

TELEFÓNICA

ACCESSES

Unaudited figures (thousands)

	2014				2015		% Chg
	March	June	September	December	March	June	
Final Clients Accesses	283.012,7	285.331,4	285.237,0	309.800,5	312.635,8	323.021,6	13,2
Fixed telephony accesses (1) (2)	37.382,1	37.326,1	37.103,9	36.602,0	36.219,8	40.164,5	7,6
Internet and data accesses	18.105,5	18.151,4	18.150,3	18.132,5	18.195,7	21.229,3	17,0
Broadband (3)	17.569,1	17.625,9	17.640,2	17.649,3	17.704,7	20.754,8	17,8
Fibre (4)	975,9	1.181,6	1.447,1	1.755,0	2.062,6	5.444,4	n.m.
Mobile accesses	223.958,0	225.662,0	225.332,8	249.978,9	252.753,8	253.597,5	12,4
Prepay	150.854,2	150.750,4	149.877,0	164.959,2	166.813,7	166.636,1	10,5
Contract	73.103,9	74.911,6	75.455,7	85.019,6	85.940,1	86.961,4	16,1
M2M	6.269,0	6.665,1	6.841,4	7.595,5	8.029,0	8.447,4	26,7
Pay TV (5)	3.567,1	4.191,9	4.650,0	5.087,2	5.466,5	8.030,3	91,6
Wholesale Accesses	6.327,7	6.438,6	6.585,6	6.521,6	6.475,7	6.401,0	(0,6)
Total Accesses	289.340,3	291.770,0	291.822,5	316.322,1	319.111,5	329.422,6	12,9

Notes:

- T. Ireland accesses are excluded from the third quarter of 2014. E-Plus accesses are consolidated from the fourth quarter of 2014 and GVT and DTS accesses are consolidated from 1 May 2015.

- O2 UK accesses are excluded from the first quarter of 2014 as a result of the discontinuation of the operation.

(1) Includes fixed wireless and VoIP accesses.

(2) From 1 May 2015 4.3 million GVT accesses are included.

(3) Includes ADSL, satellite, fiber, cable modem and broadband circuits.

(4) From 1 May 2015 3.2 million GVT fibre accesses (FTTN) are included.

(5) From 1 May 2015 1.4 million DTS accesses and 1.0 million GVT accesses are included.

TELEFÓNICA

MOBILE ACCESSES

Unaudited figures (thousands)

	2014				2015		% Chg
	March	June	September	December	March	June	
Prepay percentage (%)	67,4%	66,8%	66,5%	66,0%	66,0%	65,7%	(1,1 p.p.)
Contract percentage (%)	32,6%	33,2%	33,5%	34,0%	34,0%	34,3%	1,1 p.p.
Smartphones ('000)	58.340,2	63.670,7	71.447,1	79.027,7	91.431,1	99.184,0	55,8
Prepay	25.660,8	29.208,1	35.349,2	36.539,6	46.368,5	51.139,4	75,1
Contract	32.679,4	34.462,6	36.097,9	42.488,1	45.062,5	48.044,6	39,4
Smartphone penetration (%)	27,7%	30,0%	33,7%	33,6%	38,3%	41,4%	11,4 p.p.
Prepay	17,2%	19,6%	23,8%	22,4%	28,0%	30,9%	11,4 p.p.
Contract	53,2%	54,8%	56,8%	59,2%	61,4%	64,8%	10,0 p.p.
LTE ('000)	2.758,5	3.982,1	5.505,8	9.830,7	14.059,4	18.571,7	n.m.
LTE penetration (%)	1,3%	1,8%	2,5%	4,1%	5,7%	7,6%	5,8 p.p.

Notes:

- T. Ireland accesses are excluded from the third quarter of 2014. E-Plus accesses are consolidated from the fourth quarter of 2014 and GVT and DTS accesses are consolidated from 1 May 2015.

- O2 UK accesses are excluded from the first quarter of 2014 as a result of the discontinuation of the operation.

TELEFÓNICA
CONSOLIDATED INCOME STATEMENT
Unaudited figures (Euros in millions)

	January - June		% Chg		April - June		% Chg	
	2015	2014	Reported	Organic	2015	2014	Reported	Organic
Revenues	23.419	20.817	12,5	3,9	11.876	10.566	12,4	4,4
Internal exp. capitalized in fixed assets	359	292	23,2	16,0	189	150	26,4	13,4
Operating expenses	(16.610)	(14.477)	14,7	4,2	(8.425)	(7.353)	14,6	4,4
Supplies	(6.292)	(5.580)	12,8	2,2	(3.233)	(2.847)	13,6	2,5
Personnel expenses	(3.316)	(2.943)	12,7	4,3	(1.682)	(1.489)	13,0	3,6
Other operating expenses	(7.002)	(5.953)	17,6	6,1	(3.509)	(3.016)	16,3	6,6
Other net income (expense)	63	143	(55,5)	(62,1)	33	92	(63,9)	(69,5)
Gain (loss) on sale of fixed assets	89	49	82,5	c.s.	28	10	n.m.	n.m.
Impairment of goodwill and other assets	(1)	2	c.s.	c.s.	0	1	(64,0)	(41,5)
Operating income before D&A (OIBDA)	7.320	6.825	7,2	2,9	3.702	3.467	6,8	3,3
OIBDA Margin	31,3%	32,8%	(1,5 p.p.)	(0,3 p.p.)	31,2%	32,8%	(1,6 p.p.)	(0,3 p.p.)
Depreciation and amortization	(4.252)	(3.491)	21,8	4,6	(2.145)	(1.722)	24,5	7,4
Operating income (OI)	3.068	3.334	(8,0)	0,6	1.557	1.744	(10,8)	(1,7)
Share of profit (loss) of investments accounted for by the equity method	(4)	(54)	(93,4)		(0)	(58)	(99,9)	
Net financial income (expense)	(1.129)	(1.234)	(8,5)		(485)	(555)	(12,6)	
Profit before taxes from continuing operations	1.935	2.047	(5,5)		1.071	1.131	(5,3)	
Corporate income tax	(71)	(230)	(69,2)		314	54	n.m.	
Profit for the period from continuing operations	1.864	1.817	2,6		1.385	1.185	16,9	
Profit for the period from discontinued operations	1.841	181	n.m.		537	88	n.m.	
Profit for the period	3.705	1.997	85,5		1.922	1.272	51,1	
Non-controlling interests	(12)	(199)	(94,0)		(31)	(163)	(80,9)	
Net Income	3.693	1.798	105,4		1.891	1.110	70,4	
Weighted average number of ordinary shares outstanding during the period (millions)	4.755	4.596	3,5		4.860	4.580	6,1	
Continuing operations earnings per share (euros)	0,36	0,33	8,6		0,26	0,21	24,6	
Discontinued operations earnings per share (euros)	0,39	0,04	n.m.		0,11	0,02	n.m.	
Basic earnings per share (euros)	0,75	0,37	100,9		0,37	0,23	62,1	

Notes:

- For comparative purposes, the quarterly data for 2014 are reported adjusting the exchange rate in Venezuela from SICAD I to SICAD II 50 VEF/USD for the Telefónica Group, Hispanoamérica and Venezuela and Central America following the adoption of SICAD II 50 VEF/USD in the fourth quarter of 2014. The January-March 2015 consolidated financial statements use the exchange rate of the Venezuelan bolívar set at the denominated SIMADI, (as of 30 June, this rate was set at 197 Venezuelan bolívares fuertes per dollar).

- From the first quarter of 2015 Telefónica's operations in the United Kingdom are reported as discontinued operations within the Telefónica Group and their assets and liabilities are classified as "held for sale", in compliance with the IFRS, as a result of the signing of the definitive sale agreement of the company in March 2015. For comparative purposes, 2014 results are reported using these same criteria.

- 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. On the other hand, the denominator is retrospectively adjusted for transactions that have changed the number of shares outstanding without a corresponding change in equity (as if such transactions had occurred at the beginning of the earliest period presented). For instance, the bonus share issue carried out to meet the scrip dividends paid in 2014, has been taken into account. Also, the ordinary shares that would be issued upon the conversion of the mandatorily convertible notes issued on 24 September 2014 are included in the calculation of earnings per share from that date.

- Continuing operations earnings per share ratio is calculated dividing profit for the period from continuing operations, adjusted for the net coupon corresponding to "Other equity instruments", by the weighted average number of ordinary shares outstanding during the period.

- Discontinued operations per share ratio is calculated dividing profit for the period from discontinued operations by the weighted average number of ordinary shares outstanding during the period.

- Basic earnings per share ratio is calculated dividing Net Income, adjusted for the net coupon corresponding to "Other equity instruments", by the weighted average number of ordinary shares outstanding during the period.

- 2014 and 2015 reported figures include hyperinflationary adjustments in Venezuela in both years.

- Group consolidated results consolidate GVT and DTS' results from 1 May 2015, consolidate E-Plus' results from the fourth quarter 2014 and deconsolidate Telefónica Ireland's results from the third quarter 2014.

TELEFÓNICA
GUIDANCE 2015

Bases 2014		Previous Operative Guidance 2015 (Feb-2015)	Upgraded Operative Guidance 2015 (Jul-2015)	Previous criteria	
				2015	
				Jan-Mar	Jan-Jun
42,794	Revenues (% Chg YoY)	Growth > 7%	Growth > 9.5%	8,8%	9,4%
32,7%	OIBDA margin (Chg YoY)	Limited erosion of around 1 p.p. y-o-y (to allow for commercial flexibility if needed)	Limited erosion of around 1.2 p.p. y-o-y (to allow for commercial flexibility if needed)	(1,0 p.p.)	(0,9 p.p.)
16,7%	CapEx / Sales	Around 17%	Around 17%	13,3%	14,8%
		Financial Guidance 2015 (unchanged)			
	Net financial debt / OIBDA	Net financial debt / OIBDA < 2.35x		2.13x	2,35x

- Previous guidance criteria 2015: Assumes constant exchange rates as of 2014 (average FX in 2014). Excludes O2 UK and T. Venezuela. In addition OIBDA excludes write-offs, capital gains/losses from companies' disposals, towers sales, material non-recurring impacts and restructuring charges mainly related to the integration processes in Germany and Brazil and the simplification programme. Additionally, CapEx excludes investment in spectrum and the real estate efficiency plan. GVT results are included from July 2015.

- Upgraded guidance criteria 2015: Assumes constant exchange rates as of 2014 (average FX in 2014). Excludes O2 UK and T. Venezuela. In addition OIBDA excludes write-offs, capital gains/losses from companies' disposals, towers sales, material non-recurring impacts and restructuring charges mainly related to the integration processes in Germany and Brazil and the simplification programme. Additionally, CapEx excludes investment in spectrum and the real estate efficiency plan. GVT and DTS results are included from May 2015.

2014 adjusted bases exclude:

- OIBDA excludes additionally tower sales and the provision for restructuring charges.

- CapEx excludes additionally investment in spectrum, the real estate efficiency plan and the investment in Telefónica's Headquarters in Barcelona.

