



## Facts & Figures Q2 2012

Three months ending June 30, 2012

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(NIS millions, except for EPS)

	FY 2008	Q1 2009	Q2 2009	Q3 2009	Q4 2009	FY 2009	Q1 2010	Q2 2010	Q3 2010	Q4 2010	FY 2010	Q1 2011	Q2 2011	Q3 2011	Q4 2011	FY 2011	Q1 2012	Q2 2012	
<b>Bezeq Group <sup>(1)</sup></b>																			
<b>Key Income Statement Metrics</b>																			
Revenues	11,015	2,791	2,872	2,924	2,932	11,519	2,915	2,981	3,033	3,058	11,987	2,913	2,893	2,917	2,650	11,373	2,740	2,595	
QoQ Change		3.3%	2.9%	1.8%	0.3%		-0.6%	2.3%	1.7%	0.8%		-4.7%	-0.7%	0.8%	-9.2%		3.4%	-5.3%	
YoY Change	-1.1%	1.1%	4.5%	4.2%	8.6%	4.6%	4.4%	3.8%	3.7%	4.3%	4.1%	-0.1%	-3.0%	-3.8%	-13.3%	-5.1%	-5.9%	-10.3%	
Operating Profit	2,640	799	818	875	480	2,972	874	990	979	901	3,744	665	935	944	698	3,242	850	746	
QoQ Change		76.8%	2.4%	7.0%	-45.1%		82.1%	13.3%	-1.1%	-8.0%		-26.2%	40.6%	1.0%	-26.1%		21.8%	-12.2%	
YoY Change	13.7%	24.6%	6.0%	12.9%	6.2%	12.6%	9.4%	21.0%	11.9%	87.7%	26.0%	-23.9%	-5.6%	-3.6%	-22.5%	-13.4%	27.8%	-20.2%	
Net profit attributed to Bezeq shareholders	1,627	608	541	2,088	366	3,603	642	638	588	575	2,443	407	585	550	524	2,066	582	415	
QoQ Change		104.0%	-11.0%	286.0%	-82.5%		75.4%	-0.6%	-7.8%	-2.2%		-29.2%	43.7%	-6.0%	-4.7%		11.1%	-28.7%	
YoY Change	22.3%	47.9%	18.6%	351.9%	22.8%	121.5%	5.6%	17.9%	-71.8%	57.1%	-32.2%	-36.6%	-8.3%	-6.5%	-8.9%	-15.4%	43.0%	-29.1%	
Earnings Per Share - Basic	0.62	0.23	0.21	0.79	0.14	1.37	0.24	0.24	0.22	0.21	0.91	0.15	0.22	0.20	0.19	0.76	0.21	0.15	
Earnings Per Share - Diluted	0.61	0.23	0.20	0.79	0.12	1.34	0.24	0.24	0.22	0.21	0.90	0.15	0.21	0.20	0.19	0.76	0.21	0.15	
Depreciation & amortization	1,458	371	377	361	376	1,485	343	348	350	368	1,409	335	348	357	355	1,395	358	358	
QoQ Change		1.9%	1.6%	-4.2%	4.2%		-8.8%	1.5%	0.6%	5.1%		-9.0%	3.9%	2.6%	-0.6%		0.8%	0.0%	
YoY Change	-3.4%	0.8%	4.4%	-1.1%	3.3%	1.9%	-7.5%	-7.7%	-3.0%	-2.1%	-5.1%	-2.3%	0.0%	2.0%	-3.5%	-1.0%	6.9%	2.9%	
Salaries	2,161	N/A	N/A	N/A	N/A	1,990	505	489	492	538	2,024	532	540	540	491	2,103	511	505	
QoQ Change								-3.2%	0.6%	9.3%		-1.1%	1.5%	0.0%	-9.1%		4.1%	-1.2%	
YoY Change						-7.9%					1.7%	5.3%	10.4%	9.8%	-8.7%	3.9%	-3.9%	-6.5%	
EBITDA	4,098	1,170	1,195	1,236	856	4,457	1,217	1,338	1,329	1,269	5,153	1,000	1,283	1,301	1,053	4,637	1,208	1,104	
QoQ Change		43.4%	2.1%	3.4%	-30.7%		42.2%	9.9%	-0.7%	-4.5%		-21.2%	28.3%	1.4%	-19.1%		14.7%	-8.6%	
YoY Change	7.0%	16.0%	5.5%	8.4%	4.9%	8.8%	4.0%	12.0%	7.5%	48.2%	15.6%	-17.8%	-4.1%	-2.1%	-17.0%	-10.0%	20.8%	-14.0%	
Shares Outstanding - Basic	2,605	2,606	2,617	2,628	2,657	2,635	2,663	2,675	2,677	2,682	2,675	2,688	2,699	2,706	2,711	2,701	2,715	2,718	
Shares Outstanding - Diluted	2,649	2,647	2,667	2,677	2,702	2,685	2,710	2,713	2,715	2,720	2,717	2,722	2,724	2,724	2,725	2,725	2,727	2,724	
<b>Key Cash Flow Metrics</b>																			
Operating cash flow	3,068	1,134	715	1,021	785	3,655	806	976	1,166	748	3,696	775	670	882	859	3,186	998	990	
QoQ Change		63.8%	-37.0%	42.9%	-23.1%		2.7%	21.1%	19.5%	-35.8%		3.6%	-13.5%	31.6%	-2.6%		16.2%	-0.8%	
YoY Change	13.7%	112.5%	-1.7%	-8.4%	13.3%	19.1%	-28.9%	36.6%	14.2%	-4.7%	1.1%	-3.8%	-31.4%	-24.4%	14.8%	-13.8%	28.8%	47.8%	
Capital expenditures, gross (accounting)	1,632	395	399	326	385	1,505	360	427	381	478	1,645	513	495	437	494	1,939	471	382	
QoQ Change		-22.4%	1.0%	-18.3%	18.1%		-6.5%	18.6%	-10.8%	25.5%		7.3%	-3.5%	-11.7%	13.0%		-4.7%	-18.9%	
YoY Change	50.3%	50.2%	-29.1%	9.8%	-24.4%	-7.8%	-8.9%	7.0%	16.9%	24.2%	9.3%	42.5%	15.9%	14.7%	3.3%	17.9%	-8.2%	-22.8%	
Capital expenditures, gross (cash flow)	1,531	410	381	384	360	1,535	369	396	376	481	1,622	500	455	479	469	1,903	460	382	
QoQ Change		14.0%	-7.0%	0.8%	-6.2%		2.4%	7.3%	-5.1%	27.9%		4.0%	-9.0%	5.3%	-2.1%		-1.9%	-17.0%	
YoY Change	54.5%	42.9%	10.0%	-28.8%	0.3%	0.2%	-9.9%	3.9%	-2.1%	33.5%	5.7%	35.5%	14.9%	27.4%	-2.5%	17.3%	-8.0%	-16.0%	
Capital expenditures, net (cash flow)	1,384	359	370	364	352	1,445	354	370	328	437	1,489	313	406	374	544	1,637	413	360	
QoQ Change		14.5%	3.2%	-1.6%	-3.2%		0.5%	4.5%	-11.4%	33.2%		-28.4%	29.7%	-7.9%	45.5%		-24.1%	-12.8%	
YoY Change	70.0%	58.9%	15.5%	-30.7%	12.5%	4.4%	-1.3%	0.0%	-9.9%	24.0%	3.0%	-11.6%	9.7%	14.0%	24.5%	9.9%	31.9%	-11.3%	
Free cash flow	1,684	776	345	657	433	2,210	452	606	838	311	2,207	462	264	508	315	1,549	585	630	
QoQ Change		104.5%	-55.6%	90.7%	-34.1%		4.5%	34.1%	38.3%	-62.9%		48.6%	-42.9%	92.4%	-38.0%		85.7%	7.7%	
YoY Change	-10.6%	151.6%	-15.2%	11.4%	14.0%	31.3%	-41.7%	75.9%	27.5%	-28.1%	-0.1%	2.2%	-56.4%	-39.4%	1.3%	-29.8%	26.6%	138.6%	
<b>Key Balance Sheet Metrics</b>																			
Total debt	4,356	4,531	4,168	4,166	4,136	4,136	3,880	5,229	5,727	5,717	5,717	5,638	6,984	9,614	9,578	9,578	9,416	9,125	
Cash & short-term investments	816	1,736	882	1,459	734	734	956	242	1,412	372	372	701	487	3,620	2,298	2,298	2,770	1,229	
Net debt	3,540	2,795	3,286	2,707	3,402	3,402	2,924	4,987	4,315	5,345	5,345	4,937	6,497	5,994	7,280	7,280	6,646	7,896	
<b>Ratios</b>																			
Operating margin	24.0%	28.6%	28.5%	29.9%	16.4%	25.8%	30.0%	33.2%	32.3%	29.5%	31.2%	22.8%	32.3%	32.4%	26.3%	28.5%	31.0%	28.7%	
Net margin	14.8%	21.8%	18.8%	71.4%	12.5%	31.3%	22.0%	21.4%	19.4%	18.8%	20.4%	14.0%	20.2%	18.9%	18.2%	18.2%	21.2%	16.0%	
EBITDA margin	37.2%	41.9%	41.6%	42.3%	29.2%	38.7%	41.7%	44.9%	43.8%	41.5%	43.0%	34.3%	44.3%	44.6%	39.7%	40.8%	44.1%	42.5%	
Capex/Sales	14.8%	14.2%	13.9%	11.1%	13.1%	13.1%	12.3%	14.3%	12.6%	15.6%	13.7%	17.6%	17.1%	15.0%	18.6%	17.0%	17.2%	14.7%	
Total debt / EBITDA (ttm)	1.06	1.06	0.96	0.94	0.93	0.93	0.86	1.13	1.21	1.11	1.11	1.14	1.43	1.98	2.07	2.07	1.94	1.96	
Net debt / EBITDA (ttm)	0.86	0.66	0.76	0.61	0.76	0.76	0.65	1.07	0.91	1.04	1.04	1.00	1.33	1.24	1.57	1.57	1.37	1.69	

