

Interim results Q3 2022

3 November 2022



Markus Haas
CEO



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Interim results
Strategic Update



Markus Haas
CEO

Focused strategy execution results in FY22 outlook upgrade

Increasing MSR market share to >32%

Strategy Execution



Mobile Growth

Gaining MSR market share



B2B Attack

Driving client momentum in SME



Smart Bundling

Increasing household penetration & convergence



ESG leadership

Executing ambitious Responsible Business Plan 2025



Achieved strong 9M 22 results – continued profitable growth

Sustained commercial traction & financial performance

Customers

+965k

Postpaid Net Adds

1.1%

O₂ Postpaid Churn

Strong NPS

O₂ Brand



Financials

+5.7%

Revenues

+4.8%

OIBDA¹

14.9%

C/S

¹ Adjusted for exceptional effects

Capturing future growth opportunities supported by more-for-more offers

First initiatives - O₂ Grow tariff & 1 Gbit/s cable offer

O₂ can do

Leverage O₂ brand & enhanced 5G network across entire sales funnel

- Brand Awareness
Game Changer
- Product Awareness
5G Network
- Trade
5G Hardware



Growth

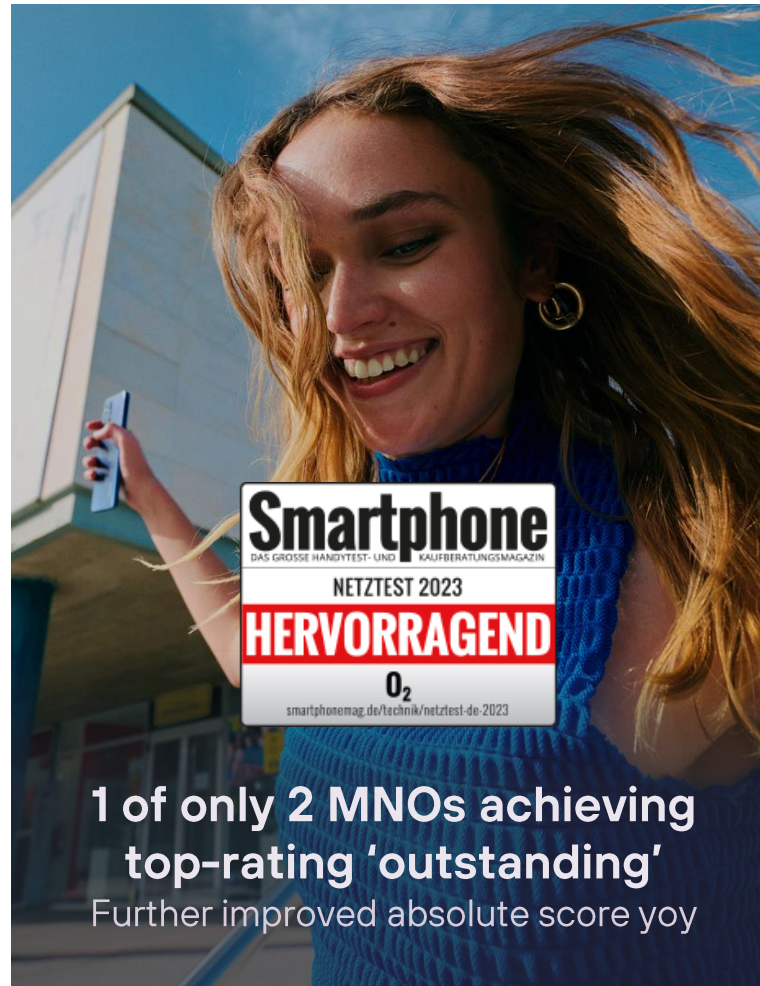
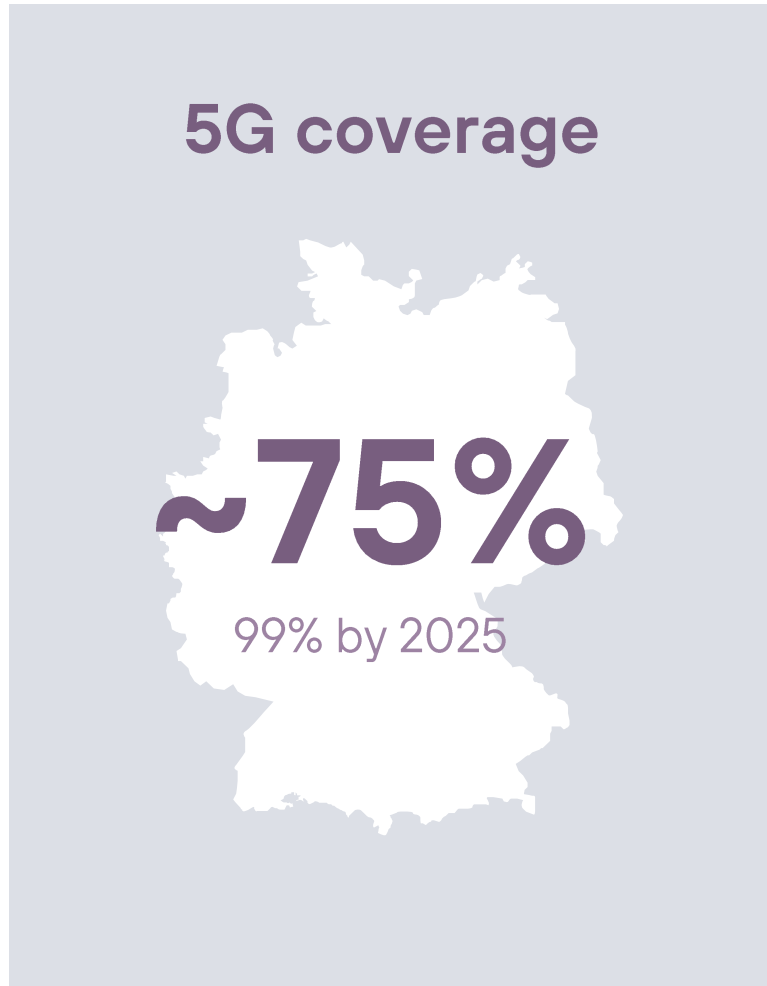
Drive **profitable** growth through more-for-more strategy

