

**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  
Leumi House, 34 Yehuda Halevi Street, Tel Aviv 65546  
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16 August 2010  
Reference: 2010-01-587451

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

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

Reported amounts

	<b>30 June 2010</b>	30 June 2009	31 December 2009
	<b>(Unaudited)</b>	(Unaudited)	(Audited)
	<b>NIS millions</b>	NIS millions	NIS millions
<b>Assets</b>			
Cash and bank deposits	<b>64</b>	24	22
Accounts receivable for credit card activity	<b>7,112</b>	6,544	6,976
Investments in companies included on the equity basis and others	<b>9</b>	9	9
Equipment	<b>145</b>	135	136
Other assets	<b>31</b>	32	25
			a
<b>Total Assets</b>	<b>7,361</b>	6,744	7,168
<b>Liabilities</b>			
Credit from banking corporations	<b>1,079</b>	864	977
Accounts payable for credit card activity	<b>5,278</b>	4,994	5,242
Other liabilities	<b>108</b>	122	115
<b>Total liabilities</b>	<b>6,465</b>	5,980	6,334
Contingent liabilities and special contractual relationships			
<b>Shareholders' equity</b>	<b>896</b>	764	834
<b>Total liabilities and capital</b>	<b>7,361</b>	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
<b>Income</b>					
From credit card transactions	<b>181</b>	171	<b>359</b>	**336	695
Net interest income before provision for doubtful debts	<b>32</b>	30	<b>61</b>	60	118
Other	*	7	*	**7	7
<b>Total income</b>	<b>213</b>	208	<b>420</b>	403	820
<b>Expenses</b>					
Provision for doubtful debts	<b>7</b>	6	<b>14</b>	14	29
Operating	<b>81</b>	86	<b>165</b>	167	335
Sales and marketing	<b>42</b>	39	<b>83</b>	75	155
Management and general	<b>11</b>	9	<b>20</b>	17	36
Payments to banks	<b>20</b>	18	<b>39</b>	36	74
<b>Total expenses</b>	<b>161</b>	158	<b>321</b>	309	629
<b>Operating profit before taxes</b>	<b>52</b>	50	<b>99</b>	94	191
Provision for taxes on operating profit	<b>14</b>	14	<b>27</b>	26	53
<b>Operating profit after taxes</b>	<b>38</b>	36	<b>72</b>	68	138
Company's equity in after-tax operating profits of companies included on the equity basis	*	*	*	*	*
<b>Net profit</b>	<b>38</b>	36	<b>72</b>	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

<b>1.52</b>	1.44	<b>2.88</b>	2.72	5.52
<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

<b>25,000</b>	25,000	<b>25,000</b>	25,000	25,000
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\* 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</u>	<u>NIS</u>	<u>NIS</u>	<u>NIS</u>	<u>NIS</u>	<u>NIS</u>
	<u>millions</u>	<u>millions</u>	<u>millions</u>	<u>millions</u>	<u>millions</u>	<u>millions</u>
<b>For the three-month period ending on 30 June 2010 (unaudited)</b>						
<b>Balance as of 1 April 2010</b>	<b>26</b>	<b>355</b>	<b>33</b>	<b>444</b>	<b>10</b>	<b>868</b>
<b>Dividend paid</b>	-	-	-	-	<b>(10)</b>	<b>(10)</b>
<b>Net profit for the period</b>	-	-	-	<b>38</b>	-	<b>38</b>
<b>Balance as of 30 June 2010</b>	<b>26</b>	<b>355</b>	<b>33</b>	<b>482</b>	<b>-</b>	<b>896</b>

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

**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>
<b>For the six- month period ending on 30 June 2010 (unaudited)</b>					
<b>Balance as of 1 January 2010 (audited)</b>	26	355	33	420	834
<b>Dividend paid (unaudited)</b>	-	-	-	(10)	(10)
<b>Net profit for the period (unaudited)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>72</u>	<u>72</u>
<b>Balance as of 30 June 2010 (unaudited)</b>	<u>26</u>	<u>355</u>	<u>33</u>	<u>482</u>	<u>896</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
	NIS millions	NIS millions	NIS millions	NIS millions	NIS millions
<b>For the six- month period ending on 30 June 2009</b>					
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
	NIS millions	NIS millions	NIS millions	NIS millions	NIS millions
<b>For year ending on 31 December 2009 (audited)</b>					
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>