



# Facts & Figures FY 2009

Year ending December 31, 2009

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(NIS millions, except for EPS)

	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
	2007	2008	2008	2008	2008	2008	2009	2009	2009	2009	2009
<b>Bezeq Group</b>											
<b>Key Income Statement Metrics</b>											
Revenues	11,136	2,760	2,748	2,806	2,701	11,015	2,791	2,872	2,924	2,932	11,519
QoQ Change			-0.4%	2.1%	-3.7%		3.3%	2.9%	1.8%	0.3%	
YoY Change						-1.1%	1.1%	4.5%	4.2%	8.6%	4.6%
Operating Profit	2,321	641	772	775	452	2,640	799	818	875	480	2,972
QoQ Change			20.4%	0.4%	-41.7%		76.8%	2.4%	7.0%	-45.1%	
YoY Change						13.7%	24.6%	6.0%	12.9%	6.2%	12.6%
Net profit attributed to Bezeq shareholders	1,330	411	456	462	298	1,627	608	541	2,088	366	3,603
QoQ Change			10.9%	1.3%	-35.5%		104.0%	-11.0%	286.0%	-82.5%	
YoY Change						22.3%	47.9%	18.6%	351.9%	22.8%	121.5%
Earnings Per Share - Basic	0.51	0.15	0.17	0.18	0.12	0.62	0.23	0.21	0.79	0.14	1.37
Earnings Per Share - Diluted	0.50	0.15	0.17	0.17	0.12	0.61	0.23	0.20	0.79	0.12	1.34
Depreciation & amortization	1,509	368	361	365	364	1,458	371	377	361	376	1,485
QoQ Change			-1.9%	1.1%	-0.3%		1.9%	1.6%	-4.2%	4.2%	
YoY Change						-3.4%	0.8%	4.4%	-1.1%	3.3%	1.9%
EBITDA	3,830	1,009	1,133	1,140	816	4,098	1,170	1,195	1,236	856	4,457
QoQ Change			12.3%	0.6%	-28.4%		43.4%	2.1%	3.4%	-30.7%	
YoY Change						7.0%	16.0%	5.5%	8.4%	4.9%	8.8%
Shares Outstanding - Basic	2,605	2,605	2,605	2,605	2,605	2,605	2,606	2,617	2,628	2,635	2,635
Shares Outstanding - Diluted	2,641	2,649	2,648	2,648	2,649	2,649	2,647	2,667	2,677	2,684	2,684
<b>Key Cash Flow Metrics</b>											
Operating cash flow	2,697	534	727	1,115	693	3,068	1,133	715	1,021	786	3,655
QoQ Change			36.1%	53.4%	-37.9%		63.6%	-36.9%	42.9%	-23.0%	
YoY Change						13.7%	112.3%	-1.7%	-8.4%	13.5%	19.1%
Capital expenditures, gross	991	287	346	539	359	1,531	410	381	384	360	1,535
QoQ Change			20.9%	55.6%	-33.4%		14.0%	-7.0%	0.8%	-6.2%	
YoY Change						54.5%	42.9%	10.0%	-28.8%	0.3%	0.2%
Capital expenditures, net	814	226	320	525	313	1,384	359	370	364	352	1,445
QoQ Change			42.0%	63.9%	-40.3%		14.5%	3.2%	-1.6%	-3.2%	
YoY Change						70.0%	59.0%	15.5%	-30.7%	12.5%	4.4%
Free cash flow	1,883	308	408	600	380	1,697	775	350	657	435	2,216
QoQ Change			32.4%	46.9%	-36.6%		103.6%	-54.9%	88.0%	-33.8%	
YoY Change						-9.9%	151.3%	-14.4%	9.6%	14.3%	30.6%
<b>Key Balance Sheet Metrics</b>											
Total debt	5,034	4,797	4,530	4,483	4,356	4,356	4,531	4,168	4,166	4,136	4,136
Cash & short-term investments	1,589	1,597	803	1,256	816	816	1,736	882	1,459	734	734
Net debt	3,445	3,200	3,727	3,227	3,540	3,540	2,795	3,286	2,707	3,402	3,402
<b>Ratios</b>											
Operating margin	20.8%	23.2%	28.1%	27.6%	16.7%	24.0%	28.6%	28.5%	29.9%	16.4%	25.8%
Net margin	11.9%	14.9%	16.6%	16.5%	11.0%	14.8%	21.8%	18.8%	21.4%	12.5%	31.3%
EBITDA margin	34.4%	36.6%	41.2%	40.6%	30.2%	37.2%	41.9%	41.6%	42.3%	29.2%	38.7%
Capex/Sales	8.9%	10.4%	12.6%	19.2%	13.3%	13.9%	14.7%	13.3%	13.1%	12.3%	13.3%
Total debt / EBITDA (ttm)	1.31				1.06	1.06	1.06	0.96	0.94	0.93	0.93
Net debt / EBITDA (ttm)	0.90				0.86	0.86	0.66	0.76	0.61	0.76	0.76



