

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

28th February, 2007

Securities Authority

Tel Aviv Stock Exchange

Dear Sirs,

Immediate Report

Israel Corporation Ltd. gives notice that its subsidiary Zim Integrated Shipping Services Ltd. (hereinafter "**Zim**") has notified that the Board of Directors of Zim yesterday approved a transaction for the purchase of containers ships of 10,000 TEU.

In the frame of the transaction Zim will purchase two 10,000 TEU container ships and Zim will have an option for the purchase of an additional 10,000 TEU container ship.

The price for each ship will be \$ 133.2 million.

It is anticipated that the ships will be delivered to Zim at the start of 2010.

No interested parties are involved in the transaction.

Yours faithfully,

Noga Yatziv
Company Secretary