



BEZEQ GROUP REPORTS SECOND QUARTER 2025 FINANCIAL RESULTS

Holon, Israel – August 6, 2025 – Bezeq – The Israeli Telecommunications Corp., Ltd. (TASE: BEZQ), Israel's leading telecommunications provider, today announced its financial results for the three months ended June 30th, 2025. Details about the investor earnings presentation webcast to be held today are included below in this press release.

Bezeq Group Q2 2025 Financial Highlights¹

- Core revenues² increased 3.1% driven by higher ARPU and core revenues from all key group segments; Net Profit increased 48% to NIS 426 million. Adjusted Net Profit³ was NIS 427 million, up 46%; Adjusted EBITDA³ was NIS 1.01 billion, up 11.3%; Adjusted EBITDA and Adjusted Net Profit were positively impacted by yes' valuation increase
- ARPU growth in all key Group segments: 5.4% increase in retail broadband, 4.5% increase in Pelephone, and 2.7% growth in yes Subscriber ARPU
- Board of directors recommended a dividend distribution of NIS 583 million, equal to NIS 0.21 per share
- 2025 FY Outlook increased once again as a result of a one-time accounting effect following a higher valuation of yes. We anticipate an Adjusted Net Profit of NIS 1.45 billion (compared to NIS 1.32 billion in the May 2025 outlook) and an Adjusted EBITDA of NIS 3.85 billion (compared to NIS 3.75 billion in the May 2025 outlook)
- Double-digit growth recorded in strategic growth drivers: 31% in fiber subscribers reaching 924k today, 15% in 5G postpaid subscriber plans and 11% in yes IPTV subscribers
- Bezeq Fixed-Line: Core revenues grew 4.5% to NIS 979 million; Adjusted EBITDA increased 1.6% totaling NIS 643 million
- Pelephone: Revenues and ARPU (NIS 2, y-o-y) increased due to continued growth of subscribers, including 5G subscriber plans, despite the impact on roaming services resulting from the war with Iran

¹ Q2-2025 and H1-2025 results in this earnings release are presented in comparison to Q2-2024 and H1-2024 results, respectively, unless otherwise stated

² Group revenues excluding Bezeq Fixed-Line telephony revenues, Pelephone interconnect fees, Bezeq International consumer revenues and Bezeq Online revenues

³ Adjusted EBITDA and Adjusted Net Profit - After adjusting for other operating expenses/income, net, one-time losses/gains from impairment/increase in value of assets and stock-based compensation



- Pelephone: 5GMAX subscriber plan estimates raised, increasing our target to reach 150 thousand by year end
- yes: Increased revenues and significant growth in profitability metrics; First sequential quarterly growth in total subscribers since Q1-2023; Fiber customers reached 100 thousand today
- Regulatory developments: The MOC's publication of the hearing on changes to wholesale market tariffs and the gradual removal of most of the wholesale tariff supervision within two years, along with progress on the structural separation removal, marked an important milestone. It reflected the regulator's recognition that the market is competitive and mature enough for such a move, with the understanding that Israeli consumers will continue to benefit from advanced services at competitive prices

Tomer Raved, Bezeq Chairman, stated: "We reported excellent results for the second quarter, marked by growth in core revenues and a significant improvement in profitability metrics. We delivered double-digit EBITDA growth, and accelerated momentum across our growth engines, including 5G at Pelephone, and yes, which is once again showing subscriber growth. The Group continued to deliver significant growth in total retail broadband subscribers, driven by accelerated fiber deployment and enhanced customer value. The infrastructure revolution led by the Group, positions the Israeli economy at a very high readiness level ahead of the AI era. As part of the Group's core strategy, we will continue to invest and identify future growth engines for the company and for the Israeli telecommunications market. Most recently, we announced that we are reviewing several significant potential acquisitions. In parallel, regulation in Israel continues to evolve in a direction aligned with global trends."

