subject to the fulfillment of suspensory conditions, including the approval of the Bank of Israel and a decision by the Tax Authority in connection with certain aspects involved in the consummation of the agreement, and the parties shall be entitled to terminate the agreement so long as the same have not been received, or upon a material change in circumstances relative to the existing situation.

Sincerely,

Ofer Investments Ltd.

[Two signatures]

Ofer Brothers Holdings (1989) Ltd.

[Two signatures]