

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
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1May 2014
 Reference: 2014-01-055461

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

Immediate Report Regarding Payment of Interest

1. On 4 August 2014, interest will be paid at the rate of 0.52800.
2. The interest is not being paid for the first time.
3. The interest is being paid for a period beginning on 4 May 2014 and ending on 3 August 2014.
 The interest being paid is calculated on the basis of annual interest at the rate of 2.1120.
4. Record date (cum date): 23 July 2014.
 Ex date: 23 July 2014.
5. Rate of taxes withheld at source: Individuals - 15%; corporate – 26.5%.
- 6.

| Type and Name of Security | Type and Name of Security | Amount of interest, per security (before linkage) | Linked | Currency of the interest amount | Currency of payment | Exchange rate date for the payment | Tax rate: Individuals | Tax rate: corporate |
|---------------------------|--|---|--------|---------------------------------|---------------------|------------------------------------|-----------------------|---------------------|
| 6040158 | Leumi Sub-ordinated Capital Notes (Series 201) | 0.0052800 | No | NIS | NIS | _____ | 15 | 26.5 |

Explanation:

1. Please note that the amount of interest to be paid is correct up to seven digits following the decimal point, for a payment in New Israeli Shekels, and up to five digits following the decimal point for a payment in any other currency.
2. The representative exchange rate is published in the afternoon. Therefore, the known representative exchange rate on any particular date is for the preceding date.

1. The tax rates indicated above may change pursuant to changes in the relevant legal provisions, to the extent such may change from time to time, including those regarding taxation matters.

2. The report was signed on behalf of the corporation, in accordance with Regulation 5 of the Securities (Periodic and Immediate Reports), 1970, by Mr. Menachem Eisenthal, Deputy Head of the Capital Markets Division.

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: Yael Rudnicki, Position: Group Secretary

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