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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

Short name: Israel Corporation

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To:

The Securities Authority

www.isa.gov.il

To:

The Tel Aviv Stock Exchange

www.tase.co.il

Immediate Report

The Event: Divestments of Non-Core Activities

Attached hereto is an immediate report of Israel Chemicals Ltd.

The date when the event first became known to the corporation: October 26, 2014

Time: 21:50

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: October 27, 2014



October 26, 2014

Immediate report regarding divestments of non-core activities

Further to section 1.1 of the Company's Directors report for the second quarter of 2014 and in the F-1 registration statement for the listing of the Company's shares in the NYSE regarding the Company's examination of opportunities to divest various non-core activities. Consistent with this strategy, the Company hereby reports that on October 26, 2014, the Company and its subsidiary BK Giulini GmbH entered into an agreement with Kurita Water Industries Ltd., for the sale of the Company's business units, within its Performance Products segment, that sells solutions for water treatment and for chemicals for paper and that also sells alumina compounds. The units are primarily located in Germany, and in other locations elsewhere in Europe and in China. Kurita is a leading Japanese company active in the water treatment field, and its shares are traded on the Tokyo Stock Exchange.

The transaction will be for consideration of approximately 250 million Euros. Closing of the transaction is expected to take place towards the end of 2014, subject to the completion of certain conditions precedent set forth in the purchase agreement, including receipt of approvals from competent authorities, as well as approval of a minimum amount of employees to the transfer to the employment by the purchasing entity.

The aforementioned sale is part of the Company's strategic plan, authorized on 2013, to focus on its core businesses in the agriculture, food and engineered materials markets and the proceeds from this transaction shall be used for further investments in such core businesses.

There is no certainty that the transaction will be completed and/or that it will be completed according to the terms set forth above. To the extent that the transaction is completed, the Company will report accordingly, including the impact on the consolidated income statement.

Yours sincerely,

Israel Chemicals Ltd.

Name of the authorized signatory on the report and the name of the authorized electronic signatory: Lisa Haimovitz

Position: Vice President, General Counsel and Corporate Secretary

Date of Signature: October 26, 2014