

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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Date: 6 September 2018

Reference: 2018-01-086154

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

Immediate Report re Entity becoming an Interested Party in the Corporation Regulation 33(e)-(f) of the Securities Regulations (Periodic and Immediate Reports), 1970

1. Details of Holder:

- Name of Corporation: Altshuler-Shaham Ltd.
- Name of Corporation in English: Altshuler-Shaham Ltd.
- Type of Identity Number: Registration number with the Israeli Registrar of Companies. Holder is a corporation
- Identity Number: 511446551
- Citizenship/Country of Incorporation or Registration: Israeli corporation
- Address: 19a HaBarzel Street, Tel Aviv 6971026
- The Holder does not serve as the representative of other joint shareholders for reporting purposes.
- Name of controlling shareholder in the Interested Party: see note to section 1 below
- Identification number of controlling shareholder in the Interested Party: see below

2. Details of the Transaction whereby the Holder became an Interested Party in the Corporation:

- a. Nature of the Transaction: Increase following purchase on the stock exchange
- b. Name and Class of Security: Leumi.
- c. Registration number of security on the Tel Aviv Stock Exchange: 604611
- d. Date of the transaction: 5 September 2018
- e. Number of securities involved in the transaction: 9,905,00
- f. Price of the transaction: 2,340 agurot
- g. The shares are not dormant or convertible into dormant shares.
- h. The full consideration was paid at the time of the change

3. A. Holdings of the Interested Party following the Transaction:

Name, Class and Series of Security	No. of Security on Stock Exchange	Amount of Securities	Dormant	Percentage of Holdings		Percentage of Holdings (Fully Diluted)	
				Capital	Voting Rights	Capital	Voting Rights
Leumi	604611	81,694,662	No	5.42	5.42	5.42	5.42
Leumi Subordinated Debentures. Series N	6040299	18,759,967	No	0.00	0.00	0.00	0.00
Leumi Debentures Series 177	6040315	533,009,431	No	0.00	0.00	0.00	0.00
Leumi Debentures Series 178	6040323	148,511,174	No	0.00	0.00	0.00	0.00

B. The Holder is a member of an institutional reporting group. The following are the details of its holdings:

Holder	Name, Class and Series of Security	No. of Security on Stock Exchange	Amount of Securities	Dormant
Provident funds and provident fund management companies	Leumi	604611	74,239,437	No
Provident funds and provident fund management companies	Leumi Debentures Series 177	6040315	193,858,979	No
Management companies of joint investment trust funds	Leumi	604611	7,455,225	No
Management companies of joint investment trust funds	Debentures Series 177	6040315	339,150,452	No
Management companies of joint investment trust funds	Leumi Subordinated Debentures. Series N	6040299	18,759,967	No
Management companies of joint investment trust funds	Debentures Series 178	6040323	148,511,174	No

4. The Interested Party does not hold shares or other securities of a company with activity material to the reporting company's activity.

5. Additional details:

According to the material provided to the bank to the interested party, the following are the details of the controlling shareholder of the interested party:

The controlling shareholders of Altshuler Shaham, Ltd.:

Gilad Altshuler ID Number 057379315 -through his holding of 100% of Gilad Altshuler Holdings Ltd., which holds 44.55% of Altshuler Shaham, Ltd.

Kalman Shaham, ID Number 915983- through his holding of 100% of Kalman Shaham Holdings Ltd., which holds 44.55% of Altshuler Shaham Ltd.

Roni Benin Bar, ID number 336289202 through the holding of 9.89% of Altshuler Shaham Ltd.

The controlling shareholders of Altshuler Shaham Provident and Pension Funds Ltd.:

Gilad Alshuler holds 35.97% of Altshuler Shaham Provident and Pension Funds Ltd. through his holding of 100% of Gilad Altshuler Holdings Ltd., which holds 44.55% of Altshuler Shaham Ltd., which – in turn - holds 61.75% of Altshuler Shaham Provident and Pension Funds Ltd. directly, and 19% of Altshuler Shaham Provident and Pension Funds Ltd. indirectly, through the holding (directly, and indirectly – through Altshuler Shaham Pension Holdings Ltd.) of 49.67% of Perfect (Y.N.A.) Capital Markets, which holds 38.25% of Altshuler Shaham Provident and Pension Funds Ltd.