O₂ Grow
40GB+

O₂ my Home XXL
1 Gbit/s

'Outstanding' network rating on the back of excellent network expansion

5G pop coverage of ~75% achieved within unchanged Capex envelope



3-year energy savings programme

~20%
gross energy savings¹
by FY26

AI-supported network standby
Network modernisation
Cloudification

¹ compared to FY21

Leveraging leading ESG position for a sustainable future

Focused execution of Responsible Business Plan 2025

Responsible Business Plan 2025

Shaping
sustainable digitalisation
and transformation
of future economy
and society



Achievements

Signing of long-term PPA
Direct sourcing of green energy

Support for Ukraine
Donation of network equipment

Social programmes
Digital guide for kids

Upgrading FY22 Outlook

Supported by strong 9M 22 results

H1 updated FY22 Outlook

Low single digit % growth
incl. regulatory headwinds of 70-80 EURm

Low to low mid-single digit % growth w/ margin expansion
incl. regulatory headwinds of 15-20 EURm

14 – 15%

Revenues

OIBDA¹

C/S

Upgraded FY22 Outlook

Low mid-single digit % growth
incl. regulatory headwinds of 70-80 EURm

Low mid-single digit % growth w/ margin expansion
incl. regulatory headwinds of 15-20 EURm

14 – 15%

¹ Adjusted for exceptional effects

Interim results
Financial Update



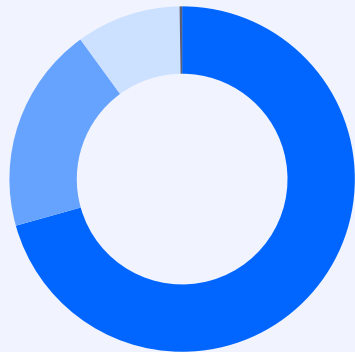
Markus Rolle
CFO

Strong revenue growth

Ongoing MSR momentum driven by core business

Q3 22 Revenues

+6.0%
2,085 EURm



● MSR ● Handsets ● Fixed ● Other



Growth

+3.7%
MSR

+18.9%
Handsets

+1.6%
Retail FBB

Sustained commercial traction

O₂ brand as key driver

Mobile

+304k

Postpaid Net Adds

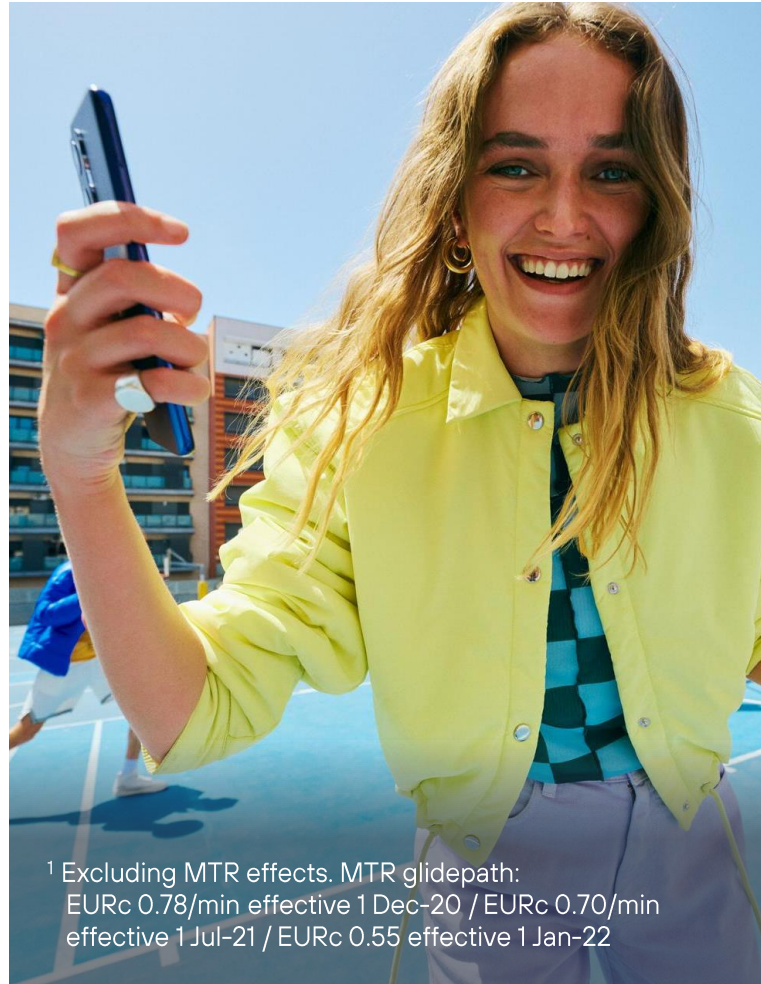
1.2%

O₂ Postpaid Churn

-1.3% yoy

O₂ Postpaid ARPU

Underlying¹ ARPU -0.7% yoy



¹ Excluding MTR effects. MTR glidepath:
EURc 0.78/min effective 1 Dec-20 / EURc 0.70/min
effective 1 Jul-21 / EURc 0.55 effective 1 Jan-22

Fixed

+19k

Fixed Net Adds

1.1%

Fixed Churn

+3.3% yoy

Fixed ARPU

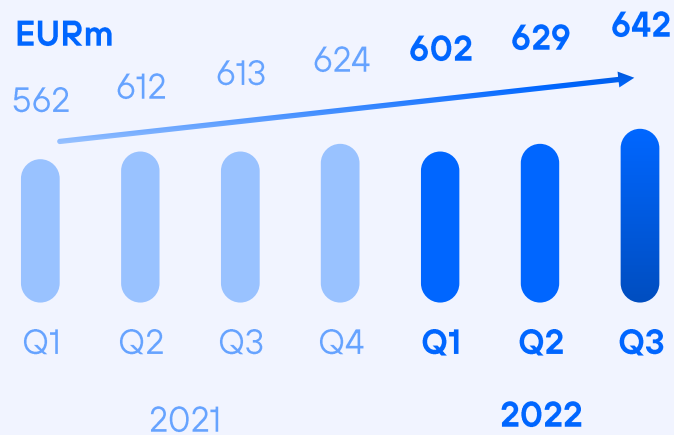
MSR & efficiency gains driving steady OIBDA growth

