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ISRAEL CORPORATION LIMITED

19th June, 2007
2007-01-431180

Securities Authority

Tel Aviv Stock Exchange

Dear Sirs,

Immediate Report

Further to the Immediate Reports of the Company dated 27th May and 4th June 2007 (No. 2007-01-402056 and 2007-01-415364, respectively) Israel Corporation Ltd. wishes to announce that on 18th June 2007 the transaction for the purchase of all of the shares and rights of Globeleq Americas Ltd., a company registered in Bermuda, ("**the Purchased Company**") from Globeleq International Ltd. ("**the Vendor Company**"), was completed.

1. The total price paid is 543 million US dollars after adjustments in respect of interest accrued and profits drawn and also after exclusion from the assets of the Purchased Company of 2 minority holdings (that have no material affect on the results of the Purchased Company), which are subject to third party rights.
2. In accordance with the report as to details of the transaction (the 27th May report) the purchase was carried out by means of a fully owned subsidiary of Israel Corporation, SLC Holdings Ltd. which is registered in Bermuda and was established for this purpose. D.S. Constructions Ltd., an Indian company that is the partner to the transaction, has not yet obtained the approvals from the authorities in India that are necessary for the transaction.
3. Israel Corporation financed payment of the consideration from its own resources and it now intends to obtain finance proposals from the banks.

Yours faithfully,

Noga Yatziv