

**This is a summary in English of the original Hebrew version. In case of any discrepancy, the binding version is the Hebrew original.**

**ISRAEL CORPORATION LIMITED**

30<sup>th</sup> March, 2007  
Ref: 2007-01-088875

Securities Authority

Tel Aviv Stock Exchange

Dear Sirs,

**Immediate Report as to Convention of AGM and SGM**

Notice is hereby given that, in accordance with a decision of the Board of Directors of the company, the Annual General Meeting and a Special General Meeting (with regard to item 3 on the agenda) of the shareholders of the Company will be held on Wednesday, 14<sup>th</sup> May 2008, at 12:00 a.m., at the offices of the Company at 23 Arania Street, Millennium Tower, Tel Aviv (hereinafter "**the Meeting**").

**On the Agenda: -**

1. Appointment of Directors (voting in respect of each director will be conducted separately) and determination of a uniform remuneration for all of the directors (with the exception of the Chairman of the Board).
2. Appointment of accountant-auditors for the year 2008 (the Board being authorized to fix their remuneration in accordance with the Articles of the Company).
3. Payment of a bonus to Mr. Idan Ofer, Chairman, as detailed in an Immediate Report (Transaction Report) published by the Company on 30/03/2008 (Ref: 2008-01-088815).
4. Discussion of the Financial Statements and Directors Report for the year 2007. (No resolution will be put to the vote).

**Text of Proposed Resolutions: -**

1. To re-appoint Messrs. Idan Ofer, Avi Levy, Ehud Angel, Amnon Lion, Zvi Itskovitz, Moshe Vidman, Yaakov Amidror and Irit Izekson and as directors of the Company; and to approve payment of uniform remuneration to all of the directors holding office and who may hold office (with the exception of the Chairman) in accordance with The Companies (Rules for Remuneration and Expenses of External

Directors) Regulations 2000, such remuneration that will be paid to the directors holding office or who may hold office being at the maximum rate provided in such Regulations in accordance with the grading of the company.

2. To re-appoint Somech Haikin (KPMG) as accountant-auditors of the Company for the year 2008, the Board being authorized to determine their fees in accordance with the Articles of the Company.
3. To approve the payment of a special annual bonus in a total amount of NIS 1,465,448 to Mr. Idan Ofer, Executive Chairman of the Board, in respect of the year 2007.

Notice is hereby given that the Annual General Meeting and a Special General Meeting (with regard to item 3 on the agenda) of the shareholders of the Company will be held on Thursday, 14<sup>th</sup> May 2008, at 12:00 a.m., at the offices of the Company at 23 Arania Street, Millennium Tower, Tel Aviv on the agenda of which is receipt of the resolutions detailed above.

**Requisite Majority at the Meeting for approval of resolutions 1 and 2 above:** Simple majority of shareholders present in person or by proxy who are entitled to vote and who voted at the meeting, without taking the abstention votes into account.

With regard to resolution 3 on the agenda – see the Immediate Report (Transaction Report) published by the Company on 30/03/2008 (Ref: 2008-01-088815).

A shareholder is entitled to appoint a proxy to participate and vote on his behalf at the General Meeting in accordance with the provisions of the Byelaws of the Company. Proxy instruments must be deposited at the registered office of the Company at least 48 hours before the time fixed for the meeting or the adjourned meeting.

The Record Date for entitlement of a shareholder to vote at the meeting, in accordance with section 182 of The Companies Law, 1999, is 6<sup>th</sup> April 2008 (“**the Record Date**”).

In accordance with the Companies (Proof of Ownership of Shares for the Purpose of General Meeting Voting) Regulations, 2000, a shareholder to whose credit a share is registered with a Member of The Tel Aviv Stock Exchange Ltd., which share is included in the Shareholders Register of the Company in the name of a Nominee Company, who wishes to vote at the General Meeting, is required to furnish the Company with a Certificate of the Stock Exchange Member with whom the share is registered to his credit, certifying his ownership of the share at the Record Date, in accordance with Form 1 in the Appendix to the Regulations.

A quorum shall be constituted by the presence in person or by proxy of at least five shareholders who together hold at least twenty five percent of the voting rights. If no quorum is present half an hour after the time fixed for the meeting, the meeting shall be adjourned for seven days to the same day, at the same time and at the same place, without need for notification of same to the shareholders, and if no quorum is present at the adjourned meeting after half an hour of the time fixed for the meeting – the shareholders present shall constitute a legal quorum.

Shareholders of the Company may peruse the full text of the proposed resolution of the General Meeting at the offices of the Company on Sunday to Thursday between the hours of 09:00-16:00 by telephone appointment 03-6844500.

Yours faithfully,

Noga Yatziv  
Company Secretary