<sup>1</sup> As of August 21, 2009, the Company ceased consolidating yes' financial results and started accounting for its investment in yes according to the equity method. The Bezeq Group's financial data herein reflect the yes deconsolidation as of December 31, 2007.



(NIS millions, except for EPS)

	FY 2008	Q1 2009	Q2 2009	Q3 2009	Q4 2009	FY 2009	Q1 2010	Q2 2010	Q3 2010	Q4 2010	FY 2010	Q1 2011	Q2 2011	Q3 2011	Q4 2011	FY 2011	Q1 2012	Q2 2012	
<b>Bezeq Fixed-Line</b>																			
<b>Key Income Statement Metrics (Revenues)</b>																			
Total Revenues	5,498	1,326	1,318	1,343	1,316	5,303	1,304	1,307	1,323	1,329	5,263	1,178	1,170	1,186	1,114	4,648	1,199	1,161	
QoQ Change		-1.6%	-0.6%	1.9%	-2.0%		-0.9%	0.2%	1.2%	0.5%		-11.4%	-0.7%	1.4%	-6.1%		7.6%	-3.2%	
YoY Change	-3.8%	-5.8%	-2.7%	-3.2%	-2.4%	-3.5%	-1.7%	-0.8%	-1.5%	1.0%	-0.8%	-9.7%	-10.5%	-10.4%	-16.2%	-11.7%	1.8%	-0.8%	
Telephony Revenues	3,572	839	828	843	823	3,333	785	795	788	792	3,160	617	607	612	557	2,393	588	572	
QoQ Change			-1.3%	1.8%	-2.4%		-4.6%	1.3%	-0.9%	0.5%		-22.1%	-1.6%	0.8%	-9.0%		5.6%	-2.7%	
YoY Change	-8.5%					-6.7%	-6.4%	-4.0%	-6.5%	-3.8%	-5.2%	-21.4%	-23.6%	-22.3%	-29.7%	-24.3%	-4.7%	-5.8%	
Broadband Internet Revenues	790	207	210	221	225	863	236	235	249	257	977	265	269	276	282	1,092	296	285	
QoQ Change			1.4%	5.2%	1.8%		4.9%	-0.4%	6.0%	3.2%		3.1%	1.5%	2.6%	2.2%		5.0%	-3.7%	
YoY Change	11.0%					9.2%	14.0%	11.9%	12.7%	14.2%	13.2%	12.3%	14.5%	10.8%	9.7%	11.8%	11.7%	5.9%	
Transmission & Data Revenues	811	207	213	217	214	851	223	221	219	219	882	228	233	239	231	931	245	247	
QoQ Change			2.9%	1.9%	-1.4%		4.2%	-0.9%	-0.9%	0.0%		4.1%	2.2%	2.6%	-3.3%		6.1%	0.8%	
YoY Change	7.6%					4.9%	7.7%	3.8%	0.9%	2.3%	3.6%	2.2%	5.4%	9.1%	5.5%	5.6%	7.5%	6.0%	
Other Service Revenues	325	73	67	62	54	256	60	56	67	61	244	68	61	59	44	232	70	57	
QoQ Change			-8.2%	-7.5%	-12.9%		11.1%	-6.7%	19.6%	-9.0%		11.5%	-10.3%	-3.3%	-25.4%		59.1%	-18.6%	
YoY Change	-5.0%					-21.2%	-17.8%	-16.4%	8.1%	13.0%	-4.7%	13.3%	8.9%	-11.9%	-27.9%	-4.9%	2.9%	-6.6%	
<b>Key Income Statement Metrics</b>																			
Operating profit	1,475	437	434	491	161	1,523	490	503	556	494	2,043	211	517	546	384	1,658	539	437	
QoQ Change		88.4%	-0.7%	13.1%	-67.2%		204.3%	2.7%	10.5%	-11.2%		-57.3%	145.0%	5.6%	-29.7%		40.4%	-18.9%	
YoY Change	11.8%	17.2%	-1.8%	14.7%	-30.6%	3.3%	12.1%	15.9%	13.2%	206.8%	34.1%	-56.9%	2.8%	-1.8%	-22.3%	-18.8%	155.5%	-15.5%	
Net profit <sup>(1)</sup>	950	336	316	319	136	1,107	360	349	377	340	1,426	123	330	311	301	1,065	348	263	
QoQ Change		131.7%	-6.0%	0.9%	-57.4%		164.7%	-3.1%	8.0%	-9.8%		-63.8%	168.3%	-5.8%	-3.2%		15.6%	-24.4%	
YoY Change	28.9%	37.7%	9.0%	17.7%	-6.2%	16.5%	7.1%	10.4%	18.2%	150.0%	28.8%	-65.8%	-5.4%	-17.5%	-11.5%	-25.3%	182.9%	-20.3%	
Depreciation & amortization	852	211	205	184	194	794	170	171	171	178	690	162	171	180	175	688	178	178	
QoQ Change		1.0%	-2.8%	-10.2%	5.4%		-12.4%	0.6%	0.0%	4.1%		-9.0%	5.6%	5.3%	-2.8%		1.7%	0.0%	