2014 adjusted bases include:

- E-Plus consolidated in T. Deutschland since the fourth quarter of 2014.

- Ireland in January-June 2014.

Financial guidance criteria 2015:

- Net financial debt / OIBDA adjusted for the O2 UK sale.

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

	January - June		% Chg		April - June		% Chg	
	2015	2014	Reported	Organic	2015	2014	Reported	Organic
Revenues	5.844	5.992	(2,5)	(2,5)	2.966	3.000	(1,1)	(1,1)
Revenues ex-handset revenues	5.550	5.675	(2,2)	(2,2)	2.799	2.824	(0,9)	(0,9)
Wireless Business	2.131	2.299	(7,3)	(7,3)	1.108	1.144	(3,2)	(3,2)
Mobile service revenues	1.838	1.982	(7,3)	(7,3)	940	968	(2,8)	(2,8)
Data revenues	771	750	2,8	2,8	395	373	6,1	6,1
Handset revenues	294	317	(7,4)	(7,4)	167	176	(5,1)	(5,1)
Wireline Business	4.305	4.184	2,9	2,9	2.185	2.105	3,8	3,8
FBB and new services (1)	2.345	2.112	11,0	11,0	1.196	1.073	11,5	11,5
Voice & access revenues	1.552	1.818	(14,6)	(14,6)	773	897	(13,8)	(13,8)
Other	407	253	60,7	60,7	215	134	60,0	60,0
Internal expenditure capitalized in fixed assets	170	151	12,5	12,5	82	75	9,1	9,1
Operating expenses	(3.488)	(3.469)	0,6	0,6	(1.753)	(1.755)	(0,1)	(0,1)
Supplies	(1.246)	(1.236)	0,8	0,8	(641)	(649)	(1,2)	(1,2)
Personnel expenses	(1.109)	(1.057)	5,0	5,0	(552)	(531)	3,9	3,9
Other operating expenses	(1.133)	(1.176)	(3,7)	(3,7)	(559)	(575)	(2,7)	(2,7)
Other net income (expense)	(0)	14	c.s.	c.s.	(5)	8	c.s.	c.s.
Gain (loss) on sale of fixed assets	72	56	29,1	n.m.	26	13	n.m.	n.m.
Impairment of goodwill and other assets	(0)	0	c.s.	c.s.	(0)	1	c.s.	c.s.
Operating income before D&A (OIBDA)	2.598	2.745	(5,3)	(4,9)	1.316	1.342	(1,9)	(1,3)
OIBDA Margin	44,5%	45,8%	(1,4 p.p.)	(1,1 p.p.)	44,4%	44,7%	(0,4 p.p.)	(0,1 p.p.)
CapEx	887	703	26,2	19,2	473	436	8,6	2,4
Spectrum	49	-	n.m.		27	-	n.m.	
OpCF (OIBDA-CapEx)	1.711	2.042	(16,2)	(13,4)	843	907	(7,0)	(3,0)

Note:

- OIBDA and OI before management and brand fees.

(1) Includes FBB connectivity services (retail and wholesale), including value added services, TV services, ICT revenues and other services over connectivity.

TELEFÓNICA ESPAÑA

ACCESSES

Unaudited figures (Thousands)

	2014				2015		% Chg
	March	June	September	December	March	June	
Final Clients Accesses	35.588,4	35.702,4	35.845,3	35.836,7	35.882,6	35.591,8	(0,3)
Fixed telephony accesses (1)	10.883,9	10.715,4	10.595,2	10.447,8	10.321,9	10.126,6	(5,5)
Internet and data accesses	5.909,5	5.913,8	5.920,9	5.928,7	5.972,7	5.905,1	(0,1)
Broadband (2)	5.860,3	5.862,0	5.872,7	5.885,9	5.928,3	5.861,0	(0,0)
Fibre	701,3	861,0	1.068,9	1.316,8	1.560,3	1.720,7	99,9
Mobile accesses	18.064,7	17.863,6	17.749,7	17.575,4	17.448,6	17.330,7	(3,0)
Prepay	3.996,7	3.767,8	3.559,2	3.328,1	3.122,6	2.989,1	(20,7)
Contract	14.068,0	14.095,8	14.190,5	14.247,3	14.325,9	14.341,6	1,7
M2M	1.446,6	1.491,9	1.566,9	1.612,4	1.662,4	1.726,5	15,7
Pay TV (3)	730,3	1.209,5	1.579,4	1.884,7	2.139,5	2.229,3	84,3
Wholesale Accesses	5.150,3	5.238,0	5.309,0	5.366,0	5.333,6	5.286,7	0,9
Unbundled loops	3.910,8	3.979,1	4.034,1	4.087,3	4.007,1	3.908,6	(1,8)
Wholesale circuits and line rentals	1.239,5	1.258,9	1.274,9	1.278,7	1.326,5	1.378,1	9,5
Total Accesses	40.738,7	40.940,4	41.154,3	41.202,7	41.216,2	40.878,5	(0,2)

(1) Includes fixed wireless and VoIP accesses.

(2) Includes ADSL, satellite, fiber, cable modem and broadband circuits.

(3) From the second quarter of 2014, Pay TV accesses include 131 thousand "TV Mini" customers.

MOBILE ACCESSES

Unaudited figures (thousands)

	2014				2015		% Chg
	March	June	September	December	March	June	
Prepay percentage (%)	22,1%	21,1%	20,1%	18,9%	17,9%	17,2%	(3,8 p.p.)
Contract percentage (%)	77,9%	78,9%	79,9%	81,1%	82,1%	82,8%	3,8 p.p.
Smartphones ('000)	8.738,2	8.989,7	9.008,8	9.535,9	9.801,4	9.877,2	9,9
Prepay	567,2	590,4	442,5	404,2	365,7	351,4	(40,5)
Contract	8.171,0	8.399,3	8.566,3	9.131,7	9.435,7	9.525,8	13,4
Smartphone penetration (%)	53,6%	55,9%	56,5%	60,6%	62,8%	64,0%	8,1 p.p.
Prepay	14,2%	15,7%	12,4%	12,2%	11,7%	11,8%	(3,9 p.p.)
Contract	66,4%	68,1%	69,2%	73,5%	75,6%	76,5%	8,4 p.p.
LTE ('000)	959,2	1.205,7	1.409,6	1.792,6	2.159,0	2.554,0	n.m.
LTE penetration (%)	5,8%	7,4%	8,7%	11,2%	13,7%	16,4%	9,0 p.p.

FUSIÓN ACCESSES

Unaudited figures (thousands)

	2014				2015		% Chg
	March	June	September	December	March	June	
Fusión Customers	3.221,3	3.389,3	3.557,5	3.716,9	3.905,9	3.921,8	15,7
Fibre 100 / 300	505,3	577,1	649,2	774,8	910,3	976,3	69,2
IPTV	538,7	922,0	1.320,7	1.660,2	1.935,9	2.046,5	n.s.
Mobile add-ons	1.245,0	1.303,6	1.352,9	1.394,9	1.436,2	1.453,9	11,5

	2014				2015		% Chg
	Q1	Q2	Q3	Q4	Q1	Q2	
Fusión ARPU (EUR)	70,2	68,8	69,7	69,3	69,6	71,8	4,4
Fusión churn	1,3%	1,1%	1,0%	1,1%	0,9%	1,4%	0,4 p.p.

	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Dec	Jan-Mar	Jan-Jun	% Chg
	Fusión ARPU (EUR)	70,2	69,4	69,5	69,5	69,6	70,7
Fusión churn	1,3%	1,2%	1,1%	1,1%	0,9%	1,2%	0,0 p.p.

SELECTED OPERATIONAL MOBILE BUSINESS DATA

Unaudited figures

	2014				2015		% Chg
	Q1	Q2	Q3	Q4	Q1	Q2	
Voice Traffic (Million minutes)	8.588	8.988	8.992	9.033	8.869	9.180	2,1
Data traffic (TB)	14.058	15.197	18.295	22.278	24.874	29.826	96,3
ARPU (EUR)	16,1	16,0	16,0	15,5	15,0	15,3	(3,8)
Prepay	6,3	6,0	6,6	5,9	5,5	5,6	(6,0)
Contract (1)	21,0	20,8	20,6	20,0	19,2	19,6	(5,6)
Data ARPU (EUR)	6,9	6,9	7,1	7,1	7,2	7,6	9,2
% non-SMS over data revenues	94,8%	95,4%	94,5%	95,3%	95,5%	95,5%	0,1 p.p.
Churn	3,5%	2,0%	1,8%	1,9%	1,8%	1,6%	(0,4 p.p.)
Contract (1)	2,2%	1,7%	1,5%	1,5%	1,5%	1,4%	(0,2 p.p.)

	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Dec	Jan-Mar	Jan-Jun	% Chg
	Voice Traffic (Million minutes)	8.588	17.575	26.567	35.600	8.869	18.049
Data traffic (TB)	14.058	29.255	47.549	69.827	24.874	54.700	87,0
ARPU (EUR)	16,1	16,0	16,0	15,9	15,0	15,2	(5,0)
Prepay	6,3	6,1	6,3	6,2	5,5	5,6	(9,6)
Contract (1)	21,0	20,9	20,8	20,6	19,2	19,4	(7,0)
Data ARPU (EUR)	6,9	6,9	7,0	7,0	7,2	7,4	6,9
% non-SMS over data revenues	94,8%	95,1%	94,9%	95,0%	95,5%	95,5%	0,4 p.p.
Churn	3,5%	2,8%	2,5%	2,3%	1,8%	1,7%	(1,1 p.p.)
Contract (1)	2,2%	1,9%	1,8%	1,7%	1,5%	1,4%	(0,5 p.p.)

Notes:

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

- Voice traffic is defined as minutes used by the company customers, both outbound and inbound. On-net traffic is only included once (outbound), and promotional traffic is included. Traffic not associated to the Company's mobile customers (roaming-in, MVNOs, interconnection of third parties and other business lines) is excluded. Traffic volume non rounded.

- Data traffic is defined as Terabytes used by the company customers, both upload and download (1TByte = 10¹² bytes). Promotional traffic is included. Traffic not associated to the Company's mobile customers (roaming-in, MVNOs, interconnection of third parties and other business lines) is also included. Traffic volume non rounded.

(1) Excludes M2M.

