

Cellcom Israel Ltd.
Form 6-K
May 22, 2008

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 May 22, 2008

Commission File Number: 001-33271

CELLCOM ISRAEL LTD.

10 Hagavish Street
Netanya, Israel 42140

(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):

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): Not Applicable

CELLCOM ISRAEL LTD. ANNOUNCES SALE OF 1.95% OF ITS ISSUED SHARE
CAPITAL BY CONTROLLING SHAREHOLDER

Netanya, Israel – May 22, 2008 – Cellcom Israel Ltd. (“Company”) (NYSE: CEL) announced today that Discount Investment Corporation Ltd. (“DIC”), its controlling shareholder, has announced that it has entered today into an agreement to sell 1,900,000 shares of the Company, constituting approximately 1.95% of the Company’s issued share capital, for a total consideration of approximately NIS 216 million (subject to a certain contingent increase of the consideration) in cash to a financial institution and that the purchaser has informed DIC of its intention to place such shares for sale outside the United States to non-US investors. The agreement further provides that DIC will not dispose of the Company’s shares during 55 days following the closing date, unless DIC obtained the consent of the said financial institution purchaser. The sale is scheduled to be completed today, following which DIC will hold approximately 50.65% of the Company’s issued share capital.

The shares have not been and will not be registered under the U.S. Securities Act of 1933. Accordingly, the shares may not be offered or sold in the United States

DIC also notified the Company that it views its holding in the Company as a long term investment, and intends to continue to control the Company. Such intention is subject to future circumstances including conditions in the capital markets and DIC's investment strategy.

About Cellcom Israel

Cellcom Israel Ltd., established in 1994, is the leading Israeli cellular provider; Cellcom Israel provides its 3.096 million subscribers (as at March 31, 2008) with a broad range of value added services including cellular and landline 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 HSPA 3.5 Generation network enabling the fastest high speed content transmission available in the world, in addition to GSM/GPRS/EDGE and TDMA 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 its customers technical support, account information, direct to the door parcel services, internet and fax services, dedicated centers for the hearing impaired, etc. In April 2006 Cellcom Israel, through Cellcom Fixed Line Communications L.P., a limited partnership wholly-owned by Cellcom Israel, became the first cellular operator to be granted a special general license for the provision of landline telephone communication services in Israel, in addition to data communication 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.ircellcom.co.il>

Company Contact

Shiri Israeli

Investor Relations Coordinator

investors@cellcom.co.il

Tel: +972 52 998 9755

Investor Relations Contact

Ehud Helft / Ed Job

CCGK Investor Relations

ehud@gkir.com / ed.job@ccgir.com

Tel: (US) 1 866 704 6710 / 1 646 213 1914

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CELLCOM ISRAEL LTD.

Date: May 22, 2008

By: /s/ Liat Menahemi Stadler
Name: Liat Menahemi Stadler
Title: General Counsel