

## **Translation of Immediate Report**

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Public

### **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

Phone: 076-8858111, 076-889419; Facsimile: 076-8859732

Electronic Mail: Yaelru@bll.co.il

Transmission Date: 13 April 2014

Reference: 2014-01-045414

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

### **Immediate Report re Entity becoming an Interested Party in the Corporation by virtue of Holdings**

Regulation 33(e) of the Securities Regulations (Periodic and Immediate Reports),  
1970

#### **1. Details of Holder:**

- Name of Corporation: The Phoenix Holdings Ltd.
- Name of Corporation in English: The Phoenix Holdings Ltd.
- Type of Identity Number: Registration number with the Israeli Registrar of Companies. Holder is a corporation
- Identity Number: 520017450
- Citizenship/Country of Incorporation or Registration: Israeli corporation
- Address: HaShalom Road 53, Givatayim
- The Holder serves as the representative of other joint shareholders for reporting purposes.
- Name of controlling shareholder in the Interested Party: See Section 5
- Identification number of controlling shareholder in the Interested Party: See Section 5

#### **2. Details of the Transaction whereby the Holder became an Interested Party in the Corporation:**

- a. Name and Class of Security: Leumi.
- b. Registration number of security on the Tel Aviv Stock Exchange: 604611
- c. Date of the transaction: 9 April 2014
- d. Nature of the Transaction: Other  
Excellence Investments Ltd. (Public Company 520041989) purchased the Bank's shares as described below (for additional details, see the Report dated 13 April 2014, Reference No. 2014-01-045408)  
Regarding the connection between Excellence Investments Ltd. and The Phoenix Holdings Ltd., see Section 5 below.

- e. Number of securities involved in the transaction: 3,424,810
- f. Price of the transaction: 1,378 agurot
- g. The shares are not dormant or convertible into dormant shares.

**3. A. Holdings of the Interested Party following the Transaction:**

Name, Class and Series of Security	No. of Security on Stock Exchange	Amount of Securities	Dormant	Percentage of Holdings		Percentage of Holdings (Fully Diluted)	
				Capital	Voting Rights	Capital	Voting Rights
Leumi	604611	18,085,781	No	1.00	1.00	1.00	1.00
Leumi Subordinated Capital Notes Series 200	6040141	4,946,506	No	0	0	0	0
Leumi Subordinated Capital Notes 201	6040158	2,102,182	No	0	0	0	0

**B. The Holder is a member of an institutional reporting group. The following are the details of its holdings:**

Holder	Name, Class and Series of Security	No. of Security on Stock Exchange	Amount of Securities	Dormant
Provident funds and provident fund management companies	Leumi	604611	4,912,377	No
Profit-sharing life insurance accounts	Leumi	604611	9,562,553	No
Nostro account	Leumi	604611	324,000	No
Provident funds and provident fund management companies	Leumi Subordinated Capital Notes Series 200	6040141	107,437	No
Profit-sharing life insurance accounts	Leumi Subordinated Capital Notes Series 200	6040141	4,839,069	No
Profit-sharing life insurance accounts	Leumi Subordinated Capital Notes Series 201	6040158	2,102,184	No

4. The Interested Party holds shares or other securities of a company with activity material to the reporting company's activity, as follows:

1.

Name of the held company with activity material to the reporting company's activity: Leumi Finance Co. Ltd.

Type of Identity Number: Registration number with the Israeli Registrar of Companies.

Identity Number: 520028739

Country of Incorporation or Registration: Israeli corporation Country: Israel

Connection to the reporting company: Wholly owned subsidiary

Type of securities – Subordinated notes (Series C) Securities Number: 7410061

Number of securities: 55,607,119                      Percentage held of this type of security:  
10.82%

Percentage of capital held – 0%      Percentage of voting rights held – 0%

2.

Name of the held company with activity material to the reporting company's activity: Leumi Finance Co. Ltd.

Type of Identity Number: Registration number with the Israeli Registrar of Companies.

Identity Number: 520028739

Country of Incorporation or Registration: Israeli corporation Country: Israel

Nature of connection to reporting corporation:

Wholly owned subsidiary

Type of securities – Debentures (Series 176) Securities Number: 7410087

Number of securities: 83,445,271                      Percentage held of this type of security:  
11.41%

Percentage of capital held – 0%                      Percentage of voting rights held – 0%

3.

Name of the held company with activity material to the reporting company's activity: Leumi Finance Co. Ltd.

Type of Identity Number: Registration number with the Israeli Registrar of Companies.

Identity Number: 520028739

Country of Incorporation or Registration: Israeli corporation Country: Israel

Nature of connection to reporting corporation:

Wholly owned subsidiary

Type of securities – Subordinated Notes (Series G) Securities Number: 7410152

Number of securities: 31,343,223                      Percentage held of this type of security:  
2.35%

Percentage of capital held – 0%      Percentage of voting rights held – 0%

4.

Name of the held company with activity material to the reporting company's activity: Leumi Finance Co. Ltd.

Type of Identity Number: Registration number with the Israeli Registrar of Companies.

Identity Number: 520028739

Country of Incorporation or Registration: Israeli corporation Country: Israel

Connection Nature of connection to reporting corporation:

Wholly owned subsidiary

Type of securities – Subordinated Notes (Series H) Securities Number: 7410160

Number of securities: 114,407,344      Percentage held of this type of security:  
5.93%

Percentage of capital held – 0%      Percentage of voting rights held – 0%

## 5.

Name of the held company with activity material to the reporting company's activity: Leumi Finance Co. Ltd.