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

	January - June		% Chg		April - June		% Chg	
	2015	2014	Reported	Organic	2015	2014	Reported	Organic
Revenues	3.849	2.284	68,6	2,1	1.949	1.162	67,8	1,3
Wireless Business	3.321	1.699	95,5	4,2	1.685	872	93,2	3,1
Mobile service revenues	2.735	1.435	90,7	0,8	1.382	728	89,8	0,2
Data revenues	1.400	704	98,9	1,6	707	354	n.m.	1,0
Handset revenues	586	264	n.m.	23,4	303	144	n.m.	18,7
Wireline Business	521	581	(10,2)	(10,2)	260	287	(9,5)	(9,5)
FBB and new services (1)	399	414	(3,6)	(3,6)	202	205	(1,7)	(1,7)
Voice & access revenues	121	159	(23,9)	(23,9)	58	78	(25,8)	(25,8)
Other	2	9	(79,2)	(79,2)	1	5	(78,5)	(78,5)
Internal expenditure capitalized in fixed assets	49	35	39,1	39,1	26	18	44,1	44,1
Operating expenses	(3.047)	(1.814)	68,0	(0,3)	(1.504)	(916)	64,1	(3,1)
Supplies	(1.306)	(883)	47,9	1,3	(646)	(455)	42,0	(1,8)
Personnel expenses	(345)	(213)	61,6	(3,7)	(166)	(105)	57,2	(5,9)
Other operating expenses	(1.397)	(718)	94,5	(0,8)	(692)	(356)	94,5	(3,6)
Other net income (expense)	(0)	10	c.s.	c.s.	(10)	1	c.s.	c.s.
Gain (loss) on sale of fixed assets	17	0	n.m.	n.m.	0	0	-	-
Impairment of goodwill and other assets	-	-	-	-	0	0	-	-
Operating income before D&A (OIBDA)	869	515	68,5	10,8	461	265	74,1	12,5
OIBDA Margin	22,6%	22,6%	(0,0 p.p.)	1,8 p.p.	23,6%	22,8%	0,9 p.p.	2,4 p.p.
CapEx	1.658	266	n.m.	5,6	1.437	134	n.m.	8,2
Spectrum	1.195	-	n.m.	-	1.195	-	n.m.	-
OpCF (OIBDA-CapEx)	(789)	249	c.s.	17,5	(976)	130	c.s.	17,6

Note:

- The Consolidated Income Statement of Telefónica Deutschland includes E-Plus from the fourth quarter 2014.

- OIBDA and OI before management and brand fees.

(1) Includes FBB connectivity services (retail and wholesale), including value added services, TV services, ICT revenues and other services over connectivity.

TELEFÓNICA DEUTSCHLAND

ACCESSES

Unaudited figures (Thousands)

	2014				2015		% Chg
	March	June	September	December	March	June	
Final Clients Accesses	23.875,7	23.964,3	24.113,2	46.548,3	46.572,8	46.981,4	96,0
Fixed telephony accesses (1)	2.109,1	2.078,2	2.050,9	2.036,4	2.022,0	2.009,7	(3,3)
Internet and data accesses	2.491,7	2.450,2	2.413,4	2.387,0	2.371,6	2.354,7	(3,9)
Broadband	2.225,9	2.191,4	2.160,8	2.143,8	2.128,3	2.115,2	(3,5)
Mobile accesses	19.274,9	19.435,9	19.648,9	42.124,9	42.179,2	42.617,0	n.m.
Prepay	8.910,9	8.919,7	8.989,3	23.350,7	23.264,2	23.500,9	n.m.
Contract (2)	10.364,0	10.516,1	10.659,6	18.774,1	18.915,0	19.116,1	81,8
M2M	94,6	97,5	106,0	414,0	443,4	506,2	n.m.
Wholesale Accesses	1.128,0	1.151,8	1.137,6	1.113,3	1.085,3	1.059,3	(8,0)
Total Accesses	25.003,7	25.116,1	25.250,8	47.661,5	47.658,1	48.040,7	91,3

- E-Plus accesses are consolidated from the fourth quarter 2014.

(1) Includes fixed wireless and VoIP accesses.

(2) In the fourth quarter of 2014, 428 thousand accesses were excluded from customer base on adjustments in the former E-Plus driven by the harmonization of criteria and the disconnection of a partner.

MOBILE ACCESSES

Unaudited figures (thousands)

	2014				2015		% Chg
	March	June	September	December	March	June	
Prepay percentage (%)	46,2%	45,9%	45,7%	55,4%	55,2%	55,1%	9,3 p.p.
Contract percentage (%)	53,8%	54,1%	54,3%	44,6%	44,8%	44,9%	(9,3 p.p.)
Smartphones ('000) (1)	5.957,2	6.057,2	6.230,7	11.422,2	20.364,1	21.153,4	n.m.
Prepay	792,1	773,1	791,0	1.450,6	9.086,7	9.538,8	n.m.
Contract	5.165,1	5.284,1	5.439,6	9.971,6	11.277,4	11.614,6	n.m.
Smartphone penetration (%) (1)	32,8%	33,1%	33,8%	29,0%	49,8%	51,3%	18,1 p.p.
Prepay	9,4%	9,1%	9,3%	6,4%	39,6%	41,1%	31,9 p.p.
Contract	53,2%	53,9%	55,0%	59,2%	63,0%	64,4%	10,5 p.p.
LTE ('000) (1)	464,0	667,2	963,3	3.098,0	5.146,0	6.093,0	n.m.
LTE penetration (%) (1)	2,4%	3,5%	4,9%	7,4%	12,3%	14,5%	11,0 p.p.

- E-Plus accesses are consolidated from the fourth quarter 2014.

(1) Smartphones from partners are included from January 2015.

SELECTED OPERATIONAL MOBILE BUSINESS DATA

Unaudited figures

	2014				2015		% Chg
	Q1	Q2	Q3	Q4	Q1	Q2	
Voice Traffic (Million minutes)	7.572	7.775	7.398	18.441	15.837	15.492	99,2
Data traffic (TB)	10.569	11.247	12.898	37.159	40.172	42.255	n.m.
ARPU (EUR)	12,1	12,5	12,7	10,9	10,6	10,8	(13,4)
Prepay	5,0	5,2	5,3	5,6	5,6	5,9	12,2
Contract (1)	18,5	18,8	19,1	17,7	17,2	17,2	(8,5)
Data ARPU (EUR)	6,0	6,1	6,2	5,7	5,5	5,6	(8,9)
% non-SMS over data revenues	72,0%	72,5%	73,8%	68,9%	70,5%	71,5%	(1,0 p.p.)
Churn	2,4%	1,9%	1,9%	2,9%	2,4%	2,1%	0,3 p.p.
Contract (1)	1,6%	1,3%	1,5%	2,7%	1,7%	1,7%	0,4 p.p.
	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Dec	Jan-Mar	Jan-Jun	% Chg
Voice Traffic (Million minutes)	7.572	15.347	22.745	41.186	15.837	31.329	n.m.
Data traffic (TB)	10.569	21.815	34.714	71.873	40.172	82.427	n.m.
ARPU (EUR)	12,1	12,3	12,4	11,8	10,6	10,7	(12,8)
Prepay	5,0	5,1	5,2	5,4	5,6	5,8	12,7
Contract (1)	18,5	18,7	18,8	18,4	17,2	17,2	(7,8)
Data ARPU (EUR)	6,0	6,1	6,1	5,9	5,5	5,5	(9,0)
% non-SMS over data revenues	72,0%	72,3%	72,8%	71,2%	70,5%	71,0%	(1,2 p.p.)
Churn	2,4%	2,1%	2,1%	2,4%	2,4%	2,3%	0,1 p.p.
Contract (1)	1,6%	1,4%	1,5%	1,9%	1,7%	1,7%	0,3 p.p.

Notes:

- The operational data include E-Plus from 1 October 2014.

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

- Voice traffic is defined as minutes used by the company customers, both outbound and inbound. On-net traffic is only included once (outbound), and promotional traffic is included. Traffic not associated to the Company's mobile customers (roaming-in, MVNOS, interconnection of third parties and other business lines) is excluded. Traffic volume non rounded.

- Data traffic is defined as Terabytes used by the company customers, both upload and download (1TByte = 10¹² bytes). Promotional traffic is included. Traffic not associated to the Company's mobile customers (roaming-in, MVNOS, interconnection of third parties and other business lines) is also included. Traffic volume non rounded.

(1) Excludes M2M.

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

	January - June		% Chg		April - June		% Chg	
	2015	2014	Reported	Organic	2015	2014	Reported	Organic
Revenues	5.737	5.484	4,6	4,8	2.943	2.818	4,5	5,2
Wireless Business	3.773	3.687	2,3	7,7	1.831	1.904	(3,8)	6,9
Mobile service revenues	3.554	3.494	1,7	7,0	1.718	1.808	(5,0)	5,7
Data revenues	1.455	1.159	25,5	31,9	737	612	20,5	33,2
Handset revenues	219	193	13,3	19,1	113	96	17,8	30,5
Wireline Business	1.964	1.797	9,3	(0,4)	1.112	914	21,7	2,4
FBB and new services (1)	870	715	21,7	8,0	507	372	36,2	9,7
Voice & access revenues	1.079	1.065	1,3	(6,2)	598	533	12,1	(3,0)
Others	16	17	(8,6)	(3,9)	8	8	(9,2)	0,9
Internal exp. capitalized in fixed assets	38	24	54,4	(6,6)	28	12	n.m.	n.m.
Operating expenses	(3.990)	(3.773)	5,7	6,0	(2.057)	(1.939)	6,1	7,0
Supplies	(1.336)	(1.320)	1,2	2,7	(671)	(666)	0,7	4,0
Personnel expenses	(500)	(446)	12,2	3,2	(280)	(230)	22,0	4,6
Other operating expenses	(2.154)	(2.007)	7,3	8,9	(1.106)	(1.043)	6,0	9,6
Other net income (expense)	(24)	1	n.m.	n.m.	4	14	(73,6)	(77,7)
Gain (loss) on sale of fixed assets	(4)	(6)	(31,4)	(38,6)	(2)	(2)	(14,7)	(38,0)
Impairment of goodwill and other assets	2	2	c.s.	c.s.	3	1	n.m.	n.m.
Operating income before D&A (OIBDA)	1.759	1.732	1,6	0,6	919	904	1,7	0,4
OIBDA Margin	30,7%	31,6%	(0,9 p.p.)	(1,3 p.p.)	31,2%	32,1%	(0,8 p.p.)	(1,5 p.p.)
CapEx	961	833	15,4	8,7	566	523	8,2	(0,7)
Spectrum	-	-	-	-	-	-	-	-
OpCF (OIBDA-CapEx)	798	899	(11,2)	(7,6)	354	381	(7,2)	2,2

Note:

- The Consolidated Income Statement of Telefónica Brasil includes GVT from 1 May 2015.

- OIBDA and OI before management and brand fees.

(1) Includes FBB connectivity services (retail and wholesale), including value added services, TV services, ICT revenues and other services over connectivity.

