



## Bezeq Facts & Figures Q2 2020

Three months ending June 30, 2020

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(NIS millions)

		FY 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	FY 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2019	Q1 2020	Q2 2020
<b>Bezeq Group</b>														
<b>Key Income Statement Metrics</b>														
<b>Revenues</b>		<b>9,789</b>	<b>2,361</b>	<b>2,333</b>	<b>2,301</b>	<b>2,326</b>	<b>9,321</b>	<b>2,256</b>	<b>2,224</b>	<b>2,247</b>	<b>2,202</b>	<b>8,929</b>	<b>2,187</b>	<b>2,155</b>
	QoQ Change		-3.9%	-1.2%	-1.4%	1.1%		-3.0%	-1.4%	1.0%	-2.0%		-0.7%	-1.5%
	YoY Change	-2.9%	-3.8%	-5.3%	-4.7%	-5.4%	-4.8%	-4.4%	-4.7%	-2.3%	-5.3%	-4.2%	-3.1%	-3.1%
<b>Depreciation, amortization &amp; impairment</b>		<b>1,715</b>	<b>525</b>	<b>537</b>	<b>547</b>	<b>580</b>	<b>2,189</b>	<b>466</b>	<b>478</b>	<b>481</b>	<b>487</b>	<b>1,912</b>	<b>452</b>	<b>465</b>
	QoQ Change		23.0%	2.3%	1.9%	6.0%		-19.7%	2.6%	0.6%	1.2%		-7.2%	2.9%
	YoY Change	-1.4%	22.7%	26.7%	25.5%	35.8%	27.6%	-11.2%	-11.0%	-12.1%	-16.0%	-12.7%	-3.0%	-2.7%
<b>Salaries</b>		<b>2,005</b>	<b>510</b>	<b>503</b>	<b>494</b>	<b>485</b>	<b>1,992</b>	<b>492</b>	<b>489</b>	<b>474</b>	<b>478</b>	<b>1,933</b>	<b>479</b>	<b>444</b>
	QoQ Change		1.0%	-1.4%	-1.8%	-1.8%		-0.6%	-3.1%	0.8%	0.8%		0.2%	-7.3%
	YoY Change	-0.3%	1.2%	1.8%	-1.6%	-4.0%	-0.6%	-3.5%	-2.8%	-4.0%	-1.4%	-3.0%	-2.6%	-9.2%
<b>Other operating expenses (income), net</b>		<b>(19)</b>	<b>23</b>	<b>84</b>	<b>6</b>	<b>521</b>	<b>634</b>	<b>(25)</b>	<b>(414)</b>	<b>39</b>	<b>179</b>	<b>(221)</b>	<b>(3)</b>	<b>(19)</b>
<b>Loss from impairment of assets</b>		<b>87</b>	<b>-</b>	<b>-</b>	<b>10</b>	<b>1,665</b>	<b>1,675</b>	<b>-</b>	<b>951</b>	<b>-</b>	<b>102</b>	<b>1,053</b>	<b>-</b>	<b>-</b>
<b>Operating profit (loss)</b>		<b>2,110</b>	<b>462</b>	<b>371</b>	<b>429</b>	<b>(1,810)</b>	<b>(548)</b>	<b>511</b>	<b>(94)</b>	<b>459</b>	<b>113</b>	<b>989</b>	<b>466</b>	<b>512</b>
	QoQ Change		8.2%	-19.7%	15.6%	N/M		N/M	N/M	N/M	-75.4%		312.4%	9.9%
	YoY Change	-9.1%	-18.4%	-35.3%	-21.1%	N/M	N/M	10.6%	N/M	7.0%	N/M	N/M	-8.8%	N/M
<b>Finance expenses (income), net</b>		<b>417</b>	<b>108</b>	<b>110</b>	<b>109</b>	<b>108</b>	<b>435</b>	<b>99</b>	<b>136</b>	<b>205</b>	<b>109</b>	<b>549</b>	<b>34</b>	<b>159</b>
	QoQ Change		-10.0%	1.9%	-0.9%	-0.9%		-8.3%	37.4%	50.7%	-46.8%		-68.8%	367.6%
	YoY Change	-6.7%	6.9%	7.8%	16.0%	-10.0%	4.3%	-8.3%	23.6%	88.1%	0.9%	26.2%	-65.7%	16.9%
<b>Income taxes</b>		<b>453</b>	<b>93</b>	<b>65</b>	<b>85</b>	<b>(163)</b>	<b>80</b>	<b>112</b>	<b>1,342</b>	<b>62</b>	<b>9</b>	<b>1,525</b>	<b>100</b>	<b>83</b>
	QoQ Change		-7.9%	-30.1%	30.8%	N/M		N/M	1098.2%	-95.4%	-85.5%		1011.1%	-17.0%
	YoY Change	-27.5%	-17.7%	-41.4%	-33.6%	N/M	-82.3%	20.4%	1964.6%	-27.1%	N/M	1806.3%	-10.7%	-93.8%
<b>Net profit (loss) - reported</b>		<b>1,235</b>	<b>260</b>	<b>195</b>	<b>234</b>	<b>(1,755)</b>	<b>(1,066)</b>	<b>300</b>	<b>(1,573)</b>	<b>191</b>	<b>(5)</b>	<b>(1,087)</b>	<b>332</b>	<b>270</b>
	QoQ Change		26.8%	-25.0%	20.0%	N/M		N/M	N/M	-102.6%			N/M	-18.7%
	YoY Change	-0.7%	-25.7%	-45.5%	-27.3%	N/M	N/M	15.4%	N/M	-18.4%	N/M	2.0%	10.7%	N/M
<b>ADJUSTED NET PROFIT (excluding other operating income/expenses and one-time impairment)</b>		<b>1,308</b>	<b>278</b>	<b>260</b>	<b>249</b>	<b>197</b>	<b>983</b>	<b>291</b>	<b>223</b>	<b>223</b>	<b>213</b>	<b>950</b>	<b>330</b>	<b>253</b>
<b>EBITDA, reported</b>		<b>3,825</b>	<b>987</b>	<b>908</b>	<b>976</b>	<b>(1,230)</b>	<b>1,641</b>	<b>977</b>	<b>384</b>	<b>940</b>	<b>600</b>	<b>2,901</b>	<b>918</b>	<b>977</b>
	QoQ Change		15.6%	-8.0%	7.5%	N/M		N/M	-60.7%	144.8%	-36.2%		53.0%	6.4%
	YoY Change	-5.8%	-0.7%	-8.9%	-0.4%	N/M	-57.1%	-1.0%	-57.7%	-3.7%	N/M	76.8%	-6.0%	154.4%
<b>ADJUSTED EBITDA (excluding other operating income/expenses and one-time impairment)</b>		<b>3,893</b>	<b>1,010</b>	<b>992</b>	<b>992</b>	<b>956</b>	<b>3,950</b>	<b>952</b>	<b>921</b>	<b>979</b>	<b>881</b>	<b>3,733</b>	<b>915</b>	<b>958</b>
	QoQ Change		6.3%	-1.8%	0.0%	N/M		-0.4%	6.3%	-10.0%			3.9%	4.7%
	YoY Change	-4.1%	2.0%	-0.4%	3.7%	N/M	1.5%	-5.7%	-7.2%	-1.3%	-7.8%	-5.5%	-3.9%	4.0%
<b>Earnings Per Share - Diluted (NIS)</b>		<b>0.45</b>	<b>0.09</b>	<b>0.07</b>	<b>0.08</b>	<b>(0.63)</b>	<b>(0.39)</b>	<b>0.11</b>	<b>(0.57)</b>	<b>0.07</b>	<b>0.00</b>	<b>(0.39)</b>	<b>0.12</b>	<b>0.10</b>
<b>Shares Outstanding - Diluted</b>		<b>2,765</b>	<b>2,765</b>	<b>2,765</b>	<b>2,765</b>	<b>2,765</b>	<b>2,765</b>	<b>2,765</b>	<b>2,765</b>	<b>2,765</b>	<b>2,765</b>	<b>2,765</b>	<b>2,765</b>	<b>2,765</b>
<b>Operating &amp; General Expenses</b>														
<b>Total operating &amp; general expenses</b>		<b>3,891</b>	<b>841</b>	<b>838</b>	<b>815</b>	<b>885</b>	<b>3,379</b>	<b>812</b>	<b>814</b>	<b>794</b>	<b>843</b>	<b>3,263</b>	<b>793</b>	<b>753</b>
	QoQ Change		-16.2%	-0.4%	-2.7%	8.6%		-8.2%	0.2%	-2.5%	6.2%		-5.9%	-5.0%
	YoY Change	-3.0%	-12.3%	-13.9%	-14.7%	-11.8%	-13.2%	-3.4%	-2.9%	-2.6%	-4.7%	-3.4%	-2.3%	-7.5%
<b>Terminal equipment &amp; materials</b>		<b>855</b>	<b>189</b>	<b>171</b>	<b>167</b>	<b>210</b>	<b>737</b>	<b>184</b>	<b>173</b>	<b>183</b>	<b>221</b>	<b>761</b>	<b>180</b>	<b>169</b>
	QoQ Change		-21.9%	-9.5%	-2.3%	25.7%		-12.4%	-6.0%	5.8%	20.8%		-18.6%	-6.1%
	YoY Change	2.9%	-6.4%	-25.7%	-7.7%	-13.2%	-13.8%	-2.6%	1.2%	9.6%	5.2%	3.3%	-2.2%	-2.3%
<b>Interconnect &amp; payments to telecom operators</b>		<b>805</b>	<b>192</b>	<b>196</b>	<b>197</b>	<b>204</b>	<b>789</b>	<b>189</b>	<b>194</b>	<b>193</b>	<b>181</b>	<b>757</b>	<b>185</b>	<b>201</b>
	QoQ Change		-5.0%	2.1%	0.5%	3.6%		-7.4%	2.6%	-0.5%	-6.2%		2.2%	8.6%
	YoY Change	-2.4%	-2.0%	-4.9%	-2.0%	1.0%	-2.0%	-1.6%	-1.0%	-2.0%	-11.3%	-4.1%	-2.1%	3.6%
<b>Maintenance of buildings and sites</b>		<b>584</b>	<b>71</b>	<b>68</b>	<b>74</b>	<b>73</b>	<b>286</b>	<b>68</b>	<b>65</b>	<b>70</b>	<b>68</b>	<b>271</b>	<b>65</b>	<b>46</b>
	QoQ Change		-51.7%	-4.2%	8.8%	-1.4%		-6.8%	-4.4%	7.7%	-2.9%		-4.4%	-29.2%
	YoY Change	-3.5%	-51.7%	-50.7%	-51.3%	-50.3%	-51.0%	-4.2%	-4.4%	-5.4%	-6.8%	-5.2%	-4.4%	-29.2%
<b>Marketing &amp; general</b>		<b>595</b>	<b>145</b>	<b>146</b>	<b>135</b>	<b>129</b>	<b>555</b>	<b>123</b>	<b>118</b>	<b>120</b>	<b>128</b>	<b>489</b>	<b>117</b>	<b>114</b>
	QoQ Change		-8.2%	0.7%	-7.5%	-4.4%		-4.7%	-4.1%	1.7%	6.7%		-8.6%	-2.6%
	YoY Change	-14.6%	0.7%	9.0%	-15.1%	-18.4%	-6.7%	-15.2%	-19.2%	-11.1%	-0.8%	-11.9%	-4.9%	-3.4%
<b>Services and maintenance by sub-contractors</b>		<b>260</b>	<b>71</b>	<b>68</b>	<b>68</b>	<b>70</b>	<b>277</b>	<b>70</b>	<b>68</b>	<b>63</b>	<b>69</b>	<b>270</b>	<b>68</b>	<b>71</b>
	QoQ Change		14.5%	-4.2%	0.0%	2.9%		0.0%	-2.9%	-7.4%	9.5%		-1.4%	4.4%
	YoY Change	-0.4%	6.0%	6.3%	1.5%	12.9%	6.5%	-1.4%	0.0%	-7.4%	-1.4%	-2.5%	-2.9%	4.4%
<b>Vehicle maintenance</b>		<b>156</b>	<b>17</b>	<b>20</b>	<b>19</b>	<b>26</b>	<b>82</b>	<b>18</b>	<b>20</b>	<b>16</b>	<b>17</b>	<b>71</b>	<b>14</b>	<b>9</b>
	QoQ Change		-54.1%	17.6%	-5.0%	36.8%		-30.8%	11.1%	-20.0%	6.3%		-17.6%	-35.7%
	YoY Change	-4.9%	-59.5%	-48.7%	-50.0%	-29.7%	-47.4%	5.9%	0.0%	-15.8%	-34.6%	-13.4%	-22.2%	-55.0%
<b>Content</b>		<b>636</b>	<b>156</b>	<b>169</b>	<b>155</b>	<b>173</b>	<b>653</b>	<b>160</b>	<b>176</b>	<b>149</b>	<b>159</b>	<b>644</b>	<b>164</b>	<b>143</b>
	QoQ Change		0.6%	8.3%	-8.3%	11.6%		-7.5%	10.0%	-15.3%	6.7%		3.1%	-12.8%
	YoY Change	1.1%	-3.1%	4.3%	-1.9%	11.6%	2.7%	2.6%	4.1%	-3.9%	-8.1%	-1.4%	2.5%	-18.8%



