

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

POST EFFECTIVE AMENDMENT NO. 1
TO
FORM S-2
REGISTRATION STATEMENT
ON
FORM S-3
UNDER
THE SECURITIES ACT OF 1933

AMPAL-AMERICAN ISRAEL CORPORATION

(Exact name of registrant as specified in its charter)

NEW YORK 612 13-0435685
(State or other jurisdiction of (Primary Standard Industrial (I.R.S. Employer
incorporation or organization) Classification Code Number) Identification
No.)

1177 AVENUE OF THE AMERICAS
NEW YORK, NEW YORK 10036
(212) 782-2100

(Address, including zip code, and telephone number, including
area code, of registrant's principal executive offices)

LAWRENCE LEFKOWITZ
PRESIDENT
AMPAL-AMERICAN ISRAEL CORPORATION
1177 AVENUE OF THE AMERICAS
NEW YORK, NEW YORK 10036
(212) 782-2100

(Name, address, including zip code, and telephone number,
including area code, of agent for service of process)

COPIES TO:
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1114 AVENUE OF THE AMERICAS
NEW YORK, NEW YORK 10036-7798

Approximate date of commencement of proposed sale to the public: Upon
exercise of Warrants.

If only securities being registered on this Form are being offered pursuant to dividends on interest reinvestment plans, check the following box.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the
Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box.

[X]

THE REGISTRANT HEREBY AMENDS THIS REGISTRATION STATEMENT ON SUCH DATE OR DATES AS MAY BE NECESSARY TO DELAY ITS EFFECTIVE DATE UNTIL THE REGISTRANT SHALL FILE A FURTHER AMENDMENT WHICH SPECIFICALLY STATES THAT THIS REGISTRATION STATEMENT SHALL THEREAFTER BECOME EFFECTIVE IN ACCORDANCE WITH SECTION 8(A) OF THE SECURITIES ACT OF 1933 OR UNTIL THE REGISTRATION STATEMENT SHALL BECOME EFFECTIVE ON SUCH DATE AS THE COMMISSION, ACTING PURSUANT TO SAID SECTION 8(A), MAY DETERMINE.

PROSPECTUS
4,500,000 Shares
AMPAL-AMERICAN ISRAEL CORPORATION
Class A Stock

This Prospectus relates to 4,500,000 shares of Class A Stock, par value \$1.00 per share ("the Class A Stock"), of Ampal- American Israel Corporation ("Ampal"), that are reserved for issuance upon exercise of redeemable warrants to purchase 4,500,000 shares of Ampal's Class A Stock at \$16.00 per share (the "Offered Shares").

The Class A Stock is traded on the American Stock Exchange under the Symbol "AIS.A." The closing price of Ampal's Class A Stock on May 27, 1994 was \$8.375.

The holders of Class A Stock are entitled to one vote per share on all matters voted upon by shareholders and, voting as a class, have the right to elect 25% of the Board of Directors of Ampal. The Class A Stock has certain rights to dividends before dividends may be paid on Ampal's common stock. The dividend, voting and certain other rights of the Class A Stock are subject to certain rights of the holders of Ampal's preferred stock. The Class A Stock has no conversion, redemption or preemptive rights. All of Ampal's outstanding common stock and a majority of the outstanding Class A Stock are owned by Bank Hapoalim B.M.

Investors Should Carefully Consider Certain Special Factors Relating to the Company.
See "Special Considerations."

**THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES
AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION
NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE
SECURITIES COMMISSION PASSED UPON THE ACCURACY OR
ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION
TO THE CONTRARY IS A CRIMINAL OFFENSE.**

June 3, 1994

AVAILABLE INFORMATION

Ampal has filed a Registration Statement on Form S-2 under the Securities Act of 1933, as amended (the "Act"), and certain amendments thereto (including a post-effective amendment on Form S-3), with the Securities and Exchange Commission (the "Commission") with respect to the Offered Shares. As permitted by the rules and regulations of the Commission, this Prospectus omits certain of the information contained in the Registration Statement and the exhibits and schedules thereto. For further information with respect to Ampal and its consolidated subsidiaries and the Offered Shares, reference is hereby made to such Registration Statement, including the exhibits and schedules filed as part thereof. Statements contained in this Prospectus concerning the provisions of certain documents filed with, or incorporated by reference in, the Registration Statement are not necessarily complete, each such statement being qualified in all respects by such reference. Copies of all or any part of the Registration Statement, including the documents incorporated by reference therein or exhibits thereto, may be obtained upon payment of the prescribed fees at the offices of the Commission set forth below.

Ampal is subject to the informational requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and in accordance therewith, files reports, proxy statements and other information with the Commission. Such reports can be inspected and copied at the public reference facilities maintained by the Commission at Judiciary Plaza, 450 Fifth Street, N.W., Room 1024, Washington, D.C. 20549; and at the Regional Offices of the Commission, 500 West Madison Street, Suite 1400, Chicago, Ill. 60661-2511; and at Seven World Trade Center, 13th Floor, New York, New York 10048. Copies of such material can be obtained from the public reference section of the Commission, 450 Fifth Street, N.W., Washington, D.C. 20549, at prescribed rates. Such materials also can be inspected and copied at the offices of the American Stock Exchange, 86 Trinity Place, New York, N.Y. 10006.

INCORPORATION OF CERTAIN INFORMATION BY REFERENCE

The following reports, which were filed by Ampal with the Commission, are incorporated in this Prospectus by reference except with respect to those portions of the following reports responsive to items 402(i), 402(k) and 402(1) of Regulation S-K promulgated by the Commission:

Annual Report on Form 10-K for the fiscal year ended December 31, 1993;

Quarterly Report on Form 10-Q for the Quarter ended March 31, 1994;

The description of Class A Stock contained in Ampal's registration statement on Form 8-A under the Exchange Act, filed December 9, 1993.

All documents filed by Ampal with the Commission pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of this Prospectus and prior to the termination of the offering covered by this Prospectus will be deemed incorporated by reference into this Prospectus and to be a part hereof from the date of filing of such documents.

Any statement contained in a document incorporated by reference herein shall be deemed to be modified or superseded for all purposes to the extent that a statement contained in this Prospectus or in any other document filed prior to the date hereof which is also incorporated by reference modifies or replaces such statements.

Ampal agrees to provide without charge to each person, including any beneficial owner, to whom a Prospectus is delivered, upon the written or oral request of such person, a copy of any and all documents that has been incorporated by reference in the Registration Statement (other than exhibits to such documents unless such exhibits are specifically incorporated by reference into the information that this Prospectus incorporates). Such requests may be made to Ampal-American Israel Corporation, 1177 Avenue of the Americas, New York, New York 10036, Attention: Secretary (telephone number (212) 782-2100).

PROSPECTUS SUMMARY

The following summary is qualified in its entirety by the more detailed information appearing elsewhere in this Prospectus or incorporated by reference herein. Unless otherwise indicated, all references herein to "Ampal" refer to Ampal-American Israel Corporation and to "Company" include Ampal and its consolidated subsidiaries.

The Company

The Company acquires interests in businesses located in the State of Israel or that are Israel-related. An important objective of Ampal is to make investments in companies that take advantage of growth in Israel's domestic economy. The Company has diversified interests in the following sectors: hotels and leisure-time, real estate, energy distribution, basic industry and high technology and communications. The Company generally seeks to acquire and maintain a sufficient equity interest in a company to permit it, on its own or with investment partners, to have a significant influence in the management and operation of that company. Ampal usually makes investments with or through affiliated companies.

The Company emphasizes long-term appreciation over short-term returns and liquidity. The Company often makes equity investments accompanied by more significant loans or loan guarantees with the intention that cash flow from operations of the investee companies will repay these loans. In determining whether to acquire an interest in a specific company, the Company considers quality of management, qualifications of investment partners, potential return on investment, projected cash flow, market share and growth potential.