Kalman Shaham holds 35.97% of Altshuler Shaham Provident and Pension Funds Ltd. through his holding of 100% of Kalman Shaham Holdings Ltd., which holds 44.55% of Altshuler Shaham Ltd., which – in turn - holds 61.75% of Altshuler Shaham Provident and Pension Funds Ltd. directly, and 19% of Altshuler Shaham Provident and Pension Funds Ltd. indirectly, through the holding (directly, and indirectly – through Altshuler Shaham Pension Holdings Ltd.) of 49.67% of Perfect (Y.N.A.) Capital Markets, which holds 38.25% of Altshuler Shaham Provident and Pension Funds Ltd.

Roni Benin Bar holds 7.99 % of Altshuler Shaham Provident and Pension Funds Ltd., through his holding of 9.89% of Altshuler Shaham Ltd., which – in turn - holds 61.75% of Altshuler Shaham Provident and Pension Funds Ltd. directly, and 19% of Altshuler Shaham Provident and Pension Funds Ltd. indirectly, through the holding (directly, and indirectly – through Altshuler Shaham

Pension Holdings Ltd.) of 49.67% of Perfect (Y.N.A.) Capital Markets, which holds 38.25% of Altshuler Shaham Provident and Pension Funds Ltd.

Yair Levenstein holds 19.25% of Altshuler Shaham Provident and Pension Funds Ltd., through his holding of 100% of Yair Levenstein Holdings Ltd. which holds 50.33% of Perfect (Y.N.A.) Capital Markets, which holds 38.25% of Altshuler Shaham Provident and Pension Funds Ltd.

The controlling shareholders of Altshuler Shaham Mutual Funds Management Ltd.:

Gilad Altshuler holds 35.64% of Altshuler Shaham Mutual Funds Management Ltd., through his holding of 100% of Gilad Altshuler Holdings Ltd., which holds 44.55% of Altshuler Shaham Ltd., which – in turn – holds 80% of Altshuler Shaham Mutual Funds Management Ltd.

Kalman Shaham, holds 35.64% of Altshuler Shaham Mutual Funds Management Ltd., through his holding of 100% of Kalman Shaham Holdings Ltd., which holds 44.55% of Altshuler Shaham Ltd., which – in turn – holds 80% of Altshuler Shaham Mutual Funds Management Ltd.

Roni Benin Bar holds 7.91% of Altshuler Shaham Mutual Funds Management Ltd., through the holding of 9.89% of Altshuler Shaham Ltd., which – in turn – holds 80% of Altshuler Shaham Mutual Funds Management Ltd.

The controlling shareholders of Altshuler Shaham Yanshuf Hedging Ltd. (General Partner) -

Gilad Altshuler holds 45%, through his holding of 100% of Gilad Altshuler Holdings Ltd., which holds 45.01% of Altshuler Shaham Partnerships Management Ltd., which – in turn – holds 100 % of Altshuler Shaham Yanshuf Hedging Ltd. (General Partner).

Kalman Shaham holds 45%, through his holding of 100% of Kalman Shaham Holdings Ltd., which holds 45.01% of Altshuler Shaham Partnerships Management Ltd., which – in turn – holds 100% of Altshuler Shaham Yanshuf Hedging Ltd. (General Partner).

Date and time at which the corporation first became aware of the matter being the subject of the report: 6 September 2018 Time: 17:42.

The report was signed on behalf of the corporation, in accordance with regulation 5 of the Securities (Periodic and Immediate Reports), 1970, by Attorney Livnat Ein-Shay Wilder, Secretary of the Bank and of the Group.

Name of Electronic Reporter: David Raoul Sackstein, Position: Advocate, General Secretary
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