TELEFÓNICA BRASIL

ACCESSES

Unaudited figures (thousands)

	2014				2015		% Chg
	March	June	September	December	March	June	
Final Clients Accesses	94.028,1	95.071,1	95.601,5	95.528,6	97.339,9	106.528,1	12,1
Fixed telephony accesses (1) (2)	10.828,1	10.929,1	10.942,1	10.743,4	10.609,4	14.869,6	36,1
Internet and data accesses	4.094,5	4.103,5	4.114,8	4.082,6	4.066,5	7.224,0	76,0
Broadband (3)	3.933,0	3.944,9	3.961,6	3.939,8	3.926,5	7.092,4	79,8
Fibre (4)	235,8	273,3	322,1	374,6	428,5	3.640,8	n.m.
Mobile accesses	78.460,8	79.350,7	79.817,0	79.932,1	81.873,2	82.648,6	4,2
Prepay	53.552,8	53.188,5	52.639,8	51.582,4	52.972,3	53.068,7	(0,2)
Contract	24.908,0	26.162,3	27.177,2	28.349,7	28.900,8	29.580,0	13,1
M2M	2.629,0	2.920,1	3.197,5	3.506,9	3.687,5	3.935,2	34,8
Pay TV (5)	644,8	687,8	727,6	770,6	790,9	1.785,9	n.m.
Wholesale Accesses	27,5	27,0	26,2	25,9	25,4	23,6	(12,7)
Total Accesses T. Brasil	94.055,6	95.098,1	95.627,7	95.554,5	97.365,2	106.551,7	12,0
Terra Accesses	379,3	361,8	329,9	329,9	269,0	269,0	(25,7)

- GVT accesses are consolidated from 1 May 2015.

(1) Includes fixed wireless and VoIP accesses.

(2) From 1 May 2015 4.3 million GVT accesses are included.

(3) Includes ADSL, satellite, fiber, cable modem and broadband circuits.

(4) From 1 May 2015 3.2 million GVT fibre accesses (FTTN) are included.

(5) From 1 May 2015 1.0 million GVT accesses are included.

MOBILE ACCESSES

Unaudited figures (thousands)

	2014				2015		% Chg
	March	June	September	December	March	June	
Prepay percentage (%)	68,3%	67,0%	66,0%	64,5%	64,7%	64,2%	(2,8 p.p.)
Contract percentage (%)	31,7%	33,0%	34,0%	35,5%	35,3%	35,8%	2,8 p.p.
Smartphones ('000)	20.227,6	23.190,9	28.950,0	30.076,8	30.216,9	32.732,7	41,1
Prepay	12.117,3	14.231,3	18.758,7	18.997,3	18.710,6	19.372,1	36,1
Contract	8.110,3	8.959,6	10.191,3	11.079,5	11.506,3	13.360,6	49,1
Smartphone penetration (%)	28,0%	31,8%	39,5%	41,1%	40,3%	43,3%	11,5 p.p.
Prepay	22,7%	26,8%	35,8%	37,0%	35,5%	36,7%	9,9 p.p.
Contract	43,0%	45,1%	49,1%	50,9%	51,8%	58,8%	13,7 p.p.
LTE ('000)	858,0	1.281,2	1.768,0	2.629,8	3.943,1	5.691,1	n.m.
LTE penetration (%)	1,3%	1,9%	2,6%	3,9%	5,0%	7,2%	5,3 p.p.

SELECTED OPERATIONAL MOBILE BUSINESS DATA

Unaudited figures

	2014				2015		% Chg Local Cur
	Q1	Q2	Q3	Q4	Q1	Q2	
Voice Traffic (Million minutes)	31.500	30.503	31.536	33.872	31.398	32.493	6,5
Data traffic (TB)	43.342	48.337	56.879	64.154	65.043	68.799	42,3
ARPU (EUR)	7,0	7,3	7,5	7,4	7,2	6,5	0,1
Prepay	3,8	3,9	4,0	4,0	3,8	3,3	(6,5)
Contract (1)	15,3	15,8	16,0	15,6	15,3	14,2	(0,2)
Data ARPU (EUR)	2,3	2,6	2,7	2,8	3,0	3,0	27,1
% non-SMS over data revenues	75,1%	76,3%	78,0%	79,8%	81,6%	82,5%	6,2 p.p.
Churn	3,4%	3,5%	3,7%	4,0%	2,9%	3,2%	(0,3 p.p.)
Contract (1)	1,5%	1,5%	1,8%	1,7%	1,8%	1,9%	0,4 p.p.
	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Dec	Jan-Mar	Jan-Jun	% Chg Local Cur
Voice Traffic (Million minutes)	31.500	62.004	93.540	127.412	31.398	63.891	3,0
Data traffic (TB)	43.342	91.679	148.558	212.712	65.043	133.842	46,0
ARPU (EUR)	7,0	7,1	7,2	7,3	7,2	6,9	1,7
Prepay	3,8	3,9	3,9	3,9	3,8	3,5	(4,0)
Contract (1)	15,3	15,5	15,7	15,7	15,3	14,7	(0,4)
Data ARPU (EUR)	2,3	2,5	2,6	2,6	3,0	3,0	26,4
% non-SMS over data revenues	75,1%	75,7%	76,5%	77,4%	81,6%	82,1%	6,4 p.p.
Churn	3,4%	3,5%	3,6%	3,7%	2,9%	3,0%	(0,4 p.p.)
Contract (1)	1,5%	1,5%	1,6%	1,6%	1,8%	1,8%	0,3 p.p.

Notes:

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

- Voice traffic is defined as minutes used by the company customers, both outbound and inbound. On-net traffic is only included once (outbound), and promotional traffic is included. Traffic not associated to the Company's mobile customers (roaming-in, MVNOS, interconnection of third parties and other business lines) is excluded. Traffic volume non rounded.

- Data traffic is defined as Terabytes used by the company customers, both upload and download (1TByte = 10¹² bytes). Promotional traffic is included. Traffic not associated to the Company's mobile customers (roaming-in, MVNOS, interconnection of third parties and other business lines) is also included. Traffic volume non rounded.

(1) Excludes M2M.

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

	January - June		% Chg		April - June		% Chg	
	2015	2014	Reported	Organic	2015	2014	Reported	Organic
Revenues	7.132	6.200	15,0	10,0	3.467	3.135	10,6	10,3
Internal exp. capitalized in fixed assets	56	51	9,7	1,4	28	27	5,0	(2,9)
Operating expenses	(5.071)	(4.439)	14,3	8,8	(2.489)	(2.246)	10,8	10,0
Supplies	(2.042)	(1.848)	10,5	4,2	(1.012)	(923)	9,6	7,5
Personnel expenses	(826)	(681)	21,2	14,0	(408)	(344)	18,7	13,8
Other operating expenses	(2.204)	(1.910)	15,4	11,5	(1.069)	(979)	9,2	11,2
Other net income (expense)	32	44	(27,1)	(32,2)	15	27	(45,2)	(49,7)
Gain (loss) on sale of fixed assets	4	(2)	c.s.	c.s.	3	(1)	c.s.	c.s.
Impairment of goodwill and other assets	-	-	-	-	0	0	-	-
Operating income before D&A (OIBDA)	2.152	1.854	16,1	11,8	1.025	942	8,8	9,1
OIBDA Margin	30,2%	29,9%	0,3 p.p.	0,5 p.p.	29,6%	30,0%	(0,5 p.p.)	(0,3 p.p.)
CapEx	1.474	1.150	28,2	13,1	852	571	49,2	12,7
Spectrum	345	189	82,3		205	3	n.m.	
OpCF (OIBDA-CapEx)	678	705	(3,8)	10,4	173	371	n.m.	3,6

Note:

- For comparative purposes, the quarterly data for 2014 are reported adjusting the exchange rate in Venezuela from SICAD I to SICAD II 50 VEF/USD for Hispanoamérica and Venezuela and Central America following the adoption of SICAD II 50 VEF/USD in the fourth quarter of 2014. The January-March 2015 consolidated financial statements use the exchange rate of the Venezuelan bolivar set at the denominated SIMADI, (as of 30 June, this rate was set at 197 Venezuelan bolivars fuertes per dollar).

- OIBDA before management and brand fees.

- 2014 and 2015 reported figures include the hyperinflationary adjustments in Venezuela in both years.

TELEFÓNICA HISPANOAMÉRICA
ACCESSSES

Unaudited figures (thousands)

	2014				2015		% Chg
	March	June	September	December	March	June	
Final Clients Accesses	127.595,0	128.691,4	129.347,1	131.586,6	132.461,8	132.247,2	2,8
Fixed telephony accesses (1) (2)	13.561,0	13.603,4	13.515,7	13.374,4	13.266,5	13.158,7	(3,3)
Internet and data accesses	5.194,5	5.285,0	5.371,3	5.433,8	5.516,0	5.573,4	5,5
Broadband (3)	5.134,5	5.228,7	5.315,1	5.379,4	5.452,7	5.514,1	5,5
Mobile accesses	106.647,6	107.508,3	108.117,1	110.346,5	111.143,1	110.866,4	3,1
Prepay (4)	83.703,0	84.197,0	84.688,7	86.698,0	87.454,6	87.077,4	3,4
Contract	22.944,6	23.311,3	23.428,4	23.648,5	23.688,6	23.789,1	2,0
M2M	1.873,3	1.923,3	1.970,9	2.062,2	2.125,9	2.144,8	11,5
Pay TV	2.192,0	2.294,6	2.343,0	2.431,9	2.536,2	2.648,6	15,4
Wholesale Accesses	21,8	21,8	112,7	16,4	31,4	31,4	44,4
Total Accesses T. Hispanoamerica	127.616,8	128.713,1	129.459,8	131.603,0	132.493,2	132.278,6	2,8

(1) Includes fixed wireless and VoIP accesses.

(2) In the second quarter of 2014, fixed telephony accesses include 50 thousand fixed wireless additional customers in Peru.

(3) Includes ADSL, satellite, fiber, cable modem and broadband circuits.

(4) In the fourth quarter of 2014, 1.8 million inactive accesses were disconnected in Central America.

MOBILE ACCESSSES

Unaudited figures (thousands)

	2014				2015		% Chg
	March	June	September	December	March	June	
Prepay percentage (%)	78,5%	78,3%	78,3%	78,6%	78,7%	78,5%	0,2 p.p.
Contract percentage (%)	21,5%	21,7%	21,7%	21,4%	21,3%	21,5%	(0,2 p.p.)
Smartphones ('000)	23.057,9	25.092,5	27.257,6	27.992,8	31.048,7	35.420,7	41,2
Prepay	12.002,8	13.445,2	15.356,9	15.687,5	18.205,6	21.877,1	62,7
Contract	11.055,1	11.647,3	11.900,7	12.305,3	12.843,1	13.543,6	16,3
Smartphone penetration (%)	22,4%	24,2%	26,1%	26,3%	28,9%	33,0%	8,8 p.p.
Prepay	14,5%	16,1%	18,3%	18,3%	21,0%	25,3%	9,2 p.p.
Contract	55,2%	57,1%	58,0%	59,4%	61,9%	64,9%	7,8 p.p.
LTE ('000)	348,3	632,8	1.113,3	1.989,8	2.811,4	4.233,6	n.m.
LTE penetration (%)	0,3%	0,6%	1,1%	1,8%	2,6%	3,9%	3,3 p.p.