YoY Change	-9.5%	-3.2%	-2.8%	-14.0%	-7.2%	-6.8%	-19.4%	-16.6%	-7.1%	-8.2%	-13.1%	-4.7%	0.0%	5.3%	-1.7%	-0.3%	9.9%	4.1%	
Salaries	1,202	278	264	255	297	1,094	277	250	256	296	1,079	284	291	284	230	1,089	267	267	
QoQ Change			-5.0%	-3.4%	16.5%		-6.7%	-9.7%	2.4%	15.6%		-4.1%	2.5%	-2.4%	-19.0%		16.1%	0.0%	
YoY Change						-9.0%	-0.4%	-5.3%	0.4%	-0.3%	-1.4%	2.5%	16.4%	10.9%	-22.3%	0.9%	-6.0%	-8.2%	
EBITDA	2,327	648	639	675	355	2,317	660	674	727	672	2,733	373	688	726	559	2,346	717	615	
QoQ Change		46.9%	-1.4%	5.6%	-47.4%		85.9%	2.1%	7.9%	-7.6%		-44.5%	84.5%	5.5%	-23.0%		28.3%	-14.2%	
YoY Change	3.0%	9.6%	-2.1%	5.1%	-19.5%	-0.4%	1.9%	5.5%	7.7%	89.3%	18.0%	-43.5%	2.1%	-0.1%	-16.8%	-14.2%	92.2%	-10.6%	
<b>Key Cash Flow Metrics</b>																			
Operating cash flow	1,691	635	408	526	651	2,220	393	523	684	540	2,140	419	496	641	550	2,106	651	376	
QoQ Change			-35.7%	28.9%	23.8%		-39.6%	33.1%	30.8%	-21.1%		-22.4%	18.4%	29.2%	-14.2%		18.4%	-42.2%	
YoY Change	22.6%					31.3%	-38.1%	28.2%	30.0%	-17.1%	-3.6%	6.6%	-5.2%	-6.3%	1.8%	-1.6%	55.4%	-24.2%	
Capital expenditures, gross (accounting)	600	210	209	191	234	844	228	269	250	294	1,041	340	310	243	281	1,174	262	239	
QoQ Change		-5.0%	-0.5%	-8.6%	22.5%		-2.6%	18.0%	-7.1%	17.6%		15.6%	-8.8%	-21.6%	15.6%		-6.8%	-8.8%	
YoY Change	17.0%	64.1%	50.4%	70.5%	5.9%	40.7%	8.6%	28.7%	30.9%	25.6%	23.3%	49.1%	15.2%	-2.8%	-4.4%	12.8%	-22.9%	-22.9%	
Capital expenditures, gross (cash flow)	616	238	191	204	220	853	238	247	245	302	1,032	319	319	268	259	1,165	269	238	
QoQ Change		40.0%	-19.7%	6.8%	7.8%		8.2%	3.8%	-0.8%	23.3%		5.6%	0.0%	-16.0%	-3.4%		3.9%	-11.5%	
YoY Change	22.0%	50.6%	44.7%	30.8%	29.4%	38.5%	0.0%	29.3%	20.1%	37.3%	21.0%	34.0%	29.1%	9.4%	-14.2%	12.9%	-15.7%	-25.4%	
Capital expenditures, net (cash flow)	472	189	182	185	211	767	223	221	197	259	900	247	271	200	219	937	223	216	
QoQ Change		53.7%	-3.7%	1.6%	14.1%		5.7%	-0.9%	-10.9%	31.5%		-4.6%	9.7%	-26.2%	9.5%		1.8%	-3.1%	
YoY Change	40.5%	92.9%	70.1%	28.5%	71.5%	62.5%	18.0%	21.4%	6.5%	22.7%	17.3%	10.8%	22.6%	1.5%	-15.4%	4.1%	-9.7%	-20.3%	
Free cash flow	1,219	446	226	341	440	1,453	170	302	487	281	1,240	287	225	441	216	1,169	428	160	
QoQ Change			-49.3%	50.9%	29.0%		-61.4%	77.6%	61.3%	-42.3%		2.1%	-21.6%	96.0%	-51.0%		98.2%	-62.6%	
YoY Change	16.9%					19.2%	-61.9%	33.6%	42.8%	-36.1%	-14.7%	68.8%	-25.5%	-9.4%	-23.2%	-5.7%	49.1%	-28.9%	
<b>Ratios</b>																			
Operating margin	26.8%	33.0%	32.9%	36.6%	12.2%	28.7%	37.6%	38.5%	42.0%	37.2%	38.8%	17.9%	44.2%	46.0%	34.5%	35.7%	45.0%	37.6%	
Net margin	17.3%	25.3%	24.0%	23.8%	10.3%	20.9%	27.6%	26.7%	28.5%	25.6%	27.1%	10.4%	28.2%	26.2%	27.0%	22.9%	29.0%	22.7%	
EBITDA margin	42.3%	48.9%	48.5%	50.3%	27.0%	43.7%	50.6%	51.6%	55.0%	50.6%	51.9%	31.7%	58.8%	61.2%	50.2%	50.5%	59.8%	53.0%	
Capex/Sales	10.9%	15.8%	15.9%	14.2%	17.8%	15.9%	17.5%	20.6%	18.9%	22.1%	19.8%	28.9%	26.5%	20.5%	25.2%	25.3%	21.9%	20.6%	

<sup>1</sup> Net profit does not include share in profits/losses of equity-accounted investees.



