



Bezeq Facts & Figures Q3 2013

Three months and year ending September 30, 2013

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(NIS millions, except for EPS)	FY 2007	FY 2008	FY 2009	FY 2010	Q1 2011	Q2 2011	Q3 2011	Q4 2011	FY 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012	FY 2012	Q1 2013	Q2 2013	Q3 2013
Bezeq Group ⁽¹⁾																	
Key Income Statement Metrics												2 12 1					
Revenues	11,136	11,015	11,519	11,987	2,913	2,893	2,917	2,650	11,373	2,740	2,595	2,494	2,449	10,278	2,405	2,351	2,3
QoQ Change					-4.7%	-0.7%	0.8%	-9.2%		3.4%	-5.3%	-3.9%	-1.8%		-1.8%	-2.2%	2
YoY Change		-1.1%	4.6%	4.1%	-0.1%	-3.0%	-3.8%	-13.3%	-5.1%	-5.9%	-10.3%	-14.5%	-7.6%	-9.6%	-12.2%	-9.4%	-3
Operating Profit	2,321	2,640	2,972	3,744	665	935	944	698	3,242	850	746	667	778	3,041	761	744	7
QoQ Change					-26.2%	40.6%	1.0%	-26.1%		21.8%	-12.2%	-10.6%	16.6%		-2.2%	-2.2%	-3
YoY Change		13.7%	12.6%	26.0%	-23.9%	-5.6%	-3.6%	-22.5%	-13.4%	27.8%	-20.2%	-29.3%	11.5%	-6.2%	-10.5%	-0.3%	8
Net profit attributed to Bezeq shareholders	1,330	1,627	3,603	2,443	407	585	550	524	2,066	582	415	342	522	1,861	497	473	4
QoQ Change					-29.2%	43.7%	-6.0%	-4.7%		11.1%	-28.7%	-17.6%	52.6%		-4.8%	-4.8%	-
YoY Change		22.3%	121.5%	-32.2%	-36.6%	-8.3%	-6.5%	-8.9%	-15.4%	43.0%	-29.1%	-37.8%	-0.4%	-9.9%	-14.6%	14.0%	3
Earnings Per Share - Basic	0.51	0.62	1.37	0.91	0.15	0.22	0.20	0.19	0.76	0.21	0.15	0.13	0.19	0.68	0.18	0.17	0
Earnings Per Share - Diluted	0.50	0.61	1.34	0.90	0.15	0.21	0.20	0.19	0.76	0.21	0.15	0.13	0.19	0.68	0.18	0.17	0
Depreciation & amortization	1,509	1,458	1,485	1,409	335	348	357	355	1,395	358	358	359	361	1,436	328	326	3
QoQ Change					-9.0%	3.9%	2.6%	-0.6%		0.8%	0.0%	0.3%	0.6%		-9.1%	-0.6%	(
YoY Change		-3.4%	1.9%	-5.1%	-2.3%	0.0%	2.0%	-3.5%	-1.0%	6.9%	2.9%	0.6%	1.7%	2.9%	-8.4%	-8.9%	-8
Salaries	2,192	2,161	1,990	2,024	532	540	540	491	2,103	511	505	511	449	1,976	499	468	4
QoQ Change					-1.1%	1.5%	0.0%	-9.1%		4.1%	-1.2%	1.2%	-12.1%		11.1%	-6.2%	-1
Yo Y Change		-1.4%	-7.9%	1.7%	5.3%	10.4%	9.8%	-8.7%	3.9%	-3.9%	-6.5%	-5.4%	-8.6%	-6.0%	-2.3%	-7.3%	-9
Other operating expenses (income)	N/A	96	201	-216	250	-62	-106	57	139	-23	17	-6	-116	-128	-72	-18	
QoQ Change					NM	NM	71.0%	NM		NM	NM	NM	NM		-37.9%	-75.0%	-66
YoY Change			109.4%	NM	NM	-11.4%	79.7%	NM	NM	NM	NM	-94.3%	NM	NM	213.0%	NM	(
Finance expenses (income), net	182	140	-31	109	20	62	86	42	210	-44	77	55	63	151	24	27	
QoQ Change					-9.1%	210.0%	38.7%	-51.2%				-28.6%	14.5%		-61.9%	12.5%	66
YoY Change		-23.1%				77.1%	16.2%	90.9%	92.7%		24.2%	-36.0%	50.0%	-28.1%	-154.5%	-64.9%	-18
Share in losses of equity accounted investees	N/A	N/A	N/A	-261	-65	-72	-66	-13	-216	-58	-83	-92	-12	-245	-40	-67	
QoQ Change					-19.8%	10.8%	-8.3%	-80.3%		346.2%	43.1%	10.8%	-87.0%		233.3%	67.5%	.31
YoY Change						-16.3%	-7.0%	-84.0%	-17.2%	-10.8%	15.3%	39.4%	-7.7%	13.4%	-31.0%	-19.3%	-4
BITDA	3,830	4,098	4,457	5,153	1,000	1,283	1,301	1,053	4,637	1,208	1,104	1,026	1,139	4,477	1,089	1,070	1,0
QoQ Change	0,000	1,000	.,	0,.00	-21.2%	28.3%	1.4%	-19.1%	.,	14.7%	-8.6%	-7.1%	11.0%	.,	-4.4%	-1.7%	-1
YoY Change		7.0%	8.8%	15.6%	-17.8%	-4.1%	-2.1%	-17.0%	-10.0%	20.8%	-14.0%	-21.1%	8.2%	-3.5%	-9.9%	-3.1%	2
Shares Outstanding - Basic	2.605	2.605	2.635	2.675	2,688	2.699	2.706	2.711	2,714	2.715	2,718	2,721	2.725	2.720	2.725	2.725	2.7
Shares Outstanding - Diluted	2,641	2,649	2,685	2,717	2,722	2,724	2,724	2,725	2,725	2,727	2,724	2,725	2,726	2,725	2,726	2,729	2,7
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Key Cash Flow Metrics	2,697	3,068	3,655	3,696	775	670	882	050	3,186	998	000	1,024	4.002	4.04.4	972	4 400	1,1
Operating cash flow	2,097	3,000	3,000	3,090	775	670		859	3,100		990		1,002	4,014		1,102	
QoQ Change		40.70/	10.10/	4.404	3.6%	-13.5%	31.6%	-2.6%	40.004	16.2%	-0.8%	3.4%	-2.1%	00.00/	-3.0%	13.4%	3.
YoY Change	4.006	13.7%	19.1%	1.1%	-3.8%	-31.4%	-24.4%	14.8%	-13.8%	28.8%	47.8%	16.1%	16.6%	26.0%	-2.6%	11.3%	11
Capital expenditures, gross (accounting)	1,086	1,632	1,505	1,645	513	495	437	494	1,939	475	383	347	338	1,543	254	331	3
QoQ Change					7.3%	-3.5%	-11.7%	13.0%		-3.8%	-19.4%	-9.4%	-2.6%		-24.9%	30.3%	-7
Yo Y Change		50.3%	-7.8%	9.3%	42.5%	15.9%	14.7%	3.3%	17.9%	-7.4%	-22.6%	-20.6%	-31.6%	-20.4%	-46.5%	-13.6%	-12
Capital expenditures, gross (cash flow)	991	1,531	1,535	1,622	500	455	479	469	1,903	460	382	367	331	1,540	289	301	3
QoQ Change					4.0%	-9.0%	5.3%	-2.1%		-1.9%	-17.0%	-3.9%	-9.8%		-12.7%	4.2%	6
YoY Change		54.5%	0.2%	5.7%	35.5%	14.9%	27.4%	-2.5%	17.3%	-8.0%	-16.0%	-23.4%	-29.4%	-19.1%	-37.2%	-21.2%	-12
Capital expenditures, net (cash flow)	814	1,384	1,445	1,489	313	406	374	544	1,637	413	360	270	192	1,235	246	178	2
QoQ Change					-28.4%	29.7%	-7.9%	45.5%		-24.1%	-12.8%	-25.0%	-28.9%		28.1%	-27.6%	50
YoY Change		70.0%	4.4%	3.0%	-11.6%	9.7%	14.0%	24.5%	9.9%	31.9%	-11.3%	-27.8%	-64.7%	-24.6%	-40.4%	-50.6%	-1
Free cash flow	1,883	1,684	2,210	2,207	462	264	508	315	1,549	585	630	754	810	2,779	726	924	8
QoQ Change					48.6%	-42.9%	92.4%	-38.0%		85.7%	7.7%	19.7%	7.4%		-10.4%	27.3%	-4
YoY Change		-10.6%	31.3%	-0.1%	2.2%	-56.4%	-39.4%	1.3%	-29.8%	26.6%	138.6%	48.4%	157.1%	79.4%	24.1%	46.7%	10
Key Balance Sheet Metrics																	
otal debt	5,034	4,356	4,136	5,717	5,638	6,984	9,614	9,578	9,578	9,416	9,125	8,939	9,546	9,546	9,388	9,939	9,8
		816	734	372	701	487	3,620	2,298	2,298	2,770	1,229	1,747	1,547	1,547	2,085	2,007	1,2
	1,589	010			4 007	6,497	5,994	7,280	7,280	6,646	7,896	7,192	7,999	7,999	7,303	7,932	8,5
Cash & short-term investments	1,589 3,445	3,540	3,402	5,345	4,937	0,431											
Cash & short-term investments Net debt			3,402	5,345	4,937	0,497	-,										
Cash & short-term investments Net debt Ratios	3,445	3,540	,	,			·		28 5%	31.0%	28 7%	26 7%	31 8%	29.6%	31.6%	31.6%	30
Cash & short-term investments Net debt Ratios Operating margin	3,445	3,540	25.8%	31.2%	22.8%	32.3%	32.4%	26.3%	28.5% 18.2%	31.0% 21.2%	28.7% 16.0%	26.7% 13.7%	31.8% 21.3%	29.6% 18.1%	31.6% 20.7%	31.6% 20.1%	
Cash & short-term investments Net debt Ratios Operating margin Net margin	3,445 20.8% 11.9%	3,540 24.0% 14.8%	25.8% 31.3%	31.2% 20.4%	22.8% 14.0%	32.3% 20.2%	32.4% 18.9%	26.3% 19.8%	18.2%	21.2%	16.0%	13.7%	21.3%	18.1%	20.7%	20.1%	18
Cash & short-term investments Net debt Ratios Dperating margin Net margin EBITDA margin	20.8% 11.9% 34.4%	3,540 24.0% 14.8% 37.2%	25.8% 31.3% 38.7%	31.2% 20.4% 43.0%	22.8% 14.0% 34.3%	32.3% 20.2% 44.3%	32.4% 18.9% 44.6%	26.3% 19.8% 39.7%	18.2% 40.8%	21.2% 44.1%	16.0% 42.5%	13.7% 41.1%	21.3% 46.5%	18.1% 43.6%	20.7% 45.3%	20.1% 45.5%	18 43
Cash & short-term investments Net debt Ratios Operating margin Net margin EBITDA margin Capex/Sales	20.8% 11.9% 34.4% 9.8%	3,540 24.0% 14.8% 37.2% 14.8%	25.8% 31.3% 38.7% 13.1%	31.2% 20.4% 43.0% 13.7%	22.8% 14.0% 34.3% 17.6%	32.3% 20.2% 44.3% 17.1%	32.4% 18.9% 44.6% 15.0%	26.3% 19.8% 39.7% 18.6%	18.2% 40.8% 17.0%	21.2% 44.1% 17.3%	16.0% 42.5% 14.8%	13.7% 41.1% 13.9%	21.3% 46.5% 13.8%	18.1% 43.6% 15.0%	20.7% 45.3% 10.6%	20.1% 45.5% 14.1%	30 18 43 12
Cash & short-term investments Net debt Ratios Dperating margin Net margin EBITDA margin	20.8% 11.9% 34.4%	3,540 24.0% 14.8% 37.2%	25.8% 31.3% 38.7%	31.2% 20.4% 43.0%	22.8% 14.0% 34.3%	32.3% 20.2% 44.3%	32.4% 18.9% 44.6%	26.3% 19.8% 39.7%	18.2% 40.8%	21.2% 44.1%	16.0% 42.5%	13.7% 41.1%	21.3% 46.5%	18.1% 43.6%	20.7% 45.3%	20.1% 45.5%	18 43

