



Bezeq Facts & Figures Q1 2019

Three months ending March 31, 2019

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	FY 2015	FY 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	FY 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	FY 2018	Q1 2019
Bezeq Group ⁽¹⁾													
Key Income Statement Metrics													
Revenues	9,985	10,084	2,453	2,463	2,415	2,458	9,789	2,361	2,333	2,301	2,326	9,321	2,256
QoQ Change			-2.0%	0.4%	-1.9%	1.8%		-3.9%	-1.2%	-1.4%	1.1%		-3.0%
YoY Change	10.3%	1.0%	-4.1%	-1.9%	-3.8%	-1.8%	-2.9%	-3.8%	-5.3%	-4.7%	-5.4%	-4.8%	-4.4%
Depreciation, amortization & impairment	1,684	1,739	428	424	436	427	1,715	525	537	547	580	2,189	466
QoQ Change			4.9%	-0.9%	2.8%	-2.1%		23.0%	2.3%	1.9%	6.0%		-19.7%
YoY Change	31.5%	3.3%	-4.7%	-3.6%	-1.4%	4.7%	-1.4%	22.7%	26.7%	25.5%	35.8%	27.6%	-11.2%
Salaries	1,957	2,012	504	494	502	505	2,005	510	503	494	485	1,992	492
QoQ Change			0.2%	-2.0%	1.6%	0.6%		1.0%	-1.4%	-1.8%	-1.8%		1.4%
YoY Change	10.7%	2.8%	-1.8%	-0.2%	0.2%	0.4%	-0.3%	1.2%	1.8%	-1.6%	-4.0%	-0.6%	-3.5%
Other operating expenses (income), net	(95)	0	(4)	(1)	(23)	9	(19)	23	84	16	511	634	(25)
Loss from impairment of assets	-	-	-	-	-	87	87	-	-	-	1,675	1,675	-
Operating profit (loss)	2,570	2,321	566	573	544	427	2,110	462	371	429	(1,810)	(548)	511
QoQ Change			6.4%	1.2%	-5.1%	-21.5%		8.2%	-19.7%	15.6%	N/M		N/M
YoY Change	-20.3%	-9.7%	-1.4%	-7.0%	-9.2%	-19.7%	-9.1%	-18.4%	-35.3%	-21.1%	N/M	-126.0%	10.6%
Finance expenses (income), net	263	447	101	102	94	120	417	108	110	109	108	435	99
QoQ Change			-25.7%	1.0%	-7.8%	27.7%		-10.0%	1.9%	-0.9%	-0.9%		-8.3%
YoY Change	102.3%	70.0%	-1.0%	-2.9%	-9.6%	-11.8%	-6.7%	6.9%	7.8%	16.0%	-10.0%	4.3%	-8.3%
Income taxes	598	625	113	111	128	101	453	93	65	85	(163)	80	112
QoQ Change			-46.2%	-1.8%	15.3%	-21.1%		-7.9%	-30.1%	30.8%	N/M		N/M
YoY Change	-26.6%	4.5%	-38.3%	-16.5%	29.3%	-51.9%	-27.5%	-17.7%	-41.4%	-33.6%	N/M	-82.3%	20.4%
Net profit, reported	1,721	1,244	350	358	322	205	1,235	260	195	234	(1,755)	(1,066)	300
QoQ Change			89.2%	2.3%	-10.1%	-36.3%		26.8%	-25.0%	20.0%	N/M		N/M
YoY Change	-18.5%	-27.7%	21.5%	-5.0%	-18.3%	10.8%	-0.7%	-25.7%	-45.5%	-27.3%	N/M	N/M	15.4%
ADJUSTED NET PROFIT (excluding other operating income/expenses and one-time impairment)	1,650	1,244	347	357	305	299	1,308	278	260	246	199	983	281
EBITDA, reported	4,254	4,060	994	997	980	854	3,825	987	908	976	(1,230)	1,641	977
QoQ Change			5.7%	0.3%	-1.7%	-12.9%		15.6%	-8.0%	7.5%	N/M		N/M
YoY Change	-5.6%	-4.6%	-2.8%	-5.6%	-5.9%	-9.1%	-5.8%	-0.7%	-8.9%	-0.4%	N/M	-57.1%	-1.0%
ADJUSTED EBITDA (excluding other operating income/expenses and one-time impairment)	4,159	4,060	990	996	957	950	3,893	1,010	992	992	956	3,950	952
QoQ Change			1.7%	0.6%	-3.9%	-0.7%		6.3%	-1.8%	0.0%	N/M		-0.4%
YoY Change	6.1%	-2.4%	-3.7%	-4.6%	-5.7%	-2.4%	-4.1%	2.0%	-0.4%	3.7%	N/M	1.5%	-5.7%
Earnings Per Share - Diluted	0.62	0.45	0.13	0.13	0.12	0.07	0.45	0.09	0.07	0.08	(0.63)	(0.39)	0.11
Shares Outstanding - Diluted	2,763	2,765	2,765	2,765	2,765	2,765	2,765	2,765	2,765	2,765	2,765	2,765	2,765
Operating & General Expenses													
Total operating & general expenses	3,869	4,012	959	973	956	1,003	3,891	841	838	815	885	3,379	812
QoQ Change			-6.7%	1.5%	-1.7%	4.9%		-16.2%	-0.4%	-2.7%	8.6%		-8.2%
YoY Change	14.9%	3.7%	-5.8%	0.1%	-3.8%	-2.4%	-3.0%	-12.3%	-13.9%	-14.7%	-11.8%	-13.2%	-3.4%
Terminal equipment & materials	880	831	202	230	181	242	855	189	171	167	210	737	184
QoQ Change			-14.8%	13.9%	-21.3%	33.7%		-21.9%	-9.5%	-2.3%	25.7%		-12.4%
YoY Change	-5.2%	-5.6%	-6.5%	14.4%	2.3%	2.1%	2.9%	-6.4%	-25.7%	-7.7%	-13.2%	-13.8%	-2.6%
Interconnect & payments to telecom operators	909	825	196	206	201	202	805	192	196	197	204	789	189
QoQ Change			2.6%	5.1%	-2.4%	0.5%		-5.0%	2.1%	0.5%	3.6%		-7.4%
YoY Change	7.3%	-9.2%	-7.5%	-2.4%	-4.7%	5.8%	-2.4%	-2.0%	-4.9%	-2.0%	1.0%	-2.0%	-1.6%
Maintenance of buildings and sites	616	605	147	138	152	147	584	71	68	74	73	286	68
QoQ Change			-5.2%	-6.1%	10.1%	-3.3%		-51.7%	-4.2%	8.8%	-1.4%		-6.8%
YoY Change	-3.6%	-1.8%	-4.5%	-4.8%	0.1%	-5.2%	-3.5%	-51.7%	-50.7%	-51.3%	-50.3%	-51.0%	-4.2%
Marketing & general	640	697	144	134	159	158	595	145	146	135	129	555	123
QoQ Change			-16.3%	-6.9%	18.7%	-0.6%		-8.2%	0.7%	-7.5%	-4.4%		-4.7%
YoY Change	6.1%	8.9%	-18.6%	-20.2%	-11.7%	-8.1%	-14.6%	0.7%	9.0%	-15.1%	-18.4%	-6.7%	-15.2%
Services and maintenance by sub-contractors	199	261	67	64	67	62	260	71	68	68	70	277	70
QoQ Change			-2.9%	-4.5%	4.7%	-7.5%		14.5%	-4.2%	0.0%	2.9%		0.0%
YoY Change	45.3%	31.2%	6.3%	4.9%	-1.5%	-10.1%	-0.4%	6.0%	6.3%	1.5%	12.9%	6.5%	-1.4%
Vehicle maintenance	167	164	42	39	38	37	156	17	20	19	26	82	18
QoQ Change			2.4%	-7.1%	-2.6%	-2.6%		-54.1%	17.6%	-5.0%	36.8%		-30.8%
YoY Change	8.4%	-1.8%	0.0%	0.0%	-9.5%	-9.8%	-4.9%	-59.5%	-48.7%	-50.0%	-29.7%	-47.4%	5.9%
Content	458	629	161	162	158	155	636	156	169	155	173	653	160
QoQ Change			-1.2%	0.6%	-2.5%	-1.9%		0.6%	8.3%	-8.3%	11.6%		-7.5%
YoY Change	689.7%	37.3%	4.5%	10.2%	-4.2%	-4.9%	1.1%	-3.1%	4.3%	-1.9%	11.6%	2.7%	2.6%

⁽¹⁾ The Bezeq Group's financial data includes yes balance sheet data as of Q1 2015 and income statement and cash flow data as of Q2 2015.