Yohai Benita, Bezeq Group CFO, commented: "The quarterly results were strong and demonstrated the strength of the Bezeq Group even during this challenging period, reflecting a continued improvement in the Group's core operations. Recently, the Group once again revised its annual forecast upwards, we are now expecting an adjusted net profit of NIS 1.45 billion. In addition, the board of directors recommended the distribution of a dividend of NIS 583 million, equal to NIS 0.21 per share. This is our highest semi-annual dividend since 2017. We remain forward-looking and focused on identifying future growth opportunities. Bezeq will continue to lead the Israeli telecommunications market, to innovate, invest, and act responsibly for the benefit of our customers and our shareholders."

Nir David, Bezeq CEO, stated, "We posted growth across all key metrics in the first half of 2025, driven by continued investment and market leadership in the telecommunications sector. Our strategic growth engines continued to accelerate, led by fiber deployment, which reached new highs with 924 thousand subscribers. Core revenues continue to rise steadily, with a 4.5% increase recorded this quarter. We are advancing the development and implementation of cutting-edge technological solutions to improve network performance and enhance the customer experience. We are also seeing consistent improvement in ARPU, which increased to NIS 136, with a take-up rate of 33%. These



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trends reflect the growing adoption of advanced smart solutions. Bezeq continues to solidify its fiber network as Israel's national infrastructure platform."

Ilan Sigal, CEO of Pelephone and yes, stated, "Pelephone and yes recorded a strong quarter, reflecting a combination of subscriber and revenue growth together with the execution of strategic transactions. At Pelephone, our total subscriber base increased, including 5G and 5GMAX subscriber plans and delivered growth in both revenues and ARPU, while continuing to invest significantly in advanced infrastructures, reinforcing our position as a leader in the Israeli cellular market. At yes, we posted a record quarter with growth across all profitability metrics, a return to growth in total TV subscribers, and a key milestone of 100,000 customers in bundled fiber and TV packages. We continued to initiate and lead major strategic initiatives, including Pelephone winning the Accountant General's tender, and at yes, the signing of the agreement with Partner."

Ron Glav, CEO of Bezeq International TECH, commented, "We continued to advance our business transformation, including the separation from our consumer operations and the shutdown of non-core services, while focusing on our ICT activities and the Company's key growth engines. In the second quarter, we are pleased to report continued year-over-year growth in the business segment."

Bezeq Group Results (Consolidated)

	<u>Q2 2025</u>	<u>Q2 2024</u>	<u>% change</u>	<u>H1 2025</u>	<u>H1 2024</u>	<u>% change</u>
	<i>(NIS millions)</i>			<i>(NIS millions)</i>		
Revenues (reported)	2,136	2,192	(2.6%)	4,371	4,447	(1.7%)
Core revenues	1,947	1,888	3.1%	3,925	3,820	2.7%
EBITDA	1,014	907	11.8%	1,911	1,819	5.1%
Adjusted EBITDA	1,013	910	11.3%	1,927	1,827	5.5%
Adjusted EBITDA margin	47.4%	41.5%		44.1%	41.1%	
Net profit	426	287	48%	729	582	25%
Adjusted net profit	427	292	46%	746	591	26%
CapEx (gross)	431	431	0.0%	850	841	1.1%
Free cash flow ¹	230	178	29%	492	646	(24%)
Net debt	4,916	5,020	(2.1%)	4,916	5,020	(2.1%)

¹ Free cash flow is defined as cash flow from operating activities less net payments for investments and leases

Revenues amounted to NIS 2.14 billion, down 2.6%. **Core Revenues** increased 3.1%, to NIS 1.95 billion, mainly due to higher core revenues from all key group segments.



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EBITDA amounted to NIS 1.01 billion, up 11.8%. **Adjusted EBITDA** was NIS 1.01 billion (Adjusted EBITDA margin of 47.4%), up 11.3%. Adjusted EBITDA for the first half of 2025 was NIS 1.93 billion, up 5.5%.

