PARTNER COMMUNICATIONS REPORTS

FIRST QUARTER 2005 RESULTS

COMPLETES REPURCHASE OF 18.0% OF ITS OUTSTANDING SHARES

***Rosh Ha'ayin, Israel, April 20, 2005* – Partner Communications Company Ltd. (NASDAQ and TASE: PTNR; LSE: PCCD), a leading Israeli mobile communications operator, today announced its Q1 2005 results.** For the first quarter ended March 31st 2005, Partner reported revenues of NIS 1,260.5 million (US$ 289.0 million) and net income of NIS 124.5 million (US$ 28.5 million). Partner also completed a public debt offering of NIS 2.0 billion, believed to be the largest corporate debt offering ever in Israel, and subsequent to the end of the quarter entered into a new, more flexible bank credit facility and repurchased approximately 33.3 million of its shares from its founding Israeli shareholders.

Q1 2005 vs. Q1 2004 Comparison			
	Q1 2005	Q1 2004	Change (%)
Revenues (NIS millions)	1,260.5	1,218.6	3.4
EBITDA (NIS millions)	400.6	367.8	8.9
Operating Profit (NIS millions)	236.8	235.3	0.6
Income before Taxes (NIS millions)	185.9	148.3	25.4
Net Income (NIS millions)	124.5	91.8	35.6
Cash flow from operating activities net of investing activities (NIS millions)	81.8	84.0	(2.7)
Subscribers (thousands)	2,372	2,165	9.6
Estimated Market Share (%)	32	32	0
Quarterly Churn Rate (%)	3.9	3.3	18.1
Average Monthly Usage per Subscriber (minutes)	288	280	2.9
Average Monthly Revenue per Subscriber (NIS)	157	168	(6.5)
Average Subscriber Acquisition Costs (NIS)	229	267	(14.2)

Commenting on the first quarter results, Amikam Cohen, Partner's CEO said: "In the first quarter of 2005 we continued improving our financial and operational performance, driven by the excellent quality of our network, our first class customer service and our unrelenting passion for innovative voice, content and data solutions. Our subscriber base continued to grow, and over 20,000 subscribers are already experiencing the wide range of 3G services available on our network. Partner's record public debt offering of NIS 2.0 billion which was completed at the end of this quarter also demonstrates the level of public trust in and support for our company, and our continued success in the Israeli market."

Financial Review

Revenues in Q1 2005 totaled NIS 1,260.5 million (US$ 289.0 million), up 3.4% compared with Q1 2004 and down 4.4% compared with Q4 2004. Increased revenues as compared with Q1 2004 were driven primarily by higher service revenues derived from a larger subscriber base. Compared with Q4 2004, the reduction was largely due to the impact of the reduction in interconnection tariffs as well as the seasonal decline in service revenues. Content and data revenues in Q1 2005 were 7.5% of total revenues, up from 6.8% in Q1 2004 and 7.2% in Q4 2004, driven primarily by non-SMS content and data services. Compared with Q1 2004, non-SMS content and data revenues increased by 20.6% in Q1 2005.

The cost of revenues related to services rose by 8.8% in Q1 2005 to NIS 743.3 million (US$ 170.4 million) compared with NIS 683.5 million in Q1 2004 and by 0.5% compared with NIS 739.5 million in Q4 2004. The increase from Q1 2004 was driven primarily by higher depreciation and amortization charges following the launch of the 3G network towards the end of the previous quarter, and increased minutes of use resulting in higher variable costs. The increase compared with Q4 2004 was due predominantly to higher 3G network depreciation and amortization charges. The cost of revenues related to equipment was NIS 181.5 million (US$ 41.6 million) in Q1 2005, an increase of 5.4% compared with NIS 172.2 million in Q1 2004 and a decrease of 14.2% compared with NIS 211.5 million in Q4 2004. The increase from Q1 2004 was driven primarily by more advanced and higher priced handsets. The decrease from Q4 2004 was primarily due to the reduction in the number and pricing of handset sales to new and upgrading subscribers.

Overall, gross profit was NIS 335.6 million (US$ 77.0 million) in Q1 2005, representing a 7.5% decrease from NIS 363.0 million in the first quarter of 2004, and an 8.8% decrease from NIS 368.1 million in Q4 2004. The gross profit margin declined to 26.6% of total revenues, compared with 29.8% in Q1 2004 and 27.9% in Q4 2004. The decrease was primarily due to increased depreciation, amortization and network expenses from the launch of the 3G network and the changes in interconnect tariffs.

