# Vodafone Spain results
# Half-year 2026

November 25th, 2025

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# Customer and cash flow growth continues

| Q2 26 | H1 26 |
|---|---|
| **Broadband lines** +17k | **Broadband lines** +24k |
| **Mobile contract lines** +54k | **Mobile contract lines** +93k |
| **EBITDA** €474 mn (+11% yoy) | **EBITDA** €916 mn (+9% yoy) |
| **EBITDAaL** €349 mn (+10% yoy) | **EBITDAaL** €664 mn (+8% yoy) |
| **Cash Flow** (1) €210 mn (+20% yoy) | **Cash Flow** (1) €411 mn (+30% yoy) |

**Highlights**

**Customer base growth continues in the quarter:**

- Continued investment in the customer drives sales growth
- *Back-to-school* campaign drives commercial activity
- Churn levels continue to decrease

**Cost efficiencies continue to drive cash flow growth:**

- Business transformation across the organisation
- EBITDAaL margin at 39% in Q2 26 (vs 35% in Q2 25)
- Quarterly Cash Flow margin grows to 23% in Q2 26 (vs 19% in Q2 25)

**FibreCo processes well advanced:**

- PremiumFiber: 12% stake sold to GIC (€1.4bn upfront proceeds)
- Fiberpass: up & running and monetisation process well advanced

*(1): Cash Flow refers to EBITDAaL - Capex*

# Customer base continues to grow in broadband and mobile

**Commercial initiatives enhance the customer proposition…**

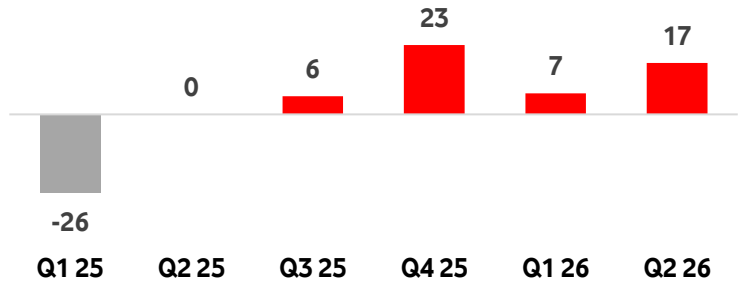
- ✓ New offers drive the *back-to-school* campaign
- ✓ Enhanced content offer
- ✓ Addition of TV services to Lowi
- ✓ Launch of SAC transformation program & SalesCo

**… and drive customer growth trends…**

- ✓ Broadband lines +53k since Zegona acquisition
- ✓ Contract mobile lines +119k since Zegona acquisition
- ✓ Prepaid net adds increase +191k in the quarter
- ✓ Positive customer net adds for third consecutive quarter
- ✓ 3P and 4P convergent sales +14% yoy in Q2 26

