

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16
OF THE SECURITIES EXCHANGE ACT OF 1934

For the month of February 2016

ALON BLUE SQUARE ISRAEL LTD.
(translation of registrant’s name into English)

EuroparkYakum, France Building.
Yakum 60972 Israel
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40 F:

Form 20-F ☒ Form 40-F ☐

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): _____

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): _____

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ALON BLUE SQUARE NOTIFIED OF RECEIPT OF UPDATED OFFERS FOR ACQUISITION OF CONTROL OF THE COMPANY
COMPANY ALSO NOTIFIED OF VOTING INSTRUMENTS SENT
TO HOLDERS OF SERIES C DEBENTURES

YAKUM, Israel, February 12, 2016, Alon Blue Square Israel Ltd. (NYSE: BSI) (the “Company”) announced, in furtherance of its previous announcement, that it has been notified of the receipt of updated offers for the acquisition of control of the Company. The updated offers by Mr. Moti Ben-Moshe and Gindi Israel 2010 Ltd. both provide for the acquisition of the approximate 72.71% direct and indirect interest in the Company held by Alon Israel Oil Company Ltd. ("Alon") for NIS 115 million. The transactions would also include receipt of all rights derived from an approximately NIS 110 million loan that Alon Oil granted to the Company, including rights to a share issuance relating to such loan, if any, as well as the rights to a subordinate loan of NIS 60 million that Alon Oil granted to the Company.

A summary of the updated offers from Mr. Moti Ben-Moshe and Gindi Israel 2010 Ltd. has been submitted by the Company on a Form 6-K submitted to the Securities and Exchange Commission.

The Company was also notified that that voting instruments relating to these offers have been sent to the holders of the Series C Debentures. The Debenture holders will have until Monday, February 15 to vote on which offer, if any, their representatives will be instructed to conduct negotiations. In addition, the holders will also vote on a proposal to automatically call for immediate payment of the Series C Debentures on the earlier to occur of (i) sale of control of the Company by Alon Israel Oil Company (Alon) without approval of the Series C Debentures and (ii) elapse of 30 days without the submission of a petition to the court (with approval of the trustee and representatives of the Debentures) to convene meetings to approve a debt arrangement between the Company and its financial creditors. The holders will also vote on an alternative proposal to convene a meeting of the holders of the Series C Debentures after the elapse of 30 days to vote on whether to call for immediate payment of the Series C Debentures if by such 30th day a petition is not submitted to the court (with approval of the trustee and representatives of the Debentures) to convene meetings to approve a debt arrangement between the Company and its financial creditors. Lastly, the holders will vote on a proposal to authorize the trustee to postpone the payment date of principal and interest on the Debentures from time to time in the future to no later than April 15 (or, if earlier, the effective date of any decision to call the Debentures for immediate payment) after consulting with the Debenture holder representatives.

Each offer is subject to the approval of the Company, Alon, and the Company's financial creditors (and other closing conditions)
There is no assurance that Alon will sell its interest in the Company on the terms described above or in the Company's filings with the Securities and Exchange Commission or at all.

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Alon Blue Square Israel Ltd. (hereinafter: "Alon Blue Square") operates in five reportable operating segments. In the Fueling and Commercial Sites segment, Alon Blue Square through its 63.13% subsidiary, which is listed on the Tel Aviv stock exchange ("TASE"), Dor Alon Energy in Israel (1988) Ltd. is one of the four largest fuel retail companies in Israel based on the number of petrol stations and a leader in the field of convenience stores operating a chain of 211 petrol stations and 220 convenience stores in different formats in Israel. In its supermarket segment, Alon Blue Square is a pioneer in the modern food retail, and its subsidiary, Mega Retail Ltd., currently operates through court-appointed trustees 127 supermarkets under different formats, each offering a wide range of food products, "Near Food" products and "Non-Food" products at varying levels of service and pricing. In its "Houseware and textile" segment, Alon Blue Square, through its TASE traded 77.51% subsidiary, Na'aman Group (NV) Ltd. Operates specialist outlets in self-operation and franchises and offers a wide range of "Non-Food" products as retailer and wholesaler. In the Real Estate segment, Alon Blue Square, through its TASE traded 53.92% subsidiary Blue Square Real Estate Ltd., owns, leases and develops income producing commercial properties and projects. In addition, Alon Blue Square operates the clearance of gift certificates.

