

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	T078 (Public)	Magna transmission date: September 2, 2019 Reference No.: 2019-01-076887
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Immediate Report Regarding Entity Becoming an Interested Party of the Corporation

Regulation 33(e)-(f) of the Securities Regulations (Periodic and Immediate Reports), 5730-1970

1. Details of the holder:

First name as it appears in passport _____

Surname/Name of Corporation *EXCELLENCE INVESTMENTS LTD.*

Type of identity number: *Number with the Registrar of Companies in Israel*

☒ The holder is a corporation

Identity number: *520041989*

Citizenship/Country of incorporation or registration: *Incorporated in Israel*

Country of citizenship/incorporation or registration: _____

Address: *25 Eyal Street, Petah Tikva, Israel*

Does the holder serve as a representative for reporting purposes of a number of shareholders who hold securities of the Corporation together with him: *Yes*

Name of the controlling shareholder in the interested party: *See the remark relating to Item 1*

Identity number of the controlling shareholder in the interested party: *See below*

2. Details of the transaction as a consequence of which the holder became an interested party in the Corporation:

a. Nature of transaction – Increase due to off-exchange purchase

b. Name and class of security involved in the transaction: *Discount A*

c. Stock Exchange security registration number: *691212*

d. Date transaction took place: *August 29, 2019*

e. Number of securities involved in the transaction: *1,412,705*

f. Price at which the transaction took place: *1,471 agurot [100 agurot = 1 shekel]* _____

g. Are the shares dormant shares or securities convertible into dormant shares: *No*

h. Was the whole consideration paid on the date of the change: *...Yes*

If the whole consideration was not paid on the date of the change, please state the payment completion date _____

3. A. Status of interested party's holdings following the transaction:

Name, Class and Series of Security	Stock Exchange Security Registration Number	Number of Securities	Dormant *	Holdings		Holdings (Fully Diluted)	
				% of Equity	% of Voting	% of Equity	% of Voting
<i>Discount A</i>	691212	37,583,890	No	3.23	3.23	3.23	3.23
<i>Subordinated debentures (Series J)</i>	6910129	3,049,749	No	0	0	0	0
<i>Subordinated debentures (Series K)</i>	6910137	4,348,320	No	0	0	0	0
<i>Subordinated debentures (Series L)</i>	6910160	156	No	0	0	0	0
<i>Discount CN A</i>	6910095	797,928	No	0	0	0	0

B. ☐ The holder is not a member of an institutional reporting group

☐ The holder is not a member of an institutional reporting group, but serves as a senior officer, other than as CEO or a director, and is not an interested party by virtue of his holdings

☒ The holder is a member of an institutional reporting group.

Details of its holdings are presented below:

Holder	Name, Class and Series of Security	Stock Exchange Security Registration Number	Number of Securities	Dormant
<i>Joint investment trust fund management companies</i>	<i>Discount A</i>	691212	37,583,890	No
<i>Joint investment trust fund management companies</i>	<i>Subordinated debentures (Series J)</i>	6910129	3,049,749	No
<i>Joint investment trust fund management companies</i>	<i>Subordinated debentures (Series K)</i>	6910137	4,348,320	No
<i>Joint investment trust fund management companies</i>	<i>Subordinated debentures (Series L)</i>	6910160	156	No
<i>Joint investment trust fund management companies</i>	<i>Discount CN A</i>	6910095	797,928	No

* It should be noted whether these are dormant shares or securities convertible into dormant shares

4. ☐ The interested party does not hold shares or other securities in an investee company, if its activity is material in relation to the activity of the reporting Corporation

☒ The interested party holds shares or other securities in an investee company, if its activity is material in relation to the activity of the reporting Corporation, as set forth below.

1

Name of the investee company with material activity in relation to the activity of the reporting Corporation: *Discount Manpikim Ltd.*

Type of identity number: *Number with the Registrar*

Identity number: *520029935*

Country of incorporation or registration: <i>Incorporated in Israel</i> Country: _____	
Nature of connection to the reporting Corporation:	
<i>Subsidiary</i>	
Class of security: <i>Discount Man B2</i>	Stock Exchange security registration number: <i>7480023</i>
Number of securities: <i>1,249,445</i>	Holding of all securities of that class: <i>1.04%</i>
Holding of equity: <i>0%</i>	Holding of voting: <i>0%</i>

2	
Name of the investee company with material activity in relation to the activity of the reporting Corporation: <i>Discount Manpikim Ltd.</i>	
Type of identity number: <i>Number with the Registrar</i>	
Identity number: <i>520029935</i>	
Country of incorporation or registration: <i>Incorporated in Israel</i> Country: _____	
Nature of connection to the reporting Corporation:	
<i>Subsidiary</i>	
Class of security: <i>Discount Man B4</i>	Stock Exchange security registration number: <i>7480049</i>
Number of securities: <i>6,007,086</i>	Holding of all securities of that class: <i>2.07%</i>
Holding of equity: <i>0%</i>	Holding of voting: <i>0%</i>

