

TELEFÓNICA

ACCESSES

Unaudited figures (thousands)

	2015				2016		% Chg
	March	June	September	December	March	June	
Final Clients Accesses	337.505,0	348.093,8	346.226,8	341.475,6	341.262,7	341.922,3	(1,8)
Fixed telephony accesses (1)	36.451,9	40.400,0	40.218,1	39.734,9	39.606,5	39.262,1	(2,8)
Internet and data accesses	18.215,6	21.249,6	21.430,9	21.365,3	21.507,7	21.641,4	1,8
Broadband	17.724,6	20.775,2	20.966,8	20.971,3	21.097,2	21.195,9	2,0
Fibre and VDSL	2.878,7	6.386,4	6.935,1	7.393,1	7.915,1	8.362,0	30,9
Mobile accesses	277.371,0	278.414,0	276.423,5	272.103,9	271.783,2	272.596,8	(2,1)
Prepay	177.579,8	177.429,1	173.699,9	167.845,1	166.005,2	165.619,6	(6,7)
Contract	99.791,2	100.984,8	102.723,5	104.258,8	105.778,0	106.977,2	5,9
M2M	10.230,1	10.681,6	11.050,1	11.526,3	12.583,9	12.988,2	21,6
Pay TV	5.466,5	8.030,3	8.154,3	8.271,6	8.365,4	8.422,0	4,9
Wholesale Accesses	6.475,7	6.401,0	6.271,7	6.062,8	5.826,7	5.591,7	(12,6)
Total Accesses	343.980,7	354.494,8	352.498,5	347.538,4	347.089,4	347.514,0	(2,0)

Notes:

- GVT and DTS accesses are consolidated from 1 May 2015.

- Telefónica UK accesses are included since the first quarter of 2015 as it has been reclassified back into full consolidation.

(1) Includes fixed wireless and VoIP accesses.

TELEFÓNICA

MOBILE ACCESSES

Unaudited figures (thousands)

	2015				2016		% Chg
	March	June	September	December	March	June	
Prepay percentage (%)	64,0%	63,7%	62,8%	61,7%	61,1%	60,8%	(3,0 p.p.)
Contract percentage (%)	36,0%	36,3%	37,2%	38,3%	38,9%	39,2%	3,0 p.p.
Smartphones ('000)	102.215,8	110.156,4	120.003,6	126.178,9	128.326,0	130.058,4	18,1
Prepay	49.712,4	54.510,2	59.961,6	62.823,1	64.140,1	64.957,4	19,2
Contract	52.503,4	55.646,2	60.041,9	63.355,8	64.185,9	65.101,0	17,0
Smartphone penetration (%)	39,2%	42,1%	46,3%	49,5%	50,6%	51,1%	9,0 p.p.
Prepay	28,2%	31,0%	34,8%	37,7%	38,9%	39,5%	8,5 p.p.
Contract	62,1%	65,2%	69,1%	71,9%	72,2%	72,3%	7,2 p.p.
LTE ('000)	18.965,4	24.341,5	30.209,6	37.375,0	43.870,2	50.077,3	105,7
LTE penetration (%)	7,1%	9,1%	11,4%	15,7%	16,9%	19,3%	10,2 p.p.

Notes:

- GVT and DTS accesses are consolidated from 1 May 2015.

- Telefónica UK accesses are included since the first quarter of 2015 as it has been reclassified back into full consolidation.

TELEFÓNICA
CONSOLIDATED INCOME STATEMENT
Unaudited figures (Euros in millions)

	January - June		% Chg		April - June		% Chg	
	2016	2015	Reported	Organic	2016	2015	Reported	Organic
Revenues	25.235	27.151	(7,1)	1,3	12.723	13.789	(7,7)	(0,2)
Internal exp. capitalized in fixed assets	428	435	(1,7)	(0,9)	214	231	(7,1)	(3,3)
Operating expenses	(18.010)	(19.443)	(7,4)	0,5	(9.067)	(9.865)	(8,1)	(0,8)
Supplies	(7.423)	(8.060)	(7,9)	(3,0)	(3.748)	(4.124)	(9,1)	(3,6)
Personnel expenses	(3.436)	(3.581)	(4,0)	3,3	(1.687)	(1.818)	(7,2)	(0,4)
Other operating expenses	(7.152)	(7.802)	(8,3)	2,8	(3.632)	(3.923)	(7,4)	1,9
Other net income (expense)	98	55	78,7	67,7	49	32	51,2	36,4
Gain (loss) on sale of fixed assets	8	92	(91,7)	(84,5)	2	31	(94,1)	(94,9)
Impairment of goodwill and other assets	(2)	(1)	136,6	148,9	(3)	0	c.s.	c.s.
Operating income before D&A (OIBDA)	7.756	8.289	(6,4)	3,1	3.918	4.218	(7,1)	0,8
OIBDA Margin	30,7%	30,5%	0,2 p.p.	0,5 p.p.	30,8%	30,6%	0,2 p.p.	0,3 p.p.
Depreciation and amortization	(4.673)	(4.831)	(3,3)	2,1	(2.351)	(2.438)	(3,6)	2,4
Operating income (OI)	3.083	3.458	(10,9)	4,6	1.567	1.780	(12,0)	(1,5)
Share of profit (loss) of investments accounted for by the equity method	(3)	(8)	(60,7)		0	(3)	c.s.	
Net financial income (expense)	(1.320)	(1.146)	15,2		(660)	(492)	34,3	
Profit before taxes	1.760	2.304	(23,6)		907	1.286	(29,4)	
Corporate income tax	(549)	(150)	n.m		(251)	270	c.s.	
Profit for the period	1.211	2.154	(43,8)		656	1.556	(57,8)	
Non-controlling interests	30	(12)	c.s.		37	(31)	c.s.	
Net Income	1.241	2.142	(42,1)		693	1.525	(54,5)	
Weighted average number of ordinary shares outstanding during the period (millions)	4.924	4.866	1,2		4.911	4.973	(1,3)	
Basic earnings per share (euros)	0,23	0,41	(45,2)		0,13	0,29	(55,6)	

Notes:

- Since the second quarter of 2016 Telefónica's operations in the United Kingdom are no longer reported as discontinued operations within Telefónica Group and all its assets and liabilities have ceased to be reported as "held for sale", and have been reclassified back into full consolidation within Telefónica Group financial statements, in compliance with International Financial Reporting Standards (IFRS). For comparative purposes, the results of Grupo Telefónica of 2015 and the first quarter of 2016 are reported following the 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 2015, 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.

