

Discover Financial Services
Form 424B2
August 22, 2016

The information in this preliminary pricing supplement is not complete and may be changed. This preliminary pricing supplement and the accompanying prospectus supplement and prospectus are not offers to sell these securities and are not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Preliminary Pricing Supplement dated August 22, 2016

Filed under Rule 424(b)(2), Registration Statement No. 333-205280

Preliminary Pricing Supplement No. 23 - Dated Monday, August 22, 2016 (to: Prospectus dated June 26, 2015 and Prospectus Supplement Dated: September 8, 2015)

Selling Price	Gross Concession	Net Proceeds	Coupon Type	Coupon Rate	Coupon Frequency	Day Count Basis	Maturity Date	1st Coupon Date	1st Coupon Amount	Survivor's Option	Financial Guar
100.00 %	1.800 %	\$	Fixed	3.250 %	Semi-Annual	30/360	09/15/2026	3/15/2017	\$17.51	Yes	N

Callable in whole or in part, at any time on or after 6/15/2026.

Discover Financial Services may, at its option, at any time on or after 06/15/2026, redeem these Discover Financial Services InterNotes in whole or in part, at the option of Discover Financial Services, at the discretion of the Trustee, at any time on or after 06/15/2026, 30 days prior notice delivered to the holders of these Discover Financial Services InterNotes. These Discover Financial Services InterNotes will be redeemed at 100% of the principal amount of the notes to be redeemed, plus accrued and unpaid interest. If fewer than all of these Discover Financial Services InterNotes are to be redeemed, the Trustee will select the Notes for redemption on a pro rata basis, by lot or by such other method in accordance with the DTC's procedures. The redemption price will be 100% of the principal amount of the notes to be redeemed, plus accrued and unpaid interest. The notes will be redeemed in denominations of \$1,000 and integral multiples of \$1,000 in excess thereof. If these Discover Financial Services InterNotes are not redeemed in full, the Trustee will state the portion to be redeemed. Unless Discover Financial Services defaults in payment of the redemption price, on and after the date of redemption, the holders of these Discover Financial Services InterNotes will not be entitled to any interest on these Discover Financial Services InterNotes or the portions of these Discover Financial Services InterNotes called for redemption.

Trade Date: Monday, August 29,
2016 @ 12:00 PM ET
Settlement Date: Thursday,
September 1, 2016

Discover Financial Services

Discover Financial Services InterNotes

Minimum
Denomination/Increments:
\$1,000.00/\$1,000.00

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Monday, August 22, 2016

Initial trades settle flat and clear
SDFS: DTC Book Entry only

(to: Prospectus dated June 26, 2015 and Prospectus Supplement Dated: September 8, 2015)

Lead Manager: Incapital LLC

Agents: BofA Merrill Lynch,
Citigroup , Morgan Stanley , RBC
Capital Markets, Wells Fargo
Advisors, LLC

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