



INTERNATIONAL

Central Management

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To
Tel Aviv Stock Exchange
Via MAGNA

To
Israel Securities Authority
Via MAGNA

August 27, 2018

IN RE: **FINALIZATION OF THE TRANSACTION FOR SALE OF
TASE SHARES**

Further to the immediate report published by the First International Bank of Israel Ltd. (hereinafter: "**the Bank**") on April 16, 2018 (reference no. 2018-01-038836) and the content of Note 5E of the quarterly financial statements of the Bank as at June 30, 2018 regarding the Bank's response to the purchase offer made by the Tel Aviv Stock Exchange Ltd. (hereinafter: "**TASE**") for the purchase of TASE member holdings (hereinafter: "**the purchase offer**") and the notice of acceptance by TASE of the Bank's offer to sell 15.4% of the TASE share capital held by the Bank group (hereinafter: "**the holdings for sale**") and further to additional immediate reports published by the Bank on this subject on June 14, 2018 (reference no.: 2018-01-057997) and on August 21, 2018 (reference no.: 2018-01-077395), the Bank hereby respectfully notifies that today the transaction for the sale of the holdings for sale was finalized.

In consideration of the holdings for sale a sum of approximately NIS 77 million was paid to the Bank group, which reflects a value of NIS 500 million for all the TASE shares.

In respect of the transaction the Bank is expected to record profit in an estimated amount of approximately NIS 65 million, net of tax, in the financial statements of the third quarter of 2018.

After finalizing the transaction, the Bank is left holding approximately 4.9% of the TASE share capital.

Sincerely,

The First International Bank of Israel Ltd.

Nachman Nitzan, Executive Vice President
Head of Chief Accountant Division

Aviad Biller, Adv.
Bank Secretary