

Telefonica

JANUARY - MARCH 2020

Disclaimer	2		
Telefónica		Telefónica Deutschland	Appendix: Alternative Performance Measures
Accesses	3	Consolidated Income Statement	18
Consolidated Income Statement	4	Accesses & Selected Operational Data	19
Consolidated Revenue Breakdown	5		
Revenues Breakdown	6	Telefónica UK	
OIBDA Breakdown	7	Consolidated Income Statement	20
CapEx Breakdown	8	Accesses & Selected Operational Data	21
Consolidated Statement of Financial Position	9		
Consolidated Cash Flow Statement	10	Telefónica Brasil	
Change In Debt	11	Consolidated Income Statement	22
Reconciliations of Cash Flow and OIBDA Minus CapEx	12	Accesses & Selected Operational Data	23
Exchange rates applied to P&L and CapEx	13		
Exchange rates applied to Consolidated Statement of Financial Position	13	Telefónica Infra (Telxius)	
Financing Operations	14	Consolidated Income Statement	24
Basis for 2019-2022 guidance & 2020 ambition	15	Accesses Data & Selected Operational Data	25
Telefónica España		Telefónica Hispam	
Consolidated Income Statement	16	Consolidated Income Statement	26
Accesses & Selected Operational Data	17	Accesses & Selected Operational Data	27
			Reconciliation of OIBDA; Reconciliation of Net financial debt; Reconciliation of Leverage ratio; 28
			Net Commitments related to employee benefits; Reconciliation of Free cash flow 29
			Reconciliation of Reported vs. Organic growth 31
			Reconciliation of Reported vs. Underlying 35

DISCLAIMER

The financial information related to 2019 and 2020 contained in this document has been prepared under International Financial Reporting Standards (IFRS), as adopted by the European Union. This information is unaudited.

Perimeter

T. Hispam South and T. Hispam North are no longer different segments and from now on are consolidated under T. Hispam segment with some exceptions.

T. Centroamérica are no longer in the consolidation perimeter of Hispam in 2019 and 2020, and from now on is included in "Other companies and eliminations".

T. Guatemala, T. Nicaragua, and T. Panama were deconsolidated in 2019 after these companies were sold.

T. Guatemala was deconsolidated as of 1 Jan 2019.

T. Nicaragua was deconsolidated as of 1 May 2019 and contributed to 2019 Telefónica Group results with €56m in revenues, €30m in OIBDA and €1m in Capex, and with total accesses of 3.9m as of March 2019 (3.6m mobile prepay).

T. Panamá was deconsolidated as of 1 September 2019 and contributed to 2019 Telefónica Group results with €136m in revenues, €60m in OIBDA and €12m in Capex and with total accesses of 1.7m as of June 2019 (1.5m mobile prepay).

Telefonica Costa Rica and Telefonica El Salvador contributed to Telefonica Group in January-December 2019 with €355m in revenues, €122m in OIBDA and €52m in Capex and with total accesses of 4.4m as of December 2019 (3.4m mobile prepay). From now on, these assets are included in "Other companies and eliminations".

Some other companies that operate in Hispam and were previously included in the "Other companies and eliminations" segment have been included in T. Hispam segment, although their impact is not material.

Antares was deconsolidated as of 1 Feb 2019 following the sale of the asset. The Co. contributed in 2019 with €11m in OIBDA at Group level (within "Other Companies & eliminations").

T. España segment in 2020 includes TGT Spain (Telefónica Global Technology that was previously included in the "Other companies and eliminations") and 2019 P&L has been restated accordingly.

T. Infra is a new Segment with a P&L reported and KPIs, from Q1 20 including Telxius as a unique asset in its perimeter.

"Others companies and Eliminations" financials are therefore restated for 2019 mainly excluding Telxius, TGT Spain and some other companies that operate in Hispam and including T. Centroamérica.

Accesses & KPIs

New information has been included since the first quarter 2020 (in the Segments applicable) and is also given for comparative purposes from January 2019.

Connected FTTH accesses and IPTV accesses

Own UBB Premises passed (including FTTx and cable) with FTTH breakdown

At T. España level: Convergent KPIs (Clients, churn and ARPU) including new services revenue mainly related to Consumer, SOHO and SMEs convergent customers

At T. Infra level: Towers, tenants, tenants (non-anchor) and tenancy ratio

At T. Hispam level: Accesses, mobile & contract churn and ARPU

Mobile access base is split down in prepay, contract and M2M accesses since 1 January 2020, this split is also given for comparative purposes from 1 January 2019.

Financials

The following new financial information is presented for the Group in 2020 and has been revised for fiscal year 2019:

- The leverage ratio is calculated as the ratio of net financial debt over OIBDA after Leases "OIBDAaL" for the past 12 months, including or excluding the OIBDA of the companies which are incorporated or removed from the perimeter of consolidation, and excluding certain factors in line with the calculation of organic OIBDA.

Likewise, the reconciliation of "reported OIBDA for the past 12 months" and "OIBDAaL" for the past 12 months is provided in the Excel file.

- Group Revenue reported is split into Handset sales and Service revenue. The latter is also split into Voice & Access, Broadband and Services over Connectivity and Others.

- Simplified tables for "Net Financial Debt", "Net Financial Debt change" and "OIBDA-CapEx & Net Financial Debt Reconciliation"

The factors impacting in NFD are detailed as: FCF including leases principals, Hybrids, Shareholder remuneration, Commitments, Net financial investments, FX and others, Lease Liabilities

- The "Reported & Organic" reconciliation aggregate the non-recurrent impacts under the following items: Restructuring expenses, changes in the consolidation perimeter, capital gains, FX and Others.

For the different OBs the new revenue split is as follows:

At T. España: Handset sales and Service Revenue split into Retail and "Wholesale and other" revenue.

At the rest of the OBs: Handset sales and Service Revenue split into Fixed & Mobile.

TELEFÓNICA

ACCESSES

Unaudited figures (thousands)

	2019				2020
	March	June	September	December	March
Retail Accesses	331,395.2	325,608.8	324,331.2	322,422.2	319,912.7
Fixed telephony accesses	34,262.8	33,202.5	32,338.2	31,285.4	30,348.6
Broadband	21,586.5	21,449.2	21,262.9	20,837.1	20,518.9
UBB	13,580.5	13,931.1	14,191.8	14,280.9	14,434.2
FTTH	7,121.7	7,525.4	7,923.7	8,223.5	8,565.7
Mobile accesses (1)	266,348.2	261,849.4	261,795.1	261,532.9	260,434.6
Prepay	142,120.2	135,992.8	134,224.4	131,787.1	129,550.6
Contract (1)	103,834.0	104,494.0	105,176.0	105,970.7	106,196.4
M2M	20,394.0	21,362.6	22,394.7	23,775.0	24,687.6
Pay TV	8,828.0	8,768.5	8,601.7	8,437.1	8,287.4
Wholesale Accesses	21,019.8	20,971.6	21,489.4	21,912.7	22,327.0
Fixed wholesale accesses	3,895.1	3,859.9	3,851.1	3,822.8	3,793.6
Mobile wholesale accesses (1)	17,124.7	17,111.7	17,638.3	18,089.9	18,533.4
Total Accesses	352,415.0	346,580.4	345,820.6	344,334.9	342,239.7

- T. Panamá's accesses excluded since 1 September 2019, T. Nicaragua's since 1 May of 2019 and T. Guatemala's since 1 January of 2019.

(1) In 2019, 665k Mobile contract accesses have been reclassified to wholesale taking December 19 base as a reference, in order to show a comparable business evolution in both lines.

