

MIZRAHI TEFAHOT BANK LTD

No. with the Registrar of Companies: 520000522
Securities of the Corporation Listed for Trading on the Tel Aviv Stock Exchange
Abbreviated name: Mizrahi Tefahot
7 Jabotinsky Street, Ramat Gan 52520, Israel
Telephone: 972-3-7559207, 972-3-7559720; Fax: 972-3-7559913
e-mail: mangement@umtb.co.il

Date of transmission: March 13, 2016
Reference: 2016-01-004761

To
Israel Securities Authority
www.isa.gov.il

To
Tel Aviv Stock Exchange Ltd
www.tase.co.il

Amending report to an impaired report sent on February 25, 2016, the reference number of which is: 2016-01-034420

Impairment: *Update to the dividend sum per one security.*

Reason for Impairment: Share issuing following the execution of options

Main Amendment Points: Update of the dividend sum, so that the dividend sum per one security is 0.1552223

Immediate Report on Distribution of Dividend in Cash for Securities

Regulation 37(a) of the Securities Regulations (Immediate and Periodic Reports), 5730-1970

1. We hereby report that on *February 24, 2016*, it was resolved to distribute a dividend for the company's shares.
 - Into securities
 - Financial instruments such as ETFs.
2. The total amount of the dividend which will be paid is: *ILS 36,000,000* _____.
3. The balance of the corporation's profits as defined in Section 302 of the Companies Law, 5759-1999, after the distribution proposed herein, is a total of *ILS 9,694,000,000* _____.
4. The dividend distribution approval procedure
At the Board of Directors meeting dated February 24, 2016 at 18:00.

The above distribution is with the court's approval, according to Section 303 of the Companies Law *No*
5. The effective day (the cum-day): *March 9, 2016*

The ex-day: *March 9, 2016*

Date of payment: *March 21, 2016*

6. Payment details:

Dividend in respect of which no tax was deducted abroad

695437	Ordinary shares of ILS 0.1 par value each	0.1552223	ILS	ILS		25	0
--------	---	-----------	-----	-----	--	----	---

Dividend the source of which is foreign

1							

The sum of dividend to be paid must be indicated with an accuracy of up to 7 digits after the decimal point in respect of payment in ILS and up to 5 digits after the decimal point in case of payment in another currency.

Is the dividend amount per security final *No*

The amount of dividend per security is subject to changes due to *exercise of options, to the extent there will be.*

As a result of

7. Composition of the sources of dividend (to be filled out with regard to a dividend in respect of which no tax was deducted abroad):

Distribution from securities and financial instruments, except for REIT

	% of the dividend	Private individuals	Companies	Foreign residents
Income subject to corporate tax (1)	100	25%	0%	25%
Income which originated abroad (2)	0	25%	25%	25%
Income from approved enterprise/beneficiaries	0	15%	15%	15%
Income from approved enterprise Ireland	0	15%	15%	4%
Preferred income	0	20%	0%	20%
Income from approved enterprise touristic/agricultural (3)	0	20%	20%	20%
Distribution classified as capital gain	0	25%	25%	0%
Other	0	0	0	0

Explanation:

(1) Income subject to corporate tax: income due to revenue distribution or a dividend, the source of which is income produced or generated in Israel, received directly or indirectly from another group of persons owing corporate tax.

(2) Income which originated abroad is income produced or generated abroad that has not been taxed in Israel, as well as foreign dividend for which no tax was deducted abroad.

(3) Including revenue from a beneficiary touristic enterprise.

8. The number of the corporation's dormant shares which are not entitled to payment of dividend, and in respect of which a waiver must be produced with regard to the receipt of the dividend payment 2,500,000

9. Effect of the dividend distribution on the convertible securities:

The company has no convertible securities

The dividend's distribution has no effect on convertible securities

The effect of the dividend distribution on convertible securities is as follows:

Name of security	No. of security	Comments
	00000000	Other <i>The bank has a number of option plans, and the exercise price of the options which were granted will be reduced by the full dividend amount per share, as provided in Section 6 above.</i>

10. Directors' recommendations and decisions in connection with the dividend distribution in accordance with Regulation 37(a)(1) of the Securities Regulations (Immediate and Periodic Reports), 5730-1970:

Dividend 250216 ISA isa.pdf

The above report was signed by Mr. Menachem Aviv – Chief Accountant and Ms. Racheli Friedman, Adv. - Chief Legal Advisor.

Reference numbers of previous documents in this subject (the reference does not constitute corporation by reference):

Former names of reporting entities: United Mizrahi Bank Ltd.

Date of Form format update: March 3, 2016

Name of electronically reporting: Aviv Menachem, his position: Chief Accountant, Company Name:

7 Jabotinsky Street, Ramat Gan 52520, Telephone: 03-7559321, fax: 03-7559148, Email: meno@umtb.co.il

Regulation 37(a)(1)

Below are the directors' decisions in accordance with Regulation 37(a)(1) of the Securities Regulations (Immediate and Periodic Reports), 5730-1970:

- The proposed dividend distribution does not have a material impact on the bank's financial position. See below details of the profit balance.

- The balance of the profits as defined in Section 302 of the Companies Law, prior to the proposed distribution, amounts to a total of ILS 9,730.0 million.

- The balance of the profits as defined in Section 302 of the Companies Law, after the proposed distribution, amounts to a total of ILS 9,694.0 million.

- The effect of the proposed distribution over the equity structure, capital adequacy and leverage ratios is detailed in the written outlook for the coming year, according to which the results of the bank's activity in the year following the dividend distribution shall be such that the capital adequacy ratio and the leverage ratios shall be no less than required.

Furthermore and in addition to the aforesaid:

- There is no concern that the dividend's distribution shall prevent the bank from complying with its current and expected commitments.
- The proposed distribution is out of the profits, as defined in the Companies Law.
- The bank complies with additional regulatory limitations set by the Supervision of Banks, including the provisions of the Proper Conduct of Banking no. 331 regarding "dividend distribution by banking corporations", as well as capital adequacy limitations, leverage limitations and other limitations.

In view of the aforesaid, it is evident to the board of directors that there is no impediment to distribute a dividend in the sum of ILS 36 Million, which constitute 15% of the net profit from the fourth quarter of 2015, and it has resolved to approve the aforesaid distribution.