

This is an English convenience translation of the original Hebrew version. In case of any discrepancy, the binding version is the Hebrew original.

Israel Corporation Ltd.

Registrar Number: 520028010

Form 121
Public

Securities of the Corporation are listed in the Tel Aviv Stock Exchange

Sort name: Israel Corporation

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Date of Transmission: 04/12/2011

Reference: 2011-01-350532

To:
The Securities Authority
via MAGNA

To:
The Tel-Aviv Stock Exchange Ltd.
via MAGNA

Dear Sir/Madam,

RE: Immediate Report

Essence of the Event: ICL – Loan from a syndicate

Attached herewith is an Immediate Report of Israel Chemicals Ltd. (a subsidiary) regarding a loan from a syndicate of banking corporations.

[ICL's report attached]

The date when the event first became known to the corporation: 01/12/2011, time: 16:30.

Reference of former documents in this regard (referring does not constitute incorporation by reference):

Former name of reporting entity:

The Israel Corporation Ltd.

Form structure updated 27/11/2011

Name of Electronic Reporter: Maya Alcheh Kaplan. Adv. Position: General Counsel (In House) and Company's Secretary. Aranha 23, Millennium Tower, Tel Aviv 61204. Phone – 03-6844517, Fax: 03-6844587, e-mail – mayaak@israelcorp.com



4 December, 2011

The Securities Authority
www.isa.gov.il

The Tel-Aviv Stock Exchange Ltd.
www.tase.co.il

Translation from the Hebrew. The Hebrew version is the binding version

Immediate report on an event or matter outside the normal course of the corporation's business
Article 36(a) of the Securities (Periodic and immediate reports) Regulations, 1970

Essence of the event: Loan from a syndicate of banks

Israel Chemicals Ltd. ("the Company") hereby reports that on December 1, 2011, the Company entered into an agreement with a group of seven international banks ("the Lenders"), whereby the Lenders will extend to the Company a revolving credit facility in a total amount of USD 650 million ("the Credit Facility" or "the Loan Agreement", as the case may be), on the following terms:

1. The Loan Agreement is for a term of five full years (bullet) from the date on which the Credit Facility is actually made available.
2. The Loan Agreement does not include an undertaking for minimum use of the Credit Facility. A non-use fee will be at the rate of 0.35% per year.
3. Annual interest will apply to the amount of the loan actually used, scaled to the amount of the Credit Facility actually used, as follows:

Up to 33% credit: LIBOR + 1%

From 33% to 66% credit: LIBOR + 1.2% (on the entire sum used)

66% credit or more: LIBOR + 1.4% (on the entire sum used)
4. The Company has an option to choose between a dollar loan and a euro loan.
5. Under the Loan Agreement, the Company assumed restrictions that include financial covenants, a cross-default mechanism and a negative pledge. The information below concerns the financial covenants set for the Company in the Loan Agreement, and compliance with them:
- 6.

Financial covenants ¹	Financial ratio required per the agreement, on September 30, 2011	Financial ratio on September 30, 2011
The Company's equity shall not be less than USD 1,700 million, plus 25% of annual net profit commencing from the 2010 annual report and onwards	2,273 million	USD 3,072 million
EBITDA to net interest expense ratio	More than or equal to 3.5	77.86
Net financial debt to EBITDA ratio	Less than 3.5	0.49

¹ Review of compliance with the above financial covenants is as required in the Loan Agreement, according to the data from the consolidated financial statements of the Company at September 30, 2011.



Ratio of financial liabilities of subsidiaries to total assets of the Company	Less than 10%	3.41%
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7. This Loan Agreement replaces a loan and credit facility taken on August 6, 2007 in the amount of USD 725 million for a period of five years (bullet loan) at LIBOR + 0.45% interest,² which will now be repaid early.
8. The engagement in the Loan Agreement with the Lenders will be through a wholly-owned subsidiary of the Company and with the Company's guarantee.

Yours sincerely,

Israel Chemicals Ltd.

² See immediate report on an event or matter outside the normal course of the corporation's business, Ref. 2007-01-349516.