

Form-T Website
Israel Corporations
Registrar's number: 11

To: Israel Securities Authority
To: Tel Aviv Stock Exchange Ltd.
T049 (Public)
Transmitted on MAGNA:

www.isa.gov.il

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Reference:

Immediate report on the results of a meeting for the approval of a transaction with a controlling shareholder and/or a private placement and/or a double Chairman-CEO office and/or an appointment of an outside director

Pursuant to Regulation 13 of the Securities Regulations (Transaction between a Company and its Controlling Shareholder), 5761-2001
or Regulation 22 of the Securities Regulations (Private Placement of Securities in a Registered Company), 5760-2000
Regulation 36D(b) of the Securities Regulations (Periodic and Immediate Reports), 5730-1970

Insofar as there were additional issues on the meeting's agenda, they shall be specified in Section 3.

1. In a meeting which convened on *October 6, 2016*, a notice on the convening of which was published in the form whose reference is *2016-01-111643* and whose agenda included the following issues:

Serial Number	Transaction Type/Voted Issue	Essence of the Issue
1	Other	<i>Approval of updated compensation policy for officers at the Company according to Section 267A of the Companies Law, in the language attached as Annex A to the Notice of Meeting Report</i>
2	Indemnification, Exemption and/or Insurance	<i>Approval of the amendment of the exemption clause in the Company's Articles of Association, subject to the approval of the updated compensation policy by the General Meeting as specified in Section 3.15 of the Notice of Meeting Report.</i>
3	Other	<i>Approval of update to the monthly management fee within the management agreement with the Company's CEO, Mr. Yuval Bronstein (through a private company fully owned by him) according to the specification in Section 4 of the Notice of Meeting Report and subject to approval of the updated compensation policy.</i>
4	Terms of office and employment of a controlling shareholder	<i>Approval of the extension of the existing management agreement between the Company and a company controlled by Company's active chairman of the board,</i>

		<i>Ms. Danna Azrieli. For further details see Section 5 of the Notice of Meeting Report.</i>
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The following resolutions were adopted:

1

Transaction Type/Voted Issue: *Other*

Essence of the Issue *Approval of updated compensation policy for the officers in the Company according to Section 267A of the Companies Law, in the form attached as Annex A to the Notice of Meeting Report.*

Essence of Proposed Resolution: *Approval of updated compensation policy for officers in the Company according to Section 267A of the Companies Law, in the form attached as Annex A of the Notice of Meeting Report.*

The Meeting Resolved: *to approve*

The Quantity of Shares/Securities which Participated in the Vote: *112,116,931*

The Quantity of Shares/Securities which Voted in Favor: *99,092,344*

The Quantity of Shares/Securities which Participated in the Vote, and were not classified as shares whose holders have a personal interest/as shares having no control or personal interest in the approval of the appointment, other than a personal interest which does not derive from a connection to the controlling shareholder: *27,388,569 of which 14,363,982 voted in favor of approval of the transaction and 12,937,284 voted against approval of the transaction.*

The Quantity of Shares which Participated in the Vote and were not classified as shares whose holders are controlling shareholders of the Company/as shares of holders of a personal interest in the approval of the resolution *27,388,569 of which 14,363,982 voted in favor of approval of the transaction.*

The Quantity of Shares/Securities that voted against: *12,937,284*

Voting percentage in favor of approval of the transaction out of the total number of voters who do not have a personal interest in the transaction/who are not controlling shareholders or holders of a personal interest in the approval of the appointment, other than a personal interest which does not derive from a connection to the controlling shareholder: *52.45%%*

Voting percentage in favor of approval of the transaction out of the total number of voters who are not controlling shareholders of the Company/who do not have a personal interest in the approval of the resolution *52.45%*

Percentage of those voting against out of the total number of the voting rights in the Company: *10.67%*

2

Transaction Type/Voted Issue: *Indemnification, exemption and/or insurance*

Essence of the Issue *Approval of the amendment of the exemption clause in the Company's Articles of Association, subject to the approval of the updated compensation policy by the General Meeting as specified in Section 3.15 of the Notice of Meeting Report.*

Essence of Proposed Resolution: *Approval of the amendment of the exemption clause in the Company's Articles of Association, subject to the approval of the updated compensation policy by the General Meeting as specified in Section 3.15 of the Notice of Meeting Report.*