Selling and marketing expenses were NIS 57.4 million (US$ 13.2 million) in Q1 2005, down 37.5% from NIS 91.7 million in Q1 2004, and down 24.8% from NIS 76.3 million in Q4 2004, principally driven by reductions in distribution and advertising costs.

General and administrative expenses increased by 15.5% in Q1 2005 to NIS 41.5 million (US$ 9.5 million) compared with NIS 35.9 million in the same quarter in 2004, but decreased by 16.1% compared with NIS 49.5 million in Q4 2004. The increase in general and administrative expenses compared with Q1 2004 resulted primarily from a larger provision for doubtful accounts from receivables on handset sales. The decrease from Q4 2004 largely reflects compensation costs in the previous quarter under the new employee stock option plan.

Overall, Q1 2005 operating profit was NIS 236.8 million (US$ 54.3 million), an increase of 0.6% compared with NIS 235.3 million in Q1 2004. The Company recorded quarterly EBITDA of NIS 400.6 million (US$ 91.9 million) compared with EBITDA in Q1 2004 of NIS 367.8 million, an increase of 8.9%. Q1 2005 EBITDA was 2.0% higher than Q4 2004 EBITDA of NIS 392.7 million. As a percentage of revenues, EBITDA increased to 31.8% in Q1 2005 from 30.2% in Q1 2004 and from 29.8% in Q4 2004.

Financial expenses in Q1 2005 were NIS 50.9 million (US$ 11.7 million), down 41.6% from NIS 87.0 million in Q1 2004. Compared with Q4 2004, financial expenses decreased by 19.9% from NIS 63.5 million. The decrease in financial expenses compared with Q1 2004 was driven primarily by lower expenses related to currency differences and lower bank debt levels. The reduction from Q4 2004 principally reflects a reduction in expenses related to currency differences.

Q1 2005 income before taxes increased by 25.4% to NIS 185.9 million (US$ 42.6 million) from NIS 148.3 million for Q1 2004, and 4.0% from NIS 178.8 million for Q4 2004.

Net income for Q1 2005 was NIS 124.5 million (US$ 28.5 million), compared with NIS 91.9 million in Q1 2004, an increase of 35.6%, and compared with NIS 131.4 million in Q4 2004, a decrease of 5.3%.

Funding and Investing Review

In Q1 2005, the Company generated cash flows from operating activities, net of cash flows from investing activities, of NIS 81.8 million (US$ 18.7 million), and repaid its long term bank loans of NIS 99.6 million (US$ 22.8 million). Compared with Q1 2004, cash flows from operating activities, net of cash flows from investing activities, declined by 2.7% from NIS 84.0 million, as an increase of cash flows from operating activities was offset by an increased level of investment in fixed assets.

Net investment in fixed assets totaled NIS 186.3 million (US$ 42.7 million) in Q1 2005, up from NIS 144.4 million in Q1 2004 and NIS 129.6 million in Q4 2004. This resulted mainly from the Company's accelerated 3G network build-out.

On March 31, 2005, Partner completed an offering of NIS 2,000 million of unsecured Series A notes, which were issued at their NIS par value. The notes were registered in Israel. Of these notes, approximately NIS 36.5 million was purchased by Partner Future Communications 2000 Ltd. ("PFC"), a wholly owned subsidiary of the Company. The net proceeds from the offering (received on April 3, 2005) were approximately NIS 1,927 million (approximately US$ 442 million) after deducting the notes purchased by PFC, commissions and offering expenses.

The principal amount of the Notes is payable in 12 quarterly installments, beginning June 30, 2009 until March 31, 2012. The Notes bear NIS interest at the rate of 4.25% per year, linked to the Israeli Consumer Price Index, which is payable quarterly on the last day of each quarter, commencing June 30, 2005.

On April 14, 2005 the Company entered into a new $550 million bank credit facility. The facility is divided into two tranches: a six year $450 million term loan facility and a six year $100 million revolving loan facility, and is secured by a first ranking floating charge on the Company's assets. Bank Hapoalim B.M., Bank Leumi Le-Israel B.M. and Israel Discount Bank Ltd. are providing the facility, in which United Mizrahi Bank Ltd. is also participating. The new credit facility replaced the Company's previous facility.

On April 20, 2005, following the Company's successful bond offering, the Company exercised an option to reduce the term facility to $150 million (in addition to an advance of approximately $25 million carried over from the Company's previous facility), and to change the final maturity date of both facilities to September 1, 2009. As a result, the interest rate margin on both facilities will be decreased. The total maximum availability under the new credit facility will be approximately $275 million as of May 1, 2005.

