



Immediate Report - Update regarding Searchlight transaction

October 22, 2019

Immediate Report

Update regarding Searchlight transaction

Tel Aviv, Israel – October 22, 2019 – Bezeq The Israel Telecommunication Corp., Ltd. (TASE: BEZQ), provides an update today that further to the immediate reports of the Company dated May 2, 2019, May 14, 2019, May 20, 2019, June 12, 2019, June 23, 2019, June 24, 2019, July 29, 2019, August 8, 2019, August 8, 2019 and October 6, 2019 regarding notifications from B Communications Ltd. ("BCOM"), the Company's controlling shareholder, a supplementary immediate report is hereby provided that on October 17, 2019 the Company received an update from BCOM regarding the Searchlight transaction which is attached to this report.

The above information constitutes a translation of the Immediate Report published by the Company. The Hebrew version was submitted by the Company to the relevant authorities pursuant to Israeli law, and represents the binding version and the only one having legal effect. This translation was prepared for convenience purposes only.

October 17, 2019

Re: "Searchlight - Fuhrer" Transaction - Announcement of Interested Party on Behalf of B Communications Ltd ("the Company")

Dear Sir or Madam,

1. This update is sent further to previous reports concerning the above-referenced transaction and reported transaction documents.
2. Attached is an immediate report published by the Company in respect of an update made to the forecast timetable for completion of the transaction and a description of the offerings, repayments and payments to be made as part of completion of the transaction. As stated in the immediate report, the updated planned date for completion of the entire transaction is November 7, 2019.
3. It is clarified that completion of the transaction is subject to receipt of a control permit from the Ministry of Communications.
4. The processes for receipt of a control permit from the Ministry of Communications have proceeded properly and continuously throughout the recent period, while at the same time and as of this date advanced texts have been transmitted to the Company of a control permit in the Bezeq Group and B-Communications for the Searchlight-Fuhrer Group and a lien permit in favor of the Company's debenture holders (Series C) - which are at the stage of advanced formulation and drafting by the responsible parties.

The information stated above is "forward looking information" in the meaning of this term in the Securities Law, based on the Company's management's assessment as of this date, inter alia, in accordance with discussions with the responsible regulatory bodies. This information may, due to the very nature of the regulatory process, not come about within the estimated timetable, and the Company will revert and provide an update of any change or material development.

We would like to clarify that if there occur further non-material changes at the expected date for completion of the transaction, we will not issue an additional update and we will only update you about completion of the transaction or about any material change that we will be required to report by law.

5. We will revert and report any material matter.

Yours sincerely,
Ami Barlev, CEO

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