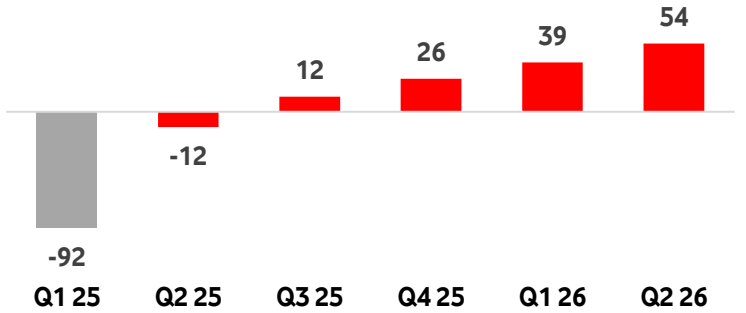
**Broadband lines (1)**

*Net adds 000s*




**Contract mobile lines (1)**

*Net adds 000s*

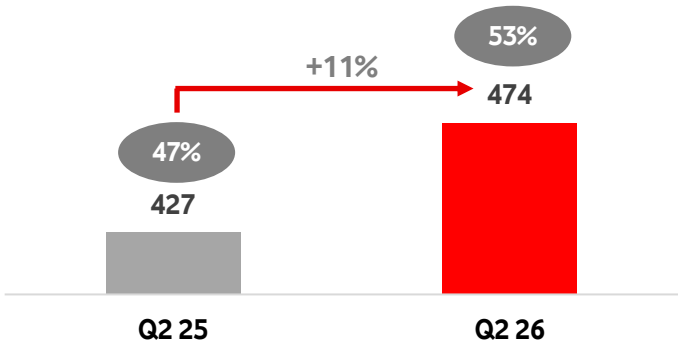


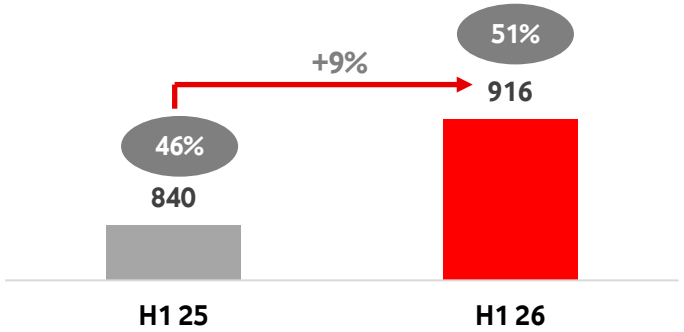

*(1): Numbers excluding Finetwork in all quarters for comparative purposes; Zegona closed the acquisition of Vodafone Spain on May 31st, 2024. 9M to March is considered as the period Zegona managed Vodafone Spain during FY25 for illustrative purposes.*

# Cost reduction initiatives continue to drive profit improvement

## EBITDA

*€mn*

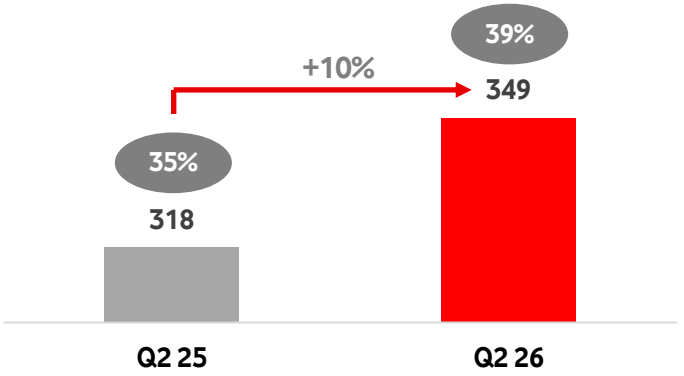


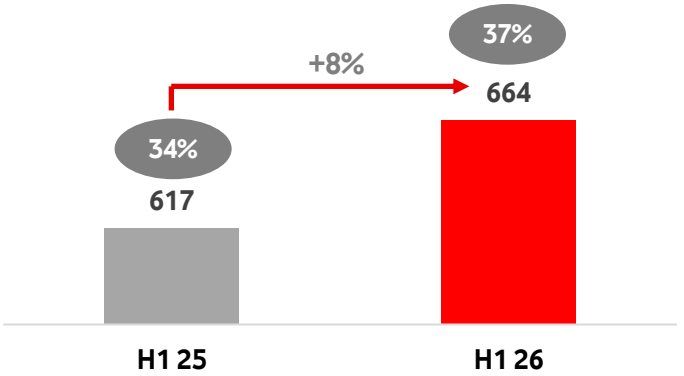




*: Margin over revenues*

## EBITDAaL

*€mn*

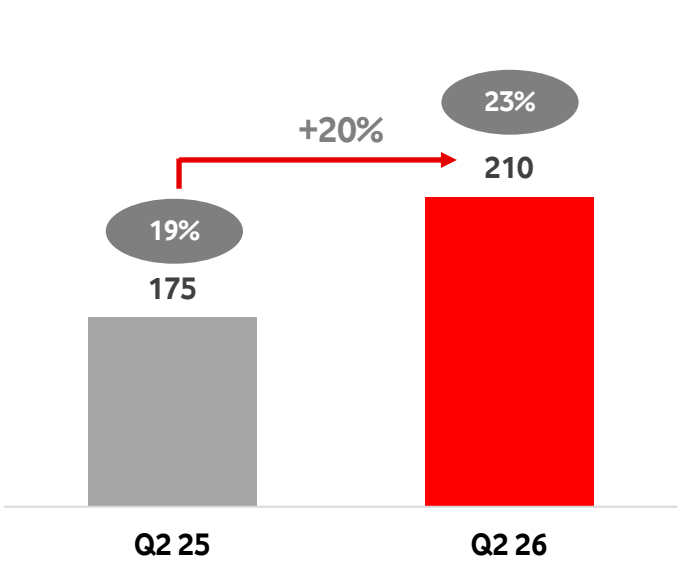


# Significant increase in operational cash flow

## Cash flow (EBITDAaL – Capex)

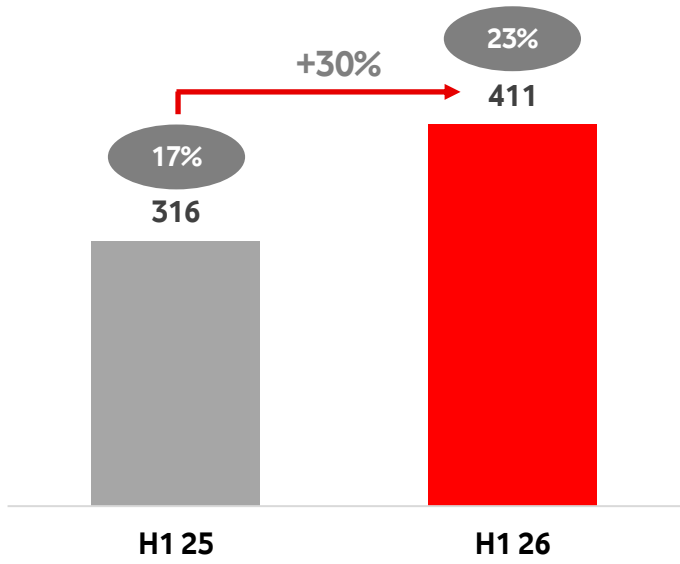
*€mn*




*: Margin over revenues*

## Cash flow (EBITDAaL – Capex)

*€mn*



# Levered FCF powered by cash flow growth and declining interest costs

## Levered FCF growth potential

### Significant increase in operational cash flow

- €210mn in Q2 26 (23% margin), +20% yoy
- H1 26 cash flow at €411mn, +30% yoy

### Neutral working capital

- Payment terms a key element of contract renegotiations
- Enterprise sales collections an important focus

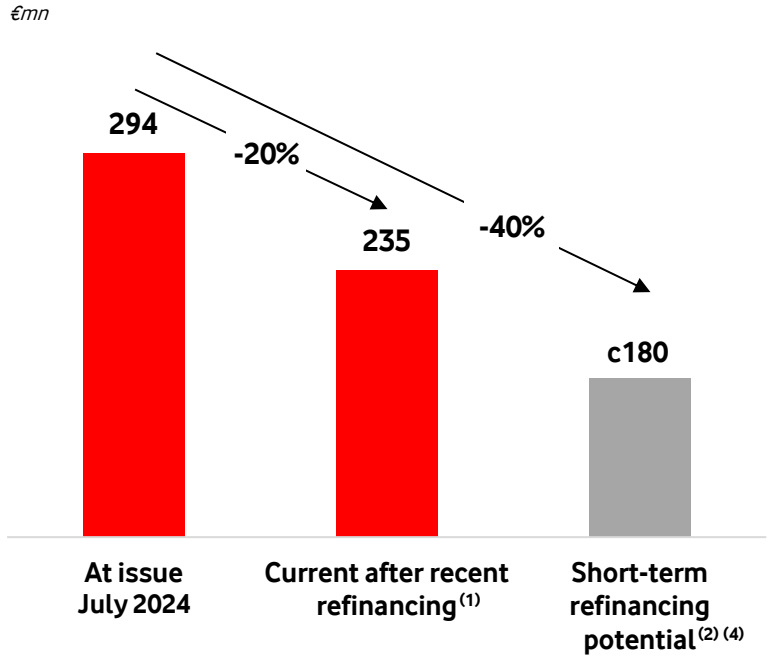
### Declining interest costs driven by refinancing potential

- TLA refinanced, TLB cost down to Euribor + 275bp (1)
- €150mn bond issued at 4.3% yield (1)
- >€55mn pa further potential savings as bonds become callable (2)

### Limited cash tax

- The company does not currently pay tax
- >€5bn of historic net operating losses

**Debt cost: interest annual run-rate (3)**




*(1): €500mn TLA and 10% of senior secured notes repaid via a €575mn TLB add-on and €150mn tap of EUR senior notes at a 4.3% yield (July 25). TLB margin down to 275bp via margin ratchet.*
*(2): €2.1bn of Senior EUR and USD Notes become callable from July 26. Potential to refinance EUR and USD senior notes at market prices. EUR notes trade at a 3.75% yield (YTW) as per 14/11/25.*
*(3): Cost of debt includes debt interest minus interest on cash.*
*(4): Assumes no change in gross debt amount of €3.9bn. Assumes refinancing of bonds at current market rates.*

# FibreCos create a 100% FTTH network and drive shareholder returns

**Future-proof 100% FTTH network:**

- ✓ Delivers market-leading propositions, maximizing acquisition and retention
- ✓ Offers competitive pricing, as attractive MSA pricing is offset by savings
- ✓ A single technology simplifies operations and delivers efficiencies
- ✓ Enhances the focus on driving wholesale growth

**Upfront proceeds to drive shareholder returns:**

- ✓ Optimises the capital structure, delivering significant shareholder value
- ✓ Well positioned for shareholder friendly capital allocation

**MasOrange FibreCo**

premium fiber

| | |
|---|---|
| Operational | Dec. 2025 |
| Financial investor | GIC |
| Upfront proceeds | €1.4bn |

