Cellcom Israel Ltd.
Form 6-K
November 22, 2017

FORM 6-K

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Report of Foreign Private Issuer

Pursuant to Rule 13a-16 or 15d-16 of
the Securities Exchange Act of 1934

For November 22, 2017

Commission File Number: 001-33271

CELLCOM ISRAEL LTD.
10 Hagavish Street
Netanya, Israel 4250708

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): ______

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): ______

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ITEM 1

CELLCOM ISRAEL ANNOUNCES
THIRD QUARTER 2017 RESULTS

Cellcom Israel concludes the third quarter of 2017 with net income of NIS 32 million and EBITDA[1] of NIS 226 million (an increase of 8.1% compared to the third quarter of last year).

Nir Sztern, Cellcom CEO said:

The Company's TV operations shifted to profitability

Cellcom tv concludes the quarter with record recruitment and reaches 154,000 households, a 10% market share of the Israeli TV market

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Third Quarter 2017 Highlights (compared to third quarter of 2016):

§ Total Revenues totaled NIS 975 million ($276 million) compared to NIS 992 million ($281 million) in the third quarter last year, a decrease of 1.7%

§ Service revenues totaled NIS 737 million ($209 million) compared to NIS 758 million ($215 million) in the third quarter last year, a decrease of 2.8%

§ Operating income totaled NIS 83 million ($23 million) compared to NIS 73 million ($21 million) in the third quarter last year, an increase of 13.7%

§ Net income totaled NIS 32 million ($9 million) compared to NIS 33 million ($9 million) in the third quarter last year, a decrease of 3.0%

§ Net income margin 3.3%, same as the third quarter last year

§ EBITDA[1] totaled NIS 226 million ($64 million) compared to NIS 209 million ($59 million) in the third quarter last year, an increase of 8.1%

§ EBITDA margin 23.2%, an increase from 21.1% in the third quarter last year

§ Net cash from operating activities totaled NIS 205 million ($58 million) compared to NIS 160 million ($45 million) in the third quarter last year, an increase of 28.1%

§ Free cash flow[1] totaled NIS 105 million ($30 million) compared to NIS 81 million ($23 million) in the third quarter last year, an increase of 29.6%

§ Cellular subscriber base totaled approximately 2.805 million subscribers (at the end of September 2017)

[1] Please see "Use of Non-IFRS financial measures" section in this press release.

Nir Sztern, the Company's Chief Executive Officer, referred to the results of the third quarter of 2017:

"The influence of the competition is reflected in the cellular segment results; however, our varied activities as a telecommunications group in the fixed-line segment are bearing fruit and partially compensated for the cellular segment results. In this quarter, the Company reported an increase of 8% in EBITDA to NIS 226 million, and an increase of 13.7% in operating profit, compared to the third quarter of last year.

Cellcom tv operations shifted to profitability and to a positive contribution to the Company's results in the third quarter of 2017. This is a quarter with a record recruitment to Cellcom tv with 17,000 households who joined Israel's revolutionary TV service. Cellcom tv's position as a revolution generator in the TV market and a market changer is also strengthened with the transition of other players in the market to TV products similar to Cellcom Israel's. As of the end of the third quarter of 2017, Cellcom tv has 154,000 households, which represent more than 10% of the Israeli TV market. In this quarter, we added to the rich content world four desired children's channels, a documentary quality channel and movies library, series and blockbuster movies, while maintaining an attractive price and significant savings for the customer. We see that our attractive offer to the customer encourages most of our customers to choose joining our TV services combined with the internet, home telephony and cellular services in the triple and quattro packages and strengthens their loyalty to the Group.

We are vigorously evaluating various alternatives of independent deployment of an optic-fiber infrastructure, which will revolutionize the internet infrastructures in Israel, whether through self-deployment of fibers in residential neighborhoods, a joint-deployment of fibers in residential neighborhoods together with Partner, and/or an investment by the Company in the IBC fiber Initiative, in order to accelerate the deployment pace of an additional fiber infrastructure in Israel, and reduce the investments required for that purpose."

