



STATE OF ISRAEL
MINISTRY OF FINANCE
INTERNATIONAL AFFAIRS
DEPARTMENT

SPOKESPERSON
OFFICE

ACCOUNTANT GENERAL
OFFICE

Date: January 12, 2010

Press Release

State of Israel Sells 5% of Discount Bank Equity to Deutsche Bank

The State of Israel this morning sold a 5% stake of Israel Discount Bank to the Deutsche investment bank, which won a closed tender that was held during the night. Deutsche Bank pledged to buy a 5% stake in Israel Discount Bank and received an option to purchase up to 3.33% more shares at a 0.5% discount to their bid price. The offer for the extra shares was good until 18:00. Deutsche Bank announced this evening that they will not purchase these additional shares. As part of the deal, the State has undertaken not to sell any additional shares of the bank for 90 days.

After the Tel Aviv Stock Exchange closed for trading yesterday evening and as instructed by the Finance Minister, the Accountant-General opened an auction that was directed at 10 of the world's largest investment banks for the sale of 5% of Discount Bank's equity. This morning, 5 bids were submitted for the purchase of share parcels.