

December 26, 2002

**D E P O S I T A R Y   R E C E I P T S**

ATTENTION: **CENTRAL AND EASTERN EUROPEAN**  
RESEARCH, SALES, TRADING AND OPERATIONS STAFF

**CASH DISTRIBUTION*****BANK HAPOALIM B.M.***

Bank Hapoalim B.M. announced a distribution of Koor Industries Ltd shares as a dividend in kind to its shareholders. The terms were one (1) Koor Industries Ltd "Koor" share for every 392.5886 shares held of Bank Hapoalim as of the foreign record date of November 11, 2002.

Because the Koor shares were not registered under the United States Securities Act of 1933, we were not permitted to pass the shares on to the holders of American Depositary Receipts ("ADRs"). Therefore, The Bank of New York had the shares sold in the local market. The proceeds from the sale of the shares will be distributed to the ADR holders of Bank Hapoalim.

The following dates have been established for this corporate action:

**Books Closed Period:** November 11, 2002 - December 31, 2002  
(Both days are inclusive for all ordinary share transactions)

**Foreign Record Date:** November 11, 2002  
**ADR Record Date:** December 31, 2002  
**ADR Payable Date:** January 14, 2003

The final cash rate of distribution resulting from the sale of the Koor shares:

**Net Rate per ADS:** \$0.1019

If you require any additional information please visit our website at [www.adrbny.com](http://www.adrbny.com) or feel free to contact:

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