	(NIS millions)	FY 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	FY 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2019	Q1 2020	Q2 2020
<b>Bezeq Group (cont'd)</b>														
<b>Key Cash Flow Metrics</b>														
Operating cash flow		3,525	909	806	883	914	3,512	765	624	787	748	2,924	879	561
	QoQ Change		8.0%	-11.3%	9.6%	3.5%		-16.3%	-18.4%	26.1%	-5.0%		17.5%	-36.2%
	YoY Change	0.0%	10.0%	-7.9%	-10.1%	8.6%	-0.4%	-15.8%	-22.6%	-10.9%	-18.2%	-16.7%	14.9%	-10.1%
Capital expenditures, gross (cash flow)		1,530	368	531	412	416	1,727	373	525	329	324	1,551	338	351
	QoQ Change		-5.9%	44.3%	-22.4%	1.0%		-10.3%	40.8%	-37.3%	-1.5%		4.3%	3.8%
	YoY Change	8.1%	-3.2%	30.8%	16.7%	6.4%	12.9%	1.4%	-1.1%	-20.1%	-22.1%	-10.2%	-9.4%	-33.1%
Proceeds from sale of assets		98	8	(57)	12	272	235	41	341	15	12	409	8	20
	QoQ Change		-63.6%	N/M	N/M	2166.7%		-84.9%	731.7%	-95.6%	-20.0%		-33.3%	150.0%
	YoY Change	-29.0%	-20.0%	N/M	-75.0%	1136.4%	139.8%	412.5%	-698.2%	25.0%	-95.6%	74.0%	-80.5%	-94.1%
Capital expenditures, net		1,432	360	588	400	144	1,492	332	184	314	312	1,142	330	331
	QoQ Change		-2.4%	63.3%	-32.0%	-64.0%		130.6%	-44.6%	70.7%	-0.6%		5.8%	0.3%
	YoY Change	12.1%	-2.7%	51.5%	31.1%	-61.0%	4.2%	-7.8%	-68.7%	-21.5%	116.7%	-23.5%	-0.6%	79.9%
Lease payments (IFRS 16)			126	96	109	91	422	117	90	115	92	414	113	86
Free cash flow		2,093	423	122	374	679	1,598	316	350	358	344	1,368	436	144
	QoQ Change		-10.6%	-71.2%	206.6%	81.6%		-53.5%	10.8%	2.3%	-3.9%		26.7%	-67.0%
	YoY Change	-6.9%	-7.2%	-74.9%	-44.8%	43.6%	-23.7%	-25.3%	186.9%	-4.3%	-49.3%	-14.4%	38.0%	-58.9%
<b>Working Capital</b>														
Change in trade & other receivables		193	74	60	66	41	241	(28)	46	8	65	91	(31)	(2)
Change in inventory		(35)	(5)	18	(7)	(11)	(5)	(9)	0	4	(11)	(16)	(24)	1
Change in trade & other payables		10	42	(152)	(30)	2	(138)	9	(185)	43	20	(113)	84	(232)
Change in provisions		15	8	7	(3)	69	81	(30)	3	(5)	(17)	(49)	-	(3)
Change in employee benefits		(33)	7	77	(40)	445	489	(46)	(52)	(58)	106	(50)	(88)	(78)
Change in other liabilities (incl broadcasting rights)		(34)	1	(17)	(2)	18	-	(12)	6	(11)	18	(8)	(7)	-
Total changes in assets and liabilities		116	127	(7)	(16)	564	668	(116)	(182)	(19)	172	(145)	(66)	(314)
Income tax paid, net		446	207	93	82	85	467	49	104	89	83	325	-	86
Interest paid		415	5	199	5	212	421	5	185	21	181	392	5	154
Funds From Operations (FFO)		3,409	656	717	790	681	2,844	764	716	691	898	3,069	832	789
<b>Ratios</b>														
Net margin		12.6%	11.0%	8.4%	10.2%	-75.5%	-11.4%	13.3%	-70.7%	8.5%	-0.2%	-12.2%	15.2%	12.5%
EBITDA margin		39.1%	41.8%	38.9%	42.4%	-52.9%	17.6%	43.3%	17.3%	41.8%	27.2%	32.5%	42.0%	45.3%
Capex/Sales		15.6%	15.6%	22.8%	17.9%	17.9%	18.5%	16.5%	23.6%	14.6%	14.7%	17.4%	15.5%	16.3%
<b>Adjusted EBITDA and Adjusted Net Profit Calculations</b>														
EBITDA reported		3,825					1,641	977	384	940	600	2,901	918	977
Other operating expenses (income), net		(19)					634	(25)	(414)	39	179	(221)	(3)	(19)
Loss from impairment of assets		87					1,675	-	951	-	102	1,053	-	-
ADJUSTED EBITDA		3,893	N/A	N/A	N/A	N/A	3,950	952	921	979	881	3,733	915	958
NET PROFIT reported		1,235					(1,066)	300	(1,573)	191	(5)	(1,087)	332	270
Other operating expenses (income), after tax		(14)					488	(9)	(321)	32	138	(161)	(2)	(17)
Loss from impairment of assets (yes and Walla)		87					1,561	-	-	-	-	-	-	-
Loss from impairment of Pelephone assets		-					-	-	951	-	-	951	-	-
Loss from impairment of Bezeq International assets		-					-	-	-	-	80	80	-	-
Tax asset write-off		-					-	-	1,166	-	-	1,166	-	-
ADJUSTED NET PROFIT		1,308	N/A	N/A	N/A	N/A	983	291	223	223	213	950	330	253



(NIS millions)

	FY 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	FY 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2019	Q1 2020	Q2 2020
<b>Bezeq Group (cont'd)</b>													
<b>Balance Sheet</b>													
Cash & cash equivalents	2,181	1,826	923	1,408	890	890	1,265	971	639	400	400	927	708
Investments	289	1,390	1,676	1,517	1,404	1,404	1,347	1,944	1,750	1,195	1,195	1,114	1,221
Trade receivables	1,915	1,827	1,822	1,792	1,773	1,773	1,760	1,744	1,746	1,689	1,689	1,680	1,701
Other receivables	270	306	288	292	267	267	279	288	317	313	313	319	303
Eurocom DBS Ltd., related party	43	25	25	20	-	-	-	-	-	-	-	-	-
Inventory	125	130	96	86	97	97	102	100	94	93	93	112	110
Assets held for sale	-	-	-	-	-	-	-	-	-	43	43	45	46
<b>Total current assets</b>	<b>4,823</b>	<b>5,504</b>	<b>4,830</b>	<b>5,115</b>	<b>4,431</b>	<b>4,431</b>	<b>4,753</b>	<b>5,047</b>	<b>4,546</b>	<b>3,733</b>	<b>3,733</b>	<b>4,197</b>	<b>4,089</b>
Trade and other receivables	493	466	447	423	470	470	511	535	442	477	477	476	454
Broadcasting rights	454	451	467	470	60	60	69	59	63	59	59	65	65
Right-of-use assets	-	1,417	1,424	1,434	1,504	1,504	1,444	1,394	1,361	1,292	1,292	1,378	1,314
Fixed assets	6,798	6,782	6,811	6,789	6,214	6,214	6,215	6,245	6,217	6,096	6,096	6,127	6,130
Intangible assets	2,768	2,728	2,687	2,627	1,919	1,919	1,923	977	968	935	935	934	951
Deferred tax assets	1,019	1,027	1,035	1,041	1,205	1,205	1,193	12	18	59	59	40	37
Deferred expenses and non-current investments	494	547	530	519	462	462	463	465	469	386	386	386	381
Investment property	-	-	130	140	58	58	58	-	-	-	-	-	-
<b>Total non-current assets</b>	<b>12,026</b>	<b>13,418</b>	<b>13,531</b>	<b>13,443</b>	<b>11,892</b>	<b>11,892</b>	<b>11,876</b>	<b>9,687</b>	<b>9,538</b>	<b>9,304</b>	<b>9,304</b>	<b>9,406</b>	<b>9,332</b>
<b>Total assets</b>	<b>16,849</b>	<b>18,922</b>	<b>18,361</b>	<b>18,558</b>	<b>16,323</b>	<b>16,323</b>	<b>16,629</b>	<b>14,734</b>	<b>14,084</b>	<b>13,037</b>	<b>13,037</b>	<b>13,603</b>	<b>13,421</b>
Debentures, loans and borrowings	1,632	1,609	1,796	1,798	1,542	1,542	1,538	1,625	1,126	1,007	1,007	1,002	955
Lease liability	-	428	417	443	445	445	422	434	427	416	416	415	399
Trade and other payables	1,699	1,820	1,583	1,602	1,690	1,690	1,845	1,427	1,503	1,413	1,413	1,611	1,348
Current tax liabilities	152	43	-	9	-	-	10	20	15	-	-	51	46
Liability to Eurocom DBS Ltd.	-	-	-	-	-	-	-	-	-	-	-	-	-
Employee benefits	280	286	369	330	581	581	500	443	365	654	654	587	486
Provisions	94	103	110	106	175	175	145	148	143	119	125	125	122
Dividend payable	-	-	-	318	-	-	-	-	-	-	-	-	-
<b>Total current liabilities</b>	<b>3,857</b>	<b>4,289</b>	<b>4,275</b>	<b>4,606</b>	<b>4,433</b>	<b>4,433</b>	<b>4,460</b>	<b>4,097</b>	<b>3,579</b>	<b>3,609</b>	<b>3,615</b>	<b>3,791</b>	<b>3,356</b>
Loans and debentures	10,229	10,547	10,204	10,149	9,637	9,637	9,618	9,709	9,393	8,551	8,551	8,535	8,517
Lease liability	-	1,006	1,034	1,024	1,106	1,106	1,061	1,022	989	941	969	1,049	1,017
Employee benefits	272	272	267	266	445	445	482	487	539	356	356	314	344
Derivative and other liabilities	234	258	210	212	174	174	168	163	178	139	139	163	176
Deferred tax liabilities	73	86	74	91	56	56	54	53	50	43	43	46	46
Provisions	40	39	40	40	38	38	39	39	39	49	49	50	50
<b>Total non-current liabilities</b>	<b>10,848</b>	<b>12,208</b>	<b>11,829</b>	<b>11,782</b>	<b>11,456</b>	<b>11,456</b>	<b>11,422</b>	<b>11,473</b>	<b>11,188</b>	<b>10,079</b>	<b>10,107</b>	<b>10,157</b>	<b>10,150</b>
<b>Total equity</b>	<b>2,144</b>	<b>2,425</b>	<b>2,257</b>	<b>2,170</b>	<b>434</b>	<b>434</b>	<b>747</b>	<b>(836)</b>	<b>(683)</b>	<b>(685)</b>	<b>(685)</b>	<b>(345)</b>	<b>(85)</b>
Gross debt	11,861	12,156	12,000	11,947	11,179	11,179	11,156	11,334	10,519	9,558	9,558	9,537	9,472
Cash and short-term investments	2,470	3,216	2,599	2,925	2,294	2,294	2,612	2,915	2,389	1,595	1,595	2,041	1,929
Net debt	9,391	8,940	9,401	9,022	8,885	8,885	8,544	8,419	8,130	7,963	7,963	7,496	7,543
Net debt / Adjusted EBITDA (ttm)	2.4	2.3	2.5	2.5	2.5	2.5	2.5	2.5	2.4	2.4	2.4	2.3	2.3

		FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2
	(NIS millions)	2017	2018	2018	2018	2018	2018	2019	2019	2019	2019	2019	2020	2020
<b>Bezeq Fixed-Line</b>														
<b>Key Income Statement Metrics (Revenues)</b>														
Total Revenues		4,244	1,063	1,064	1,043	1,026	4,196	1,043	1,020	1,025	985	4,073	1,018	1,044
	QoQ Change		1.5%	0.1%	-2.0%	-1.6%		1.7%	-2.2%	0.5%	-3.9%		3.4%	2.6%
	YoY Change	-3.2%	-1.4%	0.6%	-1.7%	-2.0%	-1.1%	-1.9%	-4.1%	-1.7%	-4.0%	-2.9%	-2.4%	2.4%
Broadband Internet		1,544	396	403	401	396	1,596	397	396	393	392	1,578	395	402
	QoQ Change		0.3%	1.8%	-0.5%	-1.2%		0.3%	-0.3%	-0.8%	-0.3%		0.8%	1.8%
	YoY Change	2.9%	3.7%	5.8%	3.9%	0.3%	3.4%	0.3%	-1.7%	-2.0%	-1.0%	-1.1%	-0.5%	1.5%
Telephony		1,281	302	291	282	281	1,156	269	264	259	247	1,039	248	258
	QoQ Change		-2.3%	-3.6%	-3.1%	-0.4%		-4.3%	-1.9%	-1.9%	-4.6%		0.4%	4.0%
	YoY Change	-8.0%	-9.6%	-9.1%	-11.3%	-9.1%	-9.8%	-10.9%	-9.3%	-8.2%	-12.1%	-10.1%	-7.8%	-2.3%
Transmission & data		975	247	244	243	243	977	246	238	245	219	948	244	251
	QoQ Change		4.2%	-1.2%	0.0%	0.0%		1.2%	-3.3%	2.9%	-10.6%		11.4%	2.9%
	YoY Change	-8.8%	-1.2%	0.0%	-0.4%	2.5%	0.2%	-0.4%	-2.5%	0.8%	-9.9%	-3.0%	-0.8%	5.5%
Cloud & digital services		230	62	66	69	63	260	71	68	69	66	274	72	70
	QoQ Change		3.3%	6.5%	4.5%	-8.7%		12.7%	-4.2%	1.5%	-4.3%		9.1%	-2.8%
	YoY Change	13.3%	10.7%	15.8%	21.1%	5.0%	13.0%	14.5%	3.0%	0.0%	4.8%	5.4%	1.4%	2.9%
Other		214	56	60	48	43	207	60	54	59	61	234	59	63
	QoQ Change		21.7%	7.1%	-20.0%	-10.4%		39.5%	-10.0%	9.3%	3.4%		-3.3%	6.8%
	YoY Change	-2.3%	0.0%	7.1%	-14.3%	-6.5%	-3.3%	7.1%	-10.0%	22.9%	41.9%	13.0%	-1.7%	16.7%
Revenues from Residential Customers		2,232	N/A	N/A	N/A	N/A	2,101	N/A	N/A	N/A	N/A	2,029	N/A	N/A
	% of total revenues	52.6%					50.1%					49.8%		
Revenues from Business Customers		2,012	N/A	N/A	N/A	N/A	2,095	N/A	N/A	N/A	N/A	2,044	N/A	N/A
	% of total revenues	47.4%					49.9%					50.2%		
<b>Key Income Statement Metrics</b>														
Depreciation & amortization		728	204	211	218	217	850	207	204	225	225	861	212	218
	QoQ Change		10.3%	3.4%	3.3%	-0.5%		-4.6%	-1.4%	10.3%	0.0%		-5.8%	2.8%
	YoY Change	1.5%	13.3%	19.2%	17.2%	17.3%	16.8%	1.5%	-3.3%	3.2%	3.7%	1.3%	2.4%	6.9%
Salaries		891	228	232	233	219	912	233	231	224	223	911	229	224
	QoQ Change		2.2%	1.8%	0.4%	-6.0%		6.4%	-0.9%	-3.0%	-0.4%		2.7%	-2.2%
	YoY Change	-0.8%	1.8%	5.5%	4.0%	-1.8%	2.4%	2.2%	-0.4%	-3.9%	1.8%	-0.1%	-1.7%	-3.0%
Other operating expenses (income), net		(23)	18	89	(2)	509	614	(69)	(423)	(8)	94	(406)	(4)	(2)
Operating profit (loss)		1,971	473	387	451	(87)	1,224	531	875	440	296	2,142	439	464
	QoQ Change		0.6%	-18.2%	16.5%	N/M		N/M	64.8%	-49.7%	-32.7%		48.3%	5.7%
	YoY Change	-5.1%	-7.8%	-22.0%	-8.3%	N/M	-37.9%	12.3%	126.1%	-2.4%	N/M	75.0%	-17.3%	-47.0%
Finance expenses (income), net		403	121	119	113	117	470	106	141	207	115	569	49	163
	QoQ Change		-0.8%	-1.7%	-5.0%	3.5%		-9.4%	33.0%	46.8%	-44.4%		-57.4%	232.7%
	YoY Change	-9.4%	31.5%	45.1%	5.6%	-4.1%	16.6%	-12.4%	18.5%	83.2%	-1.7%	21.1%	-53.8%	15.6%
Income taxes		396	89	66	81	(49)	187	104	172	58	47	381	95	72
	QoQ Change		1.1%	-25.8%	22.7%	N/M		N/M	65.4%	-66.3%	-19.0%		102.1%	-24.2%
	YoY Change	-0.8%	-12.7%	-32.0%	-25.7%	N/M	-52.8%	16.9%	160.6%	-28.4%	N/M	103.7%	-8.7%	-58.1%
Net profit (loss) - reported		1,172	263	202	257	(155)	567	321	562	175	134	1,192	295	229
	QoQ Change		1.2%	-23.2%	27.2%	N/M		N/M	75.1%	-68.9%	-23.4%		120.1%	-22.4%
	YoY Change	-4.9%	-17.6%	-36.3%	-6.9%	N/M	-51.6%	22.1%	178.2%	-31.9%	N/M	110.2%	-8.1%	-59.3%
ADJUSTED NET PROFIT (LOSS) (excluding other operating income/expenses)		1,155	277	271	255	237	1,040	268	236	169	206	879	292	227
EBITDA, reported		2,699	677	598	669	130	2,074	738	1,079	665	521	3,003	651	682
	QoQ Change		3.4%	-11.7%	11.9%	-80.6%		467.7%	46.2%	-38.4%	-21.7%		25.0%	4.8%
	YoY Change	-3.4%	-2.3%	-11.1%	-1.3%	-80.2%	-23.2%	9.0%	80.4%	-0.6%	300.8%	44.8%	-11.8%	-36.8%
ADJUSTED EBITDA (excluding other operating income/expenses)		2,676	695	687	667	639	2,688	669	656	657	615	2,597	647	680
	QoQ Change		5.1%	-1.2%	-2.9%	-4.2%		4.7%	-1.9%	0.2%	-6.4%		5.2%	5.1%
	YoY Change	-3.7%	0.9%	2.2%	2.0%	-3.3%	0.4%	-3.7%	-4.5%	-1.5%	-3.8%	-3.4%	-3.3%	3.7%
<b>Key Cash Flow Metrics</b>														
Operating cash flow		2,225	516	507	583	600	2,206	471	416	484	476	1,847	611	334
	QoQ Change		-12.1%	-1.7%	15.0%	2.9%		-21.5%	-11.7%	16.3%	-1.7%		28.4%	-45.3%
	YoY Change	7.8%	-14.0%	9.0%	1.7%	2.2%	-0.9%	-8.7%	-17.9%	-17.0%	-20.7%	-16.3%	29.7%	-19.7%
Capital expenditures, gross (cash flow)		825	205	313	233	225	976	210	333	145	193	881	200	201
	QoQ Change		-9.3%	52.7%	-25.6%	-3.4%		-6.7%	58.6%	-56.5%	33.1%		3.6%	0.5%
	YoY Change	-1.1%	-2.4%	42.9%	37.1%	-0.4%	18.3%	2.4%	6.4%	-37.8%	-14.2%	-9.7%	-4.8%	-39.6%
Proceeds from sale of assets		94	7	(58)	8	270	227	39	340	14	14	407	7	19
Capital expenditures, net		731	198	371	225	(45)	749	171	(7)	131	179	474	193	182
	QoQ Change		-2.9%	87.4%	-39.4%	N/M		N/M	-104.1%	-1971.4%	36.6%		7.6%	-5.7%
	YoY Change	4.1%	-1.0%	82.8%	81.5%	N/M	2.5%	-13.6%	-101.9%	-41.8%	N/M	-36.7%	12.9%	N/M
Lease payments (IFRS 16)		33	29	28	9	99	99	34	27	25	28	114	32	26
Free cash flow		1,494	285	107	330	636	1,358	266	396	328	269	1,259	386	126
	QoQ Change		-25.6%	-62.5%	208.4%	92.7%		-58.2%	48.9%	-17.2%	-18.0%		43.5%	-67.4%
	YoY Change	9.7%	-28.8%	-59.2%	-26.5%	66.1%	-9.1%	-6.7%	270.1%	-0.6%	-57.7%	-7.3%	45.1%	-68.2%
<b>Ratios</b>														
Net margin		27.6%	24.7%	19.0%	24.6%	-15.1%	13.5%	30.8%	55.1%	17.1%	13.6%	29.3%	29.0%	21.9%
EBITDA margin		63.6%	63.7%	56.2%	64.1%	12.7%	49.4%	70.8%	105.8%	64.9%	52.9%	73.7%	63.9%	65.3%
Capex/Sales		19.4%	19.3%	29.4%	22.3%	21.9%	23.3%	20.1%	32.6%	14.1%	19.6%	21.6%	19.6%	19.3%



(NIS millions)

	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2
	2017	2018	2018	2018	2018	2018	2019	2019	2019	2019	2019	2020	2020
<b>Bezeq Fixed-Line (cont'd)</b>													
<b>Operating &amp; general expenses</b>													
<b>Total operating &amp; general expenses</b>	<b>677</b>	<b>140</b>	<b>145</b>	<b>143</b>	<b>168</b>	<b>596</b>	<b>141</b>	<b>133</b>	<b>144</b>	<b>147</b>	<b>565</b>	<b>142</b>	<b>140</b>
QoQ Change		-14.1%	3.6%	-1.4%	17.5%		-16.1%	-5.7%	8.3%	2.1%		-3.4%	-1.4%
YoY Change	-4.0%	-15.2%	-12.7%	-21.9%	3.1%	-12.0%	0.7%	-8.3%	0.7%	-12.5%	-5.2%	0.7%	5.3%
<b>Maintenance of buildings and sites</b>	<b>185</b>	<b>34</b>	<b>31</b>	<b>38</b>	<b>40</b>	<b>143</b>	<b>33</b>	<b>30</b>	<b>35</b>	<b>34</b>	<b>132</b>	<b>30</b>	<b>21</b>
QoQ Change		-22.7%	-8.8%	22.6%	5.3%		-17.5%	-9.1%	16.7%	-2.9%		-11.8%	-30.0%
YoY Change	-2.1%	-27.7%	-31.1%	-22.4%	-9.1%	-22.7%	-2.9%	-3.2%	-7.9%	-15.0%	-7.7%	-9.1%	-30.0%
<b>Interconnect &amp; payments to telecom operators</b>	<b>118</b>	<b>28</b>	<b>27</b>	<b>25</b>	<b>28</b>	<b>108</b>	<b>25</b>	<b>24</b>	<b>25</b>	<b>23</b>	<b>97</b>	<b>25</b>	<b>30</b>
QoQ Change		3.7%	-3.6%	-7.4%	12.0%		-10.7%	-4.0%	4.2%	-8.0%		8.7%	20.0%
YoY Change	-9.2%	-9.7%	-6.9%	-19.4%	3.7%	-8.5%	-10.7%	-11.1%	0.0%	-17.9%	-10.2%	0.0%	25.0%
<b>Marketing &amp; general</b>	<b>188</b>	<b>40</b>	<b>49</b>	<b>42</b>	<b>52</b>	<b>183</b>	<b>39</b>	<b>34</b>	<b>37</b>	<b>36</b>	<b>146</b>	<b>39</b>	<b>41</b>
QoQ Change		-16.7%	22.5%	-14.3%	23.8%		-25.0%	-12.8%	8.8%	-2.7%		8.3%	5.1%
YoY Change	-3.6%	-4.8%	11.4%	-22.2%	8.3%	-2.7%	-2.5%	-30.6%	-11.9%	-30.8%	-20.2%	0.0%	20.6%
<b>Terminal equipment &amp; materials</b>	<b>44</b>	<b>11</b>	<b>10</b>	<b>9</b>	<b>12</b>	<b>42</b>	<b>18</b>	<b>17</b>	<b>17</b>	<b>21</b>	<b>73</b>	<b>20</b>	<b>20</b>
QoQ Change		10.0%	-9.1%	-10.0%	33.3%		50.0%	-5.6%	0.0%	23.5%		-4.8%	0.0%
YoY Change	-6.4%	10.0%	-16.7%	-25.0%	20.0%	-4.5%	63.6%	70.0%	88.9%	75.0%	73.8%	11.1%	17.6%
<b>Services and maintenance by sub-contractors</b>	<b>73</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>23</b>	<b>83</b>	<b>18</b>	<b>19</b>	<b>21</b>	<b>24</b>	<b>82</b>	<b>21</b>	<b>22</b>
QoQ Change		11.1%	0.0%	0.0%	15.0%		-21.7%	5.6%	10.5%	14.3%		-12.5%	4.8%
YoY Change	1.4%	17.6%	5.3%	5.3%	27.8%	13.7%	-10.0%	-5.0%	5.0%	4.3%	-1.2%	16.7%	15.8%
<b>Vehicle maintenance</b>	<b>69</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>13</b>	<b>37</b>	<b>8</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>35</b>	<b>7</b>	<b>6</b>
QoQ Change		-56.3%	14.3%	12.5%	44.4%		-38.5%	12.5%	0.0%	0.0%		-22.2%	-14.3%
YoY Change	-4.2%	-61.1%	-52.9%	-50.0%	-18.8%	-46.4%	14.3%	12.5%	0.0%	-30.8%	-5.4%	-12.5%	-33.3%



(NIS millions)

