

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.

Millennium Tower, 23 Aranha Street, P.O.B. 20456, Tel-Aviv 61204

Tel: 03-6844517, Fax: 03-6844587

ISRAEL CORPORATION

Adv. Noga Yatziv

Company Secretary and Assistant to the President

November 3, 2009

To:

The Securities Authority

3 Canfei Nesharim st.

Jerusalem

via MAGNA

To:

The Tel Aviv Stock Exchange Ltd.

54 Ahad Haam st.

Tel Aviv

via MAGNA

Dear Sir/Madam,

Re: Immediate Report as to the Related Corporations Announcement regarding the resolution of the General Meeting which is the subject of the Transaction Report dated 9.9.2009

Pursuant to the Transaction Report dated September 9, 2009¹ (the "**Transaction Report**")², including the update to the resolutions brought to the General Meeting which is the subject of the Transaction Report as were updated in the Supplementary Report No. 3 dated 18.10.2009 (as were technically amended in the Report dated 25.10.2009), Israel Corporation Ltd. ("**Israel Corp.**") hereby reports with respect to the announcement of the Related Corporations to the controlling shareholders of the Company on their willingness as specified below:

"Safety Net"

The Company undertakes to provide Zim Integrated Shipping Services Ltd. ("**Zim**") a Safety Net in a sum of US\$ 50 million (instead of a sum of US\$ 75 million as mentioned in the

¹ Including the supplemental reports to the transaction report, which the corporation submitted on 24.9.2009, 7.10.2009 and 18.10.2009 and the Integrated Report dated 25.10.2009.

² All the terms and definitions stated in this report shall have the same meaning given to them in the Transaction Report, all unless otherwise expressly stated.

Supplementary Report No. 3 dated 18.10.2009 in the circumstances specified in Section 3.8.1 of the said report) .

Millenium Investments Elad Ltd. (a controlling shareholder of the Company) undertakes to provide Zim with a Safety Net in a sum of UD\$50 million (instead of a sum of US\$ 25 million as mentioned in the Supplementary Report No. 3 dated 18.10.2009 in the circumstances specified in Section 3A of the said report).

All remaining provisions and terms regarding the Safety Net will be as specified in Sections 3.8.1 and 3A of the Supplementary Report No. 3 dated 18.10.2009. The aforesaid commitments will be provided *Pari Passu* among the committing companies.

The Settlement with the Related Corporations regarding the Reduction in Charter Fees

As specified in the supplemental reports of the Company dated 7 and 18 October 2009, the aggregate amount of reduction from the charter fees payable to the Related Corporations under ship-charter contracts in force due to ships that were chartered by them to Zim in a sum of US\$ 150 million shall be considered as a deferred debt according to the dates and terms as specified in the said reports (the "**deferred debt**").

The Related Corporations will assign in a full assignment for one share which will be issued in the future all of their rights with respect to the deferred debt to Israel Corp.

As a result of the assignment of the deferred debt to the Related Corporations, a deferred debt to the Israel Corp. which will not be less than a sum of US\$ 150 and which will be repaid according to the repayment dates as specified in the supplemental reports and until the year 2020 will be created in fact.

The resolution as was brought in the Supplementary Report No. 3 dated 18.10.2009 as aforesaid, was updated on the basis of the said Related Corporation announcement (which credits the Company, as aforementioned), and was approved in the General Meeting that continued on 3.11.2009 (which commenced on 1.11.2009). The update was brought to the meeting knowledge, was included in the meeting's protocol, and considered an integral part of the General Meeting resolution.

Sincerely,

Israel Corporation Ltd.