OWN UBB COVERAGE

Unaudited figures (thousands)

	2019				2020
	March	June	September	December	March
UBB Premises passed	51,763.1	53,162.4	54,474.3	55,675.6	56,827.0
FTTH	35,034.8	36,652.4	38,198.8	39,749.9	41,082.9

TELEFÓNICA
CONSOLIDATED INCOME STATEMENT
Unaudited figures (Euros in millions)

	2019					2020
	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec	Jan - Mar
Revenues	11,979	12,142	11,902	12,400	48,422	11,366
Other revenues	535	694	823	790	2,842	374
Operating expenses	(8,247)	(8,364)	(9,973)	(9,168)	(35,752)	(7,970)
Impairments & losses on disposal of assets	(3)	(34)	(3)	(352)	(393)	(9)
<i>Underlying operating income before D&A (OIBDA)</i>	4,109	4,259	4,243	4,370	16,982	3,802
Operating income before D&A (OIBDA)	4,264	4,438	2,748	3,669	15,119	3,760
<i>OIBDA Margin</i>	35.6 %	36.5 %	23.1 %	29.6 %	31.2 %	33.1 %
Depreciation and amortisation	(2,614)	(2,633)	(2,580)	(2,755)	(10,582)	(2,669)
Operating income (OI)	1,650	1,804	169	914	4,537	1,091
Share of profit (loss) of investments accounted for by the equity method	4	3	2	3	13	1
Net financial income (expense)	(411)	(441)	(540)	(440)	(1,832)	(428)
Profit before taxes	1,243	1,367	(369)	478	2,718	664
Corporate income tax	(234)	(321)	102	(601)	(1,054)	(196)
Profit for the period	1,009	1,046	(267)	(123)	1,664	468
Attributable to equity holders of the Parent	926	862	(443)	(202)	1,142	406
Attributable to non-controlling interests	83	184	176	79	522	62
Weighted average number of ordinary shares outstanding during the period (millions)	5,127	5,122	5,114	5,114	5,119	5,132
Basic and diluted earnings per share attributable to equity holders of the Parent (euros)	0.16	0.16	(0.10)	(0.05)	0.17	0.06
<i>Underlying basic and diluted earnings per share attributable to equity holders of the Parent (euros)</i>	0.16	0.16	0.14	0.18	0.65	0.11

Notes:

- Other revenue includes "internal expenditure capitalized in fixed assets" and "gain on disposal of assets".

- Operating expenses include "other non recurrent expenses".

- The weighted average number of ordinary shares outstanding during the period has been obtained applying the IAS rule 33 "Earnings per share". Thereby, the weighted average of shares held as treasury stock have not been taken into account as outstanding shares.

- Basic and diluted earnings per share ratio is calculated dividing Profit for the period Attributable to equity holders of the Parent, adjusted for the net coupon corresponding to "Other equity instruments" (€88m in January-March 2020 and €89m in January-March 2019), by the weighted average number of ordinary shares outstanding during the period.

- Following the consideration of the Argentine and Venezuela economies as hyperinflationary from an accounting perspective, the operations are adjusted by inflation and are to be accounted at their corresponding closing exchange vs. the Euro.

- Group consolidated results deconsolidate T. Panamá since 1 September 2019, T. Nicaragua since 1 May 2019, T. Guatemala since 1 January 2019 and Antares' results since 1 February 2019.

TELEFÓNICA
CONSOLIDATED REVENUES BREAKDOWN
Unaudited figures (Euros in millions)

	2019					2020
	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec	Jan - Mar
Revenues	11,979	12,142	11,902	12,400	48,422	11,366
Handsets	1,280	1,286	1,368	1,668	5,602	1,258
Service Revenues	10,700	10,856	10,533	10,732	42,820	10,108
% over service revenues						
Voice & Access	34 %	35 %	34 %	33 %	34 %	33 %
BB & SoC	64 %	63 %	63 %	65 %	64 %	65 %
Others	2 %	2 %	2 %	2 %	2 %	2 %

TELEFÓNICA

REVENUES BREAKDOWN

Unaudited figures (Euros in millions)

	2019					2020
	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec	Jan - Mar
T. ESPAÑA	3,126	3,194	3,242	3,287	12,850	3,078
T. DEUTSCHLAND	1,779	1,785	1,865	1,970	7,399	1,846
T. UK	1,691	1,720	1,773	1,925	7,109	1,739
T. BRASIL	2,563	2,467	2,507	2,499	10,035	2,215
T. HISPAM	2,407	2,611	2,208	2,430	9,655	2,204
T. INFRA (Telxius)	219	216	200	207	842	207
Other companies and eliminations	195	148	107	81	532	77
TOTAL GROUP	11,979	12,142	11,902	12,400	48,422	11,366

- *T. España and T.Hispam figures for the periods Apr-Jun 2019, Jul-Sept 2019, Oct-Dec 2019 and Jan-Dec 2019 are estimated (not fully consolidated).*

- *Group consolidated results deconsolidate T. Panamá since 1 September 2019, T. Nicaragua since 1 May 2019, T. Guatemala since 1 January 2019 and Antares' results since 1 February 2019.*

- *Following the consideration of the Argentine and Venezuela economies as hyperinflationary from an accounting perspective, the operations are adjusted by inflation and are to be accounted at their corresponding closing exchange vs. the Euro.*

TELEFÓNICA

OIBDA BREAKDOWN

Unaudited figures (Euros in millions)

	2019					2020
	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec	Jan - Mar
T. ESPAÑA	1,355	1,329	(344)	1,378	3,719	1,225
T. DEUTSCHLAND	522	578	597	629	2,326	532
T. UK	504	548	543	519	2,114	516
T. BRASIL	1,050	1,001	1,071	1,141	4,262	951
T. HISPAM	637	705	569	134	2,045	502
T. INFRA (Telxius)	129	124	128	123	504	135
Other companies and eliminations	67	152	185	(255)	149	(100)
TOTAL GROUP	4,264	4,438	2,748	3,669	15,119	3,760

- OIBDA before management and brand fees.

- T. España and T.Hispam figures for the periods Apr-Jun 2019, Jul-Sept 2019, Oct-Dec 2019 and Jan-Dec 2019 are estimated (not fully consolidated).

- Group consolidated results deconsolidate T. Panamá since 1 September 2019, T. Nicaragua since 1 May 2019, T. Guatemala since 1 January 2019 and Antares' results since 1 February 2019.

- Following the consideration of the Argentine and Venezuela economies as hyperinflationary from an accounting perspective, the operations are adjusted by inflation and are to be accounted at their corresponding closing exchange vs. the Euro.

TELEFÓNICA

CAPEX BREAKDOWN

Unaudited figures (Euros in millions)

	2019					2020
	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec	Jan - Mar
T. ESPAÑA	380	439	386	462	1,667	344
T. DEUTSCHLAND	252	243	1,711	263	2,469	224
T. UK	185	224	242	262	914	221
T. BRASIL	396	538	553	519	2,005	337
T. HISPAM	297	347	317	523	1,485	325
T.INFRA (Telxius)	9	85	84	106	284	155
Other companies and eliminations	34	(45)	(20)	(8)	(40)	(123)
TOTAL GROUP	1,554	1,831	3,273	2,127	8,784	1,485
Spectrum	18	4	1,443	37	1,501	-

- T. España and T.Hispam figures for the periods Apr-Jun 2019, Jul-Sept 2019, Oct-Dec 2019 and Jan-Dec 2019 are estimated (not fully consolidated).