	FY 2015	FY 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	FY 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	FY 2018	Q1 2019
Bezeq Group (cont'd)													
Key Cash Flow Metrics													
Operating cash flow	3,740	3,526	826	875	982	842	3,525	909	806	883	914	3,512	765
QoQ Change			-0.7%	5.9%	12.2%	-14.3%		8.0%	-11.3%	9.6%	3.5%		-16.3%
YoY Change	-1.5%	-5.7%	-10.4%	0.6%	8.9%	1.2%	0.0%	10.0%	-7.9%	-10.1%	8.6%	-0.4%	-15.8%
Capital expenditures, gross (cash flow)	1,635	1,416	380	406	353	391	1,530	368	531	412	416	1,727	373
QoQ Change			13.4%	6.8%	-13.1%	10.8%		-5.9%	44.3%	-22.4%	1.0%		-10.3%
YoY Change	28.2%	-13.4%	10.1%	4.9%	1.1%	16.7%	8.1%	-3.2%	30.8%	16.7%	6.4%	12.9%	1.4%
Proceeds from sale of assets	151	138	10	18	48	22	98	8	(57)	12	272	235	41
QoQ Change			-37.5%	80.0%	166.7%	-54.2%		-63.6%	N/M	N/M	2166.7%		-84.9%
YoY Change	-34.3%	-8.6%	-76.2%	-67.9%	100.0%	37.5%	-29.0%	-20.0%	N/M	-75.0%	1136.4%	139.8%	412.5%
Capital expenditures, net	1,484	1,278	370	388	305	369	1,432	360	588	400	144	1,492	332
QoQ Change			16.0%	4.9%	-21.4%	21.0%		-2.4%	63.3%	-32.0%	-64.0%		130.6%
YoY Change	42.0%	-13.9%	22.1%	17.2%	-6.2%	15.7%	12.1%	-2.7%	51.5%	31.1%	-61.0%	4.2%	-7.8%
Lease payments (IFRS 16)								126	96	109	91	422	117
Free cash flow	2,256	2,248	456	487	677	473	2,093	423	122	374	679	1,598	316
QoQ Change			-11.1%	6.8%	39.0%	-30.1%		-10.6%	-71.2%	206.6%	81.6%		-53.5%
YoY Change	-18.0%	-0.4%	-26.3%	-9.6%	17.3%	-7.8%	-6.9%	-7.2%	-74.9%	-44.8%	43.6%	-23.7%	-25.3%
Working Capital													
Change in trade & other receivables	322	106	(7)	23	105	72	193	74	60	66	41	241	(28)
Change in inventory	(20)	(20)	(20)	8	2	(25)	(35)	(5)	18	(7)	(11)	(5)	(9)
Change in trade & other payables	(271)	(24)	(24)	(15)	103	(54)	10	42	(152)	(30)	2	(138)	9
Change in provisions	18	(19)	1	(2)	16	0	15	8	7	(3)	69	81	(30)
Change in employee benefits	110	(65)	(6)	9	(65)	29	(33)	7	77	(40)	445	489	(46)
Change in other liabilities (incl broadcasting rights)	(9)	23	(9)	(25)	4	(4)	(34)	1	(17)	(2)	18	-	(12)
Total changes in assets and liabilities	150	1	(65)	(2)	165	18	116	127	(7)	(16)	564	668	(116)
Income tax paid, net	462	455	106	122	118	100	446	207	93	82	85	467	49
Interest paid	494	458	22	177	18	198	415	5	199	5	212	421	5
Funds From Operations (FFO)	3,590	3,525	891	877	817	824	3,409	656	717	790	681	2,844	764
Ratios													
Operating margin	25.7%	23.0%	23.1%	23.3%	22.5%	17.4%	21.6%	19.6%	15.9%	18.6%	-77.8%	-5.9%	22.7%
Net margin	17.2%	12.3%	14.3%	14.5%	13.3%	8.3%	12.6%	11.0%	8.4%	10.2%	-75.5%	-11.4%	13.3%
EBITDA margin	42.6%	40.3%	40.5%	40.5%	40.6%	34.7%	39.1%	41.8%	38.9%	42.4%	-52.9%	17.6%	43.3%
Capex/Sales	16.4%	14.0%	15.5%	16.5%	14.6%	15.9%	15.6%	15.6%	22.8%	17.9%	17.9%	18.5%	16.5%



	FY 2015	FY 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	FY 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	FY 2018	Q1 2019
Bezeq Group (cont'd)													
Balance Sheet													
Cash & cash equivalents	555	648	792	1,854	2,471	2,181	2,181	1,826	923	1,408	890	890	1,265
Investments	762	586	578	19	94	289	289	1,390	1,676	1,517	1,404	1,404	1,347
Trade receivables	2,058	2,000	1,976	1,991	1,948	1,915	1,915	1,827	1,822	1,792	1,773	1,773	1,760
Other receivables	269	219	297	347	294	270	270	306	288	292	267	267	279
Eurocom DBS Ltd., related party	-	-	35	56	43	43	43	25	25	20	-	-	-
Inventory	115	106	114	105	101	125	125	130	96	86	97	97	102
Total current assets	3,759	3,559	3,792	4,372	4,951	4,823	4,823	5,504	4,830	5,115	4,431	4,431	4,753
Trade and other receivables	674	644	595	507	520	493	493	466	447	423	470	470	511
Broadcasting rights	456	432	438	456	457	454	454	451	467	470	60	60	69
Right-of-use assets								1,417	1,424	1,434	1,504	1,504	1,444
Fixed assets	6,894	6,876	6,886	6,868	6,817	6,798	6,798	6,782	6,811	6,789	6,214	6,214	6,215
Intangible assets	3,332	3,047	2,986	2,943	2,894	2,768	2,768	2,728	2,687	2,627	1,919	1,919	1,923
Deferred tax assets	1,178	1,007	1,008	1,015	1,014	1,019	1,019	1,027	1,035	1,041	1,205	1,205	1,193
Deferred expenses and non-current investments	386	382	429	457	489	494	494	547	530	519	462	462	463
Investment property	-	-	-	-	-	-	-	-	130	140	58	58	58
Total non-current assets	12,920	12,388	12,342	12,246	12,191	12,026	12,026	13,418	13,531	13,443	11,892	11,892	11,876
Total assets	16,679	15,947	16,134	16,618	17,142	16,849	16,849	18,922	18,361	18,558	16,323	16,323	16,629
Debentures, loans and borrowings	1,913	1,825	1,594	958	555	1,632	1,632	1,609	1,796	1,798	1,542	1,542	1,538
Lease liability								428	417	443	445	445	422
Trade and other payables	1,657	1,610	1,705	1,608	1,807	1,699	1,699	1,820	1,583	1,602	1,690	1,690	1,845
Current tax liabilities	624	104	112	112	118	152	152	43	-	9	-	-	10
Liability to Eurocom DBS Ltd.	233	32	6	-	-	-	-	-	-	-	-	-	-
Employee benefits	378	315	308	318	251	280	280	286	369	330	581	581	500
Provisions	100	80	81	79	94	94	94	103	110	106	175	175	145
Dividend payable	-	-	-	-	708	-	-	-	-	318	-	-	-
Total current liabilities	3,966	3,806	3,075	3,533	3,857	3,857	3,857	4,289	4,275	4,606	4,433	4,433	4,460
Loans and debentures	8,800	9,128	9,109	10,561	10,978	10,229	10,229	10,547	10,204	10,149	9,637	9,637	9,618
Lease liability								1,006	1,034	1,024	1,106	1,106	1,061
Employee benefits	240	258	260	259	260	272	272	272	267	266	445	445	482
Derivative and other liabilities	226	244	250	251	292	234	234	258	210	212	174	174	168
Deferred tax liabilities	51	101	103	99	104	73	73	86	74	91	56	56	54
Provisions	46	47	47	48	48	40	40	39	40	40	38	38	39
Total non-current liabilities	9,363	9,778	9,769	11,218	11,682	10,848	10,848	12,208	11,829	11,782	11,456	11,456	11,422
Total equity	2,411	2,203	2,559	2,325	1,927	2,144	2,144	2,425	2,257	2,170	434	434	747
Total debt	10,713	10,953	10,703	11,519	11,533	11,861	11,861	12,156	12,000	11,947	11,179	11,179	11,156
Net debt	9,396	9,719	9,333	9,646	8,968	9,391	9,391	8,940	9,401	9,022	8,885	8,885	8,544
Net debt / Adjusted EBITDA (ttm)	2.26	2.39	2.32	2.43	2.29	2.41	2.41	2.35	2.54	2.48	2.51	2.51	2.47



(NIS millions, except for EPS)