- 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.

- 2015 and 2016 reported figures include hyperinflationary adjustments in Venezuela in both years.

- Group consolidated results consolidate GVT and DTS' results since 1 May 2015.

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

	January - June		% Chg		April - June		% Chg	
	2016	2015	Reported	Organic	2016	2015	Reported	Organic
Revenues	6.328	6.002	5,4	0,0	3.202	3.124	2,5	(0,1)
Mobile handset revenues	238	299	(20,3)	(20,3)	121	156	(22,3)	(22,3)
Revenues ex-mobile handset revenues	6.090	5.703	6,8	1,0	3.081	2.968	3,8	1,1
Consumer (1)	3.262	2.928	11,4	1,4	1.636	1.549	5,7	0,9
Fusión	1.994	1.603	24,4	24,4	1.015	827	22,7	22,7
Non-Fusión	1.268	1.325	(4,3)	(21,5)	621	721	(13,9)	(21,8)
Business	1.712	1.731	(1,1)	(1,1)	876	871	0,6	0,6
Communications	1.368	1.420	(3,7)	(3,7)	690	705	(2,0)	(2,0)
IT	345	311	10,7	10,7	186	166	11,8	11,8
Other (2)	1.116	1.044	6,9	3,5	568	548	3,6	2,0
Internal expenditure capitalized in fixed assets	169	170	(0,4)	(0,4)	82	82	0,4	0,4
Operating expenses	(3.921)	(3.657)	7,2	(1,6)	(1.966)	(1.922)	2,3	(1,9)
Supplies	(1.649)	(1.371)	20,3	2,7	(869)	(767)	13,3	5,0
Personnel expenses	(1.117)	(1.122)	(0,5)	(2,6)	(524)	(565)	(7,3)	(8,3)
Other operating expenses	(1.154)	(1.164)	(0,9)	(6,3)	(574)	(591)	(2,8)	(5,4)
Other net income (expense)	(2)	0	c.s.	c.s.	(7)	(5)	35,6	38,1
Gain (loss) on sale of fixed assets	10	72	(85,8)	(69,8)	6	26	(77,4)	(77,4)
Impairment of goodwill and other assets	(2)	-	n.m.	n.m.	(1)	(0)	70,0	70,0
Operating income before D&A (OIBDA)	2.583	2.586	(0,1)	1,5	1.317	1.305	0,9	1,1
OIBDA Margin	40,8%	43,1%	(2,3 p.p.)	0,6 p.p.	41,1%	41,8%	(0,6 p.p.)	0,5 p.p.
CapEx	889	889	0,0	4,1	463	476	(2,8)	1,2
Spectrum	7	49	(85,7)	(85,7)	7	27	(74,0)	(74,0)
OpCF (OIBDA-CapEx)	1.694	1.697	(0,2)	0,2	854	829	3,0	1,0

Note:

- The reported figures include DTS in Telefónica España's consolidation perimeter from 1 May 2015.

- OIBDA and OI before management and brand fees.

- Mobile handset revenues have been restated from 1 January 2015 including all the business of Telefónica España (previously only Telefónica Móviles España).

(1) Consumer revenues include residential and SOHO revenues.

(2) Other revenues include wholesale, subsidiaries and other revenues.

TELEFÓNICA ESPAÑA
ACCESSES

Unaudited figures (Thousands)

	2015				2016		% Var
	March	June	September	December	March	June	
Final Clients Accesses	35.882,6	36.958,2	36.868,1	36.935,6	36.791,3	36.765,2	(0,5)
Fixed telephony accesses (1)	10.321,9	10.126,6	10.064,9	10.005,6	9.910,6	9.854,2	(2,7)
Internet and data accesses	5.972,7	5.905,1	5.947,8	6.000,0	6.012,8	6.061,6	2,7
Broadband	5.928,3	5.861,0	5.906,1	5.962,0	5.978,6	6.030,2	2,9
Fibre	1.560,3	1.720,7	1.950,5	2.223,0	2.458,3	2.675,7	55,5
Mobile accesses	17.448,6	17.330,7	17.272,0	17.258,5	17.140,1	17.094,4	(1,4)
Prepay	3.122,6	2.989,1	2.881,1	2.777,1	2.675,7	2.579,7	(13,7)
Contract	14.325,9	14.341,6	14.390,9	14.481,4	14.464,5	14.514,7	1,2
M2M	1.662,4	1.726,5	1.705,6	1.778,8	1.827,2	1.890,5	9,5
Pay TV (2)	2.139,5	3.595,7	3.583,4	3.671,5	3.727,8	3.755,0	4,4
Wholesale Accesses	5.333,6	5.286,7	5.200,4	5.037,7	4.866,9	4.693,3	(11,2)
Fibre	66,5	97,9	124,4	144,7	176,6	210,3	114,9
Total Accesses	41.216,2	42.244,9	42.068,4	41.973,3	41.658,2	41.458,6	(1,9)

(1) Includes fixed wireless and VoIP accesses.

(2) From the second quarter of 2015, Pay TV accesses include DTS.

