

This is an English convenience translation of the original Hebrew version. In case of any discrepancy, the binding version is the Hebrew original.

Israel Corporation Ltd. (the "**Company**")

June 30, 2008

To:
The Securities Authority
By Magna System

To:
The Tel Aviv Securities Exchange Ltd.
By Magna System

Dear Sir/Madam,

Re: **Immediate Report**

The Company wishes to report, following the immediate report filed by it on the 27th of December 2007, that the Company's board of directors approved, in its meeting in the afternoon of the 29th of June 2008 to inject an additional amount of money into *Better Plc* of approximately US\$ 15.5 million in accordance with the proportionate holdings of the Company in the venture. This injection is in addition to the sum of US\$ 7.5 million injected so far by the Company into *Better Plc*.

In addition, it was resolved to continue injecting further amounts into *Better Plc* up to the total sum of the Company's investment in the sum of US\$ 100 million. This resolution was reached after the board of directors was presented with the budget of *Better Plc*, which includes milestones and a capital raising plan. The injection of the funds in accordance with the *pro rata* share of the Company shall be done at the times and in the amounts to be determined, from time to time, by the board of directors of *Better Plc*, subject to the compliance of *Better Plc* with the budget, the milestones and the capital raising plan as was presented to the Company's board of directors and in accordance with the agreements signed between the parties.

Sincerely,

Noga Yaziv