

This is an English convenience translation from the original Hebrew version. In case of any discrepancy, the binding version is the Hebrew original.

Israel Corporation Ltd.

Registrar Number: 520028010

Form 121

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

Public

Short name: Israel Corporation

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

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Date of Transmission: January 4, 2015

Reference: 2015-01-002239

To:

The Securities Authority

www.isa.gov.il

To:

The Tel Aviv Stock Exchange

www.tase.co.il

Immediate Report

The Event: Completion of the Distribution Act

Further to the approval of the Company's shareholders' meeting dated December 31, 2014, of the Distribution Act which is the subject of the Company's transaction report dated December 23, 2014 (the "**Transaction Report**"), and further to immediate reports dated December 31, 2014 (Reference No.: 2014-01-049081 and 2014-01-049090) and January 1, 2015 (Reference No.: 2015-01-000244), the Company hereby announces that the completion of the Distribution Act has been set for January 7, 2015 (the "**Distribution Act Completion Date**"). It shall be noted that on January 2, 2015, the authorization of the New York Stock Exchange for Kenon's listing for trade on the New York Stock Exchange was obtained, and the U.S. Securities Exchange Commission (SEC) informed Kenon that it does not have further comments regarding Kenon's registration documents. The completion of the Distribution Act and the distribution dates are subject to the following conditions detailed in the Transaction Report (as these terms are defined in the Transaction Report): (1) declaration by the SEC that the U.S. registration statement is effective, which according to information provided to Kenon is expected to be made on January 5, 2015; (2) Approval by the Tel Aviv Stock Exchange of the listing of the new company's shares for trade on the Tel Aviv Stock Exchange (in accordance and subject to with the provisions of TASE) as a dual-listed company. For details regarding the distribution of dividend in the framework of the Distribution Act, see the Company's reports which are issued concurrently with this report.

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The date when the event first became known to the corporation: January 4, 2015

Time: 10:00

The name of the authorized signatory to the report and the name of the authorized electronic signatory: Maya Alchek-Kaplan

Position: Vice President, General Counsel and Company Secretary

Date of signing: January 4, 2015