

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 136  
Public

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

Sort name: Israel Corporation

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Date of Transmission: 01/11/2012

Reference: 2012-01-270006

To:  
The Securities Authority  
via MAGNA

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

Supplementary report of the report was submitted on October 31<sup>st</sup>, 2012, reference number 2012-01-268725.

Main issues which were added/completed:

Clarification in section 1.2, and footnote number 3.

**Immediate Report on a Transaction With a Controlling Shareholder or With a Director, Which Does Not Require the Approval of the General Meeting**

Regulation 37 A (5) of the Securities Regulations (Periodic and Immediate Reports), 5766 – 2006

1. A report is hereby submitted of the approval of a transaction in accordance with Regulation 1 of the Companies Regulations (Easements in Transactions with Interested Parties), 5760 – 2000.
2. The date of approval of the transaction by the Board of Directors: *October 28<sup>th</sup>, 2012.*
3. An overview of the main elements of the transaction and an overview of the reasons of the Board of Directors and the Audit Committee for the approval of the transaction.  
*A report is attached herewith.*
4. The main elements of the opinion of the Companies Authority and the main elements of the decision of the Ministerial Committee on Privatization, or details of the alternative pursuant to which the exemption was granted.
5. Attached herewith is file \_\_\_\_\_ .
6. Below is the text of Regulation 1 (C) of the Companies Regulations (Easements in Transactions with Interested Parties), 5760 – 2000: (a) easement pursuant to Regulations 1 to 1B shall not apply to a public company if one or more shareholders who holds at least 2% of the issued capital or of the voting rights of the Company gave notice of his objection to the grant of such easement, provided that the objection was submitted to the Company in writing, not later than 14 days from the date on which the public company submitted a report pursuant to the Securities Law of the passing of the resolution or from the date on which it submitted a report to amend the said report; (b) in the event that an objection is submitted as stated in Sub-Regulation (a), the transaction requires approval in accordance with that set forth in section 273 or 275, as the case may be.

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

Position: VP, General Counsel and Company's Secretary.

Signature date: 1/11/2012

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

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