On April 20, 2005, the Company repurchased approximately 33.3 million of its shares pursuant to an offer received from its founding Israeli Shareholders in February 2005. These shareholders held together approximately 22.5% of the Company's outstanding shares at the time of the offer. As a result of the repurchase, the collective shareholdings of the founding Israeli shareholders were reduced to approximately 5.4% of the Company's issued and outstanding share capital. The price per share at which these shares were acquired was NIS 32.2216 per share. The total consideration paid for the shares was approximately NIS 1,074 million. The Company cancelled the repurchased shares.

Operational Review

The Company added approximately 32,000 net active subscribers in Q1 2005 compared with approximately 62,000 in Q1 2004 and approximately 71,000 in Q4 2004. The decrease in net subscriber growth compared with the same quarter a year ago is the consequence primarily of an increase in the quarterly churn rate which rose to 3.9% for Q1 2005 compared with 3.3% in Q1 2004, with the increase occurring almost entirely in the prepaid sector. The Company's active subscriber base at the end of March 2005 was approximately 2,372,000, including approximately 450,000 business sector subscribers or 19% of the base, approximately 1,216,000 postpaid private subscribers, or 51% of the base, and approximately 706,000 prepaid subscribers, or 30% of the base. Overall, the Company estimates its market share to be around 32%.

ARPU for the first quarter of 2005 was NIS 157 (US$ 36.0), compared with NIS 168 in Q1 2004 and NIS 167 in the previous quarter. The decrease was primarily driven by the reduction in interconnection charges.

Average minutes of use (MOU) for the quarter reached 288 minutes per month, compared with 280 minutes per month for Q1 2004 and 288 minutes per month for Q4 2004.

The average cost of acquiring new subscribers (SAC) in Q1 2005 decreased to NIS 229 (US$ 52.5), from NIS 267 in Q1 2004 due mainly to a reduction in handset costs and NIS 339 in Q4 2004 due mainly to a lower level of sales promotions in Q1 2005 as compared to Q4 2004,.

Outlook and Guidance

Commenting on the Company's outlook, Mr. Alan Gelman, Partner's Chief Financial Officer said: "We reaffirm the annual guidance we gave for 2005 in our press release on February 7th, 2005 and are very pleased with the results for the first quarter of 2005, which are in line with that guidance. We believe that the completion of the share repurchase along with our improved debt structure as a result of the NIS debt offering and our new, more flexible bank facility will deliver value for both our shareholders and bondholders alike, by optimizing our leverage level and allowing for future growth opportunities and future dividend payments."

Regarding the possibility of future dividend payments, Mr Gelman stated that: "We do not intend to use the proceeds from the bond offering and the new facility to pay an immediate dividend to our shareholders. We intend to use the balance of the funds available principally to call the 13% $175 million senior subordinated notes on August 15, 2005. He added that: "Future dividend payments are a possibility, given our level of profitability and our ability to generate positive cash flow. However, due to covenant constraints, the possibility of a dividend payment in 2005 is remote."

Conference Call Details

Partner Communications will hold a conference call to discuss the company's first-quarter results on Wednesday, April 20, 2005, at 18:00 Israel local time (11AM Eastern time). This conference call will be broadcast live over the Internet and can be accessed by all interested parties through our investor relations web site at http://www.investors.partner.co.il.

To listen to the broadcast, please go to the web site at least 15 minutes prior to the start of the call to register, download and install any necessary audio software. For those unable to listen to the live broadcast, an archive of the call will be available via the Internet (at the same location as the live broadcast) shortly after the call ends, and until midnight of April 27, 2005.

About Partner Communications

Partner Communications Company Ltd. is a leading Israeli mobile communications operator providing GSM/GPRS/UMTS services and wire free applications under the preferred orange™ brand. The Company commenced full commercial operations in January 1999 and, through its network, provides quality of service and a range of features to 2.372 million subscribers in Israel. Partner subscribers can use roaming services in 154 destinations using 335 GSM networks. The Company launched its 3G service in 2004. Partner's ADSs are quoted on NASDAQ under the symbol PTNR and on the London Stock Exchange (LSE) under the symbol PCCD. Its shares are quoted on the Tel Aviv Stock Exchange (TASE) under the symbol PTNR. For further information see: http://www.investors.partner.co.il

Notes: Some of the information in this release contains forward-looking statements that involve risks and uncertainties within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. We have based these forward-looking statements on our current expectations and projections about future events. These forward-looking statements are subject to risks, uncertainties and assumptions about us.