		FY 2015	FY 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	FY 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	FY 2018	Q1 2019
Bezeq Fixed-Line														
Key Income Statement Metrics (Revenues)														
Total Revenues		4,407	4,383	1,078	1,058	1,061	1,047	4,244	1,063	1,064	1,043	1,026	4,196	1,043
	QoQ Change			-0.4%	-1.9%	0.3%	-1.3%		1.5%	0.1%	-2.0%	-1.6%		1.7%
	YoY Change	2.1%	-0.5%	-3.1%	-3.8%	-2.6%	-3.2%	-3.2%	-1.4%	0.6%	-1.7%	-2.0%	-1.1%	-1.9%
Broadband Internet		1,450	1,500	382	381	386	395	1,544	396	403	401	396	1,596	397
	QoQ Change			0.3%	-0.3%	1.3%	2.3%		0.3%	1.8%	-0.5%	-1.2%		0.3%
	YoY Change	4.0%	3.4%	3.0%	1.9%	3.2%	3.7%	2.9%	3.7%	5.8%	3.9%	0.3%	3.4%	0.3%
Telephony		1,499	1,392	334	320	318	309	1,281	302	291	282	281	1,156	269
	QoQ Change			0.9%	-4.2%	-0.6%	-2.8%		-2.3%	-3.6%	-3.1%	-0.4%		-4.3%
	YoY Change	-10.1%	-7.1%	-7.0%	-8.8%	-9.4%	-6.6%	-8.0%	-9.6%	-9.1%	-11.3%	-9.1%	-9.8%	-10.9%
Transmission & data		1,053	1,069	250	244	244	237	975	247	244	243	243	977	246
	QoQ Change			-8.1%	-2.4%	0.0%	-2.9%		4.2%	-1.2%	-0.4%	0.0%		1.2%
	YoY Change	3.0%	1.5%	-7.7%	-9.0%	-5.4%	-12.9%	-8.8%	-1.2%	0.0%	-0.4%	2.5%	0.2%	-0.4%
Cloud & digital services		184	203	56	57	57	60	230	62	66	69	63	260	71
	QoQ Change			5.7%	1.8%	0.0%	5.3%		3.3%	6.5%	4.5%	-8.7%		12.7%
	YoY Change		10.3%	12.0%	18.8%	9.6%	13.2%	13.3%	10.7%	15.8%	21.1%	5.0%	13.0%	14.5%
Other		221	219	56	56	56	46	214	56	60	48	43	207	60
	QoQ Change			24.4%	0.0%	0.0%	-17.9%		21.7%	7.1%	-20.0%	-10.4%		39.5%
	YoY Change	-5.2%	-0.9%	-8.2%	-5.1%	3.7%	2.2%	-2.3%	0.0%	7.1%	-14.3%	-6.5%	-3.3%	7.1%
Revenues from Residential Customers		2,507	2,329	N/A	N/A	N/A	N/A	2,232	N/A	N/A	N/A	N/A	2,101	N/A
	% of total revenues	56.9%	53.1%					52.6%					50.1%	
Revenues from Business Customers		1,900	2,054	N/A	N/A	N/A	N/A	2,012	N/A	N/A	N/A	N/A	2,095	N/A
	% of total revenues	43.1%	46.9%					47.4%					49.9%	
Key Income Statement Metrics														
Depreciation & amortization		725	717	180	177	186	185	728	204	211	218	217	850	207
	QoQ Change			11.8%	-1.7%	5.1%	-0.5%		10.3%	3.4%	3.3%	-0.5%		-4.6%
	YoY Change	5.4%	-1.1%	-1.6%	-4.3%	-1.1%	14.9%	1.5%	13.3%	19.2%	17.2%	17.3%	16.8%	1.5%
Salaries		912	898	224	220	224	223	891	228	232	233	219	912	233
	QoQ Change			-0.9%	-1.8%	1.8%	-0.4%		2.2%	1.8%	0.4%	-6.0%		6.4%
	YoY Change	1.9%	-1.5%	-2.6%	1.4%	-0.4%	-1.3%	-0.8%	1.8%	5.5%	4.0%	-1.8%	2.4%	2.2%
Other operating expenses (income), net		(99)	(13)	(4)	(1)	(24)	6	(23)	18	89	(2)	509	614	(69)
Operating profit (loss)		2,148	2,076	513	496	492	470	1,971	473	387	451	(87)	1,224	531
	QoQ Change			6.7%	-3.3%	-0.8%	-4.5%		0.6%	-18.2%	16.5%	N/M		N/M
	YoY Change	8.5%	-3.4%	-4.3%	-8.1%	-5.2%	-2.3%	-5.1%	-7.8%	-22.0%	-8.3%	N/M	-37.9%	12.3%
Finance expenses (income), net		332	445	92	82	107	122	403	121	119	113	117	470	106
	QoQ Change			-37.0%	-10.9%	30.5%	14.0%		-0.8%	-1.7%	-5.0%	3.5%		-9.4%
	YoY Change	-17.0%	34.0%	-8.9%	-21.9%	15.1%	-16.4%	-9.4%	31.5%	45.1%	5.6%	-4.1%	16.6%	-12.4%
Income taxes		492	399	102	97	109	88	396	89	66	81	(49)	187	100
	QoQ Change			2.0%	-4.9%	12.4%	-19.3%		1.1%	-25.8%	22.7%	N/M		N/M
	YoY Change	2.9%	-18.9%	-4.7%	-11.0%	31.3%	-12.0%	-0.8%	-12.7%	-32.0%	-25.7%	N/M	-52.8%	12.4%
Net profit, reported		1,324	1,232	319	317	276	260	1,172	263	202	257	(155)	567	321
	QoQ Change			35.7%	-0.6%	-12.9%	-5.8%		1.2%	-23.2%	27.2%	N/M		N/M
	YoY Change	20.1%	-6.9%	-2.7%	-2.8%	-19.5%	10.6%	-4.9%	-17.6%	-36.3%	-6.9%	N/M	-51.6%	22.1%
ADJUSTED net profit (excluding other operating income/expenses)		1,250	1,222	316	316	258	265	1,155	277	271	255	237	1,040	268
EBITDA, reported		2,873	2,793	693	673	678	655	2,699	677	598	669	130	2,074	738
	QoQ Change			7.9%	-2.9%	0.7%	-3.4%		3.4%	-11.7%	11.9%	-80.6%		467.7%
	YoY Change	7.7%	-2.8%	-3.6%	-7.2%	-4.1%	2.0%	-3.4%	-2.3%	-11.1%	-1.3%	-80.2%	-23.2%	9.0%
ADJUSTED EBITDA (excluding other operating income/expenses)		2,774	2,780	689	672	654	661	2,676	695	687	667	639	2,688	669
	QoQ Change			1.9%	-2.5%	-2.7%	1.1%		5.1%	-1.2%	-2.9%	-4.2%		4.7%
	YoY Change	4.9%	0.2%	-3.0%	-5.8%	-4.0%	-2.2%	-3.7%	0.9%	2.2%	2.0%	-3.3%	0.4%	-3.7%
Key Cash Flow Metrics														
Operating cash flow		2,358	2,064	600	465	573	587	2,225	516	507	583	600	2,206	471
	QoQ Change			24.5%	-22.5%	23.2%	2.4%		-12.1%	-1.7%	15.0%	2.9%		-21.5%
	YoY Change	4.4%	-12.5%	11.3%	-10.1%	8.9%	21.8%	7.8%	-14.0%	9.0%	1.7%	2.2%	-0.9%	-8.7%
Capital expenditures, gross (cash flow)		849	834	210	219	170	226	825	205	313	233	225	976	210
	QoQ Change			2.4%	4.3%	-22.4%	32.9%		-9.3%	52.7%	-25.6%	-3.4%		-6.7%
	YoY Change	3.3%	-1.8%	7.7%	-3.5%	-17.9%	10.2%	-1.1%	-2.4%	42.9%	37.1%	-0.4%	18.3%	2.4%
Proceeds from sale of assets		146	132	10	16	46	22	94	7	(58)	8	270	227	39
Capital expenditures, net		703	702	200	203	124	204	731	198	371	225	(45)	749	171
	QoQ Change			5.3%	1.5%	-38.9%	64.5%		-2.9%	87.4%	-39.4%	N/M		N/M
	YoY Change	17.0%	-0.1%	29.9%	17.3%	-33.0%	7.4%	4.1%	-1.0%	82.8%	81.5%	N/M	2.5%	-13.6%
Lease payments (IFRS 16)									33	29	28	9	99	34
Free cash flow		1,655	1,362	400	262	449	383	1,494	285	107	330	636	1,358	266
	QoQ Change			37.0%	-34.5%	71.4%	-14.7%		-25.6%	-62.5%	208.4%	92.7%		-58.2%
	YoY Change	-0.2%	-17.7%	3.9%	-23.8%	31.7%	31.2%	9.7%	-28.8%	-59.2%	-26.5%	66.1%	-9.1%	-6.7%



(NIS millions, except for EPS)

