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Israel Corporation Ltd.

Registrar Number: 520028010

Form 121

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

Public

Sort name: Israel Corporation

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Date of Transmission: 05/05/2010

Reference: 2010-01-470034

To:

The Securities Authority

www.isa.gov.il

To:

The Tel Aviv Stock Exchange

www.tase.co.il

Immediate Report

The Event: Zim - negotiations for selling holdings in foreign companies

The Company hereby reports, according to information provided to the Company by Zim Integrated Shipping Services Ltd. ("Zim"), a subsidiary of the Company, that Zim is holding progressing negotiations with third parties (unrelated to the Company), pursuant to Zim's business plan, for contracting in two different transactions for selling Zim's holdings in two foreign companies which are engaged in activities related to shipping (and do not own ships). According to the information provided to the Company by Zim, there is a possibility that certain documents, binding or not binding, will be executed in the near future in connection with the abovementioned transactions or its progress. In addition, due diligence process may begin in relation to one of the abovementioned transactions. To the extent that binding documents will be signed between the parties, the execution of the abovementioned transactions may be subject, *inter alia*, to the approval of foreign authorities and other conditions precedent.

As indicated at the current stage of the negotiations between the parties, the aggregated consideration of the abovementioned transactions (to the extent the transaction will be executed) is expected to be at a range of 150 to 190 million dollars (including, subject to

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possible adjustments that may result from the due diligence in connection with one of the transactions).

At this stage, there is no certainty that any documents will be signed in relation to the abovementioned transactions or that the transactions will be executed. The Company will continue to update in the extent that any documents (such as a binding agreements, Memorandum of understanding, etc.) will be signed in relation to the abovementioned potential transactions, and regarding any material progression in relation to the abovementioned potential transactions, in accordance and pursuant to the law.

The date when the event first became known to the corporation: 04/05/2010, time: 17:00.

Reference of former documents in this regard (referring does not constitute incorporation by reference):

Former name of reporting entity:
The Israel Corporation Ltd.

Form structure updated 18/04/2010

Name of Electronic Reporter: Maya Alcheh Kaplan. Adv. Position: General Counsel (In House) and Company's Secretary. Aranha 23, Millennium Tower, Tel Aviv 61204. Phone – 03-6844517, Fax: 03-6844587, e-mail – mayaak@israelcorp.com