



Immediate Report

Announcement of a Labor Dispute at DBS Satellite Services (1998) Ltd

Tel Aviv, Israel – December 3, 2019 – Bezeq The Israel Telecommunication Corp., Ltd. (TASE: BEZQ), announced today that further to the description in sections 1.12 and 5.11 of the Chapter on the Description of the Company's Business in the Company's 2018 Periodic Report and the updates in the Company's quarterly report for Q3 2019, an Immediate Report is hereby provided.

The Company was today informed by its subsidiary, DBS Satellite Services (1998) Ltd ("yes"), that it had received notice from the National Labor Federation of an announcement of a labor dispute in accordance with the Settlement of Labor Disputes Law, 1957, that will commence on December 16, 2019 ("the Notice"). According to the Notice, the items in dispute are:

1. The intention to carry out organizational and structural changes at yes, including a change in the ownership of the parent company, Bezeq. Such changes, if carried out, will have implications on the terms, rights and employment security of the employees, harm the standing and organizational power of the employees, and represent a fundamental breach of the collective agreement that applies to the parties.
2. Lack of good faith, expressed by non-fulfillment of consultative obligations and negotiations as part of the collective dialogue in matters required by the rules of consultation and negotiations.

Neither the Company nor yes can at this point assess the implications arising from the above Notice.

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.