	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2
	2017	2018	2018	2018	2018	2018	2019	2019	2019	2019	2019	2020	2020
<b>Pelephone</b>													
<b>Key Income Statement Metrics (Revenues)</b>													
Total Revenues	2,546	619	602	604	618	2,443	578	570	612	602	2,362	573	535
QoQ Change		-4.9%	-2.7%	0.3%	2.3%		-6.5%	-1.4%	7.4%	-1.6%		-4.8%	-6.6%
YoY Change	-3.2%	-1.4%	-4.7%	-4.9%	-5.1%	-4.0%	-6.6%	-5.3%	1.3%	-2.6%	-3.3%	-0.9%	-6.1%
Service Revenues	1,782	431	438	449	437	1,755	417	430	446	416	1,709	405	394
QoQ Change		-1.4%	1.6%	2.5%	-2.7%		-4.6%	3.1%	3.7%	-6.7%		-2.6%	-2.7%
YoY Change	-2.0%	-0.9%	-2.4%	-2.6%	0.0%	-1.5%	-3.2%	-1.8%	-0.7%	-4.8%	-2.6%	-2.9%	-8.4%
Equipment Revenues	764	188	164	155	181	688	161	140	166	186	653	168	141
QoQ Change		-12.1%	-12.8%	-5.5%	16.8%		-11.0%	-13.0%	18.6%	12.0%		-9.7%	-16.1%
YoY Change	-5.9%	-2.6%	-10.4%	-10.9%	-15.4%	-9.9%	-14.4%	-14.6%	7.1%	2.8%	-5.1%	4.3%	0.7%
Revenues from Private Customers	1,541	N/A	N/A	N/A	N/A	1,415	N/A	N/A	N/A	N/A	1,334	N/A	N/A
% of total revenues	60.5%					57.9%					56.5%		
Revenues from Business Customers	1,005	N/A	N/A	N/A	N/A	1,028	N/A	N/A	N/A	N/A	1,028	N/A	N/A
% of total revenues	39.5%					42.1%					43.5%		
<b>Key Income Statement Metrics</b>													
Depreciation & amortization	383	158	159	161	177	655	157	156	157	163	633	150	151
QoQ Change		75.6%	0.6%	1.3%	9.9%		-11.3%	-0.6%	0.6%	3.8%		-8.0%	0.7%
YoY Change	0.8%	68.1%	60.6%	61.0%	96.7%	71.0%	-0.6%	-1.9%	-2.5%	-7.9%	-3.4%	-4.5%	-3.2%
Salaries	384	100	95	94	90	379	94	95	89	95	373	90	70
QoQ Change		2.0%	-5.0%	-1.1%	-4.3%		4.4%	1.1%	-6.3%	6.7%		-5.3%	-22.2%
YoY Change	1.6%	2.0%	1.1%	0.0%	-8.2%	-1.3%	-6.0%	0.0%	-5.3%	5.6%	-1.6%	-4.3%	-26.3%
Operating & general expenses	1,698	359	345	344	354	1,402	337	324	348	364	1,373	345	326
QoQ Change		-18.2%	-3.9%	-0.3%	2.9%		-4.8%	-3.9%	7.4%	4.6%		-5.2%	-5.5%
YoY Change	-7.6%	-16.7%	-15.6%	-17.9%	-19.4%	-17.4%	-6.1%	-6.1%	1.2%	2.8%	-2.1%	2.4%	0.6%
Other operating expenses	9	-	1	7	1	9	-	3	2	77	82	1	(4)
Operating profit (loss)	72	2	2	(2)	(4)	(2)	(10)	(8)	16	(97)	(99)	(13)	(8)
QoQ Change		-86.7%	0.0%	N/M	100.0%		150.0%	-20.0%	N/M	N/M		-86.6%	-38.5%
YoY Change	125.0%	-60.0%	-93.3%	-109.1%	N/M	N/M	N/M	N/M	2325.0%	4850.0%	30.0%	30.0%	0.0%
Net profit (loss) - reported	95	9	7	6	2	24	2	2	18	(69)	(47)	(2)	1
QoQ Change		-57.1%	-22.2%	-14.3%	-66.7%		0.0%	0.0%	800.0%	N/M		-97.1%	N/M
YoY Change	55.7%	-43.8%	-79.4%	-75.0%	-90.5%	-74.7%	-77.8%	-71.4%	200.0%	N/M	-295.8%	N/M	-50.0%
ADJUSTED NET PROFIT (LOSS) (excluding other operating income/expenses and one-time impairment)	102	9	8	11	3	31	2	4	20	(10)	16	(1)	(2)
QoQ Change			-13.7%	46.6%	-75.7%		-27.8%	115.5%	353.4%	N/M		-87.3%	69.1%
YoY Change						-69.7%	-77.8%	-44.5%	71.6%	N/M	-47.8%	-161.5%	N/M
EBITDA reported	455	160	161	159	173	653	147	148	173	66	534	137	143
QoQ Change		52.4%	0.6%	-1.2%	8.8%		-15.0%	0.7%	16.9%	-61.8%		107.6%	4.4%
YoY Change	10.4%	61.6%	24.8%	30.3%	64.8%	43.5%	-8.1%	-8.1%	8.8%	-61.8%	-18.2%	-6.8%	-3.4%
ADJUSTED EBITDA (excluding other operating income/expenses)	464	160	162	166	174	662	147	151	175	143	616	138	139
<b>Key Cash Flow Metrics</b>													
Operating cash flow	605	239	181	194	156	770	195	136	200	146	677	164	149
QoQ Change		177.9%	-24.3%	7.2%	-19.6%		25.0%	-30.3%	47.1%	-27.0%		12.3%	-9.1%
YoY Change	4.0%	104.3%	-6.2%	-7.2%	81.4%	27.3%	-18.4%	-24.9%	3.1%	-6.4%	-12.1%	-15.9%	9.6%
Capital expenditures, gross (cash flow)	310	69	90	73	78	310	63	83	72	75	293	65	73
QoQ Change		-10.4%	30.4%	-18.9%	6.8%		-19.2%	31.7%	-13.3%	4.2%		-13.3%	12.3%
YoY Change	27.6%	-5.5%	9.8%	-6.4%	1.3%	0.0%	-8.7%	-7.8%	-1.4%	-3.8%	-5.5%	3.2%	-12.0%
Capital expenditures, net (cash flow)	309	69	90	69	78	306	63	82	72	75	292	65	73
QoQ Change		-9.2%	30.4%	-23.3%	13.0%		-19.2%	30.2%	-12.2%	4.2%		-13.3%	12.3%
YoY Change	28.2%	-5.5%	9.8%	-11.5%	2.6%	-1.0%	-8.7%	-8.9%	4.3%	-3.8%	-4.6%	3.2%	-11.0%
Lease payments (IFRS 16)	-	75	50	64	70	259	69	46	76	51	242	67	48
Free cash flow	296	95	41	61	8	205	63	8	52	20	143	32	28
QoQ Change		850.0%	-56.8%	48.8%	-86.9%		687.5%	-87.3%	550.0%	-61.5%		60.0%	-12.5%
YoY Change	-13.2%	115.9%	-63.1%	-53.4%	-20.0%	-30.7%	-33.7%	-80.5%	-14.8%	150.0%	-30.2%	-49.2%	250.0%
<b>Ratios</b>													
Net margin	3.7%	1.5%	1.2%	1.0%	0.3%	1.0%	0.3%	0.4%	2.9%	-11.5%	-2.0%	-0.3%	0.2%
EBITDA margin	17.9%	25.8%	26.8%	26.4%	28.0%	26.8%	25.4%	25.9%	28.3%	11.0%	22.6%	23.9%	26.7%
Capex/Sales	12.2%	11.1%	15.0%	12.1%	12.6%	12.7%	10.9%	14.6%	11.8%	12.5%	12.4%	11.3%	13.6%



(NIS millions)

	FY 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	FY 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2019	Q1 2020	Q2 2020
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## Bezeq International

### Key Income Statement Metrics

<b>Total Revenues</b>		<b>1,537</b>	<b>352</b>	<b>336</b>	<b>333</b>	<b>370</b>	<b>1,391</b>	<b>341</b>	<b>339</b>	<b>329</b>	<b>330</b>	<b>1,339</b>	<b>317</b>	<b>314</b>
	QoQ Change		-7.1%	-4.5%	-0.9%	11.1%	-7.8%	-0.6%	-2.9%	0.3%		-3.9%	-0.9%	
	YoY Change	-0.7%	-8.3%	-17.4%	-9.3%	-2.4%	-9.5%	-3.1%	0.9%	-1.2%	-10.8%	-3.7%	-7.4%	
<b>Revenues from Internet services</b>		<b>670</b>	N/A	N/A	N/A	N/A	<b>659</b>	N/A	N/A	N/A	N/A	<b>632</b>	N/A	N/A
	% of total revenues	43.6%					47.4%					47.2%		
<b>Revenues from Voice and Business services (Data, ICT, PBX)</b>		<b>867</b>	N/A	N/A	N/A	N/A	<b>732</b>	N/A	N/A	N/A	N/A	<b>707</b>	N/A	N/A
	% of total revenues	56.4%					52.6%					52.8%		
<b>Revenues from Private Customers</b>		<b>488</b>	N/A	N/A	N/A	N/A	<b>468</b>	N/A	N/A	N/A	N/A	<b>441</b>	N/A	N/A
	% of total revenues	31.8%					33.6%					32.9%		
<b>Revenues from Business Customers</b>		<b>1,049</b>	N/A	N/A	N/A	N/A	<b>923</b>	N/A	N/A	N/A	N/A	<b>898</b>	N/A	N/A
	% of total revenues	68.2%					66.4%					67.1%		

### Key Income Statement Metrics

<b>Depreciation &amp; amortization</b>		<b>135</b>	<b>43</b>	<b>45</b>	<b>46</b>	<b>60</b>	<b>194</b>	<b>46</b>	<b>46</b>	<b>47</b>	<b>51</b>	<b>190</b>	<b>44</b>	<b>45</b>
	QoQ Change		22.9%	4.7%	2.2%	30.4%	-23.3%	0.0%	2.2%	8.5%		-13.7%	2.3%	
	YoY Change	-1.5%	30.3%	36.4%	35.3%	71.4%	43.7%	7.0%	2.2%	-15.0%	-2.1%	-4.3%	-2.2%	
<b>Salaries</b>		<b>328</b>	<b>84</b>	<b>75</b>	<b>71</b>	<b>70</b>	<b>300</b>	<b>68</b>	<b>67</b>	<b>64</b>	<b>62</b>	<b>261</b>	<b>64</b>	<b>62</b>
	QoQ Change		2.4%	-10.7%	-5.3%	-1.4%	-2.9%	-1.5%	-4.5%	-3.1%		3.2%	-3.1%	
	YoY Change	-0.6%	0.0%	-7.4%	-12.3%	-14.6%	-8.5%	-19.0%	-10.7%	-9.9%	-13.0%	-5.9%	-7.5%	
<b>Operating &amp; general expenses</b>		<b>903</b>	<b>190</b>	<b>188</b>	<b>184</b>	<b>216</b>	<b>778</b>	<b>194</b>	<b>194</b>	<b>194</b>	<b>200</b>	<b>782</b>	<b>173</b>	<b>181</b>
	QoQ Change		-15.2%	-1.1%	-2.1%	17.4%	-10.2%	0.0%	0.0%	3.1%		-13.5%	4.6%	
	YoY Change	1.8%	-12.8%	-23.9%	-14.0%	-3.6%	-13.8%	2.1%	3.2%	5.4%	-7.4%	-10.8%	-6.7%	
<b>Other operating expenses (income)</b>		<b>3</b>	<b>2</b>	<b>(1)</b>	<b>2</b>	<b>5</b>	<b>8</b>	<b>-</b>	<b>15</b>	<b>45</b>	<b>103</b>	<b>163</b>	<b>-</b>	<b>-</b>
<b>Operating profit (loss)</b>		<b>168</b>	<b>33</b>	<b>29</b>	<b>30</b>	<b>19</b>	<b>111</b>	<b>33</b>	<b>17</b>	<b>(21)</b>	<b>(86)</b>	<b>(57)</b>	<b>36</b>	<b>26</b>
	QoQ Change		-5.7%	-12.1%	3.4%	-36.7%	73.7%	-48.5%	N/M	309.5%		N/M	-27.8%	
	YoY Change	-4.5%	-32.7%	-35.6%	-23.1%	-45.7%	-33.9%	0.0%	-41.4%	N/M	N/M	9.1%	52.9%	
<b>Net profit (loss) - reported</b>		<b>127</b>	<b>24</b>	<b>20</b>	<b>20</b>	<b>13</b>	<b>77</b>	<b>25</b>	<b>10</b>	<b>(18)</b>	<b>(67)</b>	<b>(50)</b>	<b>27</b>	<b>21</b>
	QoQ Change		-22.6%	-16.7%	0.0%	-35.0%	92.3%	-60.0%	N/M	272.2%		N/M	-22.2%	
	YoY Change	1.6%	-33.3%	-39.4%	-25.9%	-58.1%	-39.4%	4.2%	-50.0%	N/M	N/M	8.0%	110.0%	
<b>ADJUSTED NET PROFIT (excluding other operating income/expenses and one-time impairment)</b>		<b>129</b>	<b>26</b>	<b>19</b>	<b>22</b>	<b>17</b>	<b>83</b>	<b>25</b>	<b>22</b>	<b>17</b>	<b>13</b>	<b>76</b>	<b>27</b>	<b>21</b>
	QoQ Change			-24.7%	12.0%	-21.8%	48.4%	-13.8%	-22.7%	-21.9%		107.7%	-22.2%	
	YoY Change	-6.9%				-35.7%	-2.1%	12.1%	-22.7%	-22.8%	-8.4%	8.0%	-2.6%	
<b>EBITDA reported</b>		<b>303</b>	<b>76</b>	<b>74</b>	<b>76</b>	<b>79</b>	<b>305</b>	<b>79</b>	<b>63</b>	<b>26</b>	<b>(35)</b>	<b>133</b>	<b>80</b>	<b>71</b>
	QoQ Change		8.6%	-2.6%	2.7%	3.9%	0.0%	-20.3%	-58.7%	N/M		N/M	-11.3%	
	YoY Change	-3.2%	-7.3%	-5.1%	4.1%	12.9%	0.7%	3.9%	-14.9%	-65.8%	N/M	-56.4%	1.3%	12.7%
<b>ADJUSTED EBITDA (excluding other operating income/expenses)</b>		<b>306</b>	<b>78</b>	<b>73</b>	<b>78</b>	<b>84</b>	<b>313</b>	<b>79</b>	<b>78</b>	<b>71</b>	<b>68</b>	<b>296</b>	<b>80</b>	<b>71</b>
	QoQ Change		6.8%	-6.4%	6.8%	7.7%	-6.0%	-1.3%	-9.0%	-4.2%		17.6%	-11.3%	
	YoY Change	-7.6%	-4.9%	-7.6%	8.3%	15.1%	2.3%	1.3%	6.8%	-9.0%	-19.0%	-5.4%	1.3%	-9.0%