(NIS millions, except for EPS)

	FY 2007	Q1 2008	Q2 2008	Q3 2008	Q4 2008	FY 2008	Q1 2009	Q2 2009	Q3 2009	Q4 2009	FY 2009
<b>Bezeq Fixed Line</b>											
<b>Key Income Statement Metrics</b>											
Revenues	5,713	1,408	1,354	1,388	1,348	5,498	1,326	1,318	1,343	1,316	5,303
QoQ Change			-3.8%	2.5%	-2.9%		-1.6%	-0.6%	1.9%	-2.0%	
YoY Change						-3.8%	-5.8%	-2.7%	-3.2%	-2.4%	-3.5%
Operating profit	1,319	373	442	428	232	1,475	437	434	491	161	1,523
QoQ Change			18.5%	-3.2%	-45.8%		88.4%	-0.7%	13.1%	-67.2%	
YoY Change						11.8%	17.2%	-1.8%	14.7%	-30.6%	3.3%
Depreciation & amortization	941	218	211	214	209	852	211	205	184	194	794
QoQ Change			-3.2%	1.4%	-2.3%		1.0%	-2.8%	-10.2%	5.4%	
YoY Change						-9.5%	-3.2%	-2.8%	-14.0%	-7.2%	-6.8%
EBITDA	2,260	591	653	642	441	2,327	648	639	675	355	2,317
QoQ Change			10.5%	-1.7%	-31.3%		46.9%	-1.4%	5.6%	-47.4%	
YoY Change						3.0%	9.6%	-2.1%	5.1%	-19.5%	-0.4%
<b>Key Cash Flow Metrics</b>											
Operating cash flow	1,382	N/A (1)	N/A (1)	N/A (1)	N/A (1)	1,691	N/A (1)	N/A (1)	N/A (1)	N/A (1)	2,219
QoQ Change						22.4%					31.2%
YoY Change											
Capital expenditures, gross	505	158	132	156	170	616	238	191	204	220	853
QoQ Change			-16.5%	18.2%	9.0%		40.0%	-19.7%	6.8%	7.8%	
YoY Change						22.0%	50.6%	44.7%	30.8%	29.4%	38.5%
Capital expenditures, net	336	98	107	144	123	472	188	183	185	211	767
QoQ Change			9.2%	34.6%	-14.6%		52.8%	-2.7%	1.1%	14.1%	
YoY Change						40.5%	91.8%	71.0%	28.5%	71.5%	62.5%
Free cash flow	1,050	N/A (1)	N/A (1)	N/A (1)	N/A (1)	1,521	N/A (1)	N/A (1)	N/A (1)	N/A (1)	2,030
QoQ Change						44.9%					33.5%
YoY Change											
<b>Key Balance Sheet Metrics</b>											
Total debt	4,696	N/A (1)	N/A (1)	N/A (1)	N/A (1)	4,276	N/A (1)	N/A (1)	N/A (1)	N/A (1)	4,234
Cash & short-term investments	817	N/A (1)	N/A (1)	N/A (1)	N/A (1)	116	N/A (1)	N/A (1)	N/A (1)	N/A (1)	370
Net debt	3,879	N/A (1)	N/A (1)	N/A (1)	N/A (1)	4,160	N/A (1)	N/A (1)	N/A (1)	N/A (1)	3,864
<b>Ratios</b>											
Operating margin	23.1%	26.5%	32.6%	30.8%	17.2%	26.8%	33.0%	32.9%	36.6%	12.2%	28.7%
EBITDA margin	39.6%	42.0%	48.2%	46.3%	32.7%	42.3%	48.9%	48.5%	50.3%	27.0%	43.7%
Capex/Sales	8.8%	11.2%	9.7%	11.2%	12.6%	11.2%	17.9%	14.5%	15.2%	16.7%	16.1%
Total debt / EBITDA (ttm)	2.08					1.84					1.83
Net debt / EBITDA (ttm)	1.72					1.79					1.67