(1) The Bezeq Group's financial data reflects the deconsolidation of yes as of December 31, 2007

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(NIS millions, except for EPS)	FY 2007	FY 2008	FY 2009	FY 2010	Q1 2011	Q2 2011	Q3 2011	Q4 2011	FY 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012	FY 2012	Q1 2013	Q2 2013	Q3 2013
Bezeq Group (cont'd)																	
Operating & general expenses																	
Total operating & general expenses	5,075	4,660	4,871	5,026	1,131	1,132	1,182	1,049	4,494	1,044	969	963	977	3,953	889	831	89
QoQ Change					-13.9%	0.1%	4.4%	-11.3%		-0.5%	-7.2%	-0.6%	1.5%		-9.0%	-6.5%	7
Yo Y Change		-8.2%	4.5%	3.2%	-7.1%	-7.5%	-7.0%	-20.1%	-10.6%	-7.7%	-14.4%	-18.5%	-6.9%	-12.0%	-21.4%	-14.2%	-7
erminal equipment & materials	N/A	N/A	1,163	1,225	430	443	454	366	1,693	379	293	285	306	1,263	258	247	2
QoQ Change						3.0%	2.5%	-19.4%		3.6%	-22.7%	-2.7%	7.4%		-15.7%	-4.3%	ϵ
YoY Change				5.3%					38.2%	-11.9%	-33.9%	-37.2%	-16.4%	-25.4%	-31.9%	-15.7%	-7
terconnect & payments to telecom operators	N/A	N/A	1,762	1,876	222	224	242	222	910	224	222	229	225	900	224	228	2
QoQ Change						0.9%	8.0%	-8.3%		0.9%	-0.9%	3.2%	-1.7%		-0.4%	1.8%	
YoY Change				6.5%					-51.5%	0.9%	-0.9%	-5.4%	1.4%	-1.1%	0.0%	2.7%	
aintenance of buildings and sites	N/A	N/A	647	640	161	159	160	161	641	162	158	169	174	663	161	127	•
QoQ Change						-1.2%	0.6%	0.6%		0.6%	-2.5%	7.0%	3.0%		-7.5%	-21.1%	32
YoY Change				-1.1%					0.2%	0.6%	-0.6%	5.6%	8.1%	3.4%	-0.6%	-19.6%	-(
arketing & general	N/A	N/A	626	622	156	158	177	164	655	122	152	156	126	556	140	126	
QoQ Change						1.3%	12.0%	-7.3%		-25.6%	24.6%	2.6%	-19.2%		11.1%	-10.0%	
Yo Y Change				-0.6%					5.3%	-21.8%	-3.8%	-11.9%	-23.2%	-15.1%	14.8%	-17.1%	-19
ervices and maintenance by sub-contractors	N/A	N/A	218	189	46	43	42	39	170	43	34	35	46	158	38	36	
QoQ Change						-6.5%	-2.3%	-7.1%		10.3%	-20.9%	2.9%	31.4%		-17.4%	-5.3%	-
YoY Change				-13.3%					-10.1%	-6.5%	-20.9%	-16.7%	17.9%	-7.1%	-11.6%	5.9%	
ehicle maintenance	N/A	N/A	177	188	42	33	37	30	142	38	39	44	41	162	37	38	
QoQ Change						-21.4%	12.1%	-18.9%		26.7%	2.6%	12.8%	-6.8%		-9.8%	2.7%	
Yo Y Change				6.2%					-24.5%	-9.5%	18.2%	18.9%	36.7%	14.1%	-2.6%	-2.6%	-1.
ontent services	N/A	N/A	151	156	33	32	30	28	123	24	24	21	34	103	17	17	
QoQ Change						-3.0%	-6.3%	-6.7%		-14.3%	0.0%	-12.5%	61.9%		-50.0%	0.0%	-
YoY Change				3.3%					-21.2%	-27.3%	-25.0%	-30.0%	21.4%	-16.3%	-29.2%	-29.2%	-2
oyalties and collection fees	N/A	N/A	127	130	41	40	40	39	160	52	47	24	25	148	14	12	
QoQ Change						-2.4%	0.0%	-2.5%		33.3%	-9.6%	-48.9%	4.2%		-44.0%	-14.3%	8
Yo Y Change				2.4%					23.1%	26.8%	17.5%	-40.0%	-35.9%	-7.5%	-73.1%	-74.5%	-45

