

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

ISRAEL CORPORATION LTD.  
Registrar Number 520028010  
Company's Securities listed in the Tel Aviv Stock Exchange  
Millennium Tower, 23 Aranha Street, P.O.B. 20456, Tel-Aviv 61204  
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Form 081  
Public

September 9<sup>th</sup>, 2008  
Reference: 2008-01-260355

To:  
The Securities Authority  
www.isa.gov.il

To:  
The Tel Aviv Stock Exchange  
www.tase.co.il

**Amending report to a disrupted report sent on August 25<sup>th</sup>, 2008 which reference number is 2008-01-243972.**

The disruption: *complementary report to the report submitted on August 25<sup>th</sup>, 2008.*

The reason of disruption: *setting the dividend amount in NIS following the publication of the Representative Exchange Rate as of the Determining Date, and the adjustment of the amount of dividend per share following the increase of the issued share capital as a result of the issuance of shares prior to the Determining Date.*

The key points of the amendment: *the amount of dividend in NIS and the adjustment of the amount of dividend per share*

#### **Immediate Report re Distribution of Dividend in Cash**

(Regulation 37(A) of the Securities Regulations  
(Immediate and Periodical Reports), 5730-1970

1. We wish to report that on 23/09/2008 a dividend will be paid on the Company's securities:
  - **Shares**
  - Other Securities
2. The amount of the dividend to be paid is NIS 179,100,000.  
The dividend represents 2,326.4357% of the issued and paid up share capital.
3. The Determining Date (the "Com" date) is 08/09/2008.  
The "Ex" date is 09/09/2008.  
The dividend distribution date: is 23/09/2008.
4. The tax rate withheld from individuals 15.000000%.  
The tax rate withheld from companies 15.000000%.
5. Surpluses of Profits of the Company as defined by Section 302 of the Companies Law, 5759-1999 following the distribution which is the subject of this report: \$ 1,450,000,000.
6. Dividend distribution approval process:

On August 24<sup>th</sup>, 2008 the Board of Directors of the Company resolved to distribute a dividend in the amount and dates described above.

7.

Number of Security	Amount of dividend per share to be paid - in NIS or other currency	Currency of dividend	Currency of payment	Determining date
576017	23.2643750	Other – NIS	NIS	08/09/2008

- a. The dividend will be paid in NIS. The exact rate of the dividend and the exact sum of the dividend per share were set according to the Representative Exchange Rate of the USD on the Determining Date. The calculation of the dividend as a percentage of the issued and paid share capital is based, for the purpose of this report only, on the Representative Exchange Rate of the USD published on September 8<sup>th</sup>, 2008, which is NIS 3.582 = USD1.
  - b. The total amount of the dividend includes dividend in respect of shares held by the Company and by consolidated subsidiaries.
  - c. The dividend is distributed from approved enterprise only (100%). The tax rate that shall be withheld at source from companies and individuals is 15%.
  - d. As for foreign residents, tax shall be withheld at source in the amount prescribed by law, taking into account the rates set in treaties for the prevention of double taxation.
8. The number of dormant shares of the Company which are not eligible for dividends and in respect of which the Company has to provide a letter waiving dividend receipt – 0.
9. If the Company has convertible securities, please describe the effect of the dividend distribution:  
The exercise price of the non-traded options of the Company will be reduced by the dividend rate.

Reference of former documents in this regard (referring does not constitute incorporation by reference):

Former name of reporting entity:  
The Israel Corporation Ltd.

Form structure updated 21/07/2008

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Name of Electronic Reporter: Noga Yatziv. Position: Company's Secretary.  
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