(NIS millions, except for EPS)

	FY 2007	Q1 2008	Q2 2008	Q3 2008	Q4 2008	FY 2008	Q1 2009	Q2 2009	Q3 2009	Q4 2009	FY 2009
<b>Telephone</b>											
<b>Key Income Statement Metrics</b>											
Revenues	4,684	1,173	1,188	1,214	1,138	4,713	1,265	1,346	1,372	1,393	5,376
QoQ Change			1.3%	2.2%	-6.3%		11.2%	6.4%	1.9%	1.5%	
YoY Change						0.6%	7.8%	13.3%	13.0%	22.4%	14.1%
Operating profit	805	215	266	293	159	933	302	321	316	251	1,190
QoQ Change			23.7%	10.2%	-45.7%		89.9%	6.3%	-1.6%	-20.6%	
YoY Change						15.9%	40.5%	20.7%	7.8%	57.9%	27.5%
Net profit	585	163	180	211	128	682	230	233	231	181	875
QoQ Change			10.4%	17.2%	-39.3%		79.7%	1.3%	-0.9%	-21.6%	
YoY Change						16.6%	41.1%	29.4%	9.5%	41.4%	28.3%
Depreciation & amortization	479	129	130	129	135	523	139	151	155	158	603
QoQ Change			0.8%	-0.8%	4.7%		3.0%	8.6%	2.6%	1.9%	
YoY Change						9.2%	7.8%	16.2%	20.2%	17.0%	15.3%
EBITDA	1,284	344	396	422	294	1,456	441	472	471	410	1,794
QoQ Change			15.1%	6.6%	-30.3%		50.0%	7.0%	-0.2%	-13.0%	
YoY Change						13.4%	28.2%	19.2%	11.6%	39.5%	23.2%
<b>Key Cash Flow Metrics</b>											
Operating cash flow	1,228	256	344	379	298	1,277	375	290	395	55	1,115
QoQ Change			34.4%	10.2%	-21.4%		25.8%	-22.7%	36.2%	-86.1%	
YoY Change						4.0%	46.5%	-15.7%	4.2%	-81.5%	-12.7%
Capital expenditures, gross	381	103	182	350	163	798	149	163	146	101	559
QoQ Change			76.7%	92.3%	-53.4%		-8.6%	9.4%	-10.4%	-30.8%	
YoY Change						109.4%	44.7%	-10.4%	-58.3%	-38.0%	-29.9%
Capital expenditures, net	376	102	181	350	162	795	149	159	146	101	555
QoQ Change			77.5%	93.4%	-53.7%		-8.0%	6.7%	-8.2%	-30.8%	
YoY Change						111.4%	46.1%	-12.2%	-58.3%	-37.7%	-30.2%
Free cash flow	852	154	163	29	136	482	226	131	249	-45	560
QoQ Change			5.8%	-82.2%	369.0%		66.2%	-42.0%	90.1%	-118.1%	
YoY Change						-43.4%	46.8%	-19.6%	758.6%	-133.1%	16.2%
<b>Ratios</b>											
Operating margin	17.2%	18.3%	22.4%	24.1%	14.0%	19.8%	23.9%	23.8%	23.0%	18.0%	22.1%
Net margin	12.5%	13.9%	15.2%	17.4%	11.2%	14.5%	18.2%	17.3%	16.8%	13.0%	16.3%
EBITDA margin	27.4%	29.3%	33.3%	34.8%	25.8%	30.9%	34.9%	35.1%	34.3%	29.4%	33.4%
Capex/Sales	8.1%	8.8%	15.3%	28.8%	14.3%	16.9%	11.8%	12.1%	10.6%	7.3%	10.4%