(NIS millions, except for EPS)

	FY 2008	Q1 2009	Q2 2009	Q3 2009	Q4 2009	FY 2009	Q1 2010	Q2 2010	Q3 2010	Q4 2010	FY 2010	Q1 2011	Q2 2011	Q3 2011	Q4 2011	FY 2011	Q1 2012	Q2 2012	
<b>Telephone</b>																			
<b>Key Income Statement Metrics (Revenues)</b>																			
Total Revenues	4,713	1,265	1,346	1,372	1,393	5,376	1,393	1,429	1,442	1,468	5,732	1,450	1,438	1,421	1,239	5,548	1,244	1,148	
QoQ Change		11.2%	6.4%	1.9%	1.5%		0.0%	2.6%	0.9%	1.8%		-1.2%	-0.8%	-1.2%	-12.8%		0.4%	-7.7%	
YoY Change	0.6%	7.8%	13.3%	13.0%	22.4%	14.1%	10.1%	6.2%	5.1%	5.4%	6.6%	4.1%	0.6%	-1.5%	-15.6%	-3.2%	-14.2%	-20.2%	
Service Revenues	4,020	1,019	1,050	1,101	1,086	4,256	1,106	1,140	1,159	1,145	4,550	949	925	914	849	3,637	834	857	
QoQ Change			3.0%	4.9%	-1.4%		1.8%	3.1%	1.7%	-1.2%		-17.1%	-2.5%	-1.2%	-7.1%		-1.8%	2.8%	
YoY Change	1.2%					5.9%	8.5%	8.6%	5.3%	5.4%	6.9%	-14.2%	-18.9%	-21.1%	-25.9%	-20.1%	-12.1%	-7.4%	
Equipment Revenues	693	246	296	271	307	1,120	287	289	283	323	1,182	501	513	507	390	1,911	410	291	
QoQ Change			20.3%	-8.4%	13.3%		-6.5%	0.7%	-2.1%	14.1%		55.1%	2.4%	-1.2%	-23.1%		5.1%	-29.0%	
YoY Change	-2.7%					61.6%	16.7%	-2.4%	4.4%	5.2%	5.5%	74.6%	77.5%	79.2%	20.7%	61.7%	-18.2%	-43.3%	
VAS Revenues (included in Service Revenues)	NA	NA	NA	NA	NA	NA	233	246	266	269	1,014	283	297	310	311	1,201	307	312	
QoQ Change								5.6%	8.1%	1.1%		5.2%	4.9%	4.4%	0.3%		-1.3%	1.6%	
YoY Change												21.5%	20.7%	16.5%	15.6%	18.4%	8.5%	5.1%	
<b>Key Income Statement Metrics</b>																			
Operating profit	933	302	321	316	251	1,190	322	362	356	343	1,383	399	357	342	262	1,360	267	259	
QoQ Change		89.9%	6.3%	-1.6%	-20.6%		28.3%	12.4%	-1.7%	-3.7%		16.3%	-10.5%	-4.2%	-23.4%		1.9%	-3.0%	
YoY Change	15.9%	40.5%	20.7%	7.8%	57.9%	27.5%	6.6%	12.8%	12.7%	36.7%	16.2%	23.9%	-1.4%	-3.9%	-23.6%	-1.7%	-33.1%	-27.5%	
Net profit	682	230	233	231	181	875	259	267	239	268	1,033	310	279	263	204	1,056	216	194	
QoQ Change		79.7%	1.3%	-0.9%	-21.6%		43.1%	3.1%	-10.5%	12.1%		15.7%	-10.0%	-5.7%	-22.4%		5.9%	-10.2%	
YoY Change	16.6%	41.1%	29.4%	9.5%	41.4%	28.3%	12.6%	14.6%	3.5%	48.1%	18.1%	19.7%	4.5%	10.0%	-23.9%	2.2%	-30.3%	-30.5%	
Depreciation & amortization	523	139	151	155	158	603	149	149	149	154	601	139	143	139	140	561	135	137	
QoQ Change		3.0%	8.6%	2.6%	1.9%		-5.7%	0.0%	0.0%	3.4%		-9.7%	2.9%	-2.8%	0.7%		-3.6%	1.5%	
YoY Change	9.2%	7.8%	16.2%	20.2%	17.0%	15.3%	7.2%	-1.3%	-3.9%	-2.5%	-0.3%	-6.7%	-4.0%	-6.7%	-9.1%	-6.7%	-2.9%	-4.2%	
EBITDA	1,456	441	472	471	410	1,794	471	511	505	497	1,984	539	500	481	401	1,921	402	396	
QoQ Change		50.0%	7.0%	-0.2%	-13.0%		14.9%	8.5%	-1.2%	-1.6%		8.5%	-7.2%	-3.8%	-16.6%		0.2%	-1.5%	
YoY Change	13.4%	28.2%	19.2%	11.6%	39.5%	23.2%	6.8%	8.3%	7.2%	21.2%	10.6%	14.4%	-2.2%	-4.8%	-19.3%	-3.2%	-25.4%	-20.8%	
<b>Key Cash Flow Metrics</b>																			
Operating cash flow	1,277	375	290	395	55	1,115	350	378	400	91	1,219	308	101	168	223	800	294	556	
QoQ Change		25.8%	-22.7%	36.2%	-86.1%		536.4%	8.0%	5.8%	-77.3%		238.5%	-67.2%	66.3%	32.7%		31.8%	89.1%	
YoY Change	4.0%	46.5%	-15.7%	4.2%	-81.5%	-12.7%	-6.7%	30.3%	1.3%	65.5%	9.3%	-12.0%	-73.3%	-58.0%	145.1%	-34.4%	-4.5%	450.5%	
Capital expenditures, gross (accounting)	911	165	127	107	109	508	110	112	99	110	431	122	109	98	113	442	121	113	
QoQ Change		-35.8%	-23.0%	-15.7%	1.9%		0.9%	1.8%	-11.6%	11.1%		10.9%	-10.7%	-10.1%	15.3%		7.1%	-6.6%	
YoY Change	107.0%	52.8%	-66.0%	-37.8%	-57.6%	-44.2%	-33.3%	-11.8%	-7.5%	0.9%	-15.2%	10.9%	-2.7%	-1.0%	2.7%	2.6%	-0.8%	3.7%	
Capital expenditures, gross (cash flow)	798	149	163	146	101	559	92	114	99	92	397	133	86	107	93	419	115	109	
QoQ Change		-8.6%	9.4%	-10.4%	-30.8%		-8.9%	23.9%	-13.2%	-7.1%		44.6%	-35.3%	24.4%	-13.1%		23.7%	-5.2%	
YoY Change	109.4%	44.7%	-10.4%	-58.3%	-38.0%	-29.9%	-38.3%	-30.1%	-32.2%	-8.9%	-29.0%	44.6%	-24.6%	8.1%	1.1%	5.5%	-13.5%	26.7%	
Capital expenditures, net (cash flow)	795	149	159	146	101	555	92	114	99	92	397	133	86	71	92	382	115	109	
QoQ Change		-8.0%	6.7%	-8.2%	-30.8%		-8.9%	23.9%	-13.2%	-7.1%		44.6%	-35.3%	-17.4%	29.6%		25.0%	-5.2%	
YoY Change	111.4%	46.1%	-12.2%	-58.3%	-37.7%	-30.2%	-38.3%	-28.3%	-32.2%	-8.9%	-28.5%	44.6%	-24.6%	-28.3%	0.0%	-3.8%	-13.5%	26.7%	
Free cash flow	482	226	131	249	-45	560	258	264	301	-1	822	175	15	97	131	418	179	447	
QoQ Change		66.2%	-42.0%	90.1%	-118.1%		-673.3%	2.3%	14.0%	-100.3%		NM	-91.4%	546.7%	35.1%		36.6%	149.7%	
YoY Change	-43.4%	46.8%	-19.6%	758.6%	-133.1%	16.2%	14.2%	101.5%	20.9%	-97.8%	46.8%	-32.2%	-94.3%	-67.8%	NM	-49.1%	2.3%	2880.0%	
<b>Ratios</b>																			
Operating margin	19.8%	23.9%	23.8%	23.0%	18.0%	22.1%	23.1%	25.3%	24.7%	23.4%	24.1%	27.5%	24.8%	24.1%	21.1%	24.5%	21.5%	22.6%	
Net margin	14.5%	18.2%	17.3%	16.8%	13.0%	16.3%	18.6%	18.7%	16.6%	18.3%	18.0%	21.4%	19.4%	18.5%	16.5%	19.0%	17.4%	16.9%	
EBITDA margin	30.9%	34.9%	35.1%	34.3%	29.4%	33.4%	33.8%	35.8%	35.0%	33.9%	34.6%	37.2%	34.8%	33.8%	32.4%	34.6%	32.3%	34.5%	
Capex/Sales	19.3%	13.0%	9.4%	7.8%	7.8%	9.4%	7.9%	7.8%	6.9%	7.5%	7.5%	8.4%	7.6%	6.9%	9.1%	8.0%	9.7%	9.8%	



