# CELLCOM ISRAEL LTD. ANNOUNCES SALE OF 1.3% OF ITS ISSUED SHARE CAPITAL BY CONTROLLING SHAREHOLDER

**Netanya, Israel – January 30, 2008** – Cellcom Israel Ltd. (“Company”) (NYSE: CEL) announced today that further to its report earlier today in regards to the sale of 2% of its issued share capital by Discount Investment Corporation Ltd. (“DIC”), its controlling shareholder, to a financial institution, DIC has further announced that it has completed that sale. DIC also announced that DIC has entered today into an additional agreement to sell 1,300,000 shares of the Company, constituting approximately 1.3% of the Company’s issued share capital, for a total consideration of NIS 130.26 million in cash to the same financial institution and that the purchaser has informed DIC of its intention to place such shares for sale outside the United States to non-US investors. The agreement further provides that DIC will not dispose of the Company’s shares during 120 days following the closing date, unless DIC obtains the consent of the said financial institution purchaser. The sale is scheduled to be completed tomorrow, following which DIC will hold approximately 52.6% of the Company’s issued share capital. DIC further announced that it views its holding in the Company as a long term investment and intends to continue to control the Company. Such intention is subject to future circumstances including conditions in the capital markets and DIC's investment strategy.

The shares have not been and will not be registered under the U.S. Securities Act of 1933. Accordingly, the shares may not be offered or sold in the United States

**About Cellcom Israel**

Cellcom Israel Ltd., established in 1994, is the leading Israeli cellular provider; Cellcom Israel provides its 3 million subscribers with a broad range of value added services including cellular and landline telephony, roaming services for tourists in Israel and for its subscribers abroad and additional services in the areas of music, video, mobile office etc., based on Cellcom Israel's technologically advanced infrastructure. The Company operates an HSDPA 3.5 Generation network enabling the fastest high speed content transmission available in the world, in addition to GSM/GPRS/EDGE and TDMA networks. Cellcom Israel offers Israel's broadest and largest customer service infrastructure including telephone customer service centers, retail stores, and service and sale centers, distributed nationwide. Through its broad customer service network Cellcom Israel offers its customers technical support, account information, direct to the door parcel services, internet and fax services, dedicated centers for the hearing impaired, etc. In April 2006 Cellcom Israel, through Cellcom Fixed Line Communications L.P., a limited partnership wholly-owned by Cellcom Israel, became the first cellular operator to be granted a special general license for the provision of landline telephone communication services in Israel, in addition to data communication services. Cellcom Israel's shares are traded both on the New York Stock Exchange (CEL) and the Tel Aviv Stock Exchange (CEL).
For additional information please visit the Company's website http://investors.ircellcom.co.il

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