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Public

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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27 November 2011

Reference: 2011-01- 339225

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

Immediate Report

Nature of Event: Leumi Card – Financial Statements

Bank Leumi le-Israel B.M. announces that a subsidiary of the Bank, Leumi Card Ltd., has published its financial statements for 30 September 2011.

The full financial statements will be published on the company's website, at:

<https://www.leumi-card.co.il/he-il/GeneralPages/Pages/FinancialReport.aspx>

See the attached Annex.

Date and time at which the corporation first became aware of the matter being the subject of the report: 27 November 2011 Time: 07:50.

Name of Electronic Reporter: Yael Rudnicki, Position: Group Secretary
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Summarized Interim Consolidated Balance Sheet as at

Reported amounts

	30 September 2011	30 September 2010	31 December 2010
	(Unaudited)	(Unaudited)	(Audited)
	NIS millions	NIS millions	NIS millions
Assets			
Cash and bank deposits	70	61	63
Accounts receivable for credit card activity	8,094	* ** 7,539	* 7,722
Provision for credit losses	(69)	* (47)	* (38)
Accounts receivable for credit card activity, net	8,025	7,492	7,684
Investments in companies included on the equity basis and others	5	7	6
Equipment	172	148	151
Other assets	51	28	22
Total Assets	8,323	7,736	7,926
Liabilities			
Credit from banking corporations	1,348	1,101	1,141
Accounts payable for credit card activity	5,791	** 5,577	5,691
Other liabilities	135	116	112
Total liabilities	7,274	6,794	6,944
Contingent liabilities and special contractual relationships			
Shareholders' equity	1,049	942	982
Total liabilities and capital	8,323	7,736	7,926

* On 1 January 2011, the company adopted, for the first time, the Supervisor of Banks' Directive regarding "Measurement and Disclosure of Impaired Debts, Credit Risk and Credit Loss Provision". The comparative numbers for the previous years have not been restated, and the data for 30 September 2011 are therefore not comparable to the data from 2010 that are marked with an asterisk. For additional explanations regarding the impact of the initial adoption of the Directive, see note 3 below.

The data were restated only in order to match them to the item captions and to the presentation method for the current period. See note 3 below.

** Re-statement.

Baruch Lederman – Chairman of the Board of Directors

Tamar Yasur – CEO

Hagai Heller – Deputy CEO, Director of Financial Division

Leah Schwartz – Chief Accountant

Summarized Interim Consolidated Balance Sheet as at

Date of approval of financial statements – 24 November 2011

Summarized Interim Consolidated Profit and Loss Statements

Reported amounts

	For the three month period ending		For the nine month period ending		For the year ending 31 December 2010
	30 September 2011 (Unaudited) NIS millions	30 September 2010 (Unaudited) NIS millions	30 September 2011 (Unaudited) NIS millions	30 September 2010 (Unaudited) NIS millions	
Income					
From credit card transactions	204	196	590	555	749
Net interest income before provision for doubtful debts	39	33	110	94	127
Other	*	*	*	*	*
Total income	243	229	700	649	876
Expenses					
Provision for credit losses	4	8	13	22	31
Operating	100	91	289	262	351
Sales and marketing	44	38	124	115	156
Management and general	11	9	33	29	42
Payments to banks	20	20	58	59	78
Total expenses	179	166	517	487	658
Operating profit before taxes	64	63	183	162	218
Provision for taxes on operating profit	17	17	49	44	60
Operating profit after taxes	47	46	134	118	158

Summarized Interim Consolidated Profit and Loss Statements

Company's share in after-tax operating profit of companies included on the equity basis	*	*	*	*	*
Net profit	47	46	134	118	158
Profit per ordinary share (in NIS):					
Basic diluted earnings:					
Net profit	1.88	1.84	5.36	4.72	6.32
	Thousands	Thousands	Thousands	Thousands	Thousands
Weighted average of the number of shares used for calculating profit per share	25,000	25,000	25,000	25,000	25,000
* Amount is lower than NIS 1 million					

Summarized Interim Statements of Changes in Shareholders' Equity

Reported amounts

	Fully paid share capital	Premium on shares	Capital fund from transactions with controlling shareholder	Retained earnings	Total shareholders' equity
	NIS millions	NIS millions	NIS millions	NIS millions	NIS millions
For the three-month period ending on 30 September 2011 (unaudited)					
Balance as of 30 June 2011	26	355	33	588	1,002
Net profit for the period	-	-	-	47	47
Balance as of 30 September 2011	<u>26</u>	<u>355</u>	<u>33</u>	<u>635</u>	<u>1,049</u>

	Fully paid share capital	Premium on shares	Capital fund from transactions with controlling shareholder	Retained earnings	Total shareholders' equity
	NIS millions	NIS millions	NIS millions	NIS millions	NIS millions
For the three-month period ending on 30 September 2010 (unaudited)					
Balance as of 30 June 2010	26	355	33	482	896
Net profit for the period	-	-	-	46	46
Balance as of 30 September 2010	<u>26</u>	<u>355</u>	<u>33</u>	<u>528</u>	<u>942</u>

Summarized Interim Statements of Changes in Shareholders' Equity

	Fully paid share capital	Premium on shares	Capital fund from transac- tions with control- ling share- holder	Retained earnings	Total share- holders' equity
	<u>NIS millions</u>	<u>NIS millions</u>	<u>NIS millions</u>	<u>NIS millions</u>	<u>NIS millions</u>
For the nine-month period ending on 30 September 2011 Balance as of 31 December 2010 (audited)	26	355	33	568	982
Cumulative effect, net of taxes, of the initial implemen- tation on 1 January 2011 of the directive concerning the measure- ment of impaired debts and the provision for credit losses (audited)	-	-	-	(67)	(67)
Net profit for the period (unaudited)	-	-	-	134	134
Balance as of 30 September 2011 (unaudited)	26	355	33	635	1,049

Summarized Interim Statements of Changes in Shareholders' Equity

	Fully paid share capital <u>NIS millions</u>	Premium on shares <u>NIS millions</u>	Capital fund from transac- tions with control- ling share- holder <u>NIS millions</u>	Retained earnings <u>NIS millions</u>	Total share- holders' equity <u>NIS millions</u>
For the nine-month period ending on 30 September 2010					
Balance as of 31 December 2009 (audited)	26	355	33	420	834
Dividend (unaudited)	-	-	-	(10)	(10)
Net profit for the period (unaudited)	<u>-</u>	<u>-</u>	<u>-</u>	<u>118</u>	<u>118</u>
Balance as of 30 September 2010 (unaudited)	<u>26</u>	<u>355</u>	<u>33</u>	<u>528</u>	<u>942</u>

Summarized Interim Statements of Changes in Shareholders' Equity

	Fully paid share capital	Premium on shares	Capital fund from transactions with controlling share- holder	Retained earnings	Total share- holders' equity
	NIS millions	NIS millions	NIS millions	NIS millions	NIS millions
For the year ending on 31 December 2010 (audited)					
Balance as of 31 December 2009	26	355	33	420	834
Dividend	-	-	-	(10)	(10)
Net profit for the accounting year	-	-	-	158	158
Balance as of 31 December 2010	<u>26</u>	<u>355</u>	<u>33</u>	<u>568</u>	<u>982</u>