CONSUMER ACCESSES (Fusión + non-Fusión)

Unaudited figures (thousands)

	2015				2016		% Var
	March	June	September	December	March	June	
Fixed telephony accesses	7.782,2	7.609,9	7.559,7	7.509,9	7.428,5	7.382,1	(3,0)
Internet and data accesses	5.119,0	5.049,6	5.089,0	5.135,8	5.145,4	5.186,4	2,7
Mobile accesses	12.240,0	12.049,3	12.001,3	11.920,1	11.759,7	11.676,5	(3,1)
Prepay	3.122,6	2.989,2	2.881,1	2.777,1	2.675,7	2.579,7	(13,7)
Contract	9.117,3	9.060,0	9.120,2	9.143,0	9.084,0	9.096,8	0,4
Pay TV	2.139,5	3.595,7	3.583,4	3.671,5	3.727,8	3.755,0	4,4
Total Consumer Accesses	27.280,6	28.304,5	28.233,5	28.237,2	28.061,4	28.000,0	(1,1)

TOTAL MOBILE ACCESSES

Unaudited figures

	2015				2016		% Var
	March	June	September	December	March	June	
Prepay percentage (%)	17,9%	17,2%	16,7%	16,1%	15,6%	15,1%	(2,2 p.p.)
Contract percentage (%)	82,1%	82,8%	83,3%	83,9%	84,4%	84,9%	2,2 p.p.
Smartphones ('000)	9.801,4	9.877,2	10.052,6	10.169,0	10.200,2	10.295,8	4,2
Prepay	365,7	351,4	348,8	383,5	366,3	390,2	11,1
Contract	9.435,7	9.525,8	9.703,8	9.785,5	9.833,9	9.905,6	4,0
Smartphone penetration (%)	62,8%	64,0%	65,2%	66,3%	67,2%	68,3%	4,3 p.p.
Prepay (%)	11,7%	11,8%	12,1%	13,8%	13,7%	15,1%	3,4 p.p.
Contract (%)	75,6%	76,5%	77,4%	77,9%	78,7%	79,2%	2,7 p.p.
LTE ('000)	2.159,4	2.554,2	2.995,9	3.293,0	4.520,7	5.050,0	97,7
LTE penetration (%)	13,7%	16,4%	19,2%	21,3%	29,5%	33,2%	16,8 p.p.

CONSUMER FUSIÓN

Unaudited figures (thousands)

	2015				2016		% Var
	March	June	September	December	March	June	
Fusión Customers	3.866,2	3.880,7	4.002,7	4.140,3	4.209,1	4.268,8	10,0
Fibre 100/300	891,8	957,1	1.064,4	1.188,1	1.267,4	1.345,9	40,6
IPTV	1.926,6	2.035,7	2.339,1	2.600,2	2.768,6	2.873,6	41,2
Mobile add-ons	1.870,5	1.915,2	1.969,1	2.016,5	2.023,3	2.084,1	8,8

CONSUMER FUSIÓN

Unaudited figures

	2015				2016		% Var
	Q1	Q2	Q3	Q4	Q1	Q2	
Fusión ARPU (EUR)	68,6	71,3	73,8	73,2	78,2	79,8	11,8
Fusión churn	0,9%	1,4%	1,1%	1,1%	1,3%	1,1%	(0,3 p.p.)
	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dic	Jan - Mar	Jan - Jun	% Var
Fusión ARPU (EUR)	68,6	70,0	71,3	71,8	78,2	79,0	12,9
Fusión churn	0,9%	1,2%	1,2%	1,2%	1,3%	1,2%	0,1 p.p.

SELECTED OPERATIONAL DATA

Unaudited figures

	2015				2016		% Var
	Q1	Q2	Q3	Q4	Q1	Q2	
Total voice traffic (Million minutes)	42.519	41.500	38.950	38.963	38.139	39.876	(5,9)
Fixed voice traffic	23.895	22.866	20.958	20.863	20.456	20.903	(8,6)
Mobile voice traffic	18.624	18.634	17.993	18.100	17.683	18.973	1,8
Total data traffic (TB)	1.007.617	946.695	1.075.921	1.237.898	1.333.989	1.363.624	44,0
Fixed data traffic	982.743	916.869	1.037.339	1.200.768	1.291.860	1.319.042	43,9
Mobile data traffic	24.874	29.826	38.582	37.129	42.129	44.583	49,5
	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec	Jan - Mar	Jan - Jun	% Var
Total voice traffic (Million minutes)	42.519	84.018	122.969	161.932	38.139	78.015	(7,1)
Fixed voice traffic	23.895	46.761	67.718	88.582	20.456	41.359	(11,6)
Mobile voice traffic	18.624	37.258	55.250	73.351	17.683	36.656	(1,6)
Total data traffic (TB)	1.007.617	1.954.312	3.030.233	4.268.131	1.333.989	2.697.613	38,0
Fixed data traffic	982.743	1.899.612	2.936.951	4.137.720	1.291.860	2.610.901	37,4
Mobile data traffic	24.874	54.700	93.282	130.411	42.129	86.712	58,5

Notes:

Since 1 January 2015:

- Consumer accesses (Fusión + Non-Fusión) include accesses of services taken out by the Consumer segment (including SOHOs).
- Fusión Consumer ARPU: average monthly Consumer Fusión revenue divided by average customers for the period.
- Fusión Consumer customer base excludes SME's customers.
- Fusión Consumer mobile add-ons include "Vive 13" accesses associated to Fusión packages.
- Voice traffic is defined as minutes per access used on the company's network, both outbound and inbound. 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 included. 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.

