

# Interim results Q1 23

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**Markus Haas**  
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Interim results Q1 23  
**Strategic Update**



**Markus Haas**  
CEO

# Building the best Telefónica Deutschland

Outperform German mobile market & expand ESG leadership

## Strategic Focus

### Network

Sustain network quality powered by green energy

### Growth

Increase market share across all segments

### Transformation

Accelerate digitalisation



## Q1 23 Results

**+8.0%**

Revenues

**+1.7%**

OIBDA<sup>1</sup>

**11.7%**

Capex/Sales

<sup>1</sup>Adjusted for exceptional effects

# Well on track for nationwide high quality green 5G network

Best ever highspeed mobile coverage across Germany driving economic growth

## Very Good Network

3<sup>rd</sup> consecutive 'very good'

# >82%

### 5G coverage

99% 4G coverage

## Very Good Service

Biggest incremental gain



## Network Ambition

# 90%

### 5G coverage YE23

Nationwide latest by YE25

Increase high-speed  
availability in radio & core



# Driving profitable growth through 'more-for-more' strategy

Leveraging network parity, quality of service & price-value leadership

O<sub>2</sub> can do

Key driver of  
*more-for-more*  
strategy

Postpaid & Prepaid  
launched  
April 2023



**Blau**

Launched  
February 2023

**ay yıldız**

Launched  
March 2023

**ortel**  
MOBILE

