MIZRAHI TEFAHOT BANK LTD

No. with the Registrar of Companies: 520000522

То	Israel Securities Authority	То	Tel Aviv Stock Exchange Ltd	T081 (Public)	Date of transmission: March 1, 2022
	www.isa.gov.il		www.tase.co.il		Ref: 2022-01-024637

Immediate Report on the Distribution of a Cash Dividend to Securities

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

- 1. We hereby report that on *February 28, 2022*, the payment of a dividend for the company's securities was decided.
- 2. The total amount of the dividend which will be paid is: ILS 271,600,000
- 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 17,228,000,000*
- 4. The dividend distribution approval procedure *At the Board of Directors meeting dated February 28, 2022 at 16:00.*

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 8*, 2022 The ex-day: *March 8*, 2022 Date of payment: *March 15*, 2022
- 6. Payment details:
 - A dividend distributed by a company residing in Israel (for the composition of the dividend's sources and tax rates, see section 7a).
 - O A dividend distributed by a real estate investment fund (for the composition of the dividend's sources and tax rates, see section 7c).

No. of entitled security	Name of security	Dividend sum per one security	Currency of dividend amount	Payment currency	rate for repayment in respect	% tax on private individuals`	% companies tax
					of date		
695437	Ordinary	1.0589057	ILS	ILS		25	0
	shares of						
	ILS 0.1						
	par value						
	each						

O A dividend distributed by a company residing abroad (for tax rates, see section 7b).

1	L	No. of	Name of	Gross sum	Sum	%	%	% private	% companies tax
		entitled	security	per one	currency	foreign	convention	individuals'	balance to
		security		security		tax	tax	tax balance	deduct in the
								to deduct in	country
								the country	

security			Payment sum in the country per one security	•	Exchange payment in date			pri	vate lividuals'	% com	de panies	facto tax
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The dividend amount 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 an exercise of convertible securities, insofar as they may be.

- 7. The TDS rates specified below are for TASE members for tax deduction at the source.
 - 7a. Composition of the sources of a dividend distributed by a company residing in Israel from equity and financial instruments except for REITs.

	instruments except % of the dividend		Componies	
	% of the dividend	Private	Companies	Foreign residents
T 1 1 1 1 1	100	individuals	00/	25%
Income subject to	100	25%	0%	25%
corporate				
tax (1)				
Income which	0	25%	23%	25%
originated				
abroad (2)				
Income from	0	15%	15%	15%
approved				
enterprise/benefi				
ciaries (3)				
Income from	0	15%	15%	4%
approved				
enterprise				
Ireland, up to				
2013 (4)				
Income from	0	20%	20%	4%
approved				
enterprise				
Ireland, since				
2014 (5)				
Preferred income	0	20%	0%	20%
Income from	0	20%	20%	20%
approved				
enterprise				
touristic/agricult				
ural (6)				
Income from	0	15%	0%	15%
approved				
enterprise/benefi				
ciaries which				
delivered a				
waiver notice (7)				
Distribution	0	25%	23%	0%
classified as				
capital gain				
Distribution by	0	0	0	0
participating				
unit				

Other 0 0 0	0
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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 companies tax.
- (2) Income which originated abroad is income produced or generated abroad that have not been taxed in Israel.
- (3) Including revenue from a beneficiary touristic enterprise with the selection/operation year being 2013 or prior.
- (4) A beneficiary enterprise in Ireland, for which the selection year is 2013 or prior.
- (5) A beneficiary enterprise in Ireland, for which the selection year is 2014 or after.
- (6) Including revenue from a beneficiary touristic enterprise with the selection/operation year being 2014 or after.
- (7) An approved enterprise or beneficiary which had delivered a notice of waiver until June 30, 2015, after the Companies Tax which it owed was deducted.

