



## **Immediate Supplementary Report**

### **Decline in Value of Subsidiary**

**Tel Aviv, Israel – Aug 23, 2019** – Bezeq The Israel Telecommunication Corp., Ltd. (TASE: BEZQ), announced today that further to the Company's report on July 29, 2019 regarding the possibility of a decline in value of its subsidiary, Pelephone Communications Ltd. ("Pelephone"), an immediate supplementary report is hereby provided.

On August 22, 2019, Pelephone's Board of Directors approved Pelephone's financial statements for the second quarter of 2019, which included a reduction in Pelephone's value to NIS 1.214 billion. Such reduction is expected to result in a write-down of Pelephone's book value in the Company's books of NIS 951 million, resulting in a decrease in the Company's net income and shareholders' equity.

*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.*