TELEFÓNICA ARGENTINA
SELECTED FINANCIAL DATA

Unaudited figures (Euros in millions)	January - June				April - June			
	2015	2014	% Chg	% Chg Local Cur	2015	2014	% Chg	% Chg Local Cur
Revenues	1,916	1,434	33,6	22,9	981	718	36,7	22,5
Wireless Business	1,236	937	31,9	21,3	637	470	35,5	21,4
Mobile service revenues	1,086	796	36,5	25,5	557	392	42,1	27,2
Data revenues	488	396	23,2	13,4	287	195	46,8	31,3
Handset revenues	150	141	6,2	(2,3)	79	78	2,5	(7,7)
Wireline Business	680	497	36,8	25,9	344	248	39,0	24,5
FBB and new services (1)	386	259	48,9	37,0	196	130	51,4	35,6
Voice & access revenues	261	213	22,7	12,8	130	105	23,3	10,5
Others	33	25	32,4	21,8	18	13	41,8	27,2
OIBDA	539	355	51,8	39,6	266	169	57,8	40,9
OIBDA margin (2)	27,8%	24,3%	3,5 p.p.		26,8%	23,1%	3,7 p.p.	
CapEx	510	229	n.m.	n.m.	363	115	n.m.	n.m.
Spectrum	204	-	-	-	204	-	-	-
OpCF (OIBDA-CapEx)	30	127	(76,5)	(78,4)	(97)	54	c.s.	c.s.

Note:

- OIBDA is presented before management and brand fees.

(1) Includes FBB connectivity services (retail and wholesale), including value added services, TV services, ICT revenues and other services over connectivity.

(2) Margin over revenues includes fixed to mobile interconnection.

ACCESSES	2014				2015		% Chg
	March	June	September	December	March	June	
<i>Unaudited figures (Thousands)</i>							
Final Clients Accesses	26.300,0	26.159,9	25.910,5	26.629,1	26.318,5	26.236,0	0,3
Fixed telephony accesses (1)	4.812,7	4.779,6	4.750,4	4.726,8	4.693,2	4.669,3	(2,3)
Fixed wireless	342,8	323,0	304,5	296,0	285,9	286,4	(11,3)
Internet and data accesses	1.845,4	1.854,5	1.870,7	1.880,2	1.880,7	1.877,8	1,3
Broadband (2)	1.834,2	1.842,3	1.859,0	1.870,5	1.871,8	1.869,9	1,5
Mobile accesses	19.641,9	19.525,8	19.289,4	20.022,1	19.744,6	19.688,9	0,8
Prepay	12.649,6	12.522,0	12.337,2	12.957,6	12.778,0	12.859,0	2,7
Contract	6.992,3	7.003,8	6.952,1	7.064,5	6.966,5	6.829,9	(2,5)
M2M	452,6	454,9	470,8	470,7	455,4	446,9	(1,8)
Wholesale Accesses	14,0	13,9	104,9	8,4	23,3	23,5	68,2
Total Accesses	26.314,0	26.173,9	26.015,4	26.637,6	26.341,7	26.259,5	0,3

(1) Includes fixed wireless and VoIP accesses.

(2) Includes ADSL, satellite, fiber, cable modem and broadband circuits.

SELECTED OPERATIONAL MOBILE BUSINESS DATA	2014				2015		% Chg Local Cur
	Q1	Q2	Q3	Q4	Q1	Q2	
<i>Unaudited figures</i>							
Voice Traffic (Million minutes)	5.480	5.773	5.870	5.959	5.674	6.345	9,9
Data traffic (TB)	5.836	6.549	7.284	8.541	10.069	11.491	75,5
ARPU (EUR)	7,0	6,8	7,4	8,3	9,1	9,9	29,1
Prepay	2,1	2,2	2,3	2,7	2,7	2,9	17,8
Contract (1)	16,7	15,9	17,6	19,4	22,3	24,0	34,6
Data ARPU (EUR)	3,4	3,3	3,4	3,3	3,4	4,3	16,2
% non-SMS over data revenues	57,9%	59,1%	61,5%	57,3%	56,2%	78,1%	18,9 p.p.
Churn	3,2%	3,2%	3,1%	2,6%	3,1%	2,9%	(0,3 p.p.)
Contract (1)	1,1%	1,2%	1,2%	1,0%	1,1%	1,5%	0,3 p.p.
	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Dec	Jan-Mar	Jan-Jun	% Chg Local Cur
Voice Traffic (Million minutes)	5.480	11.253	17.123	23.081	5.674	12.020	6,8
Data traffic (TB)	5.836	12.385	19.669	28.210	10.069	21.560	74,1
ARPU (EUR)	7,0	6,9	7,1	7,4	9,1	9,5	26,6
Prepay	2,1	2,2	2,2	2,3	2,7	2,8	19,6
Contract (1)	16,7	16,3	16,7	17,4	22,3	23,1	30,5
Data ARPU (EUR)	3,4	3,4	3,4	3,4	3,4	4,1	12,3
% non-SMS over data revenues	57,9%	58,5%	59,5%	59,0%	56,2%	68,8%	10,3 p.p.
Churn	3,2%	3,2%	3,2%	3,0%	3,1%	3,0%	(0,2 p.p.)
Contract (1)	1,1%	1,1%	1,1%	1,1%	1,1%	1,3%	0,2 p.p.

Notes:

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

- Voice traffic is defined as minutes used by the company customers, both outbound and inbound. On-net traffic is only included once (outbound), and promotional traffic is included. Traffic not associated to the Company's mobile customers (roaming-in, MVNOs, interconnection of third parties and other business lines) is excluded. Traffic volume non rounded.

- Data traffic is defined as Terabytes used by the company customers, both upload and download (1TByte = 10¹² bytes). Promotional traffic is included. Traffic not associated to the Company's mobile customers (roaming-in, MVNOs, interconnection of third parties and other business lines) is also included. Traffic volume non rounded.

(1) Excludes M2M.

TELEFÓNICA CHILE

SELECTED FINANCIAL DATA

Unaudited figures (Euros in millions)	January - June				April - June			
	2015	2014	% Chg	% Chg Local Cur	2015	2014	% Chg	% Chg Local Cur
Revenues	1.156	1.032	12,0	2,4	590	507	16,4	4,4
Wireless Business	686	619	10,8	1,3	347	300	15,6	3,7
Mobile service revenues	617	556	11,0	1,4	313	269	16,2	4,1
Data revenues	207	148	40,0	27,9	109	76	43,8	29,1
Handset revenues	69	63	9,4	(0,0)	34	31	11,1	(0,5)
Wireline Business	469	412	13,8	4,0	243	207	17,6	5,5
FBB and new services (1)	321	253	26,9	16,0	170	129	31,9	18,5
Voice & access revenues	140	150	(7,0)	(15,0)	69	74	(6,3)	(16,1)
Others	8	9	(5,8)	(13,9)	4	4	(2,2)	(12,3)
OIBDA	379	336	12,7	3,0	203	170	19,7	7,6
OIBDA margin	32,8%	32,6%	0,2 p.p.		34,4%	33,5%	1,0 p.p.	
CapEx	238	206	15,3	5,4	115	116	(0,4)	(10,7)
Spectrum	6	-	-	-	-	-	-	-
OpCF (OIBDA-CapEx)	141	130	8,4	(1,0)	88	54	63,1	46,8

Note:

- OIBDA is presented before management and brand fees.

(1) Includes FBB connectivity services (retail and wholesale), including value added services, TV services, ICT revenues and other services over connectivity.

ACCESSES

Unaudited figures (Thousands)	2014				2015		% Chg
	March	June	September	December	March	June	
Final Clients Accesses	13.566,9	13.576,0	13.586,1	13.888,1	13.861,3	13.610,4	0,3
Fixed telephony accesses (1)	1.631,0	1.616,8	1.593,9	1.579,0	1.557,7	1.537,4	(4,9)
Internet and data accesses	984,5	1.005,3	1.030,5	1.047,7	1.067,9	1.093,6	8,8
Broadband (2)	977,0	998,7	1.023,4	1.040,7	1.056,7	1.082,5	8,4
Fibre	38,8	47,3	55,9	63,7	73,8	82,8	75,2
Mobile accesses	10.424,3	10.394,0	10.381,4	10.660,2	10.619,5	10.345,1	(0,5)
Prepay	7.693,6	7.595,2	7.563,7	7.856,6	7.817,5	7.503,0	(1,2)
Contract	2.730,7	2.798,7	2.817,7	2.803,6	2.802,0	2.842,1	1,5
M2M	306,5	322,0	319,9	307,3	293,0	291,0	(9,6)
Pay TV	527,1	559,9	580,3	601,3	616,2	634,3	13,3
Wholesale Accesses	5,4	5,4	5,4	5,6	5,9	5,9	8,0
Total Accesses	13.572,3	13.581,4	13.591,5	13.893,8	13.867,2	13.616,3	0,3

(1) Includes fixed wireless and VoIP accesses.

(2) Includes ADSL, satellite, fiber, cable modem and broadband circuits.

SELECTED OPERATIONAL MOBILE BUSINESS DATA

Unaudited figures	2014				2015		% Chg Local Cur
	Q1	Q2	Q3	Q4	Q1	Q2	
Voice Traffic (Million minutes)	3.151	3.107	3.095	3.239	3.148	3.043	(2,1)
Data traffic (TB)	11.510	13.550	14.686	15.895	14.616	19.302	42,5
ARPU (EUR)	8,9	8,4	8,6	9,0	9,4	9,7	3,0
Prepay	3,9	3,6	3,6	3,7	3,8	3,8	(5,8)
Contract (1)	25,8	24,4	24,7	26,1	27,8	28,7	5,5
Data ARPU (EUR)	2,3	2,4	2,7	2,7	3,1	3,4	27,8
% non-SMS over data revenues	89,2%	91,6%	93,3%	93,4%	94,0%	93,5%	1,9 p.p.
Churn	3,3%	3,1%	3,2%	3,3%	3,2%	3,7%	0,6 p.p.
Contract (1)	1,7%	1,7%	2,0%	2,1%	1,9%	1,9%	0,2 p.p.
	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Dec	Jan-Mar	Jan-Jun	% Chg Local Cur
Voice Traffic (Million minutes)	3.151	6.259	9.354	12.593	3.148	6.191	(1,1)
Data traffic (TB)	11.510	25.059	39.745	55.640	14.616	33.918	35,4
ARPU (EUR)	8,9	8,7	8,6	8,7	9,4	9,5	0,8
Prepay	3,9	3,7	3,7	3,7	3,8	3,8	(7,4)
Contract (1)	25,8	25,1	24,9	25,2	27,8	28,2	2,9
Data ARPU (EUR)	2,3	2,4	2,5	2,5	3,1	3,3	26,2
% non-SMS over data revenues	89,2%	90,4%	91,5%	91,9%	94,0%	93,7%	3,3 p.p.
Churn	3,3%	3,2%	3,2%	3,2%	3,2%	3,4%	0,2 p.p.
Contract (1)	1,7%	1,7%	1,8%	1,9%	1,9%	1,9%	0,2 p.p.

Notes:

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

- Voice traffic is defined as minutes used by the company customers, both outbound and inbound. On-net traffic is only included once (outbound), and promotional traffic is included. Traffic not associated to the Company's mobile customers (roaming-in, MVNOS, interconnection of third parties and other business lines) is excluded. Traffic volume non rounded.

