

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

**Form 054
Public**

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

Sort name: Israel Corporation

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Date of Transmission: 13/12/2010

Reference: 2010-01-716553

To:
The Securities Authority
via MAGNA

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

Dear Sir/Madam,

Re: Immediate Report - Acquisition of Assets in the Electricity Production field

1. *Re: Acquiring of assets in the electricity manufacturing field*

The Company hereby reports that its subsidiary (indirectly), Inkia Energy Ltd. (hereinafter: "**Inkia**"), participates in a private bid process in connection with the acquisition of assets in the electricity production field in Central America and the Caribbean in a total sum of approx. USD 70 million. Inkia has submitted a binding offer for the acquisition of the assets. There is no certainty that Inkia's offer will be accepted and that Inkia will acquire the aforementioned assets.

2. *The reason for withholding the filing of the report:*

Inkia has filed the offer for the acquisition of the assets few weeks ago, and the publication of the submission of the offer and its amount, might have jeopardized Inkia's chance to complete the acquisition of the assets and/or significantly worsen the price of the acquisition of the assets, *inter alia*, due to the fact that the acquisition process is a competitive process.

3. *On 13.12.2010 at 13:00 the impediment to file the 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 Alchek 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