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(NIS millions, except for EPS)	FY 2007	FY 2008	FY 2009	FY 2010	Q1 2011	Q2 2011	Q3 2011	Q4 2011	FY 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012	FY 2012	Q1 2013	Q2 2013	Q3 2013
Bezeq Fixed-Line																	
Key Income Statement Metrics (Revenues)																	
Total Revenues	5,713	5,498	5,303	5,263	1,178	1,170	1,186	1,114	4,648	1,199	1,161	1,149	1,121	4,630	1,129	1,121	1,127
QoQ Change YoY Change		-3.8%	-3.5%	-0.8%	-11.4% -9.7%	-0.7% -10.5%	1.4% -10.4%	-6.1% -16.2%	-11.7%	7.6% 1.8%	-3.2% -0.8%	-1.0% -3.1%	-2.4% 0.6%	-0.4%	0.7% -5.8%	-0.7% -3.4%	0.59 -1.99
Telephony Revenues	3,905	3,572	3,333	3,160	617	607	612	557	2,393	588	572	557	537	2,254	-5.6% 510	503	490
QoQ Change	0,000	0,0.2	0,000	0,.00	-22.1%	-1.6%	0.8%	-9.0%	_,000	5.6%	-2.7%	-2.6%	-3.6%	_,_0 .	-5.0%	-1.4%	-2.6
Yo Y Change		-8.5%	-6.7%	-5.2%	-21.4%	-23.6%	-22.3%	-29.7%	-24.3%	-4.7%	-5.8%	-9.0%	-3.6%	-5.8%	-13.3%	-12.1%	-12.0
Broadband Internet Revenues	712	790	863	977	265	269	276	282	1,092	296	285	291	294	1,166	310	321	33
QoQ Change YoY Change		11.0%	9.2%	13.2%	3.1% 12.3%	1.5% 14.5%	2.6% 10.8%	2.2% 9.7%	11.8%	5.0% 11.7%	-3.7% 5.9%	2.1% 5.4%	1.0% 4.3%	6.8%	5.4% 4.7%	3.5% 12.6%	3.4 14.1
Fransmission & Data Revenues	754	811	851	882	228	233	239	231	931	245	247	243	241	976	247	241	25
QoQ Change		***			4.1%	2.2%	2.6%	-3.3%		6.1%	0.8%	-1.6%	-0.8%		2.5%	-2.4%	4.0
Yo Y Change		7.6%	4.9%	3.6%	2.2%	5.4%	9.1%	5.5%	5.6%	7.5%	6.0%	1.7%	4.3%	4.8%	0.8%	-2.4%	3.
Other Service Revenues	342	325	256	244	68	61	59	44	232	70	57	58	49	234	62	56	
QoQ Change YoY Change		-5.0%	-21.2%	-4.7%	11.5% 13.3%	-10.3% 8.9%	-3.3% -11.9%	-25.4% -27.9%	-4.9%	59.1% 2.9%	-18.6% -6.6%	1.8% -1.7%	-15.5% 11.4%	0.9%	26.5% -11.4%	-9.7% -1.8%	-5.4 -8.0
Yo Y Change		-5.0%	-21.2%	-4.7%	13.3%	8.9%	-11.9%	-27.9%	-4.9%	2.9%	-0.0%	-1.7%	11.4%	0.9%	-11.4%	-1.8%	-8.0
Key Income Statement Metrics																	
Operating profit	1,319	1,475	1,523	2,043	211	517	546	384	1,658	539	437	419	564	1,959	535	510	49
QoQ Change		44.00/	2.20/	24.40/	-57.3%	145.0%	5.6%	-29.7%	40.00/	40.4%	-18.9%	-4.1%	34.6%	40.00/	-5.1% -0.7%	-4.7%	-3.1 17.9
YoY Change let profit (1)	737	11.8% 950	3.3% 1,107	34.1% 1,426	-56.9% 123	2.8% 330	-1.8% 311	-22.3% 301	-18.8% 1,065	155.5% 348	-15.5% 263	-23.3% 246	46.9% 370	18.2% 1,227	-0.7% 348	16.7% 351	36
QoQ Change		500	1,101	1,420	-63.8%	168.3%	-5.8%	-3.2%	1,000	15.6%	-24.4%	-6.5%	50.4%	.,,	-5.9%	0.9%	2.0
Yo Y Change		28.9%	16.5%	28.8%	-65.8%	-5.4%	-17.5%	-11.5%	-25.3%	182.9%	-20.3%	-20.9%	22.9%	15.2%	0.0%	33.5%	46.
epreciation & amortization	941	852	794	690	162	171	180	175	688	178	178	185	189	730	167	168	17
QoQ Change					-9.0%	5.6%	5.3%	-2.8%		1.7%	0.0%	3.9%	2.2%		-11.6%	0.6%	3.
YoY Change	1,293	-9.5% 1,202	-6.8% 1,094	-13.1% 1,079	-4.7% 284	0.0% 291	5.3% 284	-1.7% 230	-0.3% 1,089	9.9% 267	4.1% 267	2.8% 274	8.0% 228	6.1% 1,036	-6.2% 270	-5.6% 242	-5.9 24
QoQ Change	1,233	1,202	1,034	1,073	-4.1%	2.5%	-2.4%	-19.0%	1,003	16.1%	0.0%	2.6%	-16.8%	1,000	18.4%	-10.4%	0.4
YoY Change		-7.0%	-9.0%	-1.4%	2.5%	16.4%	10.9%	-22.3%	0.9%	-6.0%	-8.2%	-3.5%	-0.9%	-4.9%	1.1%	-9.4%	-11.3
Other operating expenses (income)	39	96	202	-158	250	-62	-106	57	139	-22	16	-7	-115	-128	-73	-17	-
QoQ Change					N/M	N/M	71.0%	N/M N/M	N/M	N/M N/M	N/M	N/M	1542.9% N/M	N/M	-36.5%	-76.7% NM	-52.9
YoY Change Finance expenses (income), net	188	146.2% 125	<i>N/M</i> -15	N/M 90	N/M 26	376.9% 73	79.7% 88	53	N/М 240	N/M 49	N/M 76	-93.4% 63	71	259	231.8% 52	лм 53	14.3 5
QoQ Change	100	123	-13	30	-18.8%	180.8%	20.5%	-39.8%	240	-7.5%	55.1%	-17.1%	12.7%	200	-26.8%	1.9%	7.5
YoY Change		-33.5%	N/M	N/M	N/M	151.7%	193.3%	65.6%	166.7%	88.5%	4.1%	-28.4%	34.0%	7.9%	6.1%	-30.3%	-9.5
BITDA	2,260	2,327	2,317	2,733	373	688	726	559	2,346	717	615	604	753	2,689	702	678	66
QoQ Change					-44.5%	84.5%	5.5%	-23.0%		28.3%	-14.2%	-1.8%	24.7%		-6.8%	-3.4%	-1.5
YoY Change (ey Cash Flow Metrics		3.0%	-0.4%	18.0%	-43.5%	2.1%	-0.1%	-16.8%	-14.2%	92.2%	-10.6%	-16.8%	34.7%	14.6%	-2.1%	10.2%	10.6
Operating cash flow	1,379	1,691	2,220	2,140	419	496	641	550	2,106	651	376	470	512	2,009	561	556	63
QoQ Change		·			-22.4%	18.4%	29.2%	-14.2%		18.4%	-42.2%	25.0%	8.9%		9.6%	-0.9%	13.5
YoY Change	-46	22.6%	31.3%	-3.6%	6.6%	-5.2%	-6.3%	1.8%	-1.6%	55.4%	-24.2%	-26.7%	-6.9%	-4.6%	-13.8%	47.9%	34.3
Capital expenditures, gross (accounting)	513	600	844	1,041	340	310	243 -21.6%	281	1,174	262	239	238 -0.4%	206 -13.4%	945	164	197 20.1%	19 -3.0
QoQ Change YoY Change		17.0%	40.7%	23.3%	15.6% 49.1%	-8.8% 15.2%	-21.6% -2.8%	15.6% -4.4%	12.8%	-6.8% -22.9%	-8.8% -22.9%	-0.4% -2.1%	-13.4%	-19.5%	-20.4% -37.4%	-17.6%	-19.
apital expenditures, gross (cash flow)	505	616	853	1,032	319	319	268	259	1,165	269	238	249	202	958	183	186	19
QoQ Change					5.6%	0.0%	-16.0%	-3.4%		3.9%	-11.5%	4.6%	-18.9%		-9.4%	1.6%	6.
YoY Change		22.0%	38.5%	21.0%	34.0%	29.1%	9.4%	-14.2%	12.9%	-15.7%	-25.4%	-7.1%	-22.0%	-17.8%	-32.0%	-21.8%	-20.
apital expenditures, net (cash flow)	336	472	767	900	247	271	200	219	937	223	216	153	66	658	141	62	1:
QoQ Change YoY Change		40.5%	62.5%	17.3%	-4.6% 10.8%	9.7% 22.6%	-26.2% 1.5%	9.5% -15.4%	4.1%	1.8% -9.7%	-3.1% -20.3%	-29.2% -23.5%	-56.9% -69.9%	-29.8%	113.6% -36.8%	-56.0% -71.3%	141. -2.
ree cash flow	1,043	1,219	1,453	1,240	287	22.0% 225	441	216	1,169	428	160	317	446	1,351	420	494	48
QoQ Change					2.1%	-21.6%	96.0%	-51.0%		98.2%	-62.6%	98.1%	40.7%		-5.8%	17.6%	-2.6
YoY Change		16.9%	19.2%	-14.7%	68.8%	-25.5%	-9.4%	-23.2%	-5.7%	49.1%	-28.9%	-28.1%	106.5%	15.6%	-1.9%	208.8%	51.7
Pation																	
Ratios Operating margin	23.1%	26.8%	28.7%	38.8%	17.9%	44.2%	46.0%	34.5%	35.7%	45.0%	37.6%	36.5%	50.3%	42.3%	47.4%	45.5%	43.8
Net margin	12.9%	17.3%	20.7 %	27.1%	10.4%	28.2%	26.2%	27.0%	22.9%	29.0%	22.7%	21.4%	33.0%	26.5%	30.8%	31.3%	31.9
EBITDA margin	39.6%	42.3%	43.7%	51.9%	31.7%	58.8%	61.2%	50.2%	50.5%	59.8%	53.0%	52.6%	67.2%	58.1%	62.2%	60.5%	59.39
Capex/Sales	9.0%	10.9%	15.9%	19.8%	28.9%	26.5%	20.5%	25.2%	25.3%	21.9%	20.6%	20.7%	18.4%	20.4%	14.5%	17.6%	16.9

(1) Net profit does not include share in profits/losses of equity-accounted investees.