Launched  
March 2023

# Confirming FY23 outlook

Well on track on the back of strong Q1 23 delivery

## Q1 23 Actuals

**2,101**  
EURm      **+8.0%** ✓  
yoy

**612**  
EURm      **+1.7%** ✓  
yoy

**11.7%** ✓

Revenues

OIBDA<sup>1</sup>

C/S

## FY23 Outlook

**Low single digit % growth**  
incl. regulatory headwinds of 50-60 EURm

**Low single digit % growth**  
incl. regulatory headwinds of 10-15 EURm

**~14%**

<sup>1</sup>Adjusted for exceptional effects

**On-site AGM on 17 May – dividend proposal EURc 18/share**

Interim results Q1 23  
**Financial Update**



**Markus Rolle**  
CFO

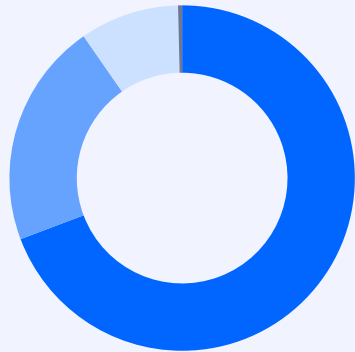


# Strong revenue growth

Driven by sustained MSR momentum & record handset sales

## Q1 23 Revenues

**+8.0%**  
2,101 EURm



● MSR ● Handsets ● Fixed ● Other



## Q1 23 Growth

**+4.2%**  
MSR

**+23.6%**  
Handsets

**+4.3%**  
Retail FBB

# Continued commercial momentum with return to low churn levels

Strong O<sub>2</sub> tariff portfolio & brand appeal

## Q1 23 Mobile

**+368k**

Postpaid Net Adds

**1.0%**

O<sub>2</sub> Postpaid Churn

**+0.5% yoy**

O<sub>2</sub> Postpaid ARPU



## Q1 23 Fixed

**+25k**

Fixed Net Adds

**0.9%**

Fixed Churn

**+5.5% yoy**

Fixed ARPU

# Solid OIBDA growth supported by enhanced MSR quality

## Free Cashflow with usual back-end loaded profile

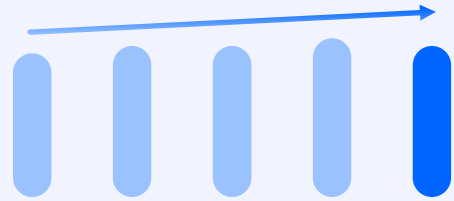
