

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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21 January 2013

2013-01-018717

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

Immediate Report

Nature of Event: Bonus Program

Bank Leumi le-Israel B.M. ("the Bank") announces that the existing bonus program for the Bank's senior managers concludes on 31 December 2012, and that compensation for the year 2013 and onward will be in accordance with the compensation policy and the compensation program which shall be discussed and approved by the Bank's authorized organs, in accordance with the provisions of Amendment 20 to the Companies Law, 5759-1999.

Regarding the existing bonus program for the Bank's senior managers, see the Immediate Report dated 10 March 2010 (Reference No. 2010-01-409548) and the Bank's Immediate Report dated 22 September 2011 (Reference No. 2010-01-282516).

Date and time at which the corporation first became aware of the matter being the subject of the report: 20 January 2013 Time: 14:50.

The report was signed on behalf of the corporation, in accordance with Regulation 5 of the Securities (Periodic and Immediate Reports), 1970, by the Bank's Board of Directors.

Reference numbers of previous documents in this regard (does not constitute incorporation by reference):

2010-01-409546 2011-01-282516

Name of Electronic Reporter: Yael Rudnicki, Position: Group Secretary
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The original Hebrew version is available on the distribution website of the Israel Securities Authority: <http://www.magna.isa.gov.il/>