				Bez	zeq - The	sraei i eie	ecommun	ication Co	orp. Lta.								
(NIS millions, except for EPS)	FY 2007	FY 2008	FY 2009	FY 2010	Q1 2011	Q2 2011	Q3 2011	Q4 2011	FY 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012	FY 2012	Q1 2013	Q2 2013	Q3 2013
Bezeq Fixed-Line (cont'd)																	
Operating & general expenses																	
otal general & operating expenses	2,121	1,873	1,690	1,609	271	253	282	268	1,074	237	263	278	255	1,033	230	218	22
QoQ Change						-6.6%	11.5%	-5.0%		-11.6%	11.0%	5.7%	-8.3%		-9.8%	-5.2%	2.
Yo Y Change		-11.7%	-9.8%	-4.8%					-33.3%	-12.5%	4.0%	-1.4%	-4.9%	-3.8%	-3.0%	-17.1%	-19.
terconnect & payments to telecom operators	N/A	N/A	871	855	79	78	79	78	314	75	72	70	64	281	57	58	
QoQ Change						-1.3%	1.3%	-1.3%		-3.8%	-4.0%	-2.8%	-8.6%		-10.9%	1.8%	-5.
Yo Y Change			040	-1.8%	4-	40			-63.3%	-5.1%	-7.7%	-11.4%	-17.9%	-10.5%	-24.0%	-19.4%	-21
arketing & general	N/A	N/A	218	196	47	42	58	47	194	8	42	54	55	159	44	41	
QoQ Change				40.40/		-10.6%	38.1%	-19.0%	4.00/	-83.0%	425.0%	28.6%	1.9%	40.007	-20.0%	-6.8%	14
YoY Change	***	****	80	-10.1% 88	22	17	23	27	-1.0% 89	-83.0% 24	0.0% 27	-6.9% 28	17.0% 32	-18.0% 111	450.0% 27	-2.4% 23	-13
erminal equipment & materials QoQ Change	N/A	N/A	80	00	22	-22.7%	23 35.3%	17.4%	09	-11.1%	12.5%	20 3.7%	3 2 14.3%	111	-15.6%	-14.8%	-4.
YoY Change				10.0%		-22.1%	35.3%	17.4%	1.1%	9.1%	58.8%	21.7%	14.3%	24.7%	-15.6% 12.5%	-14.8% -14.8%	-4. -21.
aintenance of buildings and sites	N/A	N/A	278	240	62	60	63	62	247	63	59	70	18.5% 53	24.7%	12.5% 59	-14.8% 55	-21.
QoQ Change	N/A	IVA	210	240	02	-3.2%	5.0%	-1.6%	241	1.6%	-6.3%	18.6%	-24.3%	243	11.3%	-6.8%	10.
YoY Change				-13.7%		3.2 /0	0.070	1.070	2.9%	1.6%	-1.7%	11.1%	-14.5%	-0.8%	-6.3%	-6.8%	-12.
ervices and maintenance by sub-contractors	N/A	N/A	96	76	20	18	17	21	76	20	19	15	19	73	16	16	
QoQ Change						-10.0%	-5.6%	23.5%		-4.8%	-5.0%	-21.1%	26.7%		-15.8%	0.0%	-6.
YoY Change				-20.8%					0.0%	0.0%	5.6%	-11.8%	-9.5%	-3.9%	-20.0%	-15.8%	0.
ehicle maintenance	N/A	N/A	96	101	21	20	22	15	78	19	18	25	21	83	20	19	
QoQ Change						-4.8%	10.0%	-31.8%		26.7%	-5.3%	38.9%	-16.0%		-4.8%	-5.0%	-5
YoY Change				5.2%					-22.8%	-9.5%	-10.0%	13.6%	40.0%	6.4%	5.3%	5.6%	-28
oyalties and others	N/A	N/A	51	53	20	18	20	18	76	28	26	16	11	81	7	6	
QoQ Change						-10.0%	11.1%	-10.0%		55.6%	-7.1%	-38.5%	-31.3%		-36.4%	-14.3%	0.
Yo Y Change				3.9%					43.4%	40.0%	44.4%	-20.0%	-38.9%	6.6%	-75.0%	-76.9%	-62.

