



# TELEFÓNICA IN NUMBERS

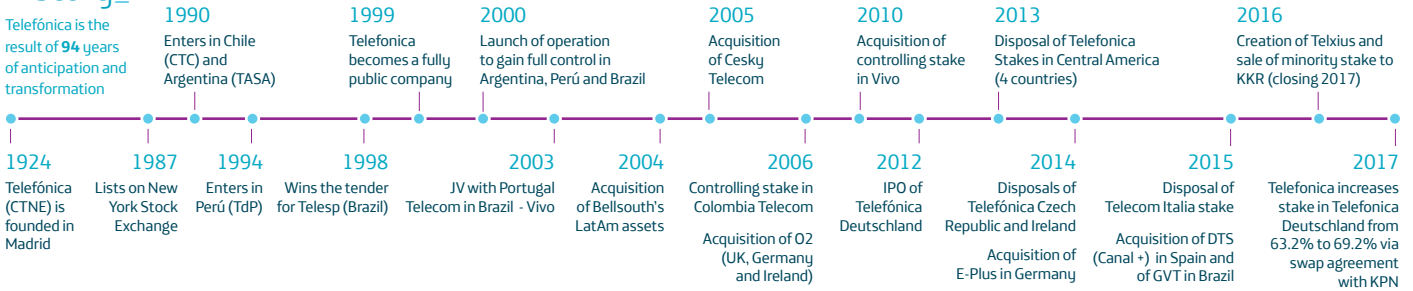
Telefónica is one of the largest telecommunications companies in the world by market capitalization and number of customers providing a comprehensive offering and quality of connectivity that is delivered over world class fixed, mobile and broadband networks.

**We run operations in 17 countries, split into two geographic regions:** Europe and Latin America. We have 343 million customers, including 272 million mobile customers, nearly 11 million fiber and cable customers and more than 8 million pay TV customers. Telefónica employs 122,718 employees.



## History

Telefónica is the result of 94 years of anticipation and transformation



## Key Management



**JOSE MARÍA ÁLVAREZ-PALLETE**  
Chairman and CEO, Telefónica S.A.  
Appointed April 2016

He joined Telefónica in 1999 and has held a variety of roles including CFO of Telefónica Internacional and Group CFO. Before becoming Chairman and CEO, he was the regional CEO for both Latin America and Europe, and Group Chief Operating Officer. He joined the Board of Telefónica in July 2006.



**ANGEL VILÀ BOIX**  
Chief Operating Officer, Telefónica S.A.  
Appointed July 2017

He joined Telefónica in 1997 and has held positions within the Group as Controller, Head of Corp. Development, Chief Financial and Corp. Development and Chief Strategy and Finance Officer. He sits in the Board of Telefónica since July 2017 and is Trustee of the Telefónica Foundation.

## Other members of the Executive Committee

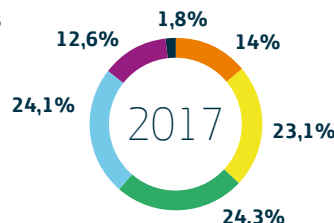
Laura Abasolo (Chief Finance and Control Officer), Eduardo Navarro (Telefónica Brasil), Markus Haas (Telefónica Deutschland), Emilio Gayo (Telefónica España), Alfonso Gómez (Telefónica Hispam Norte), Bernardo Quinn (Telefónica Hispam Sur), Mark Evans (Telefónica UK), Chema Alonso (Chief Data Officer), Mariano de Beer (Chief Commercial Digital Officer), Guillermo Ansaldo (Chief Global Resources Officer), Pablo de Carvajal (Group General Counsel, Public Affairs & Regulation), Enrique Lloves (Strategy and Corporate Development), Marta Machicot (Human Resources), María García-Legaz (Chief of Staff), José Luis Gómez-Navarro (Comms. & Institutional Marketing).

## Unique diversification portfolio in the industry

### Group Revenue FY 2017: 52 billion euros

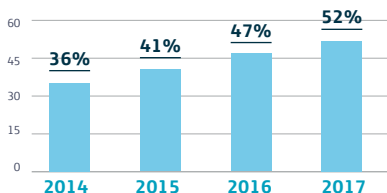
Revenues split by geographies

- Germany
- Spain
- UK
- Brasil
- Hispam
- Rest



## We are transforming into a data-driven company

Broadband and digital services as a % of revenue



## Telefónica in figures

Million euros	FY 2017	FY 2016
Revenues	52,008	52,036
OIBDA*	16,187	15,118
OIBDA Margin	31.1%	29.1%
Capex	8,697	8,928
Net income	3,132	2,369
EPS	0.56 €	0.42 €
FCF	4,947	4,378

