

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

15th February, 2007

Securities Authority

Tel Aviv Stock Exchange

Dear Sirs,

Immediate Report

With reference to an item published in "Ma'ariv" newspaper, Israel Corporation Ltd. (hereinafter "**the Company**") wishes to give notice as follows:

1. The Company has not entered into any transaction with any entity defined as a foreign investor and has not applied to the Government Companies Authority for the receipt of any permit.
2. The Board of Directors of the Company has not yet decided whether to submit a bid for the tender and is in the course of studying the matter.
3. A final decision will be made near the time for submission of bids.

Yours faithfully,

Noga Yatziv
Company Secretary