

**MIZRAHI TEFAHOT BANK LTD**

No. with the Registrar of Companies: 520000522

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To **Israel Securities Authority** To **Tel Aviv Stock Exchange Ltd** T054 Date of transmission:  
(Public) July 31, 2017

[www.isa.gov.il](http://www.isa.gov.il)

[www.tase.co.il](http://www.tase.co.il)

Ref: 2017-01-065872

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**Immediate Report of a Transaction or Event Outside the Regular Course of Business, the Submission of which was Delayed According to Regulation 36(b) of the Securities Regulations (Periodic and Immediate Reports), 5730-1970**

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

**Nature of the event: Negotiations for the formulation of a transaction to acquire Union Bank**

1. \_\_\_\_\_.

Report310717\_isa.pdf

2. Reason for which the submission of the report was delayed:

*The submission of this immediate report was delayed, according to Regulation 36(b) of the Securities Regulations, 5730-1970, due to the concern that the publication of these negotiations might have prevented the completion of the transaction subject of the immediate report, or significantly worsen its terms, especially in light of the fact that it involves the acquisition of a banking corporation and its merger with the Bank.*

3.  The company is a shell company, as defined in the TASE Rules and Regulations

4. On July 30, 2017 at 16:28, the prevention to report was removed.

*On the morning of July 31, 2017, news items were published in the written press, and on July 30, 2017, at 16:28, an article was published on the Globes website on this subject.*

*The above report was signed by Nissan Levi, Head of the Planning, Operations and Customer Assets Division and Racheli Friedman, Adv., Chief Legal Advisor.*

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

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Securities of a Corporation Listed for Trading  
on the Tel Aviv Stock Exchange

Abbreviated Name: Mizrahi Tefahot

Address: 7 Jabotinsky Street  
Ramat Gan, 52520, Israel

E-mail: mangment@umtb.co.il

Form structure revision date: July 16, 2017

Tel: 03-7559207 Fax: 03-7559913  
03-7559720

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

Name of the person reporting electronically: **Feller Maya** Position: **Bank Secretary** Name of Employing Company:

Address: **7 Jabotinsky Street, Ramat Gan, 52520, Israel** Tel: **03-7559720** Fax: **03-7559923** E-mail: [mangment@umb.co.il](mailto:mangment@umb.co.il)

July 31, 2017

**To:**

**Israel Securities Authority**

**To:**

**Tel Aviv Stock Exchange Ltd**

Dear Sir or Madam,

**Re: Negotiations for the formulation of a transaction to acquire the Union Bank of Israel Ltd**

Pursuant to publications in the media, Mizrahi Tefahot Bank Ltd (hereinafter: “**Bank**”), hereby respectfully gives notice of negotiations under which the possibility of formulating the fundamental outline of a transaction (hereinafter: “**Transaction**”) to acquire all of the shares in the issued capital of the Union Bank of Israel Ltd (hereinafter: “**Union Bank**”), including the shares of Union Bank’s controlling shareholders and the shares held by the Eliahu Group (i.e. Shlomo Eliahu Holdings Ltd and Eliahu 1959 Ltd) (hereinafter together: “**Controlling Shareholders of Union Bank**”), at the shares’ price at the Tel Aviv Stock Exchange Ltd (hereinafter: “**TASE**”), provided that it does not exceed 60% of the shareholders’ equity listed in Union Bank’s books, and against the allotment of shares in the Bank’s capital to the Shareholders of Union Bank; all for the purpose of merging Union Bank with and into the Bank.

At this stage, the Bank has yet to carry out relevant examinations required in order to engage in the Transaction (including the necessary legal examinations), nor formulated an agreed outline for the Transaction.

Likewise, legal examinations are being carried out in the matter of the implications of the engagement in the Transaction, with respect to the limitations that apply to the Bank’s controlling shareholders, under the Law for Promotion of Competition and Reduction of Concentration, 5773, including in the matter of the transitory instructions according to this law.

The engagement in the Transaction, insofar as it may be formulated, is subject to the approval of the Bank’s authorized organs. Furthermore, insofar as shall be agreed with respect to the Transaction, it shall be subject to the approvals and agreements of regulatory authorities and third parties, insofar as required by law. Accordingly, there is no certainty that the parties will reach an agreement with respect to the Transaction’s terms, or that the negotiations between the parties will culminate in the signing of an agreement; or that the necessary approvals and agreements required will be granted; or that the Transaction will be executed.

Respectfully,

**Mizrahi Tefahot Bank Ltd**

By:

Nissan Levi, Head of the Planning, Operations and Customer Assets Division

Racheli Friedman, Adv., Chief Legal Advisor