



Q3 2020 Results

"Telefónica continues to show its strength in the midst of an unusual situation we are experiencing, in which digitalisation and connectivity will continue to be key to economic recovery."

José María Álvarez-Pallete
Chairman & CEO - Telefónica S.A.

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 O2/Virgin to the European Union and completion of £5.7 Bn 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 HispAm

- Filed for regulatory approval of Costa Rica business sale to Liberty Latin America
- Portfolio review is underway

Telefónica Tech

- The 3 companies (Ciber, Cloud, IoT & Big Data) have been incorporated and are fully functional
- Acquisitions to foster Cybersecurity capabilities; Govertis and iHackLabs

Telefónica Infra

- Announcement of joint venture with Allianz in Germany to deploy fiber in low-penetration areas
- Increase in Telxius' tower portfolio through the agreement in Germany (26,600 sites after the first tranche; 33,000 sites after completion of the agreement)

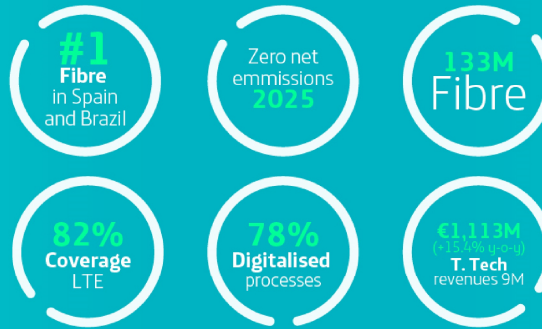
New operating model

- Agreement with Rakuten to advance in Open RAN, 5G Core and OSS (Operation Support Systems)

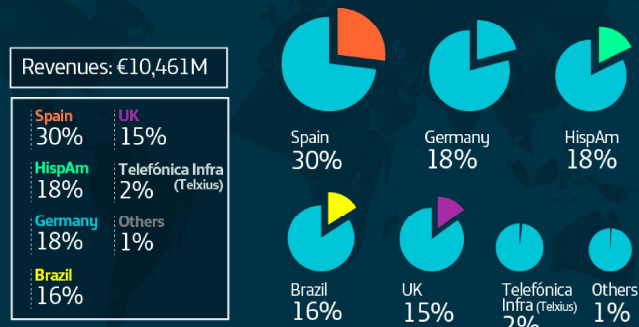
Our main figures



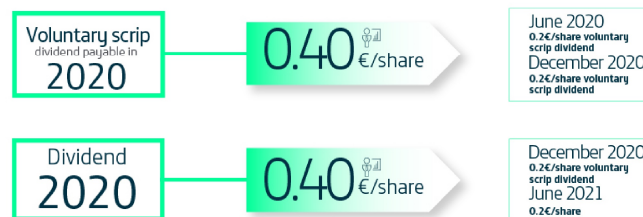
4 core markets OIBDA-CapEx +5.2% y-o-y; (OIBDA-CapEx)/Revenues +2.1 p.p. y-o-y



Our revenues: Breakdown by regions



Shareholder's remuneration



1.5% treasury stock to be cancelled