

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: Yaelru@bll.co.il

24 August 2015
Reference: 2015-01-102990

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

Immediate Report

Nature of Event: Court's Decision

See the attached annex.

Date and time at which the corporation first became aware of the matter being the subject of the report: 23 August 2015 Time: 12:00.

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: Yael Rudnicki, Position: Group Secretary
Yehuda Halevi Street 34, Tel Aviv 6513616, Phone: 076-8859419, Facsimile: 076-8859732,
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24 August 2015

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: **Supreme Court ruling on the appeal of the District Court's decision in a lawsuit that was filed against the Bank and six other banks**

Bank Leumi Le-Israel Ltd. ("the Bank") is pleased to report the following:

Pursuant to Note 18.d.1.F of the Bank's Annual Report for 2014, published on 31 March 2015 (Reference No. 2015-01-070033), regarding an appeal that was made to the Supreme Court against the ruling of the Central District Court, in which the District Court had allowed, in part, a complaint filed by two companies from the Ze'evi Group, against seven banks, including the Bank. The complaint dealt with the banks' right to charge the companies with "violation" interest, as that term is defined in the complaint, with respect to the failure to repay, in timely fashion, the loans provided by the banks. These loans were insured with a pledge of shares in Bezeq. The Bank reports that on 23 August 2015 a ruling was issued which granted the companies' appeal, in part. The Court held that the banks must repay a total amount of approximately NIS 215 million to the companies, with the addition of linkage and interest from 1 November 2009. The Bank's share of this amount is some NIS 60 million, and a provision has been made in the Bank's books of account which covers a part of this amount.

Very sincerely,

Bank Leumi Le-Israel Ltd.

By:

Hanan Friedman, Legal Adviser