

FOR IMMEDIATE RELEASE

## Shai Agassi Launches Alternative Transportation Venture

### **\$200 Million Backing to Transform Countries from Oil-based Transportation to Electric Vehicles through Electric Recharge Grid Infrastructure**

**New York, New York, (October 29, 2007)** -- Shai Agassi, former SAP executive, has announced today the formation of Project Better Place, an entity focused on one of the 21st century's biggest challenges – developing a sustainable, environmental solution for converting country-wide transportation systems toward electricity and away from fossil fuel.

The company will deploy the regional and global infrastructure to support electric vehicles on a country by country basis. Project Better Place will establish a widespread grid of electric charging spots at current parking locations as well as battery exchange stations through software systems integration. These capabilities will provide consumers with the energy to keep their cars charged and driving without the need to wait for electricity at any point. The new grid presents a practical solution to address barriers to electric vehicle adoption.

“Our global economy urgently needs an environmentally clean and sustainable approach to energy and transportation. We need to rethink how to bring together consumers, existing technology, and the entire car eco-system to establish the next generation infrastructure that provides energy for commuters and is not dependent on liquid fuels,” said Mr. Agassi. “We have crossed a historic threshold where electricity and batteries provide a cheaper alternative for consumers. Existing technology, coupled with the right business model and a scaleable infrastructure can provide an immediate solution and significantly decrease carbon emissions.”

Shai Agassi, 39 will serve as CEO of the new entity, while Idan Ofer, Chairman of Israel Corp., will serve as Chairman of the Board. The company has entered into a term sheet for its first round of funding in the amount of \$200 million with investments from Israel Corp., Morgan Stanley, VantagePoint Venture Partners, and a group of individual private investors managed by Michael Granoff, which includes James Wolfensohn, Edgar Bronfman, Sr. and Musea Ventures [and Israel Cleantech Ventures].

“Project Better Place offers a compelling business and environmental case for how to address global energy and transportation challenges. We now have 700 million cars driving on the world's roads, annually emitting 2.8 billion tons of CO<sub>2</sub>,” said Idan Ofer, Chairman of Israel Corp. “The tailpipe problem has always been the most challenging wedge of the climate change problem that humanity has to solve. Under Shai's leadership, this project has the promise to stimulate the largest blue ocean economic opportunity in the history of capitalism, with our children as its greatest beneficiary.”

Project Better Place will focus in phase one on establishing a repeatable framework, implementing electric recharge grids through local operating companies in multiple countries. In addition, the company will secure partnerships with a supply chain of car makers, technology providers, and global and local financing institutions. The company is currently in discussions with various governments to establish pilot sites, with plans to begin rollout of the new infrastructure in early 2008.

### **Business Model and Pricing**

The business model for the electric cars will be similar to that used by mobile phone operators. In the same way that wireless operators deploy a network of cell towers to provide an area of mobile phone coverage, Project Better Place will establish a network of charging spots and battery exchange stations to provide ubiquitous access to electricity to power electric vehicles. The company will partner with car makers and source batteries so that consumers who subscribe to the network can get subsidized vehicles which are cheaper to buy and operate than today's fuel-based cars. Consumers will still own their cars and will have multiple car models to choose from.

Project Better Place will deploy and test this framework over the next 24 months in a variety of launch markets, after which it plans to deploy hundreds of thousands of vehicles annually, across multiple markets. The company anticipates achieving tipping-point saturation in early markets within 10 years of rollout.

#### **About Project Better Place**

Project Better Place seeks to reduce our global dependency on oil through the creation of a market-based transportation infrastructure that supports electric vehicles, providing consumers with a cleaner, sustainable, personal transportation alternative. As an implementer and operator of Electric Recharge Grids, it has identified a fundamental shift in vehicle economics – making electric vehicles cheaper and cleaner to own and operate. Project Better Place has created a business model that defines the path toward connecting technology, financial, policy and government players through the deployment of an electric vehicle charging infrastructure that benefits component providers, financial institutions, car makers, governments and consumers. The company executed a term sheet with investors that is subject to customary closing conditions. As a matter of policy, Project Better Place will not disclose countries or car makers until they announce their own intent.

For more information, please visit [www.projectbetterplace.com](http://www.projectbetterplace.com).

#### **About Israel Corp.**

Israel Corp. (TLV: ILCO), a public company, is Israel's leading holding company. Its activities span domestic and international markets. For over thirty years, IC has played a pivotal role in the privatization and development of Israel's key industries. Today, IC's primary focus is on Chemicals, Shipping, Semiconductors, Energy and Transportation. For more information about Israel Corp., please visit [www.israelcorp.com](http://www.israelcorp.com).

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Morgan Stanley (NYSE:MS) is a leading global financial services firm providing a wide range of investment banking, securities, investment management, wealth management and credit services. The Firm's employees serve clients worldwide including corporations, governments, institutions and individuals from more than 600 offices in 31 countries. For further information about Morgan Stanley, please visit [www.morganstanley.com](http://www.morganstanley.com).

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VantagePoint Venture Partners provides creative growth strategies and capital to companies transforming global markets. With more than \$4.0 billion of capital under management, the Firm invests in entrepreneurial companies at all stages of development in the CleanTech, Information Technology and Healthcare sectors. VantagePoint partners with talented entrepreneurs who are seeking to build companies that are world-scale in both size and substance. The Firm has created a network of thought leaders and strategic partners with some of the world's leading corporations to provide portfolio companies with a unique advantage to accelerate growth. For more information, visit [www.vvp.com](http://www.vvp.com).

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