Net profit totaled NIS 426 million, up 48%. **Adjusted Net Profit** was NIS 427 million, up 46%. Adjusted Net Profit for the first half of 2025 totaled NIS 746 million, up 26%.

Adjusted EBITDA and Adjusted Net Profit were positively impacted by yes increased valuation.

Free cash flow amounted to NIS 230 million, up 29%, mainly due to timing differences in working capital. Free cash flow for the first half of 2025 was NIS 492 million, down 24%.

Net financial debt for the Group amounted to NIS 4.92 billion as of June 30, 2025, compared to NIS 5.02 billion as of June 30, 2024, a 2.1% decrease. The Group's net financial debt to Adjusted EBITDA ratio was 1.5 times as of June 30, 2025, compared to 1.6 as of June 30, 2024.

Dividends

In accordance with the Company's dividend policy, the Board of Directors recommended to the General Meeting of Shareholders a dividend distribution of NIS 583 million, which at the time of approval represented NIS 0.21 per share. The ex-dividend date will be September 28, 2025. The payment is expected to be made on October 19, 2025.



2025 Outlook

Based on the revised outlook disclosed by the Company on July 30, 2025, the Group's Outlook for 2025 is as follows:

	2025 Original Outlook Mar 12, 2025	2025 Outlook May 11, 2025	2025 Revised Outlook July 30, 2025
Adjusted net profit	Approx. NIS 1.2 billion	Approx. NIS 1.32 billion	Approx. NIS 1.45 billion
Adjusted EBITDA	Approx. NIS 3.7 billion	Approx. NIS 3.75 billion	Approx. NIS 3.85 billion
CapEx	Approx. NIS 1.75 billion	Unchanged	Unchanged
Financial Stability	Maintain High Credit Rating, within the AA group	Unchanged	Unchanged
Fiber deployment (Homes Passed)	2.9 million	Unchanged	Unchanged

The Company will report, as required, deviations of more/less than 10% of the financial amounts stated in the revised outlook (Adjusted net profit, Adjusted EBITDA and CapEx).

Bezeq Fixed-Line Results

Bezeq Fixed-Line – Financial data	<u>Q2 2025</u>	<u>Q2 2024</u>	<u>% change</u>	<u>H1 2025</u>	<u>H1 2024</u>	<u>% change</u>
	<i>(NIS millions)</i>			<i>(NIS millions)</i>		
Total revenues	1,102	1,075	2.5%	2,203	2,166	1.7%
Core revenues ¹	979	937	4.5%	1,952	1,885	3.6%
Broadband Internet	508	494	2.8%	1,013	995	1.8%
Transmission and data	309	293	5.5%	611	591	3.4%
Telephony	123	138	(10.9%)	251	281	(10.7%)
Cloud & digital services	90	87	3.4%	177	174	1.7%
Other revenues	72	63	14.3%	151	125	21%
EBITDA	647	638	1.4%	1,289	1,287	0.2%
Adjusted EBITDA	643	633	1.6%	1,291	1,282	0.7%
Adjusted EBITDA margin	58.3%	58.9%		58.6%	59.2%	
Net profit	218	238	(8.4%)	474	496	(4.4%)
Adjusted net profit	216	235	(8.1%)	477	493	(3.2%)
CapEx (gross)	266	266	0.0%	560	536	4.5%
Free cash flow	230	192	19.8%	450	641	(30%)

¹ Total fixed-line revenues excluding telephony revenues

Bezeq Fixed-Line – KPIs	<u>Q2 2025</u>	<u>Q1 2025</u>	<u>Q2 2024</u>
Total broadband lines (retail and wholesale, end of the period, in thousands)	1,476	1,477	1,486
Of which: Total fiber optic subscribers (retail and wholesale, in thousands)	907	863	694
Total retail broadband lines (fiber and copper, end of the period, in thousands)	999	1,003	1,014
Of which: Retail fiber optic subscribers (in thousands)	583	554	442
Total wholesale broadband lines (end of period, in thousands)	477	474	472
Of which: Wholesale fiber optic subscribers (in thousands)	324	309	252
Fiber optics deployed – Homes passed (end of the period, in thousands)	2,774	2,671	2,312
Average monthly revenue per broadband Internet subscriber (NIS) – Retail	136	134	129

Revenues were NIS 1.10 billion, up 2.5%. **Fixed-Line core revenues** increased 4.5% to NIS 979 million, driven by higher revenues across all core revenue items.

