

## **IDB Development Corporation Ltd.**

Immediate report dated May 8, 2019 - reference number: 2019-01-044794

### **Subject: Partial early redemption of debentures (Series 13)**

Pursuant to the provisions of Section 6.9.2.3(C) of the trust deed for the Debentures (Series 13) of IDB Development Corporation Ltd. ("**The Company**"), dated February 14, 2017 ("**The trust deed**" and "**The debentures**", respectively), the Company announces that on May 8, 2019, the Company's Board of Directors decided to instruct the trustee for the holders of the debentures to execute a partial early redemption of the debentures on May 28, 2019, pursuant to Section 7.2 of the trust deed, as follows:

1. The Company will execute a partial early redemption of debentures in an amount of NIS 134,299,986 par value ("**The part being redeemed**"), and in an overall amount of NIS 142,896,800 in respect of principal, interest and compensation for the part being redeemed.
2. The determining date for entitlement to receive the early redemption of the principal of the debentures is May 22, 2019.
3. The early redemption constitutes 12.66981% of the original balance of the series of debentures and 25.51630% of the uncleared balance of the principal of the debentures.
4. The interest rate (including the compensation for the execution of the early repayment pursuant to Section 7.2.7.2 of the trust deed), which will be paid on the partial early redemption on the principal of the part being redeemed is 2.46047%.
5. The interest rate (including the compensation for the execution of the early repayment pursuant to Section 7.2.7.2 of the trust deed), which will be paid in the framework of the early redemption has been calculated of the uncleared balance at the time of the early redemption, is approx. 1.63335% (this rate is comprised of interest at a rate of 1.35% on the uncleared balance of the debentures (an amount of NIS 7,105,457), as well as compensation in respect of the partial early redemption of the uncleared balance, in accordance with the terms of the trust deed, at a rate of 0.28335% of the uncleared balance at the time of the early redemption (an amount of NIS 1,491,357)).
6. The uncleared balance of the principal of the debentures after the execution of the early redemption will stand at an amount of NIS 392,030,188 par value, constituting 36.98398% of the balance of the original principal debentures and 74.48370% of the uncleared balance of the principal of the debentures.
7. Pursuant to what is stated in Section 7.2.3 of the trust deed, the part being redeemed will be repaid in relation to the generality of the holders of the debentures, pro-rata in accordance with the par value of the debentures that are held.
8. The amounts that are stated in this immediate report are gross amounts and every holder will be subject to a tax indebtedness in respect of their share of the said amount.
9. An updated repayment schedule for the bonds, in accordance with the partial early repayment is attached to this immediate report as Appendix A.

After the execution of the partial early redemption, as aforesaid, the Company will refer to the trustee for the purpose of reducing the base quantity of shares, the consideration is charged in support of the holders of the debentures, insofar as this is possible in accordance with the provisions of Section 6.8.2 of the trust deed.

Convenience translation  
In any case of inconsistency, the immediate report in Hebrew shall prevail

**Appendix A – Repayment Schedule – Bonds – 13**

<b>Date</b>	<b>Balance of the principal (par value)</b>	<b>Repayment of the principal</b>	<b>Rate of the repayment of the principal</b>	<b>Payment of interest (including compensation)</b>	<b>Interest rates (on the uncleared balance)</b>
28.5.2019	526,330,174	134,299,986	*12.66981%	8,596,814	1.63335%
28.8.2019	392,030,188	-	-	5,292,408	1.35000%
28.11.2019	392,030,188	392,030,188	*36.98398%	5,292,408	1.35000%

\* The rates for the repayment of the principal are stated on the uncleared balance of the original debentures.

\*\*\*