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

	January - June		% Chg		April - June		% Chg	
	2016	2015	Reported	Organic	2016	2015	Reported	Organic
Revenues	3.691	3.849	(4,1)	(4,1)	1.834	1.949	(5,9)	(5,9)
Mobile Business	3.187	3.321	(4,0)	(4,0)	1.584	1.685	(6,0)	(6,0)
Mobile service revenues	2.694	2.735	(1,5)	(1,5)	1.358	1.382	(1,7)	(1,7)
Data revenues	1.478	1.400	5,6	5,6	749	707	5,8	5,8
Handset revenues	493	586	(15,9)	(15,9)	226	303	(25,5)	(25,5)
Fixed Business	498	521	(4,5)	(4,5)	245	260	(5,9)	(5,9)
FBB and new services (1)	379	401	(5,3)	(5,3)	187	203	(7,7)	(7,7)
Voice & access revenues	118	121	(1,8)	(1,8)	58	58	0,4	0,4
Internal expenditure capitalized in fixed assets	51	49	4,3	4,3	26	26	0,7	0,7
Operating expenses	(2.918)	(3.047)	(4,2)	(5,2)	(1.435)	(1.504)	(4,6)	(5,3)
Supplies	(1.206)	(1.306)	(7,6)	(7,6)	(578)	(646)	(10,6)	(10,6)
Personnel expenses	(333)	(345)	(3,2)	(11,7)	(160)	(166)	(3,4)	(10,1)
Other operating expenses	(1.379)	(1.397)	(1,3)	(1,3)	(697)	(692)	0,8	0,8
Other net income (expense)	25	-	-	-	33	(10)	c.s.	c.s.
Gain (loss) on sale of fixed assets	-	17	-	-	(0)	0	c.s.	c.s.
Impairment of goodwill and other assets	-	-	-	-	-	-	-	-
Operating income before D&A (OIBDA)	850	869	(2,2)	1,7	458	461	(0,7)	1,8
OIBDA Margin	23,0%	22,6%	0,5 p.p.	1,4 p.p.	25,0%	23,6%	1,3 p.p.	1,9 p.p.
CapEx	433	1.658	(73,9)	(7,1)	213	1.437	(85,2)	(12,5)
Spectrum	3	1.195	(99,8)	n.m.	1	1.195	(99,9)	n.m.
OpCF (OIBDA-CapEx)	417	(789)	c.s.	11,7	245	(976)	c.s.	17,3

Note:

- OIBDA and OI before management and brand fees.

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

TELEFÓNICA DEUTSCHLAND
ACCESSES
Unaudited figures (Thousands)

	2015				2016		% Chg
	March	June	September	December	March	June	
Final Clients Accesses	46.572,8	46.981,4	47.627,2	47.391,2	47.341,7	47.754,9	1,6
Fixed telephony accesses (1)	2.022,0	2.009,7	1.999,9	1.997,8	2.002,8	2.007,4	(0,1)
Internet and data accesses	2.371,6	2.354,7	2.338,7	2.330,6	2.330,9	2.329,8	(1,1)
Broadband	2.128,3	2.115,2	2.102,7	2.098,0	2.101,5	2.103,9	(0,5)
VDSL	322,2	379,8	444,0	516,8	593,0	669,3	76,2
Mobile accesses	42.179,2	42.617,0	43.288,6	43.062,8	43.008,0	43.417,8	1,9
Prepay	23.264,2	23.500,9	24.003,7	23.979,4	23.743,5	23.814,2	1,3
Contract (2)	18.915,0	19.116,1	19.284,9	19.083,4	19.264,4	19.603,6	2,6
M2M	443,4	506,2	570,7	632,0	682,2	704,3	39,1
Wholesale Accesses	1.085,3	1.059,3	1.017,5	972,0	910,5	850,1	(19,7)
Total Accesses	47.658,1	48.040,7	48.644,7	48.363,2	48.252,2	48.605,0	1,2

(1) Includes fixed wireless and VoIP accesses.

(2) In the fourth quarter of 2015, 400 thousand inactive customer accesses were excluded.

MOBILE ACCESSES
Unaudited figures (thousands)

	2015				2016		% Chg
	March	June	September	December	March	June	
Prepay percentage (%)	55,2%	55,1%	55,5%	55,7%	55,2%	54,8%	(0,3 p.p.)
Contract percentage (%)	44,8%	44,9%	44,5%	44,3%	44,8%	45,2%	0,3 p.p.
Smartphones ('000)	20.364,1	21.153,4	22.145,5	22.594,3	23.083,0	23.707,1	12,1
Prepay	9.086,7	9.538,8	10.097,5	10.279,7	10.678,9	10.805,8	13,3
Contract	11.277,4	11.614,6	12.048,0	12.314,6	12.404,1	12.901,3	11,1
Smartphone penetration (%)	49,8%	51,3%	52,9%	54,2%	55,4%	56,2%	5,0 p.p.
Prepay	39,6%	41,1%	42,6%	43,3%	45,4%	45,7%	4,7 p.p.
Contract	63,0%	64,4%	66,4%	68,7%	68,6%	69,6%	5,2 p.p.
LTE ('000)	5.146,0	6.093,0	7.002,2	7.883,5	8.690,5	9.399,8	54,3
LTE penetration (%)	12,3%	14,5%	16,4%	18,6%	20,5%	22,0%	7,5 p.p.

SELECTED OPERATIONAL DATA
Unaudited figures

	2014				2015		% Chg
	Q1	Q2	Q3	Q4	Q1	Q2	
Voice traffic (Million minutes)	30.769	29.334	28.324	29.450	28.910	29.341	0,0
Fixed voice traffic	6.533	5.686	4.915	5.067	5.214	4.652	(18,2)
Mobile voice traffic	24.236	23.647	23.409	24.383	23.696	24.689	4,4
Data traffic (TB)	485.180	497.059	514.154	603.296	664.202	663.704	33,5
Fixed data traffic (1)	445.008	454.804	468.256	552.795	612.603	603.867	32,8
Mobile data traffic	40.172	42.255	45.898	50.501	51.599	59.837	41,6
Mobile ARPU (EUR)	10,6	10,8	10,9	10,5	10,3	10,4	(3,8)
Prepay	5,6	5,9	6,0	5,8	5,7	5,7	(2,7)
Contract (2)	17,2	17,2	17,4	16,9	16,6	16,6	(3,3)
Data ARPU (EUR)	5,5	5,6	5,6	5,5	5,6	5,8	3,9
% non-SMS over data revenues	70,5%	71,5%	71,9%	72,5%	75,4%	76,7%	5,2 p.p.
Mobile churn	2,4%	2,1%	2,1%	2,8%	2,5%	2,1%	0,0 p.p.
Contract (2)	1,7%	1,7%	1,7%	2,4%	1,8%	1,6%	(0,1 p.p.)
	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Dec	Jan-Mar	Jan-Jun	% Chg
Voice traffic (Million minutes)	30.769	60.103	88.427	117.877	28.910	58.251	(3,1)
Fixed voice traffic (1)	6.533	12.219	17.134	22.201	5.214	9.865	(19,3)
Mobile voice traffic	24.236	47.883	71.293	95.676	23.696	48.386	1,0
Data traffic (TB)	485.180	982.239	1.496.393	2.099.689	664.202	1.327.906	35,2
Fixed data traffic (1)	445.008	899.812	1.368.068	1.920.863	612.603	1.216.470	35,2
Mobile data traffic	40.172	82.427	128.325	178.826	51.599	111.436	35,2
Mobile ARPU (EUR)	10,6	10,7	10,8	10,7	10,3	10,3	(3,5)
Prepay	5,6	5,8	5,8	5,8	5,7	5,7	(0,8)
Contract (2)	17,2	17,2	17,3	17,2	16,6	16,6	(3,5)
Data ARPU (EUR)	5,5	5,5	5,6	5,5	5,6	5,7	3,5
% non-SMS over data revenues	70,5%	71,0%	71,3%	71,6%	75,4%	76,1%	5,1 p.p.
Churn	2,4%	2,3%	2,2%	2,4%	2,5%	2,3%	0,1 p.p.
Contract (2)	1,7%	1,7%	1,7%	1,9%	1,8%	1,7%	(0,0 p.p.)

Notes:

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

- Voice traffic is defined as minutes per access used on the company's network, both outbound and inbound. 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 included. 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) Includes solely traffic pertaining to FBB accesses, not Business customers.

(2) Excludes M2M.

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

	January - June		% Var		April - June		% Var	
	2016	2015	Reported	Organic	2016	2015	Reported	Organic
Revenues	3.464	3.804	(8,9)	(3,2)	1.712	1.953	(12,3)	(4,4)
Mobile service revenues	2.633	2.834	(7,1)	(1,2)	1.308	1.455	(10,1)	(2,0)
Data revenues	1.577	1.649	(4,4)	1,7	790	845	(6,5)	1,9
Handset revenues and other	831	970	(14,4)	(9,0)	404	498	(19,0)	(11,6)
Internal expenditure capitalized in fixed assets	70	76	(8,0)	(2,3)	36	42	(14,5)	(7,0)
Operating expenses	(2.601)	(2.904)	(10,4)	(4,8)	(1.285)	(1.479)	(13,1)	(5,3)
Supplies	(1.594)	(1.838)	(13,3)	(7,8)	(787)	(929)	(15,3)	(7,6)
Personnel expenses	(267)	(265)	0,9	7,0	(135)	(136)	(0,2)	8,6
Other operating expenses	(741)	(801)	(7,5)	(1,7)	(362)	(414)	(12,5)	(4,6)
Other net income (expense)	(13)	(8)	48,9	58,3	(4)	(1)	n.m.	n.m.
Gain (loss) on sale of fixed assets	(2)	3	c.s.	c.s.	(2)	3	c.s.	c.s.
Impairment of goodwill and other assets	-	-	-	-	-	-	-	-
Operating income before D&A (OIBDA)	918	970	(5,4)	0,6	456	517	(11,8)	(4,0)
OIBDA Margin	26,5%	25,5%	1,0 p.p.	1,0 p.p.	26,6%	26,5%	0,2 p.p.	0,1 p.p.
CapEx	415	415	0,0	6,3	223	203	10,1	19,9
Spectrum	-	-	-	-	-	-	-	-
OpCF (OIBDA-CapEx)	502	555	(9,5)	(3,7)	233	314	(26,0)	(19,4)

Notes:

- OIBDA and OI before management and brand fees.

TELEFÓNICA UK
ACCESSSES
Unaudited figures (Thousands)

	2015				2016		% Chg
	March	June	September	December	March	June	
Final Clients Accesses	24.869,2	25.072,2	25.302,4	25.286,9	25.204,2	25.452,6	1,5
Fixed telephony accesses (1)	232,1	235,4	241,2	247,1	249,8	257,7	9,5
Internet and data accesses	19,9	20,4	20,5	21,0	21,5	22,3	9,8
Broadband	19,9	20,4	20,5	21,0	21,5	22,3	9,8
Mobile accesses	24.617,1	24.816,5	25.040,7	25.018,8	24.933,0	25.172,5	1,4
Prepay (2)	10.766,1	10.793,1	10.823,2	10.561,4	9.640,1	9.745,8	(9,7)
Contract	13.851,1	14.023,4	14.217,6	14.457,4	15.292,8	15.426,7	10,0
M2M (3)	2.201,1	2.234,2	2.289,9	2.383,9	3.143,4	3.176,8	42,2
Total Accesses	24.869,2	25.072,2	25.302,4	25.286,9	25.204,2	25.452,6	1,5

(1) Includes fixed wireless and VoIP accesses.

(2) Includes the disconnection of 720 thousand inactive prepay customers in the first quarter 2016.

(3) Includes 720 thousand M2M accesses on the Jasper platform since the first quarter 2016.

MOBILE ACCESSSES
Unaudited figures (thousands)

	2015				2016		% Chg
	March	June	September	December	March	June	
Prepay percentage (%)	43,7%	43,5%	43,2%	42,2%	38,7%	38,7%	(4,8 p.p.)
Contract percentage (%)	56,3%	56,5%	56,8%	57,8%	61,3%	61,3%	4,8 p.p.
Smartphones ('000)	10.784,8	10.972,4	11.202,4	13.274,4	13.267,7	13.301,8	21,2
Prepay	3.343,9	3.370,8	3.451,1	4.275,5	4.358,7	4.494,0	33,3
Contract	7.440,9	7.601,6	7.751,3	8.998,9	8.909,0	8.807,8	15,9
Smartphone penetration (%)	49,3%	49,9%	50,6%	60,4%	62,8%	62,4%	12,5 p.p.
Prepay (%)	31,4%	31,6%	32,2%	40,9%	45,6%	46,5%	14,9 p.p.
Contract (%)	66,4%	67,2%	67,9%	78,1%	77,0%	75,6%	8,4 p.p.
LTE ('000)	4.906,0	5.769,9	6.631,7	7.661,8	8.300,8	9.489,0	64,5
LTE penetration (%)	22,4%	26,2%	30,0%	34,9%	38,1%	43,1%	16,9 p.p.

SELECTED MOBILE OPERATIONAL DATA
Unaudited figures

	2015				2016		% Chg Local Cur
	Q1	Q2	Q3	Q4	Q1	Q2	
Voice Traffic (Million minutes)	22.206	22.926	22.545	22.850	22.964	23.425	2,2
Data traffic (TB)	30.928	35.478	39.873	45.257	49.648	55.720	57,1
ARPU (EUR)	18,8	19,6	19,9	19,3	17,9	17,5	(2,5)
Prepay	7,4	7,6	7,8	7,8	7,8	7,7	10,2
Contract (1)	32,7	34,0	34,6	33,0	30,1	29,6	(5,2)
Data ARPU (EUR)	10,9	11,4	11,6	11,3	10,6	10,5	0,9
% non-SMS over data revenues	58,6%	59,2%	60,2%	59,5%	59,9%	61,0%	1,7 p.p.
Churn	1,7%	1,6%	1,8%	2,2%	2,0%	1,5%	(0,1 p.p.)
Contract (1)	1,0%	0,9%	0,9%	1,0%	0,9%	0,8%	(0,1 p.p.)
	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec	Jan - Mar	Jan - Jun	% Chg Local Cur
Voice Traffic (Million minutes)	22.206	45.132	67.677	90.527	22.964	46.389	2,8
Data traffic (TB)	30.928	66.406	106.279	151.536	49.648	105.368	58,7
ARPU (EUR)	18,8	19,2	19,4	19,4	17,9	17,7	(1,8)
Prepay	7,4	7,5	7,6	7,7	7,8	7,7	9,9
Contract (1)	32,7	33,3	33,8	33,5	30,1	29,9	(4,8)
Data ARPU (EUR)	10,9	11,2	11,3	11,3	10,6	10,6	0,7
% non-SMS over data revenues	58,6%	58,9%	59,4%	59,4%	59,9%	60,4%	1,5 p.p.
Churn	1,7%	1,6%	1,7%	1,8%	2,0%	1,8%	0,2 p.p.
Contract (1)	1,0%	1,0%	1,0%	1,0%	0,9%	0,9%	(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.

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

	January - June		% Chg		April - June		% Chg	
	2016	2015	Reported	Organic	2016	2015	Reported	Organic
Revenues	5,087	5,737	(11,3)	0,8	2,656	2,943	(9,8)	0,9
Mobile Business	3,032	3,773	(19,7)	0,3	1,583	1,831	(13,5)	0,9
Mobile service revenues	2,883	3,554	(18,9)	1,3	1,505	1,718	(12,4)	2,3
Data revenues	1,451	1,455	(0,3)	24,4	784	737	6,4	24,8
Handset revenues	148	219	(32,1)	(15,3)	78	113	(31,1)	(19,2)
Fixed Business	2,055	1,964	4,7	1,4	1,072	1,112	(3,6)	0,8
FBB and new services (1)	753	715	5,4	3,8	402	404	(0,7)	4,8
Pay TV	232	155	50,2	17,3	121	102	18,8	13,9
Voice & access revenues	1,070	1,095	(2,3)	(3,1)	549	605	(9,3)	(4,4)
Internal exp. capitalized in fixed assets	52	38	37,0	4,2	27	28	(2,0)	(1,2)
Operating expenses	(3,473)	(3,990)	(13,0)	(1,9)	(1,817)	(2,057)	(11,7)	(2,8)
Supplies	(1,059)	(1,336)	(20,7)	(7,8)	(535)	(671)	(20,2)	(10,1)
Personnel expenses	(538)	(500)	7,6	2,1	(290)	(280)	3,4	(0,3)
Other operating expenses	(1,875)	(2,154)	(12,9)	0,6	(992)	(1,106)	(10,3)	0,9
Other net income (expense)	(19)	(24)	(21,0)	13,7	(22)	4	c.s.	c.s.
Gain (loss) on sale of fixed assets	1	(4)	c.s.	c.s.	(0)	(2)	(95,2)	(92,3)
Impairment of goodwill and other assets	(0)	2	c.s.	c.s.	(2)	3	c.s.	c.s.
Operating income before D&A (OIBDA)	1,647	1,759	(6,4)	7,0	842	919	(8,4)	5,8
OIBDA Margin	32,4%	30,7%	1,7 p.p.	1,9 p.p.	31,7%	31,2%	0,5 p.p.	1,5 p.p.
CapEx	792	961	(17,5)	(12,4)	445	566	(21,4)	(12,2)
Spectrum	-	-	-	-	-	-	-	-
OpCF (OIBDA-CapEx)	855	798	7,1	33,6	398	354	12,6	35,3

Note:

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

- OIBDA and OI before management and brand fees.

