

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
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7 June 2018
Reference: 2018-01- 049140

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

Immediate Report

Nature of the Event: Trustee's Report for 2017 – Series H

See attached [DOC098_isa.pdf](#)

The company is not an envelope company as defined in the Stock Exchange by-laws.

Date and time at which the corporation first became aware of the matter being the subject of the report: 07 June 2018 Time: 12:49.

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
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7 June 2018

To:
Holders of Subordinated Notes (Series H)
Bank Leumi le-Israel Ltd.

Re: Bank Leumi le-Israel Ltd ("Bank Leumi") - Annual Trustee's Report for 2017 - Bank Leumi Subordinated Notes (Series H)

Dear Sir or Madam:

Poalim Trust Services Ltd. (hereafter: "the **Trustee**"), the Trustee for the holders of Bank Leumi Subordinated Notes (Series H) (hereafter: "the **Subordinated Notes**"), (Leumi Finance Co. Ltd. (hereafter "**Leumi Finance**") having merged into Bank Leumi) is pleased to submit the annual report regarding matters of the Trusteeship for the Subordinated Notes for the period from 1 January 2017 through 6 November 2017.

1. The Deed of Trust

On 26 July 2007, Leumi Finance (which has merged into Bank Leumi) was amended from time to time and Poalim Trust Services Ltd., as Trustee for the holders of the Subordinated Notes, signed a deed of trust (whi).

2. The Subordinated Notes

On 6 November 2017, the final repayment of principal and interest was paid on the Subordinated Notes.

3. Payments of principal and interest

In 2017, Bank Leumi paid some NIS 785.82 million to the holders of the Subordinated Notes, with respect to principal, interest and linkage.

4. Meetings of the holders of the Subordinated Notes

No meetings of the holders of the Subordinated Notes were held during the Report period.

5. Confirmations given to the Trustee

Bank Leumi provided the Trustee with a confirmation of all payments that had been made in full to the holders of the Subordinated Notes with respect to 2017.

For additional information see Bank Leumi's immediate reports in the Israel Securities Authority's Magna reporting system, and/or on the Tel Aviv Stock Exchange's Maya

Poalim Trust Services Ltd.
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website. This report does not constitute a replacement for a review by the holders of the Debentures of the Bank Leumi's reports, including a review of the Financial Statements and the Opinion of the Auditing Accountants.

Very Sincerely,

Poalim Trust Services Ltd.

Poalim Trust Services Ltd.

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