- Group consolidated results deconsolidate T. Panamá since 1 September 2019, T. Nicaragua since 1 May 2019, T. Guatemala since 1 January 2019 and Antares' results since 1 February 2019.

- Following the consideration of the Argentine and Venezuela economies as hyperinflationary from an accounting perspective, the operations are adjusted by inflation and are to be accounted at their corresponding closing exchange vs. the Euro.

TELEFÓNICA
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
Unaudited figures (Euros in millions)

	2019				2020
	March	June	September	December	March
Non-current assets	97,197	95,970	97,123	94,549	89,440
Intangible assets	16,404	15,980	16,767	16,034	14,545
Goodwill	26,000	25,870	25,409	25,403	23,290
Property, plant and equipment	33,085	32,523	32,006	32,228	29,794
Rights of Use	7,382	7,404	7,087	6,939	6,209
Investments accounted for by the equity method	64	137	137	140	440
Financial assets and other non-current assets	7,350	7,117	8,399	7,123	8,952
Deferred tax assets	6,912	6,939	7,318	6,682	6,209
Current assets	26,591	26,774	27,220	24,328	22,513
Inventories	1,588	1,707	2,347	1,999	1,626
Receivables and other current assets	10,567	10,816	10,547	10,785	10,073
Tax receivables	1,626	2,008	1,612	1,561	1,255
Other current financial assets	2,977	3,188	3,043	3,123	3,723
Cash and cash equivalents	8,356	7,588	8,778	6,042	5,021
Non-current assets classified as held for sale	1,477	1,467	893	818	815
Total Assets = Total Equity and Liabilities	123,788	122,744	124,343	118,877	111,953
Equity	28,517	26,449	25,235	25,450	21,474
Equity attributable to equity holders of the parent and other holders of equity instruments	19,479	17,866	16,874	17,118	14,135
Equity attributable to non-controlling interests	9,038	8,583	8,361	8,332	7,339
Non-current liabilities	64,394	64,418	68,211	63,236	61,840
Non-current financial liabilities	46,571	46,508	47,611	43,288	43,588
Non-current lease liabilities	5,616	5,746	5,631	5,626	4,771
Payables and other non-current liabilities	1,986	1,998	3,342	2,928	2,834
Deferred tax liabilities	2,669	2,666	2,619	2,908	2,682
Non-current provisions	7,551	7,500	9,008	8,486	7,965
Current liabilities	30,877	31,877	30,897	30,191	28,639
Current financial liabilities	10,655	10,077	9,288	9,076	9,740
Current lease liabilities	1,529	1,589	1,509	1,600	1,601
Payables and other current liabilities	14,244	15,617	15,732	14,903	12,809
Current tax payables	1,962	2,094	1,831	2,560	2,618
Current provisions	1,828	1,963	2,174	1,672	1,516
Liabilities associated with non-current assets held for sale	659	537	363	380	355

TELEFÓNICA
CONSOLIDATED CASH FLOW STATEMENT
Unaudited figures (Euros in millions)

	2019				2020
	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec	Jan - Mar
Cash received from operations	14,737	28,790	42,921	57,699	14,010
Cash paid from operations	(11,081)	(20,995)	(31,138)	(41,224)	(10,912)
Net payments of interest and other financial expenses net of dividends received	(673)	(972)	(1,259)	(1,725)	(666)
Taxes proceeds/(paid)	676	471	529	272	(173)
Net cash flow provided by operating activities	3,659	7,294	11,053	15,022	2,259
(Payments)/proceeds on investments in property, plant and equipment and intangible assets	(1,990)	(3,834)	(5,902)	(7,659)	(1,749)
Proceeds on disposals/ (payments on investments) in companies, net of cash and cash equivalents disposed	416	774	1,760	1,711	11
Proceeds/(payments) on financial investments and placements of cash surpluses not included under cash equivalents	(565)	79	323	307	1,074
Net cash flow used in investing activities	(2,139)	(2,981)	(3,819)	(5,641)	(664)
Dividends paid	(170)	(1,323)	(1,638)	(2,742)	(164)
Proceeds/(payments) of treasury shares and other operations with shareholders and with minority interests	(112)	(312)	(509)	(504)	(11)
Operations with other equity holders (1)	241	24	443	390	(904)
Proceeds on issue of debentures and bonds, loans, borrowing and promissory notes, and other debts	3,671	4,889	5,748	5,888	2,095
Cancellation of debentures and bonds, and other debts and repayments of loans, borrowings and promissory notes	(1,906)	(4,517)	(6,650)	(10,009)	(2,586)
Lease Principal Payments	(499)	(831)	(1,152)	(1,518)	(557)
Financed operating payments and investments in property, plant and equipment and intangible assets payments	(161)	(358)	(383)	(526)	(140)
Net cash used in financing activities	1,064	(2,428)	(4,141)	(9,021)	(2,267)
Effect of changes in exchange rates, cash reclassified to assets held for sale, effect of changes in consolidation methods and others	80	11	(7)	(10)	(349)
Net increase (decrease) in cash and cash equivalents during the year	2,664	1,896	3,086	350	(1,021)
Cash and cash equivalents at the beginning of the period	5,692	5,692	5,692	5,692	6,042
Cash and cash equivalents at the end of the period	8,356	7,588	8,778	6,042	5,021

Notes:

(1) Includes issuance and coupons of undated deeply subordinated securities.

TELEFÓNICA

CHANGE IN DEBT

Unaudited figures (Euros in millions)

	2019				2020
	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec	Jan - Mar
Net financial debt at beginning of period	41,074	41,074	41,074	41,074	37,744
+ Free Cash Flow including Lease Principal Payments	(1,409)	(2,756)	(4,150)	(5,912)	(233)
+ Hybrids	(186)	(186)	(686)	(686)	723
+ Shareholder remuneration (including hybrid coupons)	232	1,275	1,529	2,438	351
+ Pre-retirement commitments	239	419	595	840	284
+ Net financial investments	(139)	(321)	(1,170)	(1,090)	4
+FX & Others	571	726	1,101	1,080	(651)
Net financial debt at end of period	40,381	40,230	38,293	37,744	38,223
+ Lease Liabilities	7,439	7,542	7,301	7,379	6,531
Net Financial Debt plus Lease Liabilities at end of period	47,820	47,772	45,594	45,123	44,754

TELEFÓNICA

RECONCILIATIONS OF CASH FLOW AND OIBDA MINUS CAPEX

Unaudited figures (Euros in millions)

	2019				2020
	Jan - Mar	Jan - Jun	Jan - Sep	Jan -Dec	Jan - Mar
OIBDA	4,264	8,702	11,450	15,119	3,760
- CapEx accrued during the period	(1,554)	(3,385)	(6,657)	(8,784)	(1,485)
- Non-cash items & Others (1)	(95)	(269)	1,202	1,495	(2)
- Working Capital	(711)	(669)	482	1,739	(640)
- Net interest payment	(673)	(972)	(1,259)	(1,725)	(666)
- Payment for tax	676	471	529	272	(173)
- Dividends paid to minority shareholders	0	(292)	(445)	(686)	(4)
= Free Cash Flow excluding Lease Principal Payments	1,908	3,587	5,302	7,429	790
- Lease Principal Payments	(499)	(831)	(1,152)	(1,518)	(557)
= Free Cash Flow including Lease Principal Payments	1,409	2,756	4,150	5,912	233
Weighted average number of ordinary shares outstanding during the period (millions)	5,127	5,124	5,121	5,119	5,132
= Free Cash Flow per share (euros)	0.27	0.54	0.81	1.15	0.05