(NIS millions, except for EPS)

		FY 2007	Q1 2008	Q2 2008	Q3 2008	Q4 2008	FY 2008	Q1 2009	Q2 2009	Q3 2009	Q4 2009	FY 2009
<b>Bezeq International</b>												
<b>Key Income Statement Metrics</b>												
Revenues		1,304	314	326	329	337	1,306	324	327	332	334	1,318
	QoQ Change			3.8%	0.9%	2.5%		-3.8%	0.7%	1.8%	0.5%	
	YoY Change						0.2%	3.4%	0.3%	1.1%	-1.0%	0.9%
Operating profit		204	55	63	59	65	242	60	68	66	67	261
	QoQ Change			14.2%	-5.5%	10.1%		-7.5%	12.3%	-1.8%	0.4%	
	YoY Change						18.6%	9.9%	8.0%	12.3%	2.4%	8.0%
Net profit		153	42	47	44	46	178	44	56	51	49	200
	QoQ Change			13.4%	-6.5%	4.0%		-3.7%	26.5%	-9.1%	-2.5%	
	YoY Change						16.6%	6.3%	18.6%	15.2%	7.9%	12.1%
Depreciation & amortization		87	20	20	20	20	80	20	21	21	23	84
	QoQ Change			1.6%	-2.0%	-0.2%		-1.3%	5.5%	3.5%	5.4%	
	YoY Change						-7.5%	-2.0%	1.8%	7.5%	13.6%	5.2%
EBITDA		290	75	83	79	85	322	80	88	88	89	345
	QoQ Change			10.8%	-4.7%	7.5%		-6.0%	10.6%	-0.6%	1.6%	
	YoY Change						10.8%	6.7%	6.5%	11.1%	5.1%	7.3%
<b>Key Cash Flow Metrics</b>												
Operating cash flow		93	8	51	32	73	163	84	83	82	72	320
	QoQ Change			577.4%	-37.4%	129.4%		14.2%	-1.0%	-1.3%	-11.6%	
	YoY Change						76.3%	1010.7%	62.4%	155.9%	-1.4%	95.7%
Capital expenditures, gross		103	28	31	33	27	119	21	26	33	39	120
	QoQ Change			12.4%	7.7%	-19.1%		-20.5%	21.9%	28.3%	17.3%	
	YoY Change						14.7%	-22.2%	-15.6%	0.5%	45.8%	1.3%
Capital expenditures, net		100	28	31	33	26	118	21	26	33	39	120
	QoQ Change			12.4%	7.7%	-20.7%		-19.0%	21.9%	28.3%	16.8%	
	YoY Change						18.7%	-22.2%	-15.6%	0.5%	48.0%	1.6%
Free cash flow		-7	-20	20	9	47	56	62	62	48	33	205
	QoQ Change			NM	-55.8%	428.0%		33.0%	-0.8%	-21.9%	-31.2%	
	YoY Change						NM	NM	207.8%	443.9%	-29.1%	268.8%
<b>Ratios</b>												
Operating margin		15.6%	17.5%	19.2%	18.0%	19.3%	18.5%	18.6%	20.7%	20.0%	20.0%	19.8%
Net margin		11.7%	13.2%	14.4%	13.4%	13.6%	13.7%	13.6%	17.1%	15.2%	14.8%	15.2%
EBITDA margin		22.3%	23.8%	25.4%	24.0%	25.2%	24.6%	24.6%	27.0%	26.4%	26.7%	26.2%
Capex/Sales		7.9%	8.8%	9.5%	10.1%	8.0%	9.1%	6.6%	8.0%	10.1%	11.8%	9.1%



		FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
	(NIS millions, except for EPS)	2007	2008	2008	2008	2008	2008	2009	2009	2009	2009	2009
<b>yes</b>												
<b>Key Income Statement Metrics</b>												
Revenues		1,415	381	380	375	376	1,513	384	376	380	390	1,530
	QoQ Change			-0.4%	-1.2%	0.3%		2.0%	-2.0%	1.2%	2.5%	
	YoY Change						6.9%	0.6%	-1.0%	1.4%	3.7%	1.2%
Operating profit		56	27	43	52	55	177	66	59	61	63	248
	QoQ Change			58.5%	23.2%	5.6%		19.2%	-10.5%	2.7%	3.1%	
	YoY Change						216.3%	145.6%	38.8%	15.7%	13.0%	40.1%
Net profit		-118	-66	-99	-82	-17	-265	-1	-95	-88	-38	-222
	QoQ Change			51.0%	-17.3%	-78.7%		-93.1%	7829.5%	-7.0%	-57.4%	
	YoY Change						125.1%	-98.2%	-4.2%	7.7%	115.2%	-16.0%
Depreciation & amortization		273	65	61	59	66	250	57	56	59	63	234
	QoQ Change			-6.4%	-3.1%	12.1%		-14.1%	-1.7%	6.1%	7.2%	
	YoY Change						-8.5%	-12.6%	-8.3%	0.3%	-4.1%	-6.3%
EBITDA		329	92	103	111	121	427	122	115	120	126	482
	QoQ Change			12.7%	7.8%	9.0%		1.1%	-6.4%	4.3%	5.1%	
	YoY Change						29.7%	33.8%	11.1%	7.6%	3.8%	13.0%
<b>Key Cash Flow Metrics</b>												
Operating cash flow		250	84	32	97	133	347	91	93	135	91	410
	QoQ Change			-61.5%	200.4%	37.1%		-32.0%	3.0%	44.6%	-32.9%	
	YoY Change						38.9%	7.8%	188.5%	38.9%	-32.0%	18.1%
Capital expenditures, gross		255	79	40	56	63	238	61	60	87	53	262
	QoQ Change			-50.2%	41.2%	12.3%		-2.1%	-2.4%	45.9%	-39.5%	
	YoY Change						-6.7%	-22.7%	51.5%	56.5%	-15.7%	10.1%
Capital expenditures, net		255	79	40	56	63	238	61	60	87	52	261
	QoQ Change			-50.2%	41.2%	12.3%		-2.1%	-2.4%	44.9%	-39.6%	
	YoY Change						-6.7%	-22.7%	51.5%	55.4%	-16.4%	9.7%
Free cash flow		-5	5	-7	41	71	109	29	33	48	38	149
	QoQ Change			NM	NM	70.6%		-58.5%	14.2%	44.1%	-20.8%	
	YoY Change						NM	523.4%	NM	16.5%	-45.9%	36.2%
<b>Ratios</b>												
Operating margin		4.0%	7.0%	11.2%	14.0%	14.7%	11.7%	17.2%	15.7%	15.9%	16.0%	16.2%
Net margin		-8.3%	-17.2%	-26.1%	-21.9%	-4.6%	-17.5%	-0.3%	-25.3%	-23.3%	-9.6%	-14.5%
EBITDA margin		23.3%	24.0%	27.2%	29.6%	32.2%	28.2%	31.9%	30.5%	31.4%	32.2%	31.5%
Capex/Sales		18.0%	20.8%	10.4%	14.9%	16.7%	15.7%	16.0%	15.9%	23.0%	13.6%	17.1%



