

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.**

Millennium Tower, 23 Aranha Street, P.O.B. 20456, Tel-Aviv 61204

Tel: 03-6844517, Fax: 03-6844587

**ISRAEL CORPORATION**

**Adv. Noga Yatziv**

Company Secretary and Assistant to the President

January 26, 2010

To:

The Securities Authority

via MAGNA

To:

The Tel Aviv Stock Exchange Ltd.

via MAGNA

Dear Sir/Madam,

**Re: Immediate Report – Sale of 0.63% of Israel Chemicals Ltd. Shares**

Israel Corporation Ltd. (the "**Company**") hereby reports that on 25.1.2010, during the evening, it have sold 8,000,000 ordinary shares of Israel Chemicals Ltd. ("**ICL**") which are held by it (the "**Sold Shares**") and which constitutes approx 0.63% of ICL's issued share capital in consideration of a sum of approx NIS395 million.

Due to the said sale the Company is expected to write in the first quarter of 2010 an increase in its capital in an aggregate amount of approx \$85 million.

After the sale the Company will hold approx 52.5% of ICL's issued share capital.

The Company has undertaken towards the buyer not to sell additional shares of ICL for a period of 60 days.

Sincerely,

Noga Yatziv