

ISRAEL DISCOUNT BANK LTD.

Rating Action Update and November 2025

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ISRAEL DISCOUNT BANK LTD.

Internal Financial Strength Assessment (BCA)	aa2.il	undefined
Long-Term Deposits and Bonds	Aaa.il	Outlook: Stable
Deferred Debentures with Contractual Loss Absorption Mechanism (CoCo)	Aa3.il(hyb)	Outlook: Stable
Short-Term Deposits / CP	P-1.il	

Following the rating action report dated 17.11.2025, Midroog assigns a rating of Aaa.il with a stable outlook for the issuance of bonds (series YD and YZ) totaling up to NIS 3.1 billion par value, replacing the previously rated NIS 1.5 billion par value. In addition, a rating of P-1.il is assigned for the issuance of commercial papers (Series 7) totaling up to NIS 1.5 billion par value, replacing the previously rated NIS 1.0 billion par value. The issuances will be carried out by Discount Issuers Ltd., a wholly-owned subsidiary of ISRAEL DISCOUNT BANK LTD. (hereinafter: the Bank), which serves as the Bank's issuing arm.

According to Midroog's methodology, the rating of the commercial papers is based on the rating of the Bank's long-term deposits and senior debt, as well as its short-term liquidity analysis, considering its liquidity profile assessed in the Bank's financial strength evaluation, the stability of its funding structure¹, and the proportion of liquid assets² relative to total public deposits.

For more information regarding the rating considerations, see the follow-up and rating action reports from November 2025³.

Related Reports

The reports are published on the Midroog website www.midroog.co.il

- 1 ISRAEL DISCOUNT BANK LTD. - Related Reports
- 2 Bank Rating Methodology - Methodological Report, September 2019
- 3 Short-Term Rating - Methodological Report, November 2025
- 4 Promoting Competition in the Banking System - Special Report, February 2023
- 5 Guidelines for Assessment of Environmental, Social and Governance (ESG) Risks Within Credit Ratings - Methodological Report, February 2022
- 6 Affiliation and Holding Table
- 7 Midroog Rating Scales and Definitions

General Information

Rating report date:

Last date of the rating update:

Original rating publication date:

Rating initiator name:

ISRAEL DISCOUNT BANK LTD.

Name of entity that paid for the rating:

ISRAEL DISCOUNT BANK LTD.

- 1 19.11.2025
- 2 17.11.2025
- 3 22.12.2005

Information from the Issuer

Midroog bases its ratings, among other things, on information received from authorized representatives of the issuer.

- ¹ Deposits from banks, deposits from institutional entities, commercial papers, bonds, and debentures payable within the next 12 months, as a share of total assets.
- ² Cash and deposits in banks, Israel and US Government bond series, and assets guaranteed by the US Government.
- ³ Rating reports are published on the Midroog website.

ISRAEL DISCOUNT BANK LTD.

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19/11/2025

aaa.il	Higher relative to other local issuers, in the absence of any possibility for external support from a related company or from the state.
aa.il	Very high relative to other local issuers, in the absence of any possibility for external support from a related company or from the state.
a.il	High relative to other local issuers, in the absence of any possibility for external support from a related company or from the state.
baa.il	Certain speculative characteristics.
ba.il	Speculative.
b.il	Significant speculative characteristics.
caa.il	Most significant speculative characteristics.
ca.il	Any redemption of principal and interest is questionable.
c.il	Redemption of principal and interest is highly questionable.

Subsequent to the rating action report dated 17.11.2025, Midroog assigns a rating of Aaa.il with a stable outlook for the issuance of bonds (series YD and YZ), totaling up to NIS 3.1 billion par value, replacing the previously rated NIS 1.5 billion par value. Additionally, a rating of P-1.il is assigned for the issuance of commercial papers (Series 7) totaling up to NIS 1.5 billion par value, replacing the previously rated NIS 1.0 billion par value. The issuances will be carried out by Discount Issuers Ltd., a wholly-owned subsidiary of ISRAEL DISCOUNT BANK LTD. (hereinafter: the Bank), which serves as the Bank’s issuing arm.