The Meeting Resolved: *to approve*

The Quantity of Shares/Securities which Participated in the Vote: *112,116,931*

The Quantity of Shares/Securities which Voted in Favor: *108,385,376*

The Quantity of Shares/Securities which Participated in the Vote, and were not classified as shares whose holders have a personal interest/as shares having no control or personal interest in the approval of the appointment, other than a personal interest which does not derive from a connection to the controlling shareholder: *27,388,569 of which 23,657,014 voted in favor of approval of the transaction and 3,731,379 voted against approval of the transaction.*

The Quantity of Shares which Participated in the Vote and were not classified as shares whose holders are controlling shareholders of the Company/as shares of holders of a personal interest in the approval of the resolution *27,388,569 of which 23,657,014 voted in favor of approval of the transaction.*

The Quantity of Shares/Securities that voted against: *3,731,379*

Voting percentage in favor of approval of the transaction out of the total number of voters who do not have a personal interest in the transaction/who are not controlling shareholders or holders of a personal interest in the approval of the appointment, other than a personal interest which does not derive from a connection to the controlling shareholder: *86.38%*

Voting percentage in favor of approval of the transaction out of the total number of voters who are not controlling shareholders of the Company/who do not have a personal interest in the approval of the resolution *86.38%*

Percentage of those voting against out of the total number of the voting rights in the Company: 3.08%

3

Transaction Type/Voted Issue: *Other*

Essence of the Issue *Approval of update to the monthly management fee within the management agreement with the Company's CEO, Mr. Yuval Bronstein (through a private company fully owned by him) according to the specification in Section 4 of the Notice of Meeting Report and subject to the approval of the updated compensation policy.*

Essence of Proposed Resolution: *Approval of update to the monthly management fee within the management agreement with the Company's CEO, Mr. Yuval Bronstein (through a private company fully owned by him) according to the specification in Section 4 of the Notice of Meeting Report and subject to the approval of the updated compensation policy, as specified in Section 1 above.*

The Meeting Resolved: *to approve*

The Quantity of Shares/Securities which Participated in the Vote: *112,116,931*

The Quantity of Shares/Securities which Voted in Favor: *100,016,088*

The Quantity of Shares/Securities which Participated in the Vote, and were not classified as shares whose holders have a personal interest/as shares having no control or personal interest in the approval of the appointment, other than a personal interest which does not derive from a connection to the controlling shareholder: *27,388,569 of which 15,287,726* voted in favor of approval of the transaction and *12,014,644* voted against approval of the transaction.

The Quantity of Shares which Participated in the Vote and were not classified as shares whose holders are controlling shareholders of the Company/as shares of holders of a personal interest in the approval of the resolution *27,388,569* of which *15,287,726* voted in favor of approval of the transaction.

The Quantity of Shares/Securities that voted against: *12,014,644*

Voting percentage in favor of approval of the transaction out of the total number of voters who do not have a personal interest in the transaction/who are not controlling shareholders or holders of a personal interest in the approval of the appointment, other than a personal interest which does not derive from a connection to the controlling shareholder: *55.82%*

Voting percentage in favor of approval of the transaction out of the total number of voters who are not controlling shareholders of the Company/who do not have a personal interest in the approval of the resolution 55.82%

Percentage of those voting against out of the total number of the voting rights in the Company: 9.91%

4

Transaction Type/Voted Issue: *Terms of office and employment of a controlling shareholder*

Essence of the Issue *Approval of the extension of the existing management agreement between the Company and a company controlled by the Company's Active Chairman of the Board, Ms. Danna Azrieli. For further details see Section 5 of the Notice of Meeting Report.*

Essence of Proposed Resolution: *Approval of the extension of the existing management agreement between the Company and a company controlled by the Company's Active Chairman of the Board, Ms. Danna Azrieli. For further details see Section 5 of the Notice of Meeting Report.*

The Meeting Resolved: *to approve*

The Quantity of Shares/Securities which Participated in the Vote: *112,116,931*

The Quantity of Shares/Securities which Voted in Favor: *105,101,924*

The Quantity of Shares/Securities which Participated in the Vote, and were not classified as shares whose holders have a personal interest/as shares having no control or personal interest in the approval of the appointment, other than a personal interest which does not derive from a connection to the controlling shareholder: *27,388,569 of which 20,373,562 voted in favor of approval of the transaction and 6,928,808 voted against approval of the transaction.*