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	(NIS millions, except for EPS)	FY 2007	FY 2008	FY 2009	FY 2010	Q1 2011	Q2 2011	Q3 2011	Q4 2011	FY 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012	FY 2012	Q1 2013	Q2 2013	Q3 2013
Pelephone																		
	nent Metrics (Revenues)																	
Total Revenues		4,684	4,713	5,376	5,732	1,450	1,438	1,421	1,239	5,548	1,244	1,148	1,049	1,027	4,468	964	915	9
	QoQ Change					-1.2%	-0.8%	-1.2%	-12.8%		0.4%	-7.7%	-8.6%	-2.1%		-6.1%	-5.1%	3.
	YoY Change	2.070	0.6%	14.1%	6.6%	4.1%	0.6% 925	-1.5%	-15.6%	-3.2%	-14.2%	-20.2%	-26.2%	-17.1%	-19.5%	-22.5%	-20.3%	-9. 7
Service Revenues	QoQ Change	3,972	4,020	4,256	4,550	949 -17.1%	925 -2.5%	914 -1.2%	849 -7.1%	3,637	834 -1.8%	857 2.8%	816 -4.8%	754 -7.6%	3,261	714 -5.3%	696 -2.5%	2
	YoY Change		1.2%	5.9%	6.9%	-14.2%	-18.9%	-1.2%	-25.9%	-20.1%	-12.1%	-7.4%	-4.6%	-11.2%	-10.3%	-14.4%	-2.5% -18.8%	-13
Equipment Revenu		712	693	1,120	1,182	501	513	507	390	1,911	410	291	233	273	1,207	250	219	2
	QoQ Change			.,	.,	55.1%	2.4%	-1.2%	-23.1%	.,	5.1%	-29.0%	-19.9%	17.2%	1,201	-8.4%	-12.4%	- 8
	YoY Change		-2.7%	61.6%	5.5%	74.6%	77.5%	79.2%	20.7%	61.7%	-18.2%	-43.3%	-54.0%	-30.0%	-36.8%	-39.0%	-24.7%	1
Key Income Stater	ment Metrics																	
Gross profit		1,337	1,478	1,784	1,978	548	511	495	407	1,961	413	396	333	286	1,428	288	288	2
	QoQ Change					10.0%	-6.8%	-3.1%	-17.8%		1.5%	-4.1%	-15.9%	-14.1%		0.7%	0.0%	-5
Operating profit	YoY Change	805	10.5% 933	20.7%	10.9%	16.6% 399	0.4% 357	-1.2% 342	-18.3% 262	-0.9% 1 260	-24.6% 267	-22.5% 259	-32.7% 199	-29.7%	-27.2% 892	-30.3% 174	-27.3% 186	-18. 1 '
Operating profit	QoQ Change	805	933	1,190	1,383	399 16.3%	-10.5%	-4.2%	-23.4%	1,360	267 1.9%	-3.0%	1 99 -23.2%	167 -16.1%	892	1/4 4.2%	186 6.9%	-7
	YoY Change		15.9%	27.5%	16.2%	16.3% 23.9%	-10.5% -1.4%	-4.2% -3.9%	-23.4% -23.6%	-1.7%	-33.1%	-3.0% -27.5%	-23.2% -41.8%	-16.1% -36.3%	-34.4%	4.2% -34.8%	-28.2%	-7 -13
Net profit	101 Ghange	585	682	875	1,033	310	279	263	204	1,056	216	194	154	134	698	153	161	1
	QoQ Change				,,,,,,	15.7%	-10.0%	-5.7%	-22.4%	.,000	5.9%	-10.2%	-20.6%	-13.0%		14.2%	5.2%	-13
	Yo Y Change		16.6%	28.3%	18.1%	19.7%	4.5%	10.0%	-23.9%	2.2%	-30.3%	-30.5%	-41.4%	-34.3%	-33.9%	-29.2%	-17.0%	-9
Cost of sales		3,347	3,235	3,592	3,754	902	927	926	832	3,587	831	752	716	741	3,040	676	627	6
	QoQ Change					-7.0%	2.8%	-0.1%	-10.2%		-0.1%	-9.5%	-4.8%	3.5%		-8.8%	-7.2%	7.
	YoY Change		-3.3%	11.0%	4.5%	-2.3%	0.8%	-1.6%	-14.2%	-4.4%	-7.9%	-18.9%	-22.7%	-10.9%	-15.2%	-18.7%	-16.6%	-5
Sales & marketing		430	405	461	468	117	125	125	113	480	116	111	105	90	422	86	75	
	QoQ Change					0.0%	6.8%	0.0%	-9.6%		2.7%	-4.3%	-5.4%	-14.3%		-4.4%	-12.8%	-8.
0	YoY Change	102	-5.8%	13.8% 133	1.5%	-1.7% 32	6.8% 29	8.7% 28	-3.4% 32	2.6%	-0.9% 30	-11.2%	-16.0% 29	-20.4% 29	-12.1%	-25.9% 28	-32.4% 27	-34.
General & adminis	•	102	140	133	127			-3.4%	32 14.3%	121		26			114			14.
	QoQ Change YoY Change		37.3%	-5.0%	-4.5%	-15.8% 10.3%	-9.4% -3.3%	-3.4% -6.7%	-15.8%	-4.7%	-6.3% -6.3%	-13.3% -10.3%	11.5% 3.6%	0.0% -9.4%	-5.8%	-3.4% -6.7%	-3.6% 3.8%	14. 6.
Depreciation & am		479	523	603	601	139	143	139	140	561	135	137	130	129	531	121	113	1.
2 op: 00:u u u	QoQ Change				•••	-9.7%	2.9%	-2.8%	0.7%	•••	-3.6%	1.5%	-5.1%	-0.8%	•	-6.2%	-6.6%	-1.
	YoY Change		9.2%	15.3%	-0.3%	-6.7%	-4.0%	-6.7%	-9.1%	-6.7%	-2.9%	-4.2%	-6.5%	-7.9%	-5.3%	-10.4%	-17.5%	-14.
EBITDA		1,284	1,456	1,794	1,984	539	500	481	401	1,921	402	396	329	296	1,423	295	299	28
	QoQ Change					8.5%	-7.2%	-3.8%	-16.6%		0.2%	-1.5%	-16.9%	-10.0%		-0.3%	1.4%	-5.
	YoY Change		13.4%	23.2%	10.6%	14.4%	-2.2%	-4.8%	-19.3%	-3.2%	-25.4%	-20.8%	-31.6%	-26.2%	-25.9%	-26.6%	-24.5%	-14.
Key Cash Flow Me		4.000	4.077	4 445	4.040	200	101	400	200	200	201		400	000	4.700	054	400	44
Operating cash flo	QoQ Change	1,228	1,277	1,115	1,219	308 238.5%	101 -67.2%	168 66.3%	223 32.7%	800	294 31.8%	556 89.1%	490 -11.9%	388 -20.8%	1,728	354 -8.8%	468 32.2%	-5.
	YoY Change		4.0%	-12.7%	9.3%	-12.0%	-73.3%	-58.0%	145.1%	-34 4%	-4.5%	450.5%	191.7%	74.0%	116.0%	20.4%	-15.8%	-9.
Capital expenditur	es, gross (accounting)	440	911	508	431	122	109	-36.0% 98	113	442	121	113	77	86	397	56	91	-9.
- A	QoQ Change		Ţ.,			10.9%	-10.7%	-10.1%	15.3%		7.1%	-6.6%	-31.9%	11.7%		-34.9%	62.5%	3
	YoY Change		107.0%	-44.2%	-15.2%	10.9%	-2.7%	-1.0%	2.7%	2.6%	-0.8%	3.7%	-21.4%	-23.9%	-10.2%	-53.7%	-19.5%	22.
Capital expenditur	es, gross (cash flow)	381	798	559	397	133	86	107	93	419	115	109	84	76	384	66	84	
	QoQ Change					44.6%	-35.3%	24.4%	-13.1%		23.7%	-5.2%	-22.9%	-9.5%		-13.2%	27.3%	9.
	YoY Change		109.4%	-29.9%	-29.0%	44.6%	-24.6%	8.1%	1.1%	5.5%	-13.5%	26.7%	-21.5%	-18.3%	-8.4%	-42.6%	-22.9%	9.
Capital expenditur		376	795	555	397	133	86	71	92	382	115	109	84	73	381	66	84	9
	QoQ Change					44.6%	-35.3%	-17.4%	29.6%		25.0%	-5.2%	-22.9%	-13.1%		-9.6%	27.3%	9.
Eroo oook fla	YoY Change	050	111.4%	-30.2%	-28.5%	44.6% 475	-24.6%	-28.3%	0.0%	-3.8%	-13.5%	26.7%	18.3%	-20.7%	-0.3%	-42.6%	-22.9%	9.
Free cash flow	0-0.01-	852	482	560	822	175	15	97	131	418	179	447	406	315	1,347	288	384	3
	QoQ Change YoY Change		-43.4%	16.2%	46.8%	N/M -32.2%	-91.4% -94.3%	546.7% -67.8%	35.1% N/M	-49.1%	36.6% 2.3%	149.7% 2880.0%	-9.2% 318.6%	-22.4% 140.5%	222.2%	-8.6% 60.9%	33.3% -14.1%	-8. -13.
Ratios																		
Gross profit margi	n	28.5%	31.4%	33.2%	34.5%	37.8%	35.5%	34.8%	32.8%	35.3%	33.2%	34.5%	31.7%	27.8%	32.0%	29.9%	31.5%	28.
Operating margin		17.2%	19.8%	22.1%	24.1%	27.5%	24.8%	24.1%	21.1%	24.5%	21.5%	22.6%	19.0%	16.3%	20.0%	18.0%	20.3%	18.2
Net margin		12.5%	14.5%	16.3%	18.0%	21.4%	19.4%	18.5%	16.5%	19.0%	17.4%	16.9%	14.7%	13.0%	15.6%	15.9%	17.6%	14.8
EBITDA margin		27.4%	30.9%	33.4%	34.6%	37.2%	34.8%	33.8%	32.4%	34.6%	32.3%	34.5%	31.4%	28.8%	31.9%	30.6%	32.7%	29.9
Capex/Sales		9.4%	19.3%	9.4%	7.5%	8.4%	7.6%	6.9%	9.1%	8.0%	9.7%	9.8%	7.3%	8.4%	8.9%	5.8%	9.9%	9.9