Bank Hapoalim B.M. ("Hapoalim"), the largest bank in Israel, is Ampal's controlling shareholder and principal lender. As of May 27, 1994, Hapoalim held 49.7% of the Class A Stock (assuming conversion in full of Ampal preferred stock held by Hapoalim) and 100% of the common stock of Ampal ("Common Stock"). The Company has been, and may continue to be, a party to joint transactions with companies affiliated with or related to Hapoalim. Recently-enacted Israeli legislation may require Hapoalim to substantially reduce its percentage shareholdings in Ampal. Ampal and Hapoalim have agreed not to offer, sell or otherwise dispose of any shares of Class A Stock until July 24, 1994. See "Special Considerations--Concentration of Ownership; Potential Change in Control."

Special Considerations

The Company's principal holdings are located in Israel. For a discussion of certain factors concerning the State of Israel and its economic, political and military situation and certain other considerations affecting the Company, see "Special Considerations."

The Offering
 Securities Offered.... 4,500,000 shares of Class A
 Stock
 that are reserved for
 issuance
 upon exercise of redeemable
 warrants
 to purchase 4,500,000 shares
 of
 Ampal's Class A Stock at \$16.00
 per
 share.

Class A Stock
 Outstanding(1) Prior
 to the Offering..... 20,729,546

Assuming issuance of
 all of the Offered
 Shares..... 25,229,546

Use of Proceeds..... Working capital and general
 corporate
 purposes, including financing
 of
 future acquisitions and additions
 to
 existing holding. See "Use
 of
 Proceeds."

Listing/Trading..... The Class A Stock trades on the American Stock Exchange under the Symbol "AIS.A."

(1) Assuming no conversion of outstanding Preferred Stock on and after May 27, 1994. On May 27, 1994, 4,488,790 shares of Class A Stock were issuable upon conversion of Preferred Stock outstanding.

THE COMPANY

The Company acquires interests in businesses located in the State of Israel or that are Israel-related. An important objective of Ampal is to make investments in companies that take advantage of growth in Israel's domestic economy. The Company has diversified interests in the following sectors: hotels and leisure-time, real estate, energy distribution, basic industry and high technology and communications.

The Company emphasizes long-term appreciation over short-term returns and liquidity. The Company often makes equity investments accompanied by more significant loans or loan guarantees with the intention that cash flow from operations of the investee companies will repay these loans within a relatively short period. In determining whether to acquire an interest in a specific company, the Company considers quality of management, qualification of investment partners, potential return on investment, projected cash flow, market share and growth potential.

The Company generally seeks to acquire and maintain a sufficient equity interest in a company to permit it, on its own or with investment partners, to have a significant influence in the management and operation of that company. The Company often seeks investment partners who have expertise in the business in which an investment is being made or whose operations and associations provide the investee company with additional markets, sources of supply, financing or other competitive advantages. Frequently, the Company enters into arrangements with its investment partners or with the company in which it is investing in order to ensure board representation or other rights relating to its investments. Hapoalim, the largest bank in Israel, is Ampal's controlling shareholder and principal lender. The Company usually makes investments with or through affiliated companies. Members of the Hapoalim group of companies, including Investment Company of Bank Hapoalim Ltd., sometimes invest jointly with the Company.

Ampal was founded prior to the establishment of the State of Israel as part of the effort of the Jewish community in Palestine to provide resources for and benefit from the growth of its economy. Ampal has participated in the economic development of Israel by providing capital and management to commercial, banking, credit, industrial and agricultural enterprises located in Israel or that are Israel-related. Ampal intends to continue to adhere to its historical policy of focusing its business interests primarily on long-term holdings in Israel-related enterprises.

Prior to 1989, Ampal was primarily engaged in making loans to businesses in Israel through its industrial banking subsidiaries and, to a lesser extent, investing in Israeli companies. In 1989, the Company discontinued this lending activity, and in 1990 substantially all of the loan portfolios of its industrial banking subsidiaries were sold to Hapoalim.

Listed below by industry segment are the Company's most significant investees and the principal business of each.

INDUSTRY SEGMENT -----	PRINCIPAL BUSINESS -----
HOTELS AND LEISURE-TIME Moriah Hotels Ltd. Coral World International Limited..... Country Club Kfar Saba Ltd.	Hotel Chain Underwater Observatories and Marine Parks Country Club Facilities
REAL ESTATE, FINANCE AND OTHER HOLDINGS Industrial Buildings Corporation Ltd. (Mivnei Taasiya Ltd.)..... Bay Heart Limited (Lev Hamifratz Limited)..... Bank Hapoalim (Cayman) Ltd. Etz Vanir Ltd. and Yakhin Mataim Ltd. Am-Hal Limited..... Ampal (Israel) Ltd. Ophir Holdings Ltd. Ampal Development (Israel) Ltd. Nir Ltd. Ampal Financial Services Ltd.	Industrial Real Estate Shopping Mall Owner/Lessor Commercial Bank Holding Company Citrus Groves Senior Citizen Facility Holding Company Holding Company Holding Company Holding Company Holding Company
ENERGY DISTRIBUTION Granite Hacarmel Investments Ltd.	Distribution of Refined Petroleum Products
BASIC INDUSTRY Pri Ha'emek (Canned and Frozen Food) 88 Ltd. Paradise Mattresses (1992) Ltd. Carmel Container Systems Limited..... Orlite Engineering Company Ltd. Davidson-Atai Publishers Ltd.	Frozen and Canned Food Mattresses and Fold-out Beds Packaging Materials and Carton Production Composite Material Products Publications
HIGH TECHNOLOGY AND COMMUNICATIONS Teledata Communication Ltd. Mercury Interactive Corporation..... DSP Group, Inc. DSP Telecommunications Ltd. Idan Software Industries I.S.I. Ltd.	Telecommunications Systems Automated Software Quality Products Digital Signal Processing Technologies Digital Signal Processing Technologies Telecommunications Services

1994 Public Offering

On February 1, 1994, Ampal completed a public offering of 4.5 million units consisting of one share of Class A Stock and one redeemable warrant to purchase one share of Class A Stock at \$16.00 per share. The warrants are exercisable until January 31, 1999 but are callable by Ampal, in whole or in part, from and after February 1, 1996, without payment to the holder. Net proceeds from the offering were approximately \$50.8 million. Since February 2, 1994, the Class A Stock and redeemable warrant components of the units are trading separately.

Certain Pending Transactions

Ophir Holdings Ltd. ("Ophir"), which is 42.5% owned by Ampal, has recently agreed, subject to the receipt of certain approvals, to make equity investments and loans totalling approximately \$2.5 million, for a 16.7% interest in each of three new Israeli companies formed to acquire certain commercial real estate holdings of a major Israeli cooperative wholesale supply company. The aggregate purchase price for this commercial real estate is expected to be approximately \$52.5 million and is expected to be financed principally with mortgage loans which may be guaranteed in whole or in part by the shareholders. Development costs of the properties may also be paid or guaranteed by the shareholders.

In May 1994, the Company entered into an agreement with a subsidiary of Mercury Interactive Corporation and Qronus Interactive Israel 1994 Ltd. ("Qronus") pursuant to which the Company agreed to purchase 10.7% of the equity of Qronus for \$1 million. Qronus engages in the research, development, manufacturing and marketing of automated software quality solutions for non-standard platforms, embedded systems and real time computer systems.

There is no assurance that these pending transactions or other prospective ventures will be completed or that the proposed terms of investment will not be modified.

Recent Transactions

In February 1994, the Company, together with an affiliate of Hapoalim, established a venture capital fund which will make investments in high-technology ventures, including investments in start-up entities. The Company and the Hapoalim affiliate are each expected to invest up to \$2.5 million in this fund. As of June 1, 1994, the fund had made an investment of \$300,000 for 2% of Peptor Ltd., a high-tech pharmaceutical company which uses technology for synthesizing peptides with fixed conformations, and agreed to invest up to \$1.5 million for up to 66% of Imagenet, Ltd., a company which is developing and marketing software systems for computer-aided engineering.