Forward-looking statements

This press release contains forward-looking statements within the meaning of safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements may include, but are not limited to, plans or projections about our business, our future revenues, expenses and profitability. Forward-looking statements may be, but are not necessarily, identified by the use of forward-looking terminology such as "may," "anticipates," "estimates," "expects," "intends," "plans," "believes," and words and terms of similar substance. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual events, results, performance, circumstance and achievements to be materially different from any future events, results, performance, circumstance and achievements expressed or implied by such forward-looking statements. These risks, uncertainties and other factors include, but are not limited to, the following: the uncertainty whether the Alon will sell its shares in the Company under the terms described in the Company's filings with the Securities and Exchange Commission or at all; the uncertainty of the sale of BSRE on favorable terms or at all; failure to reach a settlement with our bank lenders and holders of our Series C Debentures; the economic conditions in Israel on the sales in our stores and of our products and on our profitability; our ability to compete effectively against low-priced supermarkets, large fuel companies and our other competitors; enactment of new laws and regulations, including the enactment of recommendations of governmental appointed committees and regulations with respect to the procurement of petroleum products by fuel companies and the price of petroleum products that are subject to regulation; quarterly fluctuations in our operating results that may cause volatility of our ADS and share price; fluctuations in the price of petroleum products and increases in excise tax rates imposed on the sale of petroleum products in Israel; risks associated with our dependence on a limited number of key suppliers for products that we sell in our stores; the effect of an increase in the minimum wage in Israel on our operating results; the effect of any actions taken by the Israeli Antitrust Authority on our ability to execute our business strategy and on our profitability; the effect of increases in oil, raw material and product prices in recent years; the effects of damage to our reputation or to the reputation of our store brands due to reports in the media or otherwise; government policies with respect to residential building may have a negative impact on our operations in residential building, and other risks, uncertainties and factors disclosed in our filings with the U.S. Securities and Exchange Commission (SEC), including, but not limited to, risks, uncertainties and factors identified under the heading "Risk Factors" in our annual report on Form 20-F for the year ended December 31, 2014. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release. Except for our ongoing obligations to disclose material information under the applicable securities laws, we undertake no obligation to update the forward-looking information contained in this press release.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed by the undersigned, thereunto duly authorized.

ALON BLUE SQUARE ISRAEL LTD.

February 12, 2016

By: /s/ Zehavit Shahaf
Zehavit Shahaf, Adv.
General Counsel and Corporate Secretary

Summary of Updated Offers by Mr. Moti Ben-Moshe and Gindi Israel 2010 Ltd.

The updated offers by Mr. Moti Ben-Moshe and Gindi Israel 2010 Ltd. both provide for the acquisition of the approximate 72.71% direct and indirect interest in the Company held by Alon Israel Oil Company Ltd. ("Alon") for NIS 115 million. The transactions would also include receipt of all rights derived from an approximately NIS 110 million loan that Alon Oil granted to the Company, including rights to a share issuance relating to such loan, if any, as well as the rights to a subordinate loan of NIS 60 million that Alon Oil granted to the Company.

Below is a summary of the updated offers.

Ben-Moshe Proposal

The transaction proposed by Ben-Moshe is subject to closing conditions to be satisfied within 60 days of acceptance of the offer (40 days in the case of clause (i) below), including, but not limited to (i) petition to court to call for meetings of creditors to approve the debt arrangement between the Company and its creditors (on terms agreed by purchaser) based on the following principles, among others: (A) annual interest of 5% linked to CPI (4% payable currently and 1% accrued) and upside interest of 1% in cases to be determined; (B) debt repayment schedule and grant of liens in favor of the Company's financial creditors in the proposed framework previously announced by the Company on November 2; and (C) issuance of 10% of the shares of the Company to the Company's financial creditors, taking into account the purchaser's commitment to inject capital into the Company described below. The debt arrangement would not change the scope of the Company's debt to its financial creditors, enable early repayment of the debt without prepayment penalties or fees and not be based on the rapid sale of the Company's assets. The debt arrangement would include an exemption from liabilities for the Company's officers and directors as will be agreed by the Company's creditors and enable purchaser to convert the debt owed by the Company to the purchaser into securities of the Company; (iii) receipt of court approval for the debt arrangement; (iv) receipt of all regulatory approvals for consummation of the transaction; and (v) receipt of a decision by the Company's Series C Bondholders by Tuesday, February 16, 2016 at 4pm Israel time to instruct the trustee and its representatives to conduct negotiations with the purchaser (only) for a period of 15 days (subject to extension for additional 15 days if no major gaps in the parties' positions). The purchaser may extend the date for satisfaction of these closing conditions by no more than 14 days.

As part of debt arrangement, Ben Moshe would commit to inject NIS 900 million into the Company as follows: (i) NIS 600 million transferred closely after closing of the acquisition, subject to completion of the rights offering to the Company's controlling shareholders, Mega Retail's suppliers, and financial creditors, provided that purchaser would inject a portion of this amount prior to the rights offering to the extent the Company has immediate cash flow needs; and (ii) NIS 300 million paid to Company creditors during the third year following closing

The Company would pay to its creditors not less than NIS 250 million within eight months of closing and act to pay its financial creditors in full within 12 months (additional annual default interest of 1% on amounts unpaid after such time). The purchaser would agree to provide the Company with a loan prior to closing to the extent the Company has immediate cash flow needs in exchange for appropriate security to the satisfaction of the purchaser and subject to all approvals. Upon complete repayment of the debt subject to the debt arrangement, the obligations to transfer the amounts described above would terminate. Upon approval of the offer by Alon, Alon Retail and agreement by the Debenture holders to negotiate with the purchaser, purchaser would deposit NIS 140 million to demonstrate its seriousness, NIS 20 million of which would be transferred to the Company as damages if purchaser revokes its offer under circumstances under its control and in default of its obligations.