	FY 2015	FY 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	FY 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	FY 2018	Q1 2019
Bezeq Fixed-Line (cont'd)													
Operating & general expenses													
Total general & operating expenses	721	705	165	166	183	163	677	140	145	143	168	596	141
QoQ Change			-8.3%	0.6%	10.2%	-10.9%		-14.1%	3.6%	-1.4%	17.5%		-16.1%
YoY Change	-7.2%	-2.2%	-4.1%	-2.4%	0.0%	-9.4%	-4.0%	-15.2%	-12.7%	-21.9%	3.1%	-12.0%	0.7%
Maintenance of buildings and sites	202	189	47	45	49	44	185	34	31	38	40	143	33
QoQ Change			4.4%	-4.3%	8.9%	-10.2%		-22.7%	-8.8%	22.6%	5.3%		-17.5%
YoY Change	-6.9%	-6.4%	-4.1%	-2.2%	0.0%	-2.2%	-2.1%	-27.7%	-31.1%	-22.4%	-9.1%	-22.7%	-2.9%
Interconnect & payments to telecom operators	145	130	31	29	31	27	118	28	27	25	28	108	25
QoQ Change			6.9%	-6.5%	6.9%	-12.9%		3.7%	-3.6%	-7.4%	12.0%		-10.7%
YoY Change	-9.9%	-10.3%	-8.8%	-12.1%	-8.8%	-6.9%	-9.2%	-9.7%	-6.9%	-19.4%	3.7%	-8.5%	-10.7%
Marketing & general	188	195	42	44	54	48	188	40	49	42	52	183	39
QoQ Change			-20.8%	4.8%	22.7%	-11.1%		-16.7%	22.5%	-14.3%	23.8%		-25.0%
YoY Change	-11.7%	3.7%	-2.3%	0.0%	-1.8%	-9.4%	-3.6%	-4.8%	11.4%	-22.2%	8.3%	-2.7%	-2.5%
Terminal equipment & materials	48	47	10	12	12	10	44	11	10	9	12	42	18
QoQ Change			-16.7%	20.0%	0.0%	-16.7%		10.0%	-9.1%	-10.0%	33.3%		50.0%
YoY Change	-2.0%	-2.1%	-16.7%	0.0%	9.1%	-16.7%	-6.4%	10.0%	-16.7%	-25.0%	20.0%	-4.5%	63.6%
Services and maintenance by sub-contractors	60	72	17	19	19	18	73	20	20	20	23	83	18
QoQ Change			-22.7%	11.8%	0.0%	-5.3%		11.1%	0.0%	0.0%	15.0%		-21.7%
YoY Change	-1.6%	20.0%	0.0%	11.8%	18.8%	-18.2%	1.4%	17.6%	5.3%	5.3%	27.8%	13.7%	-10.0%
Vehicle maintenance	78	72	18	17	18	16	69	7	8	9	13	37	8
QoQ Change			-5.3%	-5.6%	5.9%	-11.1%		-56.3%	14.3%	12.5%	44.4%		-38.5%
YoY Change	2.6%	-7.7%	5.9%	-5.6%	0.0%	-15.8%	-4.2%	-61.1%	-52.9%	-50.0%	-18.8%	-46.4%	14.3%
Ratios													
Operating margin	48.7%	47.4%	47.6%	46.9%	46.4%	44.9%	46.4%	44.5%	36.4%	43.2%	-8.5%	29.2%	50.9%
Net margin	30.0%	28.1%	29.6%	30.0%	26.0%	24.8%	27.6%	24.7%	19.0%	24.6%	-15.1%	13.5%	30.8%
EBITDA margin	65.2%	63.7%	64.3%	63.6%	63.9%	62.6%	63.6%	63.7%	56.2%	64.1%	12.7%	49.4%	70.8%
Capex/Sales	19.3%	19.0%	19.5%	20.7%	16.0%	21.6%	19.4%	19.3%	29.4%	22.3%	21.9%	23.3%	20.1%



(NIS millions, except for EPS)

		FY 2015	FY 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	FY 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	FY 2018	Q1 2019
Telephone														
Key Income Statement Metrics (Revenues)														
Total Revenues		2,890	2,630	628	632	635	651	2,546	619	602	604	618	2,443	578
	QoQ Change			-3.7%	0.6%	0.5%	2.5%		-4.9%	-2.7%	0.3%	2.3%		-6.5%
	YoY Change	-15.5%	-9.0%	-6.4%	-4.0%	-2.2%	-0.2%	-3.2%	-1.4%	-4.7%	-4.9%	-5.1%	-4.0%	-6.6%
Service Revenues		1,999	1,818	435	449	461	437	1,782	431	438	449	437	1,755	417
	QoQ Change			-0.9%	3.2%	2.7%	-5.2%		-1.4%	1.6%	2.5%	-2.7%		-4.6%
	YoY Change	-18.5%	-9.1%	-4.4%	-1.5%	-1.5%	-0.5%	-2.0%	-0.9%	-2.4%	-2.6%	0.0%	-1.5%	-3.2%
Equipment Revenues		891	812	193	183	174	214	764	188	164	155	181	688	161
	QoQ Change			-9.4%	-5.2%	-4.9%	23.0%		-12.1%	-12.8%	-5.5%	16.8%		-11.0%
	YoY Change	-7.8%	-8.9%	-10.6%	-9.4%	-3.9%	0.5%	-5.9%	-2.6%	-10.4%	-10.9%	-15.4%	-9.9%	-14.4%
Revenues from Private Customers		1,750	1,616	N/A	N/A	N/A	N/A	1,541	N/A	N/A	N/A	N/A	1,415	N/A
	% of total revenues	60.6%	61.4%					60.5%					57.9%	
Revenues from Business Customers		1,140	1,015	N/A	N/A	N/A	N/A	1,005	N/A	N/A	N/A	N/A	1,028	N/A
	% of total revenues	39.4%	38.6%					39.5%					42.1%	
Key Income Statement Metrics														
Depreciation & amortization		419	380	94	99	100	90	383	158	159	161	177	655	157
	QoQ Change			5.6%	5.3%	1.0%	-10.0%		75.6%	0.6%	1.3%	9.9%		-11.3%
	YoY Change	-2.6%	-9.3%	-9.6%	4.2%	8.7%	1.1%	0.8%	68.1%	60.6%	61.0%	96.7%	71.0%	-0.6%
Salaries		381	378	98	94	94	98	384	100	95	94	90	379	94
	QoQ Change			4.3%	-4.1%	0.0%	4.3%		2.0%	-5.0%	-1.1%	-4.3%		4.4%
	YoY Change	-8.6%	-0.8%	2.1%	0.0%	0.0%	4.3%	1.6%	2.0%	1.1%	0.0%	-8.2%	-1.3%	-6.0%
Operating & general expenses		1,928	1,838	431	409	419	439	1,698	359	346	345	352	1,402	337
	QoQ Change			-8.5%	-5.1%	2.4%	4.8%		-18.2%	-3.6%	-0.3%	2.0%		-4.3%
	YoY Change	-8.4%	-4.7%	-8.3%	-11.3%	-3.9%	-6.8%	-7.6%	-16.7%	-15.4%	-17.7%	-19.8%	-17.4%	-6.1%
Other operating expenses		5	2	-	-	-	-	9	-	-	6	3	9	-
Operating profit (loss)		157	32	5	30	22	15	72	2	2	(2)	(4)	(2)	(10)
	QoQ Change			N/M	500.0%	-26.7%	-31.8%		-86.7%	0.0%	N/M	100.0%		150.0%
	YoY Change	-65.0%	-79.6%	400.0%	275.0%	-18.5%	-475.0%	125.0%	-60.0%	-93.3%	-109.1%	N/M	N/M	N/M
Net profit		151	61	16	34	24	21	95	9	7	6	2	24	2
	QoQ Change			433.3%	112.5%	-29.4%	-12.5%		-57.1%	-22.2%	-14.3%	-66.7%		0.0%
	YoY Change	-59.5%	-59.6%	23.1%	161.5%	-25.0%	600.0%	55.7%	-43.8%	-79.4%	-75.0%	-90.5%	-74.7%	-77.8%
EBITDA reported		576	412	99	129	122	105	455	160	161	159	173	653	147
	QoQ Change			16.5%	30.3%	-5.4%	-13.9%		52.4%	0.6%	-1.2%	8.8%		-15.0%
	YoY Change	-34.5%	-28.5%	-5.7%	25.2%	2.5%	23.5%	10.4%	61.6%	24.8%	30.3%	64.8%	43.5%	-8.1%
Key Cash Flow Metrics														
Operating cash flow		730	582	117	193	209	86	605	239	181	194	156	770	195
	QoQ Change			80.0%	65.0%	8.3%	-58.9%		177.9%	-24.3%	7.2%	-19.6%		25.0%
	YoY Change	-39.8%	-20.3%	-36.8%	7.2%	37.5%	32.3%	4.0%	104.3%	-6.2%	-7.2%	81.4%	27.3%	-18.4%
Capital expenditures, gross (cash flow)		428	243	73	82	78	77	310	69	90	73	78	310	63
	QoQ Change			14.1%	12.3%	-4.9%	-1.3%		-10.4%	30.4%	-18.9%	6.8%		-19.2%
	YoY Change	30.1%	-43.2%	40.4%	30.2%	21.9%	20.3%	27.6%	-5.5%	9.8%	-6.4%	1.3%	0.0%	-8.7%
Capital expenditures, net (cash flow)		426	241	73	82	78	76	309	69	90	69	78	306	63
	QoQ Change			15.9%	12.3%	-4.9%	-2.6%		-9.2%	30.4%	-23.3%	13.0%		-19.2%
	YoY Change	32.7%	-43.4%	43.1%	30.2%	21.9%	20.6%	28.2%	-5.5%	9.8%	-11.5%	2.6%	-1.0%	-8.7%
Lease payments (IFRS 16)									75	50	64	70	259	69
Free cash flow		304	341	44	111	131	10	296	95	41	61	8	205	63
	QoQ Change			2100.0%	152.3%	18.0%	-92.4%		850.0%	-56.8%	48.8%	-86.9%		687.5%
	YoY Change	-65.9%	12.2%	-67.2%	-5.1%	48.9%	400.0%	-13.2%	115.9%	-63.1%	-53.4%	-20.0%	-30.7%	-33.7%
Ratios														
Operating margin		5.4%	1.2%	0.8%	4.7%	3.5%	2.3%	2.8%	0.3%	0.3%	-0.3%	-0.6%	-0.1%	-1.7%
Net margin		5.2%	2.3%	2.5%	5.4%	3.8%	3.2%	3.7%	1.5%	1.2%	1.0%	0.3%	1.0%	0.3%
EBITDA margin		19.9%	15.7%	15.8%	20.4%	19.2%	16.1%	17.9%	25.8%	26.8%	26.4%	28.0%	26.7%	25.4%
Capex/Sales		14.8%	9.2%	11.6%	13.0%	12.3%	11.8%	12.2%	11.1%	15.0%	12.1%	12.6%	12.7%	10.9%