Shlomi Fruhling, Chief Financial Officer, said:

"The third quarter of 2017, was characterized by a continued growth in the fixed-line segment, together with a record recruitment of TV subscribers and a continued competition in the cellular segment.

Service revenues in the cellular segment increased 1.5% compared to the previous quarter, due to seasonality, which was partially offset by an erosion in revenues from cellular packages. Accordingly, EBITDA in the cellular segment increased 1.3% compared to the previous quarter.

Service revenues in the fixed-line segment continued to grow, due to the growth in TV subscribers and internet infrastructure subscribers. The increase in such revenues compared to the previous quarter, was fully offset as a result of the discontinuance of consolidation of Internet Rimon revenues, which was sold in the June 2017.

Free cash flow for the third quarter of 2017 totaled NIS 105 million, a 36.4% increase compared to the previous quarter. The increase resulted mainly from lower investments in fixed and intangible assets.

The Company's Board of Directors decided not to distribute a dividend for the third quarter of 2017, given the continued intense competition in the market and its adverse effect on the Company's operating results and in order to further strengthen the Company's balance sheet. The Board of Directors will re-evaluate its decision as market conditions develop, and taking into consideration the Company's needs."

Netanya, Israel – November 22, 2017 – Cellcom Israel Ltd. (NYSE: CEL; TASE: CEL) ("Cellcom Israel" or the "Company" or the "Group") announced today its financial results for the third quarter of 2017.

The Company reported that revenues for the third quarter of 2017 totaled NIS 975 million ($276 million); EBITDA for the third quarter of 2017 totaled NIS 226 million ($64 million), or 23.2% of total revenues; net income for the third quarter of 2017 totaled NIS 32 million ($9 million). Basic earnings per share for the third quarter of 2017 totaled NIS 0.32 ($0.09).

Main Consolidated Financial Results:

	Q3/2017	Q3/2016	Change%	Q3/2017	Q3/2016
	NIS million			US$ million (convenience translation)	
Total revenues	975	992	(1.7)%	276	281
Operating Income	83	73	13.7%	23	21
Net Income	32	33	(3.0)%	9	9
Free cash flow	105	81	29.6%	30	23
EBITDA	226	209	8.1%	64	59
EBITDA, as percent of total revenues	23.2%	21.1%	10.0%		

Main Financial Data by Operating Segments:

	Cellular (*)			Fixed-line (**)			Inter-segment adjustments (***)		Consolidated results		
NIS million	Q3'17	Q3'16	Change %	Q3'17	Q3'16	Change %	Q3'17	Q3'16	Q3'17	Q3'16	Change %
Total revenues	679	729	(6.9)%	339	315	7.6%	(43)	(52)	975	992	(1.7)%
Service revenues	488	534	(8.6)%	292	276	5.8%	(43)	(52)	737	758	(2.8)%
Equipment revenues	191	195	(2.1)%	47	39	20.5%	-	-	238	234	1.7%
EBITDA	160	149	7.4%	66	60	10.0%	-	-	226	209	8.1%
EBITDA, as percent of total revenues	23.6%	20.4%	15.7%	19.5%	19.0%	2.6%			23.2%	21.1%	10.0%

(*) The segment includes the cellular communications services, end user cellular equipment and supplemental services.

(**) The segment includes landline telephony services, internet infrastructure and connectivity services, television services, end user fixed-line equipment and supplemental services.

(***) Include cancellation of inter-segment revenues between "Cellular" and "Fixed-line" segments.

Financial Review (third quarter of 2017 compared to third quarter of 2016):

Revenues for the third quarter of 2017 decreased 1.7% totaling NIS 975 million ($276 million), compared to NIS 992 million ($281 million) in the third quarter last year. The decrease in revenues is attributed to a 2.8% decrease in service revenues, which was partially offset by a 1.7% increase in equipment revenues.

