

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
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To: Israel Securities Authority (www.isa.gov.il)
The Tel Aviv Stock Exchange (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 for 2009.

See the attached Annex.

Date and time at which the corporation first became aware of the matter being the subject of the report: 23 February 2010 Time: 10:50.

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Leumi Card Ltd.

Financial Statements as at 31 December 2009 – Summary Data

1. **Net operating profit after taxes** amounted to NIS 138 million in 2009, compared with NIS 129 million in 2008, an increase of some 7%.
2. **Net profit** in 2009 amounted to NIS 138 million, compared with NIS 146 million in 2008. The net profit in the corresponding period of 2008 included profit from extraordinary items after taxes in the amount of NIS 17 million, which arose from the sale of holdings in Gamma Management and Clearing Ltd. during the first quarter of 2008.
3. **Cards:**
 - **The number of valid cards** held by customers amounted to some 1,743 thousand cards at the end of 2009, compared with some 1,619 thousand cards at the end of 2008 – an increase of 8%.
 - **The number of active cards** amounted to some 1,481 thousand cards, compared with 1,379 thousand at the end of 2008 - an increase of some 7%. The active cards amount to 85% of the total valid cards.
 - **The number of valid bank-affiliated cards** held by customers amounted to some 1,219 thousand cards, compared with 1,212 thousand cards at the end of 2008 – an increase of some 1%.
 - **The number of active bank-affiliated cards** amounted to some 1,061 thousand cards, compared with 1,055 thousand cards at the end of 2008 – an increase of some 1%.
 - **The number of valid non-bank-affiliated cards** held by customers amounted to some 524 thousand cards, compared with 406 thousand cards at the end of 2008 – an increase of some 29%.
 - **The number of active non-bank-affiliated cards** amounted to some 420 thousand cards, compared with 324 thousand cards at the end of 2008 – an increase of some 30%.
4. **Consumer credit activities:**
 - The balance of credit to cardholders amounted to NIS 1,028 million at the end of 2009, compared with NIS 936 million in 2008 – an increase of some 10%.
 - The total net interest income in the issuance sector amounted to NIS 79 million, compared with NIS 64 million in 2008 – an increase of some 23%.

5. Business credit activities:

- The balance of discounting activities and advance payments amounted to NIS 864 million at the end of 2009, compared with NIS 542 million in 2008, an increase of some 59%.

6. Issuance:

Overall issuance turnover amounted to NIS 43.42 billion, compared with NIS 41.36 billion in 2008. Following is the increase in each of the quarters of 2009: 1.8% in the first quarter, 3.2% in the second quarter, 4.7% in the third quarter and 10.0% in the fourth quarter 10.0%.

7. Total income amounted to NIS 820 million in 2009, compared with NIS 789 million in 2008 – an increase of some 4%.

8. Total expenses amounted to NIS 629 million in 2009, compared with NIS 610 million in 2008 – an increase of some 3%.

9. Provisions for doubtful debts -

- Expenses for provisions for doubtful debts amounted to NIS 29 million, similar to 2008.
- The expenses for provisions for doubtful debts, as a percentage of total balances of non-bank-affiliated card holders and credit balances for businesses, amounted to some 1.2% as at 30 September 2009, in annual terms, compared to some 1.2% in 2008.

10. Operations – operating expenses amounted to NIS 335 million in 2009, compared with NIS 309 million in 2008 – an increase of 8%.

11. Sales and marketing – marketing and sales expenses amounted to NIS 155 million in 2009, compared with NIS 162 million in 2008 – a decrease of 4%.