		FY 2015	FY 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	FY 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	FY 2018	Q1 2019
Bezeq International														
Key Income Statement Metrics														
Total Revenues		1,578	1,548	384	407	367	379	1,537	352	336	333	370	1,391	341
	QoQ Change			-2.0%	6.0%	-9.8%	3.3%		-7.1%	-4.5%	-0.9%	11.1%		-7.8%
	YoY Change	4.9%	-1.9%	-2.8%	8.0%	-4.4%	-3.3%	-0.7%	-8.3%	-17.4%	-9.3%	-2.4%	-9.5%	-3.1%
Revenues from ILD services		379	325	N/A	N/A	N/A	N/A	268	N/A	N/A	N/A	N/A	225	N/A
	% of total revenues	24.0%	21.0%					17.4%					16.2%	
Revenues from Internet, Data & ICT services		1,199	1,223	N/A	N/A	N/A	N/A	1,269	N/A	N/A	N/A	N/A	1,166	N/A
	% of total revenues	76.0%	79.0%					82.6%					83.8%	
Revenues from Private Customers		555	570	N/A	N/A	N/A	N/A	563	N/A	N/A	N/A	N/A	542	N/A
	% of total revenues	35.2%	36.8%					36.6%					39.0%	
Revenues from Business Customers		1,023	978	N/A	N/A	N/A	N/A	974	N/A	N/A	N/A	N/A	849	N/A
	% of total revenues	64.8%	63.2%					63.4%					61.0%	
Key Income Statement Metrics														
Depreciation & amortization		132	137	33	33	34	35	135	43	45	46	60	194	46
	QoQ Change			-2.9%	0.0%	3.0%	2.9%		22.9%	4.7%	2.2%	30.4%		-23.3%
	YoY Change	1.5%	3.8%	0.0%	-5.7%	-2.9%	2.9%	-1.5%	30.3%	36.4%	35.3%	71.4%	43.7%	7.0%
Salaries		303	330	84	81	81	78	324	84	75	70	68	297	67
	QoQ Change			2.4%	-3.6%	0.0%	-3.7%		7.7%	-10.7%	-6.7%	-2.9%		-1.5%
	YoY Change	1.7%	8.9%	1.2%	-1.2%	-2.4%	-4.9%	-1.8%	0.0%	-7.4%	-13.6%	-12.8%	-8.3%	-20.2%
Operating & general expenses		903	887	218	247	214	222	901	189	187	184	216	776	194
	QoQ Change			-3.1%	13.3%	-13.4%	3.7%		-14.9%	-1.1%	-1.6%	17.4%		-10.2%
	YoY Change	7.0%	-1.8%	-4.4%	16.0%	-3.2%	-1.3%	1.6%	-13.3%	-24.3%	-14.0%	-2.7%	-13.9%	2.6%
Other operating expenses (income)		(2)	18	-	1	(1)	3	3	2	(1)	2	5	8	-
Operating profit		240	176	49	45	39	41	174	34	30	31	21	116	34
	QoQ Change			4.3%	-8.2%	-13.3%	5.1%		-17.1%	-11.8%	3.3%	-32.3%		61.9%
	YoY Change	3.4%	-26.7%	32.4%	-4.3%	-13.3%	-12.8%	-1.1%	-30.6%	-33.3%	-20.5%	-48.8%	-33.3%	0.0%
Net profit		172	125	36	33	27	31	127	24	20	20	13	77	25
	QoQ Change			9.1%	-8.3%	-18.2%	14.8%		-22.6%	-16.7%	0.0%	-35.0%		92.3%
	YoY Change	4.2%	-27.3%	38.5%	0.0%	-18.2%	-6.1%	1.6%	-33.3%	-39.4%	-25.9%	-58.1%	-39.4%	4.2%
EBITDA reported		372	313	82	78	73	76	309	77	75	77	81	310	80
	QoQ Change			1.2%	-4.9%	-6.4%	4.1%		1.3%	-2.6%	2.7%	5.2%		-1.2%
	YoY Change	2.8%	-15.9%	17.1%	-4.9%	-8.8%	-6.2%	-1.3%	-6.1%	-3.8%	5.5%	6.6%	0.3%	3.9%
Key Cash Flow Metrics														
Operating cash flow		301	269	52	69	74	82	277	67	54	73	106	300	56
	QoQ Change			-39.5%	32.7%	7.2%	10.8%		-18.3%	-19.4%	35.2%	45.2%		-47.2%
	YoY Change	-3.5%	-10.6%	6.1%	0.0%	13.8%	-4.7%	3.0%	28.8%	-21.7%	-1.4%	29.3%	8.3%	-16.4%
Capital expenditures, gross (cash flow)		128	120	29	46	31	36	142	31	44	27	25	127	33
	QoQ Change			11.5%	58.6%	-32.6%	16.1%		-13.9%	41.9%	-38.6%	-7.4%		32.0%
	YoY Change	16.4%	-6.3%	-21.6%	39.4%	29.2%	38.5%	18.3%	6.9%	-4.3%	-12.9%	-30.6%	-10.6%	6.5%
Capital expenditures, net (cash flow)		128	119	29	46	29	35	139	31	44	26	25	126	33
	QoQ Change			16.0%	58.6%	-37.0%	20.7%		-11.4%	41.9%	-40.9%	-3.8%		32.0%
	YoY Change	18.5%	-7.0%	-21.6%	39.4%	20.8%	40.0%	16.8%	6.9%	-4.3%	-10.3%	-28.6%	-9.4%	6.5%
Lease payments (IFRS 16)									9	9	9	9	36	8
Free cash flow		173	150	23	23	45	47	138	27	1	38	72	138	15
	QoQ Change			-62.3%	0.0%	95.7%	4.4%		-42.6%	-96.3%	3700.0%	89.5%		-79.2%
	YoY Change	-15.2%	-13.3%	91.7%	-36.1%	9.8%	-23.0%	-8.0%	17.4%	-95.7%	-15.6%	53.2%	0.0%	-44.4%
Ratios														
Operating margin		15.2%	11.4%	12.8%	11.1%	10.6%	10.8%	11.3%	9.7%	8.9%	9.3%	5.7%	8.3%	10.0%
Net margin		10.9%	8.1%	9.4%	8.1%	7.4%	8.2%	8.3%	6.8%	6.0%	6.0%	3.5%	5.5%	7.3%
EBITDA margin		23.6%	20.2%	21.4%	19.2%	19.9%	20.1%	20.1%	21.9%	22.3%	23.1%	21.9%	22.3%	23.5%
Capex/Sales		8.1%	7.8%	7.6%	11.3%	8.4%	9.5%	9.2%	8.8%	13.1%	8.1%	6.8%	9.1%	9.7%



