

## **CELLCOM ISRAEL LTD. ANNOUNCES CONTROLLING SHAREHOLDER ANNOUNCEMENT RE COMPANY'S POSSIBLE RIGHTS OFFERING**

**Netanya, Israel –June 2, 2015** – Cellcom Israel Ltd. (NYSE: CEL) (TASE: CEL) (the "**Company**") announced that although the company is not required to report this information, the Company's controlling shareholder has reported this information under its Israeli reporting obligations and therefore the Company is publishing this press release.

Following the Company's announcement earlier today regarding the Company's Board of Directors instruction to the Company to consider the possibility of a rights offering (the "**Rights Offering**"), Discount Investment Corporation Ltd. ("**DIC**"), the Company's controlling shareholder, has announced that if such Rights Offering will be effected by the Company, DIC intends to exercise all subscription rights offered to it and purchase additional shares if possible, pursuant to the Rights Offering, for a total investment amount which will not exceed NIS 100 million.

The execution, timing, terms (including subscription ratio) and amount of such possible Rights Offering have not yet been determined and are subject to further approvals of the Company's Board of Directors, publication of a prospectus in Israel and filing of a registration statement and prospectus in the United States. Publication and filing will be subject to review by the Securities and Exchange Commission (the "**SEC**") and the approval of the Israeli Securities Authority (the "**ISA**"), and the approvals of the Tel Aviv Stock Exchange ("**TASE**") and the New York Stock Exchange ("**NYSE**"). There is no assurance that such approvals will be received or that the Rights Offering will be executed, nor as to its timing, terms or amount.

*This announcement does not constitute an offer to sell, or a solicitation of an offer to purchase, any securities in the United States. The securities referred to herein may not be sold in the United States absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended. If the Company determines to pursue the Rights Offering, the Company intends to file a registration statement with the U.S. Securities and Exchange Commission in connection with the Rights Offering. Any offering of securities in the United States will be made by means of a prospectus that may be obtained from the Company, if the Company determines to pursue the Rights Offering and that will contain detailed information about the Company and management, as well as financial statements.*

### **Forward looking statement**

The information included in this press release contains, or may be deemed to contain, forward-looking statements (as defined in the U.S. Private Securities Litigation Reform Act of 1995 and the Israeli Securities Law, 1968). Said forward-looking statements, relating to the execution of the Rights Offering and the amount thereof are subject to uncertainties and assumptions about the receipt of the SEC, ISA, TASE and NYSE approvals, market conditions, the Company's Board of Director's discretion whether to execute such offering, which could differ materially from the current estimate. The actual conditions the Company may face could lead to materially different outcome than that set forth above.

### **About Cellcom Israel**

Cellcom Israel Ltd., established in 1994, is the largest Israeli cellular provider; Cellcom Israel provides its approximately 2.885 million subscribers (as at March 31, 2015) with a broad range of value added services including cellular and landline telephony, roaming services for tourists in Israel and for its subscribers abroad, additional services in the areas of music, video, mobile office etc. and most recently - also television over the internet service in Israel, based on Cellcom Israel's technologically advanced infrastructure. The Company operates an LTE 4 Generation and HSPA 3.5

Generation networks enabling advanced high speed broadband multimedia services, in addition to GSM/GPRS/EDGE 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. Cellcom Israel further provides through its wholly owned subsidiaries internet connectivity services and international calling services, as well as landline telephone communication services, 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://www.cellcom.co.il>

**Company Contact**

Shlomi Fruhling  
Chief Financial Officer  
[investors@cellcom.co.il](mailto:investors@cellcom.co.il)  
Tel: +972 52 998 9755

**Investor Relations Contact**

Ehud Helft  
GK Investor & Public Relations In partnership with LHA  
[cellcom@GKIR.com](mailto:cellcom@GKIR.com)  
Tel: +1 617 418 3096