

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

Short name: Israel Corporation

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Date of Transmission: December 18, 2014

Reference: 2014-01-224925

To:

The Securities Authority

www.isa.gov.il

To:

The Tel Aviv Stock Exchange

www.tase.co.il

Immediate Report

The Event: Provision of Shareholders' Loan to Qoros

Further to an immediate report dated December 11, 2014, the Company hereby announce in connection with the release of the guaranty in accordance with the guarantees release framework on which the Company has reported on October 1, that the Company provided to Qoros a shareholders' loan in an amount of approximately USD 57 million.

The date when the event first became known to the corporation: December 17, 2014

Time: 11:00

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: December 18, 2014

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Israel Corp.

Israel Corp. Ltd.

*Millennium Tower, 23 Aranha St. POB 20456 Tel-Aviv, 61204, Israel
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December 11, 2014

To: The Securities Authority
Via MAGNA system

To: The Tel Aviv Stock Exchange
Via MAGNA system

Immediate Report: Provision of Shareholders Loan against Guarantees Release

Further to the Company's report dated October 1, 2014, the Company hereby announce that in the framework of the guarantees release outline provided by the Company to Chery Automobile Co. Ltd. ("**Chery**") (which holds through a subsidiary 50% of Qoros), in connection with the financing of Qoros Automotive Co. Ltd. ("**Qoros**") (of which 50% are held by the Company through a subsidiary), Chery has signed on a release of the Company from one of the guarantees and the Company is advancing accordingly with the provision of a shareholders loan to Qoros of approximately USD 60 million.

As of the date of this report the total amount of the Company's guarantees to the Chery in connection with the financing of Qoros is approximately USD 140 million¹ (compared with USD 300 million prior to the release of the said guaranty). In accordance with said guarantees release outline the Company is acting for the release of this guaranty as well.

Respectfully,

Israel Corporation Ltd.

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: December 11, 2014

¹ The amounts in this report are presented in US dollars, however the binding amounts are in RMB.