

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

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

Public

Sort name: Israel Corporation

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

Tel: 03-6844517, 6844500, Fax: 03-6844587

Email: MAYAAK@ISRAELCORP.COM

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To:	To:
<u>The Securities Authority</u>	<u>The Tel Aviv Stock Exchange</u>
www.isa.gov.il	www.tase.co.il

Immediate Report

The Event: Expiration of a Pledge Agreement

Pursuant to the mentioned in item 6.E in the Company's financial statements as of September 30, 2012, the Company respectfully reports that the Company received a notice from Israel Petrochemical Enterprises Ltd. ("IPE") according to which, due to the completion of the sale of shares of Avgol Industries 1953 Ltd., and the receipt of the consideration with respect thereto on December 6, 2012 by IPE, a "Credit Payment" occurred, as defined in the Pledge Agreement, and the Terminating Condition detailed in the Pledge Agreement had occurred, and this before any pledge has been registered on the Company's holdings in Oil Refineries Ltd.. In view of the above, the Pledge Agreement has terminated, and all the mutual undertakings of the parties have expired.

The date when the event first became known to the corporation: 10/12/2012, time: 17:00.

Name of report authorized signatory and name of authorized electronic signatory: Maya Alcheh Kaplan. Adv.
Position: Vice President, General Counsel and Company's Secretary.
Signature date: 11/12/2012

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 04/11/2012

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