

Translation of Immediate Report

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Public

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.EinShay@bll.co.il

26 May 2019

Reference: 2019-01-050788

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

Immediate Report

Nature of Event: Agreement for the Purchase of shares of Ta'avura Holdings Ltd.

Reference Number of previous reports on the matter: 2019-01-048514

See Annex attached hereto: [26519isa.pdf](#)

The company is not an envelope company as that term is defined in the Stock Exchange bylaws.

Date and time at which the corporation first became aware of the event or matter: 26 May 2019, at 13:05.

Name of Electronic Reporter: David Raoul Sackstein, Position: Advocate, General Secretary
Yehuda Halevi Street 34, Tel Aviv 6513616, Phone: 076-8857984, Facsimile: 076-8859732
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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/>

26 May 2019

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: Agreement for the purchase of shares of Ta'avura Holdings Ltd.
"Ta'avura"

Bank Leumi le-Israel BM (the "**Bank**") is pleased to report as follows:

Pursuant to the Bank's Immediate Report dated 21 May 2019 (Reference No. 2019-01-048514), on 26 May 2019, Leumi Partners Ltd. ("**Leumi Partners**") the Bank's subsidiary, alongside entities from the Phoenix Insurance Company ("the **Phoenix**") Group, entered into an agreement with Nesher Israel Cement Enterprises Ltd. ("**Nesher**") concerning the purchase by Leumi Partners and by the Phoenix of some 20% Ta'avura's shares. Each of Leumi Partners and the Phoenix will purchase some 20% of the shares of Ta'avura in exchange for some NIS 250.5 million, which represents a company value for Ta'avura of some NIS 1.255 billion.

The agreement includes representations, declarations and undertakings from the parties, and restrictions on unusual transactions and/or actions at Ta'avura and its subsidiaries during the interim period until the completion date, all as is standard in agreements of this type.

Upon completion of the transaction, a shareholder agreement among Leumi Partners, the Phoenix and Avraham Livnat Ltd. - the controlling shareholder of Ta'avura - will enter into effect. The agreement regulates their relationships as shareholders in Ta'avura, and contains standard provisions – including provisions concerning the shareholders' rights to appoint Ta'avura directors, certain provisions regarding the protection of Leumi Partners' and the Phoenix' rights as minority shareholders in Ta'avura, and provisions regarding the transfer of Ta'avura shares.

The completion of the transaction is subject to the satisfaction of the conditions precedent, within 60 days from the signature of the agreement (a deadline which can be extended two times, each time for a period of 30 days, upon written notice from any of the parties). The main conditions precedent are an approval from the Committee To Reduce Concentration, given the fact that after the completion of the purchase of the Ta'avura shares, it will cease to be a significant non-financial company; the satisfaction of the conditions precedent in the agreement dated 26 May 2019 between Nesher and Avraham Livnat Ltd., for the purchase of an additional 10% of the Ta'avura shares by Avraham Livnat Ltd.; and the

completion of the said purchase and the receipt of the approval of certain third parties that Ta'avura requires.

Accordingly, there is no certainty that the conditions precedent will be satisfied or regarding the date on which they will be satisfied and of the completion of the transaction.

Very respectfully,

Bank Leumi le-Israel Ltd.

By

Ronen Agassi, Head of the Capital Markets Division