The Quantity of Shares which Participated in the Vote and were not classified as shares whose holders are controlling shareholders of the Company/as shares of holders of a personal interest in the approval of the resolution *27,388,569 of which 20,373,562 voted in favor of approval of the transaction.*

The Quantity of Shares/Securities that voted against: *6,928,808*

Voting percentage in favor of approval of the transaction out of the total number of voters who do not have a personal interest in the transaction/who are not controlling shareholders or holders of a personal interest in the approval of the appointment, other

than a personal interest which does not derive from a connection to the controlling shareholder: 74.39%

Voting percentage in favor of approval of the transaction out of the total number of voters who are not controlling shareholders of the Company/who do not have a personal interest in the approval of the resolution 74.39%

Percentage of those voting against out of the total number of the voting rights in the Company: 5.71%

2. The meeting's resolutions with regard to other issues that were on its agenda:

3. Specification of voters in the meeting who are institutional, interested parties or senior officers:

The form can include up to 40 lines (each line shall contain information with regard to one holder of securities who voted in the meeting). In the event that the voter list is longer than 40, the figures with respect to the additional voters shall continue to be filled out on an additional form.

- File* _____. The file shall include, with regard to each voter, the data that are required in this form.
- Specification of the vote according to the numbering of the issues specified in Section 1 above:

Serial Number	Numbering of Issue on the Agenda	Surname of Shareholder or Holder of Securities / Corporation Name (Hebrew)(1)	Given Name of Shareholder of Securities	Quantity of Securities	Personal Interest (2)	Vote	Voting Card / Proxy
1	Issue _____	_____	_____	_____	_____	_____	_____

Explanations:

(1) *State the full name as registered with the Registrar of Companies or in the ID card.*

(2) *Whether this is a personal interest of the shareholder or the holder of the securities or a personal interest of the proxy.*

In this column of the table, the details shall be filled out in accordance with the following specification:

- In the case of the approval of a double chairman–CEO office (pursuant to Section 121(c) of the Companies Law) – “Yes” shall be marked for a voter who is a controlling shareholder or who has a personal interest in the approval of the resolution;*

- *In the case of the appointment of an outside director (pursuant to Section 239(b) of the Companies Law) – “Yes” shall be marked for a voter who is a controlling shareholder or who has a personal interest in the approval of the appointment, other than a personal interest which does not derive from a connection to the controlling shareholder;*
- *In the case of an irregular transaction with a controlling shareholder or a transaction in which the controlling shareholder has a personal interest (pursuant to Section 275 of the Companies Law) – “Yes” shall be marked for a voter who has a personal interest in the approval of the transaction;*
- *In the case of a resolution pursuant to Section 350 of the Companies Law, or a resolution to modify an indenture in a meeting of holders of certificates of indebtedness – “Yes” shall be marked for a voter who has a personal interest, in accordance with the resolution.*

<p>1</p> <p>Surname of Shareholder or Holder of Securities (Hebrew) / Corporation Name (Hebrew): _____</p> <p>Given Name of Shareholder or Holder of Securities (Hebrew): _____</p> <p>Surname of Shareholder or Holder of Securities / Corporation Name (English): _____</p> <p>Given Name of Shareholder or Holder of Securities (English): _____</p> <p>Type of I.D. Number: _____</p> <p>I.D. Number: _____</p> <p>The participation in the vote is by virtue of holding of securities number: _____</p> <p>The place of incorporation of the shareholder or holder of securities/the passport country: _____</p> <p>Proxy name: _____</p> <p>Type of Proxy’s I.D. Number: _____</p> <p>Proxy’s I.D. Number: _____</p> <p>Passport Country: _____</p> <p>If the Company knows of any connection between the voter (who does not have a personal interest) and the Company or any of the controlling shareholders thereof, including an employment relationship, business relationship, etc. – specification of the nature thereof:</p> <p>_____</p>
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4. This report is filed further to the following report/s:

Report	Release Date	Reference Number

By Ran Tal, VP, General Counsel and Company Secretary

Reference numbers of previous documents on the issue (citation is not incorporation by reference):

The corporation's securities are listed on TASE

Form structure updated on: September 27, 2016

Abbreviated Name: Tofes Website

Address: Telephone: Fax:

E-mail:

Previous names of reporting entity:

Name of person making electronic report: Tofes Israel Corporations Webiste

Title: Director

Name of employing company:

Address: Telephone: Fax.: E-mail: