



BEZEQ GROUP REPORTS FOURTH QUARTER & FULL YEAR 2025 FINANCIAL RESULTS

Holon, Israel – March 9, 2026 – Bezeq – The Israeli Telecommunications Corp., Ltd. (TASE: BEZQ), Israel's leading telecommunications provider, today announced its financial results for the three months and year ended December 31st, 2025. Details about the investor earnings presentation webcast to be held today are included below in this press release.

Bezeq Group FY 2025 Financial Highlights¹

- Adj. Net Profit grew 31% to NIS 1.66 billion; Adj. EBITDA grew 7.8% and crossed the NIS 4 billion threshold (Comp EBITDA² grew 1.5%)
- Continued growth of 3.7% in Bezeq Fixed-Line core revenues; Record fiber deployment of 2.95m homes passed today
- Telephone service revenues were the highest in a decade reaching NIS 1.48b; Q4-2025 Adj. Net Profit grew 69% and Adj. EBITDA reached NIS 208 – the highest since 2014
- yes Adj. EBITDA grew 135% to NIS 483m driven by the positive impact of the completion of transactions and strategic initiatives on yes' valuation
- Board of directors recommended shareholder remuneration of ~NIS 700 million – a cash dividend of NIS 549 million and, for the first time, a buyback plan of NIS 150 million
- Strong Q4 results: Core revenues reached NIS 2.0 billion (up 4.7%). Comp Net Profit² totaled NIS 311 million (up 5.8%) and free cash flow³ amounted to NIS 310 million (up 19.2%)
- 2026 Outlook: Comp EBITDA² of NIS 3.7-3.8 billion and Comp Net Profit² of NIS 1.0-1.1 billion

Tomer Raved, Bezeq Chairman, stated: "Our excellent results demonstrate the strength of the Group and the successful strategy execution. We surpassed one million fiber customers in Bezeq Fixed-Line, and we are leading the infrastructure market with fiber deployment expected to reach 3.5 million households. Telephone delivered its strongest year in a decade and yes completed an impressive financial turnaround. These achievements enable us to launch our first ever share buyback program in addition to our existing dividend policy of distributing 80% of net profit, a move that reflects confidence in our ability to generate strong and stable cash flow in the years ahead. Once again, we demonstrated the critical importance of having a strong and reliable telecommunications infrastructure for the State of Israel, especially considering the current round of hostilities with Iran, ensuring continuity while maintaining high service availability for the entire public and the economy. The

¹ Q4-2025 and FY-2025 results in this earnings release are presented in comparison to Q4-2024 and FY-2024 results, respectively, unless otherwise stated

² Starting with the 2025 reports, a comparative metric will be used in order to avoid one-off accounting effects of value decreases/increases. Comp EBITDA and Comp Net Profit is defined as Adjusted EBITDA and Adjusted Net Profit excluding losses/gains from impairment/increase in value of assets

³ Free cash flow is defined as cash flow from operating activities less net payments for investments and leases



financial and operational targets we published for 2029 reflect our core activities in recent years and the strength of the Group's infrastructure and growth engines.

We are playing a significant role at the forefront of AI, enabling the advancement of the revolution in Israel through technology, infrastructure, and the promotion of products relevant to the public. We will continue to serve as the platform that enables Israel to be a global leader in AI applications. In a world where traffic is surging driven by cloud and data giants, Israel must integrate into the global routes, and Bezeq is leading this effort through the submarine cable project, positioning Israel as a digital hub between Europe, the Middle East and the Far East. In doing so, Israel is strategically positioned as a central player in the global internet value chain, attracting international companies and foreign investments."

Yohai Benita, Bezeq Group CFO, commented: "The strategic update published today reflects our position as one of the world's leading and most innovative telecommunications groups. We aim to be one of the building blocks of the future of the Israeli economy and regional connectivity. The strong free cash flow generated this year, totaling over NIS 1.1 billion, together with our high credit rating, will enable us to continue delivering value to investors, providing the most advanced and highest-quality infrastructure to millions of our customers, while we lead the market forward. We anticipate continuing delivering double-digit annual growth in free cash flow in the coming years, driven by a combination of approximately 4% average growth in Adjusted EBITDA alongside a continued decline in CAPEX. By 2029, we expect to reach 1.5 million fiber subscribers, with approximately 43% take-up, and to exceed 85% penetration among 5G customers."

Nir David, Bezeq CEO, stated: "We posted strong financial results in 2025, demonstrating consistent growth across all core metrics. In the fourth quarter, ARPU increased to NIS 138, a sharp rise year-over-year, supporting the continued growth in the Company's revenues. Core revenues in 2025 totaled NIS 3.94 billion, representing 3.7% year-over-year, driven by higher revenues across all line items. In the fourth quarter, core revenues amounted to NIS 997 million, an increase of 5.7%, reflecting a further acceleration in growth. Our strategy focuses on strengthening our core operations and accelerating investments in advanced infrastructure, based on a deep understanding that the significant technological improvements recently implemented are transforming the Company's operations."

We deployed fiber optics to 2.95 million households today, positioning the Company as a market leader in the infrastructure segment in Israel. We will continue to expand our customer base, deepen our advanced services penetration and develop smart solutions based on advanced infrastructure, while focusing on generating sustained shareholder value and maintaining competitive leadership in the Israeli communications market."

Ilan Sigal, CEO of Pelephone and yes, stated: "The year 2025 was a decade-high in Pelephone's performance and marks a strategic turning point for yes. yes has become the largest television company in Israel, demonstrating growth across all financial parameters, with adjusted net profit exceeding NIS 500 million, due to ongoing operational improvements and the impact of strategic initiatives and collaborations, among others."



Press Release

Telephone concluded the fourth quarter and the year with record results and broad-based growth across all metrics, reaching decade-high service revenues and adjusted EBITDA, alongside an increase in adjusted net profit. We continue to operate in a focused and responsible manner, while strengthening our long-term growth engines in the Israeli communications market. As companies providing essential services, we are operationally prepared from an engineering perspective to ensure service continuity under any scenario. In these days of war and a complex security situation, everyone understands and appreciates the critical importance of advancing cellular infrastructure as national infrastructure."

Ron Glav, CEO of Bezeq International TECH, commented: "The year 2025 marks three years since the strategic transformation of the company from a telco to IT company. Since 2022 to date, we have recorded an annual growth rate of 3% in our business operations. We posted a 2% decline in business operations year-over-year, given the slowdown in consumer ISP activity and foreign exchange effects, but we continue to see a strengthening of our growth engines. We are implementing advanced processes aimed at growing revenues and profitability through our growth engines – cloud, cyber, data center, communications and integration. We will continue to deepen our technological expertise, accelerate innovation and solidify our position as a leading TECH company in the business market."

Bezeq Group Results (Consolidated)

	<u>Q4 2025</u> <i>(NIS millions)</i>	<u>Q4 2024</u>	<u>% change</u>	<u>FY 2025</u>	<u>FY 2024</u> <i>(NIS millions)</i>	<u>% change</u>
Revenues (reported)	2,186	2,203	(0.8%)	8,702	8,884	(2.0%)
Core revenues	2,043	1,952	4.7%	7,963	7,733	3.0%
EBITDA	797	797	0.0%	3,704	3,496	5.9%
Adjusted EBITDA	1,037	974	6.5%	4,005	3,716	7.8%
Comp EBITDA ⁽¹⁾	963	944	2.0%	3,740	3,683	1.5%
Comp EBITDA margin	44.1%	42.9%		43.0%	41.5%	
Net profit	242	210	15.2%	1,417	1,073	32%
Adjusted net profit	428	365	17.3%	1,656	1,265	31%
Comp net profit ⁽¹⁾	311	294	5.8%	1,086	1,110	(2.2%)
CapEx (gross)	406	465	(12.7%)	1,678	1,742	(3.7%)
Free cash flow	310	260	19.2%	1,133	1,271	(10.9%)
Net debt	4,980	4,945	0.7%	4,980	4,945	0.7%

(1) Starting with the 2025 reports, a comparative metric will be used in order to avoid one-off accounting effects of value decreases/increases. Comp EBITDA and Comp Net Profit is defined as Adjusted EBITDA and Adjusted Net Profit excluding losses/gains from impairment/increase in value of assets



Press Release

Core Revenues in 2025 increased 3.0%, to NIS 7.96 billion, mainly due to higher core revenues from all key group segments. Core revenues in the fourth quarter amounted to NIS 2.04 billion, up 4.7%.