### Q1 23 OIBDA<sup>1</sup>

**+1.7%**  
yoy

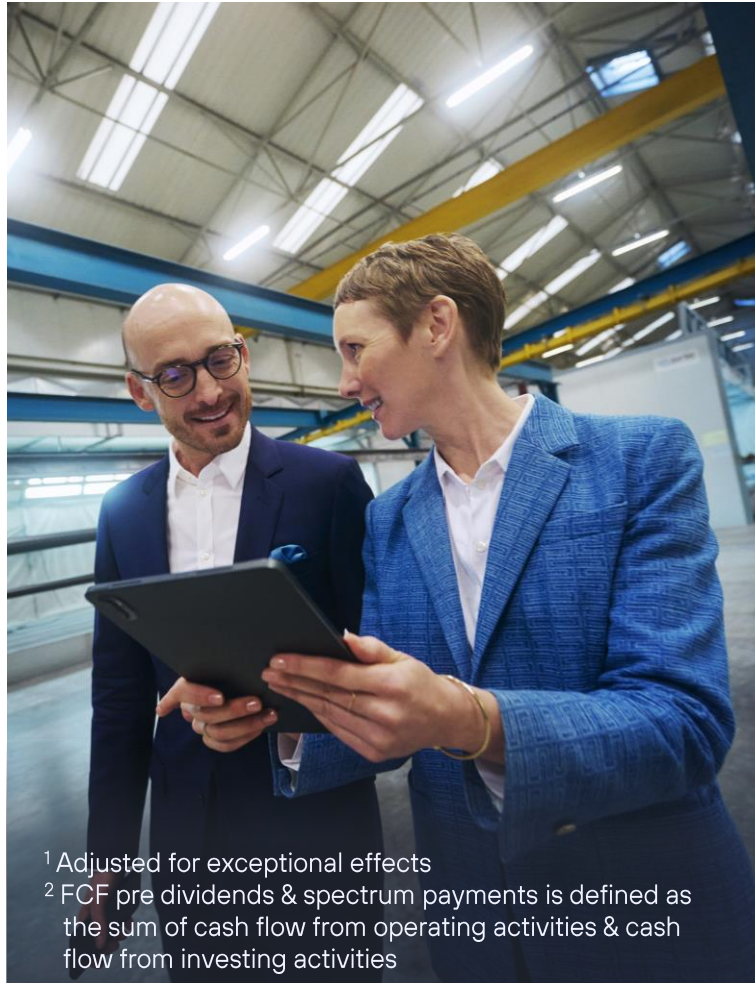
**29.1%**  
Margin

EURm

602 629 642 667 **612**



Q1 Q2 Q3 Q4 **Q1**  
2022 **2023**



### YTD Free Cashflow

**611 EURm**  
OIBDA

**246 EURm**  
CAPEX

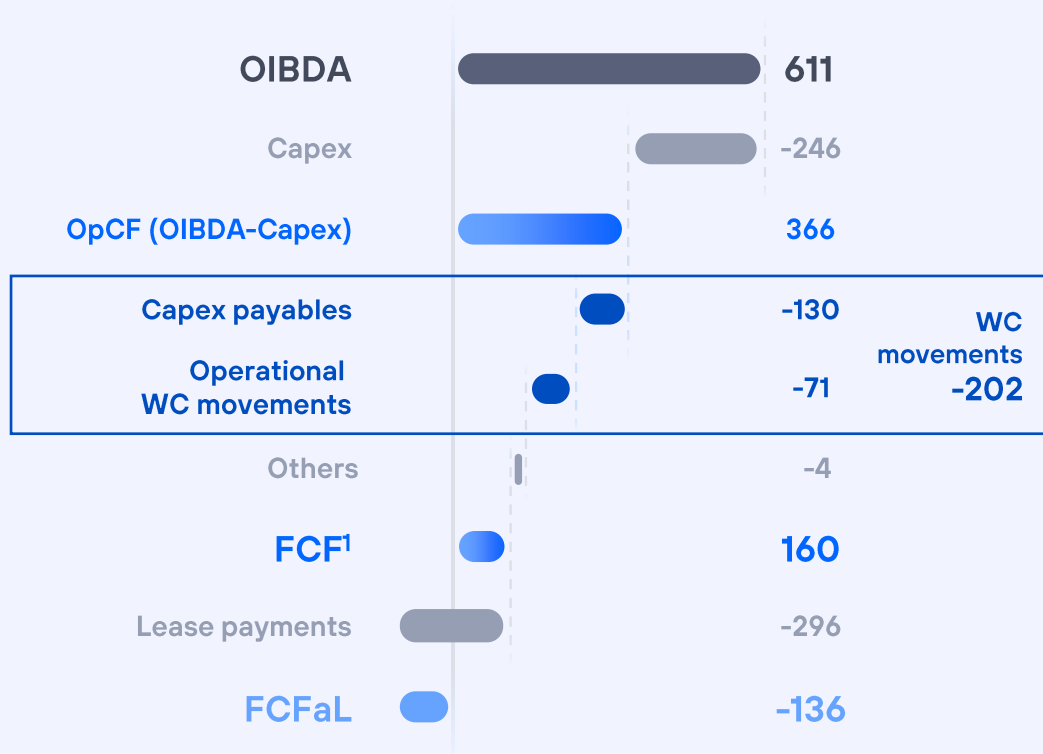
**160 EURm**  
FCF<sup>2</sup>

**-136 EURm**  
FCFaL

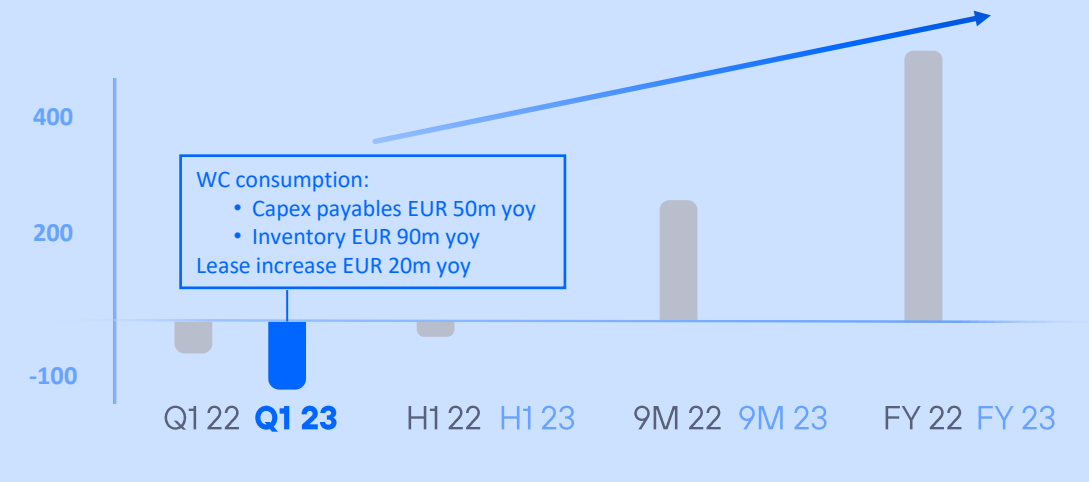
# Back-end loaded FCFaL profile driven by capex payables, inventory & leases

## Strong balance sheet

### Q1 23 FCF (EURm)



### Back-end loaded FCFaL profile (EURm)



### Net Debt (EURm)

**3,272**  
Leverage 1.3x

### FitchRatings

**BBB**  
Stable Outlook



# Building the best Telefónica Deutschland

## Key take-aways

### Strong network progress

Targeting ~90% coverage by YE23  
Nationwide latest by YE25



### Extending ESG leadership

Promoting a sustainable  
digital future

### Growing top-line & OIBDA

Core business momentum  
with focus on FCF generation

### Q1 results well on track for FY23 outlook

Strong commercial momentum

### Sustained MSR growth

Driven by core business strength

# Thank You Management Q&A



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CEO



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Thank You  
We look forward  
to your feedback



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**Telefónica Deutschland**  
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