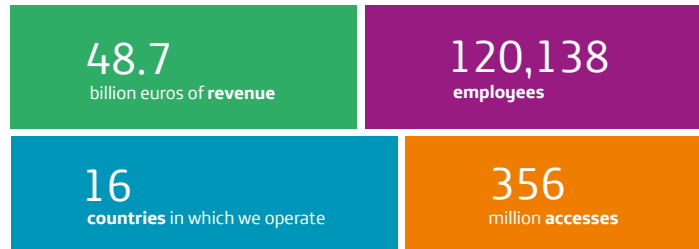




# TELEFÓNICA IN NUMBERS 2018

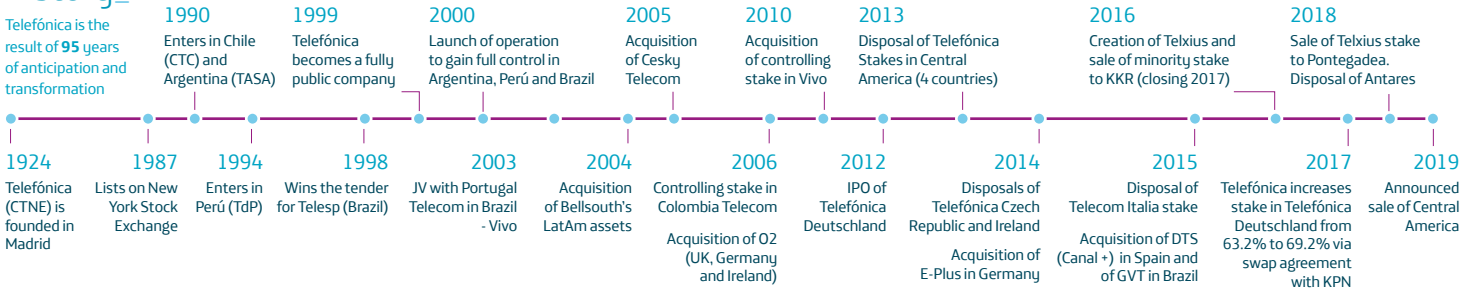
Telefónica is one of the largest telecommunications companies in the world by market capitalization and number of customers providing an attractive offer and quality of connectivity that is delivered over world class fixed, mobile and broadband networks.

**We run operations in 16 countries, split into two geographic regions:** Europe and Latin America. We have 356 million customers, including 270 million mobile customers, nearly 13 million fiber and cable customers and more than 8 million pay TV customers. Telefónica employs 120,138 employees.



## History

Telefónica is the result of 95 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 Chairman 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

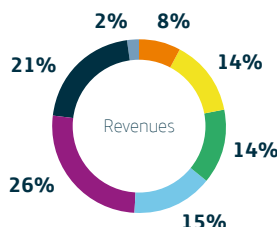
Pablo de Carvajal (General Counsel & Regulatory Affairs), Laura Abasolo (Chief Finance and Control Officer), Eduardo Navarro (Chief Comms, Brand, Public Affairs & Sustainability Officer), Enrique Lloves (Strategy and Corporate Development), María García-Legaz (Chief of Staff), Chema Alonso (Chief Data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

## Unique diversification portfolio in the industry

### Group Revenue FY 2018

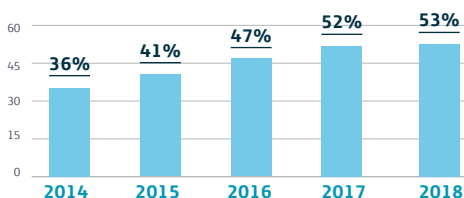
Revenues split by geographies

- North HispAm
- South HispAm
- UK
- Germany
- Spain
- Brazil
- Others



## We are transforming into a data-driven company

Broadband and services beyond connectivity as a % of revenue



## Telefónica in figures

Million euros	FY 2018	FY 2017
Revenues	48,693	52,008
OIBDA*	15,571	16,187
OIBDA Margin	32%	31.1%
Capex	8,119	8,697
Net income	3,331	3,132
EPS	0.57 €	0.56 €
FCF	4,904	4,947

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

## Financial Outlook

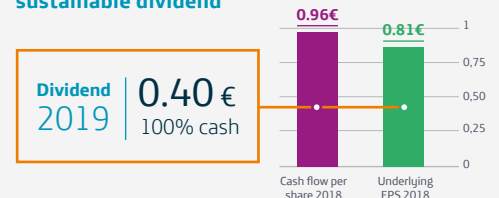
### Operating 2019 Guidance (Organic)

Revenues	Growth of around 2%
OIBDA margin	Growth of around 2%
CapEx/ Sales ex-spectrum	Around 15%