Service revenues totaled NIS 737 million ($209 million) in the third quarter of 2017, a 2.8% decrease from NIS 758 million ($215 million) in the third quarter last year.

Service revenues in the cellular segment totaled NIS 488 million ($138 million) in the third quarter of 2017, an 8.6% decrease from NIS 534 million ($151 million) in the third quarter last year. This decrease resulted mainly from the ongoing erosion in the prices of these services as a result of the competition in the cellular market and from the difference between the national roaming services revenues in the third quarter of 2016 and the revenues for rights of use in cellular networks according to the network sharing agreement with Golan which came into force as of the beginning of the second quarter of 2017 (the "Network Sharing Agreement with Golan")[2].

Service revenues in the fixed-line segment totaled NIS 292 million ($83 million) in the third quarter of 2017, a 5.8% increase from NIS 276 million ($78 million) in the third quarter last year. This increase resulted mainly from fixed-line communications services provided according to the Network Sharing Agreement with Golan as well as an increase in revenues from TV services. This increase was partially offset as a result of the discontinuance of consolidation of Internet Rimon Israel 2009 Ltd. ("Internet Rimon"), following the sale of the Group's holdings in Internet Rimon in the second quarter of 2017 (the "Sale of Internet Rimon").

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[2] According to the terms of the Network Sharing Agreement with Golan, part of the consideration is recognized as revenues and part is recognized as a reduction of operation costs. In addition, revenues from the Network Sharing

Agreement are divided between the cellular and fixed-line segments.

Equipment revenues totaled NIS 238 million ($67 million) in the third quarter of 2017, a 1.7% increase compared to NIS 234 million ($66 million) in the third quarter last year. This increase resulted mainly from an increase in the amount of end user equipment sold in the fixed-line segment. This increase was partially offset by a decrease in equipment sales in the cellular segment.

Cost of revenues for the third quarter of 2017 totaled NIS 670 million ($190 million), compared to NIS 669 million ($190 million) in the third quarter of 2016, a 0.1% increase. This increase resulted mainly from an increase in costs of TV services content and in costs related to internet services in the fixed-line segment. The increase was partially offset by Golan's participation in operating costs according to the Network Sharing Agreement with Golan.

Gross profit for the third quarter of 2017 decreased 5.6% to NIS 305 million ($86 million), compared to NIS 323 million ($92 million) in the third quarter of 2016. Gross profit margin for the third quarter of 2017 amounted to 31.3%, down from 32.6% in the third quarter of 2016.

Selling, Marketing, General and Administrative Expenses ("SG&A Expenses") for the third quarter of 2017 decreased 10.1% to NIS 222 million ($63 million), compared to NIS 247 million ($70 million) in the third quarter of 2016. This decrease is primarily a result of a decrease in salaries and commissions expenses due to the capitalization of part of the customer acquisition costs as a result of the early adoption of a new International Financial Reporting Standard (IFRS 15) since the first quarter of 2017 (the "Adoption of IFRS15"). The effect of the adoption of the standard on the third quarter of 2017 expenses totaled NIS 24 million ($7 million).

Operating income for the third quarter of 2017 increased by 13.7% to NIS 83 million ($23 million) from NIS 73 million ($21 million) in the third quarter of 2016.

EBITDA for the third quarter of 2017 increased by 8.1% totaling NIS 226 million ($64 million) compared to NIS 209 million ($59 million) in the third quarter of 2016. EBITDA as a percent of revenues for the third quarter of 2017 totaled 23.2%, up from 21.1% in the third quarter of 2016.

