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.discrepancy, the Hebrew original shall prevail.

**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: 26/05/2013

Reference: 2013-01-070753

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: Zim - Sale of Container Factories

Pursuant to Article 9.2.2 of the Company's 2012 Periodic Report, and in accordance with the business plan of Zim, on May 23, 2013 a framework agreement was signed between Zim and a third party for the sale of Zim's holdings in two companies, which own containers factories in China ("Containers Companies").

The consideration set for the sale of the Containers Companies is \$50.5 million. The expected capital gain for Zim, as a result from the above transaction, is \$31.5 million.

Detailed agreements regarding the sale of the shares of the Containers Companies are yet to be signed, and the agreement is subject to conditions precedent. In addition, in accordance with the framework agreement, an down payment of 10% of the consideration was paid, and loans, provided by subsidiaries of Zim to the Containers Companies, in the amount of \$11.7 million, were repaid.

In accordance with the framework Instructions, the down payment will not be returned to the purchaser, even if the sale of the Zim's holdings in the Containers Companies will not be executed, except in the case Zim will violate the framework agreement.

The parties will act to sign specific share sale agreements for each of the companies and will act to receive the necessary approvals for the sale of Containers Companies.

There is no certainty that the agreements to sell the holdings of Zim in the Containers Companies will be signed, and if signed, there is no certainty as to their closing.

The date when the event first became known to the corporation: May 23, 2013  
time: 16:00

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 26, 2013