

President

May 18th, 2021

Dear Colleagues,

Israel has been on the receiving end of an ongoing barrage of indiscriminating rocket attacks on its civilian population from the Gaza Strip over the last few days. To maintain peace and security, on the 10th of May 2021, the Government of Israel started Operation 'Guardian of the Walls', a defensive military operation aimed to protect its civilian population through targeted strikes at the terror organizations' weapons arsenals, and infrastructure in the Gaza strip. These actions are essential for restoring quiet and safety for the citizens of Israel .

The economic activity is, to some degree, affected by this security situation. However, the Israeli economy has already been shown to have a singular endurance when it comes to withstanding the challenges posed by the various security-related threats of the recent years. Israel's thriving industries keep their unyielding stance in the face of adversity.

Israel's stalwart economy is unfazed and continues to function in a regular fashion. Financial activity progresses untroubled, with all regulatory and financial institutions proceeding with business as usual as well as the activity of the private sector, the businesses, and factories. Some of the rocket attacks provide minor disturbance to the regular production routine but we all feel committed to our clients and investing extra time to immediately close all production gaps.

We have an "open door" to our various Government Authorities which are doing their utmost to guarantee well-functioning of the economic life. This ensures the good functioning of the business sectors. The logistics and transportation infrastructure (flights and seaports) are, for the most part, fully operational. We expect that the Ben Gurion airport will return to full capacity in the next few days. Local and foreign shipping companies continue their regular shipping schedules.

On behalf of the Manufacturers Association of Israel, I would like to thank you for your support and understanding during this period, and I look forward to continuing and expanding our cooperation in the months and years to come.

Sincerely Yours,

Dr. Ron Tomer

President

Manufacturers Association of Israel