

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: 28/12/2011

Reference: 2011-01-377385

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 – Immediate Report Regarding the Permanent Solution

Further to the immediate reports dated July 3, 2011, September 11, 2011, and November 17, 2011, attached herewith is an Immediate Report of Israel Chemicals Ltd. (a subsidiary of the Company) regarding the permanent solution.

[ICL's report attached]

The date when the event first became known to the corporation: 28/12/2011, time: 06:00.

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 Alchek 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



December 28, 2011

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Further to the immediate reports dated July 3, 2011 (Reference No. 2011-01-199626), September 11, 2011 (Reference No. 2011-01-269844) and November 17, 2011 (Reference No. 2011-01-330438) and clause 9.11 in the Directors' report for the third quarter of 2011, regarding the negotiations between the subsidiary Dead Sea Works and the Ministry of Finance, the Company wishes to report, that the Ministry of Finance presented the Company with a proposed outline solution for the financing of the harvesting project and the royalties ("proposed outline solution"), after the negotiations were exhausted.

The proposed outline solution is conditional on the approval of the Israeli government and ICL's Board of Directors. There is no certainty that these approvals will be obtained. The Board of Directors is expected to meet today to discuss the proposed outline solution and the Company will submit an additional report following the Board's discussion on the matter.

Yours sincerely,
Israel Chemicals Ltd.