Q3 2020 Results

**Progress against strategic pillars in Q3 2020**

**Core Markets: Spain, Germany, UK and Brazil**
- Spain: 5G launch to reach 75% coverage at the end of the year, solid commercial recovery and expansion of margins.
- Germany: Extension and expansion of the existing fixed network agreement with Deutsche Telekom and the launch of 5G in major cities.
- UK: Application for regulatory approval of the joint venture Oyin High for the European Union and completion of €1.75bn recapitalisation process.
- Brazil: Progress in the joint bid for the acquisition of Oi qualified as "preferred bidder" for the auction and 5G launch in 8 cities.

**Reduce exposure to HelpAri**
- M&A for regulatory approval of Certo Kick business sale to Liberty Latin Americas
- Portfolio analysis to underpinning

**Telefónica Tech**
- The 3 companies (Iber, Cloud & Big Data) have been incorporated and are fully-functional.
- Acquisitions to foster cybersecurity capabilities, Govents and HackLabs.

**Telefónica Infra**
- Announcement of joint venture with Allians in Germany to deployibre in key-penetration areas.
- Increase in Telxius tower portfolio through the agreement in Germany (36,000 sites after the first tranche, 50,000 sites after completion of the agreement).

**New operating models**
- Agreement with Euskaltel to advance in Open RAN, 5G Core and OSS (Operation Support System).

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**Our main figures**

- €736M net income underlying
- €2,672M EBITDA
- €36,676M Net Debt
- €1,579M Free cash flow underlying
- 341M Total number of accesses
- 113,392 Employees
- Guidance 2020 - 2022 confirmed

- 4 core markets OIBDA CapEx +5.2% y-o-y, OIBDA CapEx/Revenues +2.1 p.p. y-o-y

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**Our revenues: Breakdown by regions**

- Spain 30%
- Germany 18%
- Latin America 18%
- Other 18%
- France 16%
- UK 15%
- Telefónica Infra 2%
- Other 2%

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**Shareholder’s remuneration**

- Voluntary salary 2020: €0.405/share
- Dividend 2020: €0.405/share

1.5% treasury stock to be cancelled