In January 1994, the Company invested approximately \$66,000 for 50% of the equity of, and made a loan of \$1 million to, M.D.F. Boards Industry Ltd. ("MDF"). MDF is a joint venture between the Company and a subsidiary of Etz Lavud Ltd., a publicly-owned Israeli lumber manufacturer. MDF intends to establish a plant in Israel to manufacture medium density fiber products for the construction and furniture industries.

In March 1994, Pri Ha'emek (Canned and Frozen Food) '88 Ltd. ("Pri Ha'emek") conducted a public offering in Israel on the Tel Aviv Stock Exchange. In the offering, Pri Ha'emek sold 23.1% of its shares to the public together with options and convertible debentures and received gross proceeds of approximately \$11.4 million. Ampal recorded a gain on issuance in connection with the offering of approximately \$2.3 million (approximately \$1.5 million after taxes). As a result of the Pri Ha'emek public offering and a private placement to another shareholder made by Pri Ha'emek prior thereto, Ampal's ownership of Pri Ha'emek was diluted from 74.9% to 51.2%. Upon exercise of all options and convertible debentures, Ampal's interest may be diluted to 35.3%. If the Company's interest in Pri Ha'emek decreases below 50%, Pri Ha'emek's results will no longer be consolidated with the Company's but will be recorded by the equity method of accounting.

SPECIAL CONSIDERATIONS

In addition to the other information in this Prospectus or incorporated by reference herein, the following factors should be carefully considered by prospective investors in evaluating the Company before purchasing any of the Offered Shares. All figures and percentages are approximate. A substantial portion of the information with respect to Israel presented hereunder has been taken from Annual Reports of the Bank of Israel, the Israeli Central Bureau of Statistics and from economic reports of Hapoalim. No independent verification has been made of such information.

Operations in Israel

Most of the companies in which Ampal directly or indirectly invests, conduct their principal operations in Israel and are directly affected by the economic, political, military, social and demographic conditions there. The following information is included in order to describe certain of these conditions in Israel. Accordingly, the results of operations of the Company and its investees could be adversely affected if hostilities involving Israel should occur or if trade between Israel and its present trading partners should be interrupted.

A state of hostility has existed, varying as to degree and intensity, between Israel and the Arab countries. In addition, Israel, and companies doing business with Israel, have been the subject of an economic boycott by the Arab countries since Israel's establishment. Following the Six-Day War in 1967, Israel has administered the territories of the West Bank and the Gaza Strip. A peace agreement between Israel and Egypt was signed in 1979 under which full political relations have been established, but economic relations have been very limited. Beginning in December 1987, increased civil unrest has existed in the administered territories. To date, the ongoing civil unrest has not had a material adverse impact on the financial condition or operations of the Company's investees. No prediction can be made whether a resolution of these problems will be achieved or the nature thereof, or whether the continuation of the civil unrest in these territories may have a material adverse impact on the operations of the investees in the future.

The Persian Gulf crisis, which took place in 1990 and 1991, had an adverse effect on the Israeli economy as a whole and on the operations of the Company. A decline in tourism during this period decreased revenues for Moriah Hotels Ltd. and Coral World International Limited. In January 1991, a direct hit by an Iraqi scud missile caused damage to a shopping mall under construction by Bay Heart Limited. Pri Ha'emek, a food processing company, also experienced a downturn in business as a result of this crisis.

Since 1991, negotiations have taken place between Israel, its Arab neighbors and the Palestinians to end the state of hostility in the region. In September 1993, a breakthrough occurred in Israeli-Palestinian relations. A joint Israeli-Palestinian Declaration of Principles was signed by Israel and the Palestine Liberation Organization ("PLO") in Washington, D.C., outlining interim Palestinian self-government arrangements. These arrangements include implementation of Palestinian self-rule in the Gaza Strip and Jericho, proposed elections of a Palestinian council and plans for extensive economic cooperation. In addition, PLO Chairman Arafat sent a letter to Israeli Prime Minister Rabin in which the PLO recognized Israel's right to exist in peace and security, renounced terrorism and violence and affirmed that the clauses of the PLO Covenant denying Israel's right to exist are no longer valid. In reply, Israel recognized the PLO as the representative of the Palestinians in the peace negotiations. In Cairo, Egypt, in May 1994, Israel and the PLO entered into an agreement pursuant to which Israeli forces withdrew from the Arab populated areas of the Gaza Strip and Jericho. Under this agreement, these areas came under control of the PLO.

All male adult permanent residents of Israel under the age of 54 are, unless exempt, obligated to perform up to 44 days of military reserve duty annually. Additionally, all such residents are subject to being called to active duty at any time under emergency circumstances. Some of the employees of the Company and its investees are currently obligated to perform annual reserve duty. While the Company and its investees have

operated effectively under these and similar requirements, no assessment can be made of the full impact of such requirements on the Company or its investees.

Industrial Buildings Corporation Ltd. ("Industrial Buildings"), a major owner/lessor of industrial properties in Israel, owns approximately 1.0 million square feet of industrial buildings in the administered territories (approximately 10% of its total holdings). The future status of buildings owned and property leased by Industrial Buildings in the administered territories is uncertain, but historically the Government of Israel has compensated property owners for forfeitures resulting from government actions.

Economy of Israel

Israel's economy has been subject to numerous destabilizing factors, including a period of rampant inflation in the early to mid-1980's, low foreign exchange reserves, fluctuations in world commodity prices, military conflicts and civil unrest. In response to these problems, the Israeli Government has intervened in all sectors of the economy, employing, among other means, fiscal and monetary policies, import duties, foreign currency restrictions and controls of wages, prices and foreign currency exchange rates. The Israeli Government has frequently changed its policies in all these areas.

The results of operations of certain of the Company's investees have been favorably affected by their participation in Israeli Government business incentive programs, some of which have been reduced in recent years. Their operating results could be adversely affected if these programs were further reduced or eliminated and not replaced with equivalent programs or if the Company's investees' ability to participate in these programs were significantly reduced.

Over the past four years, Israel's economy has experienced very high rates of growth, exceeding 6% in 1990-92 (an average of 7.5% a year in the business sector) and amounting to 3.5% in 1993. The lower growth rate of 1993 was due to an anticipated 27% drop in investment in residential construction. Economic growth in Israel over the past two years has been fueled by the export sector. Exports of goods and services rose by 14.4% in 1992 and amounted to 20.8 billion dollars and increased by an additional 11.8% in 1993 to reach an estimated 22 billion dollars. The Israeli Government's monetary policy contributed to relative price and exchange rate stability during most of the year despite fluctuating rates of economic growth during the year and a high rate of unemployment. There can be no assurance that the Israeli Government will be successful in keeping prices and exchange rates stable. Price and exchange rate instability may have a material adverse impact on the Company and its investees.

Demographics

Since the beginning of 1990, Israel has been experiencing a new wave of immigration, primarily from the former Soviet Union. Approximately 77,000 new immigrants arrived through the end of 1993. During the period 1990 through 1993, Israel's population increased by approximately 16.7%. Although the increased immigration from the former Soviet Union may benefit Israel and its economy in the long-term by providing highly educated, cost competitive labor and by stimulating its economic growth, it has placed an increased strain on government services and national resources. A sustained decrease in immigration would alleviate some of the strain, but a decrease may also have a negative effect on those investees whose revenue is derived mainly from the sale of products and services in Israel. The impact of a significant change in the flow of immigration on the operations of the investees is unclear.

The Israeli Government has found it necessary to raise additional revenue and to dedicate substantial funds to support programs, including housing, education and job training, designed to assist in the absorption of the new immigrants. No prediction can be made as to the policies that will be adopted in the future or the effect thereof on these and other government spending programs.

Dependence on Assistance from the United States

The State of Israel receives approximately \$3 billion of annual grants for economic and military assistance from the United States and has received approximately \$10 billion of United States Government loan guarantees, subject to reduction in certain circumstances. The Government loan guarantees were granted over a period of five years (\$2 billion per annum) commencing in 1993. The Israeli economy could suffer material adverse consequences were such aid or guarantees to be significantly reduced. There is no assurance that foreign aid from the United States will continue at or near amounts received in the past.