### Key Cash Flow Metrics

<b>Operating cash flow</b>		<b>277</b>	<b>67</b>	<b>54</b>	<b>73</b>	<b>106</b>	<b>300</b>	<b>56</b>	<b>48</b>	<b>64</b>	<b>87</b>	<b>255</b>	<b>60</b>	<b>48</b>
	QoQ Change		-18.3%	-19.4%	35.2%	45.2%	-47.2%	-14.3%	33.3%	35.9%		-31.0%	-20.0%	
	YoY Change	3.0%	28.8%	-21.7%	-1.4%	29.3%	8.3%	-16.4%	-11.1%	-12.3%	-17.9%	-15.0%	7.1%	0.0%
<b>Capital expenditures, gross (cash flow)</b>		<b>142</b>	<b>31</b>	<b>44</b>	<b>27</b>	<b>25</b>	<b>127</b>	<b>33</b>	<b>34</b>	<b>40</b>	<b>21</b>	<b>128</b>	<b>34</b>	<b>33</b>
	QoQ Change		-13.9%	41.9%	-38.6%	-7.4%	32.0%	3.0%	17.6%	-47.5%		61.9%	-2.9%	
	YoY Change	18.3%	6.9%	-4.3%	-12.9%	-30.6%	-10.6%	6.5%	-22.7%	48.1%	-16.0%	0.8%	3.0%	-2.9%
<b>Capital expenditures, net (cash flow)</b>		<b>139</b>	<b>31</b>	<b>44</b>	<b>26</b>	<b>25</b>	<b>126</b>	<b>33</b>	<b>34</b>	<b>40</b>	<b>21</b>	<b>128</b>	<b>34</b>	<b>33</b>
	QoQ Change		-11.4%	41.9%	-40.9%	-3.8%	32.0%	3.0%	17.6%	-47.5%		61.9%	-2.9%	
	YoY Change	16.8%	6.9%	-4.3%	-10.3%	-28.6%	-9.4%	6.5%	-22.7%	53.8%	-16.0%	1.6%	3.0%	-2.9%
<b>Lease payments (IFRS 16)</b>		<b>-</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>36</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>32</b>	<b>8</b>	<b>8</b>
<b>Free cash flow</b>		<b>138</b>	<b>27</b>	<b>1</b>	<b>38</b>	<b>72</b>	<b>138</b>	<b>15</b>	<b>6</b>	<b>16</b>	<b>58</b>	<b>95</b>	<b>18</b>	<b>7</b>
	QoQ Change		-42.6%	-96.3%	3700.0%	89.5%	-79.2%	-60.0%	166.7%	262.5%		-69.0%	-61.1%	
	YoY Change	-8.0%	17.4%	-95.7%	-15.6%	53.2%	0.0%	-44.4%	500.0%	-57.9%	-19.4%	-31.2%	20.0%	16.7%

### Ratios

<b>Net margin</b>	<b>8.3%</b>	<b>6.8%</b>	<b>6.0%</b>	<b>6.0%</b>	<b>3.5%</b>	<b>5.5%</b>	<b>7.3%</b>	<b>2.9%</b>	<b>-5.5%</b>	<b>-20.3%</b>	<b>-3.7%</b>	<b>8.5%</b>	<b>6.7%</b>
<b>EBITDA margin</b>	<b>19.7%</b>	<b>21.6%</b>	<b>22.0%</b>	<b>22.8%</b>	<b>21.4%</b>	<b>21.9%</b>	<b>23.2%</b>	<b>18.6%</b>	<b>7.9%</b>	<b>-10.6%</b>	<b>9.9%</b>	<b>25.2%</b>	<b>22.6%</b>
<b>Capex/Sales</b>	<b>9.2%</b>	<b>8.8%</b>	<b>13.1%</b>	<b>8.1%</b>	<b>6.8%</b>	<b>9.1%</b>	<b>9.7%</b>	<b>10.0%</b>	<b>12.2%</b>	<b>6.4%</b>	<b>9.6%</b>	<b>10.7%</b>	<b>10.5%</b>



(NIS millions)

		FY 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	FY 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2019	Q1 2020	Q2 2020
<b>yes - Reported</b>														
<b>Key Income Statement Metrics</b>														
Revenues		1,650	375	375	367	356	1,473	343	337	334	331	1,345	338	319
	QoQ Change		-7.2%	0.0%	-2.1%	-3.0%		-3.7%	-1.7%	-0.9%	-0.9%		2.1%	-5.6%
	YoY Change	-5.4%	-11.6%	-9.9%	-9.6%	-11.9%	-10.7%	-8.5%	-10.1%	-9.0%	-7.0%	-8.7%	-1.5%	-5.3%
Depreciation, amortization & impairment		285	79	79	81	84	323	55	68	50	46	219	44	50
	QoQ Change		9.7%	0.0%	2.5%	3.7%		-34.5%	23.6%	-26.5%	-8.0%		-4.3%	13.6%
	YoY Change	-3.7%	12.9%	11.3%	12.5%	16.7%	13.3%	-30.4%	-13.9%	-38.3%	-45.2%	-32.2%	-20.0%	-26.5%
Salaries		245	58	60	56	59	233	56	54	52	54	216	54	48
	QoQ Change		-10.8%	3.4%	-6.7%	5.4%		-5.1%	-3.6%	-3.7%	3.8%		0.0%	-11.1%
	YoY Change	-1.6%	-1.7%	1.7%	-9.7%	-9.2%	-4.9%	-3.4%	-10.0%	-7.1%	-8.5%	-7.3%	-3.6%	-11.1%
Operating, general & impairment expenses		957	237	246	229	244	956	234	248	211	230	923	231	210
	QoQ Change		-1.3%	3.8%	-6.9%	6.6%		-4.1%	6.0%	-14.9%	9.0%		0.4%	-9.1%
	YoY Change	1.1%	-2.5%	3.8%	-3.4%	1.7%	-0.1%	-1.3%	0.8%	-7.9%	-5.7%	-3.5%	-1.3%	-15.3%
Loss from impairment of assets		-	-	-	-	1,100	1,100	-	-	-	-	-	-	-
Other operating expenses (income), net		-	2	7	-	8	17	43	(9)	1	7	42	-	(12)
Operating profit (loss)		163	(1)	(17)	1	(1,139)	(1,156)	(45)	(24)	20	(6)	(55)	9	23
	QoQ Change		N/M	1600.0%	N/M	N/M		N/M	-46.7%	N/M	N/M		N/M	155.6%
	YoY Change	-38.3%	N/M	N/M	-97.1%	N/M	N/M	4400.0%	41.2%	1900.0%	-99.5%	-95.2%	N/M	N/M
Finance expenses (income), net		71	(3)	(7)	3	(4)	(11)	5	2	4	1	12	(5)	4
	QoQ Change		N/M	133.3%	N/M	N/M		N/M	-60.0%	100.0%	-75.0%		N/M	N/M
	YoY Change	22.4%	N/M	33.3%	N/M	N/M	N/M	100.0%						
Net profit (loss) - reported		(244)	1	(10)	(2)	(1,137)	(1,148)	(50)	(27)	15	(7)	(69)	14	18
	QoQ Change		-90.9%	N/M	-80.0%	N/M		-95.6%	-46.0%	N/M	N/M		N/M	28.6%
	YoY Change	N/M	-94.7%	-93.4%	-98.4%	N/M	370.5%	N/M	170.0%	N/M	-99.4%	-94.0%	N/M	N/M
EBITDA reported		448	78	62	82	(1,055)	(833)	10	44	70	40	164	53	73
	QoQ Change		-21.2%	-20.5%	32.3%	N/M		N/M	340.0%	59.1%	-42.9%		32.5%	37.7%
	YoY Change	-20.0%	-36.1%	-48.3%	-23.4%	N/M	N/M	-87.2%	-29.0%	-14.6%	N/M	N/M	430.0%	65.9%
ADJUSTED EBITDA (excluding other operating income/expenses and one-time impairment)		448	80	69	82	53	284	53	35	71	47	206	53	61
<b>Key Cash Flow Metrics</b>														
Operating cash flow		430	86	60	34	46	226	53	22	37	31	143	41	39
	QoQ Change		-9.5%	-30.2%	-43.3%	35.3%		15.2%	-58.5%	68.2%	-16.2%		32.3%	-4.9%
	YoY Change	-31.6%	68.6%	-64.5%	-70.4%	-51.6%	-47.4%	-38.4%	-63.3%	8.8%	-32.6%	-36.7%	-22.6%	77.3%
Capital expenditures, gross (cash flow)		235	62	75	79	82	298	64	74	69	32	239	37	41
	QoQ Change		17.0%	21.0%	5.3%	3.8%		-22.0%	15.6%	-6.8%	-53.6%		15.6%	10.8%
	YoY Change	12.4%	3.3%	41.5%	14.5%	54.7%	26.8%	3.2%	-1.3%	-12.7%	-61.0%	-19.8%	-42.2%	-44.6%
Capital expenditures, net (cash flow)		234	62	75	79	81	297	64	73	69	32	238	37	40
	QoQ Change		17.0%	21.0%	5.3%	2.5%		-21.0%	14.1%	-5.5%	-53.6%		15.6%	N/M
	YoY Change	12.5%	3.3%	44.2%	14.5%	52.8%	26.9%	3.2%	-2.7%	-12.7%	-60.5%	-19.9%	-42.2%	N/M
Lease payments (IFRS 16)		-	8	8	9	6	31	8	7	8	7	30	7	7
Free cash flow		196	16	(23)	(54)	(41)	(102)	(19)	(58)	(40)	(8)	(125)	(3)	(8)
	QoQ Change		-61.9%	N/M	134.8%	-24.1%		-53.7%	205.3%	-31.0%	-80.0%		-62.5%	166.7%
	YoY Change	-53.4%	N/M	N/M	N/M	N/M	N/M	N/M	152.2%	-25.9%	-80.5%	22.5%	-84.2%	-86.2%
<b>Ratios</b>														
Net margin		(14.8%)	0.3%	0.0%	(0.5%)	(319.4%)	(77.9%)	(14.6%)	(8.0%)	4.5%	(2.1%)	(5.1%)	4.1%	5.6%
EBITDA margin		27.2%	20.8%	16.5%	22.3%	(296.3%)	(56.6%)	2.9%	13.1%	21.0%	12.1%	12.2%	15.7%	22.9%
Capex/Sales		14.2%	16.5%	20.0%	21.5%	23.0%	20.2%	18.7%	22.0%	20.7%	9.7%	17.8%	10.9%	12.9%



(NIS millions)

