



partner communications

PARTNER COMMUNICATIONS ANNOUNCES A NEW FRAMEWORK AGREEMENT FOR ITS RELATIONSHIP WITH ORANGE

Partner Communications Company Ltd. (NASDAQ and TASE: PTNR), a leading Israeli communications company ("Partner"), announces that it has signed an agreement with Orange which creates a new framework for their relationship.

The two companies will use a detailed market study to assess Partner's position within the dynamics of the Israeli telecommunications services marketplace.

The agreement provides both Partner and Orange the right to terminate the current Orange brand license agreement (the "BLA"): If Partner does not exercise its right to terminate within 12 months, either Partner or Orange may terminate the Brand Licensing Agreement during the following 12 months.

In addition, the agreement provides for total payments of €40 million to Partner from signing the agreement until completion of the market study, and an additional €50 million should the BLA be terminated within 24 months. Amounts paid to Partner shall, as set forth in the agreement, be reconciled evenly over eight quarters against marketing, sales, customer services and related expenses.

Partner's Chairman of the Board of Directors, Mr. Adam Chesnoff, stated, "We are pleased to have reached a new agreement with Orange further to our 17-year relationship with the brand and to have established a new framework for our future relationship with Orange."

For further information, please see the Company's Annual Report on Form 20-F for the year ended December 31, 2014 "Item 3. Key Information - 3D. Risk Factors - 3D.2 Risks relating to our business operations - 3D.2p - *Our marketing strategy relies on using the international Orange brand. If our brand license agreement terminates or is*

revoked, we will lose one of our main competitive strengths" and "Item 4. Information on the Company - 4B. Business Overview - 4B.4 Competitive Strengths" and "4B.5 Marketing and Brand" and the Company's press releases and immediate reports (on Form 6-K) dated April 28, 2011 at: http://maya.tase.co.il/bursa/report.asp?report_cd=639049 or <http://www.sec.gov/Archives/edgar/data/1096691/000117891311001206/zk1109795.htm>, February 2, 2012 at: http://maya.tase.co.il/bursa/report.asp?report_cd=711913 or <http://www.sec.gov/Archives/edgar/data/1096691/000117891312000270/zk1210962.htm>, April 9, 2015 at: http://maya.tase.co.il/bursa/report.asp?report_cd=960481 or <http://www.sec.gov/Archives/edgar/data/1096691/000117891315001215/zk1516576.htm> and June 4, 2015 at: http://maya.tase.co.il/bursa/report.asp?report_cd=971366 or <http://www.sec.gov/Archives/edgar/data/1096691/000117891315001939/zk1516911.htm>

Forward-Looking Statements

This press release includes forward-looking statements, as this term is defined in Section 27A of the US Securities Act of 1933, as amended, Section 21E of the US Securities Exchange Act of 1934, as amended, and the safe-harbor provisions of the US Private Securities Litigation Reform Act of 1995. Words such as "will", "believe," "anticipate," "expect," "intend," "strive," "seek," "plan," "could," "may," "foresee," "target," "objective," declensions thereof and similar expressions typically convey forward-looking statements, but these words are not the only words that convey these statements. Any statement, other than a statement of historical fact included in this press release regarding our future performance, plans to increase revenues or margins or to sustain or expand the current market share in existing or new markets, plans to reduce expenses and any other statement regarding a future event or potential opportunity, is a forward-looking statement.

We have based these forward-looking statements on our current knowledge and our present beliefs and projections regarding possible future events. These forward-looking statements are subject to risks, uncertainties and assumptions about Partner, about the macro-economic environment, about consumer habits and preferences when using cellular telephones, trends in the Israeli communications industry in general, the impact of current global economic conditions and possible regulatory and legal developments. In light of these risks, uncertainties and conjectures, the forward-looking events mentioned in this press release might not transpire, and actual results

may differ materially from the anticipated results. For further information regarding the above-mentioned risks, uncertainties and conjectures and other risks we face, please see "Item 3. Key Information - 3D. Risk Factors," "Item 4. Information about the Company," "Item 5. Operating and Financial Review and Prospects," "Item 8. Financial Information - 8A. Consolidated Financial Statements and Other Financial Information - 8A.1 Legal and Administrative Proceedings" and "Item 11. Quantitative and Qualitative Disclosures about Market Risk" in the Company's Annual Reports on Form 20-F, and the Company's other reports on Form 6-K, which were submitted to the United States Securities Exchange Commission. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or for any other reason.

About Partner Communications

Partner Communications Company Ltd. ("Partner") is a leading Israeli provider of telecommunications services (cellular, fixed-line telephony and internet services) under the orange™ brand and under the 012 Smile brand. Partner's ADSs are quoted on the NASDAQ Global Select Market™ and its shares are traded on the Tel Aviv Stock Exchange (NASDAQ and TASE: PTNR).

For further information about Partner:

[http://www.orange.co.il/en/Investors-Relations/lobby/.](http://www.orange.co.il/en/Investors-Relations/lobby/)

Contacts:

Ziv Leitman

Chief Financial Officer

Tel: +972-54-781-4951

Liat Glazer Shaft

Head of Investor Relations and Corporate Projects

Tel: +972-54-781-5051

E-mail: investors@orange.co.il