EBITDA was NIS 647 million, up 1.4%. **Adjusted EBITDA** totaled NIS 643 million (Adjusted EBITDA margin of 58.3%), up 1.6%, mainly due to higher revenues. Adjusted EBITDA for the first half of 2025 was NIS 1.29 billion, up 0.7%.

Net Profit was NIS 218 million, down 8.4%. **Adjusted Net Profit** amounted to NIS 216 million, down 8.1%, mainly due to higher financing expenses, resulting from the impact of the dollar-shekel exchange rate on hedging transactions. Adjusted Net Profit for the first half of 2025 was NIS 477 million, down 3.2%.

Free cash flow was up 19.8% to NIS 230 million, positively impacted by proceeds received from real estate sales. Free cash flow for the first half of 2025 was NIS 450 million, down 30%.

Telephone Results⁴

Telephone – Financial data	<u>Q2 2025</u>	<u>Q2 2024</u>	<u>% change</u>	<u>H1 2025</u>	<u>H1 2024</u>	<u>% change</u>
	<i>(NIS millions)</i>			<i>(NIS millions)</i>		
Total revenues	496	489	1.4%	1,021	991	3.0%
Service revenues	361	348	3.7%	721	683	5.6%
Equipment revenues	135	141	(4.3%)	300	308	(2.6%)
EBITDA	184	189	(2.6%)	368	367	0.3%
Adjusted EBITDA	186	191	(2.6%)	372	376	(1.1%)
Adjusted EBITDA margin	35.1%	34.0%		33.9%	32.9%	
Net profit	30	39	(23%)	61	69	(11.6%)
Adjusted net profit	32	41	(22%)	65	77	(15.6%)
CapEx (gross)	91	82	11.0%	175	164	6.7%
Free cash flow	43	27	59%	38	(12)	

Telephone – KPIs	<u>Q2 2025</u>	<u>Q1 2025</u>	<u>Q2 2024</u>
Total subscribers (end of period, in thousands)	2,645	2,631	2,615
Postpaid subscribers (end of period, in thousands)	2,279	2,265	2,228
Prepaid subscribers (end of period, in thousands)	366	366	387
5G subscriber plans (end of period, in thousands)	1,315	1,276	1,144
Average revenue per user, exc. interconnect fees (ARPU, NIS)	46	45	44

Revenues from services totaled NIS 361 million, up 3.7%, driven by continued growth in postpaid subscribers, including 5G subscriber plans, despite the impact on roaming revenues in June related to the war with Iran.

Revenues from equipment sales were down 4.3% to NIS 135 million, primarily due to the closing of stores and shopping centers during the war with Iran.

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



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Total revenues reached NIS 496 million, up 1.4%. Total revenues for the first half of 2025 were NIS 1.02 billion, up 3.0%.

Adjusted EBITDA and Adjusted Net Profit in the second quarter and first half were impacted by the war with Iran as well as higher payments for frequency fees following the termination of the discount previously granted by the Ministry of Communications.

EBITDA was NIS 184 million, down 2.6%. **Adjusted EBITDA** was NIS 186 million (Adjusted EBITDA margin of 35.1%), down 2.6%. Adjusted EBITDA for the first half of 2025 totaled NIS 372 million, down 1.1%.