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		Private	Companies	Foreign residents
		individuals		
	Dividend distributed	25%	23%	0%
	by a company			
	residing abroad			

7b. Dividend distributed by a company residing abroad

7c. Dividend distributed by a real estate investment fund

	% of dividend	Private individuals (1)	Companies	Foreign companies	Exempt mutual fund	Provident fund (2)
From land appreciation, capital gains and depreciation (3)		25%	23%	23%	0%	0%
Other taxable income (e.g. rent)		47%	23%	23%	23%	0%
From income- producing land for the purpose of accommodation rental		20%	20%	20%	0%	0%
Income charged by the fund (4)		25%	0%	25%	0%	0%
Extraordinary income Other		70%	70%	70%	60%	70%
% of TDS - weighted	100%					

- (1) Private individuals including taxable income from a mutual fund, private individuals who are foreign residents.
- (2) A provident fund for annuity or remuneration or compensation, as defined in the Income Tax Ordinance, as well as a provident fund or a foreign pension fund which resides in a reciprocating state.
- (3) From land appreciation or capital gains, except for the sale of land held for a short period. As well as income in the sum of the depreciation expenses.
- (4) Distribution out of income taxed by the fund in accordance with Article 64a4 (e).

- 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 *0*
- 9. Effect of the dividend distribution on the convertible securities:
 - O The company has no convertible securities
 - O 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
		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.

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:

On February 28, 2022, the bank's Board of Directors resolved to distribute a dividend in the sum of ILS 271.6 million, which constitute 40% of the profits in the fourth quarter of 2021. This is in accordance with the bank's dividend policy, as well as in light of the Banking Supervision's notice from December 27, 2021, that the temporary ordinance (Proper Conduct of Banking Business no. 250, "Adjustments to Proper Conduct of Banking Business Directives for Dealing with the Coronavirus (Temporary Provision)") will expire on January 1, 2022, except for specific directions for which a later expiration date was determined in the temporary ordinance. The Supervision noted in the explanatory notes that in connection with decisions on the distribution of dividends, banking corporations should act with prudence, and take into account a certain level of uncertainty which persists still in the market.

Regulation 37a1 isa.pdf

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

	Signatory's Name	Position
1	Mr. Menahem Aviv	Deputy CEO
2	Mr. Adi Shahaf	Deputy CEO

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: <u>Click here</u>

The above report was signed by Mr. Menahem Aviv, Deputy CEO and Chief Accountant and Mr. Adi Shahaf, Deputy CEO and CFO.

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

Securities of a Corporation Lis	ted for Trading on	Form structure revision date: February 22, 2022			
the Tel Aviv Stock Exchange					
Abbreviated Name: Mizrahi Te	efahot				
Address: 7 Jabotinsky Street, F	Ramat Gan, 52520	Tel:03-7559720	Fax:03-7559923		
E-mail:	Company website	:			
mangment@umtb.co.il	https://www.mizra	ahi-tefahot.co.il			

Previous name of the reporting entity: United Mizrahi Bank Ltd

Name of the person reporting electronically Aviv Menahem	: Position: Chief Accounta	Compa	of Employing any:
Address: 7 Jabotinsky Street, Ramat Gan, 52520		Fax: 03-7559148	E-mail: meno@umtb.co.il

Regulation 37(a)(1)

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

- The proposed dividend distribution does not have a material impact on the bank's financial situation. See below for details of the revenue balance.
- The balance of the corporation's revenues as defined in Section 302 of the Companies Law, prior to the proposed distribution, amounts to a total of ILS 17,500 million.
- The balance of the corporation's revenues as defined in Section 302 of the Companies Law, after the proposed distribution, amounts to a total of ILS 17,228 million.
- The impact of the proposed distribution on the equity structure was examined and it was found that 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 distribution might prevent the bank from complying with its current and expected commitments.
- The proposed distribution is out of the revenues, 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 Directive 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 271.6 million, which constitute 40% of the net profit for the fourth quarter of 2021, and decided to approve said distribution in view of the results of the activity of the Bank in 2020.

It is hereby clarified that the dividend distribution described above in this report is not to change the bank's updated dividend policy (as published on February 27, 2018, reference no. 2018-01-015753).