

The following is an unofficial translation of the Hebrew report and has been prepared for convenience only. In case of any discrepancy, the Hebrew version prevails.

בנק הפועלים בע"מ

Bank Hapoalim B.M.

Number with the Registrar: 520000118

Securities Authority Tel Aviv Stock Exchange Ltd. Tav 125 Transmitted 09/04/2018
www.isa.gov.il www.tase.co.il (Public) Ref: 2018-01-029196

**Immediate Report on the Rating of Bonds / Rating of a Corporation or
Discontinuation of Rating**

On 08/04/2018 *Maalot S&P* published:

An *up-to-date* rating report / notice

Notice of discontinuation of rating

1. Rating report or notice

Rating of the
Corporation: *Maalot S&P* _____ *ilAAA* _____ *stable*

Notice/Nature of
the Notice: *Rating Affirmed* _____

Rating history for the 3 years preceding the rating date / notice:

Date	Subject of the Rating	Rating	Notes/Nature of the Rating
24/10/2017	<i>Bank Hapoalim B.M.</i>	<i>Maalot S&P ilAAA __ Stable</i>	<i>Rating Affirmed</i>
21/12/2016	<i>Bank Hapoalim B.M.</i>	<i>Maalot S&P ilAAA __ Stable</i>	<i>Rating Affirmed</i>
10/11/2015	<i>Bank Hapoalim B.M.</i>	<i>Maalot S&P ilAAA __ Stable</i>	<i>Rating Affirmed</i>
07/10/2014	<i>Bank Hapoalim B.M.</i>	<i>Maalot S&P ilAAA __ Stable</i>	<i>Upgrade</i>

Explanation: Under the rating history only the rating history of the rating company referred to in the Immediate Report should be specified.

○ Rating of the Corporation's Bonds:

Name and Type of Security	Number of the Security on the Stock Exchange	Rating Company	Present Rating	Notes/Nature of the Notice
_____	_____	_____	_____	_____

Rating history for the 3 years preceding the rating date / notice:

Name and Type of Security	Number of the Security on the Stock Exchange	Date	Type of Rated Security	Rating	Notes/Nature of the Notice
_____	_____	_____	_____	_____	_____

Explanation: Under the rating history only the rating history of the rating company referred to in the Immediate Report should be specified.

Attached hereto is the rating report: [NEWHap20180408162541 isa.pdf](#)

2. On (date) _____, _____ gave notice of discontinuation of rating to: _____

Remark:

Regarding the attached rating report, it should be noted that the Bank is examining the possibility of executing a private placement for institutional investors of debentures and subordinated notes with a loss absorption mechanism through Poalim Hanpakot Ltd., a wholly-owned subsidiary of the Bank. The structure, terms, timing and scope of the offering have not yet been determined. The contents of this report do not constitute any undertaking of the Bank to carry out the issue and do not constitute a public offering or an invitation to purchase securities of the Bank.

The names of the signatories on behalf of the Corporation:

Dan Alexander Koller, Head of Financial Markets and International Banking

Ronit Shapira, Secretary of the Bank.

Signed on April 9th, 2018

The reference numbers of the previous documents on the subject (any citation made does not constitute inclusion by way of reference):

Previous names of reporting entity:

Date on which the structure of the form was updated: 20/02/2018

Name of Electronic Reporter: Shapira Ronit, Her Job Title: Secretary of the Bank, Name of Employing Company:

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