

Changes to the Israeli Fixed Income Indices Due to Rating Downgrade for Africa-Israel

Tel-Aviv, Israel, January 5, 2016: Index Research announced today changes to the Israeli Fixed Income Index Series due to rating downgrade for Africa-Israel B26 (ISIN: IL0061103656), Africa-Israel B27 (ISIN: IL0061104316) and Africa-Israel B28 (ISIN: IL0061104803) below Investment Grade rating.

The changes will become effective at the beginning of the trading day on January 12th 2016.

All of the bond series above shall be removed from following indices:

- Israeli Investment Grade Composite Bond Index
- Israeli CPI-Linked Investment Grade Composite Bond Index
- Israeli Balanced Investment Grade Composite Bond Index
- Israeli Balanced 3Y Duration IG Composite Bond Index
- Israeli Investment Grade Corporate Bond Index
- Israeli CPI-Linked Investment Grade Corporate Bond Index
- Israeli Balanced Investment Grade Corporate Bond Index
- Israeli iIBBB Rating Corporate Bond Index
- Israeli +5 Year Investment Grade Corporate Bond Index
- Israeli CPI-Linked 3Y Duration IG Corporate Bond Index
- Israeli Balanced 3Y Duration IG Corporate Bond Index

In addition, Africa-Israel B26 and Africa-Israel B27 shall be removed from following indices:

- Israeli Balanced 2Y Duration IG Composite Bond Index
- Israeli CPI-Linked 2Y Duration IG Corporate Bond Index
- Israeli Balanced 2Y Duration IG Corporate Bond Index

In addition, Africa-Israel B28 shall be removed from following indices:

- Israeli Balanced 4Y Duration IG Composite Bond Index
- Israeli CPI-Linked 4Y Duration IG Corporate Bond Index
- Israeli Balanced 4Y Duration IG Corporate Bond Index

It should be clarified that despite the rating downgrade, all of the bond series above shall continue to be included in the following indices on the upcoming month-end rebalancing:

- Israeli Composite Bond Index
- Israeli CPI-Linked Composite Bond Index
- Israeli Balanced Composite Bond Index
- Israeli Corporate Bond Index
- Israeli CPI-Linked Corporate Bond Index
- Israeli Balanced Corporate Bond Index
- Israeli High Yield Corporate Bond Index
- Israeli Real Estate Corporate Bond Index
- Israeli ex Financials Corporate Bond Index
- Israeli ex Holding Companies Corporate Bond Index
- Israeli Senior Debt Corporate Bond Index

Following the recent downgrade to a local rating of Ba1, all of the bond series above shall be added to the Israeli Non-Investment Grade Corporate Bond Index at the beginning of the trading day on January 12th 2016.

About Index Research

Index Research is the new face of passive investments in Israel, dedicated to creating value for investors and index product managers by launching innovating indices on the local market and by providing analytical services covering all local index products and institutional managers' ETP investments.

Index Research was founded in 2015 by Yaniv Kunis, a well-known professional in the local financial industry with extensive experience with indices, and is based in Tel Aviv, Israel. The company specializes in research and development, calculation and maintenance of fixed income and equity indices for a variety investment purposes.

To learn more about Index Research, please visit <http://indx.co.il/en/>.

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