TELEFÓNICA IN NUMBERS 2019

Telefónica is one of the largest telecommunications service providers in the world. The company offers fixed and mobile connectivity as well as a wide range of digital services for residential and business customers.

With 344 million customers, Telefónica operates in Europe and Latin America. Telefónica is a 100% listed company and its shares are traded on the Spanish Stock Market and on those in New York and Lima.

**OUR BRANDS**

- Telefónica
- movistar
- VIVO
- O₂

**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 Absolo (Chief Finance and Control Officer), Eduardo Navarro (Strategy and Corporate Affairs), María García-Legaz (Chief of Staff), Chema Alonso (Chief Digital Consumer Officer), Marta Machicot (Chief People Officer), José Cerdán (Chief Business Solutions Officer and CEO Telefónica Tech), Enrique Blanco (Chief Technology and Information Officer – CTIO), Alfonso Gómez (Telefónica Hispam), Christian Gbbara (Telefónica Brazil), Emilio Gaup (Telefónica Spain), Mark Evans (Telefónica UK), Markus Haas (Telefónica Deutschland), Guillermo Ansaldi (Telefónica Infra).

**The New Telefónica:**

5 point-plan to capture growth

- Spain, UK, Germany, Brazil
- Telefónica Tech
- Telefónica Infra

**Financial highlights**

<table>
<thead>
<tr>
<th>Million Euros</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>48,422</td>
<td>48,693</td>
</tr>
<tr>
<td>OIBDA*</td>
<td>15,199</td>
<td>15,571</td>
</tr>
<tr>
<td>OIBDA Margin</td>
<td>31.2%</td>
<td>32%</td>
</tr>
<tr>
<td>CapEx</td>
<td>8,784</td>
<td>8,119</td>
</tr>
<tr>
<td>Net Income</td>
<td>1,142</td>
<td>3,331</td>
</tr>
<tr>
<td>EPS</td>
<td>0.17€</td>
<td>0.57€</td>
</tr>
<tr>
<td>FCF</td>
<td>5,912</td>
<td>4,904</td>
</tr>
</tbody>
</table>

* OIBDA: Operating Income before Depreciation and Amortisation.

**Credit ratings**

<table>
<thead>
<tr>
<th></th>
<th>Long Term</th>
<th>Perspective</th>
</tr>
</thead>
<tbody>
<tr>
<td>Moody’s</td>
<td>Baa3</td>
<td>Stable</td>
</tr>
<tr>
<td>Fitch</td>
<td>BBB</td>
<td>Stable</td>
</tr>
<tr>
<td>S&amp;P</td>
<td>BBB</td>
<td>Negative</td>
</tr>
</tbody>
</table>

Telefónica offers an attractive stable and sustainable dividend

Dividend 2020

0.40€ per share

Cash Flow per share 2019

0.65€

Underlying EPS 2019

1.15€
Telefónica’s Main Markets
All data as of December 2019
Financial data, in millions of euros

Telefónica’s strategy: a sustainable business model...

Efficiency
- Efficient use of scarce resources and higher returns
- 82% renewable energy (100% in Europe and Brazil)
- Customer Experience: radically simpler and fully digital

Growth
- Revenues and OIBDA growth for seven years in a row
- Inclusive network deployment and positive environmental impact services
- 55% of revenues from broadband connectivity and digital services

Trust
- Leading ESG (Environmental, Sostenibility, Governance) in our industry
- Privacy, security and transparency at the top of our priorities
- Higher customer satisfaction

... to deliver long-term stakeholder value responsibly

Efficiency
- 82% renewable energy (100% in Europe and Brazil)

Growth
- Revenues and OIBDA growth for seven years in a row

Trust
- Leading ESG (Environmental, Sostenibility, Governance) in our industry

Diversity as a driver for the future
- 38% women
- ~19,000 volunteers

Environment
- 100% renewable in Europe and Brazil in 2019
- 72% Energy consumption reduction by 72% per unit of traffic in 2019
- 98% recycled waste in 2019

Committed to society and education
- 10,200,000 children
- 40,000 volunteers

Total tax contribution
- 2019
- 8,705 million euros
- 18€ are paid in taxes for every 100€

Our mission: Making our world more human by connecting lives

Our values
- WE ARE OPEN
- WE ARE BOLD
- WE ARE TRUSTED

Digital Trust
A key element of our customer promise

Users
- Customer’s Personal Data must be protected and safe
- Customers must have control over their data and be informed on how their data is used
- Customers must be able to benefit from their data