Cellular segment EBITDA for the third quarter of 2017 totaled NIS 160 million ($45 million), compared to NIS 149 million ($42 million) in the third quarter last year, an increase of 7.4%, which resulted mainly from a decrease in selling and marketing expenses due to the capitalization of part of the customer acquisition costs as a result of the Adoption of IFRS15. This increase was partially offset by the ongoing erosion of service revenues. Fixed-line segment EBITDA for the third quarter of 2017 totaled NIS 66 million ($19 million), compared to NIS 60 million ($17 million) in the third quarter last year, a 10.0% increase, mainly as a result of an increase in revenues from fixed-line communications services provided according to the Network Sharing Agreement with Golan. This increase was partially offset by a decrease in revenues from local landline telecommunications services and from long-distance calls, and from the discontinuance of consolidation of Internet Rimon following the Sale of Internet Rimon.

Financing expenses, net for the third quarter of 2017 decreased by 7.1% and totaled NIS 39 million ($11 million), compared to NIS 42 million ($12 million) in the third quarter of 2016.

Net Income for the third quarter of 2017 totaled NIS 32 million ($9 million), compared to NIS 33 million ($9 million) in the third quarter of 2016, a decrease of 3.0%.

Basic earnings per share for the third quarter of 2017 totaled NIS 0.32 ($0.09), compared to NIS 0.33 ($0.09) in the third quarter last year.

Operating Review

Main Performance Indicators - Cellular segment:

	Q3/2017	Q3/2016	Change (%)
Cellular subscribers at the end of period (in thousands)	2,805	2,822	(0.6)%
Churn Rate for cellular subscribers (in %)	11.5%	10.5%	9.5%
Monthly cellular ARPU (in NIS)	57.8	62.8	(8.0)%

Cellular subscriber base - at the end of the third quarter of 2017 the Company had approximately 2.805 million cellular subscribers. During the third quarter of 2017 the Company's cellular subscriber base increased by approximately 26,000 net cellular subscribers[3].

Cellular Churn Rate for the third quarter of 2017 totaled to 11.5%, compared to 10.5% in the third quarter last year.

The monthly cellular Average Revenue per User ("ARPU") for the third quarter of 2017 totaled NIS 57.8 ($16.4), compared to NIS 62.8 ($17.8) in the third quarter last year. The decrease in ARPU resulted from the ongoing erosion in the prices of cellular services, resulting from the intense competition in the cellular market and from the difference between national roaming services revenues in the third quarter of 2016 and the revenues for rights of use in cellular networks according to the Network Sharing Agreement with Golan in the third quarter of 2017.

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[3] The increase resulted mainly from subscribers that were added to the Company's cellular subscriber base as part of the Company's purchase of an Israeli MVNO's operations during the third quarter of 2017.

Main Performance Indicators - Fixed-line segment:

	Q3/2017	Q3/2016	Change (%)
Internet infrastructure field- households at the end of period (in thousands)	206	146	41.1%
TV field- households at the end of period (in thousands)	154	99	55.6%

In the third quarter of 2017, the Company's households base in the internet infrastructure field increased by approximately 17,000 net households, and the Company's households base in the TV field increased by 17,000 net households.

Financing and Investment Review

Cash Flow

Free cash flow for the third quarter of 2017 totaled NIS 105 million ($30 million), compared to NIS 81 million ($23 million) in the third quarter of 2016, a 29.6% increase. The increase in free cash flow resulted mainly from a decrease in payments to payroll payables due to timing differences between the quarters and from the receipt of a refund from the Israeli tax authorities in the third quarter of 2017, which were partially offset by higher cash capital expenditures in intangible assets in the third quarter of 2017 and by the difference between the receipts from rights of use in cellular networks according to the Network Sharing Agreement with Golan in the third quarter of 2017, and the receipts from national roaming services revenues in the third quarter of 2016.

Total Equity

Total Equity as of September 30, 2017 amounted to NIS 1,431 million ($405 million) primarily consisting of undistributed accumulated retained earnings of the Company.

Cash Capital Expenditures in Fixed Assets and Intangible Assets

During the third quarter of 2017, the Company invested NIS 114 million ($32 million) in fixed assets and intangible assets (including, among others, investments in the Company's communications networks, information systems, software and TV set-top boxes and capitalization of part of the customer acquisition costs as a result of the Adoption of IFRS15), compared to NIS 80 million ($23 million) in the third quarter of 2016.

