

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

19th February, 2007

Securities Authority

Tel Aviv Stock Exchange

Dear Sirs,

Immediate Report - Oil Refineries Issue

Israel Corporation Ltd. (hereinafter “**the Company**”) gives notice that in accordance with the initial information received by the Company from the Government Companies Authority, the applications of the Company together with the Scailex Group, (hereinafter “**the Scailex Group**”) (as specified in the Immediate Report of the Company dated 18th February 2007), in the frame of the tender for sale to the public of Oil Refineries Ltd. (hereinafter “**Refineries**”) that was held today, have been accepted at a rate anticipated to confer upon the Company together with the Scailex Group control of Refineries.

An official notification of the results of the tender including details of the number of shares to be allotted to the Company and to the Scailex Group, and the price thereof, has not yet been received.

Subject to receipt of such official notification, it is the intention of the Company to submit without delay an application to the state for receipt of ministerial approval in accordance with The Government Companies (Pronouncement of Interests in Oil Refineries Ltd. as Vital to the State) Order – 2007. The Company also intends to apply without delay to the Antitrust Commission for approval of the merger.

Yours faithfully,

Noga Yatziv
Company Secretary