

Translation of Immediate Report

Bank Leumi le-Israel B.M.

Registration No. 520018078
Securities of the Corporation are listed on The Tel Aviv Stock Exchange
Abbreviated Name: Leumi
34 Yehuda Halevi Street, Tel Aviv 651316
Phone: 076-8858111, 076-889419; Facsimile: 076-8859732
Electronic Mail: Livnat.Ein-Shay@bll.co.il

27 February 2017
Reference: 2017-01- 019830

To: Israel Securities Authority (www.isa.gov.il)
The Tel Aviv Stock Exchange (www.tase.co.il)

Immediate Report

Nature of Event: Early Redemption of Subordinated Capital Notes

See attached Annex [earlyredemption isa.pdf](#)

Date and time at which the corporation first became aware of the matter being the subject of the report: 27 February 2017 Time: 16:28.

Reference Numbers of previous documents regarding this matter (such reference does not constitute an inclusion by way of reference):

2017-01-010311

Note: English translations of Immediate Reports of Bank Leumi are for convenience purposes only. In the case of any discrepancy between the English translation and the Hebrew original, the Hebrew will prevail.

The original Hebrew version is available on the distribution website of the Israel Securities Authority: <http://www.magna.isa.gov.il/>

Name of Electronic Reporter: Livnat Libi Wilder Position: Secretary of the Group
Yehuda Halevi Street 34, Tel Aviv 6513616, Phone: 076-8859419 Facsimile: 076-8859732
Electronic Mail: Livnat.ein-shay@bll.co.il

27 February 2017

To:

Tel Aviv Securities Exchange
2 Ahuzat Bayit Street
Tel Aviv 652516

Israel Securities Authority
22 Kanfei Nesharim Street
Jerusalem 95464

Dear Sir or Madam:

re: **Early Redemption of Deposits/Subordinated Capital Notes**

Pursuant to the Immediate Report issued by Bank Leumi le-Israel Ltd. (hereinafter: "the Bank"), dated 26 January 2017, regarding the early redemption of deposits/subordinated capital notes (Reference No. 2017-01-10311), the Bank is pleased to announce that on 27 February 2017, the Bank received the approval of the Supervisor of Banks, permitting the execution of the said early redemption. The redemption will be carried out during the course of the June through July 2017.

The Bank will send a notice to the holders of the capital notes regarding the date on which the early redemption will be carried out, the determinative date and the exact amount of the total redemption (including the interest rate and the linkage increments), as is relevant for each holder.

Sincerely,

Bank Leumi le-Israel Ltd.

by

Omer Ziv, Head of the Finance Division

Hanan Friedman, Legal Adviser

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