Dividend

On November 21, 2017, the Company's Board of Directors decided not to declare a cash dividend for the third quarter of 2017. In making its decision, the board of directors considered the Company's dividend policy and business status and decided not to distribute a dividend at this time, given the intensified competition and its adverse effect on the Company's results of operations, and in order to strengthen the Company's balance sheet. The board of directors will re-evaluate its decision in future quarters. No future dividend declaration is guaranteed and is subject to the Company's board of directors' sole discretion, as detailed in the Company's most recent annual report for the year ended December 31, 2016 on Form 20-F dated March 20, 2017, or the 2016 Annual Report, under "Item 8 - Financial Information – A. Consolidated Statements and Other Financial Information - Dividend Policy".

Debentures

For information regarding a summary of the Company's financial liabilities and details regarding the Company's outstanding debentures as of September 30, 2017, see "Disclosure for Debenture Holders" in this press release.

Loans from Financial Institutions

For details regarding the fulfillment of financial covenants included in the loan agreements, which are identical to those included in the Company's Debentures Series F through K, see comment no.1 to the table of "Aggregation of the information regarding the debenture series issued by the Company" under "Disclosure for Debenture Holders" section in this press release. For additional details regarding the loans see the Company's 2016 Annual Report, under "Item 5B. Liquidity and Capital Resources – Other Credit Facilities" and the Company's current report on Form 6-K dated August 4, 2017 under "Other developments during the second quarter of 2017 and subsequent to the end of the reporting period – Debt Raising – Loan Agreement".

other developments during the third quarter of 2017 and subsequent to the end of the reporting period

Landline Infrastructure Deployment

Further to the Company's previous announcement that the Company is assessing the possibility of investing in Israel Broadband Company Ltd., or IBC (whose licenses allow the provision of broadband infrastructure services on the Israeli Electric Company, or IEC's, optic fibers infrastructure) or deploying a wide-spread fiber infrastructure, the Company works simultaneously as follows:

(1) has begun extending its existing independent fiber optic infrastructure into residential areas;

(2) is holding negotiations with Partner Communications Company Ltd., or Partner, another Israeli telecommunications operator, regarding a potential long term cooperation agreement for the deployment of optic fiber infrastructure by both companies, whereby each party will be entitled to purchase from time to time, as per its needs and at its sole discretion, fiber optic infrastructure services (including Indefeasible Right of Use - IRU) in the other party's present and/or future fiber optics infrastructure in order to connect residential buildings throughout Israel. The agreement, if concluded and executed, will allow the companies to avoid duplicated future deployment, as well as allow the Company to reduce costs while improving its ability to provide quality services. The effect of the agreement on the Company's results of operations, if concluded and executed, is subject to the actual cooperation executed. The finalization of the agreement is subject to further negotiations between the parties and if concluded, the execution of the agreement will be subject to the required regulatory approvals. There is no assurance that the negotiations will be concluded nor that regulatory approvals will be received or that the agreement will be executed; and

(3) continues to advance its assessment of investing in IBC, including the changes the Company requires for such an investment to materialize. In that respect, the Company has reached preliminary understandings with IEC, regarding an update of IEC's services prices to IBC, if the Company invests in IBC. The Company intends to issue a non-binding letter of intent for investing (by itself or with a group of investors it may arrange) in IBC in the near future, subject to certain conditions being met. Such an investment, if concluded and executed, may entail substantial investments in IBC's operations. There is no assurance that the Company and IBC will enter negotiations, that such negotiations if conducted shall be concluded into a binding agreement, or that such agreement, if entered, will receive the necessary regulatory approvals or be executed, nor as to whether an agreement with IEC will be concluded.

