

PRESS RELEASE

Cellcom will continue to enjoy the highest EBITDA margin in Israel's wireless operator space, according to new mobile operator market research report by IEMR

Vancouver, October 16, 2008 – IE Market Research Corp. (IEMR), the Canadian-based provider of market intelligence services, announced today the release of its 4Q08 Israel Mobile Operator Forecast.

"The 4Q08 Mobile Operator Forecasts demonstrate IEMR's capability to gather information from a variety of global resources and model it into accurate and timely forecasts for our clients," said Nizar Assanie, Vice President of Research at IEMR. "Clients will find the information easily accessible, comprehensive, and exceptionally relevant to enable them to make sound business and investment decisions about mobile operators and vendors strategies".

IEMR's Israel Mobile Operator Forecast covers up to 65 financial and operational metrics on four wireless operators. Notable highlights of the 4Q08 Israel Mobile Operator Forecast include:

- We are now forecasting the overall subscriber base in Israel will increase from our projected 9.18 million in 2008 to 9.63 million in 2010.
- In 2010, the average industry-wide ARPU in Israel will be US\$ 40.50 per month (previously forecasted at US\$ 39.74 per month). We expect Partner to generate the highest ARPU of US\$45.50 per month, which will be the highest ARPU in our Middle East operator coverage list.
- Market shares (by subscribers) of major operators will remain roughly the same over the next several years in Israel. Cellcom, Pelephone, Partner, and MIRS will continue to have approximately 34%, 30%, 31% and 4% of total subscribers over the forecast period of 2008 – 2010.
- Given the level of competition, EBITDA margins in Israel are fairly low and tightly clustered. The three largest operators will each enjoy above 30% of EBITDA margins, but Cellcom will continue to see higher profitability levels at EBITDA margins of 35.7% in 2010.

IEMR's Global Mobile Operator Forecast covers up to 65 operational metrics of 213 mobile operators in 50+ countries, making up 80% of the world's population. Forecasts are based on our proprietary, country-specific forecasting models. These models deploy multiple regression analysis and cross-impact matrices that estimate relationships between subscriber data, technology use and deployment data, overall economic and demographic changes expected in a particular country; and relate these to company operational and financial metrics.

Companies Covered in this Country Mobile Operator Forecast
Cellcom
Telephone
Partner

MIRS (Only "Number of subscribers", "Subscriber growth", "Post-paid subscribers", "Post-paid subscriber growth", "Prepaid subscribers", "Prepaid subscriber growth", "Post-paid % of total subscribers", "Prepaid % of total subscribers", "Monthly ARPU", "ARPU growth", "Monthly voice ARPU", "Voice ARPU growth", "Share of total subscribers", "Share of service revenue", "YoY change in revenue share", "Service revenue", and "Service revenue growth" are available for this operator.)

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About IE Market Research Corp.:

IE Market Research Corp. ("IEMR") is a market intelligence and business strategy consulting firm. Our goal is to assist our clients build value and compete in international markets. We build value in four sectors: wireless telecommunications, health care, finance, and government. We build value for our clients by undertaking international brand perception surveys, consumer satisfaction surveys, distributor/channel partner selection and due diligence, market size and opportunity assessments, competitor strategy assessments, government regulatory analysis, and public opinion surveys.

We offer a variety of research products including **CONSUMEREADY™** and **EXPORTREADY™**. **CONSUMEREADY™** provides detailed demographic information on brand strengths and marketing strategies that are crucial to know when competing in international markets. **EXPORTREADY™** is based on our on-going business strategy research that allows us to establish strengths and weaknesses of firms in a wide variety of areas, ranging from intellectual property portfolios to strengths of marketing strategies to quality of engineering. These results are highlighted in our **EXPORTREADY™** publications and form a valuable tool for firms wanting to strategize their market entry options in international markets.

Our corporate values are: Top-Quality Service to Clients, Commitment to see the Client Succeed, Excellence and Integrity in Research, Transparency and Respect toward our Employees. These core values drive all of our research and every client engagement.

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