

Interim results 9M / Q3 23

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Interim results
Strategic Update



Markus Haas
CEO

Extended growth path on track for FY23 outlook

Strong business momentum

Strategic Focus

Growth

Increase market share
across all segments

Network

Sustain network quality
powered by green energy

Transformation

Accelerate digitalisation



9M 23 Results

+4.8%

Revenues

+2.7%

OIBDA¹

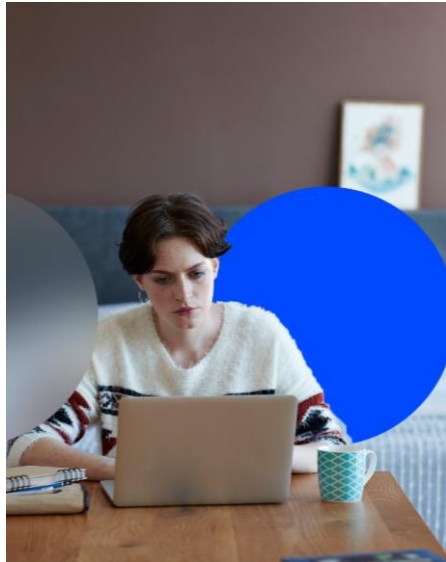
12.9%

Capex/Sales

¹Adjusted for exceptional effects

ESG Highlights

Focus on responsibility for employees & society



**Achieving
improved eNPS**
'all-time high'



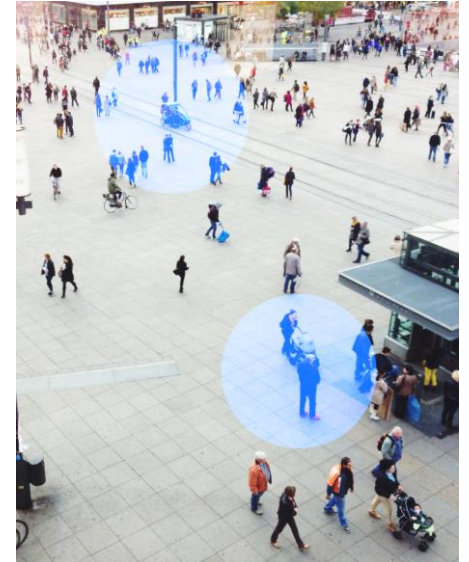
**Supporting
employees
to manage
inflationary
cost pressures**



**Driving
green energy
efficiencies
to support
climate neutrality**



**Providing
telecommunication
support for
crises areas**



**Enabling
digital society**

Fully on track for upgraded FY23 outlook

Strong results underpin management confidence

9M 23 Results

+4.8%

Revenues

+2.7%

OIBDA¹

12.9%

C/S

FY23 Outlook

Upper-range of low single digit % growth
incl. regulatory headwinds of 50-60 EURm

Upper-range of low single digit % growth
incl. regulatory headwinds of 10-15 EURm

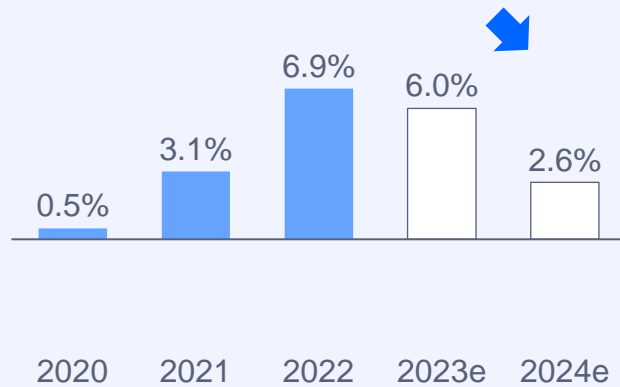
~14%

¹ Adjusted for exceptional effects

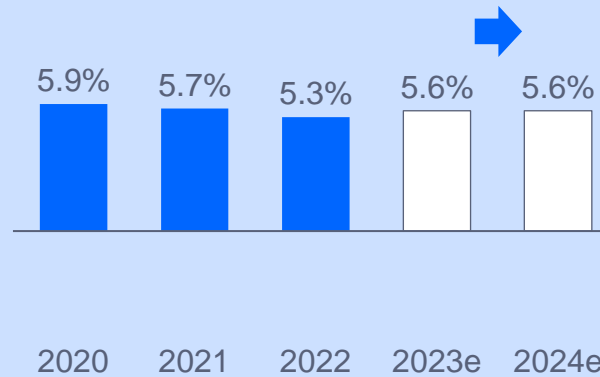
Robust macro back-drop

Telefónica Deutschland single-country play on Germany

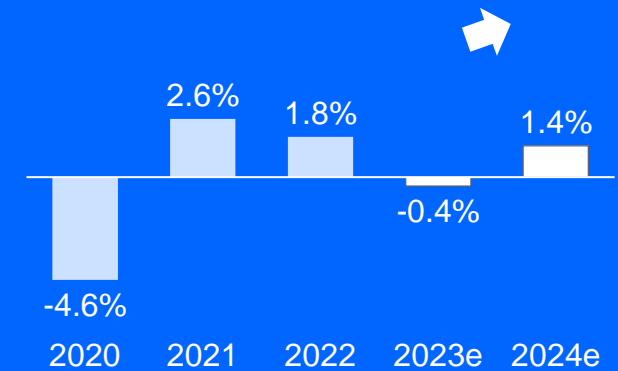
Inflation



Unemployment



GDP



Strategic framework - next chapter 'Accelerated Growth & Efficiency Plan'

Following successful execution of 'Investment for Growth'

