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

Israel Corporation Ltd.

Registrar Number: 520028010

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

Sort name: Israel Corporation

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

Tel: 03-6844517, 6844500, Fax: 03-6844587

Email: MAYAAK@ISRAELCORP.COM

Form 54

Public

Date of Transmission: 13/12/2010

Reference: 2010-01-716676

To:	To:
The Securities Authority	The Tel-Aviv Stock Exchange Ltd.
via MAGNA	via MAGNA

Dear Sir/Madam,

Re: Immediate Report regarding matter or event out of the corporation's ordinary course of business which filing was withheld in accordance with Section 36(b) to the Securities Regulations (Periodic and Immediate Reports), 1970

The event: Entering into a natural gas purchase agreement

1. Enclosed is the Report.

2. The reason due to which the filing of the report was withheld:

   The Company held negotiation for the purchase of natural gas with two potential gas suppliers, and giving publicity to the stages of negotiation with any of them might compromised the completion of the transaction with either one of them or even both and/or substantially harm the terms of engagement with them, *inter alia*, due to the competition between the two suppliers and/or the possibility of an intervention of third parties.

3. On December 13, 2010 the prevention to report was removed.

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 08/12/2010

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

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The Israel Corporation Ltd.

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

Tel: 03-6844517, Fax: 03-6844587

December 13, 2010

To:	To:
The Securities Authority	The Tel-Aviv Stock Exchange Ltd.
via MAGNA	via MAGNA

Dear Sir/Madam,

Re: Immediate Report

In continuation of the Immediate Report dated April 7, 2010 (Reference No. 2010-01-442029), on Dember 12 2010 it subsidiary O.P.C. Rotem Ltd. (of which the Company holds approx. 80% indirectly) ("**O.P.C.**") entered into an agreement with East Mediterranean Gas S.A.E. (the "**Supplier**"), for a 20-year supply of natural gas to a 440MW power plant that O.P.C. plans to construct in the Rotem Plateau, starting from the date that the power plant finalises its trial period (the "**Gas Agreement**").

The price of the gas will be linked to changes in the TAOZ tariff, including "floor" and "cap" prices. The Agreement is contingent upon the financial closing of O.P.C. in connection with the financing for building the power plant until 31.12011. The Agreement calls for the supply of approximately 0.3 BCM of gas per year (subject to adjustments as set forth in the agreement), a quantity that represents approximately 50% of the power plant's consumption. In addition, O.P.C. has been given an option exercisable until March 31, 2011, to purchase an additional quantity of gas up to approximately 0.3 BCM per year under terms agreed in advance for use by the power station.

O.P.C. has committed to take or pay to the Supplier for a minimal quantity of gas per year in a scope and in accordance with a process set in the Agreement. The monetary value of the Agreement is projected to total \$700 to \$900 million (excluding the option). The aforesaid monetary value of the Agreement is a Looking Forward Information which will be affected by a number of factors, including mainly rises in the TAOZ tariff and the routine at which the power plant will operate. Therefore there is no certainty that the actual monetary value of the Agreement will be as provided above.

In addition, the Company reports that another subsidiary, I.C. Power Israel Ltd. (of which it holds 100% indirectly), which is evaluating the possibility of establishing a 440MW power plant ("**the Additional Power Plant**"), received from the Supplier an option exercisable until March 31, 2011 (or from March 31^{st} until December 31, 2011, depending upon the quantity gas available from the Supplier) to purchase 0.3 BCM to 0.6 BCM of gas per year under pre-determined terms. This gas will be used to run the Additional Power Plant, if it is decided to build the plant. The decision to build the Additional Power Plant is dependent upon the completion of a number of transactions that have not yet been finalized.

ICL Ltd., another subsidiary of the Company, has signed a separate agreement with the Supplier for the purchase of gas. For details, please see the attached report.

Oil Refineries Ltd., a company related to the Company, has signed a separate agreement with the Supplier for the purchase of gas. For details, please see the attached report.

With respect,

Israel Corporation Ltd.

IMMEDIATE REPORT

Following the Immediate Report dated April 7, 2010, (reference number: 2010-01-441966), ICL hereby announces that following its Board of Directors approval dated December 7, 2010, on December 12, 2010, Dead Sea Works ("DSW"), its fully-owned subsidiary, entered into an agreement with East Mediterranean Gas S.A.E. ("the Supplier") to arrange for the supply of gas to ICL's manufacturing plants as detailed in this report (the "Agreement").

DSW and the Supplier have signed a conditional agreement for the supply of gas to a power plant that DSW may build in Sdom, on condition that DSW goes forward with the construction of such power plant. Subject to the hereinafter conditions, the Agreement will come into effect at the time that the power plant begins to operate , a milestone currently scheduled for the end of 2014, and will end on March 31, 2030. The Agreement calls for an annual supply of 0.2 BCM of gas.

The price of the gas will be linked to changes in the TAOZ tariff, a pricing system which enables the price of electricity to vary dynamically with changes in the supply and demand of electricity ("Gas Energy Price"), and includes guaranteed "floor" and "ceiling" prices.

The Agreement is contingent upon the approval of the power station building project by DSW's Investment Committee and its Board of Directors, and the receipt of required building permits before 30 June 2012.

In addition, DSW has received an option to acquire an additional 0.53 BCM of gas per year (the "Option"). The Option can be exercised until March 31, 2011. If the Option will be exercised, part of it will be utilized by the power plant, and will be acquired at the Gas Energy Price. The remaining portion will be used to operate ICL's industrial facilities, and will be purchased at a price determined through a formula based on the price of oil with a "floor" and "ceiling" price.