## Credit Ratings

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

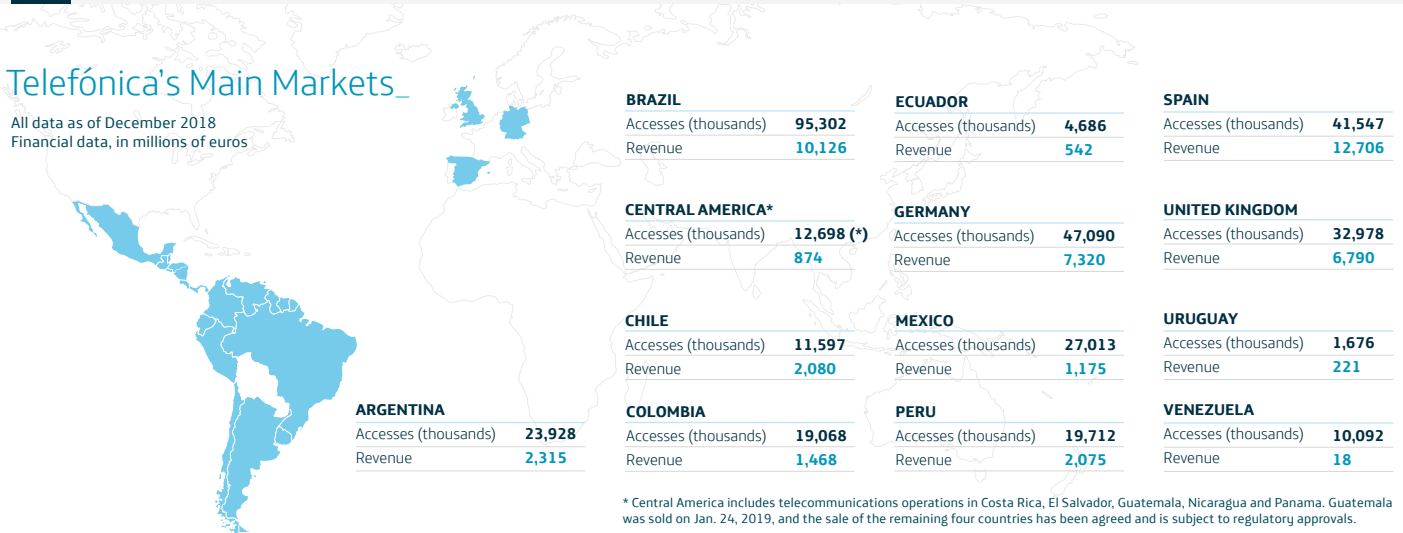
## Telefónica offers an attractive stable and sustainable dividend





## Telefónica's Main Markets\_

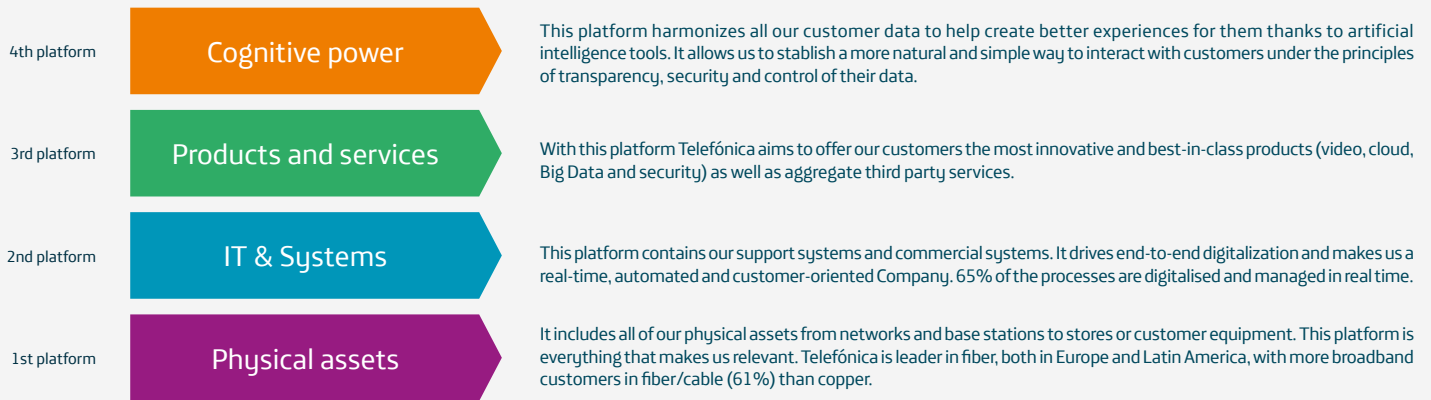
All data as of December 2018  
Financial data, in millions of euros



\* Central America includes telecommunications operations in Costa Rica, El Salvador, Guatemala, Nicaragua and Panama. Guatemala was sold on Jan. 24, 2019, and the sale of the remaining four countries has been agreed and is subject to regulatory approvals.

## Our business model\_

Telefónica 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.**



## Our Mission\_ making our world more human by connecting lives

### Telefónica's growth formula



### Our Values

**OPEN · BOLD · TRUSTED**

## Digital Trust\_

A key element of our customer promise



## Employees\_

**37.7%** of the workforce are **women**  
**23.3%** of our top senior management are **women**

## Awards and recognitions 2018\_

- **Rating AAA** MSCI
- **Fortune's Ranking** Telefónica voted best European telecom company in "The World's Most Admired Companies 2018".
- **CDP.** Telefónica is on the "A List" of the Carbon Disclosure Project for its strategy, transparent management and initiatives aimed at responding to climate change.
- **Telefónica is part of Bloomberg Gender-Equality Index (GEI)**
- **Financial Times.** Telefónica is among Europe's 100 digital champions.

