

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) Magna transmission date: April 16, 2019
Reference No.: 2019-01-034875

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: _____

See the notice attached to this report below.

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

The date when the Corporation first learned of the event: *April 16, 2019* at *17:45*

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 Esther Deutsch, Senior Executive Vice President, Head of Group Management and Regulation Division and by Joseph Beressi, Senior Executive Vice President, Chief Accountant.

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: 19/02/2019

Abbreviated name: Discount

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Email: michal.sd@discountbank.co.il

Prior names of the reporting entity:

Name of person making electronic report: Beressi, Joseph Position: Senior Executive Vice President, Chief Accountant

Name of Employing Company:

Address: 23 Yehuda Halevi St., Tel Aviv 6513601, Israel Tel: 972-3-5145544; Fax: 972-3-5144111

Email: Yossi.beressi@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



This document is a translation from the Hebrew and has been prepared for convenience purposes only. In case of any discrepancy, the Hebrew version shall prevail.

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

Date: April 16, 2019

Israel Securities Authority
www.isa.gov.il

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

Dear Sirs,

Re. Immediate Report

The Bank is pleased to announce that, on April 16, 2019, Discount Capital Ltd. ("**Discount Capital**"), a wholly owned and controlled subsidiary of the Bank entered into an agreement with Union Investments & Development Ltd. ("**the Buyer**"), Mr. Koffler, the controlling shareholder of Super Pharm (Israel) Ltd. ("**Super Pharm**") and Leumi Partners Ltd. for the sale of all Discount Capital's holdings in Super Pharm, which were acquired in 2013 and which represent 10.37% of Super Pharm's share capital, to the Buyer, for a total consideration of NIS 169 million ("**the Agreement**"). All Discount Capital's holdings will be sold and transferred to the Buyer on an "as is" and totally unencumbered basis on the transaction's closing date.

In addition, it is prescribed in the Agreement that, by the transaction's closing date, Super Pharm will distribute a dividend in a total amount of NIS 40 million to its existing shareholders (Discount Capital's share, NIS 4.1 million).

In accordance with the Agreement, on the date of acquiring Discount Capital's holdings, the Buyer will also acquire all the holdings of Leumi Partners in Super Pharm (representing 15% of Super Pharm's capital) and 9% of Mr. Koffler's holdings, whereby – upon the closing of the transaction – the Buyer will hold approximately 35% of Super Pharm's issued and paid-up share capital. The execution of the transaction and its closing are subject to the fulfillment of preconditions, the principal of which is obtaining the Antitrust Commissioner's approval.

With respect to the sale of Discount Capital's holdings in Super Pharm, should the transaction be closed, the Bank expects to record a gain (pre-tax) of NIS 20 million, this being in addition to the amount of the dividend that is to be distributed (in a pre-tax amount of NIS 24.1 million).

It should be emphasized that there is no certainty that the preconditions for closing the transaction will be fulfilled.

Yours sincerely,

Israel Discount Bank Ltd.

Signed by:

Adv. Esther Deutsch, Senior Executive Vice President, Head of Group Management and Regulation Division

Mr. Joseph Beressi, Senior Executive Vice President, Chief Accountant