*Notes:**(1) Includes €1,945m in January-December 2019 related to commitments associated with long-term restructuring plans, mainly in Spain.*

TELEFÓNICA
EXCHANGE RATES APPLIED TO P&L AND CAPEX

Currency units per Euro	2019				2020
	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec	Jan - Mar
USA (US Dollar)	1.136	1.130	1.124	1.119	1.103
United Kingdom (Sterling)	0.873	0.873	0.883	0.877	0.861
Argentina (Argentine Peso) (1)	48.697	48.265	62.786	67.259	70.621
Brazil (Brazilian Real)	4.282	4.343	4.364	4.411	4.887
Chile (Chilean Peso)	757.983	762.875	770.125	785.324	885.042
Colombia (Colombian Peso)	3,561.812	3,600.788	3,637.925	3,670.088	3,885.668
Costa Rica (Colon)	692.521	681.199	667.557	660.502	633.312
Mexico (Mexican Peso)	21.819	21.644	21.628	21.548	21.886
Nicaragua (Cordoba)	36.943	36.964	36.993	37.074	37.450
Peru (Peruvian Nuevo Sol)	3.776	3.753	3.740	3.735	3.749
Uruguay (Uruguayan Peso)	37.268	38.188	38.713	39.383	43.446
Venezuela (1)	69,714.172	9,004.900	36,888.780	76,863.861	167,953.860

Note:

- Average exchange rate for the period.

(1) Following the consideration of the Argentine and Venezuela economies as hyperinflationary from an accounting perspective, the operations are adjusted by inflation and are to be accounted at their corresponding closing exchange vs. the Euro (in the case of Venezuela Telefónica uses a synthetic exchange rate).

EXCHANGE RATES APPLIED TO CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Currency units per Euro	2019				2020
	March	June	September	December	March
USA (US Dollar)	1.123	1.137	1.091	1.123	1.095
United Kingdom (Sterling)	0.858	0.896	0.886	0.851	0.887
Argentina (Argentine Peso)	48.697	48.265	62.786	67.259	70.621
Brazil (Brazilian Real)	4.377	4.357	4.543	4.526	5.695
Chile (Chilean Peso)	762.160	772.225	794.370	840.795	933.315
Colombia (Colombian Peso)	3,566.079	3,645.006	3,793.382	3,680.056	4,441.345
Costa Rica (Colon)	678.426	665.779	636.943	647.249	643.501
Mexico (Mexican Peso)	21.766	21.841	21.527	21.184	25.725
Nicaragua (Cordoba)	36.745	37.652	36.578	37.999	37.340
Peru (Peruvian Nuevo Sol)	3.728	3.738	3.691	3.721	3.765
Uruguay (Uruguayan Peso)	37.611	40.004	40.295	41.895	47.111
Venezuela	69,714.172	9,004.900	36,888.780	76,863.861	167,953.860

Notes:

- Exchange rates as of the end of the period.

TELEFÓNICA
 2020 MAIN LONG TERM FINANCING OPERATIONS
Unaudited figures

	Issue date	Amount (m)	Currency	Issuer	Coupon	Maturity date	ISIN code
DEBENTURES AND BONDS							
Eurobond	2/3/2020	1,000	EUR	Telefónica Emisiones, S.A.U.	0.664 %	2/3/2030	XS2112289207

	Issue date	Amount (m)	Currency	Issuer	Coupon	First Call date	ISIN code
UNDATED DEEPLY SUBORDINATED RESET RATE SECURITIES							
Hybrid bond	2/5/2020	500	EUR	Telefónica Europe B.V.	2.501 %	5/5/2027	XS2109819859

	Signing date	Amount	Currency	Borrower	Maturity date
INTEREST-BEARING DEBT					
EIB Financing (Tranche 2)	1/14/2020	150	EUR	Telefónica Germany GmbH & Co. OHG	14/01/2029 (1)
Bilateral Loan	2/25/2020	215	USD	Colombia Telecomunicaciones, S.A. ESP	3/24/2025
Syndicated facility	3/18/2020	320	USD	Colombia Telecomunicaciones, S.A. ESP	3/18/2025

(1) Maximum maturity date

TELEFÓNICA
 RECONCILIATION REPORTED VS. BASIS FOR 2019-2022 GUIDANCE & 2020 AMBITION
 Unaudited figures (Euros in millions)

	Base 2019
REVENUES	Jan - Dec
TELEFÓNICA	
REPORTED DATA	48,422
Changes in the consolidation perimeter	(547)
TELEFÓNICA TOTAL REVENUES ADJUSTED BASE	47,875

	Base 2019
OIBDA	Jan - Dec
TELEFÓNICA	
REPORTED DATA	15,119
Restructuring charges	2,190
Changes in the consolidation perimeter	(224)
Capital gains /losses on sale of assets	(768)
Others	445
TELEFÓNICA TOTAL OIBDA ADJUSTED BASE	16,762

	Base 2019
OIBDA-CAPEX & (OIBDA-CAPEX)/REVENUES	Jan - Dec
TELEFÓNICA	
CAPEX REPORTED DATA	8,784
Changes in the consolidation perimeter	(65)
Spectrum	(1,483)
TELEFÓNICA TOTAL CAPEX EX- SPECTRUM ADJUSTED BASE	7,235
TELEFÓNICA TOTAL OIBDA-CAPEX ADJUSTED BASE	9,526
TELEFÓNICA TOTAL (OIBDA-CAPEX)/REVENUES ADJUSTED BASE	19.9 %

Notes:

Criteria for 2019-2022 guidance & 2020 ambition:

Assumes constant exchange rates of 2019 (average in 2019). Considers constant perimeter of consolidation, does not include capital gains/losses from the sale of companies and assets sales (material), restructuring costs and other impacts (write-offs, material non-recurring impacts). In addition, excludes contribution to growth from T. Argentina and T. Venezuela and the results from Central America. CapEx excludes investments in spectrum.

TELEFÓNICA ESPAÑA
CONSOLIDATED INCOME STATEMENT
Unaudited figures (Euros in millions)

	2019					2020
	Jan - Mar	Apr - Jun	Jul- Sep	Oct - Dec	Jan - Dec	Jan - Mar
Revenues	3,126	3,194	3,242	3,287	12,850	3,078
Mobile handset revenues	76	89	98	110	373	64
Revenues ex-mobile handset revenues	3,050	3,106	3,144	3,177	12,477	3,014
Retail	2,564	2,579	2,573	2,598	10,316	2,477
Wholesale & others	486	526	571	579	2,162	537
Operating income before D&A (OIBDA)	1,355	1,329	(344)	1,378	3,719	1,225
<i>OIBDA Margin</i>	<i>43.4 %</i>	<i>41.6 %</i>	<i>(10.6)%</i>	<i>41.9 %</i>	<i>28.9 %</i>	<i>39.8 %</i>
CapEx	380	439	386	462	1,667	344
Spectrum	-	-	-	7	7	-
OIBDA-CapEx	975	891	(730)	916	2,052	881

Notes:

- The figures for the periods Apr-Jun 2019, Jul-Sept 2019, Oct-Dec 2019 and Jan-Dec 2019 are estimated (not fully consolidated).
- OIBDA before management and brand fees.

