

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

5 September 2018
Reference: 2018-01-084993

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

Immediate Report

Nature of Event: Choice of the Winner in the Tender for Sale of Shares

See attached Annex – [isa.pdf](#) Immediate Report sale of the State's shares.

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

Date and time at which the corporation first became aware of the matter being the subject of the report: 5 September 2018 Time: 08:14.

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

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/>

5 September 2018

To
Tel Aviv Stock Exchange
Ahuzat Bayit Street 2
Tel Aviv 6525216

To
Israel Securities Authority
Kanfei Nesharim Street 22
Jerusalem 95464

Dear Sir or Madam:

Re: **Announcement of Winner in Tender for Selling a Block of Shares in the Bank**

Bank Leumi le-Israel BM (hereafter: "the Bank") is pleased to announce that on 5 September 2018, the Bank was notified by the Ministry of Finance that Citigroup Global Markets Limited (hereafter: "the Winner") has won the tender for the sale of the Government of Israel's holdings in the Bank. The Winner will, in the framework of the process, purchase 81,037,614 shares in the Bank from the State, at a price of NIS 23.38 per share, for total consideration of NIS 1,894,659,415.

The Government's above-mentioned notice is attached hereto.

The Bank will report on the completion of the said sale after receiving notice from the Government regarding its completion.

Very sincerely,

Bank Leumi le-Israel BM

By:

Attorney Livnat Ein-Shay Wilder, Secretary of the Bank and of the Group

Accountant General

State of Israel, Ministry of Finance
Finance and Credit Division

25th of Elul 5778
5 September 2018
HM 2018-1109

To
Ms. Rakefet Russak-Aminoach, CEO
Bank Leumi le-Israel BM

Re: **Notice of choice of Winner in the tender for sale of a block of Shares in Bank Leumi le-Israel BM**

I hereby inform you that Citigroup Global Markets Limited (hereafter: "the Winner") has won the tender for the sale of the State's holdings in Bank Leumi le-Israel BM. In the framework of the process, the Buyer will purchase 81,037,614 shares in the Bank which are owned by the State, at a price of NIS 23.38 per share (for a total consideration of NIS 1,894,659,415).

We will inform you of the completion of the transaction.

Very sincerely,

_____/s/_____

Gil Cohen
Senior Deputy to the Accountant General

cc:
Mr. Roni Hizkiyahu – Accountant General, Ministry of Finance
Mr. David Brodet – Chairman, Bank Leumi le-Israel BM
Members of the Tenders Committee