

## **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

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The Tel Aviv Stock Exchange ([www.tase.co.il](http://www.tase.co.il))

### **Immediate Report**

Nature of the Event: Leumi Card – Financial Statements

Bank Leumi le-Israel B.M. announces that a subsidiary of the Bank, Leumi Card Ltd., approved its financial statements as at 31 March 2015.

See the attached Annex.

Date and time at which the corporation first became aware of the matter being the subject of the report: 17 May 2015 Time: 19:00.

The report was signed on behalf of the corporation, in accordance with regulation 5 of the Securities (Periodic and Immediate Reports) Regulations, 1970, by Ms. Tamar Yasur, Head of the Banking Division.

**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: Yael Rudnicki, Position: Group Secretary  
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## Summarized Interim Consolidated Balance Sheet as at

Reported amounts

|  | <b>31 March<br/>2015</b> | <b>31 March<br/>2014</b> | <b>31 December<br/>2014</b> |
|--|--------------------------|--------------------------|-----------------------------|
|  | <b>(Unaudited)</b>       | <b>(Unaudited)</b>       | <b>(Audited)</b>            |
|  | <b>NIS millions</b>      | <b>NIS millions</b>      | <b>NIS millions</b>         |
| <b>Assets</b>  |                          |                          |                             |
| Cash and bank deposits                                       | <b>102</b>               | 59                       | 82                          |
| Accounts receivable for credit card activity                 | <b>10,905</b>            | 9,600                    | 10,625                      |
| Provision for credit losses                                  | <b>(79)</b>              | (74)                     | (79)                        |
| Accounts receivable for credit card activity, net            | <b>10,826</b>            | 9,526                    | 10,546                      |
| Investments in companies included on the equity basis        | <b>3</b>                 | 3                        | 3                           |
| Equipment  | <b>208</b>               | 199                      | 206                         |
| Other assets   | <b>64</b>                | 57                       | 58                          |
| <b>Total Assets</b>  | <b>11,203</b>            | 9,844                    | 10,895                      |
| <b>Liabilities</b>   |                          |                          |                             |
| Credit from banking corporations                             | <b>2,768</b>             | 2,027                    | 2,705                       |
| Accounts payable for credit card activity                    | <b>6,665</b>             | 6,254                    | 6,489                       |
| Other liabilities  | <b>173</b>               | 159                      | 149                         |
| <b>Total liabilities</b>                                     | <b>9,606</b>             | 8,440                    | 9,343                       |
| Contingent liabilities and special contractual relationships |                          |                          |                             |
| <b>Shareholders' equity</b>                                  | <b>1,597</b>             | 1,404                    | 1,552                       |
| <b>Total liabilities and capital</b>                         | <b>11,203</b>            | 9,844                    | 10,895                      |

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**Tamar Yassur** – Chairman of the Board of Directors

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**Hagi Heller** – CEO

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**Lea Shwartz** – CFO, Chief Accountant

Date of approval of financial statements: 17 May 2015

## Summarized Interim Consolidated Profit and Loss Statements

Reported amounts

|   | For the three month period ending<br>31 March |              | For the year ending<br>31 December |
|---|---|--------------|------------------------------------|
|   | 2015  | 2014         | 2014                               |
|   | (Unaudited)                                   | (Unaudited)  | (Audited)                          |
|   | NIS millions                                  | NIS millions | NIS millions                       |
| <b>Income</b>   |   |              |                                    |
| From credit card transactions   | 209   | 206          | 854                                |
| Net interest income   | 42  | 39           | 159                                |
| Other income  | 1   | 1            | 2                                  |
| Total income  | 252   | 246          | 1,015                              |
| <b>Expenses</b>   |   |              |                                    |
| For credit losses   | 2   | 4            | 25                                 |
| Operating   | 111   | 103          | 423                                |
| Sales and marketing   | 44  | 39           | 173                                |
| Management and general  | 11  | 10           | 45                                 |
| Payments to banks   | 20  | 18           | 73                                 |
| Total expenses  | 188   | 174          | 739                                |
| <b>Profit before taxes</b>  | 64  | 72           | 276                                |
| Provision for taxes on profit   | 20  | 21           | 81                                 |
| <b>Profit after taxes</b>   | 44  | 51           | 195                                |
| Company's share in after-tax operating<br>profits of companies included on equity basis | 1   | 1            | 5                                  |
| <b>Net profit</b>   | 45  | 52           | 200                                |
| <b>Profit per ordinary share (in NIS):</b>  |   |              |                                    |
| Basic and diluted earnings:   |   |              |                                    |
| Net profit  | 1.80  | 2.08         | 8.00                               |
|   | Thousands                                     | Thousands    | Thousands                          |
| Weighted average of the number of shares<br>used for calculating profit per share       | 25,000  | 25,000       | 25,000                             |

