

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 October, 2006

Securities Authority

Tel Aviv Stock Exchange

Dear Sirs,

Immediate Report

Attached is an Immediate Report of Tower Semiconductor Ltd. relating to a non-recurring financing profit of \$ 80 million in the third quarter of 2006 resulting from investment agreements with the banks and with Israel Corporation Ltd. (hereinafter the Company).

The Company is examining the accounting repercussions of the non-recurring profit on the results of the Company in the third quarter of 2006.

Yours faithfully,

Noga Yatziv
Company Secretary