



April 22, 2018

Immediate Report

Notice from Eurocom

Further to the immediate reports published by the Company on February 8, 20, 25, and March 12, 21 and April 12, 2018 regarding the legal proceedings conducted by the creditors of the indirect controlling shareholder of the Company, Eurocom Communications Ltd. ("Eurocom Communications"), as well as the creditor arrangement options recently examined by Eurocom Communications and other private companies of the Eurocom Group, on April 22, 2018, Eurocom Communications issued the Company the following report:

1. On April 22, 2018, the Tel Aviv-Jaffa District Court issued a liquidation order for Eurocom Communications - which will take effect on May 3, 2018. The stay was given at the request of the representatives of the creditor banks in order to exhaust a creditor arrangement process within this time period. According to the court ruling, the official receiver will be the temporary liquidator of Eurocom Communications until the appointment of a permanent liquidator. In addition, attorneys were appointed as special managers of Eurocom Communications.

2. The court clarified that its ruling does not derogate from the control permit regarding the Bezeq Group.

The ruling regarding the liquidation of Eurocom Communications has no implications on the Company's debentures.

In addition, further to the immediate reports of the Company dated January 7 and 31, 2018, regarding the Eurocom DBS Ltd. debt ("Eurocom DBS") to the Company and the submission of a motion for the liquidation of Eurocom DBS by the Company, an update is hereby given that in the aforementioned court decision (among other matters) an order to liquidate Eurocom DBS was issued.

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.