Competition for Investments

The growth of the Israeli economy, the recent success of a number of Israeli-based companies, particularly in the area of high technology, the privatization of government-owned companies and the recent acceleration of the peace process, have prompted numerous potential investors to search for investment opportunities in Israel and have made it possible for certain of such companies to gain direct access to Israeli and foreign public securities markets. The Company competes for investment opportunities with other established and well-capitalized investing entities. There can be no assurance that opportunities will continue to be available to the Company at valuations and on terms which are favorable.

S.E.C. Exemptive Order

In 1947, the Commission granted Ampal an exemption from the Investment Company Act of 1940, as amended (the "1940 Act") pursuant to an Exemptive Order. The Exemptive Order was granted based upon the nature of Ampal's operations, the purposes for which it was organized, which have not changed, and the interest of purchasers of Ampal's securities in the economic development of Israel. There can be no assurance that the Commission will not reexamine the Exemptive Order and revoke, suspend or modify it. A revocation, suspension or material modification of the Exemptive Order would materially and adversely affect the Company. In the event that Ampal becomes subject to the provisions of the 1940 Act, it could be required, among other matters, to make material changes to its management, capital structure and methods of operation, including its dealings with Hapoalim and related companies.

Early Stage Investments; Limited Investment Liquidity

The Company acquires interests in businesses that it believes have long-term growth potential. In certain cases, the Company makes an initial investment at an early stage of a company's development in the form of risk capital and such investment may not be readily marketable. In some instances, disposition of a particular holding may be the only or principal way of realizing the economic benefit of that holding. The Company's shares in most investees are subject to various restrictions on transfer, including, in certain circumstances, rights of first refusal in favor of the investee and other shareholders. Accordingly, these investments are relatively illiquid and have a higher degree of risk than investments in established, publicly traded companies.

Concentration of Ownership; Potential Change in Control

As of May 27, 1994, Hapoalim owned beneficially approximately 49.7% of the outstanding Class A Stock, assuming conversion of all shares of the Ampal's preferred stock owned by it. Assuming conversion of all shares of Ampal's preferred stock owned by Hapoalim and the full exercise of the redeemable warrants to purchase 4,500,000 shares of Class A Stock, Hapoalim would own 41% of the outstanding Class A Stock. Hapoalim also beneficially owns 100% of the outstanding Common Stock of Ampal. On all matters other than the election of 25% of the directors of Ampal by the holders of Class A Stock voting as a class, the holders of the Common Stock are entitled to cast as many votes as shall equal the number of votes to which the holders of Class A Stock are entitled, but in no event more than ten votes per share of Common Stock. Hapoalim, so long

as it continues to beneficially own a majority of each of the Common Stock and at least one share of Class A Stock, will be able to elect a majority of Ampal's directors. Recently-enacted Israeli legislation may require Hapoalim to substantially reduce its percentage shareholdings in Ampal, which potentially could result in a change of control of Ampal. See "Israeli Banking Regulations." In the event that Ampal's 4% Cumulative Convertible Preferred Stock (the "4% Preferred Stock") or Ampal's 6 1/2% Cumulative Convertible Preferred Stock (the "6 1/2% Preferred Stock," and together with the 4% Preferred Stock, the "Preferred Stock") dividends are in arrears for three successive years, the holders of all outstanding series of Preferred Stock as to which dividends are in arrears shall have the exclusive right to vote for the election of directors until all cumulative dividend arrearages are paid.

Certain Israeli Real Estate Tax Matters

Under Israeli law, a lease of real property with a term of more than 10 years is required to be reported to the Israeli Appreciation Tax Authorities and is subject to a land appreciation tax or an income tax and an acquisition tax. The Israeli Tax Commissioner has recently taken the position that certain arrangements for the lease of real property, including multiple leases, leases with renewal options and leases or options to lease between affiliated companies, which in the aggregate provide a term exceeding 10 years, are subject to the above reporting and taxes.

Certain of the investees, including Ophir, Industrial Buildings and Carmel Container Systems Ltd., are parties (mostly as lessors) to lease transactions which, under the Commissioner's interpretation, may be deemed leases for terms in excess of 10 years. These investees have all reported their lease income as taxable income and have recently reported such transactions to the tax authorities. Should the tax authorities decide to enforce their position and prevail, these investees would be in breach of Israeli law, and could be subject to material taxes and to civil and criminal penalties. An assessment made against Bay Heart in this regard by the tax authorities has been abandoned.

The Company's investees have taken the position, which the Company believes is shared by many of the other affected taxpayers in Israel, that the Commissioner's position in this matter is incorrect. The Company cannot predict whether the Commissioner's position will be upheld or, if upheld, the effect on the Company and its investees.

Israeli Banking Regulations

In October 1993, the Banks' Shares Under Settlement Act (Temporary Provisions) 1993 (the "Banks' Shares Act") was enacted by the Knesset, the Israeli parliament. Under the Banks' Shares Act, in October 1993, the shares of the major Israeli banks, including a majority of the shares of Hapoalim, were transferred to the State of Israel. The purpose of the Banks' Shares Act is to facilitate the sale by the Government of Israel of shares in Israeli banks. In addition, the Banks' Shares Act is intended to limit the Government's interference in the day-to-day operations of the banks. Control over such shares of each bank will be exercised by a supervisory committee appointed for that bank by a public advisory committee which is in turn approved by the Israeli Government. These supervisory committees will appoint directors for each of the banks.

In May 1993, the Government of Israel sold a total of approximately 7.5% of the shares of Hapoalim in a public offering and to its employees also sold options to purchase an additional approximately 10.4% of the shares of Hapoalim. In November 1993, the Government of Israel sold an additional 5.4% of the shares of Hapoalim in a public offering and an additional 1% of Hapoalim's shares in an offering to its employees.

A provision of the Banking (Licensing) Law, 1981 (the "Banking Law") imposes limitations on the purchase and holding of means of control of non-banking corporations by Israeli banks. Additionally, not more than 25% of the capital of Hapoalim may be invested in non-banking corporations. In view of these limitations, Hapoalim is unable to acquire additional means of control in Ampal. Under the Banking Law, Hapoalim may not directly

or indirectly finance acquisitions by the Company of means of control in non-banking corporations which Hapoalim itself may not acquire. Hapoalim may not extend credit to the Company except in the ordinary course of business and on terms similar to those on which credit is extended to other customers of the same class.

In March, 1994, an amendment to the Banking Law was enacted by the Knesset. Under the amendment, banks, including Hapoalim, are required to reduce their holdings of individual non-banking business corporations, including Ampal, to 25% or less by and not later than December 31, 1996. In addition, it has been proposed by the Government, that the Minister of Finance form a committee to examine the overall economic implications of a further reduction in the permitted holdings of banking corporations in non-banking business corporations.

From time to time, the Company engages in transactions with Hapoalim and its affiliates. Currently, the Company maintains substantial deposits with Hapoalim and its subsidiaries.

Market Considerations

As of May 27, 1994, approximately 50.1% of the Class A Stock was owned by non-affiliated shareholders (assuming conversion in full of all of Ampal's Preferred Stock held by Hapoalim). As a result, relatively small changes in the volume of purchases and sales of these shares have resulted in significant fluctuations in the market price of the Class A Stock. The possible sale of a large portion of the Class A Stock by Hapoalim could have a material adverse effect on the market price of the Class A Stock. Ampal and Hapoalim have agreed not to offer, sell or otherwise dispose of any shares of Class A Stock until July 24, 1994. See "Israeli Banking Regulations."

