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ISRAEL CORPORATION LIMITED

21st January, 2008
Ref: 2008-01-020835

Securities Authority

Tel Aviv Stock Exchange

Dear Sirs,

Immediate Report

Further to the Immediate Reports of the Company dated 26th August, 25th September and 27th December 2007, relating to the electric car operation venture which in the initial stage will, *inter alia*, concentrate on setting up a network for repowering electric cars (hereinafter “**the Car Venture**”), Israel Corporation hereby gives notice that on 21st January 2008 agreements relating to investment in the venture were entered into between the Company, additional investors and the promoter. The manner and times of investment (except for the first investment as detailed in the Immediate Report dated 27th December 2007) will be specified in the multi-annual operative plan, which will include a full budget (including milestones and an outline for external finance) that is to be approved as specified in the Immediate Report dated 27th December 2007.

The investment will be carried out in the first stage by a LLC company to be set up in Delaware USA and the parties intend to transfer the investment to a different incorporation venue within a time period to be fixed by the parties.

For additional particulars see the above mentioned Immediate Reports.

Yours faithfully,

Noga Yatziv