- Data traffic is defined as Terabytes used by the company customers, both upload and download (1TByte = 10¹² bytes). Promotional traffic is included. Traffic not associated to the Company's mobile customers (roaming-in, MVNOS, interconnection of third parties and other business lines) is also included. Traffic volume non rounded.

(1) Excludes M2M.

TELEFÓNICA PERU

SELECTED FINANCIAL DATA

Unaudited figures (Euros in millions)	January - June				April - June			
	2015	2014	% Chg	% Chg Local Cur	2015	2014	% Chg	% Chg Local Cur
Revenues	1.376	1.191	15,5	4,0	684	603	13,4	2,8
Wireless Business	779	667	16,8	5,2	385	336	14,4	3,7
Mobile service revenues (1)	696	586	18,8	7,0	342	296	15,6	4,8
Data revenues	224	147	52,1	37,0	114	74	53,0	38,7
Handset revenues	83	81	2,4	(7,8)	43	41	5,7	(4,2)
Wireline Business	597	524	13,8	2,5	299	266	12,1	1,6
FBB and new services (2)	421	343	22,9	10,7	214	177	20,7	9,4
Voice & access revenues	166	171	(2,8)	(12,5)	79	83	(4,1)	(13,0)
Others	9	10	(10,9)	(19,7)	5	6	(16,4)	(24,4)
OIBDA	450	425	5,8	(4,7)	212	208	2,0	(7,4)
OIBDA margin	32,7%	35,7%	(3,0 p.p.)		31,0%	34,4%	(3,4 p.p.)	
CapEx	181	149	21,4	9,4	118	100	18,7	7,3
Spectrum	-	-	-	-	-	-	-	-
OpCF (OIBDA-CapEx)	268	276	(2,7)	(12,4)	93	108	(13,4)	(21,1)

Note:

- OIBDA is presented before management and brand fees.

(1) Includes fixed wireless revenues.

(2) Includes FBB connectivity services (retail and wholesale), including value added services, TV services, ICT revenues and other services over connectivity.

ACCESSES	2014				2015		% Chg
	March	June	September	December	March	June	
<i>Unaudited figures (Thousands)</i>							
Final Clients Accesses	21.081,6	21.287,9	21.632,6	21.976,4	22.083,4	22.104,2	3,8
Fixed telephony accesses (1)	2.725,7	2.776,9	2.749,3	2.714,7	2.641,4	2.605,8	(6,2)
Fixed wireless (2)	251,4	292,8	280,2	262,7	191,2	229,8	(21,5)
Internet and data accesses	1.457,2	1.490,7	1.505,2	1.523,4	1.557,4	1.589,2	6,6
Broadband (3)	1.431,8	1.468,8	1.483,2	1.501,3	1.529,7	1.564,4	6,5
Mobile accesses	16.012,9	16.133,1	16.489,0	16.790,2	16.870,2	16.819,1	4,3
Prepay	11.377,8	11.288,6	11.450,9	11.676,3	11.645,3	11.450,4	1,4
Contract	4.635,2	4.844,5	5.038,1	5.113,9	5.224,8	5.368,7	10,8
M2M	82,8	85,6	87,8	86,2	118,0	98,4	15,0
Pay TV	885,7	887,3	889,1	948,0	1.014,5	1.090,1	22,9
Wholesale Accesses	0,4	0,4	0,4	0,4	0,3	0,2	(63,5)
Total Accesses	21.082,1	21.288,4	21.633,0	21.976,8	22.083,7	22.104,3	3,8

(1) Includes fixed wireless and VoIP accesses.

(2) In the second quarter of 2014, fixed telephony accesses included 50 thousand additional customers.

(3) Includes ADSL, satellite, fiber, cable modem and broadband circuits.

SELECTED OPERATIONAL MOBILE BUSINESS DATA	2014				2015		% Chg Local Cur
	Q1	Q2	Q3	Q4	Q1	Q2	
<i>Unaudited figures</i>							
Voice Traffic (Million minutes)	7.886	6.762	7.177	7.607	8.001	8.083	19,5
Data traffic (TB)	2.901	3.078	3.599	4.206	5.040	6.389	n.m.
ARPU (EUR)	6,1	6,2	6,7	6,9	7,0	6,8	(1,2)
Prepay	3,9	3,8	4,1	4,2	4,2	3,9	(6,6)
Contract (1)	12,0	11,9	12,6	13,4	13,5	13,2	(0,4)
Data ARPU (EUR)	1,5	1,6	1,8	2,0	2,2	2,3	30,4
% non-SMS over data revenues	85,5%	88,4%	88,6%	85,9%	92,1%	94,0%	5,5 p.p.
Churn	3,8%	4,0%	3,8%	3,7%	4,0%	4,3%	0,3 p.p.
Contract (1)	2,1%	1,5%	1,4%	1,9%	2,2%	2,0%	0,5 p.p.
	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Dec	Jan-Mar	Jan-Jun	% Chg Local Cur
Voice Traffic (Million minutes)	7.886	14.648	21.825	29.432	8.001	16.084	9,8
Data traffic (TB)	2.901	5.979	9.578	13.784	5.040	11.429	91,2
ARPU (EUR)	6,1	6,1	6,3	6,5	7,0	6,9	0,7
Prepay	3,9	3,8	3,9	4,0	4,2	4,0	(4,5)
Contract (1)	12,0	11,9	12,1	12,4	13,5	13,3	1,3
Data ARPU (EUR)	1,5	1,5	1,6	1,7	2,2	2,2	29,9
% non-SMS over data revenues	85,5%	86,9%	87,5%	87,1%	92,1%	93,1%	6,1 p.p.
Churn	3,8%	3,9%	3,9%	3,8%	4,0%	4,1%	0,2 p.p.
Contract (1)	2,1%	1,5%	1,5%	1,6%	2,2%	2,1%	0,6 p.p.

Notes:

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

- Voice traffic is defined as minutes used by the company customers, both outbound and inbound. On-net traffic is only included once (outbound), and promotional traffic is included. Traffic not associated to the Company's mobile customers (roaming-in, MVNOs, interconnection of third parties and other business lines) is excluded. Traffic volume non rounded.

- Data traffic is defined as Terabytes used by the company customers, both upload and download (1TByte = 10¹² bytes). Promotional traffic is included. Traffic not associated to the Company's mobile customers (roaming-in, MVNOs, interconnection of third parties and other business lines) is also included. Traffic volume non rounded.

(1) Excludes M2M.

TELEFÓNICA COLOMBIA
SELECTED FINANCIAL DATA

Unaudited figures (Euros in millions)	January - June				April - June			
	2015	2014	% Chg	% Chg Local Cur	2015	2014	% Chg	% Chg Local Cur
Revenues	798	831	(3,9)	(0,7)	400	428	(6,6)	(1,8)
Wireless Business	500	523	(4,4)	(1,2)	249	269	(7,4)	(2,6)
Mobile service revenues	445	475	(6,3)	(3,2)	221	244	(9,1)	(4,4)
Data revenues	133	123	8,7	12,3	67	64	5,2	10,5
Handset revenues	55	48	14,5	18,3	27	25	9,5	15,1
Wireline Business	299	308	(3,0)	0,2	151	159	(5,2)	(0,3)
FBB and new services (1)	172	171	0,2	3,5	87	89	(1,8)	3,2
Voice & access revenues	126	136	(7,0)	(3,9)	64	70	(9,4)	(4,8)
Others	1	1	(23,8)	(21,3)	0	0	(14,6)	(9,4)
OIBDA	296	283	4,7	8,2	146	143	1,8	7,1
OIBDA margin	37,0%	34,0%	3,0 p.p.		36,5%	33,5%	3,0 p.p.	
CapEx	159	301	(47,0)	(45,3)	111	123	(9,8)	(3,8)
Spectrum	-	110	n.m.	n.m.	-	2	n.m.	n.m.
OpCF (OIBDA-CapEx)	136	(18)	c.s.	c.s.	35	20	73,0	68,8

Note:

- OIBDA is presented before management and brand fees.

(1) Includes FBB connectivity services (retail and wholesale), including value added services, TV services, ICT revenues and other services over connectivity.

ACCESSES	2014				2015		% Chg
	March	June	September	December	March	June	
<i>Unaudited figures (Thousands)</i>							
Final Clients Accesses	15.128,7	15.052,5	15.403,9	15.689,7	15.777,5	15.308,1	1,7
Fixed telephony accesses (1)	1.459,9	1.464,0	1.468,6	1.461,0	1.465,8	1.450,8	(0,9)
Internet and data accesses	895,1	922,4	952,9	970,2	997,3	999,8	8,4
Broadband (2)	886,7	913,9	944,5	961,7	988,9	991,3	8,5
Mobile accesses	12.409,8	12.281,9	12.581,6	12.842,5	12.884,9	12.413,3	1,1
Prepay	9.105,9	8.982,4	9.313,3	9.582,6	9.633,2	9.158,6	2,0
Contract	3.303,9	3.299,5	3.268,3	3.259,9	3.251,7	3.254,7	(1,4)
M2M	404,7	416,2	421,5	427,8	438,7	444,4	6,8
Pay TV	363,8	384,1	400,8	416,0	429,4	444,2	15,6
Wholesale Accesses	1,9	1,9	1,9	1,9	1,9	1,9	0,0
Total Accesses	15.130,6	15.054,4	15.405,9	15.691,6	15.779,4	15.310,1	1,7

(1) Includes fixed wireless and VoIP accesses.

(2) Includes ADSL, satellite, fiber, cable modem and broadband circuits.

SELECTED OPERATIONAL MOBILE BUSINESS DATA	2014				2015		% Chg Local Cur
	Q1	Q2	Q3	Q4	Q1	Q2	
<i>Unaudited figures</i>							
Voice Traffic (Million minutes)	5.603	5.525	5.607	5.781	5.591	5.713	3,4
Data traffic (TB)	6.670	7.454	8.708	9.410	10.516	11.387	52,8
ARPU (EUR)	6,1	6,4	6,6	6,2	5,5	5,5	(9,2)
Prepay	1,7	1,7	1,8	1,8	1,4	1,4	(14,0)
Contract (1)	20,4	21,4	22,6	21,5	19,9	19,6	(3,5)
Data ARPU (EUR)	1,6	1,7	1,8	1,7	1,7	1,8	7,7
% non-SMS over data revenues	93,7%	94,7%	95,4%	97,5%	96,9%	97,3%	2,5 p.p.
Churn	3,0%	3,8%	2,7%	3,0%	3,0%	4,5%	0,7 p.p.
Contract (1)	2,3%	2,1%	2,2%	2,1%	2,2%	2,3%	0,1 p.p.
	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Dec	Jan-Mar	Jan-Jun	% Chg Local Cur
Voice Traffic (Million minutes)	5.603	11.128	16.735	22.516	5.591	11.304	1,6
Data traffic (TB)	6.670	14.124	22.832	32.242	10.516	21.902	55,1
ARPU (EUR)	6,1	6,2	6,3	6,3	5,5	5,5	(9,2)
Prepay	1,7	1,7	1,8	1,8	1,4	1,4	(14,8)
Contract (1)	20,4	20,9	21,5	21,5	19,9	19,8	(2,3)
Data ARPU (EUR)	1,6	1,7	1,7	1,7	1,7	1,7	8,3
% non-SMS over data revenues	93,7%	94,2%	94,6%	95,3%	96,9%	97,1%	2,9 p.p.
Churn	3,0%	3,4%	3,2%	3,1%	3,0%	3,8%	0,4 p.p.
Contract (1)	2,3%	2,2%	2,2%	2,2%	2,2%	2,2%	(0,0 p.p.)

