



Bezeq – The Israel Telecommunication Corp. Ltd.
("Company")

December 22, 2020

The Israel Securities Authority

The Tel Aviv Stock Exchange

Immediate Report – Midroog places Bezeq's debentures on credit review with negative implications

Midroog, the Israeli rating agency, announced today that it placed Bezeq's debentures on credit review with negative implications following an announcement by the Ministry of Communications regarding the regulation of Bezeq's fixed-line telephony tariffs.

As part of the rating review process, Midroog will examine the implications of the tariff decrease, in various scenarios, on the Company's results given its business plan for the coming years and offsetting actions that the Company may take. Midroog estimates that the review may lead to a downgrade in the rating or in the outlook only, depending on the intensity of the tariff reduction and its assessment of its effect on Bezeq's business profile, revenues, cash flow coverage ratios and financial flexibility.

Sincerely,

Bezeq – The Israel Telecommunication Corp. Ltd.

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.