	FY 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	FY 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2019	Q1 2020	Q2 2020
<b>yes - Proforma (Excluding Impairment Loss)</b>													
<b>Key Income Statement Metrics</b>													
<b>Revenues</b>	<b>1,650</b>	<b>375</b>	<b>375</b>	<b>367</b>	<b>356</b>	<b>1,473</b>	<b>343</b>	<b>337</b>	<b>334</b>	<b>331</b>	<b>1,345</b>	<b>338</b>	<b>319</b>
QoQ Change			0.0%	-2.1%	-3.0%			-1.7%	-0.9%	-0.9%		2.1%	-5.6%
YoY Change						-10.7%	-8.5%	-10.1%	-9.0%	-7.0%	-8.7%	-1.5%	-5.3%
<b>Depreciation &amp; amortization</b>	<b>285</b>	<b>79</b>	<b>79</b>	<b>81</b>	<b>84</b>	<b>323</b>	<b>78</b>	<b>81</b>	<b>93</b>	<b>82</b>	<b>334</b>	<b>76</b>	<b>78</b>
QoQ Change			0.0%	2.5%	3.7%			3.8%	14.8%	-11.8%		-7.3%	2.6%
YoY Change						13.3%	-1.3%	2.5%	14.8%	-2.4%	3.4%	-2.6%	-3.7%
<b>Salaries</b>	<b>245</b>	<b>58</b>	<b>60</b>	<b>56</b>	<b>59</b>	<b>233</b>	<b>55</b>	<b>51</b>	<b>50</b>	<b>53</b>	<b>209</b>	<b>51</b>	<b>47</b>
QoQ Change			3.4%	-6.7%	5.4%			-7.3%	-2.0%	6.0%		-3.8%	-7.8%
YoY Change						-4.9%	-5.2%	-15.0%	-10.7%	-10.2%	-10.3%	-7.3%	-7.8%
<b>Operating &amp; general expenses</b>	<b>957</b>	<b>237</b>	<b>246</b>	<b>229</b>	<b>244</b>	<b>956</b>	<b>226</b>	<b>222</b>	<b>219</b>	<b>228</b>	<b>895</b>	<b>222</b>	<b>212</b>
QoQ Change			3.8%	-6.9%	6.6%			-1.8%	-1.4%	4.1%		-2.6%	-4.5%
YoY Change						-0.1%	-4.6%	-9.8%	-4.4%	-6.6%	-6.4%	-1.8%	-4.5%
<b>Other operating expenses (income), net</b>	<b>-</b>	<b>2</b>	<b>7</b>	<b>-</b>	<b>8</b>	<b>17</b>	<b>43</b>	<b>(9)</b>	<b>1</b>	<b>7</b>	<b>42</b>	<b>-</b>	<b>(12)</b>
QoQ Change			250.0%	N/M	N/M				N/M	600.0%		N/M	N/M
YoY Change						N/M			N/M	-12.5%	147.1%	N/M	33.3%
<b>Operating profit (loss)</b>	<b>163</b>	<b>(1)</b>	<b>(17)</b>	<b>1</b>	<b>(39)</b>	<b>(56)</b>	<b>(59)</b>	<b>(8)</b>	<b>(29)</b>	<b>(39)</b>	<b>(135)</b>	<b>(11)</b>	<b>(6)</b>
QoQ Change			1600.0%	N/M	N/M			-86.4%	262.5%	34.5%		-71.8%	-45.5%
YoY Change						N/M		-52.9%	N/M	0.0%	141.1%	-81.4%	-25.0%
<b>Finance expenses (income), net</b>	<b>71</b>	<b>(3)</b>	<b>(7)</b>	<b>3</b>	<b>(4)</b>	<b>(11)</b>	<b>5</b>	<b>2</b>	<b>4</b>	<b>1</b>	<b>12</b>	<b>(5)</b>	<b>4</b>
QoQ Change			133.3%	N/M	N/M				100.0%	-75.0%		N/M	N/M
YoY Change						N/M			33.3%	N/M	N/M	N/M	100.0%
<b>Net profit (loss) - reported</b>	<b>(244)</b>	<b>1</b>	<b>(10)</b>	<b>(2)</b>	<b>(37)</b>	<b>(48)</b>	<b>(64)</b>	<b>(11)</b>	<b>(34)</b>	<b>(40)</b>	<b>(149)</b>	<b>(6)</b>	<b>(11)</b>
QoQ Change			N/M	-80.0%	1750.0%			-82.8%	209.1%	17.6%		-85.0%	83.3%
YoY Change						-80.3%		10.0%	1600.0%	8.1%	210.4%	-90.6%	0.0%
<b>ADJUSTED NET PROFIT (LOSS) (excluding other operating income/expenses)</b>	<b>(244)</b>	<b>3</b>	<b>(3)</b>	<b>(2)</b>	<b>(29)</b>	<b>(31)</b>	<b>(21)</b>	<b>(20)</b>	<b>(33)</b>	<b>(33)</b>	<b>(107)</b>	<b>(6)</b>	<b>(23)</b>
QoQ Change			N/M	-33.3%	1350.0%		-27.6%	-4.8%	65.0%	0.0%		-81.8%	283.3%
YoY Change						-87.3%	N/M	566.7%	1550.0%	13.8%	245.2%	-71.4%	15.0%
<b>EBITDA</b>	<b>448</b>	<b>78</b>	<b>62</b>	<b>82</b>	<b>45</b>	<b>267</b>	<b>19</b>	<b>73</b>	<b>64</b>	<b>43</b>	<b>199</b>	<b>65</b>	<b>72</b>
QoQ Change			-20.5%	32.3%	-45.1%			284.2%	-12.3%	-32.8%		51.2%	10.8%
YoY Change						-40.4%	-75.6%	17.7%	-22.0%	-4.4%	-25.5%	242.1%	-1.4%
<b>Adjusted EBITDA (excluding other operating income/expenses)</b>	<b>448</b>	<b>80</b>	<b>69</b>	<b>82</b>	<b>53</b>	<b>284</b>	<b>62</b>	<b>64</b>	<b>65</b>	<b>50</b>	<b>241</b>	<b>65</b>	<b>60</b>
QoQ Change			-13.8%	18.8%	-35.4%		17.0%	3.2%	1.6%	-23.1%		30.0%	-7.7%
YoY Change						-36.6%	-22.5%	-7.2%	-20.7%	-5.7%	-15.1%	4.8%	-6.3%



(NIS millions)

	FY 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	FY 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2019	Q1 2020	Q2 2020
<b>Key subsidiary companies (Pelephone, Bezeq International, yes - proforma)</b>													
<b>Key Income Statement Metrics</b>													
<b>Revenues</b>	<b>5,733</b>	<b>1,346</b>	<b>1,313</b>	<b>1,304</b>	<b>1,344</b>	<b>5,307</b>	<b>1,262</b>	<b>1,246</b>	<b>1,275</b>	<b>1,263</b>	<b>5,046</b>	<b>1,228</b>	<b>1,168</b>
QoQ Change			-2.5%	-0.7%	3.1%		-6.1%	-1.3%	2.3%	-0.9%		-2.8%	-4.9%
YoY Change						-7.4%	-6.2%	-5.1%	-2.2%	-6.0%	-4.9%	-2.7%	-6.3%
<b>Depreciation, amortization &amp; impairment</b>	<b>803</b>	<b>280</b>	<b>283</b>	<b>288</b>	<b>321</b>	<b>1,172</b>	<b>281</b>	<b>283</b>	<b>297</b>	<b>296</b>	<b>1,157</b>	<b>270</b>	<b>274</b>
QoQ Change			1.1%	1.8%	11.5%		-12.5%	0.7%	4.9%	-0.3%		-8.8%	1.5%
YoY Change						46.0%	0.4%	0.0%	3.1%	-7.8%	-1.3%	-3.9%	-3.2%
<b>Salaries</b>	<b>957</b>	<b>242</b>	<b>230</b>	<b>221</b>	<b>219</b>	<b>912</b>	<b>217</b>	<b>213</b>	<b>203</b>	<b>210</b>	<b>843</b>	<b>205</b>	<b>179</b>
QoQ Change			-5.0%	-3.9%	-0.9%		-0.9%	-1.8%	-4.7%	3.4%		-2.4%	-12.7%
YoY Change						-4.7%	-10.3%	-7.4%	-8.1%	-4.1%	-7.6%	-5.5%	-16.0%
<b>Operating &amp; general expenses</b>	<b>3,558</b>	<b>786</b>	<b>779</b>	<b>757</b>	<b>814</b>	<b>3,136</b>	<b>757</b>	<b>740</b>	<b>761</b>	<b>792</b>	<b>3,050</b>	<b>740</b>	<b>719</b>
QoQ Change			-0.9%	-2.8%	7.5%		-7.0%	-2.2%	2.8%	4.1%		-6.6%	-2.8%
YoY Change						-11.9%	-3.7%	-5.0%	0.5%	-2.7%	-2.7%	-2.2%	-2.8%
<b>Other operating expenses (income), net</b>	<b>12</b>	<b>4</b>	<b>7</b>	<b>9</b>	<b>14</b>	<b>34</b>	<b>43</b>	<b>9</b>	<b>48</b>	<b>187</b>	<b>287</b>	<b>1</b>	<b>(16)</b>
<b>Operating profit (loss)</b>	<b>403</b>	<b>34</b>	<b>14</b>	<b>29</b>	<b>(24)</b>	<b>53</b>	<b>(36)</b>	<b>1</b>	<b>(34)</b>	<b>(222)</b>	<b>(291)</b>	<b>12</b>	<b>12</b>
QoQ Change			-58.8%	107.1%	N/M		50.0%	N/M	N/M	552.9%		-105.4%	0.0%
YoY Change						-86.8%	N/M	-92.9%	N/M	825.0%	N/M	-133.3%	1100.0%
<b>Net profit (loss) - reported</b>	<b>(22)</b>	<b>34</b>	<b>17</b>	<b>24</b>	<b>(22)</b>	<b>53</b>	<b>(37)</b>	<b>1</b>	<b>(34)</b>	<b>(176)</b>	<b>(246)</b>	<b>19</b>	<b>11</b>
QoQ Change			-50.0%	41.2%	N/M		68.2%	N/M	N/M	417.6%		-110.8%	-42.1%
YoY Change						N/M	N/M	-94.1%	N/M	700.0%	N/M	-151.4%	1000.0%
<b>ADJUSTED NET PROFIT (LOSS) (excluding other operating income/expenses)</b>	<b>(13)</b>	<b>38</b>	<b>24</b>	<b>31</b>	<b>(9)</b>	<b>83</b>	<b>6</b>	<b>6</b>	<b>3</b>	<b>(30)</b>	<b>(15)</b>	<b>20</b>	<b>(4)</b>
QoQ Change			-36.1%	28.9%	N/M		-164.0%	-2.3%	-45.6%	N/M		-166.5%	-120.6%
YoY Change						N/M	-84.0%	-75.6%	-89.7%	216.7%	N/M	229.5%	-169.6%
<b>EBITDA reported</b>	<b>1,206</b>	<b>314</b>	<b>297</b>	<b>317</b>	<b>297</b>	<b>1,225</b>	<b>245</b>	<b>284</b>	<b>263</b>	<b>74</b>	<b>866</b>	<b>282</b>	<b>286</b>
QoQ Change			-5.4%	6.7%	-6.3%		-17.5%	15.9%	-7.4%	-71.9%		281.1%	1.4%
YoY Change						1.6%	-22.0%	-4.4%	-17.0%	-75.1%	-29.3%	15.1%	0.7%
<b>ADJUSTED EBITDA (excluding other operating income/expenses and one-time impairment)</b>	<b>1,218</b>	<b>318</b>	<b>304</b>	<b>326</b>	<b>311</b>	<b>1,259</b>	<b>288</b>	<b>293</b>	<b>311</b>	<b>261</b>	<b>1,153</b>	<b>283</b>	<b>270</b>
QoQ Change			-4.4%	7.2%	-4.6%		-7.4%	1.7%	6.1%	-16.1%		8.4%	-4.6%
YoY Change						3.4%	-9.4%	-3.6%	-4.6%	-16.1%	-8.4%	-1.7%	-7.8%
<b>Key Cash Flow Metrics</b>													
<b>Operating cash flow</b>	<b>1,312</b>	<b>392</b>	<b>295</b>	<b>301</b>	<b>308</b>	<b>1,296</b>	<b>304</b>	<b>206</b>	<b>301</b>	<b>264</b>	<b>1,075</b>	<b>265</b>	<b>236</b>
QoQ Change			-24.7%	2.0%	2.3%		-1.3%	-32.2%	46.1%	-12.3%		0.4%	-10.9%
YoY Change						-1.2%	-22.4%	-30.2%	0.0%	-14.3%	-17.1%	-12.8%	14.6%
<b>Capital expenditures, gross (cash flow)</b>	<b>687</b>	<b>162</b>	<b>209</b>	<b>179</b>	<b>185</b>	<b>735</b>	<b>160</b>	<b>191</b>	<b>181</b>	<b>128</b>	<b>660</b>	<b>136</b>	<b>147</b>
QoQ Change			29.0%	-14.4%	3.4%		-13.5%	19.4%	-5.2%	-29.3%		6.3%	8.1%
YoY Change						7.0%	-1.2%	-8.6%	1.1%	-30.8%	-10.2%	-15.0%	-23.0%
<b>Capital expenditures, net (cash flow)</b>	<b>682</b>	<b>162</b>	<b>209</b>	<b>174</b>	<b>184</b>	<b>729</b>	<b>160</b>	<b>189</b>	<b>181</b>	<b>128</b>	<b>658</b>	<b>136</b>	<b>146</b>
QoQ Change			29.0%	-16.7%	5.7%		-13.0%	18.1%	-4.2%	-29.3%		6.3%	7.4%
YoY Change						6.9%	-1.2%	-9.6%	4.0%	-30.4%	-9.7%	-15.0%	-22.8%
<b>Lease payments (IFRS 16)</b>	<b>-</b>	<b>92</b>	<b>67</b>	<b>82</b>	<b>85</b>	<b>326</b>	<b>85</b>	<b>61</b>	<b>92</b>	<b>66</b>	<b>304</b>	<b>82</b>	<b>63</b>
<b>Free cash flow</b>	<b>630</b>	<b>138</b>	<b>19</b>	<b>45</b>	<b>39</b>	<b>241</b>	<b>59</b>	<b>(44)</b>	<b>28</b>	<b>70</b>	<b>113</b>	<b>47</b>	<b>27</b>
QoQ Change			-86.2%	136.8%	-13.3%		51.3%	N/M	-163.6%	150.0%		-32.9%	-42.6%
YoY Change						-61.7%	-57.2%	N/M	-37.8%	79.5%	-53.1%	-20.3%	-161.4%



