

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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To:

The Securities Authority

www.isa.gov.il

To:

The Tel Aviv Stock Exchange

www.tase.co.il

Immediate Report

The Event: Exercise of rights to purchase shares of ORL

The Company notified ORL of the exercise of all of its rights according to the rights issue prospectus, which was issued by ORL. The Company has not acquired any additional exercisable rights.

According to its pro-rata share, the Company purchased 284,001,399 shares of ORL in consideration of approx. 196 million NIS.

The date when the event first became known to the corporation: December 25, 2013

Time: 09:56

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: December 25, 2013