	FY 2007	Q1 2008	Q2 2008	Q3 2008	Q4 2008	FY 2008	Q1 2009	Q2 2009	Q3 2009	Q4 2009	FY 2009
<b>Bezeq Fixed Line</b>											
<b>Key Performance Indicators</b>											
<b>Total outgoing minutes (in millions)</b>	<b>14,869</b>	<b>3,511</b>	<b>3,346</b>	<b>3,428</b>	<b>3,154</b>	<b>13,439</b>	<b>3,123</b>	<b>3,014</b>	<b>3,096</b>	<b>2,964</b>	<b>12,196</b>
QoQ Change			-4.7%	2.5%	-8.0%		-1.0%	-3.5%	2.7%	-4.3%	
YoY Change						-9.6%	-11.1%	-9.9%	-9.7%	-6.0%	-9.2%
<b>Total incoming minutes (in millions)</b>	<b>6,411</b>	<b>1,673</b>	<b>1,651</b>	<b>1,719</b>	<b>1,648</b>	<b>6,691</b>	<b>1,654</b>	<b>1,659</b>	<b>1,731</b>	<b>1,674</b>	<b>6,718</b>
QoQ Change			-1.3%	4.1%	-4.1%		0.4%	0.3%	4.3%	-3.3%	
YoY Change						4.4%	-1.1%	0.5%	0.7%	1.6%	0.4%
<b>Total access lines (in 000's)</b>	<b>2,761</b>	<b>2,711</b>	<b>2,681</b>	<b>2,645</b>	<b>2,615</b>	<b>2,615</b>	<b>2,579</b>	<b>2,547</b>	<b>2,518</b>	<b>2,489</b>	<b>2,489</b>
QoQ Change			-1.1%	-1.3%	-1.1%		-1.4%	-1.2%	-1.1%	-1.2%	
YoY Change						-5.3%	-4.9%	-5.0%	-4.8%	-4.8%	-4.8%
<b>Bezeq ARPL - Voice &amp; fixed fees (in NIS) (1)</b>	<b>87</b>	<b>84</b>	<b>82</b>	<b>85</b>	<b>82</b>	<b>83</b>	<b>81</b>	<b>81</b>	<b>83</b>	<b>82</b>	<b>82</b>
QoQ Change			-2.4%	3.7%	-3.5%		-1.0%	-0.2%	2.5%	-1.2%	
YoY Change						-4.6%	-3.3%	-1.2%	-2.4%	0.0%	-1.2%
<b>ADSL lines (in 000's)</b>	<b>963</b>	<b>970</b>	<b>982</b>	<b>994</b>	<b>1,005</b>	<b>1,005</b>	<b>1,011</b>	<b>1,016</b>	<b>1,026</b>	<b>1,035</b>	<b>1,035</b>
QoQ Change			1.2%	1.2%	1.1%		0.6%	0.5%	1.0%	0.9%	
YoY Change						4.4%	4.2%	3.5%	3.2%	3.0%	3.0%
<b>Bezeq ARPU - ADSL (in NIS)</b>	<b>64</b>	<b>68</b>	<b>66</b>	<b>68</b>	<b>67</b>	<b>67</b>	<b>68</b>	<b>69</b>	<b>72</b>	<b>72</b>	<b>70</b>
QoQ Change			-2.9%	3.0%	-1.5%		1.5%	1.5%	4.3%	0.0%	
YoY Change						4.7%	0.0%	4.5%	5.9%	7.5%	4.5%
<b>Number of employees</b>	<b>7,614</b>	<b>7,458</b>	<b>7,425</b>	<b>7,417</b>	<b>7,530</b>	<b>7,530</b>	<b>7,545</b>	<b>7,399</b>	<b>7,335</b>	<b>7,364</b>	<b>7,364</b>
QoQ Change			-0.4%	-0.1%	1.5%		0.2%	-1.9%	-0.9%	0.4%	
YoY Change						-1.1%	1.2%	-0.4%	-1.1%	-2.2%	-2.2%



