

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

ISRAEL CORPORATION LIMITED

8th March, 2007

Securities Authority

Tel Aviv Stock Exchange

Dear Sirs,

Immediate Report

In the evening of 7th March 2007 Israel Corp. raised NIS 1.23 billion by way of private issue to institutional investors of debentures in two series linked to the Retail Prices Index as follows:

Series 6 Debentures in the amount of NIS 860 million will be repaid by equal annual installments in 2012 to 2016 inclusive and bear interest at the rate of 4.55% per annum.

Series 7 Debentures in the amount of NIS 370 million will be repaid by equal annual installments in 2017 to 2021 inclusive and bear interest at the rate of 4.7% per annum.

Until registration for trade of each of the above series, if registered, additional interest at the rate of 0.3% per annum will be paid.

The consideration received for the debentures will be used for replacement of the short term finance received for purchase of the shares of Oil Refineries Ltd.

The debentures were rated by the Israel Securities Rating Company Ma'alot as AA/Stable as specified in Immediate Report date 1st January 2007 and 6th March 2007

Yours faithfully,

Noga Yatziv
Company Secretary