Notes:

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

- Voice traffic is defined as minutes used by the company customers, both outbound and inbound. On-net traffic is only included once (outbound), and promotional traffic is included. Traffic not associated to the Company's mobile customers (roaming-in, MVNOS, interconnection of third parties and other business lines) is excluded. Traffic volume non rounded.

- Data traffic is defined as Terabytes used by the company customers, both upload and download (1TByte = 10¹² bytes). Promotional traffic is included. Traffic not associated to the Company's mobile customers (roaming-in, MVNOS, interconnection of third parties and other business lines) is also included. Traffic volume non rounded.

(1) Excludes M2M.

TELEFÓNICA MÉXICO

SELECTED FINANCIAL DATA

Unaudited figures (Euros in millions)	January - June				April - June			
	2015	2014	% Chg	% Chg Local Cur	2015	2014	% Chg	% Chg Local Cur
Revenues	903	793	13,8	6,8	458	403	13,6	7,8
Mobile service revenues	766	676	13,4	6,5	391	346	12,8	7,0
Data revenues	181	165	9,4	2,8	90	84	6,9	1,5
Handset revenues	136	117	16,0	8,9	68	57	17,7	11,7
OIBDA	214	129	65,7	55,6	105	69	51,3	43,4
OIBDA margin	23,7%	16,3%	7,4 p.p.		22,9%	17,2%	5,7 p.p.	
CapEx	109	91	20,7	13,4	63	51	22,0	15,5
Spectrum	-	-	-	-	-	-	-	-
OpCF (OIBDA-CapEx)	104	38	n.m.	n.m.	42	18	n.m.	n.m.

Note:

- OIBDA is presented before management and brand fees.

ACCESSES	2014				2015		% Chg
	March	June	September	December	March	June	
<i>Unaudited figures (Thousands)</i>							
Mobile accesses	19.324,8	20.244,2	20.561,0	21.673,4	22.536,6	23.048,8	13,9
Prepay	17.862,0	18.777,4	19.127,6	20.207,5	21.056,6	21.553,9	14,8
Contract	1.462,8	1.466,8	1.433,4	1.465,8	1.480,0	1.494,9	1,9
M2M	351,0	354,1	362,1	433,7	455,8	485,9	37,2
Fixed Wireless	1.504,8	1.530,6	1.540,4	1.551,3	1.545,6	1.553,8	1,5
Total Accesses	20.829,6	21.774,8	22.101,5	23.224,7	24.082,2	24.602,6	13,0

SELECTED OPERATIONAL MOBILE BUSINESS DATA	2014				2015		% Chg Local Cur
	Q1	Q2	Q3	Q4	Q1	Q2	
<i>Unaudited figures</i>							
Voice Traffic (Million minutes)	6.626	7.723	7.454	8.807	8.485	8.559	10,8
Data traffic (TB)	4.460	4.590	6.497	6.832	7.891	7.967	73,6
ARPU (EUR)	4,6	5,0	5,0	5,2	4,9	4,9	(7,7)
Prepay	3,9	4,3	4,4	4,6	4,3	4,3	(5,6)
Contract (1)	20,0	19,1	19,2	19,3	19,0	19,2	(4,8)
Data ARPU (EUR)	1,3	1,4	1,4	1,4	1,3	1,3	(11,9)
% non-SMS over data revenues	65,4%	68,2%	70,2%	73,4%	80,2%	82,0%	13,8 p.p.
Churn	5,7%	2,9%	3,5%	3,4%	2,8%	3,4%	0,5 p.p.
Contract (1)	1,1%	1,4%	1,4%	1,6%	1,7%	2,2%	0,8 p.p.
	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Dec	Jan-Mar	Jan-Jun	% Chg Local Cur
Voice Traffic (Million minutes)	6.626	14.349	21.804	30.611	8.485	17.044	18,8
Data traffic (TB)	4.460	9.050	15.547	22.379	7.891	15.858	75,2
ARPU (EUR)	4,6	4,8	4,9	5,0	4,9	4,9	(4,9)
Prepay	3,9	4,1	4,2	4,3	4,3	4,3	(1,6)
Contract (1)	20,0	19,5	19,4	19,4	19,0	19,1	(8,3)
Data ARPU (EUR)	1,3	1,4	1,4	1,4	1,3	1,3	(8,3)
% non-SMS over data revenues	65,4%	66,8%	67,9%	69,3%	80,2%	81,1%	14,3 p.p.
Churn	5,7%	4,3%	4,0%	3,9%	2,8%	3,1%	(1,2 p.p.)
Contract (1)	1,1%	1,3%	1,4%	1,4%	1,7%	1,9%	0,6 p.p.

Notes:

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

- Voice traffic is defined as minutes used by the company customers, both outbound and inbound. On-net traffic is only included once (outbound), and promotional traffic is included. Traffic not associated to the Company's mobile customers (roaming-in, MVNOS, interconnection of third parties and other business lines) is excluded. Traffic volume non rounded.

- Data traffic is defined as Terabytes used by the company customers, both upload and download (1TByte = 10¹² bytes). Promotional traffic is included. Traffic not associated to the Company's mobile customers (roaming-in, MVNOS, interconnection of third parties and other business lines) is also included. Traffic volume non rounded.

(1) Excludes M2M.

TELEFÓNICA VENEZUELA AND CENTRAL AMERICA (1) (2)

SELECTED FINANCIAL DATA

Unaudited figures (Euros in millions)	January - June				April - June			
	2015	2014	% Chg	% Chg Local Cur	2015	2014	% Chg	% Chg Local Cur
Revenues	576	579	(0,5)	30,0	150	305	(50,8)	34,7
Mobile service revenues	529	543	(2,5)	24,4	144	285	(49,4)	28,3
Data revenues (3)	182	169	7,8	45,8	40	87	(53,5)	50,2
Handset revenues	47	36	32,6	n.s.	6	20	(67,7)	n.m.
OIBDA	136	187	(27,6)	4,0	30	109	(72,4)	(6,9)
OIBDA margin	23,5%	32,4%	(8,8 p.p.)		20,1%	35,8%	(15,7 p.p.)	
CapEx	88	136	(34,7)	(13,6)	47	38	24,3	n.m.
Spectrum (4)	-	79	n.m.	n.m.	-	-	-	-
OpCF (OIBDA-CapEx)	47	52	(9,0)	59,3	(17)	71	c.s.	(86,6)

Note:

- For comparative purposes, the quarterly data for 2014 are reported adjusting the exchange rate in Venezuela from SICAD I to SICAD II 50 VEF/USD following the adoption of SICAD II 50 VEF/USD in the fourth quarter of 2014. The January-March 2015 consolidated financial statements use the exchange rate of the Venezuelan bolivar set at the denominated SIMADI, (as of 30 June, this rate was set at 197 Venezuelan bolivars fuertes per dollar).

- OIBDA is presented before management and brand fees.

(1) Reported figures include the hyperinflationary adjustments in Venezuela in both years. For comparison purposes and to facilitate the interpretation of the year-on-year changes vs. 2014, variations in local currency of the headings affected by the hyperinflation adjustments are reported excluding the impact of this adjustment.

(2) Central America includes Guatemala, Panama, El Salvador, Nicaragua and Costa Rica.

(3) Data revenues do not include hyperinflationary adjustments.

(4) Corresponds to Panama.

ACCESSES (1)	2014				2015		% Chg
	March	June	September	December	March	June	
<i>Unaudited figures (Thousands)</i>							
Fixed telephony accesses (2)	1.377,3	1.386,0	1.361,8	1.288,4	1.314,7	1.297,8	(6,4)
Fixed Wireless	1.127,4	1.138,2	1.128,7	1.065,0	1.093,5	1.078,1	(5,3)
Internet and data accesses	12,2	12,1	11,9	12,3	12,6	13,0	6,9
Broadband (3)	4,8	4,9	5,1	5,3	5,6	6,0	22,3
Mobile accesses	21.813,8	21.919,5	21.947,2	21.471,9	21.899,6	22.161,8	1,1
Prepay (4) (5)	19.602,9	19.676,2	19.721,3	19.242,6	19.672,9	19.943,2	1,4
Contract	2.210,9	2.243,3	2.225,9	2.229,2	2.226,7	2.218,6	(1,1)
M2M	123,8	129,8	134,9	141,7	147,9	147,7	13,8
Pay TV	415,3	463,2	472,8	466,6	476,1	480,0	3,6
Total Accesses	23.618,6	23.780,9	23.793,7	23.239,2	23.703,0	23.952,6	0,7

(1) Central America includes Guatemala, Panama, El Salvador, Nicaragua and Costa Rica.

(2) Includes fixed wireless and VoIP accesses.

(3) Includes ADSL, satellite, fiber, cable modem and broadband circuits.

(4) Includes prepay M2M accesses.

(5) In the fourth quarter of 2014, 1.8 million inactive accesses were disconnected in Central America.

SELECTED OPERATIONAL MOBILE BUSINESS DATA (1)	2014				2015		% Chg Local Cur
	Q1	Q2	Q3	Q4	Q1	Q2	
<i>Unaudited figures</i>							
Voice Traffic (Million minutes)	9.173	9.262	9.413	9.627	10.125	10.215	10,3
Data traffic (TB)	9.993	10.434	11.848	13.400	14.300	16.472	57,9
ARPU (EUR) (2)	3,6	3,7	4,1	4,6	5,2	2,9	26,2
Prepay (3)	3,0	2,9	3,3	3,8	4,4	2,3	32,5
Contract (4)	10,2	10,8	11,7	12,9	13,4	8,7	8,5
Data ARPU (EUR) (3) (5)	1,3	1,3	1,5	1,7	2,1	1,1	49,9
% non-SMS over data revenues	66,7%	70,3%	74,2%	75,4%	79,9%	81,5%	11,2 p.p.
Churn (3)	2,6%	2,8%	3,1%	4,8%	2,6%	2,9%	0,0 p.p.
Contract (4)	1,1%	1,2%	1,3%	1,2%	1,1%	1,2%	(0,0 p.p.)
	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Dec	Jan-Mar	Jan-Jun	% Chg Local Cur
Voice Traffic (Million minutes)	9.173	18.435	27.848	37.475	10.125	20.340	10,3
Data traffic (TB)	9.993	20.427	32.274	45.675	14.300	30.772	50,6
ARPU (EUR) (2)	3,6	3,7	3,8	4,0	5,2	4,0	23,2
Prepay (3)	3,0	3,0	3,1	3,3	4,4	3,3	27,5
Contract (4)	10,2	10,5	10,9	11,4	13,4	11,0	9,1
Data ARPU (EUR) (3) (5)	1,3	1,3	1,3	1,4	2,1	1,6	45,5
% non-SMS over data revenues	66,7%	68,5%	70,6%	72,0%	79,9%	80,7%	12,2 p.p.
Churn (3)	2,6%	2,7%	2,9%	3,3%	2,6%	2,7%	0,0 p.p.
Contract (4)	1,1%	1,1%	1,2%	1,2%	1,1%	1,1%	0,0 p.p.

