

Translation from the Hebrew. The binding version is the Hebrew version.

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

September 10, 2009

**Attn.
Israel Securities Authority
22 Kanfei Nesharim Street
Jerusalem. 95464
(via MAGNA)**

**Attn.
Tel Aviv Stock Exchange Ltd.
54 Ehad Ha'am Street
Tel Aviv, 65202
(via the MAGNA)**

Dear Sir or Madam,

Re: Results of the public offering under a shelf offering report dated September 9, 2009

Pursuant to the provisions of section 30 of the Securities Law, 5728-1968 and the Securities (Notice of the Results of the Offer in a Prospectus) Regulations, 5730-1969, the Company hereby announces the results of the issuance under the shelf offering report dated September 9, 2009 ("the Shelf Offering Report"), which was published pursuant to the shelf prospectus published by the Company on August 9, 2009 ("the Shelf Prospectus") as set forth hereunder.

1. General

The following securities were offered under the Shelf Offering Report:

- 1.1 Up to NIS 630,000,000 par value of registered Debentures (Series B), ("the Debentures (Series B)"), of NIS 1 par value each, which were offered by way of expansion of the series of Debentures (Series B) in circulation.
- 1.2 Up to NIS 120,000,000 par value of registered Debentures (Series C), ("the Debentures (Series C)"), of NIS 1 par value each, which were offered by way of expansion of the series of Debentures (Series C) in circulation.
- 1.3 Up to NIS 100,000,000 par value of registered Debentures (Series D), ("the Debentures (Series D)") of NIS 1 par value each..

The Debentures (Series B), the Debentures (Series C) and the Debentures (Series D) are hereinafter jointly referred to as "the Securities". The offering of the Securities was not underwritten.

2. The Tenders

The Securities were offered to the public in three separate tenders which took place on September 10, 2009 and which were independent of one another as set forth below:

2.1 Series B Tender

630,000 units by way of a tender for the unit price, whereby the composition of each unit and its minimum price are as follows:

	<u>Minimum Price</u>
NIS 1,000 par value of Debentures (Series B), offered at 103.1% of their par value.	NIS 1,031

Minimum price per unit NIS 1,031

Classified investors undertook in a prior commitment to subscribe for 500,000 units of the units offered to the public in the Series B tender.

2.2 Series C Tender

120,000 units by way of a tender for the price per unit, where the composition of each unit and its minimum price are as follows:

	<u>Minimum Price</u>
NIS 1,000 par value Debentures (Series C), issued at 91.3% of their par value	NIS 913
Minimum price per unit	NIS 913

Classified investors undertook in a prior commitment to subscribe for 95,040 units of the units offered to the public in the Series C tender.

2.3 Series D Tender

100,000 units by way of a tender for the margin over and above the Telbor interest rate (as defined in the Shelf Offering Report), not to exceed 1.45% per annum ("the Maximum Margin"), where the composition of each unit and its price are as follows:

	<u>The Price</u>
NIS 1,000 par value Debentures (Series B) which were issued at 100% of their par value	NIS 1,000
Price per unit	NIS 1,000

The margin for Debentures (Series D) to be fixed in a tender shall not exceed the Maximum Margin.

Classified investors undertook in a prior commitment to subscribe for 72,379 units of the units offered to the public in the Series D tender.

The subscription list for purchase of the Securities offered to the public in the three tenders described above opened on September 10, 2009 and closed on the same day.

3. Results of the Tenders

Hereunder are the results of the said tenders:

3.1 Series B Tender – Results of the issuance

3.1.1 In the tender, a total of 337 subscriptions were received to purchase 675,098 units in the Series B tender, of which subscriptions from the public were for the purchase 175,098 units and subscriptions from classified investors were for the purchase of 500,000 units.

3.1.2 The unit price set in the Series B tender is NIS 1,031 per unit ("the Unit Price Set in the Series B Tender").

3.1.3 In view of the foregoing, had the Company not exercised its right to carry out an additional allocation as stipulated in section 3.1.4 below, 630,000 Series B units would have been allocated at the Unit Price Set in the Series B Tender, as per the following:

3.1.3.1 254 subscriptions for the purchase of 594,468 units (including 40 subscriptions from classified investors for the purchase of 423,264

units) at a unit price higher than the Unit Price Set in the Series B Tender – were accepted in full.

