

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

2 August 2015
2015-01-086577

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

Immediate Report on Status of Capital and Registers of Securities of the Corporation and Changes Therein

Regulation 31(e) of the Securities Regulations (Periodic and Immediate Reports) -
1970

Regulation 31(a) of the Securities Regulations (Periodic and Immediate Reports) -
1970

Regulation 31(b1) of the Securities Regulations (Periodic and Immediate Reports) -
1970

Nature of the change: Conversion of Leumi Finance Co. securities into Bank Leumi securities, following a merger

1. Status of the Securities of the Corporation after the Change:

Type and Name of Security	Tel Aviv Stock Exchange Registration No.	Amount in Registered Capital	Issued and Paid-up Capital		Amount registered in name of nominee company
			Amount in the previous report	Current amount	
Leumi	604611	3,215,000,000	1,473,770,511	1,473,797,649	1,446,371,284
Leumi Subordinated Capital Notes (Series 200)	6040141	0	1,349,998,000	1,349,998,000	1,349,998,000

Leumi Subordinated Capital Notes (Series 201)	6040158	0	950,000,000	950,000,000	950,000,000
Leumi Special Capital Notes	6040091	0	400,000,000	400,000,000	0
PSU 2014	6040166	0	438,579	420,760	0
RSU 2014	6040174	0	54,276	54,276	0
Leumi Debentures (Series 176)	6040208	0	487,500,000	243,750,000	243,750,000
Leumi Subordinated Debentures Series C	6040182	0	514,099,000	514,099,000	514,099,000
Leumi Subordinated Debentures Series G	6040224	0	666,666,837	666,666,837	666,666,837
Leumi Subordinated Debentures Series H	6040232	0	1,929,090,000	1,929,090,000	1,929,090,000
Leumi Subordinated Debentures Series K – [non-negotiable]	6040307	0	340,567,000	340,567,000	340,567,000
Leumi Subordinated Debentures Series L	6040273	0	3,271,610,000	3,271,610,000	3,271,610,000
Leumi Subordinated Debentures Series M	6040281	0	2,206,039,000	2,206,039,000	2,206,039,000
Leumi Subordinated Debentures Series N	6040299	0	1,870,745,000	1,870,745,000	1,870,745,000

Leumi Subordinated Capital Notes (Series 300)	6040257	0	999,999,000	999,999,000	999,999,000
Leumi Subordinated Capital Notes (Series 301)	6040265	0	999,999,000	999,999,000	999,999,000
Leumi Debentures (Series 177)	6040315	0	1,700,000,000	1,700,000,000	1,700,000,000
Leumi Debentures (Series 178)	6040323	0	1,150,000,000	1,150,000,000	1,150,000,000

2. The corporation announces that on 31 July 2015:

A change occurred regarding the quantity and in the register of securities owners, as a result of:

Nature of change: Partial redemption of the principal of the Leumi Debentures (Series 176) - Third out of four payments.

Explanation: Description of all details of the transaction or action with respect to which the change occurred regarding the corporation's securities

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Name of the registered holder regarding whom the change has taken place:

Bank Leumi Nominee Company Ltd.

Identification Number Type: Companies Registrar Number

Identification Number: 510098064

Nature of Change: Redemption

Date of Change: 31 July 2015

Executed through the Stock Exchange clearinghouse:
Yes

Type and name of the security in which the change has taken place:

Leumi Debentures (Series 176) Tel Aviv Stock Exchange Registration No.: 6040208

Amount of change: -243,750,000

Balance of these securities held by this holder after the change: 243,750,000

Other

Partial redemption of the principal of the Leumi Debentures (Series 176) - Third out of four payments

4. Attached is a file of the shareholders register in accordance with the provisions of Section 130 of the Companies Law -1999. See attachment
5. Attached is an updated file of the corporation's updated registers of securities, including the register of option holders and the register of debenture-holders - See attachment

Notes:

1. NIS 400,000,000 nominal value linked Deposits/Subordinated Capital Notes (non-negotiable) which were issued in June and July 2002 are convertible in certain circumstances, in accordance with the conversion formula, as provided in the terms of the deposit/subordinated capital note, into 152,952,469 ordinary shares of the Bank, as of the date of the Periodic Report for 2014 published on 31 March 2015 (Reference Number 2015-01-070033).
Leumi Special Capital Notes were opened as deposits at Bank Leumi in the names of the purchasers, and are held as the said accounts, the payments are made by the Bank through those accounts/deposits and paid into them, and no register is maintained with regard to them.
2. Pursuant to the Immediate Report submitted by the Bank on 31 March 2014 regarding the Material Private Offering Report approved by the Bank's Board of Directors on 30 March 2014 (Reference No. 2014-01-030870) (hereinafter: "the Private Offering Report"), the Bank, on 13 April 2014, allotted 657,869 PSU units and 81,414 RSU units (hereinafter, together: "the PSU units and the RSU 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").
3. The number of shares that will be issued following the vesting of the PSU units and the RSU units that have been allotted is based on the assumption that all the PSU units and the RSU 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 unit and each RSU unit vests into a single ordinary share of the Bank, with a nominal value of NIS 1.0 each.
The vesting of the PSU 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. The first tranche, which vested on 31 March 2015, will be blocked for a period of an additional year.
The vesting of the RSU units is subject to the conditions set out in section 2.2.4 of the Private Offering Report. Additionally, on each vesting date, assuming the conditions described in section 2.2.4 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 2.2.5 of the Private Offering Report. The first tranche, which vested on 14 April 2015, will be blocked for a period of an additional year.

The report was signed on behalf of the corporation, in accordance with regulation 5 of the Securities (Periodic and Immediate Reports), 1970, by Mr. Ron Fainaro, Head of Finance and Economics Division, and by Yael (Ben Moshe) Rudnicki, Secretary of the Bank and of the Group.

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