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	(NIS millions, except for EPS)	FY 2007	FY 2008	FY 2009	FY 2010	Q1 2011	Q2 2011	Q3 2011	Q4 2011	FY 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012	FY 2012	Q1 2013	Q2 2013	Q3 201
Bezeq Inte	ernational																	
Key Income Stat	tement Metrics																	
Revenues		1,304	1,306	1,318	1,380	329	332	351	341	1,354	332	330	339	340	1,340	346	359	3
	QoQ Change					-5.9%	0.9%	5.5%	-2.7%		-2.6%	-0.7%	2.6%	0.3%		1.8%	3.8%	
	YoY Change		0.2%	0.9%	4.8%	-4.0%	-2.2%	1.0%	-2.5%	-1.9%	0.9%	-0.8%	-3.5%	-0.5%	-1.0%	4.0%	8.8%	
Fross profit		445	526	541	558	136	139	142	149	566	131	135	139	139	544	138	140	
	QoQ Change					-6.2%	2.2%	2.2%	4.9%		-12.2%	3.2%	3.0%	0.0%		-1.0%	1.9%	
	YoY Change		18.2%	2.9%	3.1%	2.3%	-1.4%	2.2%	2.8%	1.4%	-3.8%	-2.9%	-2.0%	-6.7%	-3.9%	5.2%	3.9%	
perating profit		204	242	261	320	61	60	61	59	241	50	53	55	62	219	56	60	
	QoQ Change					-6.5%	-0.9%	1.7%	-4.5%		-15.4%	6.8%	3.7%	12.2%		-9.2%	7.6%	
	Yo Y Change		18.6%	8.0%	22.6%	-1.1%	-51.2%	-11.8%	-9.9%	-24.6%	-18.5%	-12.2%	-10.5%	5.2%	-9.2%	12.9%	13.7%	
et profit		153	178	200	254	46	46	46	44	182	36	39	40	45	160	37	44	
	QoQ Change					0.2%	0.8%	-0.9%	-4.2%		-18.6%	8.6%	3.6%	10.8%		-16.0%	16.2%	-
	YoY Change		16.6%	12.1%	27.0%	-1.1%	-57.2%	-14.0%	-4.1%	-28.3%	-22.1%	-16.1%	-12.3%	1.5%	-12.4%	4.7%	12.0%	
ost of sales		859	780	777	822	193	194	209	192	788	201	194	199	201	796	208	218	
	QoQ Change					-4.9%	0.5%	7.7%	-8.1%		4.9%	-3.5%	2.6%	0.7%		3.5%	5.1%	
	YoY Change		-9.2%	-0.4%	5.8%	-8.1%	-3.5%	0.5%	-5.4%	-4.1%	4.4%	0.2%	-4.6%	4.6%	1.0%	3.2%	12.5%	
ales & marketir	ng expenses	147	181	175	192	47	53	51	58	209	50	53	54	52	209	51	50	
	QoQ Change					-9.6%	12.8%	-3.8%	13.7%		-13.7%	5.9%	2.6%	-5.1%		-0.5%	-2.5%	
	YoY Change		23.1%	-3.3%	9.7%	6.8%	10.4%	6.3%	11.5%	8.9%	6.5%	0.0%	6.6%	-11.0%	0.0%	2.6%	-5.5%	
eneral & admin	nistrative expenses	94	103	105	109	28	26	30	32	116	31	29	29	28	117	30	30	
	QoQ Change					0.0%	-7.1%	15.4%	6.7%		-1.8%	-8.6%	2.1%	-6.0%		8.6%	0.2%	
	YoY Change		9.6%	1.9%	3.8%	0.0%	-3.7%	15.4%	14.3%	6.4%	12.2%	10.4%	-2.3%	-13.9%	0.9%	-4.8%	4.4%	
epreciation & a		87	80	84	94	24	26	28	30	109	34	34	35	33	136	31	33	
op. 00.a a. a	QoQ Change	٠.		٠.	•	-3.6%	8.8%	5.9%	8.1%		13.6%	0.3%	0.2%	-4.1%		-5.4%	4.0%	
	YoY Change		-7.5%	5.2%	11.9%	7.4%	14.8%	18.9%	20.1%	15.5%	41.6%	30.4%	23.3%	9.4%	25.2%	-8.9%	-5.5%	
BITDA	101 Ghange	290	322	345	414	85	87	89	89	350	84	87	89	95	355	87	93	
DIIDA	QoQ Change	230	322	343	7.7	-5.4%	1.9%	3.0%	-0.6%	330	-5.5%	4.1%	2.3%	5.9%	333	-7.9%	6.3%	
	YoY Change		10.8%	7.3%	20.0%	1.2%	-40.9%	-4.0%	-1.3%	-15.5%	-1.4%	0.8%	0.1%	6.6%	1.5%	3.9%	6.1%	
0.15																		
ey Cash Flow I perating cash f		93	163	320	290	42	68	57	76	243	58	64	63	86	272	58	81	
perating cash i		33	103	320	230	-53.4%		-15.7%	32.2%	243	-23.1%	9.9%		36.7%	212	-32.4%	39.2%	
	QoQ Change YoY Change		76.3%	95.5%	-9.2%	-53.4% -29.4%	62.2% 3.4%	-15.7% -23.0%		-16.1%	-23.1% 39.1%	-5.7%	-1.7% 9.9%	13.7%	11.7%	-32.4% -0.2%	39.2% 26.5%	_
anital avnandit	9	131		95.5% 150	160		3.4% 71	-23.0% 85	-15.7% 80	-16.1% 285		-5.7% 29	9.9% 29	30	169	-0.2% 26	20.5% 39	
apitai experiuit	tures, gross (accounting)	131	120	130	160	49				200	81				169			
	QoQ Change		0.40/	05.00/	0.70/	-29.0%	44.9%	19.7%	-5.9%	70.40/	1.3%	-64.2%	0.0%	3.4%	40.70/	-13.3%	50.0%	-
anital avnandit	YoY Change	103	-8.4%	25.0%	6.7%	145.0%	65.1%	193.1%	15.9%	78.1%	65.3%	-59.2%	-65.9% 30	-62.5% 39	-40.7%	-67.9%	34.5%	-
apitai experiuit	tures, gross (cash flow)	103	119	120	180	46	47	92	104	288	71	36			175	31	28	
	QoQ Change					-42.6%	2.1%	95.2%	13.2%		-31.5%	-49.7%	-17.0%	31.0%		-20.5%	-10.6%	
	YoY Change		14.7%	1.1%	49.9%	25.3%	43.4%	205.3%	29.3%	60.4%	54.4%	-23.8%	-67.6%	-62.5%	-39.2%	-56.5%	-22.8%	
apital expendit	tures, net (cash flow)	100	118	120	180	46	47	92	103	288	71	36	29	38	173	31	27	
	QoQ Change					-43.0%	2.6%	95.0%	12.8%		-31.6%	-49.5%	-19.8%	33.4%		-19.5%	-11.6%	-
	YoY Change		18.7%	1.4%	50.0%	24.7%	43.4%	206.1%	28.8%	60.1%	54.3%	-24.1%	-68.8%	-63.1%	-39.8%	-56.5%	-23.9%	
ree cash flow		-7	45	200	110	-4	21	-34	-27	-44	-12	29	35	48	99	28	54	
	QoQ Change					N/M	N/M	N/M	-19.7%		-55.4%	N/M	20.9%	39.5%		-42.7%	95.8%	
	YoY Change		N/M	341.0%	-44.7%	N/M	-36.1%	N/M	N/M	N/M	223.9%	35.1%	N/M	N/M	N/M	N/M	89.3%	
atios																		
ross profit mar	rgin	34.1%	40.3%	41.1%	40.4%	41.3%	41.8%	40.5%	43.7%	41.8%	39.4%	40.9%	41.1%	41.0%	40.6%	39.8%	39.1%	3
perating margi	in	15.6%	18.5%	19.8%	23.2%	18.5%	18.1%	17.5%	17.2%	17.8%	14.9%	16.1%	16.2%	18.1%	16.3%	16.2%	16.8%	1
let margin		11.7%	13.7%	15.2%	18.4%	14.0%	13.9%	13.1%	12.9%	13.5%	10.8%	11.8%	11.9%	13.1%	11.9%	10.8%	12.1%	1
BITDA margin		22.3%	24.6%	26.2%	30.0%	25.8%	26.1%	25.5%	26.0%	25.9%	25.3%	26.5%	26.4%	27.9%	26.5%	25.2%	25.9%	2
		10.0%	9.2%	11.4%	11.6%	14.9%	21.4%	24.2%	23.5%	21.1%	24.4%	8.8%		8.8%	12.6%		10.9%	_
Capex/Sales			9.77	11.4%	11-6%	14.9%	21.4%	24.7%	23.5%	21.170	24.47/	8.8%	8.6%	8.8%	12.6%	7.5%		

