

This is an English convenience translation from the original Hebrew version. In case of any discrepancy, the binding version is the Hebrew original.

6 July, 2008

To:
The Securities Authority
via MAGNA

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

Dear Sir/Madam,

Re: **Immediate Report**

Pursuant to a report provided to The Israel Corp. (hereinafter: the "**Company**") by Zim Integrated Shipping Services Ltd. (hereinafter: "**Zim**"), which is controlled by the Company, the Company hereby reports as follows:

1. On 25.5.08 a group of investors, including Zim, via the subsidiary Zim Ports Ltd. (hereinafter: "**ZPL**"), filed a response to a RFQ (Request For Qualification) which was published regarding the container terminal development project in the port of Ennore, India (hereinafter: the "**Group**" and the "**Project**", respectively). The planned container terminal will contain approximately 1.5 million TEU and the estimated cost for its establishment is approximately USD300 million. The terminal is expected to begin to operate in 2011 and the franchise period for its operation shall be 30 years. ZPL's share in the Group is 22%.
2. On 1.7.08 ZPL received a reply according to which the Group passed to the RFP Stage (Request for Proposals) together with 5 other groups. The participation of all 6 groups in the RFP is still subject to security approval from the Government of India. The details of the RFP have not been published yet.

Sincerely,

Noga Yatziv