Net profit was NIS 30 million, down 23%. **Adjusted Net Profit** was NIS 32 million, down 22%. Adjusted Net Profit for the first half of 2025 was down 15.6%, totaling NIS 65 million.

Free cash flow was NIS 43 million, compared to NIS 27 million in the corresponding quarter. Free cash flow for the first half of 2025 was NIS 38 million, compared to negative free cash flow of NIS 12 million in the corresponding quarter. Free cash flow was positively impacted by timing differences in working capital.

yes Results

yes – Financial data	<u>Q2 2025</u>	<u>Q2 2024</u>	<u>% change</u>	<u>H1 2025</u>	<u>H1 2024</u>	<u>% change</u>
	<i>(NIS millions)</i>			<i>(NIS millions)</i>		
Revenues	320	316	1.3%	639	631	1.3%
EBITDA	147	36	308%	184	76	142%
Adjusted EBITDA	148	41	261%	194	82	137%
Adjusted EBITDA margin	46.3%	13.0%		30.4%	13.0%	
Net profit	172	(5)		175	(18)	
Adjusted net profit (loss)	173	-		185	(12)	
CapEx (gross)	57	67	(14.9%)	93	116	(19.8%)
Free cash flow	(38)	(27)	41%	(5)	11	

yes – KPIs	<u>Q2 2025</u>	<u>Q1 2025</u>	<u>Q2 2024</u>
Total number of TV subscribers (end of period, in thousands)	562	561	567
IP subscribers (end of period, in thousands)	480	475	431
Fiber customers (end of period, in thousands)	94	85	55
ARPU Subscribers, NIS ¹	189	189	184

¹ ARPU Subscribers 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 were NIS 320 million, up 1.3%, due to higher revenues from the TV + Bezeq fiber bundle. Revenues for the first half of 2025 were NIS 639 million, up 1.3%.

EBITDA was NIS 147 million, up 308%. **Adjusted EBITDA** was NIS 148 million (Adjusted EBITDA margin of 46.3%), up 261%.

Net Profit was NIS 172 million, compared to a loss of NIS 5 million in the corresponding quarter. **Adjusted Net Profit** was NIS 173 million, compared to breakeven in the corresponding quarter.

Adjusted EBITDA and Adjusted Net Profit were positively impacted by the valuation change of yes amounting to NIS 147 million.

Negative free cash flow was NIS 38 million, compared to NIS 27 million in the corresponding quarter. Negative free cash flow for the first half of 2025 was NIS 5 million, compared to a positive free cash flow of NIS 11 million in the corresponding period.

The number of **yes TV subscribers** as of June 30, 2025, was 562k, a 1k sequential increase, representing the first quarterly increase since Q1-2023.

Bezeq International TECH Results

Bezeq International – Financial data	<u>Q2 2025</u>	<u>Q2 2024</u>	<u>% change</u>	<u>H1 2025</u>	<u>H1 2024</u>	<u>% change</u>
	<i>(NIS millions)</i>			<i>(NIS millions)</i>		
Revenues	263	261	0.8%	536	550	(2.5%)
EBITDA	37	44	(15.9%)	70	91	(23%)
Adjusted EBITDA	37	45	(17.8%)	71	89	(20%)
Adjusted EBITDA margin	14.1%	17.2%		13.2%	16.2%	
Net profit	6	18	(67%)	17	36	(53%)
Adjusted net profit	6	19	(68%)	18	34	(47%)
CapEx (gross)	15	19	(21%)	27	33	(18.2%)
Free cash flow	-	(10)		19	13	46%

Revenues totaled NIS 263 million, up 0.8%, due to higher revenues from cloud activities, sale of business equipment and international telephony services, which were partially offset by lower revenues from business and consumer ISP services.

EBITDA was NIS 37 million, down 15.9%. **Adjusted EBITDA** was NIS 37 million (Adjusted EBITDA margin of 14.1%), down 17.8%, mainly due to lower revenues from consumer activities.

