

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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26 March 2009

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

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Nature of the Event: Financial Statements – Bank Leumi UK

Bank Leumi le-Israel B.M. announces that a subsidiary of the Bank, Bank Leumi (UK) plc approved its financial statements for 2008.

See attached Notice in this regard

Date and time at which the corporation first became aware of the event or matter:
25 March 2009 at 16:45.

Name of Electronic Reporter: Jennifer Janes, Position: Executive Vice President, Group Secretary
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Bank Leumi (UK) plc announced today its results for the 2008 financial year reporting a post-tax loss of £4m.

There was balance sheet growth during the year, with total assets increasing by 10% to £1.6 billion, and the bank also increased its operating income by nearly 21% from £40.5m in 2007 to £48.9m in 2008 (before deducting losses of £9.9m from financial instruments carried at fair value).

It was however necessary to make provisions of £24.1m for a small number of problematic situations in the loan portfolio, which together with the fair value adjustment mentioned above, brought the final figure to a loss.

With that said, the bank's parent company, Bank Leumi le-Israel B.M., made an injection of £40m of capital for regulatory purposes to the bank during 2008, allowing it to secure its strong capital and liquidity ratios, which are comfortably in excess of UK regulatory requirements, and to take advantage of market opportunities.