

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: Livnat.Ein-Shay@bll.co.il

24 July 2018
Reference: 2018-01- 067413

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

Immediate Report

Nature of Event: Leumi Card – Filing of Draft Prospectus

See [Immediate Report Leumi Card Prospectus isa.pdf](#)

Date and time at which the corporation first became aware of the matter being the subject of the report: 24 jolly 2018 Time: 00:30.

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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24 July 2018

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: Filing of a Draft Prospectus - Leumi Card

As described in the chapter on “Principal Controlled Companies” in the Financial Statements of Bank Leumi le-Israel B.M. (hereafter: “the **Bank**”) as of 31 December 2017, published on 6 March 2018 (Reference No.: 2018-01-021430), and in its Financial Statements as of 31 March 2018, published on 24 May 2018 (Reference No.: 2018-01-042177), the Bank is required, in accordance with the provisions of the Increased Competition and Reduced Concentration in the Israeli Banking Market Law (Legislative Amendments), 5777-2017, to sell its holdings in its subsidiary – Leumi Card Ltd. (hereafter: “**Leumi Card**”), by the time established for such in the Law.

As part of its preparation for carrying out the above, the Bank is taking action concerning several alternatives, including the sale of the holdings, or the offering of Leumi Card shares to the public, which could include a sale offer.

On the evening of 23 July 2018, pursuant to the Bank’s Immediate Report dated 29 March 2018 (Reference No. 2018-01-032380), Leumi Card filed a second draft of an Initial Public Offering Prospectus, a Shelf Prospectus and a Sale Offer, with the Israel Securities Authority. The terms for the said Offering or Sale Offer have not yet been established and we cannot at this stage estimate whether or not such an offering will actually take place.

Very sincerely,

Bank Leumi Le-Israel B.M.

By: Hanan Friedman
Head of Strategy and Regulation Division