



June 28, 2017

Immediate Report

Appointment of Acting Chairman of the Board of Directors

The Company was notified by attorneys for the chairman of the Board of Directors, Mr. Shaul Elovitch, of agreements being reached by Mr. Elovitch and the Israel Securities Authority concerning the restrictions that will apply to him in the next 30 days until July 27, 2017, as follows:

(a) with respect to activity in the Bezeq Group, Mr. Elovitch will not visit the offices of the Company and its subsidiary, DBS Satellite Services (1998) Ltd. ("**Yes**"), and will not establish direct or indirect contact with any of the employees or directors of these companies, subject to the following terms only;

(b) Mr. Elovitch will deal with the ongoing business activity of the Company and its subsidiaries, with the exception of Yes, exclusively through the CEOs of the subsidiaries and Bezeq (the CEO of Bezeq, the CEOs of Bezeq's subsidiaries, with the exception of the CEO of Yes) and/or vis-à-vis the acting chairman of the Board of Directors, Mr. David Granot.

The Board of Directors of the Company has appointed director David Granot as acting chairman of the Board of Directors of the Company for the said period.

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.