(NIS millions, except for EPS)

	FY 2008	Q1 2009	Q2 2009	Q3 2009	Q4 2009	FY 2009	Q1 2010	Q2 2010	Q3 2010	Q4 2010	FY 2010	Q1 2011	Q2 2011	Q3 2011	Q4 2011	FY 2011	Q1 2012	Q2 2012	
<b>Bezeq International</b>																			
<b>Key Income Statement Metrics</b>																			
Revenues	1,306	324	327	332	334	1,318	343	340	347	350	1,380	329	332	351	341	1,354	332	330	
QoQ Change		-3.8%	0.7%	1.8%	0.5%		2.7%	-0.9%	2.2%	0.7%		-5.9%	0.9%	5.5%	-2.7%		-2.6%	-0.7%	
YoY Change	0.2%	3.4%	0.3%	1.1%	-1.0%	0.9%	5.7%	4.1%	4.5%	4.8%	4.8%	-4.0%	-2.2%	1.0%	-2.5%	-1.9%	0.9%	-0.8%	
Operating profit	242	60	68	66	67	261	62	124	70	65	320	61	60	61	59	241	50	53	
QoQ Change		-7.5%	12.4%	-1.8%	0.5%		-7.7%	101.0%	-43.8%	-6.5%		-6.5%	-0.9%	1.7%	-4.5%		-15.4%	6.8%	
YoY Change	18.6%	9.8%	8.0%	12.3%	2.5%	8.0%	2.3%	83.0%	4.8%	-1.5%	22.6%	-1.1%	-51.2%	-11.8%	-9.9%	-24.6%	-18.5%	-12.2%	
Net profit	178	44	56	51	49	200	46	108	53	46	254	46	46	46	44	182	36	39	
QoQ Change		-3.7%	26.5%	-9.1%	-2.5%		-6.0%	132.9%	-50.6%	-14.2%		0.2%	0.8%	-0.9%	-4.2%		-18.6%	8.6%	
YoY Change	16.6%	6.2%	18.6%	15.2%	7.9%	12.1%	5.4%	94.0%	5.4%	-7.2%	27.0%	-1.1%	-57.2%	-14.0%	-4.1%	-28.3%	-22.1%	-16.1%	
Depreciation & amortization	80	20	21	21	23	84	23	23	24	25	94	24	26	28	30	109	34	34	
QoQ Change		-1.2%	5.4%	3.5%	5.4%		0.2%	1.8%	2.3%	7.1%		-3.6%	8.8%	5.9%	8.1%		13.6%	0.3%	
YoY Change	-7.5%	-1.9%	1.8%	7.5%	13.5%	5.2%	15.2%	11.3%	9.9%	11.7%	11.9%	7.4%	14.8%	18.9%	20.1%	15.5%	41.6%	30.4%	
EBITDA	322	80	88	88	89	345	84	147	93	90	414	85	87	89	89	350	84	87	
QoQ Change		-6.1%	10.7%	-0.6%	1.7%		-5.7%	74.4%	-36.6%	-3.3%		-5.4%	1.9%	3.0%	-0.6%		-5.5%	4.1%	
YoY Change	10.8%	6.6%	6.5%	11.1%	5.1%	7.3%	5.5%	66.2%	6.0%	1.0%	20.0%	1.2%	-40.9%	-4.0%	-1.3%	-15.5%	-1.4%	0.8%	
<b>Key Cash Flow Metrics</b>																			
Operating cash flow	163	84	83	81	72	320	59	66	75	90	290	42	68	57	76	243	58	64	
QoQ Change		14.2%	-1.0%	-1.5%	-11.7%		-17.3%	10.7%	13.3%	20.7%		-53.4%	62.2%	-15.9%	32.8%		-23.2%	9.9%	
YoY Change	76.3%	1010.8%	62.4%	155.5%	-1.7%	95.5%	-28.8%	-20.4%	-8.4%	25.3%	-9.2%	-29.4%	3.4%	-23.2%	-15.6%	-16.1%	39.1%	-5.7%	
Capital expenditures, gross (accounting)	120	20	63	29	38	150	20	43	29	69	160	49	71	85	80	285	81	29	
QoQ Change		-31.0%	215.0%	-54.0%	31.0%		-47.4%	115.0%	-32.6%	137.9%		-29.0%	44.9%	19.7%	-5.9%		1.3%	-64.2%	
YoY Change	-8.4%	-25.9%	26.0%	107.1%	31.0%	25.0%	0.0%	-31.7%	0.0%	81.6%	6.7%	145.0%	65.1%	193.1%	15.9%	78.1%	65.3%	-59.2%	
Capital expenditures, gross (cash flow)	119	21	26	33	39	120	37	33	30	80	180	46	47	92	104	288	71	36	
QoQ Change		-20.4%	21.7%	28.3%	16.2%		-5.6%	-10.8%	-8.4%	167.3%		-42.6%	2.1%	95.2%	13.2%		-31.5%	-49.7%	
YoY Change	14.7%	-22.0%	-15.6%	0.5%	44.5%	1.1%	71.3%	25.6%	-10.3%	106.2%	49.9%	25.3%	43.4%	205.3%	29.3%	60.4%	54.4%	-23.8%	
Capital expenditures, net (cash flow)	118	21	26	33	39	120	37	33	30	80	180	46	47	92	103	288	71	36	
QoQ Change		-19.2%	22.1%	28.5%	16.2%		-5.6%	-10.7%	-8.7%	168.1%		-43.0%	2.6%	95.0%	12.8%		-31.6%	-49.5%	
YoY Change	18.7%	-22.4%	-15.8%	0.5%	47.3%	1.4%	72.0%	25.8%	-10.6%	106.2%	50.0%	24.7%	43.4%	206.1%	28.8%	60.1%	54.3%	-24.1%	
Free cash flow	45	62	57	48	33	200	23	33	45	10	110	-4	21	-34	-27	-44	-12	29	
QoQ Change		33.1%	-8.9%	-15.3%	-31.2%		-31.0%	45.3%	35.1%	-77.9%		-138.2%	-661.0%	-262.1%	-20.5%		-55.2%	-333.9%	
YoY Change	N/M	NM	183.0%	-3476.9%	-29.3%	341.0%	-63.4%	-41.6%	-6.8%	-70.1%	-44.7%	-116.6%	-36.1%	-176.7%	-375.9%	-140.0%	223.9%	35.1%	
<b>Ratios</b>																			
Operating margin	18.5%	18.5%	20.7%	20.0%	20.0%	19.8%	17.9%	36.4%	20.0%	18.6%	23.2%	18.5%	18.1%	17.5%	17.2%	17.8%	14.9%	16.1%	
Net margin	13.7%	13.6%	17.1%	15.2%	14.8%	15.2%	13.5%	31.8%	15.4%	13.1%	18.4%	14.0%	13.9%	13.1%	12.9%	13.5%	10.8%	11.8%	
EBITDA margin	24.6%	24.6%	27.0%	26.4%	26.7%	26.2%	24.5%	43.1%	26.8%	25.7%	30.0%	25.8%	26.1%	25.5%	26.0%	25.9%	25.3%	26.5%	
Capex/Sales	9.2%	6.2%	19.3%	8.7%	11.4%	11.4%	5.8%	12.6%	8.3%	19.7%	11.6%	14.9%	21.4%	24.2%	23.5%	21.1%	24.4%	8.8%	



