

## BEZEQ ANNOUNCES RESULTS OF THE 2008 ANNUAL GENERAL MEETING

**Tel Aviv, Israel – 1<sup>st</sup> June, 2008** – Bezeq The Israel Telecommunication Corp., Limited (TASE: BEZQ), Israel's leading telecommunications provider, today announced that the annual general meeting of shareholders of the Company held on June 1, 2008 approved the following resolutions:

1. Appointment of certified public accountants for the year 2008 and until the date on which the next annual general meeting is convened, and the agreement of the Board of Directors to set their fee

To approve the appointment of the Somekh Chaikin & Co. accounting firm as the Company's certified public accountants for the year 2008 and until the date on which the next annual general meeting is convened, and to authorize the Company Board of Directors to set their fee.

2. Election of directors

To reelect the serving directors as directors at the Company:

Shlomo Rodav  
Ran Gottfried  
David Gilboa  
Michael Grabiner  
Stephen Grabiner  
Zehavit Cohen  
Rami Nomkin (director from among the employees)  
Arieh Saban  
Menachem Inbar  
Yehuda Porat (director from among the employees)  
Adam Chesnoff  
Kihara Kiarie  
Yoav Rubinstein  
Elon Shalev

3. Updating the salary of the external directors

To approve the maximum compensation for participation in meetings for the expert external directors (Dr. Eyal Yaniv and Mr. Yitzhak Idelman), which currently stands at the sum of NIS 4,880, and the maximum annual sum, which stands at NIS 126,900, effective from the date of publication of the Companies Regulations (Rules pertaining to Compensation and Expenses for an External Director) (Amendment), 5768 – 2008 (March 6, 2008).

4. Approval of the terms of employment and the allocation of option warrants to the Chairman of the Board of Directors

To approve the terms of employment of the Chairman of the Board of Directors, as detailed in Appendix A to this document, and to approve the allocation of 9 million option warrants to the Chairman of the Board of Directors, Mr. Shlomo Rodav, exercisable into 9 million ordinary shares of the Company, par value NIS 1 each, constituting approximately 0.35% of the Company's issued and paid up share capital, and approximately 0.33% of the Company's issued and paid up share capital on a fully diluted basis. The exercise price of the options is NIS 6.4405 per share. The aggregate economic value of the 9,000,000 option warrants that are being allocated to the Chairman of the Board of Directors, in accordance with the aforesaid, is approximately NIS 15,085,000.



## Press Release

5. **Amendment to the Company's Articles (Regulations No. 95.3, 103.1 and 118)**

This item was put forward to a future meeting of shareholders.

**About Bezeq The Israel Telecommunication Corp.**

Bezeq is Israel's largest telecommunications service provider. Established in 1984, the company has led Israel into the new era of communications, based on the most advanced technologies and services. Bezeq and its subsidiaries offer the full range of telecommunication services including domestic, international and cellular phone services; Internet, ADSL, and other data communications; leased lines, and corporate networks.

For more information about Bezeq please visit the corporate website at <http://www.bezeq.co.il>.

*This press release contains general data and information as well as forward looking statements about Bezeq. Such statements include expressions of management's expectations about new and existing programs, opportunities, technology and market conditions. Although Bezeq believes its expectations are based on reasonable assumptions, these statements are subject to numerous risks and uncertainties. These statements should not be regarded as a representation that anticipated events will occur or that expected objectives will be achieved. These forward-looking statements are made only as of the date hereof and the company assumes no obligation to update any forward-looking statement. In addition, the realization and/or otherwise of the forward-looking information will be affected by factors that cannot be assessed in advance, and which are not within the control of the Corporation, including the risk factors that are characteristic of its operations, and developments in the general environment, and external factors and the regulation that affects the Corporation's operations.*

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