According to Midroog's methodology, the rating of the commercial papers is based on the rating of the bank's long-term deposits and senior debt, and an analysis of its short-term liquidity, based on the liquidity profile reviewed in the evaluation of the bank’s financial strength, the stability of the funding structure¹ and liquid assets² relative to total public deposits.

For information about the rating considerations, refer to the follow-up report and the rating action report from November 2025³.

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1 19.11.2025

2 17.11.2025

3 22.12.2005

Information from the Issuer

Midroog relies, among other things, on information received from authorized entities at the issuer for its ratings.

¹ Deposits from banks, deposits from institutional entities, commercial papers, bonds, and debentures payable within the next 12 months, as a share of total assets.

² Cash and deposits in banks, Israel and US Government bond series, and assets guaranteed by the US Government.

³ Rating reports are published on the Midroog website.

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Aaa.il	Other local issuers.
Aa.il	Other local issuers.
A.il	Others.
Baa.il	Other local issuers and may be associated with certain speculative characteristics.
Ba.il	Other local issuers and have speculative characteristics.
B.il	Other local issuers and have significant speculative characteristics.
Caa.il	Other local issuers and have the most significant speculative characteristics.
Ca.il	Very close to default, with some chance of principal and interest recovery.
C.il	In default, with slim chances of principal and interest recovery.

Following the rating action report dated 17.11.2025, Midroog has assigned an Aaa.il rating, with a stable outlook, for the issuance of bonds (series YD and YZ), with a total aggregate nominal value of up to NIS 3.1 billion, replacing the previously rated nominal value of NIS 1.5 billion. Similarly, a P-1.il rating was assigned for the issuance of commercial papers (series 7) up to a nominal value of NIS 1.5 billion, replacing the previously rated nominal value of NIS 1.0 billion. The issuances will be conducted by Discount Issuers Ltd., a wholly owned subsidiary of ISRAEL DISCOUNT BANK LTD. (hereinafter: the Bank), which is the issuing arm of the Bank.

According to Midroog's methodology, the rating of the commercial papers is based on the bank's long-term deposits and senior debt ratings, as well as on its short-term liquidity analysis, based on the liquidity profile evaluated in the assessment of the bank's financial strength, the stability of the funding structure¹, and liquid assets² relative to total public deposits.

For information regarding the key considerations in the rating, please refer to the follow-up report and the rating action update report from November 2025³.

Related Reports

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Rating report date:

Last date rating was updated:

Date rating was first published:

Rating initiator:

ISRAEL DISCOUNT BANK LTD.

Name of entity paying for the rating:

ISRAEL DISCOUNT BANK LTD.

1 19.11.2025

2 17.11.2025

3 22.12.2005

Information from the Issuer

Midroog relies in its rating, among other things, on information received from authorized officers at the issuer.

¹ Deposits from banks, deposits from institutional entities, commercial papers, bonds, and debentures payable within the next 12 months, as a share of total assets.

² Cash and deposits in banks, Israel Government and U.S. Government bond series, and assets guaranteed by the U.S. Government.

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Local Short-Term Rating Scale

P-1.il	Relatively short compared to other local issuers.
P-2.il	Compared to other local issuers.
P-3.il	Compared to other local issuers.
NP.il	

Issuers rated Prime-1.il are, according to Midroog's judgment, considered to have a very strong ability to meet their short-term obligations.

Issuers rated Prime-2.il are, according to Midroog's judgment, considered to have a strong ability to meet their short-term obligations.

Issuers rated Prime-3.il are, according to Midroog's judgment, considered to have a moderate ability to meet their short-term obligations.

Issuers rated Not Prime.il, according to Midroog's judgment, do not belong to any of the three Prime categories above.

The Connection Between the Long-Term Rating Scale and the Short-Term Rating Scale

The following table details the applicable long-term ratings that correspond to the short-term ratings, as long as long-term ratings exist.

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