Comp EBITDA in 2025 was NIS 3.74 billion (Comp EBITDA margin of 43.0%), up 1.5%. Comp EBITDA in the fourth quarter amounted to NIS 963 million (Comp EBITDA margin of 44.1%), up 2.0%.

Comp Net Profit in 2025 totaled NIS 1.09 billion, down 2.2%. Comp Net Profit in the fourth quarter totaled NIS 311 million, up 5.8%.

Free cash flow in 2025 amounted to NIS 1.13 billion, down 10.9%, mainly due to Bezeq Fixed-Line tax assessments paid in 2025 and a tax refund received in 2024. Free cash flow in the fourth quarter was NIS 310 million, up 19.2%.

Net financial debt for the Group amounted to NIS 4.98 billion as of December 31, 2025, compared to NIS 4.95 billion as of December 31, 2024. The Group's net financial debt to Adjusted EBITDA ratio was 1.4 times as of December 31, 2025, compared to 1.5 as of December 31, 2024.

Dividends

The Company's board of directors recommended a cash dividend to shareholders of 80% of 2H-2025 net profits of NIS 549 million, which at the time of approval represented NIS 19.8 agorot per share. The ex-dividend date will be April 27, 2026. The payment is expected to be made on May 14, 2026.

In addition, the board recommended a share buyback of NIS 150 million in 2026.

2026 Outlook

Based on the information known to the Bezeq Group today, the Group's Outlook for 2026 is as follows:

	2025 Performance	2026 Outlook ⁽²⁾
Comp EBITDA⁽¹⁾	NIS 3.74 billion	NIS 3.7 – 3.8 billion
Comp Net Profit⁽¹⁾	NIS 1.09 billion	NIS 1.0 – 1.1 billion
CapEx	NIS 1.68 billion	~ NIS 1.6 billion

(1) Adjusted EBITDA and Adjusted Net Profit excluding losses/gains from impairment/increase in value of assets.

(2) The Company will report, as required, deviations of more/less than 10% of the midpoint of the Outlook range, where a range exists



Bezeq

Group Targets for 2029

Press Release

Financial Metrics	2025 Performance	2029 Targets
Core revenues	NIS 8.0 billion	NIS 8.7 – 8.9 billion
Comp EBITDA⁽¹⁾	NIS 3.7 billion	NIS 4.2 – 4.4 billion
CapEx	NIS 1.7 billion	NIS 1.5 – 1.6 billion
Comp EBITDA⁽¹⁾ less CAPEX	NIS 2.1 billion	NIS 2.65 – 2.85 billion
Comp Net Profit⁽¹⁾	NIS 1.1 billion	CAGR of >8%
Free Cash Flow (after leases)	NIS 1.1 billion	CAGR of >10%
Financial Stability	AA Credit Rating	Maintain high credit rating within the AA group
Shareholder Remuneration	NIS 975 million ⁽²⁾	Strive to increase shareholder remuneration
Operating Metrics		
Full-time equivalents (FTE)	8,354	Decrease of ~14% in FTEs and stable salary expenses
Fiber deployment	~2.913m homes passed	~3.5 homes passed
Fiber take-up	34%	~43% (retail + wholesale)
Broadband retail ARPU	NIS 136	~NIS 150
% fiber subs with speeds above 1 Gbps	13%	~50%
Telephone ARPU	NIS 46	~NIS 50
5G subscriber plans	59% of postpaid subs	~85% of postpaid subs
5G MAX subscriber plans	140k	~450k
5G sites	~50%	~90% of deployment plan
yes ARPU	NIS 192	~NIS 215
yes TV + fiber subscribers	~21% of total subs	~50% of total subs

(1) Adjusted EBITDA excluding losses/gains from impairment/increase in value of assets

(2) Total dividend paid in 2025

Bezeq Fixed-Line Results

Bezeq Fixed-Line – Financial data	<u>Q4 2025</u>	<u>Q4 2024</u>	<u>% change</u>	<u>FY 2025</u>	<u>FY 2024</u>	<u>% change</u>
	<i>(NIS millions)</i>			<i>(NIS millions)</i>		
Total revenues	1,114	1,071	4.0%	4,428	4,342	2.0%
Core revenues ¹	997	943	5.7%	3,940	3,798	3.7%
Broadband	511	504	1.4%	2,032	1,999	1.7%
Transmission and data	290	292	(0.7%)	1,211	1,179	2.7%
Telephony	117	128	(8.6%)	488	544	(10.3%)
Cloud & digital services	96	87	10.3%	365	348	4.9%
Other revenues	100	60	67%	332	272	22%
EBITDA	416	563	(26%)	2,302	2,461	(6.5%)
Adjusted EBITDA	667	656	1.7%	2,599	2,576	0.9%
Adjusted EBITDA margin	59.9%	61.3%		58.7%	59.3%	
Net profit	67	193	(65%)	720	906	(21%)
Adjusted net profit	260	265	(1.9%)	951	997	(4.6%)
CapEx (gross)	257	303	(15.2%)	1,097	1,139	(3.7%)
Free cash flow	269	285	(5.6%)	969	1,184	(18.2%)

¹ Total fixed-line revenues excluding telephony revenues

Bezeq Fixed-Line – KPIs	<u>Q4 2025</u>	<u>Q3 2025</u>	<u>Q4 2024</u>
Total broadband lines (retail and wholesale, end of the period, in thousands)	1,473	1,473	1,479
Of which: Total fiber optic subscribers (retail and wholesale, in thousands)	993	954	810
Total retail broadband lines (fiber and copper, end of the period, in thousands)	980	990	1,008
Of which: Retail fiber optic subscribers (in thousands)	628	609	521
Total wholesale broadband lines (end of period, in thousands)	493	483	471
Of which: Wholesale fiber optic subscribers (in thousands)	365	345	289
Fiber optics deployed – Homes passed (end of the period, in thousands)	2,913	2,859	2,571
Average monthly revenue per broadband Internet subscriber (NIS) – Retail	138	136	133

Fixed-Line core revenues in 2025 increased 3.7% to NIS 3.94 billion, driven by higher revenues from all key segments. Core revenues in the fourth quarter amounted to NIS 997 million, up 5.7%.

Adjusted EBITDA in 2025 totaled NIS 2.6 billion (Adjusted EBITDA margin of 58.7%), up 0.9%. Adjusted EBITDA in the fourth quarter was NIS 667 million (Adjusted EBITDA margin of 59.9%), up 1.7%. The increase in Adjusted EBITDA was mainly due to higher revenues.

Adjusted Net Profit in 2025 amounted to NIS 951 million, down 4.6%, mainly due to higher depreciation and financing expenses. Adjusted Net Profit in the fourth quarter was NIS 260 million, down 1.9%.

Free cash flow in 2025 was NIS 969 million, down 18.2%, mainly impacted by tax assessments paid in 2025 and a tax refund received in 2024. Free cash flow in the fourth quarter was NIS 269 million, down 5.6%.

Telephone Results⁴

Telephone – Financial data	Q4 2025	Q4 2024	% change	FY 2025	FY 2024	% change
	(NIS millions)			(NIS millions)		
Total revenues	554	524	5.7%	2,092	2,021	3.5%
Service revenues	373	355	5.1%	1,475	1,403	5.1%
Equipment revenues	181	169	7.1%	617	618	(0.2%)
EBITDA	191	187	2.1%	762	741	2.8%
Adjusted EBITDA	208	193	7.8%	782	760	2.9%
Adjusted EBITDA margin	37.5%	36.8%		37.4%	37.6%	
Net profit	47	31	52%	146	138	5.8%
Adjusted net profit	61	36	69%	163	154	5.8%
CapEx (gross)	91	76	19.7%	354	305	16.1%
Free cash flow	41	22	86%	143	99	44%

Telephone – KPIs	Q4 2025	Q3 2025	Q4 2024
Total subscribers (end of period, in thousands)	2,677	2,661	2,633
Postpaid subscribers (end of period, in thousands)	2,315	2,295	2,257
Prepaid subscribers (end of period, in thousands)	362	366	376
5G subscriber plans (end of period, in thousands)	1,375	1,348	1,237
Average revenue per user (ARPU, NIS)	47	48	45

Revenues from services in 2025 totaled NIS 1.48 billion, up 5.1%, driven by continued growth in postpaid subscribers, including 5G and 5G MAX subscriber plans, as well as higher roaming revenues. Service revenues in the fourth quarter amounted to NIS 373 million, up 5.1%.

