

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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16 August 2010
Reference: 2010-01-587451

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

Immediate Report

Nature of the Event: Leumi Card – Financial Statements

Bank Leumi le-Israel B.M. announces that a subsidiary of the Bank, Leumi Card Ltd., today published its financial statements as at 30 June 2010.

See the attached Annex.

Date and time at which the corporation first became aware of the matter being the subject of the report: 16 August 2010 Time: 10:40.

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

Reported amounts

	30 June 2010	30 June 2009	31 December 2009
	(Unaudited)	(Unaudited)	(Audited)
	NIS millions	NIS millions	NIS millions
Assets			
Cash and bank deposits	64	24	22
Accounts receivable for credit card activity	7,112	6,544	6,976
Investments in companies included on the equity basis and others	9	9	9
Equipment	145	135	136
Other assets	31	32	25
			a
Total Assets	7,361	6,744	7,168
Liabilities			
Credit from banking corporations	1,079	864	977
Accounts payable for credit card activity	5,278	4,994	5,242
Other liabilities	108	122	115
Total liabilities	6,465	5,980	6,334
Contingent liabilities and special contractual relationships			
Shareholders' equity	896	764	834
Total liabilities and capital	7,361	6,744	7,168

Baruch Lederman – Chairman of the Board of Directors**Dan Cohen** – CEO**Hagai Heller** – Deputy CEO, Head of Finance Department**Leah Schwartz-Ruth** – Chief Accountant

Date of approval of financial statements – 16 August 2010

Leumi Card Ltd. and its consolidated companies

Summarized Interim Consolidated Profit and Loss Statements

Reported amounts

	For the three month period ending on 30 June		For the six month period ending on		Year ended on
	30 June 2010	30 June 2009	30 June 2010	30 June 2009	31 December 2009
	(Unaudited) NIS millions	(Unaudited) NIS millions	(Unaudited) NIS millions	(Unaudited) NIS millions	(Audited) NIS millions
Income					
From credit card transactions	181	171	359	**336	695
Net interest income before provision for doubtful debts	32	30	61	60	118
Other	*	7	*	**7	7
Total income	213	208	420	403	820
Expenses					
Provision for doubtful debts	7	6	14	14	29
Operating Sales and marketing	81	86	165	167	335
Management and general	42	39	83	75	155
Payments to banks	11	9	20	17	36
	20	18	39	36	74
Total expenses	161	158	321	309	629
Operating profit before taxes	52	50	99	94	191
Provision for taxes on operating profit	14	14	27	26	53
Operating profit after taxes	38	36	72	68	138
Company's equity in after-tax operating profits of companies included on the equity basis	*	*	*	*	*
Net profit	38	36	72	68	138

* Amount less than NIS 1 million

** Restated

Summarized Interim Consolidated Profit and Loss Statements

Earnings per ordinary share (in NIS):					
Basic earnings:					
Net profit	<u>1.52</u>	1.44	<u>2.88</u>	2.72	<u>5.52</u>
	<u>Thousands</u>	<u>Thousands</u>	<u>Thousands</u>	<u>Thousands</u>	<u>Thousands</u>
Weighted average of the number of shares used for calculating profit per share	25,000	25,000	25,000	25,000	25,000

* Amount less than NIS 1 million

** Restated

Summarized Interim Statement of Changes in Shareholders' Equity**Reported amounts**

	Fully paid share capital	Premium on shares	Capital fund from transactions with controlling shareholder	Retained earnings	Dividend declared	Total shareholders' equity
	<u>NIS millions</u>	<u>NIS millions</u>	<u>NIS millions</u>	<u>NIS millions</u>	<u>NIS millions</u>	<u>NIS millions</u>
For the three-month period ending on 30 June 2010 (unaudited)						
Balance as of 1 April 2010	26	355	33	444	10	868
Dividend paid	-	-	-	-	(10)	(10)
Net profit for the period	-	-	-	38	-	38
Balance as of 30 June 2010	<u>26</u>	<u>355</u>	<u>33</u>	<u>482</u>	<u>-</u>	<u>896</u>

	Fully paid share capital	Premium on shares	Capital fund from transactions with controlling shareholder	Retained earnings	Total shareholders' equity
	<u>NIS millions</u>	<u>NIS millions</u>	<u>NIS millions</u>	<u>NIS millions</u>	<u>NIS millions</u>
For the three-month period ending on 30 June 2009 (unaudited)					
Balance as of 1 April 2009	26	355	33	314	728
Net profit for the period	-	-	-	36	36
Balance as of 30 June 2009	<u>26</u>	<u>355</u>	<u>33</u>	<u>350</u>	<u>764</u>

Summarized Interim Statement 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 six- month period ending on 30 June 2010 (unaudited)					
Balance as of 1 January 2010 (audited)	26	355	33	420	834
Dividend paid (unaudited)	-	-	-	(10)	(10)
Net profit for the period (unaudited)	-	-	-	72	72
Balance as of 30 June 2010 (unaudited)	26	355	33	482	896

Summarized Interim Statement 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 six- month period ending on 30 June 2009					
Balance as of 1 January 2009 (audited)	26	355	33	282	696
Net profit for the period (unaudited)	-	-	-	68	68
Balance as of 30 June 2009 (unaudited)	<u>26</u>	<u>355</u>	<u>33</u>	<u>350</u>	<u>764</u>
	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 year ending on 31 December 2009 (audited)					
Balance as of 1 January 2009	26	355	33	282	696
Net profit for the accounting year	-	-	-	138	138
Balance as of 31 December 2009	<u>26</u>	<u>355</u>	<u>33</u>	<u>420</u>	<u>834</u>