The shares of certain of the Company's investees are publicly traded in Israel or the United States. Fluctuations in the market prices of such companies could result in fluctuations in the market price of the Class A Stock. Due to a relatively small equity market capitalization and the small number of company listings in comparison to the United States securities markets, and due to the concentration of ownership of public companies in the hands of a few institutions, the Tel Aviv Stock Exchange is subject to relatively high short-term price volatility and has a less liquid secondary trading environment. Accordingly, this market could be affected to a greater extent than the United States markets by adverse events generally and trades of significant blocks of securities.

United States Banking Regulations

Due to its status as a subsidiary of Hapoalim which is subject, through the United States International Banking Act of 1978 ("IBA"), to the provisions of the United States Bank Holding Company Act of 1956 ("BHC"), there may be limitations upon the direct or indirect investment activities of Ampal in the United States. While Ampal itself is a "grandfathered" investment of Hapoalim under the IBA for purposes of the BHC, Ampal may not invest in more than 5% of the voting shares or 25% of the equity of United States corporations or non-United States corporations which have a majority of their assets in or revenues derived from the United States, subject to certain exceptions. Management of the Company does not believe that these limitations contained in the BHC and the regulations of the Board of Governors of the Federal Reserve System thereunder have had or will have any material adverse impact upon the Company or its operations.

Israeli Foreign Exchange Regulations

Foreign exchange regulations are in effect in Israel. The regulations are administered by the Controller of Foreign Currency, an official of the Bank of Israel, who is appointed by the Minister of Finance. The Company's capital investments in Israeli enterprises and the payment in U.S. dollars of dividends on such investments do not require prior approval by the Controller. Under Israeli law, foreign investors who make

foreign currency investments in Israeli companies are entitled to receive payments of dividends and proceeds upon resale of the investment in that foreign currency.

To the extent that loans or investments have been or will be made by Ampal or any of its subsidiaries in or to Israeli enterprises, substantially all such loans or investments have been, and will be, made in such manner as to permit the payment of dividends, interest and principal and proceeds of resale thereon in U.S. dollars.

USE OF PROCEEDS

The exercise of the outstanding warrants to purchase the Offered Shares will in large respect be dependant on the market price of Ampal's Class A Stock. There can be no assurance that any of the warrants will be exercised or as to the timing of such exercise. Assuming that the outstanding warrants are exercised in full, the net proceeds to be received by Ampal from the sale of the Offered Shares are estimated to be approximately \$72 million. Ampal currently expects that proceeds, if any, from the sale of the Offered Shares will be used for working capital and general corporate purposes including financing of future acquisitions and additions to existing holdings.

Pending use of the net proceeds from the sale of Offered Shares as described above, Ampal intends to invest such proceeds in short-term United States government securities, short-term time deposits and money market funds (including those offered by Hapoalim), short-term interest bearing investments and other cash equivalents.

RATIO OF EARNINGS TO COMBINED FIXED CHARGES AND PREFERRED STOCK DIVIDENDS

The ratio of earnings to combined fixed charges and preferred stock dividends for the years 1989, 1990, 1991, 1992 and 1993 were 1.02:1, 1.12:1, 1.08:1, 2.18:1 and 1.20:1, respectively.

PLAN OF DISTRIBUTION

The Offered Shares are being offered to holders of Ampal's redeemable warrants and will be delivered to such holders or their designated assignees upon receipt of a completed election to purchase form and payment of the exercise price.

LEGAL MATTERS

The legality of the issuance of the Offered Shares will be passed on for Ampal by Kronish, Lieb, Weiner & Hellman, New York, New York.

EXPERTS

The Consolidated Financial Statements and schedules of the Company incorporated by reference in this Prospectus and elsewhere in the Registration Statement, to the extent and for the periods indicated in their reports with respect thereto, have been audited by Arthur Andersen & Co. and the Company's previous auditors, each independent public accountants. In those reports, these firms state that with respect to certain of the investees, their opinions are based on the reports of other independent public accountants. The Consolidated Financial Statements and schedules referred to above have been included herein in reliance upon the authority of those firms as experts in giving said reports.

PART II
INFORMATION NOT REQUIRED IN THE PROSPECTUS

ITEM 14. OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION.

The following is an itemization of the expenses to be borne by Ampal in connection with the distribution of its 4,500,000 units, each consisting of one share of Class A Stock and one redeemable warrant to purchase one share of Ampal's Class A Stock on February 1, 1994 and the Offered Shares:

Securities and Exchange Commission Filing Fee.....	\$
39,431.03	
NASD Filing Fee.....	
11,862.00	
American Stock Exchange Application and Listing Fees.....	
37,500.00	
Printing Costs and Expenses*.....	
250,000.00	
Legal Fees and Expenses*.....	
275,000.00	
Accountants' Fees and Expenses*.....	
205,000.00	
Blue Sky Expenses and Counsel Fees.....	
7,683.75	
Miscellaneous*.....	
73,523.22	

Total.....	\$
900,000.00	
=====	

* Estimated.

ITEM 15. INDEMNIFICATION OF DIRECTORS AND OFFICERS.

Ampal's Certificate of Incorporation provides that the personal liability of the directors of Ampal shall be limited to the fullest extent permitted by law including limitations contained in the provisions of paragraph (b) of Section 402 of the Business Corporation Law of the State of New York (the "BCL"), as amended from time to time. Ampal's By-laws contain a provision requiring indemnification of Ampal's directors and officers to the fullest extent authorized by the laws and statutes of the State of New York. The By-laws require Ampal to indemnify any person by reason of the fact that such person, his testator or intestate is or was a director or officer of Ampal against any reasonable expenses (including attorneys' fees), actually and necessarily incurred by him in connection with any action or proceeding (or any appeal therein) brought (or threatened to be brought) by third parties except if such person breached his duty to Ampal. The By-laws require Ampal to indemnify any person by reason of the fact that such person, his testator or intestate is or was a director or officer of Ampal against any and all judgments, fines, amounts paid in settlement, and reasonable expenses (including attorney's fees) actually and necessarily incurred by him in connection with any action or proceeding (or any appeal therein) brought (or threatened to be brought) by third parties including, without limitation, one by or in the right of any other corporation which such person served in any capacity at the request of Ampal, if such person acted in good faith, for a purpose which he believed to be in the best interests of Ampal, and in criminal actions or proceedings in which he had no reasonable cause to believe that his conduct was unlawful. Ampal's By-laws further provide that indemnification for expenses as described above may be paid in advance of the final disposition of such action or proceeding in the manner authorized by the laws and statutes of the State of New York subject to repayment by the person, his testator or intestate, to the extent such advances exceed the indemnification to which such person is entitled or if such person is ultimately found not entitled to indemnification under the laws and statutes of the State of New York. Reference is made to sections 721 through 726 inclusive of the BCL which deal with indemnification of directors and officers in their capacity as such.

Effective January 29, 1994, Ampal purchased a directors and officers liability policy in the amount of

\$5,000,000 and excess directors and officers liability policies in the amounts of \$3,000,000 and \$2,000,000, respectively. Each policy expires on January 29, 1995 and provides coverage (subject to certain exclusions and retentions) to all of the officers and directors of Ampal and those subsidiaries of which Ampal owns more than 50% of the outstanding stock.

ITEM 16. EXHIBITS.

