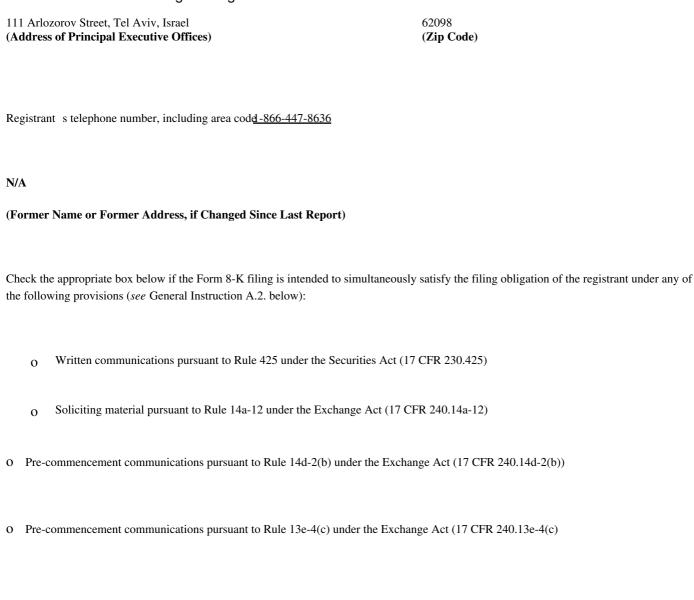
AMPAL-AMERICAN ISRAEL CORP

Form 8-K May 26, 2006				
May 20, 2000				
UNITED STATES				
SECURITIES AND EXCHANGE CO	OMMISSION			
Washington, D.C. 20549				
7, usmington, 270, 200 17				
FORM 8-K				
CURRENT REPORT				
Pursuant to Section 13 or 15(d) of the				
Securities Exchange Act of 1934				
Date of report (Date of earliest event rep	ported) May 22, 2006			
AMBAL AMERICAN ICRAEL	CORRORATION			
AMPAL-AMERICAN ISRAEL	CORPORATION			
(Exact Name of Registrant as Specific	ed in Charter)			
New York	0-538	13-0435685		
(State or Other Jurisdiction	(Commission	(IRS Employer		
of Incorporation)	File Number)	Identification No.)		



Item 1.01 Entry into a Material Definitive Agreement.

On May 22, 2006, Ampal-American Israel Corporation (the Company) announced that it has entered into an agreement (the Agreement) to sell its 50% investment in Coral World International Ltd. (CWI) to the other shareholder of CWI for total consideration of \$21 million. As a result of the sale, the Company will record a gain of approximately \$4.9 million. The closing of the sale is subject to customary and specific closing conditions, and the Company expects the sale to be completed during the second quarter of 2006.

CWI builds and operates underwater observatories around the world including the observatories in Eilat (Israel), Perth (Australia) and Maui (Hawaii, USA), and is constructing a fourth observatory in Palma De Majorca (Spain).

The foregoing description of the Agreement does not purport to be complete and is qualified in its entirety by reference to the Agreement, which the Company intends to file as an exhibit to its next quarterly report.

A copy of the Company s press release announcing the execution of the Agreement is attached hereto as Exhibit 99.1 and is incorporated in this report by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No. Description of Exhibit

99.1 Press Release of Ampal-American Israel Corporation, dated May 22, 2006.

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SIGN.	AT	UR	ES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on i	is behalf by the
undersigned hereunto duly authorized.	

Date: May 26, 2006

AMPAL-AMERICAN ISRAEL CORPORATION

By:/s/ Yoram Firon

Name: Yoram Firon

Title: Vice President - Investments

and Corporate Affairs

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EXHIBIT INDEX

99.1 Press Release of Ampal-American Israel Corporation, dated May 22, 2006.

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