3.1.3.2 16 subscriptions from classified investors to purchase 76,736 units at the Unit Price Set in the Series B Tender – were accepted pro rata, so that each subscriber received 46.3% of its subscription.

3.1.3.3 67 subscriptions from the public to purchase 3,894 units at the Unit Price Set in the Series B Tender, were not accepted.

3.1.4 The Company decided to exercise its right of an additional allocation to all the subscribers in accordance with section 2.1.4.2 of the Shelf Offering Report and to allocate 45,098 units of Series B to all the subscribers (without awarding priority to the classified investors), and therefore 45,098 additional units of Series B were allocated, so that all the subscriptions at the Unit Price Set in the Series B Tender were accepted, as follows:

3.1.4.1 16 subscriptions from classified investors to purchase 76,376 units at the Unit Price Set in the Series B Tender, were accepted in full.

3.1.4.2 67 subscriptions from the public to purchase 3,894 units at the Unit Price Set in the Series B Tender, were accepted in full.

3.1.5 In all, the Company allocated, according to the result of the Series B tender, 675,098 units of Series B at a total par value of NIS 675,098,000, so that the total immediate gross proceeds received by the Company for Series B amounted to NIS 696 million.

3.2 Series C Tender – Results of the issuance

3.2.1 In the tender, a total of 110 subscriptions were received to purchase 112,148 units in the Series C tender, of which subscriptions from the public were for the purchase 17,108 units and subscriptions from classified investors were for the purchase of 95,040 units.

3.2.2 The unit price set in the Series C tender is NIS 913 per unit, ("the Unit Price Set in the Series C Tender").

3.2.3 In view of the forgoing, in total 112,148 units of Series C were allocated at the Unit Price Set in the Series C Tender, as specified below:

3.2.3.1 56 subscriptions for the purchase of 63,990 units (including 8 subscriptions from classified investors for the purchase of 50,766 units) at a unit price higher than the Unit Price Set in the Series C Tender – were accepted in full.

3.2.3.2 4 subscriptions from classified investors to purchase 44,274 units at the Unit Price Set in the Series C Tender, were accepted in full.

3.2.3.3 50 subscriptions from the public to purchase 3,884 units at the Unit Price Set in the Series C Tender, were accepted in full.

3.2.4 In all, the Company allocated, according to the result of the Series C tender, 112,148 units of Series C at a total par value of NIS 112,148,000, so that the total immediate gross proceeds received by the Company for Series C amounted to NIS 102 million.

3.3 Series D Tender – Results of the issuance

- 3.3.1 In the tender, a total of 134 subscriptions were received to purchase 99,871 units in the Series D tender, of which subscriptions from the public were for the purchase 27,492 units and subscriptions from classified investors were for the purchase of 72,379 units.
- 3.3.2 The margin over and above the Telbor interest rate (as defined in the Shelf Offering Report) set in the Series D tender was 1.45% per annum ("the Margin Set in the Series D Tender").
- 3.3.3 In view of the forgoing, a total of 99,871 units of Series D were allocated at the Margin Set in the Series D Tender, as specified below:
- 3.3.3.1 128 subscriptions for the purchase of 73,787 units (including 24 subscriptions from classified investors for the purchase of 46,379 units) at a margin lower than the Margin Set in the Series D Tender – were accepted in full.
- 3.3.3.2 3 subscriptions from classified investors to purchase 26,000 units at the Margin Set in the Series D Tender, were accepted in full.
- 3.3.3.3 3 subscriptions from the public to purchase 84 units at the Margin Set in the Series D Tender, were accepted in full.
- 3.3.4 In total the Company allocated, according to the result of the Series D tender, 99,871 units of Series D at a total par value of NIS 99,871,000, so that the total immediate gross proceeds received by the Company for Series D amounted to NIS 100 million.

4. Proceeds received

The immediate total gross proceeds received by the Company for the issue of the Debentures (Series B), the Debentures (Series C) and the Debentures (Series D) totaled NIS 898 million.

The Company wishes to thank the investors for their response to the offering under the Shelf Offering Report.

Sincerely,

Israel Chemicals Ltd.