

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

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

Public

Short name: Israel Corporation

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

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

Email: MAYAAK@ISRAELCORP.COM

Date of Transmission: January 5, 2016

Reference: 2016-01- 003562

To:

To:

The Securities Authority

The Tel Aviv Stock Exchange

www.isa.gov.il

www.tase.co.il

Immediate Report

The Event: Provision of Loan to Kenon

In accordance with a the loan agreement between the Company and Kenon Holdings Ltd. ("Kenon"), the Company provided to Kenon an additional amount of USD 40 million.

Following the provision of the additional amount the total amount of the loan which was provided to Kenon is USD 150 million. The Balance of the credit frame is USD 50 million. As additional collateral and in accordance with the loan agreement, Kenon pledged in favor of the Company additional shares of IC Power Ltd. ("ICP") issued share capital, so that following the registration of the additional pledge 66 percent of ICP's issued share capital are pledged in favor of the Company.

The date when the event first became known to the corporation: January 5, 2016

Time: 12:00

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: January 5, 2016