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	(NIS millions, except for EPS)	FY 2007	FY 2008	FY 2009	FY 2010	Q1 2011	Q2 2011	Q3 2011	Q4 2011	FY 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012	FY 2012	Q1 2013	Q2 2013	Q3 2013
yes																		
Key Income St	tatement Metrics																	
Revenues		1,415	1,513	1,530	1,583	406	404	405	404	1,619	417	409	403	408	1,636	404	404	410
	QoQ Change					1.3%	-0.4%	0.4%	-0.4%		3.2%	-1.9%	-1.5%	1.3%		-1.1%	0.1%	1.6%
	YoY Change		6.9%	1.2%	3.4%	3.6%	2.0%	2.6%	0.9%	2.3%	2.8%	1.2%	-0.7%	1.0%	1.1%	-3.2%	-1.2%	1.9%
Gross profit		298	421	488	454	134	135	138	184	591	144	153	130	141	569	145	143	152
	QoQ Change					17.7%	1.0%	2.0%	33.9%		-21.6%	5.9%	-15.0%	8.7%		2.5%	-1.4%	6.7%
Oneretine neet	YoY Change	EC	41.6%	15.9%	-7.0%	2.9%	82.8% CE	0.6%	62.3%	30.1%	8.1%	13.3%	-5.5%	-23.3%	-3.7%	0.3%	-6.5%	17.2% 72
Operating prof		56	177	248	178	61	65	63	106	295	52	74	54	73	253	67	68	
	QoQ Change YoY Change		216.3%	40.1%	-28.2%	51.2% 4.6%	6.4% 796.5%	-3.0% -11.7%	67.3% 161.1%	65.4%	-51.3% -15.9%	44.3% 14.0%	-27.5% -14.8%	34.6% -30.7%	-14.3%	-7.2% 30.7%	0.2% -9.3%	7.1% 34.1%
Net profit	Yo Y Criange	-118	-265	-222	-28.2% -314	-73	796.5% -88	-11.7% - 76	8	-230	-15.9% - 64	-107	-14.8% -119	-30.7% -21	-14.3% -310	-61	-9.3% -101	-136
Net profit	QoQ Change	-110	-203	-222	-314	-13 -12.9%	20.4%	-14.1%	N/M	-230	-04 N/M	67.0%	11.3%	-82.2%	-310	187.2%	66.3%	34.8%
	YoY Change		125.1%	-16.0%	41.0%	787.6%	-38.1%	-14.1%	N/M	-26.8%	-13.0%	20.7%	56.4%	-02.2% N/M	35.1%	-4.9%	-5.4%	14.7%
Cost of sales	ror Change	1,117	1,091	1,042	1,129	272	269	268	219	1,028	272	256	273	266	1,067	258	-5.4% 261	258
Oost of sales	QoQ Change	1,117	1,031	1,042	1,123	-5.1%	-1.1%	-0.5%	-18.0%	1,020	24.0%	-6.1%	6.6%	-2.3%	1,007	-3.1%	1.1%	-1.2%
	YoY Change		-2.3%	-4.5%	8.3%	4.0%	-16.5%	3.6%	-23.4%	-8.9%	0.1%	-4.9%	1.8%	21.4%	3.8%	-5.1%	2.0%	-5.5%
Sales & marke	9	138	128	122	143	40	35	37	41	153	54	42	40	31	166	39	36	41
oules a marke	QoQ Change	.00	.20		140	1.0%	-13.3%	7.0%	9.7%	100	31.2%	-22.3%	-3.7%	-22.3%	100	25.7%	-7.4%	13.7%
	YoY Change		-6.9%	-4.6%	17.1%	2.9%	5.1%	17.8%	2.7%	6.7%	33.6%	19.7%	7.8%	-23.7%	8.9%	-26.9%	-12.9%	2.8%
General & adm	ninistrative expenses	104	116	118	133	32	35	37	39	143	39	37	36	38	150	39	39	39
	QoQ Change					-3.2%	8.3%	6.4%	4.3%		1.6%	-6.2%	-2.4%	4.3%		3.4%	0.7%	-0.7%
	YoY Change		11.6%	1.4%	12.5%	0.0%	4.2%	10.8%	16.4%	7.9%	22.1%	5.7%	-3.0%	-3.0%	4.8%	-1.2%	6.1%	7.9%
Depreciation 8		273	250	234	285	69	71	74	63	276	66	54	64	64	248	62	64	66
•	QoQ Change					-19.3%	3.7%	4.1%	-15.5%		5.2%	-18.3%	19.8%	-0.4%		-3.5%	3.5%	3.0%
	YoY Change		-8.5%	-6.3%	21.6%	7.6%	4.3%	9.3%	-26.4%	-2.9%	-4.0%	-24.4%	-13.0%	2.5%	-10.2%	-5.9%	19.1%	2.4%
EBITDA		329	427	482	463	130	136	137	168	571	118	128	118	136	501	130	132	138
	QoQ Change					3.5%	5.0%	0.7%	22.2%		-29.8%	8.7%	-7.7%	15.1%		-4.5%	1.2%	5.1%
	Yo Y Change		29.7%	13.0%	-4.0%	6.1%	80.8%	-1.5%	33.7%	23.4%	-9.2%	-6.0%	-13.8%	-18.6%	-12.3%	10.4%	2.6%	16.9%
Key Cash Flow	w Metrics																	
Operating cast	h flow	250	347	410	492	141	119	134	119	513	116	100	83	120	418	122	110	126
	QoQ Change					7.4%	-15.9%	13.0%	-11.5%		-2.4%	-13.7%	-17.6%	44.8%		1.7%	-9.4%	14.2%
	YoY Change		38.9%	18.1%	20.0%	13.7%	8.4%	6.4%	-9.7%	4.4%	-18.0%	-15.8%	-38.5%	0.6%	-18.5%	4.9%	10.1%	52.5%
Capital expend	ditures, gross (accounting)	299	265	270	295	79	75	68	69	291	60	88	102	74	324	71	76	98
	QoQ Change					15.5%	-5.1%	-9.3%	1.5%		-13.0%	46.7%	15.9%	-27.5%		-4.1%	7.0%	28.9%
	YoY Change		-11.4%	1.9%	9.4%	19.7%	-5.1%	-17.1%	0.8%	-1.5%	-24.1%	17.3%	50.0%	7.2%	11.3%	18.3%	-13.6%	-3.9%
Capital expend	ditures, gross (cash flow)	255	238	262	278	71	64	67	62	264	56	69	87	72	284	90	85	67
	QoQ Change					-20.5%	-9.5%	4.6%	-7.9%		-9.1%	22.8%	25.0%	-16.8%		24.5%	-5.5%	-21.2%
	YoY Change		-6.7%	10.1%	6.4%	16.5%	1.8%	4.1%	-30.6%	-5.0%	-20.7%	7.5%	28.6%	17.1%	7.5%	59.0%	22.4%	-22.8%
Capital expend	ditures, net (cash flow)	255	238	261	277	71	64	67	62	264	56	69	87	72	284	90	85	67
	QoQ Change					-20.5%	-9.4%	4.4%	-7.7%		-9.2%	23.0%	25.1%	-17.0%		24.9%	-5.5%	-21.3%
	YoY Change	_	-6.7%	9.7%	6.2%	16.7%	2.1%	5.5%	-30.6%	-4.8%	-20.7%	7.6%	28.8%	17.5%	7.6%	59.3%	22.3%	-23.0%
Free cash flow		-5	109	149	215	70	54	67	57	250	60	31	-4	48	134	32	26	59
	QoQ Change YoY Change		NM	36.2%	44.0%	66.5% 10.9%	-22.6% 17.0%	23.0% 7.3%	-15.0% 34.9%	16.2%	4.7% -15.2%	-48.2% -43.3%	N/M N/M	N/M -17.3%	-46.2%	-33.0% -46.4%	-20.1% -17.3%	131.8% N/M
Ratios																		
Gross profit m	nargin	21.0%	27.9%	31.9%	28.7%	33.0%	33.4%	34.0%	45.6%	36.5%	34.7%	37.4%	32.3%	34.7%	34.8%	35.9%	35.4%	37.2%
Operating mar		4.0%	11.7%	16.2%	11.3%	15.1%	16.2%	15.6%	26.2%	18.2%	12.4%	18.2%	13.4%	17.8%	15.4%	16.7%	16.7%	17.6%
Net margin	· 5···	-8.3%	-17.5%	-14.5%	-19.8%	-18.1%	-21.9%	-18.7%	2.0%	-14.2%	-15.3%	-26.1%	-29.5%	-5.2%	-19.0%	-15.0%	-25.0%	-33.2%
EBITDA margii	in	23.3%	28.2%	31.5%	29.3%	32.0%	33.8%	33.9%	41.6%	35.3%	28.3%	31.4%	29.4%	33.4%	30.6%	32.3%	32.6%	33.7%
Capex/Sales	···	21.1%	17.5%	17.6%	18.7%	19.5%	18.6%	16.8%	17.1%	18.0%	14.4%	21.5%	25.3%	18.1%	19.8%	17.6%	18.8%	23.9%
- Capenoaida		41.170	17.0/0	17.070	10.1 /6	10.0/0	10.070	10.070	17.170	10.070	17.7/0	£1.0/0	20.0 /0	10.178	10.070	17.0/0	10.070	20.0 /0



FY	FY	FY	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3
2007	2008	2009	2010	2011	2011	2011	2011	2011	2012	2012	2012	2012	2012	2013	2013	2013