Improved Free Cashflow following usual back-end loaded seasonality

Q3 22 OIBDA¹

+4.7%
yoy

30.8%
Margin



¹ Adjusted for exceptional effects

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

Free Cashflow

1,867 EURm
OIBDA YTD

902 EURm
CAPEX YTD

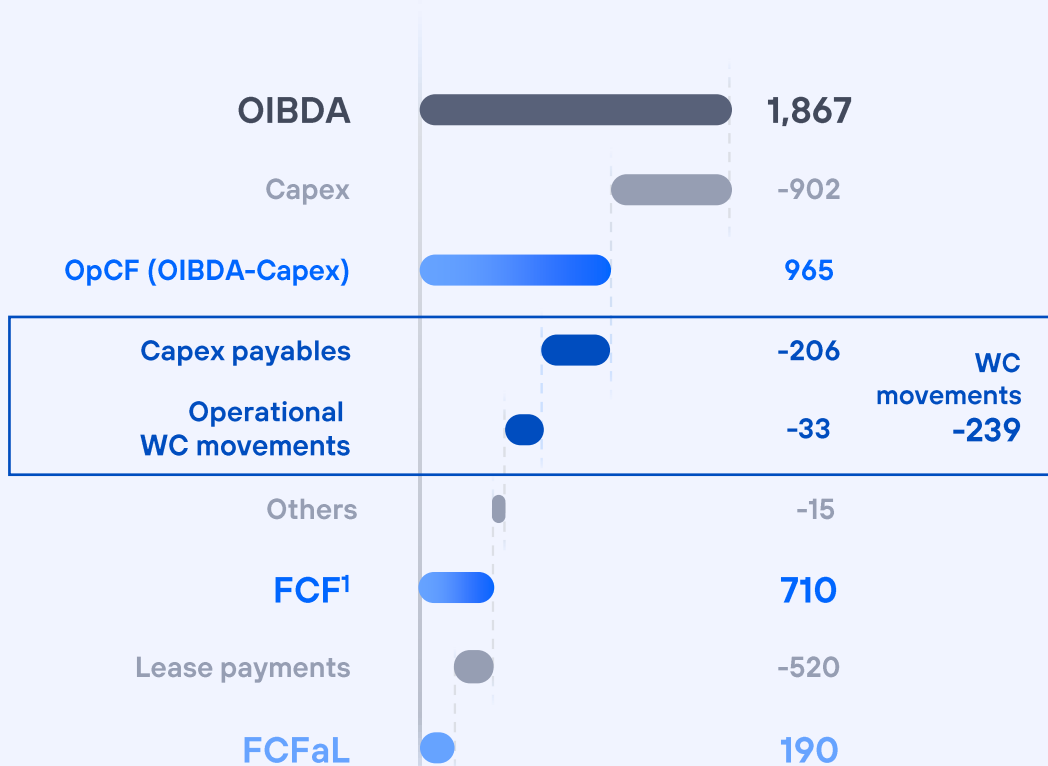
710 EURm
FCF² YTD

190 EURm
FCFaL YTD

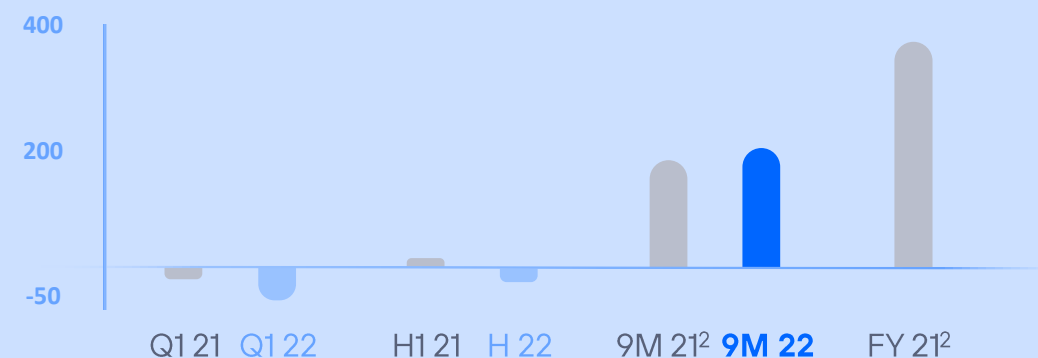
Healthy FCF generation during investment phase w/ strong balance sheet

FCFaL positive with back-end loaded profile

FCF 9M 22 (EURm)



Back-end loaded FCFaL profile (EURm)



Net Debt (EURm)

3,410
Leverage: 1.4x

FitchRatings

BBB
Stable Outlook

FY22 outlook upgrade on back of strong 9M 22 results

Key take-aways

~75% 5G pop coverage

Faster network rollout through increased efficiencies



Delivering on ESG commitments

Promoting a sustainable digital future

Growing OIBDA operational leverage & efficiency gains

Well on track for strong FCF generation



Upgrading FY22 revenue & OIBDA outlook

Supported by strong 9M 22 results

Continuing revenue growth path

Sustained MSR momentum on core business strength

Thank You Management Q&A



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Thank You
We look forward
to your feedback



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