



## **Immediate Report**

### **S&P Global Ratings Maalot Affirms AA.il Credit Rating for Bezeq with Negative Outlook**

**Tel Aviv, Israel – May 7, 2019** – Bezeq The Israel Telecommunication Corp., Ltd. (TASE: BEZQ), announced today that the Israeli credit rating agency, S&P Global Ratings Maalot ("S&P"), affirmed its credit rating of AA.il for Bezeq with a negative outlook (unchanged from the previous rating).

The rating reflects S&P's recognition of Bezeq's strong and leading position in the Israeli telecommunications market, diverse and synergetic operations in the various telecommunication sectors, and moderating decrease in profitability. S&P estimates that Bezeq's ability to create value as well as its professional management will continue in the coming years.

The negative rating outlook reflects S&P's assessment of the challenges Bezeq faces in the telecommunications market in general, as well as Company-specific risks. This assessment is due to the decline in operational performance in Bezeq's business segments, as well as the uncertainty regarding the controlling ownership in the Company and the extent of its impact on financial policy. This uncertainty may have a negative impact on Bezeq's ability to maintain its operating performance and current leverage.

*The above information constitutes a translation of the Immediate Report published by the Company. The Hebrew version was submitted by the Company to the relevant authorities pursuant to Israeli law, and represents the binding version and the only one having legal effect. This translation was prepared for convenience purposes only.*