(NIS millions, except for EPS)

		FY 2008	Q1 2009	Q2 2009	Q3 2009	Q4 2009	FY 2009	Q1 2010	Q2 2010	Q3 2010	Q4 2010	FY 2010	Q1 2011	Q2 2011	Q3 2011	Q4 2011	FY 2011	Q1 2012	Q2 2012
<b>yes</b>																			
<b>Key Income Statement Metrics</b>																			
Revenues		1,513	384	376	380	390	1,530	391	396	395	400	1,583	406	404	405	404	1,619	417	409
	QoQ Change		2.0%	-2.0%	1.2%	2.5%		0.3%	1.2%	-0.2%	1.2%		1.3%	-0.4%	0.4%	-0.4%		3.2%	-1.9%
	YoY Change	6.9%	0.6%	-1.0%	1.4%	3.7%	1.2%	2.0%	5.3%	3.9%	2.6%	3.4%	3.6%	2.0%	2.6%	0.9%	2.3%	2.8%	1.2%
Operating profit		177	66	59	61	63	248	59	7	72	41	178	61	65	63	105	295	52	74
	QoQ Change		19.2%	-10.5%	2.7%	3.1%		-6.2%	-87.6%	884.8%	-43.4%		51.2%	6.4%	-3.0%	65.4%		-50.8%	44.3%
	YoY Change	216.3%	145.6%	38.8%	15.7%	13.0%	40.1%	-11.0%	-87.7%	18.3%	-35.1%	-28.2%	4.6%	796.5%	-11.7%	158.2%	65.4%	-15.9%	14.0%
Net profit		-265	-1	-95	-88	-38	-222	-8	-143	-78	-84	-314	-73	-88	-76	8	-230	-64	-107
	QoQ Change		-93.4%	8152.7%	-7.0%	-57.4%		-78.1%	1627.2%	-45.1%	7.5%		-12.9%	20.4%	-14.1%	-110.6%		-897.3%	67.0%
	YoY Change	125.1%	-98.2%	-4.2%	7.7%	115.5%	-16.0%	617.0%	50.1%	-11.4%	123.5%	41.0%	787.6%	-38.1%	-3.1%	-109.5%	-26.8%	-13.0%	20.7%
Depreciation & amortization		250	57	56	59	63	234	64	68	68	85	285	69	71	74	63	276	66	54
	QoQ Change		-14.1%	-1.7%	6.1%	7.2%		0.9%	6.9%	-0.6%	25.4%		-19.3%	3.7%	4.1%	-15.5%		5.2%	-18.3%
	YoY Change	-8.5%	-12.6%	-8.3%	0.3%	-4.1%	-6.3%	12.7%	22.7%	15.0%	34.6%	21.6%	7.6%	4.3%	9.3%	-26.4%	-2.9%	-4.0%	-24.4%
EBITDA		427	122	115	120	126	482	122	75	140	126	463	130	136	137	167	571	118	128
	QoQ Change		1.1%	-6.4%	4.3%	5.1%		-2.6%	-38.4%	84.9%	-10.0%		3.5%	5.0%	0.7%	21.8%		-29.5%	8.7%
	YoY Change	29.7%	33.8%	11.1%	7.6%	3.8%	13.0%	0.0%	-34.2%	16.7%	-0.1%	-4.0%	6.1%	80.8%	-1.5%	33.3%	23.4%	-9.2%	-6.0%
<b>Key Cash Flow Metrics</b>																			
Operating cash flow		347	91	93	135	91	410	124	110	126	132	492	141	119	134	119	513	116	100
	QoQ Change		-32.0%	3.0%	44.6%	-32.9%		37.1%	-11.9%	15.1%	4.3%		7.4%	-15.9%	13.0%	-11.5%		-2.4%	-13.7%
	YoY Change	38.9%	7.8%	188.5%	38.9%	-32.0%	18.1%	37.1%	17.3%	-6.6%	45.1%	20.0%	13.7%	8.4%	6.4%	-9.7%	4.4%	-18.0%	-15.8%
Capital expenditures, gross (accounting)		265	20	71	101	78	270	66	79	82	68	295	79	75	68	69	291	60	88
	QoQ Change		-69.7%	255.0%	42.3%	-22.8%		-15.4%	19.7%	3.8%	-16.6%		15.5%	-5.1%	-9.3%	1.5%		-13.0%	46.7%
	YoY Change	-11.4%	-71.4%	36.5%	31.2%	18.2%	1.9%	230.0%	11.3%	-18.8%	-12.3%	9.4%	19.7%	-5.1%	-17.1%	0.8%	-1.5%	-24.1%	17.3%
Capital expenditures, gross (cash flow)		238	61	60	87	53	262	61	63	65	89	278	71	64	67	61	264	56	69
	QoQ Change		-2.1%	-2.5%	45.9%	-39.6%		15.5%	3.6%	2.3%	38.2%		-20.5%	-9.5%	4.6%	-8.7%		-8.3%	22.8%
	YoY Change	-6.7%	-22.6%	51.5%	56.5%	-15.8%	10.1%	-0.7%	5.5%	-25.9%	69.2%	6.4%	16.5%	1.8%	4.1%	-31.2%	-5.0%	-20.7%	7.5%
Capital expenditures, net (cash flow)		238	61	60	87	52	261	61	63	64	89	277	71	64	67	62	264	56	69
	QoQ Change		-2.1%	-2.5%	44.9%	-39.6%		16.0%	3.5%	1.1%	40.3%		-20.5%	-9.4%	4.4%	-8.1%		-8.9%	23.0%
	YoY Change	-6.7%	-22.6%	51.5%	55.4%	-16.4%	9.7%	-1.0%	5.1%	-26.7%	70.3%	6.2%	16.7%	2.1%	5.5%	-30.8%	-4.5%	-20.7%	7.6%
Free cash flow		109	29	33	48	38	149	63	47	62	42	215	70	54	67	57	249	60	31
	QoQ Change		-58.6%	14.4%	44.1%	-20.8%		66.2%	-26.6%	34.1%	-32.4%		66.5%	-22.6%	23.0%	-14.9%		4.6%	-48.2%
	YoY Change	NM	522.3%	NM	16.5%	-45.9%	36.2%	116.9%	39.1%	29.5%	10.7%	44.0%	10.9%	17.0%	7.3%	35.0%	15.9%	-15.2%	-43.3%
<b>Ratios</b>																			
Operating margin		11.7%	17.2%	15.7%	15.9%	16.0%	16.2%	15.0%	1.8%	18.1%	10.1%	11.3%	15.1%	16.2%	15.6%	26.0%	18.2%	12.4%	18.2%
Net margin		-17.5%	-0.3%	-25.3%	-23.3%	-9.7%	-14.5%	-2.1%	-36.1%	-19.8%	-21.0%	-19.8%	-18.1%	-21.9%	-18.7%	2.0%	-14.2%	-15.3%	-26.1%
EBITDA margin		28.2%	31.9%	30.5%	31.4%	32.2%	31.5%	31.3%	19.1%	35.3%	31.4%	29.3%	32.0%	33.8%	33.9%	41.5%	35.3%	28.3%	31.4%
Capex/Sales		17.5%	5.2%	18.9%	26.5%	20.0%	17.6%	16.9%	20.0%	20.7%	17.1%	18.7%	19.5%	18.6%	16.8%	17.1%	18.0%	14.4%	21.5%



