

**Translation of Immediate Report to Israel Securities Authority**

**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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15 October 2013

Reference: 2013-01-166641

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

**Immediate Report**

Nature of Event: Migdal - Notes

Bank Leumi le-Israel Ltd. hereby announces that on 15 October 2013, Migdal Insurance and Financial Holdings for its nostro account, Public Company No. 52-0029984 ("Migdal (Nostro)"), informed it of the following:

On 14 October 2013, it purchased 10,000,000 nominal value of Securities No. 7410186, Leumi Finance Ltd. Subordinated Notes (Series J), in a stock exchange transaction, at a price of 124.443 agurot.

In light of the above, Migdal (Nostro) holds a total of 36,028,504 Subordinated Notes (Series J) of Leumi Finance Ltd., which constitute 1.80% of the entire series.

Date and time at which the corporation first became aware of the matter being the subject of the report: Date: 15 October 2013 Time 15:36.

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

**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/>