Type of Identity Number: Registration number with the Israeli Registrar of Companies.

Identity Number: 520028739

Country of Incorporation or Registration: Israeli corporation Country: Israel

Nature of connection to reporting corporation:

Wholly owned subsidiary

Type of securities – Subordinated Notes (Series J) Securities Number: 7410186

Number of securities: 38,076,877      Percentage held of this type of security:  
1.90%

Percentage of capital held – 0%      Percentage of voting rights held – 0%

## 6.

Name of the held company with activity material to the reporting company's activity: Leumi Finance Co. Ltd.

Type of Identity Number: Registration number with the Israeli Registrar of Companies.

Identity Number: 520028739

Country of Incorporation or Registration: Israeli corporation Country: Israel

Connection to the reporting company: Wholly owned subsidiary

Type of securities – Subordinated Capital Notes (Series 300) Securities Number:  
7410202

Number of securities: 1,489,419      Percentage held of this type of security:  
0.15%

Percentage of capital held – 0%      Percentage of voting rights held – 0%

## 7.

Name of the held company with activity material to the reporting company's activity: Leumi Finance Co. Ltd.

Type of Identity Number: Registration number with the Israeli Registrar of Companies.

Identity Number: 520028739

Country of Incorporation or Registration: Israeli corporation Country: Israel

Nature of connection to reporting corporation:

Wholly owned subsidiary

Type of securities – Subordinated Capital Notes (Series 301) Securities Number:  
7410210

Number of securities: 1,392,280 Percentage held of this type of security: 0.14%  
Percentage of capital held – 0% Percentage of voting rights held – 0%

**8.**

Name of the held company with activity material to the reporting company's activity: Leumi Finance Co. Ltd.

Type of Identity Number: Registration number with the Israeli Registrar of Companies.

Identity Number: 520028739

Country of Incorporation or Registration: Israeli corporation Country: Israel

Nature of connection to reporting corporation:

Wholly owned subsidiary

Type of securities – Subordinated Notes (Series L) Securities Number: 7410228

Number of securities: 127,277,014 Percentage held of this type of security: 3.89%

Percentage of capital held – 0% Percentage of voting rights held – 0%

**9.**

Name of the held company with activity material to the reporting company's activity: Leumi Finance Co. Ltd.

Type of Identity Number: Registration number with the Israeli Registrar of Companies.

Identity Number: 520028739

Country of Incorporation or Registration: Israeli corporation Country: Israel

Nature of connection to reporting corporation:

Wholly owned subsidiary

Type of securities – Subordinated Notes (Series M) Securities Number: 7410236

Number of securities: 14,220,115 Percentage held of this type of security: 0.64%

Percentage of capital held – 0% Percentage of voting rights held – 0%

**10.**

Name of the held company with activity material to the reporting company's activity: Leumi Finance Co. Ltd.

Type of Identity Number: Registration number with the Israeli Registrar of Companies.

Identity Number: 520028739

Country of Incorporation or Registration: Israeli corporation Country: Israel

Connection Nature of connection to reporting corporation:

Wholly owned subsidiary

Type of securities – Subordinated Notes (Series N) Securities Number: 7410244

Number of securities: 3,238,956 Percentage held of this type of security: 0.17%

Percentage of capital held – 0% Percentage of voting rights held – 0%

**5. Additional details:**

**1. Details regarding controlling shareholders:**

The Phoenix Holdings Ltd. (Public Company No. 520017450), is the controlling shareholder of Excellence Investments Ltd. (Public Company No. 520041989). The controlling shareholders of Phoenix Holdings Ltd, are the

Delek Group (Public Company No. 520044322). Yitzhak Sharon (Tshuva) (ID No. 043480003) is the controlling shareholder of the Delek Ltd. Group (through subsidiaries).

Parallel to the submission of this report, another immediate report is being submitted regarding the fact that Excellence vestments Ltd. has become an interested party in the Bank. According to information provided to the Bank, the Holder and the Phoenix Holdings Ltd. are both parties with an interest in the Bank, in light of their joint holdings, including the holdings of corporations under their (direct and indirect) control.

Pursuant to the above, the Delek Group Ltd. does not hold the Bank shares directly (but only indirectly through corporations under its control as described above). The Delek Group Ltd. has direct holdings of securities of the Leumi Finance Co. Ltd., whose activity is material to the Bank's activity, as follows:

Name of security	Security number	Balance of holdings	Percentage of all securities
Leumi Finance Subordinated Notes (Series M)	7410236	217,527	0.01

2. In light of the Stock Exchange's requirements, the holdings appearing in this report under the caption "Provident funds and provident fund management companies" (as specified in para. 3b above) include the direct holdings of provident funds of Excellence Investments Ltd., and the holdings of one or more of the following partnerships: "Tel Aviv 100", "Tel Aviv 25", "Tel Bond 20", "Tel Bond Shekel" "Overseas Shares" "J.P. Morgan" "Iboxx \$ Liquid", "Euro Stoxx 50", "Barclays Capital", "S&P 500", "MSCI Emerging", to the extent there are such holdings.

6. Date and time at which the corporation first became aware of the matter being the subject of the report: 10 April 2014 Time: 14:19.

Reference numbers of previous documents in this regard (does not constitute incorporation by reference): **2014-01-045408**

The report was signed on behalf of the corporation, in accordance with regulation 5 of the Securities (Periodic and Immediate Reports), 1970, by Adv. Yael (Ben Moshe) Rudnicki, Secretary of the Bank and of the Group.

**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/>

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