Words such as "believe," "anticipate," "expect," "intend," "seek," "will," "plan," "could," "may," "project," "goal," "target," and similar expressions often identify forward-looking statements but *are not the only way we identify these statements. Because such statements involve risks and uncertainties, actual results may differ materially from the results currently expected. Factors that could cause such differences include, but are not limited to:*

- *Uncertainties about the degree of growth in the number of consumers using wireless personal communications services and in the number of residents;*
- *The risks associated with the implementation of a third-generation network and business strategy, including risks relating to the operations of new systems and technologies, substantial expenditures required and potential unanticipated costs, uncertainties regarding the adequacy of suppliers on whom we must rely to provide both network and consumer equipment and consumer acceptance of the products and services to be offered;*
- *The impact of existing and new competitors in the market in which we compete, including competitors that may offer less expensive products and services, desirable or innovative products, technological substitutes, or have extensive resources or better financing;*
- *The introduction or popularity of new products and services, including prepaid phone products, which could increase churn;*
- *The effects of vigorous competition in the market in which we operate and for more valuable customers, which may decrease prices charged, increase churn and change the customer mix, profitability and average revenue per user;*
- *The availability and cost of capital and the consequences of increased leverage;*
- *The risks and costs associated with the need to acquire additional spectrum for current and future services;*
- *The risks associated with technological requirements, technology substitution and changes and other technological developments;*
- *Fluctuations in exchange rates;*
- *The results of litigation filed or to be filed against us; and*
- *The possibility of the market in which we compete being impacted by changes in political, economic or other factors, such as monetary policy, legal and regulatory changes or other external factors over which we have no control;*
- *As well as the risk factors specified under the heading "Risk Factors" in our 2003 annual report on form 20-F filed with the SEC on April 30, 200.*

The attached summary financial statements were prepared in accordance with U.S. GAAP. The attached summary financial statements for Q1 2005 are unaudited.

The convenience translations of the Nominal New Israeli Shekel (NIS) figures into US Dollars were made at the rate of exchange prevailing at March 31, 2005: US US$1.00 equals NIS 4.361. The translations were made purely for the convenience of the reader.

Earnings before interest, taxes, depreciation, amortization, exceptional items and capitalization of intangible assets ('EBITDA') is presented because it is a measure commonly used in the telecommunications industry and is presented solely in order to improve the understanding of the Company's operating results and to provide further perspective on these results. EBITDA, however, should not be considered as an alternative to operating income or income for the year as an indicator of the operating performance of the Company. Similarly, EBITDA should not be considered as an alternative to cash flows from operating activities as a measure of liquidity. EBITDA is not a measure of financial performance under generally accepted accounting principles and may not be comparable to other similarly titled measures for other companies. EBITDA may not be indicative of the historic operating results of the Company; nor is it meant to be predictive of potential future results.
Reconciliation between our cash flows from operating activities and EBIDTA is presented in the attached summary financial statements.

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PARTNER COMMUNICATIONS COMPANY LTD.

(An Israeli Corporation)

CONDENSED CONSOLIDATED BALANCE SHEETS

	New Israeli shekels		Convenience translation into U.S. dollars	
	March 31, 2005	**December 31, 2004**	**March 31, 2005**	**December 31, 2004**
	(Unaudited)	**(Audited)**	**(Unaudited)**	**(Audited)**
	In thousands			
Assets				
CURRENT ASSETS:				
Cash and cash equivalents	4,596	4,611	1,054	1,057
Accounts receivable:				
Trade	634,949	625,220	145,597	143,366
Other	80,620	70,158	18,487	16,088
Inventories	89,084	101,656	20,427	23,310
Deferred income taxes	203,817	255,503	46,736	58,588
Total current assets	1,013,066	1,057,148	232,301	242,409
INVESTMENTS AND LONG-TERM RECEIVABLES:				
Accounts receivables - trade	129,597	96,687	29,717	22,171
Funds in respect of employee rights upon retirement	70,825	69,128	16,241	15,851
	200,422	165,815	45,958	38,022
FIXED ASSETS, net of accumulated depreciation and amortization	1,890,102	1,843,182	433,410	422,651
LICENSE AND DEFERRED CHARGES, net of amortization	1,360,580	1,325,592	311,988	303,965
DEFERRED INCOME TAXES	86,859	94,442	19,917	21,656
	4,551,029	4,486,179	1,043,574	1,028,703