Revenues from equipment sales in 2025 were NIS 617 million, down 0.2%. Revenues from equipment sales in the fourth quarter were NIS 181 million, up 7.1%, mainly due to the launch of iPhone 17.

⁴ Telephone revenues and ARPU in this earnings release are presented excluding interconnect fees, unless stated otherwise



Press Release

Total revenues in 2025 reached NIS 2.09 billion, up 3.5%. Total revenues in the fourth quarter were NIS 554 million, up 5.7%. The yearly and quarterly revenues were the highest in eight years.

Adjusted EBITDA in 2025 was NIS 782 million (Adjusted EBITDA margin of 37.4%), up 2.9%. Adjusted EBITDA in the fourth quarter totaled NIS 208 million (EBITDA margin of 37.5%), up 7.8%. The yearly and quarterly Adjusted EBITDA were the highest since 2014.

Adjusted Net Profit in 2025 was NIS 163 million, up 5.8%. Adjusted Net Profit in the fourth quarter was NIS 61 million, up 69%, representing the highest quarterly Adjusted Net Profit since Q4-2014.

Free cash flow in 2025 was NIS 143 million, up 44%. Free cash flow in the fourth quarter was NIS 41 million, compared to NIS 22 million in the corresponding quarter. Free cash flow was positively impacted by higher profitability and changes in working capital.

yes Results

yes – Financial data	Q4 2025	Q4 2024	% change	FY 2025	FY 2024	% change
	(NIS millions)			(NIS millions)		
Revenues	340	317	7.3%	1,300	1,265	2.8%
EBITDA	123	76	62%	467	195	140%
Adjusted EBITDA	128	81	58%	483	206	135%
Adjusted EBITDA margin	37.6%	25.6%		37.2%	16.3%	
Net profit	97	55	76%	485	49	890%
Adjusted net profit (loss)	102	60	70%	501	60	735%
CapEx (gross)	44	64	(31%)	181	222	(18.5%)
Free cash flow	-	(87)	NM	(1)	(70)	(99%)

yes – KPIs	Q4 2025	Q3 2025	Q4 2024
Total number of TV subscribers (end of period, in thousands)	565	565	562
IP subscribers (end of period, in thousands)	492	486	467
Fiber customers (end of period, in thousands)	118	106	73
ARPU, NIS ¹	200	189	186

¹ ARPU is calculated by dividing yes' total revenue (excluding revenue from content sales to external broadcasters and revenue from terminal equipment) by the average number of relevant subscribers during the period.



Revenues in 2025 were NIS 1.3 billion, up 2.8%. Revenues in the fourth quarter were NIS 340 million, up 7.3%, representing the highest quarterly revenues since Q1-2019. The increase in revenues was due to higher revenues from the TV + Bezeq fiber bundle as well as revenues from the Partner transaction.

Adjusted EBITDA and Adjusted Net Profit were positively impacted by higher revenues, streamlining of operating expenses and the positive impact of the completion of transactions and strategic initiatives on yes' valuation.

Adjusted EBITDA in 2025 was NIS 483 million (Adjusted EBITDA margin of 37.2%), up 135%. Adjusted EBITDA in the fourth quarter was NIS 128 million (EBITDA margin of 37.6%), up 58%.

Adjusted Net Profit in 2025 was NIS 501 million, compared to NIS 60 million in 2024. Adjusted Net Profit in the fourth quarter was NIS 102 million, compared to NIS 60 million in the corresponding quarter.

Negative free cash flow in 2025 was NIS 1 million, compared to negative free cash flow of NIS 70 million in 2024. Free cash flow in the fourth quarter was breakeven, compared to negative free cash flow of NIS 87 million in the corresponding quarter.

The number of **yes TV subscribers** as of December 31, 2025, was 565k, an increase of 3k year-over-year.

Bezeq International TECH Results

Bezeq International – Financial data	Q4 2025	Q4 2024	% change	FY 2025	FY 2024	% change
	(NIS millions)			(NIS millions)		
Revenues	263	285	(7.7%)	1,080	1,105	(2.3%)
EBITDA	36	(25)	NM	146	102	43%
Adjusted EBITDA	37	48	(23%)	148	176	(15.9%)
Adjusted EBITDA margin	14.1%	16.8%		13.7%	15.9%	
Net profit	3	(69)	NM	36	(22)	NM
Adjusted net profit	4	4	0.0%	38	52	(27%)
CapEx (gross)	17	27	(37%)	58	81	(28%)
Free cash flow	3	18	(83%)	34	51	(33%)

Revenues in 2025 totaled NIS 1.08 billion, down 2.3%, mainly due to lower revenues from consumer ISP services, internet services for businesses and international data communications, partially offset by higher revenues from cloud services and sales of business equipment. Revenues in the fourth quarter totaled NIS 263 million, down 7.7%.

