

ISRAEL DISCOUNT BANK LTD.

Registration no.: 520007030

FAO: Israel Securities Authority
www.isa.gov.il

FAO: The Tel Aviv Stock Exchange Ltd.
www.tase.co.il

T121 (Public)

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IMMEDIATE REPORT

Explanation: This form is not to be used if a form exists that is suitable for the reported event

Nature of the event: *Immediate Report*

Reference numbers of previous reports relating to this topic: _____

We hereby announce that the subsidiary of the Bank, Israel Credit Cards Ltd., has approved its financial statements as at March 31, 2022.

See attachment below

The Company *is not* a shell company as defined in the TASE Code

The date when the Corporation first learned of the event: *May 19, 2022 at 16:30*

Details of signatories authorized to sign in the name of the Corporation:

	Name of Signatory	Position
1	<i>Joseph Beressi</i>	<i>Senior Executive Vice President and Chief Accountant</i>
1	<i>Barak Nardi</i>	<i>Executive Vice President and Head of the Planning, Strategy and Finance Division</i>

Reference numbers of previous documents relating to this topic (their mention does not constitute their inclusion by way of reference):

The securities of the Corporation are listed for trade on the Tel Aviv Stock Exchange Date of updating structure of form: 30/12/2021
Abbreviated name: Discount
Address: 23 Yehuda Halevi St., Tel Aviv 6513601, Israel Tel: 972-3-9439111; Fax: 972-3-5171674
Email: michal.sd@discountbank.co.il

Prior names of the reporting entity:

Name of person making electronic report: Tenne, Ayelet Position: General Secretary Name of Employing Company:

Address: 23 Yehuda Halevi St., Tel Aviv 6513601, Israel Tel: +972-76-8058862; Fax: 972-3-5171674 Email: ayelet.tenne@dbank.co.il

Israel Discount Bank's Immediate Reports are published in Hebrew on the website of the Israel Securities Authority and the Tel Aviv Stock Exchange.

The English translation is prepared for convenience purposes only.

In the case of any discrepancy between the English and Hebrew versions, the Hebrew will prevail.



CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT AND LOSS

	Three months ended		Year ended
	March 31	March 31	December 31
	2022	2021	2021
	(Unaudited)		(Audited)
In NIS millions			
Income			
Credit card transactions	377	317	1,432
Net interest income	160	129	548
Noninterest financing income (expenses)	17	1	5
Total income	554	447	1,985
Expenses			
For credit losses	(1)	(4)	(9)
Operating (1)	192	155	684
Selling and marketing (1)	149	129	533
Administrative and general (1)	21	18	85
Payments to banks	78	62	301
Total expenses	439	360	1,594
Profit (loss) before taxes	115	87	391
Provision for taxes on profit	35	27	122
Profit (loss) after taxes	80	60	269
Company's equity in profits (losses) of associate, net of tax effect	*-	*-	2
Net profit (loss)	80	60	271
Basic and diluted earnings (loss) per ordinary share in NIS:	72.9	54.6	246.9

* Represents an amount of less than NIS 1 million.

(1) Of which: in respect of salaries and social benefits in the amounts of NIS 97, 88 and 368 million in the first three months of 2022 and 2021 and in the year 2021, respectively. It should be clarified that the aforesaid amounts include only the service cost with this being in accordance with Update 2017-07 of the Codification, about improving the presentation of expenses for pension and other post-retirement benefits.

Esther Deutsch
Chair of the Board of Directors

Levy Halevy
Chief Executive Officer

Shaul Mizrahi
Vice President, Chief Accountant

Date of approval of the financial statements: May 19, 2022.



CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

	Three months ended		Year ended
	March 31	March 31	December 31
	2022	2021	2021
	(Unaudited)		(Audited)
	In NIS millions		
Net profit (loss) attributable to equity holders of the Company	80	60	271
Other comprehensive income (loss) before taxes:			
Adjustments to liabilities in respect of employee rights**	12	(1)	19
Other comprehensive income (loss) before taxes	12	(1)	19
Related tax effect	(3)	*-	(4)
Other comprehensive income (loss) attributable to equity holders of the Company, after taxes	9	(1)	15
Comprehensive income attributable to equity holders of the Company	89	59	286

** Mainly reflects adjustments in respect of period-end actuarial estimates of defined benefit pension plans and the write-down of amounts recorded previously in other comprehensive income.