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

TELEFÓNICA BRASIL
ACCESSES
Unaudited figures (thousands)

	2015				2016		% Chg
	March	June	September	December	March	June	
Final Clients Accesses	97.339,9	106.528,1	103.432,6	96.899,3	97.283,7	97.121,4	(8,8)
Fixed telephony accesses (1)	10.609,4	14.869,6	14.876,8	14.654,5	14.945,4	14.742,1	(0,9)
Internet and data accesses	4.066,5	7.224,0	7.319,5	7.195,5	7.294,2	7.321,8	1,4
Broadband	3.926,5	7.092,4	7.191,5	7.129,5	7.229,2	7.263,5	2,4
Fibre	428,5	3.640,8	3.788,6	3.779,9	3.913,5	3.983,6	9,4
Mobile accesses	81.873,2	82.648,6	79.407,1	73.261,3	73.257,4	73.296,1	(11,3)
Prepay	52.972,3	53.068,7	48.978,8	42.194,4	42.011,5	41.669,4	(21,5)
Contract	28.900,8	29.580,0	30.428,3	31.066,9	31.245,8	31.626,7	6,9
M2M	3.687,5	3.935,2	4.105,7	4.234,7	4.390,0	4.590,3	16,6
Pay TV	790,9	1.785,9	1.829,2	1.787,9	1.786,7	1.761,4	(1,4)
Wholesale Accesses	25,4	23,6	22,9	22,3	21,0	20,7	(12,1)
Total Accesses T. Brasil	97.365,2	106.551,7	103.455,5	96.921,5	97.304,7	97.142,1	(8,8)
Terra Accesses	269,0	172,1	159,9	150,3	141,5	133,8	(22,2)

- GVT accesses are consolidated from 1 May 2015.
(1) Includes fixed wireless and VoIP accesses.

MOBILE ACCESSES
Unaudited figures (thousands)

	2015				2016		% Chg
	March	June	September	December	March	June	
Prepay percentage (%)	64,7%	64,2%	61,7%	57,6%	57,3%	56,9%	(7,4 p.p.)
Contract percentage (%)	35,3%	35,8%	38,3%	42,4%	42,7%	43,1%	7,4 p.p.
Smartphones ('000)	30.216,9	32.732,7	39.117,1	39.911,7	40.327,0	39.670,8	21,2
Prepay	18.710,6	19.372,1	22.945,3	22.376,4	22.977,1	22.689,1	17,1
Contract	11.506,3	13.360,6	16.171,8	17.535,4	17.349,9	16.981,7	27,1
Smartphone penetration (%)	40,3%	43,3%	54,2%	60,4%	61,0%	60,0%	16,6 p.p.
Prepay	35,5%	36,7%	47,1%	53,4%	55,1%	54,9%	18,2 p.p.
Contract	51,8%	58,8%	68,9%	72,7%	71,1%	68,4%	9,6 p.p.
LTE ('000)	3.943,1	5.691,1	7.542,2	10.214,7	12.498,3	15.115,2	165,6
LTE penetration (%)	5,0%	7,2%	10,0%	14,8%	18,1%	22,0%	14,8 p.p.

SELECTED OPERATIONAL DATA
Unaudited figures

	2015				2016		% Chg Local Cur
	Q1	Q2	Q3	Q4	Q1	Q2	
Voice traffic (Million minutes)	93.747	95.738	97.299	92.647	93.579	93.225	(2,6)
Fixed voice traffic	25.155	25.894	25.137	23.965	23.680	22.850	(11,8)
Mobile voice traffic	68.592	69.843	72.162	68.682	69.899	70.375	0,8
Data traffic (TB)	1.395.331	1.583.612	1.763.495	2.065.902	2.564.860	2.815.305	77,8
Fixed data traffic	1.330.287	1.514.813	1.695.219	1.995.403	2.485.715	2.729.649	80,2
Mobile data traffic	65.043	68.799	68.276	70.500	79.146	85.657	24,5
Mobile ARPU (EUR)	7,2	6,5	5,7	5,7	6,1	6,6	18,6
Prepay	3,8	3,3	2,8	2,9	3,2	3,4	20,9
Contract (1)	15,3	14,2	12,3	11,6	11,5	12,6	3,8
Data ARPU (EUR)	3,0	3,0	2,8	3,0	3,0	3,6	40,9
% non-SMS over data revenues	81,6%	82,5%	83,0%	84,5%	85,8%	87,1%	4,6 p.p.
Fixed telephony ARPU (EUR)	15,0	14,5	13,2	12,0	11,3	12,1	(2,5)
Pay TV ARPU (EUR)	22,3	23,5	22,0	21,1	20,6	22,6	12,2
Broadband ARPU (EUR)	12,5	12,3	11,0	10,6	10,3	11,2	7,3
Mobile churn	2,9%	3,2%	4,7%	6,1%	3,3%	3,1%	(0,1 p.p.)
Contract (1)	1,8%	1,9%	1,9%	1,8%	1,8%	1,9%	(0,0 p.p.)
	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Dec	Jan-Mar	Jan-Jun	% Chg Local Cur
Voice traffic (Million minutes)	93.747	189.485	286.783	379.430	93.579	186.804	(1,4)
Fixed voice traffic	25.155	51.050	76.186	100.151	23.680	46.530	(8,9)
Mobile voice traffic	68.592	138.435	210.597	279.279	69.899	140.274	1,3
Data traffic (TB)	1.395.331	2.978.942	4.742.437	6.808.340	2.564.860	5.380.166	80,6
Fixed data traffic	1.330.287	2.845.100	4.540.319	6.535.722	2.485.715	5.215.363	83,3
Mobile data traffic	65.043	133.842	202.118	272.618	79.146	164.803	23,1
Mobile ARPU (EUR)	7,2	6,9	6,5	6,3	6,1	6,4	16,1
Prepay	3,8	3,5	3,3	3,2	3,2	3,3	18,0
Contract (1)	15,3	14,7	13,9	13,3	11,5	12,1	2,2
Data ARPU (EUR)	3,0	3,0	2,9	2,9	3,0	3,3	39,0
% non-SMS over data revenues	81,6%	82,1%	82,4%	82,9%	85,8%	86,5%	4,2 p.p.
Fixed telephony ARPU (EUR)	15,0	14,7	14,1	13,5	11,3	11,7	(1,7)
Pay TV ARPU (EUR)	22,3	23,1	22,6	22,1	20,6	21,6	12,5
Broadband ARPU (EUR)	12,5	12,4	11,8	11,4	10,3	10,8	7,5
Churn	2,9%	3,0%	3,6%	4,2%	3,3%	3,2%	0,2 p.p.
Contract (1)	1,8%	1,8%	1,8%	1,8%	1,8%	1,8%	0,0 p.p.

