



Central Management

Bank House, 42 Rothschild, Tel-Aviv, Tel: 03-5196223, Fax: 03-5100316

To
Tel Aviv Stock Exchange
Via MAGNA

To
Israel Securities Authority
Via MAGNA

October 7, 2018

**IN RE: LABOR COURT DECISION CONCERNING SANCTIONS AT THE
SUBSIDIARY, MATAF COMPUTING AND FINANCIAL OPERATION LTD.**

Further to the immediate report published by the First International Bank of Israel Ltd. (hereinafter: "**the Bank**") on September 20, 2018 (reference no. 2018-01-089148) the Bank hereby notifies that on October 4, 2018 the Tel Aviv Regional Labor Court handed down its decision with respect to the application for an injunction filed by the Bank, which is essentially intended to prohibit work disruptions and/or interruptions pertaining to the Bank's preparations for the provision of operation services for exchange traded funds by employees of Mataf Computing and Financial Operation Ltd., the computing company of the Bank, as part of the reform as construed in the previous report.

The Court decided at this stage to deny the application for a temporary injunction, while at the same time ruling that bearing in mind that this involves a reform that originates in legislation, and in order to ensure that proportionality is maintained in the exercise of the right to strike, such aforesaid decision of the Court shall remain in force until the further hearing scheduled for October 10, 2018.

Sincerely,

The First International Bank of Israel Ltd.

Yossi Levy, Executive Vice President
Head of Resources Division

Aviad Biller, Adv.
Bank Secretary