TELEFÓNICA ESPAÑA

ACCESSES

Unaudited figures (Thousands)

	2019				2020
	March	June	September	December	March
Retail Accesses	37,847.8	38,047.1	38,020.7	38,049.5	37,874.0
Fixed telephony	9,220.7	9,161.4	9,092.5	9,024.1	8,918.6
Broadband	6,068.0	6,072.4	6,078.3	6,023.4	5,985.2
FTTH	4,025.5	4,150.8	4,246.9	4,325.0	4,393.0
Mobile	18,448.6	18,691.9	18,748.5	18,916.9	18,926.7
Prepay	1,341.2	1,258.6	1,200.4	1,137.2	1,070.2
Contract	14,753.5	14,946.2	14,991.9	15,158.8	15,209.9
M2M	2,353.9	2,487.0	2,556.2	2,620.8	2,646.6
Pay TV	4,094.8	4,106.1	4,088.5	4,073.8	4,032.3
Wholesale Accesses	3,858.4	3,822.5	3,816.1	3,788.2	3,772.4
FTTH	1,719.2	1,863.4	2,014.3	2,154.9	2,292.5
Total Accesses	41,706.2	41,869.6	41,836.9	41,837.7	41,646.4

OWN UBB COVERAGE

Unaudited figures (thousands)

	2019				2020
	March	June	September	December	March
UBB Premises passed (FTTH)	21,762.7	22,248.9	22,684.0	23,133.1	23,421.8

CONVERGENT KPIS

	2019				2020
	March	June	September	December	March
Convergent clients (thousands)	4,833.4	4,862.5	4,850.4	4,839.1	4,824.5
Convergent ARPU (EUR) (cumulative YTD)	92.8	92.9	93.2	93.2	91.8
Convergent churn (cumulative YTD)	1.7 %	1.6 %	1.6 %	1.6 %	1.5 %

- Convergent include Consumer, SOHO and SMEs clients

TELEFÓNICA DEUTSCHLAND
CONSOLIDATED INCOME STATEMENT
Unaudited figures (Euros in millions)

	2019					2020
	Jan - Mar	Apr - Jun	Jul- Sep	Oct - Dec	Jan - Dec	Jan - Mar
Revenues	1,779	1,785	1,865	1,970	7,399	1,846
Mobile Business	1,596	1,600	1,679	1,773	6,647	1,650
Handset revenues	315	281	318	432	1,346	339
Fixed Business	182	185	185	189	741	193
Operating income before D&A (OIBDA)	522	578	597	629	2,326	532
<i>OIBDA Margin</i>	29.4 %	32.4 %	32.0 %	31.9 %	31.4 %	28.8 %
CapEx	252	243	1,711	263	2,469	224
Spectrum	-	-	1,425	-	1,425	-
OIBDA-CapEx	270	335	(1,114)	366	(143)	308

Note:

- OIBDA before management and brand fees.

TELEFÓNICA DEUTSCHLAND

ACCESSES

Unaudited figures (Thousands)

	2019				2020
	March	June	September	December	March
Retail Accesses	47,202.1	47,555.9	48,010.9	48,258.0	48,121.7
Fixed telephony accesses	2,041.2	2,078.4	2,113.7	2,129.5	2,149.1
Broadband	2,123.7	2,162.0	2,193.4	2,206.6	2,231.7
UBB (1)	1,506.6	1,565.7	1,619.1	1,652.0	1,687.7
Mobile accesses	42,913.2	43,217.6	43,607.3	43,826.8	43,647.1
Prepay	20,331.8	20,335.1	20,332.5	20,096.2	19,689.4
Contract	21,371.4	21,728.6	22,095.9	22,538.8	22,727.2
M2M (2)	1,210.0	1,153.9	1,179.0	1,191.8	1,230.4
Total Accesses	47,202.1	47,555.9	48,010.9	48,258.0	48,121.7

(1) UBB accesses referes to VDSL accesses in Germany.

(2) Impacted by the disconnection of 67k inactive M2M accesses in Q2 19.

SELECTED OPERATIONAL DATA

Unaudited figures

	2019				2020
	March	June	September	December	March
Mobile churn (quarterly)	1.9 %	1.8 %	1.9 %	2.0 %	2.0 %
Contract	1.6 %	1.5 %	1.5 %	1.5 %	1.5 %
Mobile churn (cumulative YTD)	1.9 %	1.8 %	1.8 %	1.9 %	2.0 %
Contract	1.6 %	1.5 %	1.5 %	1.5 %	1.5 %
Mobile ARPU (EUR) (cumulative YTD)	9.8	9.9	10.0	10.0	9.8
Contract	14.2	14.3	14.3	14.3	13.7

Notes:

- ARPU: monthly average revenue divided by the monthly average accesses of the period.

TELEFÓNICA UK
CONSOLIDATED INCOME STATEMENT
Unaudited figures (Euros in millions)

	2019					2020
	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec	Jan - Mar
Revenues	1,691	1,720	1,773	1,925	7,109	1,739
Mobile revenues	1,636	1,670	1,725	1,861	6,891	1,678
Handset revenues	391	395	460	550	1,795	428
Fixed Business	55	51	48	65	218	61
Operating income before D&A (OIBDA)	504	548	543	519	2,114	516
<i>OIBDA Margin</i>	29.8 %	31.9 %	30.6 %	27.0 %	29.7 %	29.7 %
CapEx	185	224	242	262	914	221
Spectrum	-	-	-	-	-	-
OIBDA-CapEx	319	324	301	257	1,200	295

Notes:

- OIBDA before management and brand fees.

TELEFÓNICA UK

ACCESSES

Unaudited figures (Thousands)

	2019				2020
	March	June	September	December	March
Retail Accesses	24,793.7	25,113.6	25,731.5	26,145.5	26,368.0
Fixed telephony accesses	309.3	310.9	312.2	313.3	315.8
Broadband	28.4	28.5	28.7	28.9	29.0
Mobile accesses (1)	24,456.0	24,774.1	25,390.5	25,803.3	26,023.2
Prepay	8,534.6	8,482.6	8,625.1	8,436.1	8,199.6
Contract (1)	12,136.1	12,142.4	12,164.1	12,248.5	12,268.3
M2M	3,785.2	4,149.1	4,601.3	5,118.7	5,555.3
Wholesale Accesses (1)	8,290.3	8,487.7	8,697.2	8,714.7	8,774.2
Total accesses (2)	33,084.0	33,601.3	34,428.7	34,860.2	35,142.2

(1) In 2019, 665k Mobile contract accesses have been reclassified to wholesale (December 19 base as a reference), in order to show a comparable business evolution in both lines.

(2) Impacted by the disconnection of 150k inactive accesses in Q4 19.

SELECTED OPERATIONAL DATA

Unaudited figures

	2019				2020
	March	June	September	December	March
Mobile churn (quarterly)	1.9 %	1.8 %	1.7 %	2.0 %	1.8 %
Contract	1.0 %	0.9 %	1.0 %	1.1 %	1.0 %
Mobile churn (cumulative YTD)	1.9 %	1.8 %	1.8 %	1.9 %	1.8 %
Contract	1.0 %	1.0 %	1.0 %	1.0 %	1.0 %
Mobile ARPU (EUR) (cumulative YTD)	15.0	15.0	14.9	14.8	13.8
Contract	24.8	24.9	24.8	24.9	23.7

Notes:

- ARPU: monthly average revenue divided by the monthly average accesses of the period.

TELEFÓNICA BRASIL
CONSOLIDATED INCOME STATEMENT
Unaudited figures (Euros in millions)

	2019					2020
	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec	Jan - Mar
Revenues	2,563	2,467	2,507	2,499	10,035	2,215
Mobile Business	1,654	1,582	1,625	1,638	6,498	1,447
Handset revenues	140	143	146	183	613	119
Fixed Business	909	885	882	861	3,537	768
Operating income before D&A (OIBDA)	1,050	1,001	1,071	1,141	4,262	951
OIBDA Margin	40.9 %	40.6 %	42.7 %	45.7 %	42.5 %	42.9 %
CapEx	396	538	553	519	2,005	337
Spectrum	-	-	-	-	-	-
OIBDA-CapEx	654	463	518	622	2,257	613

Notes:

- OIBDA before management and brand fees.

