

## **Translation of Immediate Report**

T121  
Public

### **Bank Leumi le-Israel B.M.**

Registration No. 520018078

Securities of the Corporation are listed on The Tel Aviv Stock Exchange

Abbreviated Name: Leumi

34 Yehuda Halevi Street, Tel Aviv 651316

Phone: 076-8858111, 076-889419; Facsimile: 076-8859732

Electronic Mail: Livnat.EinShay@bll.co.il

21 November 2018 2018  
Reference: 2018-01-111591

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 Event: Agreement for the Sale of 10% of the Shares of ABS**

See Annex attached hereto [211118 isa.pdf](#)

The company is not an envelope company as that term is defined in the Stock Exchange bylaws.

Date and time at which the corporation first became aware of the event or matter: 20 November 2018, at 19:00.

---

Name of Electronic Reporter: David Raoul Sackstein, Position: Advocate, General Secretary  
Yehuda Halevi Street 34, Tel Aviv 6513616, Phone: 076-8857984, Facsimile: 076-8859732  
Electronic Mail: [david.sackstein@Bankleumi.co.il](mailto:david.sackstein@Bankleumi.co.il)

**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>**

21 November 2018

To:

Tel Aviv Securities Exchange  
2 Ahuzat Bayit Street  
Tel Aviv 652516

Israel Securities Authority  
22 Kanfei Nesharim Street  
Jerusalem 95464

Dear Sir or Madam:

Re: **Agreement for the Sale of 10% of the Shares of ABS**

Bank Leumi le-Israel B.M. (the "**Bank**") is pleased to report as follows:

1. Pursuant to the directives of the Law on Minimizing Market Centralization and Promoting Economic Competition (Legislative Amendments), 2017, the Bank is required to reduce its level of holdings in Automated Banking Services Ltd. ("**ABS**" or the "**Company**"), which currently stands at some 42% of the share capital of the Company, such that by 30 January 2021 the level of the Bank's holdings in ABS will not exceed 10% of the issued capital of the Company.
2. On 20 November 2018, the Bank entered into an agreement with a corporation from the Visa International Group ("**Visa**") for the sale of 10% of the shares of ABS to Visa (the "**Agreement**"), for a consideration of NIS 37 million, subject to adjustments and the provisions determined in the Agreement. The Bank is expected to record a profit (pre-tax) in the amount of some NIS 24.5 million in respect of the said sale of shares.
3. As part of the agreement and subject to its terms, Visa will be given first refusal rights, if the Bank decides to sell additional shares in the Company (not by way of an offering by means of a prospectus), and subject to the legal holdings restrictions which shall apply. With regard to the shares that the Bank is legally obligated to sell, the said first refusal right will be valid until 30 June 2019; with regard to the shares that the Bank is not legally obligated to sell, the first refusal right shall be valid until three years from the date of completion of the agreement. In addition, Visa was given certain offering or first refusal rights regarding a sale (to the extent such shall take place) of the Bank's holdings in Bank Clearing Center Ltd.
4. The completion of the agreement is subject to various constitutive conditions, including regulatory approvals to the extent required.

Sincerely,

Bank Leumi le-Israel B.M.

by

Hanan Friedman, Head of Strategy and Regulation Division