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Israel Corporation Ltd.

Registrar Number: 520028010

**Form 121
Public**

Date of Transmission: December 25, 2018

Reference: 2018-01- 126330

To:

The Securities Authority

www.isa.gov.il

To:

The Tel Aviv Stock Exchange

www.tase.co.il

Immediate Report

The Event: ICL – Class Action Concerning ICL's (Harmonization) Project

Further to the Company's immediate report dated October 14, 2018 (reference no. 2018-01-095856), in connection with denial of the application for permission to appeal filed with the Israeli Supreme Court by a shareholder of ICL regarding an application for discovery and perusal of documents as part of a preliminary proceeding prior to filing an application for certification of a derivative action related to the manner of management and termination of the IT project (the "Harmonization" project), the Company today reports that the same shareholder in ICL has yesterday filed an application with the Tel Aviv District Court for certification of a class action against ICL, the Company, and ICL's officeholders, including directors, who served in ICL at the periods specified in the statement of claim (the "Application").

According to the allegations made in the Application, ICL failed to properly report (negative) developments that occurred at several times during the IT project, and failure of the project has caused ICL immense financial damages.

The represented class is defined in the Application as including all persons who acquired ICL shares at any time during the period beginning on June 11, 2015, and who did not sell such shares until September 29, 2016. The aggregate claim amount for all members of the represented class is estimated between \$113 million (ILS 426 million) maximal damages and \$7 million (ILS 26 million) minimal damages.

ICL, with the assistance of its legal advisors, denies the allegations made in the Application and will file its position with the Court as required by law.

The Company is not a shell company as defined in the Stock Exchange Regulations

The date when the event first became known to the corporation: December 25, 2018

Time: 09:15

Name of report authorized signatory and name of authorized signatory electronic signatory: Maya Alcheh-Kaplan

Position: Vice President, General Counsel and Company's Secretary

Signing Date: December 25, 2018

Name of Electronic Reporter: Maya Alcheh-Kaplan. Position: Vice President, General Counsel and Company's Secretary. Address: Aranha 23, Millennium Tower. Tel Aviv 61204. Phone – 03-6844517 Fax: 03-6844587.

E-mail: mayaak@israelcorp.com.



December 25, 2018

Class Action Concerning ICL's IT (Harmonization) Project

Further to the Company's immediate report dated October 14, 2018 (reference no. 2018-02-095787), in connection with denial of the application for permission to appeal filed with the Israeli Supreme Court by a shareholder of the Company regarding an application for discovery and perusal of documents as part of a preliminary proceeding prior to filing an application for certification of a derivative action related to the manner of management and termination of the IT project (the "Harmonization" project), the Company today reports that the same shareholder has yesterday filed an application with the Tel Aviv District Court for certification of a class action against the Company, Israel Corporation Ltd. and officeholders, including directors, who served in the Company at the periods specified in the statement of claim (the "Application").

According to the allegations made in the Application, the Company failed to properly report (negative) developments that occurred at several times during the IT project, and failure of the project has caused the Company immense financial damages.

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The Company, with the assistance of its legal advisors, denies the allegations made in the Application and will file its position with the Court as required by law.

Name of the authorized signatory on the report and name of authorized electronic reporter:

Lisa Haimovitz

Position: SVP, Global General Counsel

Signature Date: December 25, 2018

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