

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
Public**

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

Sort name: Israel Corporation

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

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

Email: MAYAAK@ISRAELCORP.COM

Date of Transmission: February 19, 2014

Reference: 2014-01-042379

To:

The Securities Authority

www.isa.gov.il

To:

The Tel Aviv Stock Exchange

www.tase.co.il

Immediate Report

The Event: ICP - Purchase of several power plants

The Company is pleased to announce that Inkia, a subsidiary of IC Power, wholly owned by the Company, entered into an agreement with AEI Power Ltd. for the purchase of its shares in the companies: AEI Nicaragua Holdings Ltd. and AEI Jamaica Holdings Ltd. (the "**Companies**") in consideration of approximately - US\$ 54 million in cash.

The Companies holds and operates, through its subsidiaries, power plants in Nicaragua and Jamaica with a total capacity of about 245 MW, and include power plants operated by wind energy with a capacity of 63 MW.

Below are the names of the subsidiaries which hold and operate the power plants:

Consorcio Eolico Amayo S.A. ("Amayo"), Consorcio Eolico Amayo (Fase II), S.A. ("Amayo II")
Empresa Energ'etica Corinto Ltd. ("Corinto"), Tipitapa Power Company Ltd. ("Tipitapa")
Jamaica Private Power Company Limited ("JPPC").

Under this agreement, Inkia will acquire, indirectly, 100% of the shares of JPPC (currently holds 15.6% of the shares of this company), 61.35% of the shares of Amayo and 64.58% of the shares of Amayo II, Tipitapa and Corinto.

The transaction is subject to customary conditions precedent in such transactions such as third parties' approvals.

The date on which the event first became known to the corporation: February 18, 2014
time: 18:15

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: February 19, 2014