According to the Agreement, DSW has committed to pay for a minimal quantity of gas whether or not this quantity is used ("take or pay"). This minimal quantity was determined in accordance with a process agreed upon by the two parties.

The monetary value of the Agreement through 2030 based on current TAOZ tariffs is approximately 370$-$460 million (assuming that the Option will not be exercised). The actual value, which is still uncertain, will depend on a number of factors, including DSW's decision as to whether to establish a power plant, DSW's decision to exercise the Option, the price of oil, electricity price, the rate of gas consumption, and changes in the quantity of gas required to power ICL's plants.

Company Contact:
Rony Solonicof
Chief Economist and Head of Investor Relations
Tel. 972 4 878 8152
Contact IREn@orl.co.il

Investor Relations Contact:
Ehud Helft / Porat Saar
CCG Israel
Tel. (US) 1 646 797 2868 / (Int.) 972 52 776 3687
ORL@ccgisrael.com

ORL SIGNED AN AGREEMENT WITH EMG FOR THE SUPPLY OF NAUTRAL GAS TO THE GRPOUP'S PLANS

Annual saving for the Group is estimated to be in access of US$130m, based on full year consumption following connection to the natural gas delivery line in Haifa Bay and on current fuel prices

Pursuant to the Company's Immediate Report dated April 7, 2010, the Company is pleased to announce that on December 12, 2010, it entered into an agreement with East Mediterranean Gas S.A.E. (hereinafter "EMG") for the supply of natural gas to the plants of the Company and its subsidiaries Carmel Olefins Ltd and Gadiv Petrochemical Industries Ltd, for a period of twenty (20) years commencing from the start of supply (hereinafter "the Agreement").

According to the main points of the Agreement:

- Supply of natural gas will commence when the delivery line to Haifa Bay and its connection with the Company's plants are complete, which, based upon information received from the delivery company, Israel Natural Gas Lines Ltd, is expected apparently during Q1 2011. The Company has completed installation of the required infrastructure on its own premises to receive the natural gas and has also contracted with Israel Natural Gas Lines Ltd in a delivery agreement.

- The amount of gas the Company expects to purchase from EMG during 2011 as part of this agreement is about 22.5 million MMBTU on an annually rate. The company is entitled to gradually increase the annual quantity purchased up to 38 million MMBTU starting 2014 and forth. The company should notify EMG until December 31, 2011 the quantity to be purchased starting 2013 and forth but not less than 22.5 million MMBTU per annum.

- The price of gas has been set according to a formula based upon the price of oil, including “floor” and “ceiling” prices. The Company has undertaken to Take or Pay a minimum amount of gas in accordance with the scope and arrangements fixed in the Agreement.

- The overall financial scope of the Agreement (including the option, if exercised) is estimated at about USD 1,800 million to USD 2,900 million. The actual scope will be affected by variety of factors, mainly the oil price and the scale and rate of gas consumption.

Subject to completion of the connection of Haifa Bay to the natural gas delivery line, it will be possible to replace the fuel oil the Company presently uses at its facilities with natural gas, and when the transition will have been carried out, the Company reduce emissions into the air from its plants and comply with the future requirements of the personal order set to it by the Minister for the Environmental protections on December 26, 2009 (for additional information concerning the personal order, see clause 1.6.25.3.4 of the section describing of the Company’s business in the Company’s financial statements for 2009).

The Company believes that the transition to natural gas will also bring efficiencies to its own energy consumption, to savings in maintenance expenses and a reduction in energy and other costs, whether directly or indirectly, estimated at an overall amount for the Group in excess of USD 130 million per annum. The above estimate of savings is based on a full year’s consumption following completion of the connection of the Company’s plants to the natural gas delivery line in Haifa Bay and according to the known prices of fuels. This data is correct as of today’s date but is not necessarily an indication for the future.

The above stated expected date for commencement of the supply of natural gas to the plants of the Company and its subsidiaries, as well as the forecast savings to the Company from the use of natural gas, are forward looking information, based inter alia on the estimate of Israel Natural Gas Lines Ltd concerning the date of completion of the delivery line for natural gas to Haifa

Bay (in respect of commencement of supply), on the Company’s estimation of oil and fuel oil prices, the scope of natural gas consumption and other factors (in respect of forecasted savings from the transition to the use of natural gas). Accordingly, there can be no certainty as to the date of the start of gas supply under the Agreement, and to the scale of savings as a result of the transition to the use of natural gas.

ABOUT OIL REFINERIES LTD.

Oil Refineries Ltd. (ORL), located in the bay area of the city of Haifa, operates Israel's largest oil refinery. ORL operates sophisticated and state-of-the-art industrial facilities with refining capacity of 9.8 million tons of crude oil per year, with a Nelson Complexity Index of 7.4, providing a variety of quality products used in industrial operation, transportation, private consumption, agriculture and infrastructure. The Company is also active in the area of Polymers and Aromatics through its holdings in Carmel Olefins Ltd and Gadiv Petrochemical Industries Ltd. The Company also provides power and heat services to industrial customers in the Haifa Bay, as well as infrastructure services. Oil Refineries’ major shareholders are the Israel Corporation and Israel Petrochemical Enterprises, both public companies listed on the Tel Aviv Stock Exchange. Since 2007, the Company’s shares have been listed on the Tel Aviv Stock Exchange under the ticker ORL. For additional information please visit www.orl.co.il.