

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

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

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Date of Transmission: December 10, 2014

Reference: 2014-01-218646

To:

The Securities Authority

www.isa.gov.il

To:

The Tel Aviv Stock Exchange

www.tase.co.il

**Immediate Report**

The Event: Sale of Pertotec

See the Attached report.

The date when the event first became known to the corporation: December 9, 2014

Time: 23:58

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 10, 2014

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**Israel Corp.**

*Israel Corporation Ltd.*  
*Millennium Tower, 23 Aranha St. P.O.B 20456, Tel-Aviv Israel*  
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December 10, 2014

To:	To:
The Securities Authority	The Tel Aviv Stock Exchange
<u>Via MAGNA system</u>	<u>Via MAGNA system</u>

Re: **Sale of Holdings and Loans in Petrotec AG**

The Company hereby announce that IC Green Energy Ltd., which is wholly owned by the Company, has entered into an agreement with Renewable Energy Group Ltd. (“**REG**”), through a wholly owned subsidiary of REG, for the sale of ICG’s holdings in Petrotec AG (“**Petrotec**”) (in which ICG currently holds approximately 69% of its share capital) and for the sale of loans provided by ICG to Pertotec (hereinafter collectively: the “**Sale Transaction**”), as follows:

1. On December 9, 2014, a purchase agreement has been signed according to which, *inter alia*, REG, an American company listed in the NASDAQ stock exchange (NASDAQ: REGI), will purchase, through a wholly owned subsidiary, ICG’s holdings in Petrotec. The consideration for the shares of Pertotec is approximately USD 20.9 million (USD 1.235 per share of Petrotec), and shall be paid by way of receipt of newly issued shares of REG. The number of shares og REG to be received shall be calculated based on the average price of the share of REG in the 30 days prior to the date on which the purchase agreement was signed.
2. In addition, REG shall purchase from ICG in cash all of the shareholders loans provided by it to Petrotec in an amount of approximately USD 15.4 million.
3. The execution of the transaction is subject to the customary conditions precedent in these types of transactions like the approvals of third parties.

Respectfully,

Israel Corporation Ltd.