	FY 2007	Q1 2008	Q2 2008	Q3 2008	Q4 2008	FY 2008	Q1 2009	Q2 2009	Q3 2009	Q4 2009	FY 2009
<b>Pelephone</b>											
<b>Key Performance Indicators</b>											
<b>Subscribers (in 000's)</b>	<b>2,622</b>	<b>2,595</b>	<b>2,636</b>	<b>2,698</b>	<b>2,649</b>	<b>2,649</b>	<b>2,669</b>	<b>2,694</b>	<b>2,721</b>	<b>2,766</b>	<b>2,766</b>
QoQ Change			1.6%	2.4%	-1.8%		0.8%	0.9%	1.0%	1.7%	
YoY Change						1.0%	2.9%	2.2%	0.9%	4.4%	4.4%
<b>ARPU (in NIS)</b>	<b>131</b>	<b>126</b>	<b>128</b>	<b>129</b>	<b>122</b>	<b>126</b>	<b>128</b>	<b>131</b>	<b>136</b>	<b>132</b>	<b>132</b>
QoQ Change			1.6%	0.8%	-5.4%		4.9%	2.3%	3.8%	-2.9%	
YoY Change						-3.8%	1.6%	2.3%	5.4%	8.2%	4.8%
<b>MOU (per sub, per month)</b>	<b>354</b>	<b>355</b>	<b>358</b>	<b>359</b>	<b>335</b>	<b>352</b>	<b>323</b>	<b>329</b>	<b>339</b>	<b>339</b>	<b>333</b>
QoQ Change			0.8%	0.3%	-6.7%		-3.6%	1.9%	3.0%	0.0%	
YoY Change						-0.6%	-9.0%	-8.1%	-5.6%	1.2%	-5.4%
<b>3G subscribers (in 000's)</b>	<b>749</b>	<b>867</b>	<b>977</b>	<b>1,068</b>	<b>1,151</b>	<b>1,151</b>	<b>1,217</b>	<b>1,307</b>	<b>1,407</b>	<b>1,531</b>	<b>1,531</b>
QoQ Change			12.7%	9.3%	7.8%		5.7%	7.4%	7.7%	8.8%	
YoY Change						53.7%	40.4%	33.8%	31.7%	33.0%	33.0%
<b>% data of total cellular service revenue</b>	<b>12.7%</b>	<b>15.0%</b>	<b>15.5%</b>	<b>16.2%</b>	<b>18.4%</b>	<b>16.3%</b>	<b>18.5%</b>	<b>19.1%</b>	<b>20.0%</b>	<b>20.8%</b>	<b>19.6%</b>

<b>yes</b>											
<b>Key Performance Indicators</b>											
<b>Subscribers (in 000's)</b>	<b>549</b>	<b>549</b>	<b>551</b>	<b>556</b>	<b>560</b>	<b>560</b>	<b>560</b>	<b>562</b>	<b>567</b>	<b>571</b>	<b>571</b>
QoQ Change			0.4%	0.9%	0.7%		0.0%	0.4%	0.9%	0.7%	
YoY Change						2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
<b>ARPU (in NIS)</b>	<b>217</b>	<b>231</b>	<b>230</b>	<b>226</b>	<b>225</b>	<b>228</b>	<b>228</b>	<b>224</b>	<b>224</b>	<b>229</b>	<b>226</b>
QoQ Change			-0.4%	-1.7%	-0.4%		1.3%	-1.8%	0.0%	2.2%	
YoY Change						5.1%	-1.3%	-2.6%	-0.9%	1.8%	-0.9%





## GLOSSARY & FOOTNOTES

### Glossary

EBITDA	= Earnings Before Interest, Taxes, Depreciation & Amortization (trailing twelve months)
Free Cash Flow	= Operating cash flow less net capital expenditures plus dividends received
Net Capital Expenditures	= Purchase of property, plant & equipment (less proceeds from sale) and investment in intangible assets
ARPU	= Average Revenue Per User
MOU	= Minutes of Use
N/A	= Not Available
N/M	= Not Meaningful

### General Financial Footnotes

- <sup>1</sup> Pursuant to IFRS standards, the Company is not required to report financial data for its subsidiaries.

### 2009 Financial Footnotes

As of August 21st, 2009, the Company ceased consolidating yes' financial results and started accounting for its investment in yes according to the equity value method. The Bezeq Group's financial data herein reflect the yes deconsolidation as from Jan 1st, 2008.

### 2008 Financial Footnotes

In 2008, NIS 25 million related to a provision for early-retirement, which was recorded as other operating expenses (income), were reclassified to financing expenses and allocated to their respective quarters

Dividends and interest received were reclassified from operating cash flow to cash flow from investment activities.  
Group net profit attributed to Bezeq shareholders was retroactively adjusted from 1.1.08 due to the adoption of IAS 27 and IFRS 3.  
Bezeq International capex and FCF were retroactively adjusted to include acquisitions of other intangible assets.

### KPIs Footnotes

- <sup>1</sup> Not including revenues from data communications and transmissions services, services to communications providers, and contract and other services