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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: 02/09/2020
Reference: 2020-01-088090

Immediate Report

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

Reference numbers of prior reports on the subject: 2020-01-087886

Attached hereto PrivateAllocationBonfinal.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: *September 2, 2020* Time: *13:30*

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

Name	Position
<i>Maya Alcheh 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 Alcheh Kaplan

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

Signature date: September 2, 2020

Form structure updated: 04/08/2020

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

Former names of reporting entity: Israel Corporation Ltd.

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

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

Email: mayaak@israelcorp.com

September 2, 2020

To:

The Securities Authority

www.isa.gov.il

To:

The Tel Aviv Stock Exchange

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

Following the immediate report of Israel Corporation Ltd. (the "**Company**"), dated September 1, 2020 (reference no.: 2020-01-087460) (the "**Private Issuance Report**"), in connection with a private issuance for qualified investors, as listed in the First Schedule of the Israeli Securities Law, 1968, of Company's 350,000,000 NIS par value bonds (Series No. 14) (the "**Additional Bonds**"), by way of an extension of the bonds' series, the Company is hereby to report as follows:

1. According to the Israeli Tax Authority's approval to the Green Lane arrangement (that was received on April 7, 2020), the weighted discount rate of bonds (series 14) is calculated in accordance with a formula that weights the different discount rates (including without discount) in which the bonds (series 14) were issued and will be issued¹. The Additional Bonds issued in discount rate of 4.4%. The unified weighted discount rate for the withholding tax applicable for bonds (series 14) (that is bonds currently in circulation and the Additional Bonds) after the extension of the bonds' series during the issuance of bonds (series 14) according to the Private Issuance Report, will be 3.9%².
2. On September 1, 2020, the rating company Standard & Poor's Maalot approved the "ilA" rating for the bonds in a total amount of no more than 350,000,000 NIS par value, that will be issued by the Company by way of an extension of the bonds (series 14). See Company's immediate report dated September 2, 2020 (reference no.: 2020-01-087886).

To the date of this report, the issuance of the Additional Bonds as specified in this report is subject to the approval of the Tel Aviv Stock Exchange for the registration for trade of the Additional Bonds.

Respectfully,

Israel Corporation Ltd.

¹ For more details see section 7.6 to the Company's shelf offering report dated December 16, 2019 (reference no.: 2019-01-109908), in which the bonds (series 14) were initially offered, and in addition see immediate report dated April 7, 2020 (reference no.: 2020-01-037680).

² The discount rate immediately before the issuance was 3.7%.

September 2, 2020

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

Maya Alcheh Kaplan

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

Signature date: September 2, 2020