

## Summary Translation of Immediate Report

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Public

**Bank Leumi le-Israel B.M.**  
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7 January 2018  
Reference: 2018-01-002 647

### Immediate Report regarding Status of Holdings of Interested Persons and Senior Officers

Regulation 33(c) of the Securities (Periodic and Immediate Reports) Regulations,  
1970)

The following is the status report as of 31 December 2017:

- a. Interested Persons in the Corporation (including the CEO and Directors, and including any other employee holding five percent or more of the Corporation's issued share capital or of its voting rights):

No.	Name of Holder	Name, Type and Series of Security	Updated Number of Securities	Holding		Holding (Fully Diluted)	
				% Capital	% Voting Rights	% Capital	% Voting Rights
1.	Government of Israel on behalf of the State of Israel	Leumi	88,830,769	5.83	5.83	5.83	5.83
2	Altshuler-Shaham Ltd. – Provident Funds and Provident Fund Management Companies	Leumi	69,445,623	4.56	4.56	4.56	4.56
3	Altshuler - Shaham Ltd. – Mutual Fund Management Companies	Leumi	7,515,199	0.49	0.49	0.49	0.49

4	Altshuler - Shaham Ltd. – Provident Funds and Provident Fund Management Companies	Leumi Debentures Series 177	193,508,979	0.00	0.00	0.00	0.00
5	Altshuler - Shaham Ltd. – Mutual Fund Management Companies	Leumi Debentures Series 177	382,815,528	0.00	0.00	0.00	0.00
6	Altshuler - Shaham Ltd. – Mutual Fund Management Companies	Leumi Subordinated Debentures Series N	16,059,356	0.00	0.00	0.00	0.00
7	Altshuler - Shaham Ltd. – Mutual Fund Management Companies	Leumi Debentures Series 178	106,813,949	0.00	0.00	0.00	0.00
8.	Bank Leumi le-Israel Ltd.	Leumi	8,084	0.00	0.00	0.00	0.00
9.	Brodet David	Leumi	165,688	0.01	0.01	0.01	0.01
10.	Brodet David	PSU 2016	69,252	0.00	0.00	0.01	0.01
11.	Brodet David	PSU 2017	43,112	0.00	0.00	0.01	0.01
12.	Nardi Yoav	Leumi Subordinated Capital Notes 301	98,000	0.00	0.00	0.00	0.00
13.	Russak-Aminoach Rakefet	Leumi	374,056	0.02	0.02	0.02	0.02
14.	Russak-Aminoach Rakefet	PSU 2016	87,144	0.00	0.00	0.01	0.01
15.	Russak-Aminoach Rakefet	PSU 2017	75,791	0.00	0.00	0.01	0.01

Total Holding		Total Holding (Fully Diluted)	
% Capital	% Voting Rights	% Capital	% Voting Rights
10.91	10.91	10.95	10.95

- b. Senior Officers of the Corporation (excluding the CEO and the Directors, and excluding any other employee holding five percent or more of the Corporation's issued share capital or of its voting rights):

The following is the status of the holdings of the Senior Officers in the Corporation:

No.	Name of Holder	Name, Type and Series of Security	Updated Number of Securities	Holding		Holding (Fully Diluted)	
				% Capital	% Voting Rights	% Capital	% Voting Rights
16.	Shlomo Michael Goldfarb	Leumi	330,384	0.02	0.02	0.02	0.02
17.	Shlomo Michael Goldfarb	PSU 2016	24,497	0.00	0.00	0.00	0.00
18.	Shlomo Michael Goldfarb	PSU 2017	21,842	0.00	0.00	0.00	0.00
19.	Haber Yaakov	Leumi	140,902	0.01	0.01	0.01	0.01
20.	Haber Yaakov	PSU 2016	45,680	0.00	0.00	0.00	0.00
21.	Haber Yaakov	PSU 2017	39,730	0.00	0.00	0.00	0.00
22.	Cohen Dan	Leumi	217,121	0.01	.001	0.01	.001
23.	Cohen Dan	PSU 2016	39,162	0.00	0.00	0.00	0.00
24.	Cohen Dan	PSU 2017	37,856	0.00	0.00	0.00	0.00
25.	Tamar Yassur	Leumi	128,699	0.01	0.01	0.01	0.01
26.	Tamar Yassur	PSU 2016	44,350	0.00	0.00	0.00	0.00
27.	Tamar Yassur	PSU 2017	38,572	0.00	0.00	0.00	0.00
28.	Zeev Morag	Leumi	112,165	0.01	0.01	0.01	0.01
29.	Zeev Morag	PSU 2016	15,552	0.00	0.00	0.00	0.00
30.	Zeev Morag	PSU 2017	13,840	0.00	0.00	0.00	0.00

