

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

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Date of Transmission: March 13, 2016

Reference: 2016-01- 004545

To:

To:

The Securities Authority

The Tel Aviv Stock Exchange

www.isa.gov.il

www.tase.co.il

Immediate Report

The Event: Deletion of Derivative Act

Further to the Company's immediate report dated January 19, 2014 (reference no.: 2014-01018202) and to note 20.B.1(d) to the Company's financial statements dated December 31, 2014 (reference no.: 2015-01-070012), in respect to an act and a motion to approve a class act against ORL, the Company and others, in connection with suppliers credit and inventory availability of ORL, the Company hereby reports that on March 10, 2016 the Economic Court has provided its verdict according to which the motion to approve the class act was rejected.

The Court resolved that the applicant had failed to show reasonable likelihood to win the act, as although ORL did not report the said transactions on times and in scope as required according to the Court's resolution, ORL has provided to the investors all the relevant information on the dates relevant to the act in such manner that no damage have been caused to the investors..

The date when the event first became known to the corporation: March 10, 2016

Time: 17:00

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: March 13, 2016