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**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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To:

The Securities Authority

[www.isa.gov.il](http://www.isa.gov.il)

To:

The Tel Aviv Stock Exchange

[www.tase.co.il](http://www.tase.co.il)

**Immediate Report**

The Event: Update regarding Zim

As updated in the Company's periodic report, Zim committed to its secured banks to present a five-year business plan by 30/04/2013, along with a plan regarding Zim's capital structure, for the purpose of achieving long-term stability.

Announcement is hereby provided that yesterday, on 30/04/2013, Zim submitted to the banks the abovementioned plans which include a proposal of debt restructuring plan of Zim and its creditors. Zim began negotiation with its creditors regarding the aforesaid proposal of debt restructuring plan. There is no certainty that the debt restructuring proposal, as submitted by Zim, will be approved by all Zim's creditors which are the subject of such proposed restructuring plan.

Further to the immediate report dated 11/04/2013, reference 2013-01-033229, Zim's Series' A and B bondholders meetings voted for granting the waiver on the event of default under Article

11.1.4 (h) of the trust deeds, which states that the bondholders will have a right for immediate repayment "in case Zim addresses its creditors with another settlement outside the ordinary course of business." It was also determined, inter alia, that such waiver may be cancelled upon the occurrence of certain events. As to Zim's Series C Bonds, as a result of a clerical error in the voting letter on how to determine conflicted interest, an opportunity to change the voting has been granted until 14:00 today. The Company will update on the results of the vote of Series C Bonds of Zim once they are available.

The date when the event first became known to the corporation: April 30, 2013  
time: 23:00

The name of the authorized signatory to the report and the name of the authorized electronic signatory: Maya Alcheh-Kaplan  
Position: Vice President, General Counsel and Company Secretary  
Date of signing: May 01, 2013