

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
Leumi House, 34 Yehuda Halevi Street, Tel Aviv 65546
Phone: + 972 3 5148111, + 972 3 5149419; Facsimile: + 972 3 5149732
Electronic Mail: Yaelru@bll.co.il

29 May 2013
Reference: 2013-01-075826

To: Israel Securities Authority (www.isa.gov.il)
The Tel Aviv Stock Exchange (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., today published its financial statements as at 31 March 2013.

The full financial statements will be published on the company's website, at:
<https://www.leumi-card.co.il/he-il/GeneralPages/Pages/FinancialReport.aspx>

See the attached Annex.

Date and time at which the corporation first became aware of the matter being the subject of the report: 28 May 2013 Time: 18:50.

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.

Name of Electronic Reporter: Yael Rudnicki, Position: Group Secretary
POB 2 Tel Aviv 61000, Phone: + 972 3 5149419, Facsimile: + 972 3 5149732,
Electronic Mail: Yaelru@bll.co.il

Summarized Interim Consolidated Balance Sheet as at

Reported amounts

| | <u>31 March 2013</u> | <u>31 March 2012</u> | <u>31 December 2012</u> |
|--|--------------------------|--------------------------|-----------------------------|
| | <u>(Unaudited)</u> | <u>(Unaudited)</u> | <u>(Audited)</u> |
| | <u>NIS millions</u> | <u>NIS millions</u> | <u>NIS millions</u> |
| Assets | | | |
| Cash and bank deposits | 61 | 67 | 42 |
| Accounts receivable for credit card activity | 9,150 | 8,236 | 8,780 |
| Provision for credit losses | (74) | (71) | (72) |
| Accounts receivable for credit card activity, net | <u>9,076</u> | <u>8,165</u> | <u>8,708</u> |
| Investments in companies included on the equity basis | 2 | 3 | 1 |
| Equipment | 192 | 184 | 190 |
| Other assets | <u>52</u> | <u>62</u> | <u>59</u> |
| Total Assets | <u>9,383</u> | <u>8,481</u> | <u>9,000</u> |
| Liabilities | | | |
| Credit from banking corporations | 1,687 | 1,450 | 1,596 |
| Accounts payable for credit card activity | 6,306 | 5,770 | 6,010 |
| Other liabilities | <u>137</u> | <u>164</u> | <u>162</u> |
| Total liabilities | 8,130 | 7,384 | 7,768 |
| Contingent liabilities and special contractual relationships | | | |
| Shareholders' equity | <u>1,253</u> | <u>1,097</u> | <u>1,232</u> |
| Total liabilities and capital | <u>9,383</u> | <u>8,481</u> | <u>9,000</u> |

Tamar Yassur – Chairman of the Board of Directors

Hagi Heller – CEO

Lea Shwartz – CFO, Chief Accountant

Date of approval of financial statements: 28 May 2013

Summarized Interim Consolidated Profit and Loss Statements

| Reported amounts | For the three month period ending | | For the year ending |
|--|-----------------------------------|--------------|---------------------|
| | 31 March | | 31 December |
| | 2013 | 2012 | 2012 |
| | (Unaudited) | (Unaudited) | (Audited) |
| | NIS millions | NIS millions | NIS millions |
| Income | | | |
| From credit card transactions | 200 | 192 | 795 |
| Net interest income | 39 | 39 | 156 |
| Other income | 1 | 1 | 3 |
| Total income | 240 | 232 | 954 |
| Expenses | | | |
| For credit losses | 5 | 4 | 19 |
| Operating | 101 | 97 | 400 |
| Sales and marketing | 38 | 40 | 172 |
| Management and general | 9 | 11 | 43 |
| Payments to banks | 17 | 18 | 73 |
| Total expenses | 170 | 170 | 707 |
| Profit before taxes | 70 | 62 | 247 |
| Provision for taxes on profit | 20 | 17 | 69 |
| Profit after taxes | 50 | 45 | 178 |
| Company's share in after-tax operating profits of companies included on equity basis | 1 | * | 2 |
| Net profit | 51 | 45 | 180 |
| Profit per ordinary share (in NIS): | | | |
| Basic and diluted earnings: | | | |
| Net profit | 2.04 | 1.80 | 7.20 |
| | Thousands | Thousands | Thousands |
| Weighted average of the number of shares used for calculating profit per share | 25,000 | 25,000 | 25,000 |

* Amount is lower than NIS 1 million.

Summarized Interim Statements of Changes in Shareholders' Equity

Reported amounts

| | <u>Fully paid share capital</u> | <u>Premium on shares</u> | <u>Capital fund from transactions with controlling share-holder</u> | <u>Retained earnings</u> | <u>Total share- holders' equity</u> |
|---|-------------------------------------|------------------------------|---|------------------------------|---|
| | <u>NIS millions</u> | <u>NIS millions</u> | <u>NIS millions</u> | <u>NIS millions</u> | <u>NIS millions</u> |
| For the three-month period ending on 31 March 2013 | | | | | |
| Balance as of 31 December 2012 (Audited) | 26 | 355 | 33 | 818 | 1,232 |
| Dividend (Unaudited) | - | - | - | (30) | (30) |
| Net profit for the period (Unaudited) | - | - | - | 51 | 51 |
| Balance as of 31 March 2013 (Unaudited) | <u>26</u> | <u>355</u> | <u>33</u> | <u>839</u> | <u>1,253</u> |

| | <u>Fully paid share capital</u> | <u>Premium on shares</u> | <u>Capital fund from transactions with controlling share-holder</u> | <u>Retained earnings</u> | <u>Total share- holders' equity</u> |
|---|-------------------------------------|------------------------------|---|------------------------------|---|
| | <u>NIS millions</u> | <u>NIS millions</u> | <u>NIS millions</u> | <u>NIS millions</u> | <u>NIS millions</u> |
| For the three-month period ending on 31 March 2012 | | | | | |
| Balance as of 31 December 2011 (Audited) | 26 | 355 | 33 | 678 | 1,092 |
| Dividend (Unaudited) | - | - | - | (40) | (40) |
| Net profit for the period (Unaudited) | - | - | - | 45 | 45 |
| Balance as of 31 March 2012 (Unaudited) | <u>26</u> | <u>355</u> | <u>33</u> | <u>683</u> | <u>1,097</u> |

| | <u>Fully paid share capital</u> | <u>Premium on shares</u> | <u>Capital fund from transactions with controlling share-holder</u> | <u>Retained earnings</u> | <u>Total share- holders' equity</u> |
|--|-------------------------------------|------------------------------|---|------------------------------|---|
| | <u>NIS millions</u> | <u>NIS millions</u> | <u>NIS millions</u> | <u>NIS millions</u> | <u>NIS millions</u> |
| For the year ending on 31 December 2012 (Audited) | | | | | |
| Balance as of 31 December 2011 | 26 | 355 | 33 | 678 | 1,092 |
| Dividend | - | - | - | (40) | (40) |
| Net profit for the accounting year | - | - | - | 180 | 180 |
| Balance as of 31 December 2012 | <u>26</u> | <u>355</u> | <u>33</u> | <u>818</u> | <u>1,232</u> |