For additional details see the Company's annual report for 2016 under "Item 3. Key Information – D. Risk factors – Risks related to our business - We face intense competition in all aspects of our business", "- Our investment in new businesses involves many risks" and "Item 4. Information on the Company –B. Business Overview – Competition – Fixed-Line Segment" and " –Internet Infrastructure and ISP Business" and the Company's current report on form 6-K dated November 20, 2017.

The information included above contains, or may be deemed to contain, forward-looking statements (as defined in the U.S. Private Securities Litigation Reform Act of 1995 and the Israeli Securities Law, 1968). Said forward-looking statements, relating to the potential transactions and execution thereof and the benefits therefrom, are subject to uncertainties and assumptions about the completion of the negotiations, approval of the transactions by the Company's board of directors, the receipt of the necessary approvals, the parties' ability to execute the contemplated arrangements and the Israeli telecommunication regulation and market condition. The actual conditions the Company may face could lead to materially different outcome than that set forth above.

Shelf Prospectus

In August 2017, the Company published a shelf prospectus, after having received the Israeli Securities Authority, or ISA, and the Tel Aviv Stock Exchange, or TASE, approvals. The shelf prospectus will allow the Company, from time to time, until August 2019 (or if extended by the ISA, subject to certain conditions, until August 2020), to offer and sell various securities including debt and equity, in Israel, in one or more offerings, subject to filing a supplemental shelf offering report, that describes the terms of the securities offered and the specific details of the offering.

Any offering under the shelf prospectus requires the Company's Board of Directors' approval, publication of a supplemental offering report and the prior approval of the TASE for the supplemental offering report.

At this stage, no decision has been made as to the execution of any offering, nor as to its scope, terms and timing, if executed, and there is no certainty that such offering will be executed.

For additional details regarding the Company's existing debentures and loan agreements see the Company's 2016 Annual Report, under "Item 5B. Liquidity and Capital Resources – Debt Service – Public Debentures" and "-Other Credit Facilities" and the Company's current report on Form 6-K dated August 4, 2017 under "Other developments during the second quarter of 2017 and subsequent to the end of the reporting period – Debt Raising".

Regulation

Cellular License Amendment

In October 2017, following the previously reported amendment to the Company's cellular license in relation to the requirement that Israeli citizens and residents from among the Company's founding shareholders hold at least 5% of the Company's outstanding shares and other means of control as of October 31 2017, the Israeli Ministry of Communications amended again the Company's cellular license so as to postpone the application of such requirement until December 31, 2017.

For additional details see the Company's Annual Report for 2016 “Item 3. Key Information – D. Risk Factors - Risks Related to our Business – There are certain restrictions in our licenses relating to the ownership of our shares " and "Item 4. Information on the Company – B. Business Overview – Government Regulations – Cellular Segment – Our Cellular License" and the Company's current report on Form 6K dated August 4, 2017 under "Other developments during the second quarter of 2017 and subsequent to the end of the reporting period – Regulation - Cellular License Amendment".

Frequencies Exchange Examination

The Ministry of Communications, or MOC, has informed the Company that it has received an instruction from the International Telecommunications Union to commence a process to accord the frequencies used by Israeli cellular operators with European standards. As a result, the Company and another cellular operator that use also frequencies according to American standards, will be required to migrate to frequencies compatible with European standardization. The Company is discussing with the MOC the timing, duration, regulatory adjustments and financing of such a change. At this time, no formal decision has been made and there is no certainty as to the time, scope and cost of such a change, but it may entail a complex and sensitive engineering project, involving material investments and replacement of radio equipment in all the Company’s cellular sites. The project's actual implications may vary substantially depending on the above.

For additional details see the Company's annual report for 2016 under "Item 3. Key Information – D. Risk factors – Risks related to our business – We operate in a heavily regulated industry, which harm our results of operations. In recent years, regulation in Israel has materially adversely affected our results", "-We may not be able to obtain permit to construct and operate cell sites", "-We may be required to indemnify certain local planning and building committees in respect of claims against them" and "Item 4. Information on the Company –B. Business Overview – "Networks and infrastructure – Cellular segment – cellular infrastructure", "-Spectrum allocation", "-Cell site construction and licensing" and "-Government regulations – Cellular segment – Our cellular license" and "-Permits of cell site construction".