Net profit was NIS 6 million, down 67%. **Adjusted Net Profit** was NIS 6 million, down 68%. Adjusted Net Profit in the first half of 2025 was NIS 18 million, down 47%.

Free cash flow was breakeven, compared to a negative free cash flow of NIS 10 million in the corresponding quarter. Free cash flow was positively impacted by changes in working capital and a lower capex. Free cash flow for the first half of 2025 amounted to NIS 19 million, compared to NIS 13 million in the corresponding period.



Conference Call & Webcast Information

Bezeq will conduct its Second Quarter 2025 earnings webcast call on Wednesday, August 6, 2025, at 8:00 AM EST / 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 and 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/84625215211>

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

Bezeq, Israel's leading telecommunications service provider, was established in 1984. The Company has led Israel into the new era of telecommunications by focusing on the most advanced technologies and services. Bezeq and its subsidiaries offer a full range of telecommunications services, including broadband Internet, other data communications, cloud and digital services, domestic and international phone services, cellular services, satellite and Internet-based multi-channel TV, and corporate networks.

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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	Six months ended June 30		Three months ended June 30		Year ended December 31
	2025	2024	2025	2024	2024
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
	NIS million	NIS million	NIS million	NIS million	NIS million
Revenues	4,371	4,447	2,136	2,192	8,884
Costs of activity					
General and operating expenses	1,508	1,668	679	812	3,257
Salaries	947	963	451	477	1,932
Depreciation, amortization, and impairment losses and cancellation of impairment loss	839	935	383	462	1,844
Other operating expenses (income), net	5	(3)	(8)	(4)	199
Total operating expenses	3,299	3,563	1,505	1,747	7,232
Operating profit	1,072	884	631	445	1,652
Financing expenses (income)					
Financing expenses	268	235	175	138	446
Financing income	(96)	(118)	(48)	(67)	(196)
Financing expenses, net	172	117	127	71	250
Profit after financing expenses, net	900	767	504	374	1,402
Loss in investee company	4	3	1	3	8
Profit before income tax	896	764	503	371	1,394
Income tax	167	182	77	84	321
Profit for the period	729	582	426	287	1,073
Basic and diluted earnings per share (in NIS)	0.26	0.21	0.15	0.10	0.39

"Bezeq" The Israel Telecommunication Corp., Limited

Condensed Consolidated Interim Statements of Financial Position			
	June 30, 2025	June 30, 2024	December 31, 2024
	(Unaudited)	(Unaudited)	(Audited)
Assets	NIS million	NIS million	NIS million
Cash and cash equivalents	789	916	784
Investments	1,792	1,948	1,917
Trade receivables	1,393	1,475	1,395
Other receivables	186	221	172
Inventory	112	107	162
Assets of a held for sale disposal group	-	-	83
Total current assets	4,272	4,667	4,513
Trade and other receivables	397	435	410
Right-of-use assets	1,761	1,765	1,762
Fixed assets	7,349	6,977	7,160
Intangible assets	980	934	948
Deferred expenses and non-current investments	459	324	368
Total non-current assets	10,946	10,435	10,648
Total assets	15,218	15,102	15,161



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Condensed Consolidated Interim Statements of Financial Position (Contd.)

	June 30, 2025	June 30, 2024	December 31, 2024
	(Unaudited)	(Unaudited)	(Audited)
Liabilities and equity	NIS million	NIS million	NIS million
Debentures, loans and borrowings	1,681	1,064	1,123
Current maturities of liabilities for leases	426	426	438
Trade and other payables	1,824	1,909	1,935
Employee benefits	333	294	400
Provisions	82	88	84
Liabilities of a held for sale disposal group	-	-	34
Total current liabilities	4,346	3,781	4,014
Loans and debentures	5,816	6,820	6,523
Liability for leases	1,522	1,517	1,530
Employee benefits	314	254	300
Derivatives and other liabilities	284	203	214
Liabilities for deferred taxes	60	81	46
Provisions	32	27	30
Total non-current liabilities	8,028	8,902	8,643
Total liabilities	12,374	12,683	12,657
Total equity	2,844	2,419	2,504