(NIS millions, except for EPS) FY 2015 FY 2016 Q1 2017 Q2 2017 Q3 2017 Q4 2017 FY 2017 Q1 2018 Q2 2018 Q3 2018 Q4 2018 FY 2018 Q1 2019

yes

Key Income Statement Metrics

Revenues		1,774	1,745	424	416	406	404	1,650	375	375	367	356	1,473	343
	QoQ Change			-3.2%	-1.9%	-2.4%	-0.5%		-7.2%	0.0%	-2.1%	-3.0%		-3.7%
	YoY Change	2.9%	-1.6%	-3.4%	-4.1%	-6.5%	-7.8%	-5.4%	-11.6%	-9.9%	-9.6%	-11.9%	-10.7%	-8.5%
Depreciation, amortization & impairment		322	296	70	71	72	72	285	79	79	81	84	323	55
	QoQ Change			-1.4%	1.4%	1.4%	0.0%		9.7%	0.0%	2.5%	3.7%		-34.5%
	YoY Change	8.4%	-8.1%	-7.9%	-4.1%	-4.0%	1.4%	-3.7%	12.9%	11.3%	12.5%	16.7%	13.3%	-30.4%
Salaries		270	249	59	59	62	65	245	58	61	56	58	233	56
	QoQ Change			-7.8%	0.0%	5.1%	4.8%		-10.8%	5.2%	-8.2%	3.6%		-3.4%
	YoY Change	1.1%	-7.8%	-3.3%	-1.7%	-3.1%	1.6%	-1.6%	-1.7%	3.4%	-9.7%	-10.8%	-4.9%	-3.4%
Operating, general & impairment expenses		932	947	243	237	237	240	957	237	252	229	238	956	234
	QoQ Change			-1.2%	-2.5%	0.0%	1.3%		-1.3%	6.3%	-9.1%	3.9%		-1.7%
	YoY Change	5.1%	1.6%	-0.8%	6.3%	1.7%	-2.4%	1.1%	-2.5%	6.3%	-3.4%	-0.8%	-0.1%	-1.3%
Loss from impairment of assets		-	-	-	-	-	-	-	-	-	-	1,100	1,100	-
Other operating expenses (income), net		-	(11)	-	-	-	-	-	2	-	-	15	17	43
Operating profit (loss)		250	264	52	49	35	27	163	(1)	(17)	1	(1,139)	(1,156)	(45)
	QoQ Change			-23.5%	-5.8%	-28.6%	-22.9%		N/M	1600.0%	N/M	N/M		N/M
	YoY Change	-8.4%	5.6%	-8.8%	-36.4%	-43.5%	-60.3%	-38.3%	N/M	N/M	-97.1%	N/M	N/M	N/M
Finance expenses (income), net		90	58	27	32	(1)	13	71	(3)	(7)	3	(4)	(11)	5
	QoQ Change			2600.0%	18.5%	N/M	N/M		N/M	133.3%	N/M	N/M		N/M
	YoY Change	-18.9%	-35.6%	42.1%	166.7%	N/M	1200.0%	22.4%	N/M	N/M	N/M	N/M	N/M	N/M
Net profit (loss)		(354)	68	19	(151)	(123)	11	(244)	1	(10)	(2)	(1,137)	(1,148)	(50)
	QoQ Change			-95.2%	N/M	-18.5%	-108.9%		-90.9%	N/M	-80.0%	N/M		-95.6%
	YoY Change	9.9%	N/M	N/M	32.5%	-13.4%	-97.2%	N/M	-94.7%	-93.4%	-98.4%	N/M	370.5%	N/M
EBITDA reported		572	560	122	120	107	99	448	78	62	82	(1,055)	(833)	10
	QoQ Change			-12.2%	-1.6%	-10.8%	-7.5%		-21.2%	-20.5%	32.3%	N/M		N/M
	YoY Change	0.4%	-2.1%	-8.3%	-20.5%	-21.9%	-28.8%	-20.0%	-36.1%	-48.3%	-23.4%	N/M	N/M	-87.2%

Key Cash Flow Metrics

Operating cash flow		505	629	51	169	115	95	430	86	60	34	46	226	53
	QoQ Change			-75.4%	231.4%	-32.0%	-17.4%		-9.5%	-30.2%	-43.3%	35.3%		15.2%
	YoY Change	14.3%	24.6%	-67.7%	53.6%	-25.3%	-54.1%	-31.6%	68.6%	-64.5%	-70.4%	-51.6%	-47.4%	-38.4%
Capital expenditures, gross (cash flow)		265	209	60	53	69	53	235	62	75	79	82	298	64
	QoQ Change			46.3%	-11.7%	30.2%	-23.2%		17.0%	21.0%	5.3%	3.8%		-22.0%
	YoY Change	-13.1%	-21.1%	1.7%	-8.6%	35.3%	29.3%	12.4%	3.3%	41.5%	14.5%	54.7%	26.8%	3.2%
Capital expenditures, net (cash flow)		265	208	60	52	69	53	234	62	75	79	81	297	64
	QoQ Change			46.3%	-13.3%	32.7%	-23.2%		17.0%	21.0%	5.3%	2.5%		-21.0%
	YoY Change	-13.1%	-21.5%	1.7%	-10.3%	38.0%	29.3%	12.5%	3.3%	44.2%	14.5%	52.8%	26.9%	3.2%
Lease payments (IFRS 16)		-	-	-	-	-	-	-	8	8	9	6	31	8
Free cash flow		240	421	(9)	117	46	42	196	16	(23)	(54)	(41)	(102)	(19)
	QoQ Change			N/M	N/M	-60.7%	-8.7%		-61.9%	N/M	134.8%	-24.1%		-53.7%
	YoY Change	75.2%	75.4%	N/M	125.0%	-55.8%	-74.7%	-53.4%	N/M	N/M	N/M	N/M	N/M	N/M

Ratios

Operating margin		14.1%	15.1%	12.3%	11.8%	8.6%	6.7%	9.9%	(0.3%)	(4.5%)	0.3%	(319.9%)	(78.5%)	(13.1%)
Net margin		(20.0%)	3.9%	4.5%	(36.3%)	(30.3%)	2.7%	(14.8%)	0.3%	0.0%	(0.5%)	(319.4%)	(77.9%)	(14.6%)
EBITDA margin		32.2%	32.1%	28.8%	28.8%	26.4%	24.5%	27.2%	20.8%	16.5%	22.3%	(296.3%)	(56.6%)	2.9%
Capex/Sales		14.9%	12.0%	14.2%	12.7%	17.0%	13.1%	14.2%	16.5%	20.0%	21.5%	23.0%	20.2%	18.7%



NIS Millions

	FY 2013	FY 2014	FY 2015	FY 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	FY 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	FY 2018	Q1 2019
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Bezeq Group

Other Operating Expenses (Income), Net

Profit from increase to controlling stake in Yes	-	-	(12)	-	-	-	-	-	-	-	-	-	-	-	-
Profit from the sale of shares in Coral Tel Ltd.	-	(582)	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit from the sale of affiliate	-	-	-	-	-	-	-	-	-	-	-	-	(14)	(14)	-
Profit from the sale of property, plant and equipment (mainly real estate)*	(120)	(167)	(234)	(107)	(6)	(14)	(45)	(1)	(66)	(1)	(5)	9	(4)	(1)	(44)
Profit from copper sales	(47)	(8)	-	-	-	-	-	-	-	-	-	-	-	-	-
Provision (cancellation)-contingent liabilities, net	-	(23)	34	-	-	-	-	-	-	-	-	-	-	-	-
Provision for early retirement agreement	90	176	117	96	-	12	3	8	23	12	81	-	466	559	(25)
Expenses for a collective agreement at Pelephone	61	18	-	-	-	-	-	-	-	-	-	-	-	-	-
Expenses for a collective agreement at yes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	45
Loss from the discontinuation of a software development project	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other (mainly legal claims)	-	-	-	11	2	1	19	2	24	12	8	7	63	90	(1)
Total other operating expenses (income), net	(15)	(586)	(95)	0	(4)	(1)	(23)	9	(19)	23	84	16	511	634	(25)

