

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

14th November, 2006

Securities Authority

Tel Aviv Stock Exchange

Dear Sirs,

Immediate Report

Maalot the Israel Securities Rating Company (hereinafter "Maalot") has notified the Company as to the receipt of an initial AA rating for Debentures up to an amount of \$ 150 million to be issued by the Company by private allotment to institutional investors. The consideration for the Debentures will be invested in new investments.

Additional details can be found in the attached notice of Maalot.

Yours faithfully,

Noga Yatziv

14/11/06

PRESS RELEASE

ISRAEL CORPORATION LTD.

Ma'a lot, a strategic partner of Standard & Poor's, hereby gives notice as to the initial (AA) rating of Debentures up to an amount of \$ 150 million to be issued by Israel Corporation Ltd. by private allotment to institutional investors. The consideration for the Debentures will be invested in new investments.

The rating relates also to existing Debentures issued in the past.

For more particulars see Main Considerations for the Rating Report dated 12th July 2006.