

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

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11 August 2011

Reference Number 2011-01-237849

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

Immediate Report

Nature of Event: Trans-Israel Highway Transaction

Bank Leumi le-Israel B.M. (the "Bank") hereby announces that yesterday (10 August 2011), Leumi Partners, Ltd., a wholly-controlled subsidiary of the Bank ("Leumi Partners"), signed an agreement concerning an additional investment in the limited partnership, T.S.Y. Drachim Limited Partnership (the "Partnership"), which has invested in the toll road project known as the Trans-Israel Highway (Highway 6), through Derech Eretz Highways (1997) Ltd. ("Derech Eretz"). For the Bank's Immediate Reports regarding Leumi Partners' investment in the Partnership, see the Immediate Report dated 30 December 2010 (Reference Number 2010-01-737034), and the Immediate Report Dated 2 January 2011 (Reference Number 2011-01-000393).

The additional investment will be in an amount of up to approximately NIS 187 million, in accordance with the size of the Partnership's additional investment in Derech Eretz for the purpose of allowing Derech Eretz to exercise a right of first refusal vis-à-vis the State of Israel in connection with the profit sharing certificates which will be transferred by Derech Eretz. Leumi Partners' share in the Partnership due to this additional investment, will not be in excess of some 13.5%.

Date and time at which the corporation first became aware of the matter being the subject of the report: 10 August 2011 Time: 19:33.

Name of Electronic Reporter: Yael Rudnicki, Position: Group Secretary
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