NIS Millions

	FY 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	FY 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2019	Q1 2020	Q2 2020
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## Bezeq Group

### Other Operating Expenses (Income), Net

Profit from increase to controlling stake in Yes	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit from the sale of shares in Coral Tel Ltd.	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit from the sale of affiliate	-	-	-	-	(14)	(14)	-	-	-	-	-	-	-
Profit from the sale of property, plant and equipment (mainly real estate)*	(66)	(1)	(5)	(1)	6	(1)	(44)	(417)	(11)	(36)	(508)	(9)	4
Profit from copper sales	-	-	-	-	-	-	-	-	-	-	-	-	-
Provision (cancellation)-contingent liabilities, net	-	-	-	-	-	-	-	-	-	-	-	-	-
Provision (cancellation) for early retirement agreement - Bezeq Fixed-Line	23	12	81	6	448	547	(25)	1	3	130	109	5	(5)
Provision (cancellation) for collective agreements at Pelephone, Bezeq International and yes	3	-	2	6	4	12	45	-	45	77	167	-	(5)
Loss from the discontinuation of a software development project	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds from settlement agreements	-	-	-	-	-	-	-	-	-	-	-	-	(9)
Other (mainly legal claims)	21	12	8	1	69	90	(1)	2	2	8	11	1	(4)
<b>Total other operating expenses (income), net</b>	<b>(19)</b>	<b>23</b>	<b>86</b>	<b>12</b>	<b>513</b>	<b>634</b>	<b>(25)</b>	<b>(414)</b>	<b>39</b>	<b>179</b>	<b>(221)</b>	<b>(3)</b>	<b>(19)</b>

\* Includes profit from copper sales beginning Q1 2015



*NIS Millions*

	July 1, 2020- Dec 31, 2020	Jan 1, 2021- Dec 31, 2021	Jan 1, 2022- Dec 31, 2022
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## Bezeq Fixed-Line - Cash Flow Forecast

<b>Cash and cash equivalents at the beginning of the period</b>	<b>433</b>	<b>859</b>	<b>1,300</b>
<b>Sources</b>			
<b>Net cash from operating activities</b>	<b>964</b>	<b>1,880</b>	<b>1,962</b>
Proceeds from the sale of property, plant and equipment	221	101	49
Proceeds from redemption of bank and other deposits	794	474	-
Miscellaneous	1	58	62
<b>Cash flows from investing activities</b>	<b>1,016</b>	<b>633</b>	<b>111</b>
Debenture issuance and new loans	-	850*	650*
<b>Cash flows from financing activities</b>	<b>-</b>	<b>850</b>	<b>650</b>
<b>Total</b>	<b>1,980</b>	<b>3,363</b>	<b>2,723</b>
Loans from investees	39	83	207
Repayment of loans to investees	16	-	-
Miscellaneous	9	10	-
<b>Total cash from investees</b>	<b>64</b>	<b>93</b>	<b>207</b>
<b>TOTAL SOURCES</b>	<b>2,044</b>	<b>3,456</b>	<b>2,930</b>
<b>Uses</b>			
Acquisition of fixed assets and investment in intangible assets	(494)	(907)	(906)
Investment in bank and other deposits	(107)	-	-
Miscellaneous	(3)	-	-
<b>Cash used in investing activities</b>	<b>(604)</b>	<b>(907)</b>	<b>(906)</b>
Repayment of bank loans	(121)	(762)*	(306)*
Repayment of public debentures	(556)	(561)	(872)
Repayment of private debentures and non-bank credit*	(22)	(98)	(76)
Principal and interest payments on leases	(53)	(115)	(122)
Interest payments and other finance expenses	(155)	(314)	(273)
Miscellaneous	(14)	(35)	(39)
<b>Cash used in financing activities</b>	<b>(921)</b>	<b>(1,885)</b>	<b>(1,688)</b>
<b>Total</b>	<b>(1,525)</b>	<b>(2,792)</b>	<b>(2,594)</b>
Investment in a subsidiary	(65)	(180)	(130)
Interest payment	(28)	(37)	(40)
Loans to subsidiaries	-	(6)	-
Repayment of loans from subsidiaries	-	-	(130)
<b>Total cash used in investees</b>	<b>(93)</b>	<b>(223)</b>	<b>(300)</b>
<b>TOTAL USES</b>	<b>(1,618)</b>	<b>(3,015)</b>	<b>(2,894)</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>859</b>	<b>1,300</b>	<b>1,336</b>

\*The forecasts for the issuance and repayment of debt as well as the early repayment of bank loans, assumes the continuation of the Company's plan to extend debt maturities in the years 2021-2022.



	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	FY 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2019	Q1 2020	Q2 2020	
<b>Bezeq Fixed-Line</b>																						
<b>Key Performance Indicators</b>																						
<b>Total outgoing minutes (in millions)</b>	12,017	10,699	9,758	8,694	7,047	6,200	5,607	5,006	4,475	1,055	1,010	960	989	4,014	926	865	888	820	3,499	883	1,079	
QoQ Change										-1.2%	-4.3%	-5.0%	3.0%		-6.4%	-6.6%	2.7%	-7.7%		7.7%	22.2%	
YoY Change	-9.4%	-11.0%	-8.8%	-10.9%	-18.9%	-12.0%	-9.6%	-10.7%	-10.6%	-10.4%	-8.0%	-15.2%	-7.4%	-10.3%	-12.2%	-14.4%	-7.5%	-17.1%	-12.8%	-4.6%	24.7%	
<b>Total incoming minutes (in millions)</b>	6,718	6,547	6,240	6,225	6,115	5,829	5,628	5,297	4,972	1,191	1,151	1,125	1,160	4,627	1,090	1,056	1,099	1,046	4,291	1,120	1,293	
QoQ Change										-1.2%	-3.4%	-2.3%	3.1%		-6.0%	-3.1%	4.1%	-4.8%		7.1%	15.4%	
YoY Change	0.4%	-2.5%	-4.7%	-0.2%	-1.8%	-4.7%	-3.4%	-5.9%	-6.1%	-7.0%	-5.7%	-11.1%	-3.7%	-6.9%	-8.5%	-8.3%	-2.3%	-9.8%	-7.3%	2.8%	22.4%	
<b>Total access lines (in 000's)</b>	2,483	2,366	2,367	2,268	2,216	2,205	2,087	2,010	1,916	1,889	1,865	1,843	1,818	1,818	1,792	1,768	1,743	1,718	1,718	1,693	1,675	
QoQ Change										-1.4%	-1.3%	-1.2%	-1.4%		-1.4%	-1.3%	-1.4%	-1.4%		-1.5%	-1.1%	
YoY Change	-4.6%	-4.7%	0.0%	-4.2%	-2.3%	-0.5%	-5.4%	-3.7%	-4.7%	-4.9%	-4.9%	-5.1%	-5.1%	-5.1%	-5.1%	-5.2%	-5.4%	-5.5%	-5.5%	-5.5%	-5.3%	
QoQ Line change (000's)	(121)	(117)	1	(99)	(52)	(11)	(118)	(77)	(94)	(27)	(24)	(22)	(25)	(98)	(26)	(24)	(25)	(25)	(100)	(25)	(18)	
<b>Average revenue per line (ARPL) (in NIS)</b>	109	109	85	81	74	63	59	57	54	53	52	51	51	52	50	49	49	48	49	48	51	
QoQ Change										0.0%	-1.9%	-1.9%	0.0%		-2.0%	-2.0%	0.0%	-2.0%		0.0%	6.3%	
YoY Change	-1.8%	0.0%	-22.0%	-4.7%	-8.6%	-14.9%	-6.3%	-3.4%	-5.3%	-5.4%	-3.7%	-5.6%	-3.8%	-3.7%	-5.7%	-5.8%	-3.9%	-5.9%	-5.8%	-4.0%	4.1%	
<b>BE Router (in thousands)</b>	N/A	100	100	159	215	272	321	321	378	433												
<b>Bspot and Be Mesh (in thousands)</b>	N/A	100	100	60	77	100	116	116	144	177												
<b>Churn rate (telephony)</b>	N/A	N/A	11.6%	15.3%	13.1%	11.1%	10.1%	10.2%	9.8%	3.0%	2.8%	2.7%	3.1%	11.6%	3.0%	2.7%	3.0%	2.9%	11.7%	3.2%	2.7%	
<b>Broadband Internet lines (in 000's)- Total</b>	1,035	1,066	1,111	1,169	1,263	1,364	1,479	1,558	1,635	1,653	1,662	1,663	1,656	1,656	1,635	1,613	1,589	1,575	1,575	1,566	1,571	
QoQ Change										1.1%	0.5%	0.1%	-0.4%		-1.3%	-1.3%	-1.5%	-0.9%		-0.6%	0.3%	
YoY Change	3.0%	3.0%	4.2%	5.2%	8.0%	8.0%	8.4%	5.3%	4.9%	4.6%	4.3%	3.4%	1.3%	1.3%	-1.1%	-2.9%	-4.4%	-4.9%	-4.9%	-4.2%	-2.6%	
QoQ Line change (000's)	30	31	45	58	94	101	115	79	77	18	9	1	(7)	21	(21)	(22)	(24)	(14)	(81)	(9)	5	
<b>Broadband Internet lines (in 000's)-Wholesale</b>	-	-	-	-	-	-	244	377	532	574	600	617	626	626	624	612	601	592	592	584	580	
QoQ Change										7.9%	4.5%	2.8%	1.5%		-0.3%	-1.9%	-1.8%	-1.5%		-1.4%	-0.7%	
YoY Change										54.5%	41.1%	38.6%	35.1%	27.5%	17.7%	8.7%	2.0%	-2.6%	-5.4%	-5.4%	-6.4%	-5.2%
QoQ Line change (000's)										42	26	17	9	94	(2)	(12)	(11)	(9)	(34)	(8)	(4)	
Wholesale lines as % of total broadband lines							16.5%	24.2%	32.5%	34.7%	36.1%	37.1%	37.8%	37.8%	38.2%	37.9%	37.8%	37.6%	37.6%	37.3%	36.9%	
<b>Broadband Internet lines (in 000's) - Retail</b>	1,035	1,066	1,111	1,169	1,263	1,364	1,235	1,181	1,103	1,079	1,062	1,046	1,030	1,030	1,011	1,001	988	983	983	982	991	
QoQ Change										-2.2%	-1.6%	-1.5%	-1.5%		-1.8%	-1.0%	-1.3%	-0.5%		-0.1%	0.9%	
YoY Change	3.0%	3.0%	4.2%	5.2%	8.0%	8.0%	-9.5%	-4.4%	-6.6%	-7.5%	-7.6%	-6.9%	-6.6%	-6.6%	-6.3%	-5.7%	-5.5%	-4.6%	-4.6%	-2.9%	-1.0%	
QoQ Line change (000's)	30	31	45	58	94	101	(129)	(54)	(78)	(24)	(17)	(16)	(16)	(73)	(19)	(10)	(13)	(5)	(47)	(1)	9	
<b>Broadband Internet ARPU (in NIS) - Retail</b>	69	75	80	81	84	84	88	89	90	92	93	93	96	93	96	97	98	98	97	98	98	
QoQ Change										0.0%	1.1%	0.0%	3.2%		0.0%	1.0%	1.0%	0.0%		0.0%	0.0%	
YoY Change	3.0%	8.7%	6.7%	1.3%	3.7%	0.0%	4.8%	1.1%	1.1%	2.2%	3.3%	3.3%	4.3%	3.3%	4.3%	4.3%	5.4%	2.1%	4.3%	2.1%	1.0%	
<b>Average broadband speed per subscriber (end of period, Mbps)</b>	2.7	4.3	6.7	9.6	18.1	32.5	37.8	43.4	51.5	53.5	55.4	57.4	59.1	59.1	61.5	64.0	66.2	67.8	67.8	69.1	70.4	
QoQ Change										3.9%	3.6%	3.6%	2.9%		4.1%	4.1%	3.4%	2.4%		1.9%	1.9%	
YoY Change	22.7%	59.3%	55.8%	43.3%	88.5%	79.6%	16.3%	14.8%	18.7%	18.6%	17.4%	16.0%	14.8%	14.8%	15.0%	15.5%	15.3%	14.7%	14.7%	12.4%	10.0%	
<b>Number of employees</b>	7,364	7,216	7,076	7,422	6,479	5,964	5,896	5,649	5,582	N/A	N/A	N/A	5,494	5,494	5,358	N/A	N/A	5,256	5,256	N/A	N/A	
YoY Change	-2.2%	-2.0%	-1.9%	4.9%	-12.7%	-7.9%	-1.1%	-4.2%	-1.2%						-1.6%					-4.3%		
<b>Market share - Internet</b>	59%	59%	59%	60%	63%	66%	68%	69%	70%	N/A	N/A	N/A	N/A	69%	N/A	N/A	N/A	N/A	63%	N/A	N/A	
<b>Market share - telephony (private sector)</b>	72%	65%	63%	59%	57%	56%	56%	55%	53%	N/A	N/A	N/A	N/A	52%	N/A	N/A	N/A	N/A	53%	N/A	N/A	
<b>Market share - telephony (business sector)</b>	82%	78%	76%	75%	74%	74%	74%	73%	72%	N/A	N/A	N/A	N/A	71%	N/A	N/A	N/A	N/A	71%	N/A	N/A	