* Includes profit from copper sales beginning Q1 2015

Bezeq - The Israel Telecommunication Corp. Ltd



	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016	FY 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	FY 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	FY 2018	Q1 2019
Bezeq Fixed-Line																					
Key Performance Indicators																					
Total outgoing minutes (in millions)	9,758	8,694	7,047	6,200	5,607	1,316	1,257	1,297	1,136	5,006	1,177	1,098	1,132	1,068	4,475	1,055	1,010	960	989	4,014	926
QoQ Change						-4.6%	-4.5%	3.2%	-12.4%		3.6%	-6.7%	3.1%	-5.7%		-1.2%	-4.3%	-5.0%	3.0%		-6.4%
YoY Change	-8.8%	-10.9%	-18.9%	-12.0%	-9.6%	-9.8%	-10.0%	-5.5%	-17.6%	-10.7%	-10.6%	-12.6%	-12.7%	-6.0%	-10.6%	-10.4%	-8.0%	-15.2%	-7.4%	-10.3%	-12.2%
Total incoming minutes (in millions)	6,240	6,225	6,115	5,829	5,628	1,348	1,314	1,383	1,252	5,297	1,281	1,220	1,266	1,205	4,972	1,191	1,151	1,125	1,160	4,627	1,090
QoQ Change						-3.9%	-2.5%	5.3%	-9.5%		2.3%	-4.8%	3.8%	-4.8%		-1.2%	-3.4%	-2.3%	3.1%		-6.0%
YoY Change	-4.7%	-0.2%	-1.8%	-4.7%	-3.4%	-5.7%	-5.2%	-1.9%	-10.8%	-5.9%	-5.0%	-7.2%	-8.5%	-3.8%	-6.1%	-7.0%	-5.7%	-11.1%	-3.7%	-6.9%	-8.5%
Total access lines (in 000's)	2,367	2,268	2,216	2,205	2,087	2,068	2,050	2,031	2,010	2,010	1,986	1,961	1,942	1,916	1,916	1,889	1,865	1,843	1,818	1,818	1,792
QoQ Change						-0.9%	-0.9%	-0.9%	-1.0%		-1.2%	-1.3%	-1.0%	-1.3%		-1.4%	-1.3%	-1.2%	-1.4%		-1.4%
YoY Change	0.0%	-4.2%	-2.3%	-0.5%	-5.4%	-2.7%	-3.2%	-3.4%	-3.7%	-3.7%	-4.0%	-4.3%	-4.4%	-4.7%	-4.7%	-4.9%	-4.9%	-5.1%	-5.1%	-5.1%	-5.1%
QoQ Line change (000's)	1	(99)	(52)	(11)	(118)	(19)	(18)	(19)	(21)	(77)	(24)	(25)	(19)	(26)	(94)	(27)	(24)	(22)	(25)	(98)	(26)
Average revenue per line (ARPL) (in NIS)	85	81	74	63	59	58	57	57	55	57	56	54	54	53	54	53	52	51	51	52	50
QoQ Change						-1.7%	-1.7%	0.0%	-3.5%		1.8%	-3.6%	0.0%	-1.9%		0.0%	-1.9%	-1.9%	0.0%		-2.0%
YoY Change	-22.0%	-4.7%	-8.6%	-14.9%	-6.3%	-3.3%	-3.4%	-3.4%	-6.8%	-3.4%	-3.4%	-5.3%	-5.3%	-3.6%	-5.3%	-5.4%	-3.7%	-5.6%	-3.8%	-3.7%	-5.7%
Churn rate (telephony)	11.6%	15.3%	13.1%	11.1%	10.1%	2.8%	2.4%	2.6%	2.4%	10.2%	2.7%	2.4%	2.3%	2.4%	9.8%	3.0%	2.8%	2.7%	3.1%	11.6%	3.0%
Broadband Internet lines (in 000's)- Total	1,111	1,169	1,263	1,364	1,479	1,503	1,521	1,539	1,558	1,558	1,580	1,593	1,608	1,635	1,635	1,653	1,662	1,663	1,656	1,656	1,635
QoQ Change						1.6%	1.2%	1.2%	1.2%		1.4%	0.8%	0.9%	1.7%		1.1%	0.5%	0.1%	-0.4%		-1.3%
YoY Change	4.2%	5.2%	8.0%	8.0%	8.4%	8.1%	7.3%	6.3%	5.3%	5.3%	5.1%	4.7%	4.5%	4.9%	4.9%	4.6%	4.3%	3.4%	1.3%	1.3%	-1.1%
QoQ Line change (000's)	45	58	94	101	115	24	18	18	19	79	22	13	15	27	77	18	9	1	(7)	21	(21)
Broadband Internet lines (in 000's)-Wholesale	-	-	-	-	244	290	323	347	377	377	414	444	484	532	532	574	600	617	626	626	624
QoQ Change						18.9%	11.4%	7.4%	8.6%		9.8%	7.2%	9.0%	9.9%		7.9%	4.5%	2.8%	1.5%		-0.3%
YoY Change						2536.4%	314.1%	96.0%	0.0%	54.5%	42.8%	37.5%	39.5%	41.1%	41.1%	38.6%	35.1%	27.5%	17.7%	17.7%	8.7%
QoQ Line change (000's)						46	33	24	30	133	37	30	40	48	155	42	26	17	9	94	(2)
Wholesale lines as % of total broadband lines					16.5%	19.3%	21.2%	22.5%	24.2%	24.2%	26.2%	27.9%	30.1%	32.5%	32.5%	34.7%	36.1%	37.1%	37.8%	37.8%	38.2%
Broadband Internet lines (in 000's) - Retail	1,111	1,169	1,263	1,364	1,235	1,213	1,198	1,192	1,181	1,181	1,166	1,149	1,124	1,103	1,103	1,079	1,062	1,046	1,030	1,030	1,011
QoQ Change						-1.8%	-1.2%	-0.5%	-0.9%		-1.3%	-1.5%	-2.2%	-1.9%		-2.2%	-1.6%	-1.5%	-1.5%		-1.8%
YoY Change	4.2%	5.2%	8.0%	8.0%	-9.5%	-12.0%	-10.6%	-6.2%	-4.4%	-4.4%	-3.9%	-4.1%	-5.7%	-6.6%	-6.6%	-7.5%	-7.6%	-6.9%	-6.6%	-6.6%	-6.3%
QoQ Line change (000's)	45	58	94	101	(129)	(22)	(15)	(6)	(11)	(54)	(15)	(17)	(25)	(21)	(78)	(24)	(17)	(16)	(16)	(73)	(19)
Broadband Internet ARPU (in NIS) - Retail	80	81	84	84	88	90	90	88	90	89	90	90	90	92	90	92	93	93	96	93	96
QoQ Change						2.3%	0.0%	-2.2%	2.3%		0.0%	0.0%	0.0%	2.2%		0.0%	1.1%	0.0%	3.2%		0.0%
YoY Change	6.7%	1.3%	3.7%	0.0%	4.8%	3.4%	2.3%	0.0%	2.3%	1.1%	0.0%	0.0%	2.3%	2.2%	1.1%	2.2%	3.3%	3.3%	4.3%	3.3%	4.3%
Average broadband speed per subscriber (end of period, Mbps)	6.7	9.6	18.1	32.5	37.8	38.9	40.2	41.8	43.4	43.4	45.1	47.2	49.5	51.5	51.5	53.5	55.4	57.4	59.1	59.1	61.5
QoQ Change						2.9%	3.3%	4.0%	3.8%		3.9%	4.7%	4.9%	4.0%		3.9%	3.6%	3.6%	2.9%		4.1%
YoY Change	55.8%	43.3%	88.5%	79.6%	16.3%	17.2%	15.2%	13.9%	14.8%	14.8%	15.9%	17.4%	18.4%	18.7%	18.7%	18.6%	17.4%	16.0%	14.8%	14.8%	15.0%
Number of employees	7,076	7,422	6,479	5,964	5,896	N/A	N/A	N/A	5,649	5,649	N/A	N/A	N/A	5,582	5,582	N/A	N/A	N/A	5,494	5,494	5,358
YoY Change	-1.9%	4.9%	-12.7%	-7.9%	-1.1%					-4.2%					-1.2%					-1.6%	
Market share - Internet	59%	60%	63%	66%	68%	N/A	N/A	N/A	N/A	69%	N/A	N/A	N/A	N/A	70%	N/A	N/A	N/A	N/A	69%	N/A
Market share - telephony (private sector)	63%	59%	57%	56%	56%	N/A	N/A	N/A	N/A	55%	N/A	N/A	N/A	N/A	53%	N/A	N/A	N/A	N/A	52%	N/A
Market share - telephony (business sector)	76%	75%	74%	74%	74%	N/A	N/A	N/A	N/A	73%	N/A	N/A	N/A	N/A	72%	N/A	N/A	N/A	N/A	71%	N/A