(\*) OIBDA: Operating Income before Depreciation and Amortisation

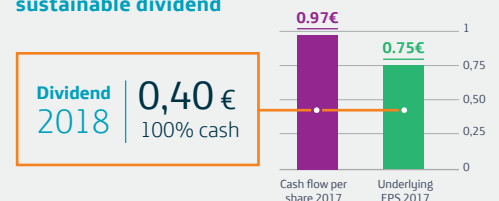
## Financial Outlook

Operating 2018 Guidance (Organic)	Guidance 2018E (IAS 18)
Revenues	Growth of around 1% (despite regulation dragging: -0.9 p.p.)
OIBDA margin	Continues expanding around 0.5 p.p. (despite regulation dragging: -1.6 p.p. on OIBDA growth)
CapEx ex-spectrum/Sales	Around 15%

## Credit Ratings

	Long Term	Perspective
Moody's	Baa3	Stable
Fitch	BBB	Stable
S&P	BBB	Stable

## Telefónica offers an attractive stable and sustainable dividend





## Telefónica's Main Markets\_

All data as of December 2017  
Financial data, in millions of euros

(\*) datos 2016

### ARGENTINA

Accesses (thousands)	<b>25,098</b>
Revenue	<b>3,495</b>

### BRASIL

Accesses (thousands)	<b>97,905</b>
Revenue	<b>12,019</b>

### CENTRAL AMERICA

Accesses (thousands)	<b>13,556 (*)</b>
Revenue	<b>890</b>

### CHILE

Accesses (thousands)	<b>12,233</b>
Revenue	<b>2,186</b>

### COLOMBIA

Accesses (thousands)	<b>17,940</b>
Revenue	<b>1,462</b>

### ECUADOR

Accesses (thousands)	<b>4,579 (*)</b>
Revenue	<b>539</b>

### GERMANY

Accesses (thousands)	<b>47,604</b>
Revenue	<b>7,296</b>

### MEXICO

Accesses (thousands)	<b>25,889</b>
Revenue	<b>1,336</b>

### PERU

Accesses (thousands)	<b>19,397</b>
Revenue	<b>2,318</b>

### SPAIN

Accesses (thousands)	<b>40,990</b>
Revenue	<b>12,653</b>

### UNITED KINGDOM

Accesses (thousands)	<b>25,313</b>
Revenue	<b>6,540</b>

### URUGUAY

Accesses (thousands)	<b>1,726 (*)</b>
Revenue	<b>235</b>

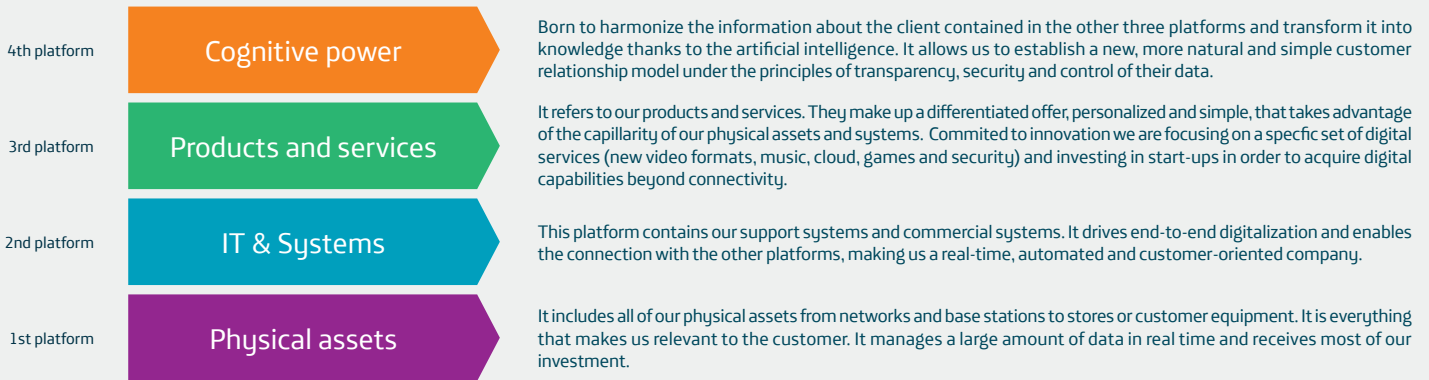
### VENEZUELA

Accesses (thousands)	<b>11,494 (*)</b>
Revenue	<b>106</b>

## Our business model\_

Telefonica is a company of smart platforms, laying digital services and artificial intelligence on top of our world class infrastructure and IT Systems to **enhance customer experience and become more efficient.**

### Around 56 bn€ invested since 2012



## Our Values\_



### Bold

We go a step further to offer customers useful and innovative solutions.



### Open

We aim to be a collaborative telco with our partners and attentive and clear with customers



### Trusted

Our world-class networks offer security and quality for our customers

#HelloAura

Telefónica launches its virtual assistant in 6 countries



## Digital Trust\_

### A key element of our customer promise



## Employees\_



## Awards and recognitions 2017\_

- **Dow Jones Sustainability Index 2017.** Telefónica ranks in the top 9
- **Fortune's Ranking** Telefónica voted best European telecom operator in "The World's Most Admired Companies 2017".
- **Telefonica enters the new 2018 Bloomberg Gender-Equality Index o GEI**
- **Carbon Disclosure Project.** Telefonica on the "A List" of the Carbon Disclosure Project – for its strategy, transparent management and initiatives aimed at responding to climate change.