31.	Hila Eran-Zik	Leumi	91,064	0.01	0.01	0.01	0.01
32.	Hila Eran-Zik	PSU 2016	6,024	0.00	0.00	0.00	0.00.
33.	Hila Eran-Zik	PSU 2017	21,842	0.00	0.00	0.00	0.00.
34.	Hanan Friedman	PSU 2016	25,810	0.00	0.00	0.00	0.00
35.	Hanan Friedman	PSU 2017	24,049	0.00	0.00	0.00	0.00
36.	Hanan Friedman	Leumi	61,985	0.00	0.00	0.00	0.00
37.	Ben Zvi Bosmat Hana	Leumi	55,547	0.00	0.00	0.00	0.00
38.	Ben Zvi Bosmat Hana	PSU 2017	1,634	0.00	0.00	0.00	0.00
39.	Ben Zvi Bosmat Hana	Leumi Subordinated Debentures Series400	5	0.00	0.00	0.00	0.00
40.	Omer Ziv	PSU 2017	6,471	0.00	0.00	0.00	0.00
41.	Sharon Gur	Leumi	115,119	0.01	0.01	0.01	0.01
42.	Shmulik Arbel	Leumi	96,923	0.01	0.01	0.01	0.01
43.	Livnat Ein-Shay Wilder	PSU 2017	9,272	0.00	0.00	0.00	0.00
44.	Ilan Buginim	Leumi	46,154	0.00	0.00	0.00	0.00

Total Holding		Total Holding (Fully Diluted)	
% Capital	% Voting Rights	% Capital	% Voting Rights
0.09	0.09	0.09	0.09

1. **Altshuler- Shaham Ltd.** – Holder number 2 - 7

According to the material provided to the Bank, the following are the details of the controlling shareholder of the interested party:

The controlling shareholders of Altshuler Shaham,Ltd.:

Gilad Altshuler ID Number 057379315 -through his holding of 100% of Gilad Altshuler Holdings Ltd., which holds 44.55% of Altshuler Shaham,Ltd.

Kalman Shaham, ID Number 915983- through his holding of 100% of Kalman Shaham Holdings Ltd., which holds 44.55% of Altshuler Shaham Ltd.

Roni Benin Bar, ID number 336289202 through the holding of 9.89% of Altshuler Shaham Ltd.

The controlling shareholders of Altshuler Shaham Provident and Pension Funds Ltd.:

Gilad Alshuler holds 35.97% of Altshuler Shaham Provident and Pension Funds Ltd. through his holding of 100% of Gilad Altshuler Holdings Ltd., which holds 44.55% of Altshuler Shaham Ltd., which – in turn - holds 61.75% of Altshuler Shaham Provident and Pension Funds Ltd. directly, and 19% of Altshuler Shaham Provident and Pension Funds Ltd. indirectly, through the holding (directly, and indirectly – through Altshuler Shaham Pension Holdings Ltd.) of 49.67% of Perfect (Y.N.A.) Capital Markets, which holds 38.25% of Altshuler Shaham Provident and Pension Funds Ltd.

Kalman Shaham holds 35.97% of Altshuler Shaham Provident and Pension Funds Ltd. through his holding of 100% of Kalman Shaham Holdings Ltd., which holds 44.55% of Altshuler Shaham Ltd., which – in turn - holds 61.75% of Altshuler Shaham Provident and Pension Funds Ltd. directly, and 19% of Altshuler Shaham Provident and Pension Funds Ltd. indirectly, through the holding (directly, and indirectly – through Altshuler Shaham Pension Holdings Ltd.) of 49.67% of Perfect (Y.N.A.) Capital Markets, which holds 38.25% of Altshuler Shaham Provident and Pension Funds Ltd.

Roni Benin Bar holds 7.99 % of Altshuler Shaham Provident and Pension Funds Ltd., through his holding of 9.89% of Altshuler Shaham Ltd., which – in turn - holds 61.75% of Altshuler Shaham Provident and Pension Funds Ltd. directly, and 19% of Altshuler Shaham Provident and Pension Funds Ltd. indirectly, through the holding (directly, and indirectly – through Altshuler Shaham Pension Holdings Ltd.) of 49.67% of Perfect (Y.N.A.) Capital Markets, which holds 38.25% of Altshuler Shaham Provident and Pension Funds Ltd.