Total liabilities and equity	15,218	15,102	15,161
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Bezeq" The Israel Telecommunication Corp., Limited

Condensed Consolidated Interim Statements of Cash Flows

	Six months ended June 30		Three months ended June 30		Year ended December 31
	2025	2024	2025	2024	2024
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
	NIS million	NIS million	NIS million	NIS million	NIS million
Cash flows from operating activities					
Profit for the period	729	582	426	287	1,073
Adjustments:					
Depreciation, amortization, impairment losses and cancellation of impairment loss	839	935	383	462	1,844
Financing expenses, net	191	118	134	69	269
Capital gain, net	(7)	(12)	(2)	(10)	(17)
Loss in investee company	4	3	1	3	8
Impairment loss of a held for sale disposal group	2	-	-	-	9
Stock-based compensation	11	11	7	7	21
Income tax expenses	167	182	77	84	321
Change in trade and other receivables	(30)	(29)	55	36	67
Change in inventory	42	(38)	27	6	(109)
Change in trade and other payables	24	69	(139)	(107)	147
Change in provisions	(1)	-	(7)	2	(5)
Change in employee benefits	(51)	(34)	(50)	(45)	115
Change in broadcasting rights	(91)	6	(92)	-	(57)
Miscellaneous	(3)	(3)	(3)	3	4
Net income tax paid	(262)	(80)	(84)	(88)	(244)
Net cash from operating activities	1,564	1,710	733	709	3,446



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Condensed Consolidated Interim Statements of Cash Flows (Cont'd)

	Six months ended June 30		Three months ended June 30		Year ended December 31
	2025	2024	2025	2024	2024
	(Unaudited) NIS million	(Unaudited) NIS million	(Unaudited) NIS million	(Unaudited) NIS million	(Audited) NIS million
Cash flows for investing activities					
Purchase of fixed assets	(658)	(645)	(333)	(333)	(1,356)
Investment in intangible assets and deferred expenses	(190)	(196)	(96)	(98)	(390)
Investment in bank deposits and other financial investments	(568)	(1,375)	-	(153)	(2,045)
Proceeds from bank deposits and other financial investments	719	671	462	471	1,381
Proceeds from the sale of fixed assets	35	7	32	4	16
Government grant received for frequencies	-	-	-	-	4
Interest received from bank deposits	32	41	15	18	90
Investment in affiliate	(11)	-	-	-	(10)
Proceeds from sale of subsidiary, net	28	-	28	-	-
Miscellaneous	1	3	-	3	8
Net cash used for investing activities	(612)	(1,494)	108	(88)	(2,302)

"Bezeq" The Israel Telecommunication Corp., Limited

Condensed Consolidated Interim Statements of Cash Flows (Cont'd)

	Six months ended June 30		Three months ended June 30		Year ended December 31
	2025	2024	2025	2024	2024
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
	NIS million	NIS million	NIS million	NIS million	NIS million
Cash flow from financing activities					
Issue of debentures and receipt of loans	-	1,084	-	-	1,648
Repayment of debentures and loans	(205)	(220)	(205)	(220)	(1,071)
Payments of principal and interest for leases	(257)	(230)	(104)	(104)	(449)
Interest paid	(121)	(123)	(96)	(104)	(249)
Dividends paid	(392)	(374)	(392)	(374)	(781)
Payment for expired hedging transactions	-	-	-	-	7
Net cash from (used for) financing activities	(975)	137	(797)	(802)	(895)
Increase (decrease) in cash and cash equivalents, net	(23)	353	44	(181)	249
Cash and cash equivalents at beginning of period	784	563	724	1,097	563
Change in cash balance of subsidiary sold	28	-	21	-	(28)
Cash and cash equivalents at end of period	789	916	789	916	784