

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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31 March 2011
2010-01-103932

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

**Immediate Report regarding an Event or Matter falling outside the Ordinary Course of
Business of the Corporation**

Regulation 36(a) of the Securities (Periodic and Immediate Reports) Regulations, 1970

Nature of the Event: Promotions

1. See attached Annex.
2. Date and time at which the corporation first became aware of the matter being the subject of the report: 31 March 2011 Time: 16:30.

Name of Electronic Reporter: Yael Rudnicki, Position: Group Secretary
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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/>

Immediate Report

Bank Leumi Le-Israel Ltd. (the “**Bank**”) hereby announces that today, the Bank’s Board of Directors, after receiving the recommendation of the Board of Directors’ Administration Committee, discussed and approved the following promotions:

The Bank’s Board of Directors and the Administration Committee approved the following promotions, in light of the retirement of senior members of the Bank’s Management. In approving these resolutions, the following matters, *inter alia*, were taken into consideration: the performance of the members of the Bank’s Management, their seniority, the size and scope of their responsibilities and the period of time in which they have served in their positions. During the Board of Directors’ and the Committee’s discussions of the following promotions, *inter alia*, details regarding the current structure of managements within the banking system were brought to the attention of the members of the Board of Directors. The following are the promotions:

1. The following members of management will be promoted to the rank of Deputy Chief Executive Officer, effective 1 April 2011: Mr. Zvi Itskovich – Head of International and Private Banking Division, Mr. Baruch Lederman – Head of Banking Division, Mr. Itzhak Malach – Head of Operations, Information Systems and Administration, Prof. Dani Tsiddon, Head of Capital Markets Division, and Ms. Rakefet Russak-Aminoach – Head of Corporate Division.

The following members of management will be promoted to the rank of First Executive Vice President, effective 1 April 2011: Mr. Gideon Altman – Head of Commercial Banking Division, Mr. Kobi Haber – Head of Finance and Economics Division, Mr. Dani Cohen – Head of Human Resources Division, and Mr. Menachem Schwartz – Head of Accounting.

2. As of 1 April 2011, Adv. Nomi Sandhaus, Chief Legal Advisor, will be appointed to serve as a member of the Bank's Management.
3. Following the retirement (due to his having reached retirement age), of Senior Deputy Chief Executive Officer Mr. Zeev Nahari, Ms. Rakefet Russak-Aminoach will be appointed, as of 1 July 2011, to serve as Senior Deputy Chief Executive Officer and Acting CEO in the absence of the President and CEO.