To the extent the Company does not act in the ordinary course of business or makes any distributions or disposition of assets, the purchaser would not be bound by its obligations.

The offer will be null and void if board approval of Alon and its subsidiary, Alon Retail Ltd., is not received by Tuesday, February 16, 2016 at 8:00 p.m. Israel time (subject to extension by purchaser at its sole discretion).

Gindi Proposal

The transaction by Gindi is subject to closing conditions to be satisfied within 21 days after satisfaction of items (iv) and (v) below, including, but not limited to (i) agreement by the Company and purchaser with the trustees of Mega Retail (approved by court, if required), to the purchaser's satisfaction, regarding any potential claim or lawsuit against the Company or its subsidiaries relating to Mega Retail, including by third parties (including relating to fixing dates for the exercise by Mega Retail's suppliers of their rights in a rights offering by the Company) and that the Mega Retail arrangement will be approved by the court to the purchaser's satisfaction; (ii) submission of a request to convene a meeting of creditors to approve the debt arrangement between the Company and its creditors, approved by the court to the satisfaction of purchaser, based on the principles of the proposed debt framework previously announced by the Company on November 2, 2015, taking into account the purchaser's commitment to inject capital into the Company described below, including annual interest of 6% linked to CPI, liens in favor of the financial creditors as described in proposed framework and issuance of 10% of the Company's shares to the financial creditors. The debt arrangement would not change the scope of the Company's debt to its financial creditors, enable early repayment of the debt without prepayment penalties or fees (other than prepayment amount of 1.5% of amounts prepaid during first three years after closing) and not be based on the rapid sale of the Company's assets. The debt arrangement would include an exemption from liabilities for the Company's officers and directors and enable purchaser to convert the debt owed by the Company to the purchaser into securities of the Company; (iii) receipt of all regulatory approvals for consummation of the transaction; (iv) approval of the offer by the Company's Series C Bondholders by Tuesday, February 16, 2016 at 4pm Israel time; (v) approval of the board of directors of Alon and its subsidiary, Alon Retail, approving the offer no later than Tuesday, February 16, 2016 at 8pm Israel time.; (vi) approval by Bank Hapoalim that it will release liens and any other rights on the shares (waivable by Alon and Alon Retail); (vii) Alon reaches agreements with its Series A Debenture holders (waivable by Alon). The purchaser may extend the date for satisfaction of these closing conditions by no more than two period of 21 days each. The date for satisfaction will be extended further to the extent only the conditions under control of Alon and Alon Retail aren't satisfied.

Following satisfaction of conditions (iv) and (v) above, Gindi would deposit NIS 25 million with its attorney to demonstrate its seriousness. For each extension of period of closing by purchaser, an amount of NIS 5 million of this amount will be transferred to the Company following termination of the offer (unless due to court rejection of the Company's or Mega's debt arrangement); provided that the requirement to transfer funds to the Company will not apply to the extent the purchaser extends the period for closing and the condition in clause (ii) above is satisfied (other than court approval of the Mega Retail arrangement) while other condition(s) are not satisfied.

As part of debt arrangement, the purchaser would commit to inject NIS 1 billion into the Company as follows: (i) NIS 550 million transferred closely after closing of the acquisition, subject to satisfaction of the conditions described above, completion of the rights offering to the Company's controlling shareholders, Mega Retail's suppliers, and financial creditors (such that after the rights offering the holdings in the Company would be: purchaser (85%), financial creditors (10%) and other holders (5%)), provided that purchaser would inject a portion of this amount prior to the rights offering to the extent the Company has immediate cash flow needs; (ii) NIS 150 million transferred during each of the second, third and fourth years following closing (to the extent at such time there is a need for payment of financial debt in accordance with payment schedule described below). At closing, Gindi would also deposit with the Company a bank guarantee of NIS 300 million to guarantee the payments for the second and third year described above. The purchaser would agree to provide the Company with a loan prior to closing to the extent the Company has immediate cash flow needs in exchange for appropriate security to the satisfaction of the purchaser and subject to all approvals. Upon complete repayment of the debt subject to the debt arrangement, the obligations to transfer the amounts described above would terminate.

To the extent the Company does not act in the ordinary course of business or makes any distributions or disposition of assets, the purchaser would not be bound by its obligations.

The financial debt would be repaid as follows (all amounts include principal and interest):

- within 30 days of closing – 30% of financial debt
- one year after closing – 15% of financial debt
- two years after closing – 15% of financial debt
- three years after closing – 15% of financial debt
- four years after closing – 25% of financial debt

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