



Is the dividend amount per security final? *Yes*

The dividend amount per security is subject to changes due to \_\_\_\_\_

7. The rates of tax withholdings set forth below are for the purpose of the TASE members making the tax withholdings.

7A Composition of the sources of the dividend being distributed by an Israel resident company from shares and financial instruments, other than by a REIT fund.

	<b>% of Dividend</b>	<b>Individuals</b>	<b>Corporate</b>	<b>Foreign Residents</b>
Income liable to corporate tax	100	25%	0%	25%
Income originating overseas	0	25%	23%	25%
Income from approved/privileged enterprise	0	15%	15%	15%
Income from Irish privileged enterprise through 2013	0	15%	15%	4%
Income from Irish privileged enterprise from 2014	0	20%	20%	4%
Preferred income	0	20%	0%	20%
Income from tourism/agriculture approved enterprise	0	20%	20%	20%
Income from approved/privileged enterprise that has given a waiver notice	0	15%	0%	15%
Distribution classified as a capital gain	0	25%	23%	0%
Distribution by way of participation units	0	0	0	0
Other	0	0	0	0

7B Dividend being distributed by a foreign resident company

	<b>Individuals</b>	<b>Companies</b>	<b>Foreign Residents</b>
Dividend being distributed by a foreign resident company	25%	23%	0%

7C Dividend being distributed by a real estate investment trust

	<b>% of Dividend</b>	<b>Individuals</b>	<b>Companies</b>	<b>Foreign Resident Companies</b>	<b>Exempt Mutual Fund</b>	<b>Provident Fund</b>
Real estate betterment, capital gain and depreciation	_____	25%	23%	23%	0%	0%
Other taxable income (e.g., rent)	_____	47%	23%	23%	23%	0%
Income-producing real estate for housing rental purposes	_____	20%	20%	20%	0%	0%
Taxable income in the hands of the fund	_____	25%	0%	25%	0%	0%
Extraordinary income	_____	70%	70%	70%	60%	70%
Other	_____	_____	_____	_____	_____	_____
Weighted withholdings tax %	100%	_____	_____	_____	_____	_____

8. Number of dormant securities of the Corporation that are not entitled to a dividend payment and for which a letter should be furnished waiving receipt of the dividend payment: \_\_\_\_\_
9. Effect of the dividend distribution on convertible securities:
- The Company has no convertible securities
  - The dividend distribution has no effect on the convertible securities.
  - The effect of the dividend distribution on the convertible securities is as follows:

Name of Security	Registration Number of the Security	Remarks
<i>Discount 6/22 Options</i>	6910202	Other <i>If the Bank distributes profits (dividends) in cash to all shareholders and the record date for entitlement to receive this profit distribution falls after the date of granting the options but prior to their actual exercise date, the exercise price of each option, which has not yet been exercised prior to the aforesaid record date passing, will be reduced by the full gross amount of the dividend per share (up to the par value of the share), which was distributed as aforesaid.</i>

10. Recommendations and resolutions of the Board of Directors in connection with the dividend distribution in accordance with Regulation 37(a)(1) of the Securities Regulations (Periodic and Immediate Reports), 5730-1970:
- \_\_\_\_\_

*A disclosure in relation to the resolution of the Board of Directors is presented in the appendix below:*

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

	Name of Signatory	Position
1	<i>Joseph Beressi</i>	<i>Other Senior Executive Vice President, Chief Accountant</i>
2	<i>Assaf Pasternak</i>	<i>Other Executive Vice President, Head of Capital Markets 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: 02/05/2023  
 Abbreviated name: Discount  
 Address: 23 Yehuda Halevi St., Tel Aviv 6513601, Israel Tel: 972-3-9439111; Fax: 972-3-5171674  
 Email: [michal.sd@dbank.co.il](mailto:michal.sd@dbank.co.il)

Prior names of the reporting entity:

Name of person making electronic report: Tenne, Ayelet Position: Lawyer, 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](mailto: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.***

**Appendix to Immediate Report – Regulation 37(a)(1) of the Regulations  
Disclosure in Relation to the Board of Directors’ Decision to Distribute a Dividend in Accordance  
with Regulation 37(a)(1) of the Securities Regulations (Periodic and Immediate Reports), 5730-  
1970**

1. On May 16, 2023, the Bank’s Board of Directors approved a dividend distribution at the rate of 30% of the net profit for the first quarter of 2023.
2. The Bank’s Board of Directors has determined that the dividend distribution complies with the distribution criteria prescribed in the Companies Law, 5759-1999 (the profit test and the solvency test) and is in conformity with Directive 331 of the Proper Conduct of Banking Business Directives in connection with restrictions on making a dividend distribution.
3. Regarding compliance with the profit criterion – the balance of profits, according to the meaning of this term in Section 302 of the Companies Law, prior to the distribution, exceed the amount that is to be distributed and total NIS 21,448 million.
4. Regarding compliance with the solvency criterion and with regulations to which banking corporations are subject – the Board of Directors has examined the effect of the distribution on the capital structure, on the capital adequacy and the leverage and liquidity ratios, basing their examination, inter alia, on forecasts for the coming year in relation to the Bank’s operating results in the year immediately following the dividend distribution. Pursuant to said examination, the capital adequacy ratio and the leverage and liquidity ratios will not be lower than the ratios required. The Board of Directors has determined that the distribution complies with the terms prescribed in Proper Conduct of Banking Business Directive No. 331 (Dividend Distribution by a Banking Corporation), that the dividend distribution has no material effect on the Bank’s financial position and that no concern exists that the dividend distribution will prevent the Bank from meeting its existing and anticipated obligations.
5. Based on the aforesaid and after holding a discussion on this topic, and in accordance with the dividend policy approved on December 26, 2017, the Board of Directors has approved the distribution of the aforesaid dividend in an amount of NIS 380.7 million.

The information presented above includes forward-looking information as this term is defined in the Securities Law, 1968. The Bank’s assessments regarding its operating results in the year immediately following the dividend distribution and the capital adequacy ratio and the leverage and liquidity ratios in this period, are based on an analysis of the Bank’s cash flows, the Bank’s existing obligations and scenarios that might negatively impact on its existing and anticipated liabilities. These assessments might not be realized, wholly or partly, or might be realized in a manner materially different than that expected, inter alia due to changes in market conditions and the materialization of any of the risks set forth in the Board of Directors Report as of December 31, 2022.