	New Israeli shekels		Convenience translation into U.S. dollars	
	March 31, 2005	December 31, 2004	March 31, 2005	December 31, 2004
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	In thousands			
Liabilities and shareholders' equity				
CURRENT LIABILITIES:				
Current maturities of long-term bank loans	6,113		1,402	
Accounts payable and accruals:				
Trade	639,019	552,377	146,530	126,663
Other	226,057	307,364	51,836	70,480
Total current liabilities	871,189	859,741	199,768	197,143
LONG-TERM LIABILITIES:				
Bank loans, net of current maturities	1,078,349	1,185,088	247,271	271,747
Notes payable	763,175	753,900	175,000	172,873
Liability for employee rights upon retirement	95,001	92,808	21,784	21,281
Asset retirement obligations	7,792	7,567	1,787	1,735
Total long-term liabilities	1,944,317	2,039,363	445,842	467,636
Total liabilities	2,815,506	2,899,104	645,610	664,779
SHAREHOLDERS' EQUITY:				
Share capital - ordinary shares of NIS 0.01 par value: authorized - December 31, 2004 and March 31, 2005 - 235,000,000 shares; issued and outstanding - December 31, 2004 - 184,037,221 shares and March 31, 2005 - 184,658,114 shares	1,847	1,840	424	422
Less - receivable in respect of shares		(2,260)		(518)
Capital surplus	2,380,774	2,362,027	545,924	541,625
Deferred compensation	(20,709)	(23,650)	(4,749)	(5,424)
Accumulated deficit	(626,389)	(750,882)	(143,635)	(172,181)
Total shareholders' equity	1,735,523	1,587,075	397,964	363,924
	4,551,029	4,486,179	1,043,574	1,028,703

PARTNER COMMUNICATIONS COMPANY LTD.

(An Israeli Corporation)

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

	New Israeli shekels 3 month period ended March 31,		Convenience translation into U.S. dollars 3 month period ended March 31,
	2005	2004	2005
	(Unaudited)		
	In thousands (except per share data)		
REVENUES - net:			
Services	1,132,425	1,095,610	259,671
Equipment	128,043	123,036	29,361
	1,260,468	1,218,646	289,032
COST OF REVENUES:			
Services	743,333	683,487	170,450
Equipment	181,492	172,179	41,617
	924,825	855,666	212,067
GROSS PROFIT	335,643	362,980	76,965
SELLING AND MARKETING EXPENSES	57,363	91,724	13,154
GENERAL AND ADMINISTRATIVE EXPENSES	41,510	35,941	9,518
OPERATING PROFIT	236,770	235,315	54,293
FINANCIAL EXPENSES - net	50,854	87,028	11,661
INCOME BEFORE TAXES ON INCOME	185,916	148,287	42,632
TAXES ON INCOME	61,423	56,468	14,086
NET INCOME FOR THE PERIOD	124,493	91,819	28,546
EARNINGS PER SHARE (“EPS”) :			
Basic	0.68	0.50	0.15
Diluted	0.67	0.50	0.15
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING:			
Basic	184,288,908	182,981,363	184,288,908
Diluted	186,367,557	184,867,279	186,367,557

PARTNER COMMUNICATIONS COMPANY LTD.

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CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	New Israeli shekels		Convenience translation into U.S. dollars
	3 month period ended March 31,		3 month period ended March 31,
	2005	2004	2005
	(Unaudited)		
	In thousands		
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income for the period	124,493	91,819	28,546
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	161,861	134,543	37,116
Amortization of deferred compensation related to employee stock option grants, net	4,008	381	920
Liability for employee rights upon retirement	2,193	4,683	503
Accrued interest and exchange and linkage differences on long-term liabilities	8,209	25,823	1,883
Deferred income taxes	59,269	55,602	13,591
Income tax benefit in respect of exercise of option granted to Employees	2,154	866	494
Capital loss (gain) on sale of fixed assets	56	(191)	13
Changes in operating assets and liabilities:			
Increase in accounts receivable:			
Trade	(42,639)	(42,372)	(9,777)
Other	(10,462)	(15,520)	(2,399)
Increase (decrease) in accounts payable and accruals:			
Trade	5,206	87,287	1,193
Other	(81,307)	(86,978)	(18,644)
Decrease (Increase) in inventories	12,572	(38,856)	2,883
Increase in asset retirement obligations	130	40	30
Net cash provided by operating activities	245,743	217,127	56,352
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of fixed assets	(162,307)	(126,957)	(37,218)
Purchase of additional spectrum		(2,962)	
Proceeds from sale of fixed assets	13	552	3
Funds in respect of employee rights upon retirement	(1,697)	(3,727)	(390)
Net cash used in investing activities	(163,991)	(133,094)	(37,605)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from exercise of stock options granted to employees	17,793	8,555	4,080
Repayment of long term bank loans	(99,560)	(89,300)	(22,830)
Net cash used in financing activities	(81,767)	(80,745)	(18,750)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(15)	3,288	(3)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	4,611	3,774	1,057
CASH AND CASH EQUIVALENTS AT END OF PERIOD	4,596	7,062	1,054

