



STATE OF ISRAEL
MINISTRY OF FINANCE

SPOKESPERSON OFFICE

INTERNATIONAL AFFAIRS
DEPARTMENT

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Press Release

The State of Israel sold 8.33% of the shares of Discount Bank to the Swiss investment bank UBS for NIS 552 million

Minister of Finance Dr. Yuval Steinitz: “I am pleased to see the confidence expressed by the foreign banks in the Israeli economy in general and in Israeli banking in particular”

Today, the State of Israel sold 8.33% of the shares of Discount Bank to the investment bank UBS, which won a competitive proceeding held this morning, for a consideration of NIS 552,688,172. Four foreign investment banks entered bids in the tender.

In the transaction, executed by Finance Ministry Accountant General **Shouky Oren** according to the directions of Finance Minister **Dr. Yuval Steinitz**, UBS purchased 8.33% of the shares of Discount Bank at an average price of NIS 6.789 per share, or a total of NIS 552,688,172. As part of the deal, the state agreed to sell no additional shares of the bank for ninety days.

Both foreign and Israeli investors participated in the sale. This is the first time that a buyer bank (UBS) in a block-trade sale of bank shares has succeeded in generating sufficient demand in order to exercise this option. Following the completion of the transaction, the State of Israel holds 11.67% of the shares of Discount Bank. The state also holds approximately 10% of the shares of Leumi Bank.

Minister of Finance **Dr. Yuval Steinitz** commented: “Further to the plan I have outlined, in today’s successful transaction we sold 8.33% of the shares of Discount Bank held by the state. I am pleased to see the confidence expressed by the foreign banks in the Israeli economy in general and in Israeli banking in particular. We will continue to work to sell the remaining shares of the banks – Discount and Leumi – held by the state, with due attention to market conditions.”

Accountant General **Shouky Oren** added: “The sale of the state’s shares of the bank was an immense success. The goal of the deal was to take advantage of the high demand from investors, which allowed the state to continue the process of realizing its holdings in the bank. The proceeds of the transaction will enable us to reduce bond issuance by the government and lower the ratio of debt to GDP.”