Notes:

- For comparative purposes, the quarterly data for 2014 are reported adjusting the exchange rate in Venezuela from SICAD I to SICAD II 50 VZ/\$ for the Telefónica Group, Hispanoamérica and Venezuela and Central America following the adoption of SICAD II 50 VZ/\$ in the fourth quarter of 2014.

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

- Voice traffic is defined as minutes used by the company customers, both outbound and inbound. On-net traffic is only included once (outbound), and promotional traffic is included. Traffic not associated to the Company's mobile customers (roaming-in, MVNOs, interconnection of third parties and other business lines) is excluded. Traffic volume non rounded.

- Data traffic is defined as Terabytes used by the company customers, both upload and download (1TByte = 10¹² bytes). Promotional traffic is included. Traffic not associated to the Company's mobile customers (roaming-in, MVNOs, interconnection of third parties and other business lines) is also included. Traffic volume non rounded.

(1) Central America includes Guatemala, Panama, El Salvador, Nicaragua and Costa Rica.

(2) For comparative purposes and in order to facilitate the interpretation of the year-on-year change versus 2014 results, the variation in local currency of the ARPU in Venezuela is reported excluding the impact of the hyperinflation adjustment.

(3) Impacted by the disconnection of 1.8 million inactive accesses in Central America in the fourth quarter of 2014.

(4) Excludes M2M.

(5) Does not include hyperinflation adjustment.

TELEFÓNICA ECUADOR

SELECTED FINANCIAL DATA

Unaudited figures (Euros in millions)	January - June				April - June			
	2015	2014	% Chg	% Chg Local Cur	2015	2014	% Chg	% Chg Local Cur
Revenues	297	241	23,4	0,4	149	121	22,4	(1,5)
Mobile service revenues	266	227	17,5	(4,4)	133	115	15,5	(7,1)
Data revenues	96	74	28,7	4,7	50	38	32,7	6,9
Handset revenues	31	14	n.m.	77,8	16	6	n.m.	97,3
OIBDA	97	87	11,5	(9,3)	45	45	1,6	(18,4)
OIBDA margin	32,7%	36,2%	(3,5 p.p.)		30,4%	36,7%	(6,2 p.p.)	
CapEx	174	23	n.m.	n.m.	28	17	67,9	29,5
Spectrum	135	-	n.m.	n.m.	1	-	n.m.	n.m.
OpCF (OIBDA-CapEx)	(76)	65	c.s.	c.s.	17	28	(38,0)	(46,9)

- OIBDA is presented before management and brand fees.

TELEFÓNICA URUGUAY

SELECTED FINANCIAL DATA

Unaudited figures (Euros in millions)	January - June				April - June			
	2015	2014	% Chg	% Chg Local Cur	2015	2014	% Chg	% Chg Local Cur
Revenues	126	114	10,4	2,3	61	55	10,4	3,1
Mobile service revenues	118	108	9,8	1,7	57	52	9,8	2,5
Data revenues	51	43	21,0	12,1	26	21	22,6	14,3
Handset revenues	8	7	20,6	11,7	4	3	20,1	12,1
OIBDA	44	44	0,7	(6,5)	20	20	(2,1)	(8,4)
OIBDA margin	35,0%	38,4%	(3,4 p.p.)		32,7%	36,8%	(4,2 p.p.)	
CapEx	14	15	(9,8)	(16,5)	6	11	(45,9)	(48,5)
Spectrum	-	-	-	-	-	-	-	-
OpCF (OIBDA-CapEx)	30	28	6,5	(1,0)	14	10	46,4	34,9

- OIBDA is presented before management and brand fees.

TELFÓNICA ECUADOR
ACCESSES

Unaudited figures (Thousands)	2014				2015		% Chg
	March	June	September	December	March	June	
Mobile accesses	5,174,5	5,155,4	4,995,9	5,002,5	4,675,3	4,545,3	(11,8)
Prepay	4,165,4	4,111,9	3,915,1	3,897,8	3,545,6	3,380,8	(17,8)
Contract	1,009,1	1,043,5	1,080,9	1,104,7	1,129,7	1,164,6	11,6
M2M	116,4	124,2	136,9	154,2	173,3	182,7	47,1
Fixed Wireless	49,5	49,5	51,3	53,1	48,1	43,8	(11,6)
Total Accesses	5,224,0	5,204,9	5,047,3	5,055,6	4,723,4	4,589,1	(11,8)

SELECTED OPERATIONAL MOBILE BUSINESS DATA

Unaudited figures	2014				2015		% Chg Local Cur
	Q1	Q2	Q3	Q4	Q1	Q2	
Voice Traffic (Million minutes)	1.175	1.203	1.212	1.201	1.172	1.253	4,2
Data traffic (TB)	1.142	1.223	1.315	1.485	1.786	2.213	80,9
ARPU (EUR)	6,8	7,0	7,3	7,8	8,3	8,9	1,5
Prepay	4,0	3,9	4,1	4,4	4,6	4,8	0,8
Contract (1)	21,1	22,1	21,8	22,3	24,5	24,6	(10,9)
Data ARPU (EUR)	2,3	2,4	2,4	2,6	3,0	3,6	22,7
% non-SMS over data revenues	76,8%	78,6%	78,5%	80,6%	82,5%	85,1%	6,5 p.p.
Churn	2,5%	2,8%	3,7%	3,2%	5,7%	4,6%	1,8 p.p.
Contract (1)	1,3%	1,3%	1,3%	1,7%	1,6%	1,5%	0,3 p.p.
	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Dec	Jan-Mar	Jan-Jun	% Chg Local Cur
Voice Traffic (Million minutes)	1.175	2.378	3.589	4.790	1.172	2.426	2,0
Data traffic (TB)	1.142	2.366	3.680	5.165	1.786	3.999	69,0
ARPU (EUR)	6,8	6,9	7,0	7,2	8,3	8,6	0,7
Prepay	4,0	3,9	4,0	4,1	4,6	4,7	(2,2)
Contract (1)	21,1	21,7	21,7	21,9	24,5	24,6	(7,9)
Data ARPU (EUR)	2,3	2,3	2,3	2,4	3,0	3,3	14,6
% non-SMS over data revenues	76,8%	77,7%	78,0%	78,6%	82,5%	83,9%	6,1 p.p.
Churn	2,5%	2,6%	3,0%	3,0%	5,7%	5,2%	2,5 p.p.
Contract (1)	1,3%	1,3%	1,3%	1,4%	1,6%	1,6%	0,3 p.p.

Notes:

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

- Voice traffic is defined as minutes used by the company customers, both outbound and inbound. On-net traffic is only included once (outbound), and promotional traffic is included. Traffic not associated to the Company's mobile customers (roaming-in, MVNOs, interconnection of third parties and other business lines) is excluded. Traffic volume non rounded.

- Data traffic is defined as Terabytes used by the company customers, both upload and download (1TByte = 10¹² bytes). Promotional traffic is included. Traffic not associated to the Company's mobile customers (roaming-in, MVNOs, interconnection of third parties and other business lines) is also included. Traffic volume non rounded.

(1) Excludes M2M.

TELFÓNICA URUGUAY
ACCESSES

Unaudited figures (Thousands)	2014				2015		% Chg
	March	June	September	December	March	June	
Mobile accesses	1,845,7	1,854,4	1,871,6	1,883,8	1,912,5	1,844,1	(0,6)
Prepay	1,245,8	1,243,2	1,259,6	1,276,9	1,305,3	1,228,4	(1,2)
Contract	599,9	611,2	612,0	606,9	607,1	615,7	0,7
M2M	35,5	36,6	37,0	40,6	43,7	47,8	30,7
Total Accesses	1,845,7	1,854,4	1,871,6	1,883,8	1,912,5	1,844,1	(0,6)

SELECTED OPERATIONAL MOBILE BUSINESS DATA

Unaudited figures	2014				2015		% Chg Local Cur
	Q1	Q2	Q3	Q4	Q1	Q2	
Voice Traffic (Million minutes)	850	845	862	864	840	783	(7,3)
Data traffic (TB)	1.045	1.118	1.318	1.499	1.704	1.937	73,3
ARPU (EUR)	9,5	9,1	9,2	9,8	10,0	9,8	0,5
Prepay	4,6	4,3	4,2	4,6	4,5	4,6	(0,1)
Contract (1)	20,8	20,1	20,6	21,8	23,2	22,2	3,2
Data ARPU (EUR)	3,9	3,8	3,9	4,2	4,5	4,5	12,4
% non-SMS over data revenues	51,5%	54,0%	56,7%	60,8%	67,3%	67,5%	13,4 p.p.
Churn	1,9%	1,6%	1,4%	1,5%	1,4%	3,0%	1,4 p.p.
Contract (1)	0,6%	0,6%	0,7%	0,7%	0,7%	0,7%	0,1 p.p.
	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Dec	Jan-Mar	Jan-Jun	% Chg Local Cur
Voice Traffic (Million minutes)	850	1.695	2.557	3.421	840	1.623	(4,3)
Data traffic (TB)	1.045	2.163	3.482	4.981	1.704	3.641	68,3
ARPU (EUR)	9,5	9,3	9,2	9,4	10,0	9,9	(1,2)
Prepay	4,6	4,4	4,4	4,4	4,5	4,6	(4,8)
Contract (1)	20,8	20,4	20,5	20,8	23,2	22,7	2,9
Data ARPU (EUR)	3,9	3,8	3,9	4,0	4,5	4,5	9,5
% non-SMS over data revenues	51,5%	52,7%	54,0%	55,7%	67,3%	67,4%	14,6 p.p.
Churn	1,9%	1,7%	1,6%	1,6%	1,4%	2,2%	0,4 p.p.
Contract (1)	0,6%	0,6%	0,7%	0,7%	0,7%	0,7%	0,1 p.p.

Notes:

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

- Voice traffic is defined as minutes used by the company customers, both outbound and inbound. On-net traffic is only included once (outbound), and promotional traffic is included. Traffic not associated to the Company's mobile customers (roaming-in, MVNOs, interconnection of third parties and other business lines) is excluded. Traffic volume non rounded.

- Data traffic is defined as Terabytes used by the company customers, both upload and download (1TByte = 10¹² bytes). Promotional traffic is included. Traffic not associated to the Company's mobile customers (roaming-in, MVNOs, interconnection of third parties and other business lines) is also included. Traffic volume non rounded.

(1) Excludes M2M.