



March 21, 2018

## **Immediate Report**

### **Notice from Eurocom**

Further to the Immediate Reports published by the Company on February 8, 20, 25 and March 12, 2018 concerning the request of the Company's indirect controlling shareholder, Eurocom Communications Ltd ("Eurocom") (and other private companies from the Eurocom Group) about submitting an application to approve a creditors' arrangement in accordance with the provisions of section 350 of the Companies Law, 1999 ("the Arrangement"), an Immediate Report is hereby provided concerning a notice received by the Company from Eurocom on March 20, 2018, as follows:

1. On March 20, 2018 a hearing was held regarding the request to approve the Arrangement. As the Company reported on March 12, 2018, the investor in the proposed Arrangement filed a notice with the court on the expiry of the proposed Arrangement and the Request for Order. Eurocom and the observers appointed to the companies disagree with the position of the investor.
2. During the hearing the court proposed to the parties to check the feasibility of another settlement with the investor.
3. The legal representatives of the banks and of Eurocom informed the court that it was indeed possible to consider with the investor the possibility of an alternative settlement, without derogating from any claim and without this constituting acceptance by one party of the other's arguments, as a response to the court's proposal.
4. In the aforementioned circumstances, the court postponed the hearing to April 11, 2018. The court noted in its decision that it was hoped the parties would make an effort to arrive at a creditors' settlement that was preferable to other alternatives. This is without expressing an opinion concerning the actual



arguments. The observers and Eurocom will update the court on progress in contacts not later than March 29, 2018.

*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.*