

T121
Public

ISRAEL DISCOUNT BANK LTD.

Registration no. 520007030

The securities of the corporation are listed for trading on the Tel Aviv Stock Exchange

Abbreviated name: Discount

Address: 23 Yehuda Halevi St., Tel Aviv 6513601, Israel

Tel: 972-3-5145582; 972-3-5145544; Fax: 972-3-5171674

e-mail: michal.sd@discountbank.co.il

Transmission date: November 29, 2015

Reference: 2015-01-167553

Israel Securities Authority
www.isa.gov.il

Tel Aviv Stock Exchange Ltd.
www.tase.co.il

Immediate Report

Nature of the event: Immediate Report

Attached is an immediate report regarding the purchase of the minority's shares in Diners by CAL.

See the attachment below.

The date when the Corporation first learned of the event: *November 29, 2015 at 16:15*

The Report has been signed on behalf of the Corporation, in accordance with Regulation 5 of the Securities Regulations (Periodic and Immediate Reports), 5730-1970, by Adv. Esther Deutsch, Senior Executive Vice President and Chief Legal Counsel and Yuval Gavish, Senior Executive Vice President and Head of the Banking Division.

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

2015-01-094494

Prior names of the reporting entity:

Date of updating structure of form: November 4, 2015

Name of person making electronic report: Sokolov-Danoch, Michal; Position: Corporate Secretary

Name of Employing Company:

23 Yehuda Halevi St., Tel Aviv 6513601, Israel, Tel: +972-3-5145582; Fax: +972-3-5171674

e-mail: ruth.moshkovitz@discountbank.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.



ATTACHMENT

**ISRAEL DISCOUNT BANK LTD.
("The Bank")**

November 29, 2015

**Israel Securities Authority
Via Magna**

**The Tel Aviv Stock Exchange Ltd.
Via Magna**

Immediate Report

Further to that stated in the interim financial statements as of September 30, 2015 (page 48; page 53 of the English translation), regarding negotiations for the acquisition of the minority interests in Diners Club Ltd. ("**Diners**"), the Bank hereby announces that, on November 29, 2015, Israel Credit Cards Ltd., a subsidiary of the Bank ("**CAL**") and Diners, a subsidiary of CAL, the first party, entered into an agreement with Dor Alon Finances Ltd. ("**Dor Alon**") and with Alon Blue Square Israel Ltd. ("**Blue Square**"), the second party, whereby CAL will acquire all the holdings of Dor Alon and Blue Square in Diners (49%) (collectively: the "**Sold Shares**"), so that upon closing the transaction CAL will hold all the rights (100%) in Diners.

On the date of closing the transaction, against the transfer of the Sold Shares, CAL will pay a total consideration in an amount of NIS 130 million to Blue Square and Dor Alon.

CAL will pay Blue Square and Dor Alon an additional consideration in an amount of NIS 20 million, in four future installments, with the first of these expected to be paid in March 2016, and the last in September 2017, subject to the fulfillment of various conditions relating, inter alia, to the club card agreement between Diners and the YOU club card partnership ("the Club Card Agreement").

The closing of the transactions is contingent on receipt of regulatory approvals, approvals from the competent authorities and approvals from the international organizations, to the extent that these are required.

Yours sincerely,

ISRAEL DISCOUNT BANK LTD.