



partner communications

## **PARTNER COMMUNICATIONS ANNOUNCES REDEMPTION OF US\$ 175 MILLION SENIOR SUBORDINATED NOTES**

*Rosh Ha'ayin, Israel, July 12th, 2005, Partner Communications Company Ltd. (NASDAQ, Tel Aviv: PTNR, London: PCCD)* announced today that an Extraordinary General Meeting of shareholders convened today approved the redemption of the Company's outstanding US\$ 175 million Senior Subordinated Notes due 2010 (the "Notes"), on August 15, 2005. According to the terms of the Notes, the redemption price will be 106.50% of the principal amount.

Alan Gelman, Partner's CFO, said: "The redemption of our 13% senior subordinated Notes will conclude the refinancing of the Company's long term debt into lower cost Shekel denominated debt". Mr. Gelman added that the Company has sufficient funds to execute the redemption, from its US\$ 275 Million equivalent bank facility and funds generated from its current operations.

The General Meeting further resolved to postpone the discussion on the amendment of the Articles of Association to an adjourned meeting which will be convened at a date to be notified by the Company.

This release may contain forward-looking statements, which are made pursuant to the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995, as amended to date. These forward-looking statements involve risks and uncertainties. A number of important factors could cause actual results to differ materially from those in the forward-looking statements contained herein. These factors which could cause actual results to differ materially, are discussed in more detail in Partner's filings with the United States Securities and Exchange Commission (available at [www.sec.gov](http://www.sec.gov)) and other regulatory agencies.

## **About Partner**

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 156 destinations using 337 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: <http://www.investors.partner.co.il>

### **Contact:**

#### **Mr. Alan Gelman**

Chief Financial Officer

Tel: +972-54-7814951

Fax: +972-54-7815961

E-mail: [alan.gelman@orange.co.il](mailto:alan.gelman@orange.co.il)

#### **Dr. Dan Eldar**

V.P. Carrier, International & Investor Relations

Tel: +972-54-7814151

Fax: +972-54-7814161

E-mail: [dan.eldar@orange.co.il](mailto:dan.eldar@orange.co.il)