

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

## **IDB Development Corporation Ltd,**

Immediate report dated February 18, 2020 - reference number: 2020-01-014371

### **Subject: Supplementation of Collateral (Clal) - Dolphin's Undertaking**

Further to the immediate report of IDB Development Corporation Ltd. (the “**Company**”) dated February 5, 2020 (the “**Previous Report**”) in connection with guarantees provided by Dolphin Netherlands BV (the Company’s direct controlling shareholder, “**Dolphin Netherlands**”), undertook towards the financing entities through whom swap transactions were performed by the Company in connection with shares of Clal Insurance Enterprises Holdings Ltd. in August 2018 and in November 2018 (jointly: the “**Banks**” and the “**Swap Transactions**”, respectively), which constitute a part of the pledged deposits (which the Company undertook as part of the terms of the aforementioned swap transactions (for additional details, see Note 3.B.3 to the Company’s financial statements for 2018), the Company updates that until February 18, 2020, Dolphin Netherlands has deposited additional guarantees in the aggregate amount (for both banks) of approximately NIS 9 million, all in accordance with the dolphin obligation (as detailed in the previous report) and in accordance with the terms of the swap transactions (as described in Note 3.B.3 above).

As of the date of this report, Clal Insurance Enterprises is held by the Company at a rate of approximately 8.5% (of which, approximately 3.5% through the trustee for the Company’s shares in Clal Insurance Enterprises, Mr. Moshe Terry). The investment in Clal Insurance Enterprises includes, in addition to the aforementioned holding, also an investment through swap transactions with respect to shares of Clal Insurance Enterprises at a rate of approximately 7.1%, as reported by the Company. For additional details, including regarding the accounting presentation of the investment in Clal Insurance Enterprises (including the aforementioned swap transactions) in the Company’s statement of financial position, see Note 3.B. to the third quarter reports. Additionally, for details regarding the position of the Israel Securities Authority regarding the classification of the parties to the swap transaction, see section 3.9.1 in Part A of the Company’s periodic report for 2018.

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