**Telefónica FibreCo**

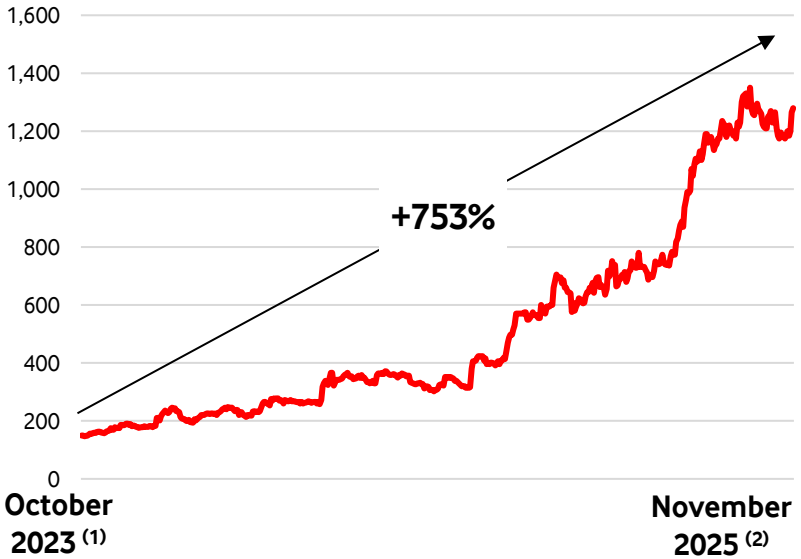
fiberpass

| | |
|---|---|
| Operational | March 2025 |
| Monetisation | Well advanced |

# Increase in the Company's valuation underpinned by strong KPIs

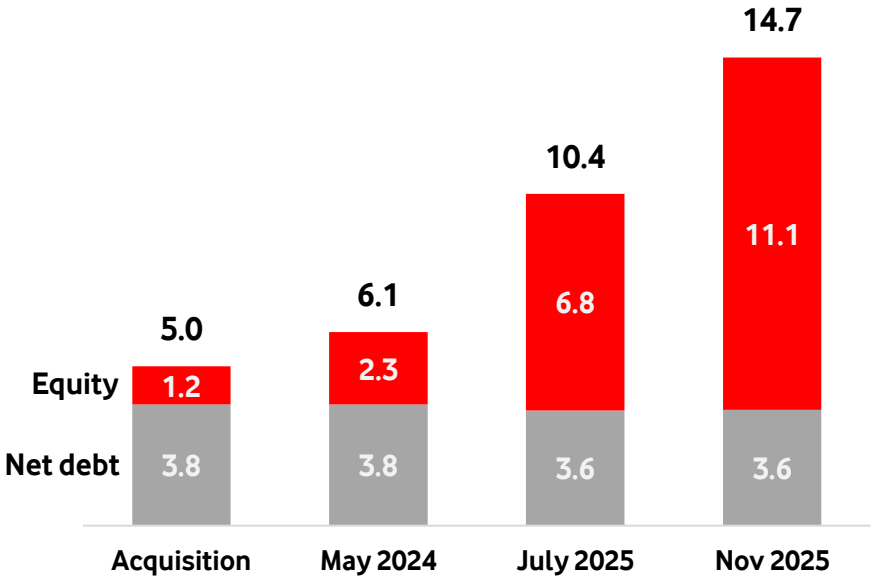
## Zegona's share price

*GBPp / share*




## Vodafone Spain's enterprise value (3)

*€bn*




*(1): October 2023 when Zegona announced the acquisition of Vodafone Spain and GBP1.50 per share capital raise.*
*(2): As of November 21st, 2025.*
*(3): Vodafone Spain is Zegona's only operating asset. Vodafone Spain's valuation implied from Zegona's market capitalisation.*

# Transformation on track

1. Business transformation delivers customer growth and margin expansion
2. Cost reduction programme drives strong cash flow generation
3. FibreCos deliver a future-proof 100% FTTH network and upfront proceeds
4. Company well positioned for shareholder friendly capital allocation
5. Increase in the Company's valuation underpinned by strong KPIs

Together we can

# Operational & Financial information

| Vodafone Spain | Q1 25 | Q2 25 | Q3 25 | Q4 25 | FY 25 | Q1 26 | Q2 26 |
|---|---|---|---|---|---|---|---|
| **Operational KPIs** | | | | | | | |
| EoP 000s | | | | | | | |
| **Broadband lines** | **2,534** | **2,534** | **2,540** | **2,563** | **2,563** | **2,570** | **2,587** |
| **Mobile lines** | **12,450** | **12,520** | **12,492** | **12,438** | **12,438** | **12,519** | **12,763** |
| o/w Contract | 10,031 | 10,019 | 10,031 | 10,057 | 10,057 | 10,096 | 10,150 |
| **Financial KPIs** | | | | | | | |
| €mn | | | | | | | |
| **Revenues** | **916** | **903** | **913** | **897** | **3,629** | **895** | **895** |
| **EBITDA** | **413** | **427** | **431** | **428** | **1,699** | **442** | **474** |
| % revenues | 45.0% | 47.3% | 47.2% | 47.7% | 46.8% | 49.4% | 53.0% |
| **EBITDAaL** | **299** | **318** | **320** | **312** | **1,249** | **316** | **349** |
| % revenues | 32.6% | 35.3% | 35.0% | 34.8% | 34.4% | 35.3% | 39.0% |
| **Capex** | **158** | **144** | **145** | **178** | **625** | **115** | **139** |
| % revenues | 17.3% | 15.9% | 15.9% | 19.9% | 17.2% | 12.8% | 15.6% |
| **EBITDAaL - Capex** | **141** | **175** | **175** | **134** | **625** | **201** | **210** |
| % revenues | 15.4% | 19.4% | 19.1% | 15.0% | 17.2% | 22.4% | 23.4% |

# Debt & interest cost information

| As of September 30th, 2025 | Debt principal | Debt cost | Comments |
|---|---|---|---|
| €mn | | | |
| Term Loan A | 0 | | Refinanced in July 2025 with the upsize of the EUR TLB |
| EUR Term Loan B | 1,865 | Euribor+2.75% | Upsized and repriced in July 2025 |
| USD Term Loan B | 0 | | Refinanced in February 2025 with the upsize of the EUR TLB |
| EUR Senior Notes | 1,320 | 6.750% | 10% repaid and €150mn tap issued at 4.3% yield (July 25). Potential to refinance at market rates (2). |
| USD Senior Notes(1) | 748 | 8.625% | 10% repaid in July 25. Potential to repay with EUR Senior Notes (2). |
| **Gross Debt** | **3,933** | | |
| **Cash** | **303** | | Assumes 2.0% interest is paid on cash. |
| **Net Debt** | **3,630** | **c235** | |
| **Leases** | **1,022** | | |
| **Net Debt / L2QA EBITDA** | **2.54x** | | |
| **Net Debt / L2QA EBITDAaL** | **2.73x** | | |

*(1): USD debt is hedged to Euros. Euro amount shown in the table. EUR swapped coupon on the USD Senior Notes is 7.38%.*
*(2) : EUR and USD Senior Notes become callable in July 2026. EUR Senior Notes currently trading at a 3.75% yield (yield to worst as per 14/11/2025).*