Bezeq - The Israel Telecommunication Corp. Ltd



FY 2009 FY 2010 FY 2011 FY 2012 FY 2013 FY 2014 FY 2015 FY 2016 FY 2017 Q1 2018 Q2 2018 Q3 2018 Q4 2018 FY 2018 Q1 2019 Q2 2019 Q3 2019 Q4 2019 FY 2019 Q1 2020 Q2 2020

**Pelephone**

**Key Performance Indicators**

<b>Total Subscribers (EOP, in 000's)</b>	2,766	2,857	2,847	2,800	2,642	2,586	2,651	2,402	2,525	2,546	2,601	2,185	2,205	2,205	2,224	2,263	2,310	2,336	2,336	2,367	2,376
QoQ Change										0.8%	2.2%	-16.0%	0.9%	0.9%	1.8%	2.1%	1.1%	1.1%	1.3%	1.3%	0.4%
YoY Change	4.4%	3.3%	-0.4%	-1.7%	-5.6%	-2.1%	2.5%	-9.4%	5.1%	4.8%	7.9%	-11.7%	-12.7%	-12.7%	-12.6%	-13.0%	5.7%	5.9%	5.9%	6.4%	5.0%
QoQ subscriber change (000's)		91	(10)	(47)	(158)	(56)	65	(249)	123	21	55	(416)	20	(320)	19	39	47	26	131	31	9
<b>Postpaid Subscribers (EOP, in 000's)</b>	N/A	N/A	N/A	N/A	N/A	1,750	1,726	1,669	1,729	1,760	1,800	1,817	1,831	1,831	1,842	1,866	1,895	1,911	1,911	1,939	1,959
QoQ Change										1.8%	2.3%	0.9%	0.8%	0.6%	1.3%	1.6%	0.8%	0.8%	1.5%	1.0%	1.0%
YoY Change								-1.4%	-3.3%	6.1%	8.2%	7.1%	5.9%	4.7%	3.7%	4.3%	4.4%	4.4%	5.3%	5.0%	5.0%
QoQ subscriber change (000's)								(24)	(57)	60	31	40	17	14	102	11	24	29	16	80	28
<b>Prepaid Subscribers (EOP, in 000's)</b>	N/A	N/A	N/A	N/A	N/A	836	925	733	796	786	801	368	374	374	382	397	415	425	425	428	417
QoQ Change										-1.3%	1.9%	-54.1%	1.6%	2.1%	3.9%	4.5%	2.4%	2.4%	0.7%	-2.6%	
YoY Change								10.6%	-20.8%	8.6%	1.9%	7.2%	-52.7%	-53.0%	-51.4%	-50.4%	12.8%	13.6%	13.6%	12.0%	5.0%
QoQ subscriber change (000's)								89	(192)	63	(10)	15	(433)	6	(422)	8	15	18	10	51	3
<b>ARPU (in NIS)</b>	N/A	111	107	95	86	78	64	63	61	57	57	68	66	62	63	64	65	60	63	58	55
QoQ Change										-1.7%	0.0%	19.3%	-2.9%	-4.5%	1.6%	1.6%	-7.7%	-3.3%	-3.3%	-5.2%	
YoY Change			-3.6%	-11.2%	-9.5%	-9.3%	-17.9%	-1.6%	-3.2%	-5.0%	-6.6%	7.9%	13.8%	1.6%	10.5%	12.3%	-4.4%	-9.1%	1.6%	-7.9%	-14.1%
<b>Churn rate</b>	13.8%	15.3%	22.9%	22.4%	28.6%	28.0%	25.8%	23.7%	28.2%	8.0%	7.3%	9.1%	9.0%	33.3%	8.6%	7.5%	7.3%	7.3%	30.7%	7.1%	6.8%
<b>Number of employees</b>	N/A	N/A	N/A	4,072	3,288	3,001	2,679	2,594	2,551	N/A	N/A	N/A	2,453	2,453	N/A	N/A	N/A	2,202	2,202	N/A	N/A
YoY Change					-19.3%	-8.7%	-10.7%	-3.2%	-1.7%					-3.8%					-10.2%		
<b>Market share</b>	29.0%	28.9%	29.0%	28.2%	26.3%	25.5%	25.2%	23.1%	23.6%	N/A	N/A	21.0%	20.7%	20.7%	N/A	N/A	21.2%	N/A	N/A	N/A	N/A

**Bezeq International**

**Key Performance Indicators**

<b>Number of employees</b>	2,445	2,112	2,262	2,102	2,007	1,932	1,966	1,905	1,864	N/A	N/A	N/A	1,653	1,653	N/A	N/A	N/A	1,419	1,419	N/A	N/A
QoQ Change																					
YoY Change	5.2%	-13.6%	7.1%	-7.1%	-4.5%	-3.7%	1.8%	-3.1%	-2.2%					-11.3%					-14.2%		
<b>Churn rate (ISP)</b>	14.8%	12.7%	12.6%	18.4%	18.0%	17.0%	17.3%	20.4%	23.4%	6.0%	6.0%	5.8%	7.7%	25.5%	6.6%	6.2%	7.1%	6.3%	26.2%	6.7%	6.1%
<b>Market share - ISP</b>	36.0%	35.9%	37.5%	38.8%	40.6%	42%	44%	44%	N/A	N/A	N/A	38.2%	N/A	N/A	N/A	N/A	N/A	N/A	30.0%	N/A	N/A
<b>Market share - ILD (Outgoing)</b>	31.0%	30.7%	30.0%	24.6%	21.2%	23%	21%	21%	25.6%	N/A	N/A	N/A	N/A	23.3%	N/A	N/A	N/A	N/A	27.0%	N/A	N/A

**yes**

**Key Performance Indicators**

<b>Subscribers (EOP, in 000's)</b>	571	578	586	578	600	630	635	614	587	580	582	584	574	574	568	565	558	555	555	556	557
QoQ Change										-1.2%	0.3%	0.3%	-1.7%	-1.0%	-0.5%	-1.2%	-0.5%	-0.5%	0.2%	0.2%	
YoY Change	2.0%	1.2%	1.4%	-1.4%	3.8%	5.0%	0.8%	-3.3%	-4.4%	-4.6%	-3.5%	-2.2%	-2.2%	-2.1%	-2.9%	-4.5%	-3.3%	-3.3%	-2.1%	-1.4%	
QoQ subscriber change (000's)								(21)	(27)	(7)	2	2	(10)	(13)	(6)	(3)	(7)	(3)	(19)	1	1
<b>ARPU (in NIS)</b>	226	230	232	234	233	234	233	233	228	214	215	210	206	211	200	197	195	195	197	195	190
QoQ Change										-5.3%	0.5%	-2.3%	-1.9%	-2.9%	-2.9%	-1.5%	-1.0%	0.0%	0.0%	0.0%	
YoY Change	-0.9%	1.8%	0.9%	1.0%	-0.4%	0.4%	-0.4%	0.0%	-2.1%	-7.8%	-6.1%	-7.1%	-8.8%	-7.5%	-6.5%	-8.4%	-7.1%	-5.3%	-6.6%	-2.5%	
<b>Churn rate</b>	13.3%	13.0%	11.9%	15.4%	13.5%	12.8%	13.9%	15.9%	18.8%	6.1%	4.7%	5.1%	5.6%	21.5%	5.6%	4.9%	5.5%	5.2%	21.2%	5.9%	4.8%
<b>Number of employees</b>	2,158	2,229	2,227	2,276	2,208	2,042	1,984	1,753	1,680	N/A	N/A	N/A	1,532	1,532	N/A	1,350	N/A	1,335	1,335	N/A	N/A
YoY Change	8.0%	3.3%	-0.1%	2.2%	-3.0%	-7.5%	-2.8%	-11.6%	-4.2%					-8.8%					-12.9%		
<b>Mkt share</b>	38%	39%	40%	39%	40%	42%	42%	40%	37%	N/A	N/A	N/A	N/A	34%	N/A	N/A	N/A	N/A	32%	N/A	N/A



## Debt Ratings & Repayments

<u>Rating Agency</u>	<u>Rating</u>	<u>Outlook</u>
S&P Global Ratings Maalot	iiAA-	Stable
Midroog	Aa3.il	Stable

### Summary of Financial Undertakings as of June 30, 2020 (based on repayment dates)

In NIS millions

#### Notes Issued to the Public (Bezeq Fixed-Line)

	CPI Linked	Unlinked	Gross Interest Payment	Total principal and interest
First year	517,815	35,708	195,173	748,696
Second year	517,815	35,708	175,502	729,025
Third year	606,062	250,205	150,946	1,007,213
Fourth year	264,741	643,490	121,569	1,029,800
Fifth year and thereafter	1,798,721	2,121,747	251,782	4,172,250
<b>Total</b>	<b>3,705,154</b>	<b>3,086,858</b>	<b>894,972</b>	<b>7,686,984</b>

#### Private Notes and Other Non-Bank Credit (Bezeq Fixed-Line)

	CPI Linked	Unlinked	Gross Interest Payment	Total principal and interest
First year	-	85,000	36,535	121,535
Second year	-	93,333	32,880	126,213
Third year	-	76,667	29,183	105,850
Fourth year	-	58,333	26,387	84,720
Fifth year and thereafter	-	700,000	78,709	778,709
<b>Total</b>	<b>-</b>	<b>1,013,333</b>	<b>203,694</b>	<b>1,217,027</b>



## Debt Ratings & Repayments

### Credit from Israeli Banks (Bezeq Fixed-Line)

	CPI Linked	Unlinked	Gross Interest Payment	Total principal and interest
First year	-	281,056	56,880	337,936
Second year	-	61,556	45,675	107,231
Third year	-	6,000	42,534	48,534
Fourth year	-	406,000	42,446	448,446
Fifth year and thereafter	-	839,000	52,121	891,121
<b>Total</b>	<b>-</b>	<b>1,593,612</b>	<b>239,656</b>	<b>1,833,268</b>

### Total Debt - Bezeq Fixed-Line

	CPI Linked	Unlinked	Gross Interest Payment	Total principal and interest
First year	517,815	401,764	288,588	1,208,167
Second year	517,815	190,597	254,057	962,469
Third year	606,062	332,872	222,663	1,161,597
Fourth year	264,741	1,107,823	190,402	1,562,966
Fifth year and thereafter	1,798,721	3,660,747	382,612	5,842,080
<b>Total</b>	<b>3,705,154</b>	<b>5,693,803</b>	<b>1,338,322</b>	<b>10,737,279</b>



	FY 2017	FY 2018	FY 2019	Interest Rate Range
<b>Debt Terms</b>				
<b>Bank loans</b>				
Unlinked loans at fixed interest	1,725	1,740	1,593	3.2% - 4.3%
Unlinked loans at fixed interest	631	417	243	5.0% - 6.85%
Unlinked loans at variable interest	675	500	-	Prime-0.33% to Prime +0.2%
Unlinked loans at fixed interest	300	-	-	
<b>Total bank loans</b>	<b>3,331</b>	<b>2,657</b>	<b>1,836</b>	
<b>Loans from financial institutions</b>				
Unlinked loans at fixed interest	1,695	2,014	1,517	3.22% - 4.0%
Unlinked loans at fixed interest	67	50	33	5.25%
<b>Total loans from financial institutions</b>	<b>1,762</b>	<b>2,064</b>	<b>1,550</b>	
<b>Total loans</b>	<b>5,093</b>	<b>4,721</b>	<b>3,386</b>	
<b>Debentures issued to the public</b>				
Series 6 - linked to the CPI, at fixed interest	3,176	2,553	1,600	3.70%
Series 7 - unlinked at variable interest	732	586	107	Makam for one year +1.4%
Series 9 - unlinked at fixed interest	1,645	2,208	2,197	3.65%
Series 10 - linked to the CPI, at fixed interest	900	903	902	2.2%
<b>Total debentures issued to the public</b>	<b>6,453</b>	<b>6,250</b>	<b>4,806</b>	
<b>Debentures traded on the Tel Aviv Continuous Institutional Trading System (TACT)</b>				
Series 11 - unlinked at fixed interest	-	-	605	3.6%
Series 12 - linked to the CPI, at fixed interest	-	-	761	2.1%
<b>Total debentures issued to the public</b>	<b>-</b>	<b>-</b>	<b>1,366</b>	
<b>Non-marketable debentures issued to financial institutions</b>				
Debentures issued by DBS and held by the public - linked to the CPI, at fixed interest	15	8	-	
Unlinked debentures at fixed interest	300	200	-	
<b>Total non-marketable debentures</b>	<b>315</b>	<b>208</b>	<b>-</b>	
<b>Total debentures</b>	<b>6,768</b>	<b>6,458</b>	<b>6,172</b>	
<b>Total loans and debentures</b>	<b>11,861</b>	<b>11,179</b>	<b>9,558</b>	



## GLOSSARY

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### Glossary

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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 of assets
Net Debt/Adjusted EBITDA	= Adjusted EBITDA in this ratio is EBITDA excluding other income/expenses, one-time loss from impairment of assets 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