



Immediate Report

Early Repayment of Loans

Tel Aviv, Israel – October 2, 2019 – Bezeq The Israel Telecommunication Corp., Ltd. (TASE: BEZQ), today provided an immediate report further to Section 2.13.7 of the Chapter on the Description of the Company's Business in the Company's 2018 Periodic Report and to the update of this section in the Company's Periodic Report for the quarter ended June 30, 2019 regarding the Company's actions to adjust its debt structure to its needs and sources, among other factors, by reducing debt through the repayment of short-term debt.

During the period from July 21, 2019 to September 29, 2019, the Company completed the early repayment of a number of loans from financial institutions and banks (including the early repayment of NIS 438 million reported in the update to the said quarterly report) for a total of NIS 1.53 billion (principal amount). The fees paid for the early repayments amounted to NIS 67 million. The early repayments were primarily financed from debt raised at longer durations during the last few months.

These early repayments are in addition to the early repayment of the Company's Series 7 debentures of NIS 444 million par value, which was made as part of a purchase offer, for which the Company issued a separate immediate report on September 9, 2019.

The Company's total gross outstanding debt as of September 29, 2019, after the execution of all such early repayments, was NIS 10.5 billion (Net debt of NIS 8.2 billion).

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.