	FY 2008	Q1 2009	Q2 2009	Q3 2009	Q4 2009	FY 2009	Q1 2010	Q2 2010	Q3 2010	Q4 2010	FY 2010	Q1 2011	Q2 2011	Q3 2011	Q4 2011	FY 2011	Q1 2012	Q2 2012	
<b>Bezeq Fixed-Line</b>																			
<b>Key Performance Indicators</b>																			
<b>Total outgoing minutes (in millions)</b>	<b>13,260</b>	<b>3,077</b>	<b>2,972</b>	<b>3,051</b>	<b>2,917</b>	<b>12,017</b>	<b>2,732</b>	<b>2,717</b>	<b>2,629</b>	<b>2,621</b>	<b>10,699</b>	<b>2,521</b>	<b>2,415</b>	<b>2,481</b>	<b>2,340</b>	<b>9,757</b>	<b>2,359</b>	<b>2,228</b>	
QoQ Change		-0.8%	-3.4%	2.7%	-4.4%		-6.3%	-0.5%	-3.2%	-0.3%		-3.8%	-4.2%	2.7%	-5.7%		0.8%	-5.6%	
YoY Change	-9.9%	-11.4%	-10.1%	-9.7%	-6.0%	-9.4%	-11.2%	-8.6%	-13.8%	-10.1%	-11.0%	-7.7%	-11.1%	-5.6%	-10.7%	-8.8%	-6.4%	-7.7%	
<b>Total incoming minutes (in millions)</b>	<b>6,691</b>	<b>1,654</b>	<b>1,659</b>	<b>1,731</b>	<b>1,674</b>	<b>6,718</b>	<b>1,623</b>	<b>1,634</b>	<b>1,646</b>	<b>1,644</b>	<b>6,547</b>	<b>1,577</b>	<b>1,535</b>	<b>1,602</b>	<b>1,526</b>	<b>6,240</b>	<b>1,543</b>	<b>1,518</b>	
QoQ Change		0.4%	0.3%	4.3%	-3.3%		-3.0%	0.7%	0.7%	-0.1%		-4.1%	-2.7%	4.4%	-4.7%		1.1%	-1.6%	
YoY Change	4.4%	-1.1%	0.5%	0.7%	1.6%	0.4%	-1.9%	-1.5%	-4.9%	-1.8%	-2.5%	-2.8%	-6.1%	-2.7%	-7.2%	-4.7%	-2.2%	-1.1%	
<b>Total access lines (in 000's)</b>	<b>2,604</b>	<b>2,571</b>	<b>2,540</b>	<b>2,513</b>	<b>2,483</b>	<b>2,483</b>	<b>2,454</b>	<b>2,422</b>	<b>2,394</b>	<b>2,366</b>	<b>2,366</b>	<b>2,358</b>	<b>2,356</b>	<b>2,363</b>	<b>2,367</b>	<b>2,367</b>	<b>2,368</b>	<b>2,335</b>	
QoQ Change		-1.3%	-1.2%	-1.1%	-1.2%		-1.2%	-1.3%	-1.2%	-1.2%		-0.3%	-0.1%	0.3%	0.2%		0.0%	-1.4%	
YoY Change	-5.3%	-4.8%	-4.9%	-4.6%	-4.6%	-4.6%	-4.6%	-4.6%	-4.7%	-4.7%	-4.7%	15.0%	-2.7%	-1.3%	0.0%	0.0%	0.4%	-0.9%	
<b>ARPL - Voice &amp; fixed fees (in NIS)</b>	<b>83</b>	<b>82</b>	<b>81</b>	<b>83</b>	<b>83</b>	<b>82</b>	<b>80</b>	<b>81</b>	<b>82</b>	<b>83</b>	<b>81</b>	<b>79</b>	<b>77</b>	<b>78</b>	<b>70</b>	<b>76</b>	<b>74</b>	<b>73</b>	
QoQ Change		0.0%	-1.2%	2.5%	0.0%		-3.6%	1.3%	1.2%	1.2%		-4.8%	-2.5%	1.3%	-10.3%		5.7%	-1.4%	
YoY Change	-4.6%	-3.5%	-1.2%	-2.4%	1.2%	-1.2%	-2.4%	0.0%	-1.2%	0.0%	-1.2%	-1.3%	-4.9%	-4.9%	-15.7%	-6.2%	-6.3%	-5.2%	
<b>Churn rate (%)</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>3.2%</b>	<b>2.7%</b>	<b>2.7%</b>	<b>2.7%</b>	<b>11.3%</b>	<b>3.1%</b>	<b>3.8%</b>	
<b>Broadband Internet lines (in 000's)</b>	<b>1,005</b>	<b>1,011</b>	<b>1,016</b>	<b>1,026</b>	<b>1,035</b>	<b>1,035</b>	<b>1,045</b>	<b>1,051</b>	<b>1,056</b>	<b>1,066</b>	<b>1,066</b>	<b>1,079</b>	<b>1,088</b>	<b>1,100</b>	<b>1,111</b>	<b>1,111</b>	<b>1,121</b>	<b>1,136</b>	
QoQ Change		0.6%	0.5%	1.0%	0.9%		1.0%	0.6%	0.5%	0.9%		1.2%	0.8%	1.1%	1.0%		0.9%	1.3%	
YoY Change	4.4%	4.2%	3.5%	3.2%	3.0%	3.0%	3.4%	3.4%	2.9%	3.0%	3.0%	3.3%	3.5%	4.2%	4.2%	4.2%	3.9%	4.4%	
<b>Broadband Internet ARPU (in NIS)</b>	<b>67</b>	<b>67</b>	<b>67</b>	<b>70</b>	<b>70</b>	<b>69</b>	<b>73</b>	<b>72</b>	<b>76</b>	<b>78</b>	<b>75</b>	<b>79</b>	<b>80</b>	<b>81</b>	<b>81</b>	<b>80</b>	<b>84</b>	<b>80</b>	
QoQ Change		1.5%	0.0%	4.5%	0.0%		4.3%	-1.4%	5.6%	2.6%		1.3%	1.3%	1.3%	0.0%		3.7%	-4.8%	
YoY Change	4.7%	-1.5%	1.5%	4.5%	6.1%	3.0%	9.0%	7.5%	8.6%	11.4%	8.7%	8.2%	11.1%	6.6%	3.8%	6.7%	6.3%	0.0%	
<b>NGN subscribers as % of total internet subscribers covered by NGN network</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>40%</b>	<b>43%</b>	<b>47%</b>	<b>51%</b>	<b>51%</b>	<b>55%</b>	<b>57%</b>	
<b>Average broadband speed per subscriber (end of period, Mbps)</b>	<b>2.2</b>	<b>2.3</b>	<b>2.4</b>	<b>2.5</b>	<b>2.7</b>	<b>2.7</b>	<b>3.0</b>	<b>3.4</b>	<b>3.8</b>	<b>4.3</b>	<b>4.3</b>	<b>4.8</b>	<b>5.3</b>	<b>6.0</b>	<b>6.7</b>	<b>6.7</b>	<b>7.5</b>	<b>8.3</b>	
QoQ Change		4.5%	4.3%	4.2%	8.0%		11.1%	13.3%	11.8%	13.2%		11.6%	10.4%	13.2%	11.7%		11.9%	10.7%	
YoY Change	29.4%	21.1%	20.0%	19.0%	22.7%	22.7%	30.4%	41.7%	52.0%	59.3%	59.3%	60.0%	55.9%	57.9%	55.8%	55.8%	56.3%	56.6%	
<b>Number of employees</b>	<b>7,530</b>	<b>7,545</b>	<b>7,399</b>	<b>7,335</b>	<b>7,364</b>	<b>7,364</b>	<b>7,332</b>	<b>7,325</b>	<b>7,299</b>	<b>7,216</b>	<b>7,216</b>	<b>7,216</b>	<b>7,123</b>	<b>7,087</b>	<b>7,076</b>	<b>7,076</b>	<b>7,208</b>	<b>7,274</b>	
QoQ Change		0.2%	-1.9%	-0.9%	0.4%		-0.4%	-0.1%	-0.4%	-1.1%		0.0%	-1.3%	-0.5%	-0.2%		1.9%	0.9%	
YoY Change	-1.1%	1.2%	-0.4%	-1.1%	-2.2%	-2.2%	-2.8%	-1.0%	-0.5%	-2.0%	-2.0%	-1.6%	-2.8%	-2.9%	-1.9%	-1.9%	-0.1%	2.1%	



