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**Israel Corporation Ltd.**

Registrar Number: 520028010

**Form 121**  
**(Public)**

To:  
The Securities Authority  
www.isa.gov.il

To:  
The Tel Aviv Stock Exchange  
www.tase.co.il

Date of Transmission: 07/04/2020  
Reference: 2020-01-036726

**Immediate Report**

**Nature of Event: Private Issuance for Qualified Investors of Bonds (Series No. 14)**

Reference numbers of prior reports on the subject: \_\_\_\_\_

Attached hereto PrivateAllocationBond14final.isa.pdf

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: *April 6, 2020* Time: *22:00*

Details of the authorized signatories to sign on behalf of the corporation:

Name	Position
<i>Maya Alchek Kaplan</i>	<i>Vice President, General Counsel and Company's Secretary</i>
<i>Sagi Kabla</i>	<i>CFO</i>

Name of report authorized signatory and name of authorized electronic signatory:

Maya Alchek Kaplan

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

Signature date: April 7, 2020

Form structure updated: 08/08/2020

Securities of the corporation are listed in the Tel Aviv Stock Exchange

Short name: Israel Corporation

Address: P.O.B. 20456, Tel Aviv 61204 Tel: 03-6844517, 03-6844500, Fax: 03-6844587

Email: [MAYAAK@ISRAELCORP.COM](mailto:MAYAAK@ISRAELCORP.COM)

Former names of reporting entity: Israel Corporation Ltd.

Name of Electronic Reporter: Maya Alchek Kaplan. Position: Vice President, General Counsel and Company's Secretary.

Address: Aranha 23, Tel Aviv 61204. Phone – 03-6844517, Fax: 03-6844587,

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To:  
The Securities Authority  
www.isa.gov.il

To:  
The Tel Aviv Stock Exchange  
www.tase.co.il

**Nature of Event: Private Issuance for qualified Investors of Bonds (Series No. 14)**

Israel Corporation Ltd. (the "**Company**") is hereby to report that it has received orders from Qualified Investors, as listed in the First Schedule of the Israeli Securities Law, 1968 (the "**Offerees**"), to purchase Company's 345,000,000 NIS par value listed bonds (Series No. 14), each one of 1 NIS par value ("**Additional Bonds**"), by way of an extension of the Bonds Series (Series No. 14) listed on the Tel Aviv Stock Exchange ("**TASE**"), and the Company's Board of Directors approved the private issuance as follows:

1. The Additional Bonds issuance will be (subject to the approval of TASE and the rating company, as detailed below) at the price of 87 NIS par value for each 100 NIS par value bonds (series No. 14) and total (gross) consideration of 300 million NIS.
2. The bonds (Series 14) were initially issued by the Company according to a Shelf Offering Report dated December 16, 2019 (reference number: 2019-01-109908) ("**Shelf Offering Report**") and as specified in the Deed of Trust attached to the Shelf Offering Report.
3. The terms and rights incorporated with the Additional Bonds will be equal to the bonds (Series No. 14) currently in circulation, and will constitute, in all respects, a single series together with the current bonds (Series No. 14).
4. Following the execution of the private issuance as stated in this report, the series of bonds (series No. 14) will amount to 1,905,000,000 NIS par value.<sup>1</sup>
5. The Company notified the Trustee of the bonds (Series No. 14) of its intention to execute the issuance of the Additional Bonds, and contacted the rating company Standard & Poor's Maalot to obtain its approval for the rating of the Additional Bonds, in accordance with the provisions of the bond's (Series No. 14) Deed of Trust.
6. The Additional Bonds will be recorded in Company's securities registry under the name of the TASE Nominee Company Ltd.

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<sup>1</sup>The closest interest payment date for the bonds (Series No. 14) is on June 30, 2020 and the closest payment of the principal is on June 30, 2022

7. The adjusted value (principal, interest and indexation differences) of each bond 1 NIS par value (series No. 14) as of the date of this report, is 1.0066 NIS. Since the price per 1 NIS par value bond of each Additional Bond is 0.87 NIS, the Additional Bonds are issued in discount fee. The Company will contact the Israeli Tax Authority to obtain its approval that for the purpose of withholding fee deduction from the discount fee in respect of the bonds (series No. 14), a uniform discount rate will be determined according to a formula that considers the various discount rates of the bonds (series No. 14).
8. The Additional Bonds issuance is subject to the approvals of TASE for registration for trade, and to the approvals of the Israeli Tax Authority and the rating company, as mentioned above. The Company will apply to TASE for registration of the Additional Bonds shortly after the publication of this report. The issuance will be made promptly after receiving the approval from TASE. Insofar as the issue will not be completed by May 3, 2020, the Offerees will have the right not to purchase the Additional Bonds.
9. The Additional Bonds will be subject to the restrictions on resale (blocking provisions), stated in Article 15C of the Securities Law, 1968 and the Securities Regulations (details regarding Article 15A to 15C of the Law), 2000.

Respectfully,

**Israel Corporation Ltd.**

Name of report authorized signatory and name of authorized electronic signatory:

Maya Alchek Kaplan

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

Signature date: April 7, 2020