EXHIBIT NO. DESCRIPTION

- 1.1 --Forms of Underwriting Agreement between Registrant and Lehman Brothers Inc., Oppenheimer & Co., Inc. and Furman Selz Incorporated and Registrant and Lehman Brothers International (Europe), Oppenheimer & Co., Inc., Furman Selz Incorporated and Poalim Capital Markets and Investments Ltd.*
- 4.1 --Form of Indenture dated as of June 6, 1980 (filed as Exhibit 13a to Registration Statement No. 2-68234 and incorporated herein by reference).*
- 4.2 --Form of Indenture dated as of April 1, 1982 (filed as Exhibit 4a to Registration Statement No. 2-77263 and incorporated herein by reference).*
- 4.3 --Form of Indenture dated as of November 1, 1984 (filed as Exhibit 4a to Registration Statement No. 2-88582 and incorporated herein by reference).*
- 4.4 --Form of Indenture dated as of May 1, 1986 (filed as Exhibit 4a to Pre-Effective Amendment No. 1 to Registration Statement No. 33-5578 and incorporated herein by reference).*
- 4.5 --Form of Warrant Agreement, as amended.*
- 4.6 --Form of Warrant Certificate contained in Exhibit 4.5.*
- 4.7 --Form of Class A Stock Certificate.*
- 4.8 --Restated Certificate of Incorporation of the Registrant dated December 23, 1982 (filed as Exhibit 3t to Registration Statement No. 2-81156 and incorporated herein by reference).*
- 4.9 --Certificate of Amendment of the Certificate of Incorporation of the Registrant dated March 17, 1983 (filed as Exhibit 3r to Form 10-K for the fiscal year ended December 31, 1982 and incorporated herein by reference. File No. 0-538).*
- 4.10 --Certificate of Amendment of the Certificate of Incorporation of the Registrant dated July 26, 1988 (filed as Exhibit 3c to Form 10-K for the fiscal year ended December 31, 1988 and incorporated herein by reference. File No. 0-538).*
- 4.11 --By-Laws of the Registrant, as amended (filed as Exhibit 3d to Form 10-K for fiscal year ended December 31, 1992 and incorporated herein by reference. File No. 0-538).* 5 --Opinion of Kronish, Lieb, Weiner & Hellman.* 10.1 --Agreement dated February 7, 1992 between Inerta-Energies and Future Technologies Ltd., Yehuda (Yuli) Offer, Offer Brothers (Management) Ltd., Offer Shipping Ltd., Offer Ship Holdings Ltd., L.I.N. (Holdings) Ltd, I.I.Z. European Enterprise B.V., Amnon Leon, Ampal Industries Inc. and Yeshayahu Landau [Translation].*

**EXHIBIT
NO. DESCRIPTION**

10.2 --Employment Agreement between Registrant and Lawrence Lefkowitz dated July 26, 1993.* 10.3 --Registrant's 1993 Stock Option Plan.* 10.4 --Agreement dated March 22, 1992 between the Investment Company of Bank Leumi, Ltd., and Ophir Holdings Ltd., Mercazim Investments Ltd., Diur B.P. Ltd. and Mivnat Holdings Ltd.* 10.5 --Committed Line of Credit Agreement dated as of June 5, 1992 and amendments dated October 31, 1992 and October 31, 1993.* 10.6 --Agreement dated January 18, 1994 between Ampal Industries, Inc. and Inerta-Energies and Future Technologies Ltd. [Translation].* 11 --Statements re: Computation of Earnings Per Share.* 12 --Statement re: Computation of Ratios of Earnings to Combined Fixed Charges and Preferred Stock Dividends.* 23.1 --The Consent of Kronish, Lieb, Weiner & Hellman is

contained in its opinion filed as Exhibit 5
hereto.*

23.2 --Consent of Arthur Andersen & Co.
23.3 --Consent of Somekh Chaiken.
23.4 --Consent of Igal Brightman & Co.
23.5 --Consent of Cohen, Eyal, Yehoshua & Co.
23.6 --Consent of Fahn, Kanne & Co.
23.7 --Consent of Shlomo Ziv & Co.
23.8 --Consent of H.H.S.L. Haft & Haft & Co.
23.9 --Consent of Fahn, Kanne & Co.
23.10 --Consent of Cohen, Eyal, Yehoshua & Co.
23.11 --Consent of Morris Brankin & Co.
23.12 --Consent of Ronel Stettner & Co.
23.13 --Consent of Kost Levary and Forer
23.14 --Consent of Porat & Co.
23.15 --Consent of Cohen, Eyal, Yehoshua & Co.
23.16 --Consent of Ernst & Young International.
23.17 --Consent of Kost Levary and Forer
23.18 --Consent of Haggai Wallenstein & Co.
23.19 --Consent of Kesselman & Kesselman.
23.20 --Consent of Braude & Co.
23.21 --Consent of Shlomo Ziv & Co.
23.22 --Consent of Reuveni, Hartuv, Tepper & Co.
23.23 --Consent of Dov Kahana & Co.
23.24 --Consent of Dov Kahana & Co.
23.25 --Consent of Reuveni, Hartuv, Tepper & Co.
23.26 --Consent of Almagor & Co.
24.1 --Powers of Attorney.*
24.2 --Power of Attorney of Shlomo Recht.

* Previously filed.

ITEM 17. UNDERTAKINGS.

Insofar as indemnification for liabilities arising under the Securities Act of 1933, as amended (the "Securities Act") may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act, and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement;

(i) To include any prospectus required by Section 10(a)(3) of the Act;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement;

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

provided, however, that paragraphs (1)(i) and (1)(ii) do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed by the registrant pursuant to Section 13 or 15(d) of the Exchange Act that are incorporated by reference in the registration statement.

(2) That for the purpose of determining any liability under the Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) That, for purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's annual report pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this post-effective Amendment No. 1 to this Form S-2 Registration Statement on Form S-3 to be signed on its behalf by the undersigned, thereunto duly authorized, in The City of New York, State of New York, on June 3, 1994.

AMPAL-AMERICAN ISRAEL CORPORATION
(registrant)

By: /s/ LAWRENCE LEFKOWITZ

Lawrence Lefkowitz
President and Chief Executive
Officer
(Principal Executive
Officer)

Pursuant to the requirements of the Securities Act of 1933, this post-effective Amendment No. 1 to its Form S-2 Registration Statement on Form S-3 has been signed below by the following persons in the following capacities on June 3, 1994.

<i>Name</i>	<i>Title</i>
-----	-----
<i>/s/ LAWRENCE LEFKOWITZ Officer</i>	<i>President, Chief Executive</i>

<i>Lawrence Lefkowitz</i>	<i>and Director (Principal Executive Officer)</i>
 <i>/s/ ALAN L. SCHAFFER</i>	 <i>Vice President--Finance</i>

<i>Alan L. Schaffer</i>	<i>and Treasurer (Principal Financial Officer)</i>
 <i>/s/ ALLA KANTER</i>	 <i>Controller</i>

<i>Alla Kanter</i>	<i>(Principal Accounting Officer)</i>
 * -----	 <i>Director</i>
<i>Michael Arnon</i>	
 * -----	 <i>Director</i>
<i>Stanley I. Batkin</i>	
 * -----	 <i>Director</i>
<i>Yaacov Elinav</i>	
 * -----	 <i>Director</i>
<i>Harry B. Henshel</i>	
 * -----	 <i>Director</i>
<i>Eitan Raff</i>	
 * -----	 <i>Director</i>
<i>Shimon Ravid</i>	

Name	Title
*	Director

Shlomo Recht	
*	Director

Leon Riebman	
*	Director

Evelyn Sommer	
*By: /s/ LAWRENCE LEFKOWITZ	

Lawrence Lefkowitz	
Attorney-in-Fact	

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the incorporation by reference in this Registration Statement (File No. 33-51023) of our report dated March 23, 1994, included in Ampal- American Israel Corporation's FORM 10-K for the year ended December 31, 1993 and to all references to our Firm included in this Registration Statement.

ARTHUR ANDERSEN & CO.

New York, New York
June 1, 1994

Public

(972)
3517 4440
SOMEKH CHAIKIN

(972)
467 0319

(972)
225 3292

Certified

Accountants (Isr)
Tel Aviv 61006
33 Yavetz Street
P. O. Box 609
Tel: (03) 517 4444
Telecopier:

Haifa 31001
5 Palyam Street
P. O. Box 210
Tel: (04) 6703 38
Telecopier:

Jerusalem 91001
33 Jaffa Road
P. O. Box 212
Tel: (02) 253 291
Telecopier:

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the incorporation by reference in the Registration Statement (File No. 33-51023) of Ampal American Israel Corporation of our report on the consolidated financial statements of Granite Hacarmel Investments Limited dated February 15, 1994, included in Ampal American Israel Corporation's FORM 10-K for the year ended December 31, 1993 and to all references to our firm included in such Registration Statement.