TELEFÓNICA BRASIL

ACCESSES

Unaudited figures (thousands)

	2019				2020
	March	June	September	December	March
Retail Accesses	95,091.7	94,458.3	93,815.0	93,718.9	93,173.2
Fixed telephony accesses	12,557.9	11,891.0	11,384.9	10,817.0	10,309.0
Broadband	7,414.4	7,297.1	7,150.8	6,938.9	6,772.6
UBB	5,031.5	5,041.1	5,055.4	5,022.8	5,026.7
FTTH	2,034.5	2,170.3	2,332.3	2,477.4	2,652.3
Mobile accesses	73,519.1	73,735.3	73,824.4	74,573.1	74,740.7
Prepay	32,506.2	32,030.2	31,533.9	31,408.0	31,023.8
Contract	32,338.3	32,589.3	32,820.7	33,075.3	33,310.3
M2M	8,674.5	9,115.8	9,469.8	10,089.8	10,406.6
Pay TV	1,521.5	1,460.2	1,382.7	1,319.7	1,282.9
IPTV	617.2	647.7	680.8	714.5	753.3
Total Accesses	95,106.4	94,472.8	93,828.7	93,732.3	93,173.3

OWN UBB COVERAGE

Unaudited figures (thousands)

	2019				2020
	March	June	September	December	March
UBB Premises passed	20,006.4	20,342.9	20,696.6	21,119.9	21,677.8
FTTH	8,980.1	9,527.7	10,176.9	10,950.2	11,689.7

SELECTED OPERATIONAL DATA

Unaudited figures

	2019				2020
	March	June	September	December	March
Mobile churn (quarterly)	3.2 %	3.4 %	3.4 %	3.3 %	3.1 %
Contract	1.7 %	2.0 %	1.9 %	1.7 %	1.5 %
Mobile churn (cumulative YTD)	3.2 %	3.3 %	3.3 %	3.3 %	3.1 %
Contract	1.7 %	1.9 %	1.9 %	1.7 %	1.5 %
Mobile ARPU (EUR) (cumulative YTD)	6.7	6.5	6.5	6.4	5.7
Contract	12.2	11.8	11.7	11.6	10.2

*Notes:**- ARPU: monthly average revenue divided by the monthly average accesses of the period.*

TELEFÓNICA INFRA (Telxius)
CONSOLIDATED INCOME STATEMENT
Unaudited figures (Euros in millions)

	2019					2020
	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec	Jan - Mar
Revenues	219	216	200	207	842	207
Operating income before D&A (OIBDA)	129	124	128	123	504	135
OIBDA Margin	58.8 %	57.5 %	64.1 %	59.2 %	59.8 %	65.4 %
CapEx	9	85	84	106	284	155
CapEx ex inorganic operations (1)	9	15	35	44	103	22
OIBDA-CapEx	120	40	44	16	220	(20)
OIBDA-CapEx ex inorganic operations (1)	120	110	93	79	401	113

Notes:

- OIBDA before management and brand fees.

- Telxius Argentina contribution to organic growth is excluded.

(1) CapEx and OIBDA-CapEx ex inorganic operations, exclude the M&A operations in the quarter (towers acquisition in Brazil and Peru in Q1 20)

TELEFÓNICA INFRA (Telxius)
 SELECTED OPERATIONAL DATA
Unaudited figures

	2019				2020
	March	June	September	December	March
Towers (#)	16,754	17,550	18,130	18,348	20,331
Tenants (#)	22,924	23,889	24,556	24,911	27,181
Tenants (non anchor) (#)	6,170	6,339	6,426	6,563	6,850
Tenancy ratio (%)	1.37x	1.36x	1.35x	1.36x	1.34x

Notes:

- *Non anchor tenants refer to other tenants apart from the anchor tenant.*

TELEFÓNICA HISPAM
CONSOLIDATED INCOME STATEMENT
Unaudited figures (Euros in millions)

	2019					2020
	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec	Jan - Mar
Revenues	2,407	2,611	2,208	2,430	9,655	2,204
Mobile Business	1,555	1,675	1,396	1,560	6,186	1,406
Handset revenues	342	362	332	379	1,415	295
Fixed Business	812	885	751	797	3,244	764
Operating income before D&A (OIBDA) (1)	637	705	569	134	2,045	502
OIBDA Margin	26.5 %	27.0 %	25.8 %	5.5 %	21.2 %	22.8 %
CapEx	297	347	317	523	1,485	325
Spectrum	-	4	18	30	52	-
OIBDA-CapEx	340	358	251	(389)	560	176

(1) Includes impacts of -206m€ due to T. Argentina goodwill impairment and -€239m from the transformation of the operational model of T. Mexico after the agreement reached with AT&T, both registered in October-December 2019.

TELEFÓNICA HISPAM
SELECTED FINANCIAL DATA
Unaudited figures (Euros in millions)

	2019					2020
	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec	Jan - Mar
Revenues	2,407	2,611	2,208	2,430	9,655	2,204
Telefónica Argentina	543	671	362	588	2,163	532
Telefónica Chile	498	487	470	459	1,914	391
Telefónica Perú	518	535	547	501	2,102	472
Telefónica Colombia	359	352	350	349	1,410	333
Telefonica México	296	316	300	332	1,244	290
Others and eliminations	192	251	179	201	823	187
Handset sales	342	362	332	379	1,415	295
Telefónica Argentina	48	69	49	71	237	64
Telefónica Chile	79	67	74	85	305	62
Telefónica Perú	81	82	81	69	313	53
Telefónica Colombia	35	37	37	37	146	32
Telefonica México	73	81	73	98	326	69
Others and eliminations	25	26	17	19	88	14
OIBDA	637	705	569	134	2,045	502
Telefónica Argentina	145	181	94	80	499	101
Telefónica Chile	169	170	183	147	669	119
Telefónica Perú	107	125	33	89	354	89
Telefónica Colombia	131	131	137	158	558	98
Telefónica México (1)	22	24	53	(247)	(147)	33
Others and eliminations (2)	63	74	68	(92)	113	62

Notes:

- OIBDA before management and brand fees.

- The figures for the periods Apr-Jun 2019, Jul-Sept 2019, Oct-Dec 2019 and Jan-Dec 2019 are estimated (not fully consolidated).

- The results from Central America are excluded from both the years of 2019 and 2020 and are consolidated in Telefónica Group's "eliminations & others".

- Following the consideration of the Argentine and Venezuela economies as hyperinflationary from an accounting perspective, both operations are adjusted by inflation and are to be accounted at the closing exchange rate.

(1) Includes impact of -€239m impact (October-December 2019) from the transformation of the operational model of T. Mexico after the agreement reached with AT&T.

(2) Includes T. Argentina goodwill impairment (-206m€ in October-December 2019).