## Summarized Interim Statements of Changes in Shareholders' Equity

Reported amounts

|   | <u>Fully paid<br/>share capital</u> | <u>Premium on<br/>shares</u> | <u>Capital fund<br/>from<br/>transactions<br/>with<br/>controlling<br/>share-holder</u> | <u>Retained<br/>earnings</u> | <u>Total share-<br/>holders'<br/>equity</u> |
|---|-------------------------------------|------------------------------|---|------------------------------|---|
|   | <u>NIS millions</u>                 | <u>NIS millions</u>          | <u>NIS millions</u>   | <u>NIS millions</u>          | <u>NIS millions</u>                         |
| <b>For the three-month period ending on<br/>31 March 2015</b> |                                     |                              |   |                              |   |
| Balance as of 31 December 2014 (Audited)                      | 26                                  | 355                          | 33  | 1,138                        | 1,552                                       |
| Net profit for the period (Unaudited)                         | -                                   | -                            | -   | 45                           | 45  |
| Balance as of 31 March 2015 (Unaudited)                       | <u>26</u>                           | <u>355</u>                   | <u>33</u>   | <u>1,183</u>                 | <u>1,597</u>                                |
|   | <u>Fully paid<br/>share capital</u> | <u>Premium on<br/>shares</u> | <u>Capital fund<br/>from<br/>transactions<br/>with<br/>controlling<br/>share-holder</u> | <u>Retained<br/>earnings</u> | <u>Total share-<br/>holders'<br/>equity</u> |
|   | <u>NIS millions</u>                 | <u>NIS millions</u>          | <u>NIS millions</u>   | <u>NIS millions</u>          | <u>NIS millions</u>                         |
| <b>For the three-month period ending on<br/>31 March 2014</b> |                                     |                              |   |                              |   |
| Balance as of 31 December 2013 (Audited)                      | 26                                  | 355                          | 33  | 988                          | 1,402                                       |
| Dividend (Unaudited)  | -                                   | -                            | -   | (50)                         | (50)  |
| Net profit for the period (Unaudited)                         | -                                   | -                            | -   | 52                           | 52  |
| Balance as of 31 March 2014 (Unaudited)                       | <u>26</u>                           | <u>355</u>                   | <u>33</u>   | <u>990</u>                   | <u>1,404</u>                                |
|   | <u>Fully paid<br/>share capital</u> | <u>Premium on<br/>shares</u> | <u>Capital fund<br/>from<br/>transactions<br/>with<br/>controlling<br/>share-holder</u> | <u>Retained<br/>earnings</u> | <u>Total share-<br/>holders'<br/>equity</u> |
|   | <u>NIS millions</u>                 | <u>NIS millions</u>          | <u>NIS millions</u>   | <u>NIS millions</u>          | <u>NIS millions</u>                         |
| <b>For the year ending on 31 December<br/>2014 (Audited)</b>  |                                     |                              |   |                              |   |
| Balance as of 31 December 2013                                | 26                                  | 355                          | 33  | 988                          | 1,402                                       |
| Dividend  | -                                   | -                            | -   | (50)                         | (50)  |
| Net profit for the accounting year                            | -                                   | -                            | -   | 200                          | 200   |
| Balance as of 31 December 2014                                | <u>26</u>                           | <u>355</u>                   | <u>33</u>   | <u>1,138</u>                 | <u>1,552</u>                                |