Bezeq Fixed-Line

Key Performance Indicators																	
Total outgoing minutes (in millions)	14,711	13,260	12,017	10,699	2,521	2,415	2,482	2,339	9,758	2,360	2,226	2,126	1,979	8,691	1,788	1,805	1,707
QoQ Change					-3.8%	-4.2%	2.8%	-5.8%		0.9%	-5.7%	-4.5%	-6.9%		-9.7%	1.0%	-5.4%
YoY Change		-9.9%	-9.4%	-11.0%	-7.7%	-11.1%	-5.6%	-10.8%	-8.8%	-6.4%	-7.8%	-14.3%	-15.4%	-10.9%	-24.2%	-18.9%	-19.7%
Total incoming minutes (in millions)	6,411	6,691	6,718	6,547	1,577	1,535	1,602	1,526	6,240	1,543	1,516	1,595	1,571	6,225	1,503	1,551	1,522
QoQ Change					-4.1%	-2.7%	4.4%	-4.7%		1.1%	-1.7%	5.2%	-1.5%		-4.3%	3.2%	-1.9%
YoY Change		4.4%	0.4%	-2.5%	-2.8%	-6.1%	-2.7%	-7.2%	-4.7%	-2.2%	-1.2%	-0.4%	2.9%	-0.2%	-2.6%	2.3%	-4.6%
Total access lines (in 000's)	2,749	2,604	2,483	2,366	2,358	2,356	2,363	2,367	2,367	2,368	2,335	2,299	2,268	2,268	2,242	2,224	2,223
QoQ Change					-0.3%	-0.1%	0.3%	0.2%		0.0%	-1.4%	-1.5%	-1.3%		-1.1%	-0.8%	0.0%
YoY Change		-5.3%	-4.6%	-4.7%	15.0%	-2.7%	-1.3%	0.0%	0.0%	0.4%	-0.9%	-2.7%	-4.2%	-4.2%	-5.3%	-4.8%	-3.3%
ARPL - Voice & fixed fees (in NIS)	87	83	82	81	79	77	78	70	76	74	73	73	71	73	69	68	67
QoQ Change					-4.8%	-2.5%	1.3%	-10.3%		5.7%	-1.4%	0.0%	-2.7%		-2.8%	-1.4%	-1.5%
YoY Change		-4.6%	-1.2%	-1.2%	-1.3%	-4.9%	-4.9%	-15.7%	-6.2%	-6.3%	-5.2%	-6.4%	1.4%	-3.9%	-6.8%	-6.8%	-8.2%
Churn rate (%)	9.5%	N/A	N/A	N/A	3.3%	2.8%	2.8%	2.8%	11.6%	3.2%	3.9%	4.2%	4.0%	15.3%	3.7%	3.5%	2.8%
Broadband Internet lines (in 000's)	963	1,005	1,035	1,066	1,079	1,088	1,100	1,111	1,111	1,121	1,136	1,153	1,169	1,169	1,185	1,202	1,230
QoQ Change					1.2%	0.8%	1.1%	1.0%		0.9%	1.3%	1.5%	1.4%		1.4%	1.4%	2.3%
YoY Change		4.4%	3.0%	3.0%	3.3%	3.5%	4.2%	4.2%	4.2%	3.9%	4.4%	4.8%	5.2%	5.2%	5.7%	5.8%	6.7%
Broadband Internet ARPU (in NIS)	64	67	69	75	79	80	81	81	80	84	80	80	80	81	83	85	86
QoQ Change					1.3%	1.3%	1.3%	0.0%		3.7%	-4.8%	0.0%	0.0%		3.8%	2.4%	1.2%
YoY Change		4.7%	3.0%	8.7%	8.2%	11.1%	6.6%	3.8%	6.7%	6.3%	0.0%	-1.2%	-1.2%	1.3%	-1.2%	6.3%	7.5%
NGN subscribers as % of total internet																	
subscribers covered by NGN network	N/A	N/A	N/A	N/A	40%	43%	47%	51%	51%	55%	57%	60%	62%	62%	65%	84%	84%
Average broadband speed per subscriber (end																	
of period, Mbps)	1.7	2.2	2.7	4.3	4.8	5.3	6.0	6.7	6.7	7.5	8.3	9.0	9.6	9.6	10.4	15.2	17.3
QoQ Change		_			11.6%	10.4%	13.2%	11.7%		11.9%	10.7%	8.4%	6.7%		8.3%	46.2%	13.8%
YoY Change		29.4%	22.7%	59.3%	60.0%	55.9%	57.9%	55.8%	55.8%	56.3%	56.6%	50.0%	43.3%	43.3%	38.7%	83.1%	92.2%
Number of employees	7,614	7,530	7,364	7,216	N/A	N/A	N/A	N/A	7,076	N/A	N/A	N/A	N/A	7,422	N/A	N/A	6,576
QoQ Change	,	,	,	,					,					, -			-,-
YoY Change		-1.1%	-2.2%	-2.0%					-1.9%					4.9%			



FY	FY	FY	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3
2007	2008	2009	2010	2011	2011	2011	2011	2011	2012	2012	2012	2012	2012	2013	2013	2013

Pelephone

Key Performance Indicators																	
Subscribers (in 000's)	2.622	2,649	2.766	2,857	2.861	2.827	2.842	2.847	2,847	2.876	2,859	2,839	2.800	2.800	2,741	2,702	2,683
QoQ Change	2,022	2,043	2,700	2,037	0.1%	-1.2%	0.5%	0.2%	2,047	1.0%	-0.6%	-0.7%	-1.4%	2,000	-2.1%	-1.4%	-0.7%
YoY Change		1.0%	4.4%	3.3%	2.6%	0.7%	0.6%	-0.4%	-0.4%	0.5%	1.1%	-0.1%	-1.7%	-1.7%	-4.7%	-5.5%	-5.5%
MOU (per sub, per month)	354	352	333	349	359	370	385	384	375	399	409	425	442	419	440	467	459
QoQ Change					-1.4%	3.1%	4.1%	-0.3%		3.9%	2.5%	3.9%	4.0%		-0.5%	6.1%	-1.7%
YoY Change		-0.6%	-5.4%	4.8%	6.8%	6.3%	11.0%	5.5%	7.4%	11.1%	10.5%	10.4%	15.1%	11.7%	10.3%	14.2%	8.0%
ARPU (in NIS)	N/A	N/A	N/A	111	110	109	107	100	107	97	99	95	89	95	86	85	88
QoQ Change					0.9%	-0.9%	-1.8%	-6.5%		-3.0%	2.1%	-4.0%	-6.3%		-3.4%	-1.2%	3.5%
YoY Change					0.0%	-1.8%	-5.3%	-8.3%	-3.6%	-11.8%	-9.2%	-11.2%	-11.0%	-11.2%	-11.3%	-14.1%	-7.4%
Churn rate (%)	N/A	N/A	13.8%	15.3%	5.0%	6.6%	6.1%	5.3%	22.9%	3.9%	6.0%	6.7%	5.9%	22.4%	7.2%	6.9%	6.2%

yes

Key Performance Indicators																	
Subscribers (in 000's)	549	560	571	578	580	581	585	586	586	585	582	581	578	578	578	583	593
QoQ Change					0.3%	0.2%	0.7%	0.2%		-0.2%	-0.5%	-0.2%	-0.5%		0.0%	0.9%	1.7%
YoY Change		2.0%	2.0%	1.2%	1.6%	1.4%	1.7%	1.4%	1.4%	0.9%	0.2%	-0.7%	-1.4%	-1.4%	-1.2%	0.2%	2.1%
ARPU (in NIS)	217	228	226	230	234	232	232	229	232	237	234	231	234	234	233	232	233
QoQ Change		220	220	200	1.3%	-0.9%	0.0%	-1.3%	202	3.5%	-1.3%	-1.3%	1.3%	20-7	-0.4%	-0.4%	0.4%
YoY Change		5.1%	-0.9%	1.8%	2.2%	0.4%	1.3%	-0.9%	0.9%	1.3%	0.9%	-0.4%	2.2%	1.0%	-1.7%	-0.9%	0.9%
Churn rate (%)	N/A	N/A	13.3%	13.0%	3.3%	2.9%	2.8%	2.8%	11.9%	3.6%	3.9%	4.1%	3.8%		3.8%	3.2%	3.4%



Bezeq Group Dividends

Dividend History

Dividend History			
Dividend Distribution date	Total Amount (NIS m)	Dividend per share (NIS)	Dividend Type
September 15, 2013	500	0.3553934	Special Dividend (6 of 6)
September 15, 2013	969	0.1833815	Semi-Annual Dividend
May 13, 2013	500	0.1834754	Special Dividend (5 of 6)
May 13, 2013	861	0.3159446	Semi-Annual Dividend
October 10, 2012	500	0.1835315	Special Dividend (4 of 6)
October 10, 2012	997	0.3659618	Semi-Annual Dividend
May 21, 2012	500	0.1839752	Special Dividend (3 of 6)
May 21, 2012	1,074	0.3951788	Semi-Annual Dividend
October 5, 2011	500	0.1845993	Special Dividend (2 of 6)
October 5, 2011	992	0.3662451	Semi-Annual Dividend
May 19, 2011	500	0.1851125	Special Dividend (1 of 6)
May 19, 2011	1,163	0.4305716	Semi-Annual Dividend
October 7, 2010	1,280	0.4780459	Semi-Annual Dividend
May 3, 2010	2,453	0.9170679	Semi-Annual Dividend
October 5, 2009	1,149	0.4329743	Semi-Annual Dividend
May 24, 2009	792	0.3013025	Semi-Annual Dividend
October 29, 2008	835	0.3205318	Semi-Annual Dividend
April 28, 2008	679	0.260648	Semi-Annual Dividend
October 15, 2007	760	0.2917415	Semi-Annual Dividend
February 26, 2007	1,800	0.6909668	Special Dividend
January 9, 2007	300	0.1151612	Semi-Annual Dividend
October 30, 2006	400	0.1535482	Semi-Annual Dividend
April 16, 2006	1,200	0.4606446	Semi-Annual Dividend



GLOSSARY

Glossary

ARPL

ARPU

EBITDA = Earnings Before Interest, Taxes, Depreciation & Amortization; ttm = trailing twelve months

Free cash flow = Operating cash flows less net capital expenditures

Net capital expenditures = Purchase of property, plant & equipment (PPE), plus investments in intangible assets, less proceeds from the sale of PPE

= Average revenue per line

= Average revenue per user

MOU = Minutes of use
N/A = Not available
N/M = Not meaningful