

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 054
Public**

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

Sort name: Israel Corporation

Address: P.O.B. 20456, Tel Aviv 61204

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Date of Transmission: 31/10/2012

Reference: 2012-01-267930

To:
The Securities Authority
www.isa.gov.il

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

Re: Immediate Report regarding matter or event out of the corporation's ordinary course of business which filing was withheld in accordance with Regulation 36(b) of the Securities Regulations (Periodic and Immediate Reports), 1970

Regulation 36 (b),(c) to the Securities Regulations (Periodic and Immediate Reports), 1970

The Event: Media reports

1. Further to the media reports, the company confirms that throughout the years the company re-examine from a strategic point of view, from time to time, its holdings in the Company's various assets, including Israel Chemicals Ltd ("ICL").

The company confirms that Potash, a Canadian company, engages in discussions with various governmental authorities, and in that framework, *inter alia*, a meeting was held with the prime minister of Israel, in connection with the examination of a possibility for a merger between ICL and Potash. Senior officers of the company have been accompanying the discussions between Potash and Israeli governmental authorities.

A deal in this matter was not reached and Potash has not yet approached the company or ICL in this matter. There is no certainty that Potash and the company will engage in negotiations nor there is any certainty that the negotiations will be fruitful and the parties would be able to finalize an agreement, and there is no certainty that an agreement, if such an agreement would be executed by the parties, will be closed.

2. The reason due to which the submission of the report was delayed: The Information regarding the discussions between Potash and Israeli governmental authorities was delayed as its publication could prevent further discussions.
3. On October 31, 2012, at 07:00 AM, the reason for the delay in the submission of this report had been removed.

Name of report authorized signatory and name of authorized electronic signatory: Maya Alchek Kaplan. Adv.

Position: General Counsel (In House) and Company's Secretary.

Signature date: 31/10/2012

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 11/09/2012

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