TELEFÓNICA HISPAM

ACCESSES

Unaudited figures (thousands)

	2019				2020
	March	June	September	December	March
Retail Accesses	115,606.0	113,542.7	113,353.6	110,670.3	108,739.0
Fixed telephony accesses	9,850.3	9,542.5	9,236.2	8,804.2	8,461.8
Broadband	5,861.1	5,806.7	5,733.4	5,564.7	5,428.5
UBB	2,975.2	3,136.4	3,235.9	3,249.6	3,298.3
FTTH/cable (1)	2,348.8	2,579.8	2,770.7	2,829.6	2,916.2
Mobile accesses	96,568.3	94,868.8	95,133.3	93,137.8	91,759.4
Prepay	71,059.2	69,214.2	69,222.7	67,286.2	66,156.9
Contract (2)	22,179.8	22,277.7	22,412.2	22,243.7	21,909.8
M2M	3,329.2	3,376.9	3,498.3	3,607.9	3,692.6
Pay TV	3,181.1	3,178.6	3,103.4	3,015.2	2,943.2
IPTV	152.7	205.4	277.6	335.6	385.8
Total Accesses	115,627.9	113,565.5	113,374.9	110,691.5	108,760.1

Notes:

(1) Includes Peru's cable accesses.

(2) Includes the disconnection of 273 thousand inactive contract accesses in Peru in Q1 19.

OWN UBB COVERAGE

Unaudited figures (thousands)

	2019				2020
	March	June	September	December	March
UBB Premises passed	10,015.6	10,571.0	11,093.7	11,422.6	11,727.5
FTTH/cable (1)	7,277.3	7,832.6	8,355.4	8,684.3	8,989.1

(1) Includes Peru's cable premises passed.

SELECTED OPERATIONAL DATA

Unaudited figures

	2019				2020
	March	June	September	December	March
Mobile churn (quarterly)	4.2 %	4.3 %	3.4 %	4.1 %	3.4 %
Contract	2.7 %	2.5 %	2.6 %	2.8 %	2.7 %
Mobile churn (cumulative YTD)	4.2 %	4.2 %	4.0 %	4.0 %	3.4 %
Contract	2.7 %	2.6 %	2.6 %	2.6 %	2.7 %
Mobile ARPU (EUR) (cumulative YTD)	4.0	4.0	4.1	4.0	3.9
Contract	11.7	12.0	12.2	12.2	10.9

Notes:

- ARPU: monthly average revenue divided by the monthly average accesses of the period.

APPENDIX

ALTERNATIVE PERFORMANCE MEASURES

Information included in compliance with the ESMA Guidelines, 5 October 2015, on Alternative Performance Measures (APM), applicable to published regulated information from 3 July 2016.

The following APM and their reconciliation to the most directly reconcilable line item, subtotal or total presented in the financial statements of the corresponding period are included:

- OIBDA
- Net financial debt, Net financial debt plus leases and Net financial debt plus commitments
- Leverage ratio
- Free Cash Flow

- Organic results

- Underlying results

TELEFÓNICA
RECONCILIATION OF OIBDA
Unaudited figures (Euros in millions)

	2019				2020
	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec	Jan - Mar
Operating income before D&A (OIBDA)	4,264	8,702	11,450	15,119	3,760
Depreciation and amortisation	(2,614)	(5,248)	(7,827)	(10,582)	(2,669)
Operating income (OI)	1,650	3,454	3,622	4,537	1,091

TELEFÓNICA
NET FINANCIAL DEBT
Unaudited figures (Euros in millions)

	December 2019	March 2020
Non-current financial liabilities	43,288	43,588
Current financial liabilities	9,076	9,740
Gross Financial Debt	52,364	53,328
Cash and cash equivalents	(6,042)	(5,021)
Current financial assets	(3,118)	(3,717)
Non-current financial assets	(4,292)	(6,573)
Mark-to-market adjustment by cash flow hedging activities related to debt	(388)	793
Other current assets and liabilities	(1,192)	(939)
Other non-current assets and liabilities	413	353
Net Financial Debt	37,744	38,223
Lease Liabilities	7,379	6,531
Net Financial Debt including Lease liabilities (1)	45,123	44,754

Notes:

(1) Includes assets and liabilities defined as net financial debt including Lease liabilities for El Salvador and Costa Rica, that are classified as non-current assets held for sale and liabilities associated with non-current assets held for sale.

- In March 2020, net financial debt includes a positive value of the derivatives portfolio for a net amount of €5,267m, €3,169m included as financial liabilities and €8,436m included as financial assets.

	December 2019	March 2020
Net Financial Debt / OIBDAaL adjusted (1)	2.52 x	2.60x

(1) OIBDA plus adjustments and after Leases.

TELEFÓNICA
RECONCILIATION OF LEVERAGE RATIO
Unaudited figures (Euros in millions)

		2019		2020	
		December		March	
A	Net Financial Debt	37,744		38,223	
B	OIBDA reported (LTM)	15,119		14,615	
C	Adjustments in OIBDA	1,761		2,021	
	Restructuring charges	2,193		2,191	
	Capital gains/losses on sale of assets	(768)		(570)	
	Others	336		400	
D	Leases	(1,918)		(1,923)	
E= B+C+D	OIBDAaL adjusted (LTM)	14,962		14,713	
F= A/E	Net Financial Debt / OIBDAaL adjusted	2.52x		2.60x	

TELEFÓNICA
NET COMMITMENTS RELATED TO EMPLOYEE BENEFITS
Unaudited figures (Euros in millions)

	December 2019	March 2020
Gross commitments related to employee benefits	6,711	6,368
Value of associated Long-term assets	(75)	(90)
Tax benefits	(1,739)	(1,642)
Net commitments related to employee benefits (1)	4,897	4,636

Notes:

(1) Includes assets and liabilities defined as Net commitments related to employee benefits for El Salvador and Costa Rica, that are classified as non-current assets held for sale and liabilities associated with non-current assets held for sale.

TELEFÓNICA
RECONCILIATION OF FREE CASH FLOW
Unaudited figures (Euros in millions)

	2019				2020
	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec	Jan - Mar
Net cash flow provided by operating activities	3,659	7,294	11,053	15,022	2,259
(Payments on investments)/proceeds from the sale in property, plant and equipment and intangible assets, net	(1,990)	(3,834)	(5,902)	(7,659)	(1,749)
Government grants received	-	-	-	-	-
Dividends paid to minority shareholders	-	(292)	(445)	(686)	(4)
Payments related to cancellation of commitments	239	419	595	840	284
Payments of financed spectrum without explicit interest	-	-	-	(87)	-
Free Cash Flow excluding Lease Principal Payments	1,908	3,587	5,302	7,430	790
Lease Principal Payments	(499)	(831)	(1,152)	(1,518)	(557)
FCF Including Lease Principal Payments	1,409	2,756	4,150	5,912	233

TELEFÓNICA
 RECONCILIATION OF REPORTED VS. ORGANIC GROWTH
 Unaudited figures (Euros in millions)

REVENUES	2019	2020	%
	Jan - Mar	Jan - Mar	Jan - Mar
T. ESPAÑA			
REPORTED DATA	3,126	3,078	(1.6)
T. ESPAÑA ORGANIC	3,126	3,078	(1.6)
T. DEUTSCHLAND			
REPORTED DATA	1,779	1,846	3.8
T. DEUTSCHLAND ORGANIC	1,779	1,846	3.8
T. UK			
REPORTED DATA	1,691	1,739	2.9
Forex Impact	-	(23)	
T. UK ORGANIC	1,691	1,716	1.5
T. BRASIL			
REPORTED DATA	2,563	2,215	(13.6)
Forex Impact	-	313	
T. BRASIL ORGANIC	2,563	2,528	(1.4)
T. HISPAM			
REPORTED DATA	2,407	2,204	(8.4)
Forex Impact	-	98	
Others	-	(10)	
T. HISPAM ORGANIC	2,407	2,292	(4.8)
T. INFRA (TELXIUS)			
REPORTED DATA	219	207	(5.7)
Forex Impact	-	(1)	
T. INFRA (TELXIUS) ORGANIC	219	206	(6.1)
TELEFÓNICA			
REPORTED DATA	11,979	11,366	(5.1)
Changes in the consolidation perimeter	(173)	(89)	
Forex Impact	-	384	
Others	-	(8)	
TELEFÓNICA ORGANIC	11,806	11,653	(1.3)

