

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

Sort name: Israel Corporation

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Date of Transmission: August 27, 2015

Reference: 2015-01- 107376

To:

The Securities Authority

www.isa.gov.il

To:

The Tel Aviv Stock Exchange

www.tase.co.il

Immediate Report

The Event: Maalot Rating

See the attached Maalot report.

The date when the event first became known to the corporation: August 27, 2015

Time: 18:30

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: August 27, 2015

Israel Corporation Ltd.

August 27, 2015

New Issue

'iA+' Rating Assigned To Bond Issue Of Up To NIS 350 Million Par Value

Primary Credit Analyst

Matan Benjamin, 972-3-7539731 matan.benjamin@standardandpoors.com

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Please note that this translation was made for the company's use only and under no circumstances obligates Standard & Poor's Maalot. In the case of any discrepancy with the official Hebrew version published on August 27, 2015, the Hebrew version shall apply.

New Issue

'iIA+' Rating Assigned To Bond Issue Of Up To NIS 350 Million Par Value

Standard & Poor's Maalot hereby assigns an 'iIA+' rating to bonds of up to NIS 350 million par value, to be issued by Israel Corporation Ltd. (iIA+/Stable) through expanding its Series 7. The proceeds will be mainly used for debt refinancing and for the company's ongoing operations.

For additional information on Israel Corporation Ltd.'s issuer rating, see Rating Update published on September 21, 2014.

Rating Detail (As of 27-August-2015)

Israel Corporation Ltd.

Issuer Credit Rating	iIA+/Stable
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Senior Unsecured Debt

Series 6,7,9 Bonds	iIA+
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Rating History

September 21, 2009	iIA+/Stable
February 11, 2009	iIAA-/Negative
November 30, 2008	iIAA/Watch Neg
January 01, 2007	iIAA/Stable
July 12, 2006	iIAA/--
July 03, 2005	iIAA/Negative

Standard & Poor's Maalot ratings are based on information received from the Company and from other sources that Standard & Poor's Maalot believes to be reliable. Standard & Poor's Maalot does not audit the information it receives nor does it verify the correctness or completeness of such information.

It is hereby clarified that Standard & Poor's Maalot rating does not reflect risks relating to and/or arising from breaches, through intent or oversight, of any of the obligations included in the bond documents and/or the incorrectness or inaccuracy of any of the representations contained in the documents relating to the bond offering that is the subject of this rating, Standard & Poor's Maalot report or the facts that form the basis for the opinions expressed to Standard & Poor's Maalot as a condition for the giving of the rating, fraudulent or dishonest acts of commission or omission, or any other act that contravenes the law.

The ratings could be revised as a result of changes to the information received or for other reasons. The rating should not be perceived as expressing any opinion concerning the price of the securities on the primary or secondary market. The rating should not be perceived as expressing any opinion concerning the advisability of buying, selling or holding any security.

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