Yair Levenstein holds 19.25% of Altshuler Shaham Provident and Pension Funds Ltd., through his holding of 100% of Yair Levenstein Holdings Ltd. which holds 50.33% of Perfect (Y.N.A.) Capital Markets, which holds 38.25% of Altshuler Shaham Provident and Pension Funds Ltd.

The controlling shareholders of Altshuler Shaham Mutual Funds Management Ltd.

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Menora Mivtachim Ltd., a public company, holds 20% of Altshuler Shaham Mutual Funds Management Ltd., through Menora Mivtachim Finances Ltd.

Gilad Altshuler holds 35.64% of Altshuler Shaham Mutual Funds Management Ltd., through his holding of 100% of Gilad Altshuler Holdings Ltd., which holds 44.55% of Altshuler Shaham Ltd., which – in turn – holds 80% of Altshuler Shaham Mutual Funds Management Ltd.

Kalman Shaham, holds 35.64% of Altshuler Shaham Mutual Funds Management Ltd., through his holding of 100% of Kalman Shaham Holdings Ltd., which holds 44.55% of Altshuler Shaham Ltd., which – in turn – holds 80% of Altshuler Shaham Mutual Funds Management Ltd.

Roni Benin Bar holds 7.91% of Altshuler Shaham Mutual Funds Management Ltd., through the holding of 9.89% of Altshuler Shaham Ltd., which – in turn – holds 80% of Altshuler Shaham Mutual Funds Management Ltd.

According to information that the Bank received from the interested party, some of the controlling shareholders of Altshuler Shaham Ltd. (the controlling shareholder of the institutional reporting group) are also controlling shareholders in a number of hedge funds, including Portfolio A Gidur Hedging Ltd. (General Partner) and Altshuler Shaham Yanshuf Hedging Ltd. (General Partner).

Portfolio A Gidur Hedging Ltd. (General Partner) holds 1,000 shares of the Bank (holding 0% of the capital and the voting rights) and Altshuler Shaham Yanshuf Hedging Ltd. (General Partner) holds 225,000 shares of the Bank (holding 0.01% of the capital and the voting rights).

The controlling shareholders of Portfolio A Gidur Hedging Ltd. (General Partner) -

Gilad Altshuler holds 22.5%, through his holding of 100% of Gilad Altshuler Holdings Ltd., which holds 45% of Altshuler Shaham Partnerships Management Ltd., which – in turn – holds 50% of Portfolio A Gidur Hedging Ltd. (General Partner)

Kalman Shaham holds 22.5%, through his holding of 100% of Kalman Shaham Holdings Ltd., which holds 45% of Altshuler Shaham Partnerships Management Ltd., which – in turn – holds 50% of Portfolio A Gidur Ltd. (General Partner).

Shiran Bulganim, ID No. 040261670, holds 50% of Portfolio A Gidur Ltd. (General Partner), directly.

The controlling shareholders of Altshuler Shaham Yanshuf Hedging Ltd. (General Partner) -

Gilad Altshuler holds 45%, through his holding of 100% of Gilad Altshuler Holdings Ltd., which holds 45% of Altshuler Shaham Partnerships Management Ltd., which – in turn – holds 100 % of Altshuler Shaham Yanshuf Hedging Ltd. (General Partner).

Kalman Shaham holds 45%, through his holding of 100% of Kalman Shaham Holdings Ltd., which holds 45% of Altshuler Shaham Partnerships Management Ltd., which – in turn – holds 100% of Altshuler Shaham Yanshuf Hedging Ltd. (General Partner).

Notes:

As of the date of the submission of this report, and in accordance with the provisions of the law, the Corporation's controlling shareholder is:

**1.**

*As of March 24 2012, the Corporation is a banking corporation without a Controlling Core.*

Identity number of the controlling shareholder: Other identity number: 0

Control has not been transferred during the period described in the report.

