

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

34 Yehuda Halevi Street, Tel Aviv 651316

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

Electronic Mail: Livnat.Ein-Shay@bll.co.il

22 May 2018
2018-01-041094

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

Immediate Report

Nature of Event: Bank Leumi USA

See attached Annex

The company is not an envelope company as defined in the Stock Exchange by-laws.

Date and time at which the corporation first became aware of the matter being the subject of the report: 22 May 2018 Time: 16:15 .

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>

Name of Electronic Reporter: David Raoul Sackstein, Position: Advocate, General Secretary
34 Yehuda Halevi Street, Tel Aviv 6513616, Phone: 076-8857984, Facsimile: 076-8859732
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22 May 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: **Bank Leumi USA (“BLUSA”)**

Bank Leumi le-Israel Ltd. (the “**Bank**”) is pleased to report the following:

1. In Note 36D of the Bank’s Financial Statements on 6 March 2018 (Reference No. 2018-01-021430) and the Immediate Report published by the Bank on 22 January 2018 (Reference No. 2018-01-008101), the Bank reported on entry into an agreement to bring strategic partners into BLUSA (the “**Agreement**”).
2. According to the terms of the Agreement, each of the partners purchased 7.5% of the share capital of the Bank Leumi Corporation, an American corporation through which the Bank holds control of BLUSA.
3. On 22 May 2018, the transaction was completed, after the conditions precedent established in the Agreement for its completion were satisfied.
4. In accordance with the terms of the Agreement, the consideration paid for the shares that were sold was some 141 million dollars.

Sincerely,

Bank Leumi le-Israel Ltd.

by

Hanan Friedman, Head of the Strategic and Regulation Division