	FY 2008	Q1 2009	Q2 2009	Q3 2009	Q4 2009	FY 2009	Q1 2010	Q2 2010	Q3 2010	Q4 2010	FY 2010	Q1 2011	Q2 2011	Q3 2011	Q4 2011	FY 2011	Q1 2012	Q2 2012
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## Pelephone

### Key Performance Indicators

Subscribers (in 000's)		2,649	2,669	2,694	2,721	2,766	2,766	2,789	2,807	2,825	2,857	2,857	2,861	2,827	2,842	2,847	2,847	2,876	2,859
	QoQ Change		0.8%	0.9%	1.0%	1.7%		0.8%	0.6%	0.6%	1.1%		0.1%	-1.2%	0.5%	0.2%		1.0%	-0.6%
	YoY Change	1.0%	2.9%	2.2%	0.9%	4.4%	4.4%	4.5%	4.2%	3.8%	3.3%	3.3%	2.6%	0.7%	0.6%	-0.4%	-0.4%	0.5%	1.1%
MOU (per sub, per month)		352	323	329	339	339	333	336	348	347	364	349	359	370	385	384	375	399	409
	QoQ Change		-3.6%	1.9%	3.0%	0.0%		-0.9%	3.6%	-0.3%	4.9%		-1.4%	3.1%	4.1%	-0.3%		3.9%	2.5%
	YoY Change	-0.6%	-9.0%	-8.1%	-5.6%	1.2%	-5.4%	4.0%	5.8%	2.4%	7.4%	4.8%	6.8%	6.3%	11.0%	5.5%	7.4%	11.1%	10.5%
ARPU (in NIS)		N/A	N/A	N/A	N/A	N/A	N/A	110	111	113	109	111	110	109	107	100	107	97	99
	QoQ Change								0.9%	1.8%	-3.5%		0.9%	-0.9%	-1.8%	-6.5%		-3.0%	2.1%
	YoY Change												0.0%	-1.8%	-5.3%	-8.3%	-3.6%	-11.8%	-9.2%
Churn rate (%)		N/A	3.3%	3.3%	3.8%	3.4%	13.8%	3.9%	3.9%	3.5%	3.9%	15.3%	5.0%	6.6%	6.1%	5.3%	22.9%	3.9%	6.0%
VAS revenues as % of total cellular service revenues		16.3%	18.5%	19.1%	20.0%	20.8%	19.6%	22.6%	23.0%	24.5%	25.0%	23.8%	32.1%	34.5%	36.3%	39.5%	35.5%	39.6%	39.0%

## yes

### Key Performance Indicators

Subscribers (in 000's)		560	560	562	567	571	571	571	573	575	578	578	580	581	585	586	586	585	582
	QoQ Change		0.0%	0.4%	0.9%	0.7%		0.0%	0.4%	0.3%	0.5%		0.3%	0.2%	0.7%	0.2%		-0.2%	-0.5%
	YoY Change	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	1.4%	1.2%	1.2%	1.6%	1.4%	1.7%	1.4%	1.4%	0.9%	0.2%
ARPU (in NIS)		228	228	224	224	229	226	229	231	229	231	230	234	232	232	229	232	237	234
	QoQ Change		1.3%	-1.8%	0.0%	2.2%		0.0%	0.9%	-0.9%	0.9%		1.3%	-0.9%	0.0%	-1.3%		3.5%	-1.3%
	YoY Change	5.1%	-1.3%	-2.6%	-0.9%	1.8%	-0.9%	0.4%	3.1%	2.2%	0.9%	1.8%	2.2%	0.4%	1.3%	-0.9%	0.9%	1.3%	0.9%
Churn rate (%)		N/A	3.7%	3.1%	3.3%	3.2%	13.3%	3.5%	3.1%	3.3%	3.1%	13.0%	3.3%	2.9%	2.8%	2.8%	11.9%	3.6%	3.9%





## GLOSSARY

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### Glossary

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EBITDA	= Earnings Before Interest, Taxes, Depreciation & Amortization; ttm = trailing twelve months
Free cash flow	= Operating cash flows less net capital expenditures
Net capital expenditures	= Purchase of property, plant & equipment (PPE), plus investments in intangible assets, less proceeds from the sale of PPE
ARPL	= Average revenue per line
ARPU	= Average revenue per user
MOU	= Minutes of use
N/A	= Not available
N/M	= Not meaningful