OIBDA	2019	2020	%
	Jan -Mar	Jan - Mar	Jan - Mar
T. ESPAÑA			
REPORTED DATA	1,355	1,225	(9.6)
Restructuring charges	23	27	
Capital gains/losses on sale of assets	(103)	-	
T. ESPAÑA ORGANIC	1,275	1,252	(1.8)
T. DEUTSCHLAND			
REPORTED DATA	522	532	1.9
Restructuring charges	10	(1)	
Capital gains/losses on sale of assets	-	9	
T. DEUTSCHLAND ORGANIC	532	540	1.5
T. UK			
REPORTED DATA	504	516	2.4
Forex Impact	-	(7)	
T. UK ORGANIC	504	509	1.1
T. BRASIL			
REPORTED DATA	1,050	951	(9.4)
Forex Impact	-	134	
T. BRASIL ORGANIC	1,050	1,085	3.4
T. HISPAM			
REPORTED DATA	637	502	(21.2)
Restructuring	-	1	
Forex Impact	-	30	
Others	-	37	
T. HISPAM ORGANIC	637	570	(10.6)
T. INFRA (TELXIUS)			
REPORTED DATA	129	135	4.7
Forex Impact	-	0	
Others	-	0	
T. INFRA (TELXIUS) ORGANIC	129	135	4.4
TELEFÓNICA			
REPORTED DATA	4,264	3,760	(11.8)
Restructuring charges	34	32	
Changes in the consolidation perimeter	(86)	(28)	
Capital gains/losses on sale of assets	(189)	9	
Forex Impact	-	151	
Others	-	34	
TELEFÓNICA ORGANIC	4,024	3,957	(1.7)

OPERATING INCOME	2019	2020	%
	Jan - Mar	Jan - Mar	Jan - Mar
TELEFÓNICA			
REPORTED DATA	1,650	1,091	(33.9)
Restructuring charges	34	32	
Changes in the consolidation perimeter	(85)	(28)	
Capital gains/losses on sale of assets	(189)	9	
Forex Impact	-	51	
Others	-	124	
TELEFÓNICA ORGANIC	1,409	1,279	(9.2)
CAPEX			
	2019	2020	%
	Jan - Mar	Jan - Mar	Jan - Mar
T. ESPAÑA			
REPORTED DATA	380	344	(9.5)
T. ESPAÑA ORGANIC	380	344	(9.5)
T. DEUTSCHLAND			
REPORTED DATA	252	224	(11.1)
T. DEUTSCHLAND ORGANIC	252	224	(11.1)
T. UK			
REPORTED DATA	185	221	19.4
Forex Impact	-	(3)	
T. UK ORGANIC	185	218	17.8
T. BRASIL			
REPORTED DATA	396	337	(14.9)
Forex Impact	-	48	
T. BRASIL ORGANIC	396	385	(2.8)
T. HISPAM			
REPORTED DATA	297	325	9.5
Forex Impact	-	21	
Spectrum	0	-	
Others	-	9	
T. HISPAM ORGANIC	297	356	19.7
T. INFRA (TELXIUS)			
REPORTED DATA	9	155	n.s.
Forex Impact	-	19	
Others	-	0	
T. INFRA (TELXIUS) ORGANIC	9	174	n.s.
TELEFÓNICA			
REPORTED DATA	1,554	1,485	(4.4)
Changes in the consolidation perimeter	(24)	(2)	
Forex Impact	-	66	
Spectrum	0	-	
Others	-	9	
TELEFÓNICA ORGANIC	1,530	1,558	1.8

OIBDA-CapEx	2019	2020	%
	Jan -Mar	Jan -Mar	Jan - Mar
T. ESPAÑA			
REPORTED DATA	975	881	(9.7)
Restructuring charges	23	27	
Capital gains/losses on sale of assets	(103)	-	
T. ESPAÑA ORGANIC	895	907	1.4
T. DEUTSCHLAND			
REPORTED DATA	270	308	14.0
Restructuring charges	10	(1)	
Capital gains/losses on sale of assets	-	9	
T. DEUTSCHLAND ORGANIC	280	316	12.9
T. UK			
REPORTED DATA	319	295	(7.4)
Forex Impact	-	(4)	
T. UK ORGANIC	319	291	(8.6)
T. BRASIL			
REPORTED DATA	654	613	(6.1)
Forex Impact	-	87	
T. BRASIL ORGANIC	654	700	7.1
T. HISPAM			
REPORTED DATA	340	176	(48.1)
Restructuring charges	0	1	
Forex Impact	-	9	
Spectrum	0	-	
Others	-	28	
T. HISPAM ORGANIC	340	214	(37.1)
T. INFRA (TELXIUS)			
REPORTED DATA	120	(20)	c.s.
Forex Impact	-	(19)	
Others	-	0	
T. INFRA (TELXIUS) ORGANIC	120	(39)	c.s.
TELFÓNICA			
REPORTED DATA	2,710	2,275	(16.1)
Restructuring charges	34	32	
Changes in the consolidation perimeter	(62)	(26)	
Capital gains/losses on sale of assets	(189)	9	
Forex Impact	-	84	
Spectrum	0	-	
Others	-	25	
TELFÓNICA ORGANIC	2,494	2,399	(3.8)

Note:

- **Organic growth:** Assumes constant exchange rates of 2019 (average in 2019). Considers constant perimeter of consolidation, does not include capital gains/losses from the sale of companies and assets sales (material), restructuring costs and other impacts (write-offs, material non-recurring impacts). In addition, excludes contribution to growth from T. Argentina and T. Venezuela and the results from Central America. CapEx excludes investments in spectrum.

TELEFÓNICA

RECONCILIATION OF REPORTED VS. UNDERLYING GROWTH

Unaudited figures (Euros in millions)

OIBDA	2019				2020	%
	Jan -Mar	Jan - Jun	Jan - Sep	Jan - Dec	Jan -Mar	Jan -Mar
TELEFÓNICA						
REPORTED DATA	4,264	8,702	11,450	15,119	3,760	(11.8)
Restructuring charges	35	51	1,927	2,193	33	
Capital gains/losses on sale of assets	(189)	(376)	(767)	(768)	9	
Others	-	(8)	2	438	-	
TELEFÓNICA UNDERLYING	4,109	8,368	12,611	16,982	3,802	(7.5)

NET INCOME	2019				2020	%
	Jan -Mar	Jan - Jun	Jan - Sep	Jan - Dec	Jan -Mar	Jan -Mar
TELEFÓNICA						
REPORTED DATA	926	1,787	1,344	1,142	406	(56.2)
Restructuring charges	25	37	1,438	1,631	24	
Capital gains/losses on sale of assets	(165)	(228)	(495)	(508)	6	
Others	100	186	300	1,309	182	
TELEFÓNICA UNDERLYING	885	1,782	2,588	3,574	619	(30.1)

Notes:

- **Underlying growth** : Excludes capital gains/losses from the sale of companies and assets sales (material), restructuring costs and other impacts (write-offs, material non-recurring impacts and amortisation charges from purchase price allocation processes).