

**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

18 March 2018  
Reference: 2018-01- 025555

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

**Immediate Report**

Nature of Event: Denial of Appeal on a Motion for Approval of Class Action Lawsuit

See [18318 isa.pdf](#)

Date and time at which the corporation first became aware of the matter being the subject of the report: 15 March 2018 Time: 16:00.

**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>

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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)

4 March 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: **Denial of Appeal Concerning Motion for Approval of Class Action Lawsuit**

Bank Leumi le-Israel Ltd. (hereinafter: "the Bank") is pleased to report as follows:

1. Note 26.C.1.3.1.a of the Bank's Financial Statements as of 31 December 2017, published on 6 March 2018 (Reference No. 2017-01-021430), presented information regarding a motion for approval of a class action lawsuit that was filed against the Bank (with respect to the activity of Leumi Mortgage Bank Ltd, which had been merged into the Bank) and against other banks. The amount of the class' claim that was alleged against all the respondent banks was some NIS 927 million as of 1 January 2010, and the amount of the class' claim against the Bank amounted to some NIS 327 million. The petitioners claimed that the banks had charged compounded interest in advance from customers taking housing loans, in violation of the law and in violation of the provisions of the loan agreements. On 16 August 2015, the Court rejected the motion to approve the class action for lack of a cause of action. On 7 December 2015, the petitioners filed an appeal against the court's decision to the Supreme Court.
2. On 14 March 2018, the Supreme Court denied the appeal. The lawsuit was thus concluded.

Sincerely,

Bank Leumi le-Israel Ltd.

by

Irit Roth, Chief Legal Adviser