1. Additional details regarding the Corporation being a banking corporation without a control core, see the report dated 25 March 2012 (Reference No. 2012-01-077406).
2. Pursuant to the Immediate Report filed by the Bank on 29 February 2016 regarding Material Private Offering Report approved by the Bank's Board of Directors on 29 February 2016 (Reference No. 2016-01-037192) (hereinafter: "the Private Offering Report"), the Bank, on 15 March 2016, allotted 938,657 PSU 2016 units (hereinafter, together: "the PSU 2016 units") to the Trustee, ESOP Management and Trust Services Ltd., Private Company No. 51-369953-8, on behalf of the Offerees, as such are described in the Private Offering Report (hereinafter: "the Offerees"). The number of shares that will be issued following the vesting of the PSU 2016 units that have been allotted is based on the assumption that all the PSU 2016 units that have been allotted pursuant to the Private Offering Report have vested, and on the assumption that the maximum possible number of shares are allotted, such that each PSU 2016 unit vests into a single ordinary share of the Bank, with a nominal value of NIS 1.0 each. The vesting of the PSU 2016 units is subject to the conditions set out in section 1.3.4 of the Private Offering Report. Additionally, on each vesting date, assuming the conditions described in section 1.3.4 are met, as stated, the Offerees will be entitled to receive the shares that result from the vesting of the said tranche as described in section 1.3.5 of the Private Offering Report. On 3 April 2017, the first tranche of the PSU 2016 units vested into shares. For details, see the Immediate Reports dated 3 April 2017 (Reference Nos. 2017-01-036267 and 2017-01-036255).
3. On 20 March 2016, the Bank's board of directors resolved to issue 48,938,037 shares to employees and corporate officers of the company, pursuant to the outline published by the Bank on 18 February 2016 (Reference No. 2016-01-030790), as

amended on 23 February 2016 (Reference No. 2016-01-033361) (hereafter: "the Outline"), and in accordance with the final results of the offer pursuant to the Outline. The said shares were allocated to the Trustee who will hold them in trust for the employees and the corporate officers in a capital gain track in accordance with the provisions of section 102 of the Income Tax Ordinance, as defined in the Outline. All the allocated shares will be blocked for a period of two years, other than with regard to key employees (except for corporate officers for whom half of the bonus will in any event be paid in PSU units and not in blocked shares) regarding whom 676,526 of the shares that are allocated will be blocked for a period of three years in accordance with the provisions of the compensation policy. (The remaining shares will be blocked for a period of only two years). For additional details see the Immediate Report dated 20 March 2016 (Reference No. 2016-01-010026). For information regarding 8,084 shares that were accidentally issued to a Bank employee and which were exercised and transformed into dormant Bank shares, see the report dated 27 June 2016 (Reference No. 2016-01-066943).

4. Pursuant to the Immediate Report filed by the Bank on 30 March 2017, regarding a Material Private Offering Report approved by the Bank's Board of Directors on 29 March 2017 (Reference No. 2017-01-03966) (hereinafter: "the Private Offering Report"), the Bank hereby announces that on 6 April 2016, the Bank allotted 578,969 PSU 2017 units (hereinafter: "the PSU 2017 units") to the Trustee, ESOP Management and Trust Services Ltd., Private Company No. 51-369953-8, on behalf of the Offerees, as such are described in the Private Offering Report (hereinafter: "the Offerees"). The number of shares that will be issued following the vesting of the PSU 2017 units that have been allotted is based on the assumption that all the PSU 2017 units that have been allotted pursuant to the Private Offering Report have vested, and on the assumption that the maximum possible number of shares are allotted, such that each PSU 2017 unit will mature into a single ordinary share of the Bank, with a nominal value of NIS 1.0 each. The vesting of the PSU 2017 units is subject to the conditions set out in section 3 of the Private Offering Report. For additional information regarding the PSU 2017 units, see the Private Offering Report.
5. For information regarding the full redemption of the certificates of indebtedness held by Mr. David Brodet, see the Immediate Report dated 7 November 2017 (Reference No.: 2017-01-097513).
6. For information regarding the full redemption of the certificates of indebtedness held by Mr. Shlomo Goldfarb, see the Immediate Report dated 7 November 2017 (Reference No.: 2017-01-097321).
7. For information regarding the sale on the Stock Exchange of capital notes by Mr. Shlomo Goldfarb, see the Immediate Report dated 30 November 2017 (Reference No.: 2017-01-107029).
8. On 31 October 2017, Professor Hami Levy's term as a director at the Bank ended. See the Immediate Report dated 1 November 2017 (Reference No.: 2017-01-095686).

9. On 1 January 2018, Ms. Liat Shub began to serve as a corporate officer at the Bank in place of Mr. Ze'ev Morag, whose service ended on 31 December 2017, see the Immediate Report dated 1 January 2018 (Reference No.: 2017-01-000031). Ms. Shub holds 22,658 Leumi shares.

The report was signed on behalf of the corporation, in accordance with regulation 5 of the Securities (Periodic and Immediate Reports), 1970, by Attorney Livnat Ein-Shay Wilder, Secretary of the Group and of the Bank.

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Name of Electronic Reporter: David Raoul Sackstein, Position: Advocate, General Secretary  
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***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/>***

***The Hebrew report includes additional details, including, inter alia, additional information regarding each Interested Person, and details of the changes in their holdings as compared with the previous Report.***