

**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  
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Electronic Mail: Yaelru@bl.co.il

23 December 2015  
Reference: 2015-01-187677

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

**Immediate Report**

Nature of Event: Visa Europe Transaction

See the attached annex.

Date and time at which the corporation first became aware of the matter being the subject of the report: 23 December 2015 Time: 17:00.

**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: Hanan Friedman, Position: Chief Legal Advisor  
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23 December 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: Visa Europe Transaction**

Bank Leumi Le-Israel Ltd. ("the Bank") is pleased to report the following:

1. On 3 November 2015, the Bank reported (Reference No.:2015-01-147141) regarding the announcement from Visa Inc. (NYSE: V) and Visa Europe Ltd. that they have entered into an agreement pursuant to which Visa Inc. will purchase Visa Europe. The Bank is a member of Visa Europe Ltd. According to the said reports, the overall consideration to be paid for the transaction is estimated at some 21.2 million Euros, and it will be comprised of cash and shares. According to the said reports, various regulatory approvals are required for the execution of the transaction. According to the reports, it is expected that the transaction will be completed during the course of 2016.
2. According to the preliminary information that the Bank has received regarding the manner in which the consideration will be divided among the members of Visa Europe Ltd., if the transaction is in fact completed, the consideration that is expected to be paid to the Bank due to its membership in Visa Europe Ltd. is expected to amount to some NIS 274 million in cash and some NIS 94 million in shares. (The total of these two components is expected, according to the said preliminary estimations, to amount to some NIS 368 million.) According to the terms of the transaction, there is also expected to be further consideration to be paid in the future, which will be conditioned on the fulfillment of targets established in the transaction. This future consideration which will be paid two years from now - in the amount of some NIS 105 million in cash.

3. It is noted that the above information is forward-looking information, as defined in the Securities Law, and it is based on a preliminary report and on preliminary estimations only, on the basis of preliminary information received from the Bank. This can change - based on, *inter alia*, decisions made by Visa Europe Ltd. It is further clarified that there is no certainty that the transaction will actually be completed.

Very sincerely,

Bank Leumi Le-Israel Ltd.

By:

Ron Fainaro, Head of the Finance Division

Hanan Friedman, Legal Adviser