Adjusted EBITDA in 2025 was NIS 148 million (Adjusted EBITDA margin of 13.7%), down 15.9%. Adjusted EBITDA in the fourth quarter was NIS 37 million (Adjusted EBITDA margin of 14.1%), down 23%. The decrease in Adjusted EBITDA was mainly due to lower revenues.

Adjusted Net Profit in 2025 was NIS 38 million, down 27%. Adjusted Net Profit in the fourth quarter was NIS 4 million, in line with the corresponding quarter. Adjusted Net Profit in 2025 was impacted by lower revenues, partially offset by a decrease in depreciation expenses.

Free cash flow in 2025 was NIS 34 million, compared to NIS 51 million in 2024. Free cash flow in the fourth quarter was NIS 3 million, compared to NIS 18 million in the corresponding quarter. The decrease in free cash flow was due to lower profitability and timing differences in working capital, partially offset by a decrease in CapEx.



Conference Call & Webcast Information

Bezeq will conduct its Fourth Quarter & Full Year 2025 earnings webcast call on Tuesday, March 9th, 2025, at 9:00 AM EST / 1:00 PM GMT / 3:00 PM Israel time, hosted by Mr. Tomer Raved, Bezeq's Chairman, Mr. Nir David, Bezeq's CEO, Mr. Ilan Sigal, CEO of Pelephone & yes, and Mr. Yohai Benita, Bezeq Group's Chief Financial Officer. Participants are invited to join the webcast by clicking: <https://us06web.zoom.us/j/5505984141?pwd=aX849tJ122cwzKuZxhmZMYRuwYboqZ.1&omn=89367264233>

About "Bezeq" The Israeli Telecommunications Corp., Ltd.

Bezeq Group defines the future of communications in Israel as the nation's digital backbone and a central engine of economic growth. Through sustained investment in powerful, advanced national infrastructure, we enable smart connectivity for every home, business, and public institution across the country. With financial strength, AI-driven technological leadership, operational excellence, and a forward-looking global strategic perspective, we lead market transformation, strengthen Israel's competitive position in the digital era, and deliver sustainable, long-term value to our customers, partners, and shareholders.

For more information about Bezeq, please visit the corporate website at <http://ir.bezeq.co.il>.

This press release contains partial information from the public reports of Bezeq under the Israeli Securities Law, which can be accessed at the Israeli Securities Authority's website, www.magna.isa.gov.il. A review of this press release is not a substitute for a review of the detailed reports of Bezeq under the Securities Law and is not meant to replace or qualify them; rather, the press release is prepared merely for the convenience of the reader, with the understanding that the detailed reports are being reviewed simultaneously. No representation is made regarding the accuracy or completeness of the information contained herein.

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"Bezeq" The Israel Telecommunication Corp., Limited

Consolidated Statements of Income			
	2025	2024	2023
	NIS million	NIS million	NIS million
Revenues	8,702	8,884	9,103
Costs of activity			
General and operating expenses	2,860	3,257	3,374
Salaries	1,859	1,932	1,922
Depreciation, amortization, impairment and reversal of impairment loss	1,687	1,844	1,867
Other operating expenses, net	279	199	161
Total operating expenses	6,685	7,232	7,324
Operating profit	2,017	1,652	1,779
Financing expenses (income)			
Financing expenses	498	446	408
Financing income	(191)	(196)	(164)
Financing expenses, net	307	250	244
Profit after financing expenses	1,710	1,402	1,535
Loss in investee company	19	8	-
Profit before income tax	1,691	1,394	1,535
Income tax	274	321	346
Profit for the period	1,417	1,073	1,189
Basic and diluted earnings per share (in NIS)	0.51	0.39	0.43

