

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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4 August 2015
2015-01-088578

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

Immediate Report

Nature of Event: Sale of a part of the shares in Israel Corp.

See attached appendix.

Date and time at which the corporation first became aware of the matter being the subject of the report: 3 August 2015 Time: 17:40.

Reference numbers of previous documents in this regard (does not constitute incorporation by reference): **2015-01-029800**

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: David Raoul Sackstein, Position: Advocate, General Secretary
Yehuda Halevi Street 34, Tel Aviv 6513616, Phone: 076-8857984, Facsimile: 076-8859732

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3 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: **Sale of a part of the shares in the Israel Corp. that are held by the Bank**

Bank Leumi Le-Israel Ltd. ("the Bank") reports the following:

1. On 3 August 2015, the Bank sold 400,000 shares of the Israel Corp. Ltd. (hereafter: "the Israel Corp.") at a price of some NIS 1250 per share, and for a total consideration of NIS 500,016,608. The shares that were sold constitute some 5.2% of the outstanding and paid-up capital of the Israel Corp.
2. The said transactions are expected to produce a pre-tax profit for the Bank of some NIS 290 million, which is expected to be included in the financial statements for the third quarter of 2015. The estimate of the profit was calculated on the basis of the cost of the Israel Corp. shares in the Bank's books, according to the financial statements as of 31 March 2015.
3. After the sale, the Bank will retain shares of the Israel Corp. in an amount which constitutes some 5.9% of the outstanding and paid-up capital of the Israel Corp.
4. The Bank undertook to the buyers that it would not sell additional Israel Corp. shares until at least 3 November 2015.

Yours sincerely,

Bank Leumi Le-Israel Ltd.

By:

Ron Fainaro, Head of Finance Division
Yaron Bloch, CEO of Leumi Partners Ltd.