

**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

16 March 2015  
Reference: 2015-01-052081

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

**Immediate Report**

Nature of Event: Israel Corporation

See the attached annex.

Date and time at which the corporation first became aware of the matter being the subject of the report: 15 March 2015 Time: 16:00.

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Name of Electronic Reporter: David Raoul Sackstein, Position: Advocate, Group Secretary  
Yehuda Halevi Street 34, Tel Aviv 6513616, Phone: 076-8859419, Facsimile: 076-8859732,  
Electronic Mail: [david.sackstein@bankleumi.co.il](mailto:david.sackstein@bankleumi.co.il)

16 March 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: **Israel Corporation Ltd. – Conclusion of Service of Directors and Cancellation of Shareholders' Agreement**

Bank Leumi le-Israel B.M. (the "Bank") reports as follows:

1. On 4 March 2015, the Bank reported (Reference No. 2015-01-043933) that in accordance with instructions from the Bank Supervision Department, the Bank must act as soon as possible to end its material influence on the Israel Corporation Ltd. (the "**Israel Corp.**"), including by permanently waiving the Bank's representation on the Board of Directors of the Israel Corp. and its right to appoint directors for the Board.
2. The Bank's right to recommend the appointment of directors in the Israel Corp. is laid down in a shareholders' agreement signed on 5 September 1999 (an agreement that has been amended several times), between the Bank and companies that are controlling shareholders of the Israel Corp. (hereinafter: the "**Shareholders' Agreement**").
3. On 15 March 2015, the Bank's Board of Directors resolved to approve the cancellation of the Shareholders' Agreement, and in this context to waive its right to recommend the appointment of directors of the Israel Corp.
4. Pursuant to this resolution, a document was signed by the Bank and the companies that are controlling shareholders in the Israel Corp., pursuant to which the Shareholders' Agreement is cancelled, including the right to recommend the appointment of directors. The Israel Corp. was also notified by the two directors who were appointed to the Board of the Israel Corp. pursuant to the Bank's recommendations, that they would conclude their service on the Board of Directors of the Israel Corp., as of 30 March 2015.

Very sincerely,

Bank Leumi le-Israel B.M.

By:

Ron Fainaro, Head of Finance Division