Certified Public Accountants (ISRAEL)

Haifa, June 1, 1994

Igal Brightman
Mordecai Bar Levav
Bernard (Dov) Ratowitz
Shimon Gothalf
Chaim Schwartzbard
David Valiano
Adir Inbar
Rami Benvenisti

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the incorporation by reference in this Registration Statement (File No. 33-51023) of our report dated February 14, 1994 relating to the financial statements of Am-Hal Ltd. included in Ampal American Israel Corporation's FORM 10-K for the year ended December 31, 1993 and to all references to our firm included in this Registration Statement.

Igal Brightman & Co.

Certified Public Accountants (Isr.)

June 1, 1994

COHEN, EYAL, YEHOSHUA & CO.
Certified Public Accounts (Isr.)

51 Weizmann St. P.O. Box 21592
Tel Aviv 61214, Israel
Tel 03-6952210 - Fax 03-5953517
(Isr.)

Cohen Eliahu, C.P.A. (Isr.)
Eyal Itamar, C.P.A. (Isr.)
Yehoshua Nissim, C.P.A.

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the incorporation by reference in this Registration Statement (File No. 33-51023) of Ampal American Israel Corporation of our report on the financial statements of Ampal Enterprises Ltd. dated March 8, 1994 included in Ampal American Israel Corporation's Form 10-K for the year ended December 31, 1993 and to all references to our firm included in such Registration Statement.

/s/ Cohen, Eyal, Yehoshua & Co.
Cohen, Eyal, Yehoshua & Co.
Certified Public Accountants
(Isr.)

June 1, 1994

FAHN, KANNE & CO.
CERTIFIED PUBLIC ACCOUNTANTS (Isr.)

5. DRUYANOV ST., TEL-AVIV 63143
P. O. B. 11535, TEL-AVIV 61114

TEL 03-294946, FAX. 03-201386

CONSENT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the incorporation by reference in this Registration Statement (File No. 33-51023) of Ampal American Israel Corporation of our report on the financial statements of Ampal Financial Services Ltd. dated March 8, 1994, included in Ampal American Israel Corporation's FORM 10-K for the year ended December 31, 1993, and to all references to our firm included in such Registration Statement.

Fahn, Kanne & Co.

Certified Public Accountants (Isr.)

Tel-Aviv, Israel
June 1, 1994

SHLOMO ZIV & CO.
CERTIFIED PUBLIC ACCOUNTANTS (Isr.)

Tel-Aviv 61500 Gibor House
6 Kaufman St., P.O.B. 50322
Tel. 03-5179611, Fax. 03-5179418

Haifa 31018 2 Hanamal St., P.O.B. 1886
Tel. 04-675025-6, Fax. 04-679461

CONSENT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the incorporation by reference in the registration statement (file No. 33-51023) of Ampal American Israel Corporation of our report on the consolidated financial statements of Ampal Holding (1991) Ltd, dated March 23, 1994, included in Ampal American Israel Corporation's Form 10-k for the year ended December 31, 1993, and to all references to our firm included in such registration statement.

Tel-Aviv, Israel
June 1, 1994

**HAFT & HAFT & CO.
CERTIFIED PUBLIC ACCOUNTANTS (Isr.)
INCL. STRAUSS, LAZER & CO.**

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the incorporation by reference in this registration statement (File No. 33-51023) of Ampal American Israel Corporation of our report on the financial statements of Ampal (Israel) Ltd. dated March 8, 1994 included in Ampal American Israel Corporation's Form 10-K for the year ended December 31, 1993 and to all references to our firm included in such registration statement.

H.H.S.L. Haft & Haft & Co. June 1, 1994 Certified Public Accountants (Isr.)

FAHN, KANNE & CO.
CERTIFIED PUBLIC ACCOUNTANTS (Isr.)

5. DRUYANOV ST., TEL-AVIV 63143
P. O. B. 11535, TEL-AVIV 61114

TEL. 03-294946, FAX. 03-201836

CONSENT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the incorporation by reference in this registration statement (File No. 33-51023) of Ampal American Israel Corporation of our report on the financial statements of Ampal Industries (Israel) Ltd. dated March 10, 1994, included in Ampal American Israel Corporation's FORM 10-K for the year ended December 31, 1993 and to all references to our firm included in such registration statement.

Fahn, Kanne & Co.

Certified Public Accountants (Isr.)

Tel-Aviv, Israel
June 1, 1994

COHEN, EYAL, YEHOSHUA & CO.
Certified Public Accounts (Isr.)

51 Weizmann St. P.O. Box 21592
Tel Aviv 61214, Israel
Tel 03-6952210 - Fax 03-5953517
(Isr.)

Cohen Eliahu, C.P.A. (Isr.)
Eyal Itamar, C.P.A. (Isr.)
Yehoshua Nissim, C.P.A.

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the incorporation by reference in this registration statement (File No. 33-51023) of Ampal American Israel Corporation of our report on the financial statements of Ampal Properties Ltd. dated March 10, 1994 included in Ampal American Israel Corporation's Form 10-K for the year ended December 31, 1993 and to all references to our firm included in such registration statement.

/s/ Cohen, Eyal, Yehoshua & Co.
Cohen, Eyal, Yehoshua & Co.
Certified Public Accountants
(Isr.)

June 1, 1994

S A Morris MORRIS BRANKIN & CO.
W J Matthew C H A R T E R E D
ACCOUNTANTS
D R Cottingham
P.O. BOX 1044

West Wind Building
Grand Cayman
British West Indies

Telephone: (809 94)
98588

Facsimile: (809 94)
97325

Telex: 4248 MIDS� CP

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the incorporation by reference in this registration statement (File No: 33-51023) of our report on the consolidated financial statements of Bank Hapoalim (Cayman) Ltd. dated February 15, 1994 included in Ampal American Israel Corporation's FORM 10-K for the year ended December 31, 1993 and to all references to our firm included in such registration statement.

Auditor

June 1, 1994

**RONEL STETTNER & CO.
CERTIFIED PUBLIC ACCOUNTANTS**

**TEL. (4)532291 FAX (4) 515873 ISRAEL
35 HAMEGINIM AVE. P.O.B. 466
HAIFA 31033**

June 1, 1994

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the incorporation by reference in the registration statement (File No. 33-51023) of our report on the financial statements of Bay Heart Limited dated January 20, 1994 and of our report to the special purpose financial statements of Bay Heart Limited dated January 21, 1994 included in Ampal American Israel Corporation's FORM 10-K for the year ended December 31, 1993 and to all references to our firm included in this registration statement.

Truly yours,

RONEL, STETTNER & CO.
Certified Public Accountants
(Israel)

KOST
LEVARY
and
FORER
C.P.A. (ISRAEL)

Tel-Aviv June 1, 1994
File No. 1587

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the incorporation by reference in this registration statement (File No. 33-51023) of our reports on the consolidated financial statements of Carmel Containers Systems Ltd., dated March 3, 1994, included in Ampal-American Israel Corporation's FORM 10-K for the year ended December 31, 1993, and to all references to our firm included in this registration statement.

s/ KOST, LEVARY and FORER
KOST, LEVARY and FORER
Certified Public Accountants
(Israel)

PORAT & CO.

Certified Public Accountants (ISR.)

Dear Sirs,

Re: Consent of Independent Public Accountants

As independent public accountants, we hereby consent to the incorporation by reference in this Registration Statement (File No. 33-51023) of our report on the financial statements of Country Club Kfar-Saba Ltd. dated March 11, 1994, included in Ampal American Israel Corporation's FORM 10-K for the year ended December 31, 1993 and to all references to our firm in this registration statement.

June 1, 1994

Porat & Co. (Isr.)

Certified Public Accountants

COHEN, EYAL, YEHOSHUA & CO.
Certified Public Accounts (Isr.)

