



## **US Regulatory Authorities announce formal lifting of Cease & Desist Order on IDBNY effective immediately**

**Tel-Aviv, Israel – 4<sup>th</sup> June 2009** – Israel Discount Bank Limited (TASE:DSCT) (“the Bank”), Israel’s third largest bank, announced today that its wholly owned subsidiary, Israel Discount Bank of New York (IDBNY) has received formal notification from the US regulatory authorities, regarding the immediate lifting of the cease and desist order imposed on IDBNY in December, 2005.

Shlomo Zohar, Chairman of Discount Bank Group “The process that was originally imposed on the bank became, during its implementation, a process of wide-reaching changes and reorganization. Meaningful changes have been made in the bank’s management profile, business capabilities, risk management processes, working relationship with the local authorities, as well as in the bank’s infrastructure and its future capabilities. The effort was prolonged, yet worthwhile.”

The announcement of the regulatory authorities brings to a close a long, complex and costly process, during which the bank, under the management of CEO, Reuven Spiegel, worked diligently toward rectifying all of the shortcomings made known by the regulatory authorities. The lifting of the order is subsequent to the completion of all audits by the authorities and their satisfaction with all actions taken by IDBNY, especially important at the present time given the economic backdrop in the US and heightened regulatory involvement.

Reuven Spiegel, CEO of IDBNY “The announcement of the regulatory authorities brings to a close a lengthy period of remedial measures taken by the bank and allows for a new chapter in our business development.

IDBNY is the largest of the Israeli banks operating in the US. The lifting of the order will result in a material reduction in the related costs at IDBNY, allow the implementation of strategic initiatives, as well as position the bank more competitively, leading to a greater contribution to the overall group results.

### **About Israel Discount Bank**

Israel Discount Bank is the third largest banking franchise and a leading financial group in Israel. With nationwide coverage, and a strong and growing domestic franchise, Israel Discount Bank provides a full spectrum of corporate and retail financial products and services to its clients, both in Israel and key financial centers around the world. Israel Discount Bank is a member of and is traded on the Tel-Aviv Stock Exchange under the ticker DSCT. For additional information, please visit the Company’s investor relations website at <http://www.discountbank.co.il/IR>

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