3	
Name of the investee company with material activity in relation to the activity of the reporting Corporation: <i>Discount Manpikim Ltd.</i>	
Type of identity number: <i>Number with the Registrar</i>	
Identity number: <i>520029935</i>	
Country of incorporation or registration: <i>Incorporated in Israel</i> Country: _____	
Nature of connection to the reporting Corporation:	
<i>Subsidiary</i>	
Class of security: <i>Discount Man Bonds M</i>	Stock Exchange security registration number: <i>7480155</i>
Number of securities: <i>22,956,102</i>	Holding of all securities of that class: <i>3.17%</i>
Holding of equity: <i>0%</i>	Holding of voting: <i>0%</i>

4	
Name of the investee company with material activity in relation to the activity of the reporting Corporation: <i>Discount Manpikim Ltd.</i>	
Type of identity number: <i>Number with the Registrar</i>	
Identity number: <i>520029935</i>	
Country of incorporation or registration: <i>Incorporated in Israel</i> Country: _____	
Nature of connection to the reporting Corporation:	
<i>Subsidiary</i>	
Class of security: <i>Discount Man Bonds N</i>	Stock Exchange security registration number: <i>7480163</i>

Number of securities: 31,010,249	Holding of all securities of that class: 4.04%
Holding of equity: 0%	Holding of voting: 0%
5	
Name of the investee company with material activity in relation to the activity of the reporting Corporation: <i>Discount Manpikim Ltd.</i>	
Type of identity number: <i>Number with the Registrar</i>	
Identity number: 520029935	
Country of incorporation or registration: <i>Incorporated in Israel</i> Country: _____	
Nature of connection to the reporting Corporation:	
<i>Subsidiary</i>	
Class of security: <i>Discount Man N1</i>	Stock Exchange security registration number: 7480098
Number of securities: 52,217,157	Holding of all securities of that class: 4.17%
Holding of equity: 0%	Holding of voting: 0%
6	
Name of the investee company with material activity in relation to the activity of the reporting Corporation: <i>Mercantile Hanpakot Ltd.</i>	
Type of identity number: <i>Number with the Registrar</i>	
Identity number: 513686154	
Country of incorporation or registration: <i>Incorporated in Israel</i> Country: _____	
Nature of connection to the reporting Corporation:	
<i>Subsidiary</i>	
Class of security: <i>Mercantile B2</i>	Stock Exchange security registration number: 1138205
Number of securities: 5,122,600	Holding of all securities of that class: 2.02%
Holding of equity: 0%	Holding of voting: 0%

5. Additional details

Remark relating to Item 1 – To the best of the Bank's knowledge and according to the information furnished to it, The Phoenix Holdings and Excellence are interested parties in the Bank in light of their joint holdings, including holdings in corporations under their control (directly and indirectly), that exceed 5% of the Bank's share capital.

According to information furnished to the Bank by the interested party, presented below are details of the controlling shareholders of the interested party:

The controlling shareholder of Delek Group Ltd. – Yitzhak Tshuva (indirectly), ID No. 43480003 – 60.77%

The controlling shareholders/interested parties of The Phoenix Holdings Ltd., Public Co. No. 520017450 – Delek Group Ltd., Public Co. No. 520044322 – 30.13%

Mayer's Cars & Trucks Co. Ltd., Private Co. No. 510485261 – 10.32%

The controlling shareholder of The Phoenix Insurance Co. Ltd., Private Co. No. 520023185 – The Phoenix Holdings Ltd., Public Co. No. 520017450 – 100% (indirectly)

The controlling shareholder of Excellence Investments Ltd., Private Co. No. 520041989 –

The Phoenix Holdings Ltd., Public Co. No. 520017450 – 100% (indirectly)

6. The date and time when the Corporation first learned of the event or matter: *September 2, 2019 at 10:00*

The report has been signed on behalf of the Corporation pursuant to Regulation 5 of the Securities Regulations (Periodic and Immediate Reports), 5730-1970 by Joseph Beressi, Senior Executive Vice President and Chief Accountant and by Adv. Michal Sokolov-Danoch, Corporate Secretary of the Bank.

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: 06/08/2019

Abbreviated name: Discount

Address: 23 Yehuda Halevi St., Tel Aviv 6513601, Israel Tel: 972-3-5145582; 972-3-5145544; Fax: 972-3-5171674

Email: michal.sd@discountbank.co.il

Prior names of the reporting entity:

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

Address: 23 Yehuda Halevi St., Tel Aviv 6513601, Israel Tel: 972-3-5145582; Fax: 972-3-5171674 Email: michal.sd@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.