51 Weizmann St. P.O. Box 21592
Tel Aviv 61214, Israel
Tel 03-6952210 - Fax 03-5953517
(Isr.)

Cohen Eliahu, C.P.A. (Isr.)
Eyal Itamar, C.P.A. (Isr.)
Yehoshua Nissim, C.P.A.

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the incorporation by reference in this registration statement (File No. 33-51023) of Ampal American Israel Corporation of our report on the financial statements of Davidson-Atai Publishers Ltd. dated March 10, 1994 included in Ampal American Israel Corporation's Form 10-K for the year ended December 31, 1993 and to all references to our firm included in such registration statement.

/s/ Cohen, Eyal, Yehoshua & Co.
Cohen, Eyal, Yehoshua & Co.
Certified Public Accountants
(Isr.)

June 1, 1994

Consent of Independent Public Accountants

We consent to the incorporation by reference in Ampal American Israel Corporation's Registration Statement (File No. 33-51023) of our report dated January 18, 1994 with respect to the Financial Statements of Hapoalim (Latin America) Casa Bancaria S.A. included in Ampal American Israel Corporations FORM 10-K for the year ended December 31, 1993 and consent to all reference to our firm under the caption "Experts" in this registration statement.

Montevideo C R . R. VILLARMARZO Y ASOC. June 1, 1994 Ernst & Young International

KOST LEVARY AND FORER

June 1, 1994

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the incorporation by reference in this registration statement (File No. 33-51023) of our report on the consolidated financial statements of Mivnat Holdings Ltd. dated March 21, 1994, included in Ampal American Israel Corporations's FORM 10K for the year ended December 31, 1993, and to all references to our firm included in this registration statement.

Yours truly,

KOST LEVARY AND FORER.
Certified Public Accounts (Isr.)

HAGGAI WALLENSTEIN & Co. C.P.A. (Isr.)

June 1, 1994

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the incorporation by reference in this Registration Statement (File No. 33-51023) of our report on the consolidated financial statements of Moriah Hotels Ltd., and its subsidiaries dated March 14, 1994, included in Ampal American Israel Corporation's FORM 10-K for the year ended December 31, 1993, and to all references to our firm in this Registration Statement.

Sincerely yours,

HAGGAI WALLENSTEIN & CO.
Certified Public Accounts (Isr.)

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the incorporation by reference in the registration statement (File No.33-51023) of Ampal American Israel Corporation of our report on the consolidated financial statements of Ophir Holding Ltd. dated March 7, 1994, included in Ampal American Israel Corporation's FORM 10K for the year ended December 31, 1993 and to all references to our firm included in such registration statement.

June 1, 1994

KESSELMAN & KESSELMAN

**BRAUDE & CO.
CERTIFIED PUBLIC ACCOUNTANTS (ISRAEL)**

Tel-aviv, June 1, 1994

Re: Consent of Independent Public Accountants

As independent public accountants, we hereby consent to the incorporation by reference in this Registration Statement (File No. 33-51023) of our report on the financial statements of Orlite Engineering Company Ltd. dated February 14, 1994, included in Ampal American Israel Corporation's Form 10-K, for the year ended December 31, 1993, and to all references to our firm in this Registration Statement.

Braude & Co.

CERTIFIED PUBLIC ACC. (ISRAEL)

SHLOMO ZIV & CO.
CERTIFIED PUBLIC ACCOUNTANTS (Isr.)

Tel-Aviv 61500 Gibor House
6 Kaufman St., P.O.B. 50322
Tel. 03-5179611, Fax. 03-5179418

Haifa 31018 2 Hanamal St., P.O.B. 1886
Tel. 04-675025-6, Fax. 04-679461

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the incorporation by reference in the registration statement (file No. 33-51023) of Ampal-American Israel Corporation of our report on the consolidated financial statements of Paradise Mattresses Industries (1993) Ltd, dated March 22, 1994 included in Ampal-American Israel Corporation's Form 10-K for the year ended December 31, 1993, and to all references to our firm included in such registration statement.

Tel-Aviv, Israel
June 1, 1994

RUVENI, HARTUV, TEPPER & CO.
Certified Public Accountants (ISR)
P.O.B. 29870 CODE 61298
30 Achad Ha'Am St., Tel Aviv, ISRAEL

TEL. 972-3-5604281 FAX. 972-3-5605001

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the incorporation by reference in the Registration Statement (File No. 33-51023) of our report on the financial statements of Pri Haemek (Canned and Frozen Food) 88 Ltd., dated March 29, 1994 included in Ampal American Israel Corporation's FORM 10K for the year ended December 31, 1993, and to all references to our firm included in such registration statement.

June 1, 1994

RUVENI, HARTUV, TEPPER & CO.
Certified Public Accounts (Isr.)

DOV KAHANA & CO.
Certified Public Accountants (Isr.)

54 Bezalel St. Ramat-Gan
P.O. Box 3532, Ramat-Gan 52134
TEL. 575 9681 FAX. 575 9584

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the incorporation by reference in the Registration Statement (File 33-51023) of Ampal American Israel Corporation of our report on the financial statements of Red Sea Marineland Holding (1973) Ltd. dated March 29, 1994, included in Ampal American Israel Corporation's FORM 10-K for the year ended December 31, 1993 and to all references to our firm included in such Registration Statement.

DOV KAHANA & CO.
Certified Public Accountants (Isr.)

Ramat-Gan. June 1, 1994

DOV KAHANA & CO.
Certified Public Accountants (Isr.)
54 Bezalel St. Ramat-Gan
P.O. Box 3532, Ramat-Gan 52134

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the incorporation by reference in the Registration Statement (File 33-51023) of Ampal American Israel Corporation of our report on the financial statements of Red Sea Under Water Observatory Ltd. dated March 29, 1994, included in Ampal American Israel Corporation's FORM 10-K for the year ended December 31, 1993, and to all references to our firm included in such Registration Statement.

Ramat-Gan. June 1, 1994

**REUVENI, HARTUV, TEPPER & CO.
CERTIFIED PUBLIC ACCOUNTANTS (Isr.)**

30 ACHAD HA'AM ST., TEL-AVIV ISRAEL P.O.B. 29870, CODE 61298

TEL: 972-3-5604281 FAX: 972-3-5605001

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CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the incorporation by reference in the Registration Statement (File No. 33-51023) of our report on the financial statements of the Snow and Cool Palace (Limited Partnership) dated February 20, 1994 included in Ampal American Israel Corporation's FORM 10-K for the year ended December 31, 1993 and to all references to our firm included in such registration statement.

June 1, 1994

Reuveni, Hartuv Tepper & Co.
Certified Public Accountants (Isr.)

A&B Almagor & Co.
CPA(ISR)

7, Abba Hillel Rd., P.O. Box 3600, Zip 52134, Ramat-Gan, Israel
Tel.: 03-5760606, Fax.: 972-3-5754671

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the incorporation by reference in this Registration Statement (File No. 33-51023) of our report on the consolidated financial statements of Teledata Communication Ltd., dated February 21, 1994, included in Form 10-K of Ampal American Israel Corporation for the year ended December 31, 1993 and to all references to our firm in the said registration statement.

Almagor & Co.

Certified Public Accountants (Isr.)

Ramat-Gan, Israel
June 1, 1994

Exhibit 24.2

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENT, that I, the undersigned, do hereby constitute and appoint MICHAEL ARNON, LAWRENCE LEFKOWITZ, and ALAN L. SCHAFFER, or any one and or more of them, my true and lawful attorney or attorneys for me, and in my name, place and stead, as a director and/or officer of AMPAL-AMERICAN ISRAEL

CORPORATION to sign a Registration Statement and any and all

amendments thereto covering its Units, each consisting of one share of its Class A Stock and one warrant to purchase one share of its Class A Stock granting unto said attorneys-in-fact, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the above premises, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all said attorneys-in-fact or either of them may lawfully do or cause to be done by virtue hereof.

May 29, 1993

Date

/s/Shlomo Recht

Signature

End of Filing