



## Israel Corp. Reports Results for First Quarter of 2018

Tel Aviv, May 24, 2018. Israel Corporation Ltd. (TASE: ILCO) (“IC”) today announced its first quarter for the period ending March 31, 2018.

### Selected Financial Figures for the First Quarter of 2018:

\$m	Q1/18	Q1/17
<b>ICL</b>	<b>441</b>	<b>33</b>
<b>Bazan</b>	<b>25</b>	<b>8</b>
Amortization of excess cost	(3)	(4)
Financing, G&A and other expenses at IC headquarter level	(27)	(23)
Loss from re-measurement to fair value of collar <sup>1</sup> options	(5)	(6)
Tax expenses of IC headquarters	1	(1)
<b>Net Profit to company's shareholders</b>	<b>432</b>	<b>7</b>

On March 22, 2018, IC announced a cash dividend to shareholders amounting to \$120 million. The record date was April 8, 2018 and the payment date was April 23, 2018.

### Debt Balances and Liquidity at the IC Headquarters Level

As of March 31, 2018, total financial liabilities were \$1,908 million, and investments in liquid assets amounted to \$848 million.

Net debt as of March 31, 2018 totaled \$991 million. The net debt includes the impact of the fair value of the collar transaction, which decrease the economic value of the financial liabilities in the amount of \$38 million. The net debt also includes the fair value of derivatives transactions, which decrease the economic value of the financial liabilities in the amount of \$31 million. As of December 31, 2017, the net debt was \$1,246m.

The ICL related collar loan balance was \$115 million and \$128 million as of March 31, 2018 and December 31, 2017 respectively.

<sup>1</sup> During September 2014, IC entered into a financial transaction in relation to 36.2 million shares of ICL. Under its framework, IC will receive protection from a decrease in the price of ICL shares below an average price, which is set at a level of 90% of the US public offering price of ICL, and the counterparties will benefit from an increase in the share price of ICL shares above an average price, which is set at a level of 130% of the US public offering price of ICL.



## **IC Total Assets, Net**

<b>\$m</b>	<b>31/03/2018</b>
<b>Assets</b>	
ICL (~587m shares <sup>2</sup> , market value, as of 29/3/18)	2,470
Bazan (~1,058m shares, market value, as of 29/3/18)	488
<b>Total Public Assets</b>	<b>2,958</b>
IC's Net Debt <sup>3</sup>	914
<b>Total Assets, net</b>	<b>2,044</b>

## **About Israel Corporation**

Israel Corporation Ltd. (TASE: ILCO) (“IC”) is a holding company providing focused exposure to well positioned mature assets in the natural resources industry through its c.46% shareholding in Israel Chemicals (NYSE: ICL, TASE: ICL) and its c.33% shareholding in the Bazan Group (TASE: ORL) (also known as Oil Refineries). IC is publicly traded on the Tel Aviv Stock Exchange under the ticker ILCO and is a TA-35 index constituent.

IC is rated iIA/Stable by Standard & Poor’s Maalot.

For further information on IC, see IC’s publicly available filings which can be found on the Tel Aviv Stock Exchange website at <http://maya.tase.co.il>.

Please also see IC company website <http://www.israelcorp.com> for additional information.

### *Convenience Translation*

*The financial information found in this press release is an English summary based on the original Hebrew financial statements and is solely for the convenience of the reader. The binding version is the original in Hebrew.*

### *Forward Looking Statements*

*This press release may contain forward-looking statements which may not materialize and are subject to risks and uncertainties that are not under the control of IC, which may cause actual results to differ materially from those contained in the disclosures.*

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<sup>2</sup> c.46% on a voting rights basis and c.47.4% on an issued share capital basis, as of March 31, 2018.

<sup>3</sup> Excluding loan and options related to the Collar transaction in a net amount of \$77m as of March 31, 2018