Supplementary information on investing activities not involving cash flows

At March 31, 2005, trade payables include NIS 106,555,000 ($ 24,433,000) (unaudited) and NIS 69,232,000 ($ 15,878,000) (unaudited) in respect of acquisition of fixed assets and additional spectrum, respectively. This balance will be given recognition in these statements upon payment.

PARTNER COMMUNICATIONS COMPANY LTD.

(An Israeli Corporation)

RECONCILIATION BETWEEN OPERATING CASH FLOWS AND EBITDA

	New Israeli shekels*		Convenience translation into U.S. dollars**
	3 Month Period Ended March 31,		Month Period Ended March 31,
	2005	**2004**	**2005**
	(Unaudited)		
	In thousands		
Reconciliation between operating cashflows and EBITDA:			
Net cash provided by operating activities	245,743	217,127	56,350
Liability for employee rights upon retirement	(2,193)	(4,683)	(503)
Erosion of (Accrued interest and exchange and linkage differences on) long-term liabilities	(8,209)	(25,823)	(1,882)
Increase (decrease) in accounts receivable:			
Trade	42,639	42,372	9,778
Other	10,462	15,520	2,399
Decrease (increase) in accounts payable and accruals:			
Trade	(5,206)	(87,287)	(1,194)
Other	81,307	86,978	18,644
Increase (decrease) in inventories	(12,572)	38,856	(2,883)
Decrease in Assets Retirement Obligation	(130)	(40)	(30)
Financial Expenses***	48,798	84,752	11,190
EBITDA	400,639	367,772	91,869

* The financial statements have been prepared on the basis of historical cost.

** The convenience translation of the New Israeli Shekel (NIS) figures into US dollars was made at the exchange prevailing at March 31, 2005: US $1.00 equals 4.361 NIS.

*** Financial expenses excluding any charge for the amortization of pre-launch financial costs.

PARTNER COMMUNICATIONS COMPANY LTD.
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	New Israeli shekels				
	3 month period ended				
	March 31, 2004	June 30, 2004	September 30, 2004	December 31, 2004	March 31, 2005
	(Unaudited)				
	In thousands				
REVENUES - net	1,218,646	1,254,580	1,348,379	1,319,132	1,260,468
COST OF REVENUES	855,666	863,723	944,617	951,008	924,825
GROSS PROFIT	362,980	390,857	403,762	368,124	335,643
SELLING AND MARKETING EXPENSES	91,724	76,504	80,691	76,325	57,363
GENERAL AND ADMINISTRATIVE EXPENSES	35,941	48,553	47,134	49,505	41,510
OPERATING PROFIT	235,315	265,800	275,937	242,294	236,770
FINANCIAL EXPENSES - net	87,028	66,011	44,042	63,464	50,854
INCOME BEFORE TAXES ON INCOME	148,287	199,789	231,895	178,830	185,916
TAX BENEFIT (TAXES ON INCOME)	(56,468)	(66,374)	(116,992)	(47,414)	(61,423)
NET INCOME FOR THE PERIOD	91,819	133,415	114,903	131,416	124,493

PARTNER COMMUNICATIONS COMPANY LTD. (An Israeli Corporation)

Summary Operating Data

	Q1 2005		Q1 2004
Subscribers (in thousands)	2,372		2,165
Estimated share of total Israeli mobile telephone subscribers	32%		32%
Churn rate in quarter	3.9%		3.3%
Average monthly usage in quarter per subscriber (minutes)	288		280
Average monthly revenue in year per subscriber, including in-roaming revenue (NIS)	157		168
Number of operational base stations (in parenthesis number of micro sites out of total number of base stations)	2,233 (709)		2,143 (725)
Subscriber acquisition costs in quarter per subscriber (NIS)	229		267
Number of employees (full-time equivalent)	3,113		2,962