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	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016	FY 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	FY 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	FY 2018	Q1 2019
Telephone																					
Key Performance Indicators																					
Total Subscribers (EOP, in 000's)	2,847	2,800	2,642	2,586	2,651	2,692	2,260	2,348	2,402	2,402	2,430	2,410	2,475	2,525	2,525	2,546	2,601	2,185	2,205	2,205	2,224
QoQ Change						1.5%	-16.0%	3.9%	2.3%		1.2%	-0.8%	2.7%	2.0%		0.8%	2.2%	-16.0%	0.9%		0.9%
YoY Change	-0.4%	-1.7%	-5.6%	-2.1%	2.5%	5.0%	-11.9%	-8.6%	-9.4%	-9.4%	-9.7%	6.6%	5.4%	5.1%	5.1%	4.8%	7.9%	-11.7%	-12.7%	-12.7%	-12.6%
QoQ subscriber change (000's)	(10)	(47)	(158)	(56)	65	41	(432)	88	54	(249)	28	(20)	65	50	123	21	55	(416)	20	(320)	19
Postpaid Subscribers (EOP, in 000's)	N/A	N/A	N/A	1,750	1,726	N/A	N/A	N/A	1,669	1,669	1,659	1,663	1,697	1,729	1,729	1,760	1,800	1,817	1,831	1,831	1,842
QoQ Change											-0.6%	0.2%	2.0%	1.9%	1.8%	2.3%	0.9%	0.8%		0.6%	
YoY Change					-1.4%				-3.3%	-3.3%				3.6%	6.1%	8.2%	7.1%	5.9%		4.7%	
QoQ subscriber change (000's)				(24)					(57)	(10)	4	34	32	60	31	40	17	14	102	11	
Prepaid Subscribers (EOP, in 000's)	N/A	N/A	N/A	836	925	N/A	N/A	N/A	733	733	771	747	778	796	796	786	801	368	374	374	382
QoQ Change											5.2%	-3.1%	4.1%	2.3%	-1.3%	1.9%	-54.1%	1.6%		2.1%	
YoY Change					10.6%				-20.8%	-20.8%				8.6%	8.6%	7.2%	-52.7%	-53.0%	-53.0%	-51.4%	
QoQ subscriber change (000's)				89					(192)	38	(24)	31	18	63	(10)	15	(433)	6	(422)	8	
ARPU (in NIS)	107	95	86	78	64	57	68	68	62	63	60	61	63	58	61	57	57	68	66	62	63
QoQ Change						-5.0%	19.3%	0.0%	-8.8%		-3.2%	1.7%	3.3%	-7.9%	-1.7%	0.0%	19.3%	-2.9%		-4.5%	
YoY Change	-3.6%	-11.2%	-9.5%	-9.3%	-17.9%	-12.3%	4.6%	0.0%	3.3%	-1.6%	5.3%	-10.3%	-7.4%	-6.5%	-3.2%	-5.0%	-6.6%	7.9%	13.8%	1.6%	10.5%
Churn rate	22.9%	22.4%	28.6%	28.0%	25.8%	5.2%	6.2%	6.1%	6.3%	23.7%	7.9%	6.3%	7.1%	6.9%	28.2%	8.0%	7.3%	9.1%	9.0%	33.3%	8.6%
Number of employees	N/A	4,072	3,288	3,001	2,679	N/A	N/A	N/A	2,594	2,594	N/A	N/A	N/A	2,551	2,551	N/A	N/A	N/A	2,453	2,453	N/A
YoY Change			-19.3%	-8.7%	-10.7%				-3.2%					-1.7%						-3.8%	
Market share	29.0%	28.2%	26.3%	25.5%	25.2%	N/A	N/A	22.7%	23.1%	23.1%	N/A	N/A	23.3%	23.6%	23.6%	N/A	N/A	21.0%	N/A	N/A	N/A
Bezeq International																					
Key Performance Indicators																					
Number of employees	2,262	2,102	2,007	1,932	1,966	N/A	N/A	N/A	1,905	1,905	N/A	N/A	N/A	1,864	1,864	N/A	N/A	N/A	1,653	1,653	N/A
QoQ Change																					
YoY Change	7.1%	-7.1%	-4.5%	-3.7%	1.8%				-3.1%						-2.2%					-11.3%	
Churn rate (ISP)	12.6%	18.4%	18.0%	17.0%	17.3%	5.2%	4.5%	5.5%	5.2%	20.4%	5.3%	5.0%	6.3%	6.8%	23.4%	6.0%	6.0%	5.8%	7.7%	25.5%	6.6%
Market share - ISP	37.5%	38.8%	40.6%	42%	44%	N/A	N/A	N/A	N/A	44%	N/A	N/A	42.1%	N/A	N/A	N/A	N/A	38.2%	N/A	N/A	N/A
Market share - ILD (Outgoing)	30.0%	24.6%	21.2%	23%	21%	N/A	N/A	N/A	N/A	21%	N/A	N/A	N/A	N/A	25.6%	N/A	N/A	N/A	N/A	23.3%	N/A
yes																					
Key Performance Indicators																					
Subscribers (EOP, in 000's)	586	578	600	630	635	629	623	618	614	614	608	603	597	587	587	580	582	584	574	574	568
QoQ Change						-0.9%	-1.0%	-0.8%	-0.6%		-1.0%	-0.8%	-1.0%	-1.7%		-1.2%	0.3%	0.3%	-1.7%		-1.0%
YoY Change	1.4%	-1.4%	3.8%	5.0%	0.8%	-0.5%	-2.0%	-3.0%	-3.3%	-3.3%	-3.3%	-3.2%	-3.4%	-4.4%	-4.4%	-4.6%	-3.5%	-2.2%	-2.2%	-2.2%	-2.1%
QoQ subscriber change (000's)						(6)	(6)	(5)	(4)	(21)	(6)	(5)	(6)	(10)	(27)	(7)	2	2	(10)	(13)	(6)
ARPU (in NIS)	232	234	233	234	233	231	231	233	237	233	232	229	226	226	228	214	215	210	206	211	200
QoQ Change						-1.7%	0.0%	0.9%	1.7%		-2.1%	-1.3%	-1.3%	0.0%		-5.3%	0.5%	-2.3%	-1.9%		-2.9%
YoY Change	0.9%	1.0%	-0.4%	0.4%	-0.4%	-0.4%	0.0%	0.0%	0.9%	0.0%	0.4%	-0.9%	-3.0%	-4.6%	-2.1%	-7.8%	-6.1%	-7.1%	-8.8%	-7.5%	-6.5%
Churn rate	11.9%	15.4%	13.5%	12.8%	13.9%	4.2%	3.6%	4.5%	3.6%	15.9%	4.3%	3.8%	4.8%	5.9%	18.8%	6.1%	4.7%	5.1%	5.6%	21.5%	5.6%
Number of employees	2,227	2,276	2,208	2,042	1,984	N/A	N/A	N/A	1,753	1,753	N/A	N/A	N/A	1,680	1,680	N/A	N/A	N/A	1,532	1,532	N/A
YoY Change	-0.1%	2.2%	-3.0%	-7.5%	-2.8%				-11.6%					-4.2%						-8.8%	
Mkt share	40%	39%	40%	42%	42%	N/A	N/A	N/A	N/A	40%	N/A	N/A	N/A	N/A	37%	N/A	N/A	N/A	N/A	34%	N/A

**Bezeq Group Dividends****Dividend History**

Dividend Distribution date	Total Amount (NIS m)	Dividend per share (NIS)	Dividend Type
October 10, 2018	318	0.11	Semi-Annual Dividend
May 10, 2018	368	0.13	Semi-Annual Dividend
October 16, 2017	708	0.26	Semi-Annual Dividend
May 29, 2017	578	0.21	Semi-Annual Dividend
October 6, 2016	665	0.24	Semi-Annual Dividend
May 30, 2016	776	0.28	Semi-Annual Dividend
October 26, 2015	933	0.34	Semi-Annual Dividend
May 27, 2015	844	0.31	Semi-Annual Dividend
October 2, 2014	1,267	0.46	Semi-Annual Dividend
April 23, 2014	802	0.29	Semi-Annual Dividend
September 15, 2013	500	0.36	Special Dividend (6 of 6)
September 15, 2013	969	0.18	Semi-Annual Dividend
May 13, 2013	500	0.18	Special Dividend (5 of 6)
May 13, 2013	861	0.32	Semi-Annual Dividend
October 10, 2012	500	0.18	Special Dividend (4 of 6)
October 10, 2012	997	0.37	Semi-Annual Dividend
May 21, 2012	500	0.18	Special Dividend (3 of 6)
May 21, 2012	1,074	0.40	Semi-Annual Dividend
October 5, 2011	500	0.18	Special Dividend (2 of 6)
October 5, 2011	992	0.37	Semi-Annual Dividend
May 19, 2011	500	0.19	Special Dividend (1 of 6)
May 19, 2011	1,163	0.43	Semi-Annual Dividend
October 7, 2010	1,280	0.48	Semi-Annual Dividend
May 3, 2010	2,453	0.92	Semi-Annual Dividend
October 5, 2009	1,149	0.43	Semi-Annual Dividend
May 24, 2009	792	0.30	Semi-Annual Dividend



Bezeq Group Dividends

Dividend History

Dividend Distribution date	Total Amount (NIS m)	Dividend per share (NIS)	Dividend Type
October 29, 2008	835	0.32	Semi-Annual Dividend
April 28, 2008	679	0.26	Semi-Annual Dividend
October 15, 2007	760	0.29	Semi-Annual Dividend
February 26, 2007	1,800	0.69	Special Dividend
January 9, 2007	300	0.12	Semi-Annual Dividend
October 30, 2006	400	0.15	Semi-Annual Dividend
April 16, 2006	1,200	0.46	Semi-Annual Dividend



GLOSSARY

Glossary

EBITDA	= Earnings Before Interest, taxes, depreciation, amortization and ongoing losses from impairment of fixed and intangible assets
Adjusted EBITDA	= EBITDA excluding other operating income/expenses and one-time loss from impairment
Net Debt/Adjusted EBITDA	= Adjusted EBITDA in this ratio is EBITDA excluding other income/expenses, one-time loss from impairment and the effect of the adoption of accounting standard IFRS 16
Free cash flow	= Operating cash flows less net capital expenditures and lease payments
Net capital expenditures	= Purchase of property, plant & equipment (PPE), plus investments in intangible assets, less proceeds from the sale of PPE
FFO	= Cash flow from operating activities less changes in working capital and payments for leases
ARPL	= Average revenue per line
ARPU	= Average revenue per user
MOU	= Minutes of use
N/A	= Not available
N/M	= Not meaningful
TTM	= Trailing twelve months