

Convenience translation

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

IDB Development Corporation Ltd,

Immediate report dated April 6, 2020 - reference number: 2020-01-031945

Subject: The examination of the different alternatives with the controlling shareholder

Further to media publications and to note 3.A.6.a to the financial statements of IDB Development Corporation Ltd., the "**Company**") for 2019 regarding (inter alia) the main points of an outline that the Company has formulated together with the controlling shareholder in the Company, with the agreement of the Audit Committee, pursuant to which, inter alia, the Company will take action together with the controlling shareholder to formulate a plan and an outline for action in connection with the Company's financial status and for the purpose of continued servicing its obligations, the Company updates that as of the date of this immediate report, no outline has been formulated and/or offers has been submitted and/or resolutions have been made and/or any agreements have been reached, of any kind, including the Company's organs, between the Company and the controlling shareholder, and between the Company and its bond holders. As of this date and for the purposes of promoting such an outline, the Company and the controlling shareholder and/or any one on their behalf, will approach to the Company's bond holders in order to receive from the said bond holders indications with respect to their position regarding possible way of action and all subject to the law.

It should be emphasized that as of this time there is no certainty as to the formulation and the implementation of such an outline and its terms have not been formulated. If and insofar as appropriate offers are formulated, such an action will be executed through the Company and/or its controlling shareholder, in accordance with their full discretion. The Company will coordinate such an outline with the representatives of the bond holders and will publish the terms of the outline in a way that will allow all bond holders that will be interested in it, to participate in said outline.
