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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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10 May 2010
2010-01-474573

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

Immediate Report Regarding the Submission of a Position Paper

Regulation 36C of the Securities Regulations (Periodic and Immediate Reports) 1970

1. On 9 May 2010, the Company received a Position Paper, as defined in Section 88 of the Companies Law – 1999, from Mr. Robert Zentler regarding an item which will be discussed at the General Meeting called for 2 June 2010 at 10:30.
2. The text of the Notice of Position is attached hereto.
3. The reference number for the notice concerning the calling of the Meeting is 2010-01-459204.

Name of Electronic Reporter: Yael Rudnicki, Position: Group Secretary
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***Bank Leumi's Immediate Reports are filed in Hebrew on the distribution websites of the Israel Securities Authority and of the Tel Aviv Stock Exchange.
This document is a translation of the original Hebrew for convenience purposes only, and in case of any discrepancy the Hebrew will prevail.***

Position Paper from a Shareholder in Bank Leumi le-Israel and a Candidate for the Board of Directors – Robert Zentler - Regarding the Election of Candidates for the Board of Directors, which has been set for the General Shareholders Meeting set for 2 June 2010

In accordance with Section 88 of the Companies Law – 1999 and with Regulation 6 of the Companies Regulations (Written Voting and Position Papers), 2005

As the holder of 2,451 shares in “Bank Leumi le-Israel” and as a candidate for the Bank’s Board of Directors, I wish to express my position regarding the election of candidates for the Board of Directors at the planned General Shareholders Meeting.

In the coming election of the new members of the Board of Directors, we have an opportunity to ensure a panel of directors with significant training and experience in a variety of areas of business activity, with an emphasis on the fields of local and international finance and capital.

Modern banking activity, in Israel and throughout the world, is a very dynamic and competitive field, both in terms of the variety of activities in which it is involved, and in terms of the variety of risks to which it is exposed and in terms of the variety of tools being developed for the intelligent handling of opportunities and of their accompanying risks.

In my view, my professional training and long-term experience in a wide variety of positions in the financial markets, capital markets and academia will enable me to properly carry out the function of a director in accordance with the above-mentioned principles. I present here key points in my experience in this field. I was a deputy CEO and member of management at the Union Bank, Chief Risk Manager at Union Bank, Acting Deputy Chairman of the Board of Directors of Eurom Bank (currently “Leumi Romania”), member of the boards of directors and member of the investment committees at several key investment houses such as “Psagot” and “Tachlit,” and of provident funds such as the Hebrew University Employees Provident Fund, senior economist at the Bank Of Israel, Deputy Supervisor of Banks, Assistant Director of the Foreign Currency Department (Balances Management) at the Bank of Israel, lecturer in banking management at Hebrew University and at Ben Gurion University, and member of the Standard Contracts Tribunal.

In my view, it is important that among the 15 members of the Bank’s Board of Directors, there should be a sufficiently large group of people with varied, lengthy and in-depth experience in the variety of fields in which the Bank is active as a practical matter, in order for them to be able to properly carry out their functions as members of the Board of Directors: the establishment of the principles of the Bank’s business policy, ongoing supervision of the Bank’s activity based on these principles, and periodic situation analyses, on the basis of which the policy principles can be adjusted and translated into practical terms.

I hope that the Bank’s shareholders will put their faith in me, for the good of the advancement of our joint goal of the Bank’s continued proper development over the long-term, which will lead to growth, a high level of profitability and increased value for the shareholders.

Very respectfully,

 /s/
Robert Zentler