CONDENSED CONSOLIDATED INTERIM BALANCE SHEET AS OF

	March 31	March 31	December 31
	2022	2021	2021
	(Unaudited)		(Audited)
	In NIS millions		
Assets:			
Cash and bank deposits	107	56	57
Accounts receivable on credit card transactions	15,904	18,769	15,373
Provision for credit losses	(329)	(382)	(349)
Accounts receivable on credit card transactions, net	15,575	18,387	15,024
Securities	30	27	30
Investments in associate	9	13	9
Buildings and equipment	589	467	567
Other assets	557	435	389
Total assets	16,867	19,385	16,076
Liabilities and equity:			
Credit from banks	1,830	5,024	1,502
Accounts payable on credit card transactions	11,885	11,851	11,633
Subordinated notes	-	7	7
Other liabilities	847	514	718
Total liabilities	15,562	17,396	13,860
Total equity	2,305	1,989	2,216
Total liabilities and equity	16,867	19,385	16,076



CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

	Paid-up share capital	Retained earnings	Other comprehensive income (loss)	Total equity
In NIS millions				
For the three-month period ended March 31, 2022 (unaudited)				
Balance as at January 1, 2022	*-	2,244	(28)	2,216
Other comprehensive loss, net, after tax effect	-	-	9	9
Net profit for the period	-	80	-	80
Balance as at March 31, 2022	*-	2,324	(19)	2,305
For the three-month period ended March 31, 2021 (unaudited)				
Balance as at January 1, 2021	*-	1,973	(43)	1,930
Other comprehensive profit, net, after tax effect	-	-	(1)	(1)
Loss for the period	-	60	-	60
Balance as at March 31, 2021	*-	2,033	(44)	1,989
For the year ended December 31, 2021 (audited)				
Balance as at January 1, 2021	*-	1,973	(43)	1,930
Other comprehensive loss, net, after tax effect	-	-	15	15
Net profit for the year	-	271	-	271
Balance as at December 31, 2021	*-	2,244	(28)	2,216

* Represents an amount of less than NIS 1 million.



CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

	Three months ended		Year ended
	March 31	March 31	December 31
	2022	2021	2021
	(Unaudited)		(Audited)
In NIS millions			
Cash flows from operating activities:			
Net profit (loss) for the period	80	60	271
Adjustments:			
Company's equity in undistributed profits (losses) of associate	(*.)	(*.)	(2)
Depreciation of buildings and equipment	25	23	97
Expenses (revenues) for credit losses	(1)	(4)	(9)
Deferred taxes, net	(129)	(3)	15
Realized gain from securities	*.	(1)	1
Severance pay - increase in excess of liability over amount funded	-	-	6
Net changes in current assets:			
Accounts receivable on credit card transactions, net	(59)	(918)	3,374
Effect of exchange rate fluctuations on cash balances	(1)	(4)	(4)
Other assets	(43)	(47)	(23)
Net changes in current liabilities:			
Accounts payable on credit card transactions, net	252	933	715
Other liabilities	143	(3)	224
Net cash flows provided by operating activities	4,665	36	267
Cash flows from investing activities:			
Proceeds from sale of securities	-	-	(3)
Credit to cardholders and merchants, net	(492)	133	(769)
Acquisition of buildings and equipment	(47)	(30)	(204)
Net cash flows provided by (used in) investing activities	(539)	103	(1,003)
Cash flows from financing activities:			
Short-term credit from banks, net	328	(132)	(3,654)
Redemption of subordinated notes	(7)	(7)	(7)
Net cash flows used in investing activities	321	(139)	(3,661)
Increase (decrease) in cash and cash equivalents	49	(*.)	1
Effect of exchange rate fluctuations on cash balances	1	4	4
Cash and cash equivalents at beginning of year	57	52	52
Cash and cash equivalents at end of period	107	56	57
Interest received	167	133	566
Interest paid	(6)	(7)	(24)
Dividends received	*.	*.	8
Taxes on income received	11	8	28
Taxes on income paid	(102)	(30)	(98)

* Represents an amount of less than NIS 1 million.