2020 - 2022
Successfully executed
Investment for Growth
Programme



2024 - 2026
Accelerated Growth & Efficiency Plan



- GROW MARKET SHARE**
Re-balance revenue mix
- AS GOOD NETWORK**
Enhance 'as-good' mobile network
- ACCELERATED TRANSFORMATION**
Focussed transformation as enabler

Interim results
Financial Update



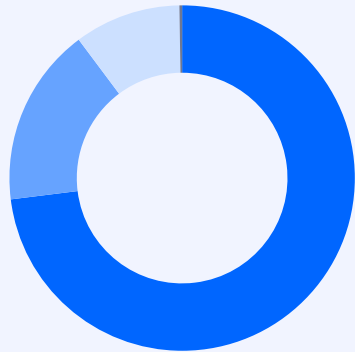
Markus Rolle
CFO

Achieved good top-line growth

MSR growth leveraging sustained trading momentum

Q3 23 Revenues

+2.2%
2,131 EURm



● MSR ● Handsets ● Fixed ● Other



Q3 23 Growth

+3.4%
MSR

-2.1%
Handsets

+6.1%
Retail FBB

Robust commercial traction in mobile and fixed

'Value-over-volume' focus with continued low churn

Q3 23 Mobile

+396k

Postpaid Net Adds

1.0%

O₂ Postpaid Churn

+2.0% yoy

O₂ Postpaid ARPU



¹ Definition adjustment

Q3 23 Fixed

+31k

Fixed Net Adds

0.8%

Fixed Churn

+2.2% yoy

Fixed BB ARPU¹

Improved OIBDA growth

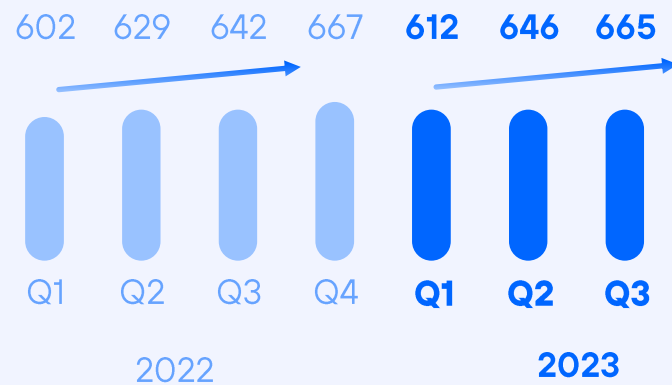
Enhanced operating leverage and successful cost management

Q3 23 OIBDA¹

+3.6%
yoy

31.2%
Margin

EURm



YTD Free Cashflow²

1,921 EURm
OIBDA

816 EURm
CAPEX

1,105 EURm
OpCF (OIBDA - CAPEX)

223 EURm
Adj. FCFaL³

¹Adjusted for exceptional effects

²FCF pre dividends & spectrum payments is defined as the sum of cash flow from operating activities & cash flow from investing activities

³+/- proceeds / payments for investments in associated companies

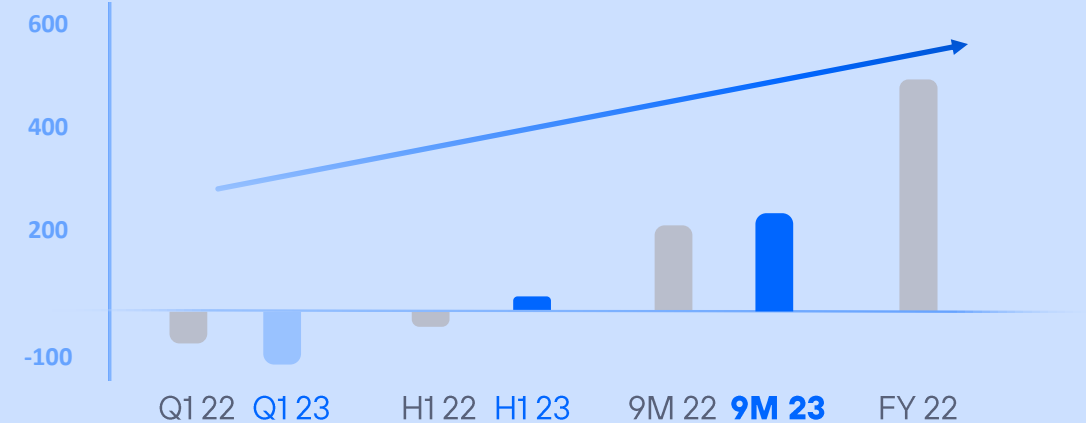
FCFaL trend with usual year-end phasing

On target to meet FCFaL consensus¹ for FY23

9M 23 FCF² (EURm)

OIBDA	1,921	
Capex	-816	
OpCF (OIBDA-Capex)	1,105	
Capex payables	-148	WC movements -264
Other WC movements	-117	
Others	-80	
FCF	761	
Lease payments	-553	
FCFaL	208	
Proceeds / payments for investments in associates	+15	
Adj. FCFaL ³	223	

Back-end loaded FCFaL² profile (EURm)



Net Debt (EURm)

3,535
Leverage 1.4x

FitchRatings

BBB
Stable Outlook

Key take-aways

Next chapter: 'Accelerated Growth & Efficiency Plan'

**Achieved good
top-line growth**

Driven by MSR momentum



Improved OIBDA growth

Enhanced cash conversion

**ESG focus on
social responsibility**

Employees & Society

**Fully on track
for FY23 outlook**

Strong 9M results
underpin momentum

**Accelerated
Growth & Efficiency
Plan**

Thank You Management Q&A



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Thank You
We look forward
to your feedback



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