



November 25, 2017

Immediate Report

Notice from Controlling Shareholder

This Immediate Report concerns a notice provided to the Company on November 24, 2017 by the Company's indirect controlling shareholder, Eurocom Communications Ltd ("Eurocom"), as follows:

Eurocom announces that it has received a written communication from banks ("the Bank") in which Eurocom is required to repay a significant debt (including guaranteed debts), within a specified time frame - while the Bank reserves all its rights in the event the said debt is not repaid.

Eurocom has made known that as of the date of delivery of the notice it is holding intensive discussions with the banking system to arrange and spread its outstanding loans and that it intends to continue intensive discussions in order to arrive at agreements within a short time, there being in its opinion the real possibility of achieving an arrangement.

The above information constitutes a translation of the Immediate Report published by the Company. The Hebrew version was submitted by the Company to the relevant authorities pursuant to Israeli law, and represents the binding version and the only one having legal effect. This translation was prepared for convenience purposes only.