Controlling Shareholder

In September 2017, Discount Investment Corporation Ltd. (the Company's direct controlling shareholder), or DIC, transfered its holdings (direct and indirect - through a certain wholly owned subsidiary) in the Company to Koor Industries Ltd., a wholly owned subsidiary of DIC.

Conference Call Details

The Company will be hosting a conference call regarding its results for the third quarter of 2017 on Wednesday, November 22, 2017 at 10:00 am ET, 07:00 am PT, 15:00 UK time, 17:00 Israel time. On the call, management will review and discuss the results, and will be available to answer questions. To participate, please either access the live webcast on the Company's website, or call one of the following teleconferencing numbers below. Please begin placing your calls at least 10 minutes before the conference call commences. If you are unable to connect using the toll-free numbers, please try the international dial-in number.

US Dial-in Number: 1 866 860 9642 UK Dial-in Number: 0 800 917 5108

Israel Dial-in Number: 03 918 0692 International Dial-in Number: +972 3 918 0692

at: 10:00 am Eastern Time; 07:00 am Pacific Time; 15:00 UK Time; 17:00 Israel Time

To access the live webcast of the conference call, please access the investor relations section of Cellcom Israel's website: www.cellcom.co.il. After the call, a replay of the call will be available under the same investor relations section.

About Cellcom Israel

Cellcom Israel Ltd., established in 1994, is the largest Israeli cellular provider; Cellcom Israel provides its approximately 2.805 million cellular subscribers (as at September 30, 2017) with a broad range of value added services including cellular telephony, roaming services for tourists in Israel and for its subscribers abroad and additional services in the areas of music, video, mobile office etc., based on Cellcom Israel's technologically advanced infrastructure. The Company operates an LTE 4 generation network and an HSPA 3.5 Generation network enabling advanced high speed broadband multimedia services, in addition to GSM/GPRS/EDGE networks. Cellcom Israel offers Israel's broadest and largest customer service infrastructure including telephone customer service centers, retail stores, and service and sale centers, distributed nationwide. Through its broad customer service network Cellcom Israel offers technical support, account information, direct to the door parcel delivery services, internet and fax services, dedicated centers for hearing impaired, etc. Cellcom Israel further provides OTT TV services (as of December 2014), internet infrastructure (as of February 2015) and connectivity services and international calling services, as well as landline telephone communications services in Israel, in addition to data communications services. Cellcom Israel's shares are traded both on the New York Stock Exchange (CEL) and the Tel Aviv Stock Exchange (CEL). For additional information please visit the Company's website http://investors.cellcom.co.il.

Forward-Looking Statements

The following information contains, or may be deemed to contain forward-looking statements (as defined in the U.S. Private Securities Litigation Reform Act of 1995 and the Israeli Securities Law, 1968). In some cases, you can identify these statements by forward-looking words such as “may,” “might,” “will,” “should,” “expect,” “plan,” “anticipate,” “ “estimate,” “predict,” “potential” or “continue,” the negative of these terms and other comparable terminology. These forward-looking statements, which are subject to risks, uncertainties and assumptions about the Company, may include projections of the Company's future financial results, its anticipated growth strategies and anticipated trends in its business. These statements are only predictions based on the Company's current expectations and projections about future events. There are important factors that could cause the Company's actual results, level of activity, performance or achievements to differ materially from the results, level of activity, performance or achievements expressed or implied by the forward-looking statements. Factors that could cause such differences include, but are not limited to: changes to the terms of the Company's license, new legislation or decisions by the regulator affecting the Company's operations, new competition and changes in the competitive environment, the outcome of legal proceedings to which the Company is a party, particul