"Bezeq" The Israel Telecommunication Corp., Limited

Consolidated Statements of Financial Position

Assets	2025 NIS million	2024 NIS million
Cash and cash equivalents	643	784
Investments	2,187	1,917
Trade receivables	1,443	1,395
Other receivables	211	172
Inventory	98	162
Assets of a held for sale disposal group	-	83
Total current assets	4,582	4,513
Trade and other receivables	398	410
Right-of-use assets	1,754	1,762
Fixed assets	7,469	7,160
Broadcasting rights	400	116
Intangible assets	1,084	948
Deferred expenses and non-current investments	251	252
Total non-current assets	11,356	10,648
Total assets	15,938	15,161

"Bezeq" The Israel Telecommunication Corp., Limited

Consolidated Statements of Financial Position (Contd.)		
	2025	2024
Liabilities and equity	NIS million	NIS million
Debentures, loans and borrowings	992	1,123
Current maturities of liabilities for leases	425	438
Trade and other payables	1,901	1,935
Employee benefits	542	400
Provisions	174	84
Liabilities of a held for sale disposal group	-	34
Total current liabilities	4,034	4,014
Loans and debentures	6,818	6,523
Liability for leases	1,530	1,530
Employee benefits	219	300
Derivatives and other liabilities	292	214
Liabilities for deferred taxes	56	46
Provisions	34	30
Total non-current liabilities	8,949	8,643
Total liabilities	12,983	12,657
Total equity	2,955	2,504
Total liabilities and equity	15,938	15,161

Bezeq" The Israel Telecommunication Corp., Limited

Consolidated Statements of Cash Flows

	2025	2024	2023
	NIS million	NIS million	NIS million
Cash flows from operating activities			
Profit (loss) for the period	1,417	1,073	1,189
Adjustments:			
Depreciation, amortization, impairment and reversal of impairment loss	1,687	1,844	1,867
Capital gain, net	(7)	(17)	(2)
Financing expenses, net	342	269	258
Recovery of excess cost	(36)	-	-
Loss from investee company	19	8	-
Impairment loss of a held for sale disposal group	2	9	-
Stock-based compensation	22	21	10
Income tax expenses	274	321	346
Change in trade and other receivables	(39)	67	(7)
Change in inventory	54	(109)	(15)
Change in trade and other payables	129	147	63
Change in provisions	22	(5)	(2)
Change in employee benefits	112	115	(3)
Change in broadcasting rights(including reversal of impairment loss)	(283)	(57)	(3)
Miscellaneous	(16)	4	23
Net income tax paid	(437)	(244)	(269)
Net cash from operating activities	3,262	3,446	3,455



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Bezeq" The Israel Telecommunication Corp., Limited

Consolidated Statements of Cash Flows (Cont'd)

	2025	2024	2023
	NIS million	NIS million	NIS million
Cash flow used for investing activities			
Purchase of fixed assets	(1,265)	(1,356)	(1,333)
Investment in intangible assets and deferred expenses	(413)	(390)	(375)
Investment in bank deposits and other financial investments	(2,335)	(2,045)	(1,419)
Proceeds from bank deposits and other financial investments	2,110	1,381	1,134
Proceeds from the sale of fixed assets	40	16	39
Government grant received for frequencies	-	4	-
Interest from bank deposits	80	90	72
Purchase of subsidiary less cash acquired	-	-	(14)
Investment in affiliate	(31)	(10)	-
Proceeds from the sale of a subsidiary, net	28	-	-
Miscellaneous	(14)	8	17
Net cash used in investing activities	(1,800)	(2,302)	(1,879)



Press Release

"Bezeq" The Israel Telecommunication Corp., Limited

Consolidated Statements of Cash Flows (Cont'd)

	2025	2024	2023
	NIS million	NIS million	NIS million
Cash flows from financing activities			
Issue of debentures and receipt of loans	1,190	1,648	515
Repayment of debentures and loans	(1,123)	(1,071)	(912)
Payments of principal and interest for leases	(491)	(449)	(484)
Interest paid	(238)	(249)	(236)
Dividend paid	(975)	(781)	(638)
Proceeds (payment) for expired hedging transactions	6	7	4
Miscellaneous	-	-	(3)
Net cash used for financing activities	(1,631)	(895)	(1,754)
Increase (decrease) in cash and cash equivalents, net	(169)	249	(178)
Cash and cash equivalents as at January 1	784	563	741
Change in cash balance of a subsidiary sold	28	(28)	-
Cash and cash equivalents as at year-end	643	784	563