



Immediate Supplementary Report

Class action against Bezeq

Tel Aviv, Israel – August 28, 2018 – Bezeq The Israel Telecommunication Corp., Ltd. (TASE: BEZQ), today announced that following previous reports on this matter, on August 27, 2018, Bezeq received a decision by the Economics Department of the Tel Aviv District Court (the “**Court**”) that certifies a class action against Bezeq alleging that the shareholders of Bezeq incurred losses due to Bezeq’s certain failures to report to the Tel Aviv Stock Exchange and the alleged concealment of material information from the investor public regarding two significant issues: “lowering interconnect charges” and “wholesale market reform”.

Regarding the cause of the wholesale market reform, the class action group was defined as anyone who purchased Bezeq’s shares starting on June 9, 2013 and held all or portion of the shares until the filing of the class action lawsuit. In this matter, the Court held that the plaintiff proved the existence of alleged damage, by virtue of the fact that during the period of disclosure, Bezeq’s stock price fell by 10%, but the actual damage will be calculated during the hearing of the main case.

With respect to the cause of the lowering of the interconnect charges, the class action group was defined as anyone who purchased Bezeq’s shares since February 28, 2013 and held them up to May 29, 2014. In this regard, the Court held that no impairment was recorded that could be attributed to the discovery of the alleged misleading information, but the plaintiff should be allowed to prove that during the hearing of the main case.

The Company is studying the aforementioned decision.

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.

Bezeq The Israel Telecommunication Corporation Ltd.