Notes:

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

- Voice traffic is defined as minutes per access used on the company's network, both outbound and inbound. 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 included. 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	
	2016	2015	Reported	Organic	2016	2015	Reported	Organic
Revenues	6.015	7.132	(15,7)	7,5	2.961	3.467	(14,6)	3,6
Mobile Business	4.196	5.104	(17,8)	5,1	2.023	2.435	(16,9)	(1,4)
Mobile service revenues	3.763	4.524	(16,8)	6,7	1.813	2.158	(16,0)	(0,4)
Data revenues (1)	1.665	1.788	(6,8)	24,8	814	899	(9,4)	16,9
Handset revenues	434	580	(25,2)	(6,8)	210	278	(24,5)	(9,1)
Fixed Business	1.830	2.044	(10,5)	14,6	943	1.038	(9,1)	16,1
FBB and new services revenues (2)	978	1.031	(5,1)	24,0	511	528	(3,3)	25,8
Pay TV revenues	288	278	3,4	15,6	147	145	1,6	13,2
Voice & access revenues	564	735	(23,3)	1,1	285	365	(21,8)	3,2
Internal exp. capitalized in fixed assets	55	56	(0,4)	18,3	28	28	(1,9)	16,4
Operating expenses	(4.408)	(5.071)	(13,1)	11,5	(2.171)	(2.489)	(12,8)	6,8
Supplies	(1.806)	(2.042)	(11,5)	8,0	(894)	(1.012)	(11,7)	4,6
Personnel expenses	(743)	(826)	(10,0)	25,3	(364)	(408)	(10,8)	19,0
Other operating expenses	(1.859)	(2.204)	(15,6)	9,7	(913)	(1.069)	(14,6)	4,3
Other net income (expense)	39	32	21,2	38,9	18	15	19,4	34,1
Gain (loss) on sale of fixed assets	(0)	4	c.s.	c.s.	(1)	3	c.s.	c.s.
Impairment of goodwill and other assets	-	-	-	-	-	-	-	-
Operating income before D&A (OIBDA)	1.701	2.152	(20,9)	(1,2)	836	1.025	(18,5)	(3,4)
OIBDA Margin	28,3%	30,2%	(1,9 p.p.)	(2,5 p.p.)	28,2%	29,6%	(1,3 p.p.)	(2,0 p.p.)
CapEx	1.015	1.474	(31,1)	20,3	556	852	(34,7)	12,4
Spectrum	-	345	-	-	-	205	-	-
OpCF (OIBDA-CapEx)	686	678	1,1	(24,8)	280	173	61,9	(30,0)

Note:

- After considering Venezuela as an hyperinflationary country, P&L and CapEx from the operations in the country are to be accounted at the closing exchange rate Bolivar Fuerte/Euro. The January-June 2016 consolidated financial statements use the exchange rate of the Venezuelan bolivar set at the denominated DICOM (628 Venezuelan bolivars fuertes per dollar).

- OIBDA before management and brand fees.

- 2015 and 2016 reported figures include the hyperinflationary adjustments in Venezuela in both years.

(1) Since the first quarter 2015, data and voice revenues have been reassigned to homogenise the year-on-year comparison.

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

ACCESSES

Unaudited figures (thousands)

	2015				2016		% Chg
	March	June	September	December	March	June	
Final Clients Accesses	132.461,8	132.247,2	132.672,7	134.612,4	134.274,3	134.422,4	1,6
Fixed telephony accesses (1)	13.266,5	13.158,7	13.035,3	12.829,8	12.497,9	12.400,6	(5,8)
Internet and data accesses	5.516,0	5.573,4	5.644,5	5.667,8	5.706,8	5.772,1	3,6
Broadband	5.452,7	5.514,1	5.586,1	5.610,4	5.624,8	5.642,2	2,3
Fibre and VDSL	413,2	501,6	619,2	751,1	835,4	923,8	84,2
Mobile accesses	111.143,1	110.866,4	111.251,2	113.302,7	113.218,7	113.344,0	2,2
Prepay	87.454,6	87.077,4	87.013,2	88.332,8	87.934,3	87.810,5	0,8
Contract	23.688,6	23.789,1	24.238,1	24.969,8	25.284,4	25.533,6	7,3
M2M	2.125,9	2.144,8	2.214,3	2.296,9	2.315,1	2.354,3	9,8
Pay TV	2.536,2	2.648,6	2.741,7	2.812,2	2.850,9	2.905,6	9,7
Wholesale Accesses	31,4	31,4	31,0	30,9	28,2	27,5	(12,3)
Total Accesses T. Hispanoamerica	132.493,2	132.278,6	132.703,7	134.643,3	134.302,5	134.449,9	1,6

(1) Includes fixed wireless and VoIP accesses.

MOBILE ACCESSES

Unaudited figures (thousands)

	2015				2016		% Chg
	March	June	September	December	March	June	
Prepay percentage (%)	78,7%	78,5%	78,2%	78,0%	77,7%	77,5%	(1,1 p.p.)
Contract percentage (%)	21,3%	21,5%	21,8%	22,0%	22,3%	22,5%	1,1 p.p.
Smartphones ('000)	31.048,7	35.420,7	37.486,0	40.229,5	41.448,0	43.082,8	21,6
Prepay	18.205,6	21.877,1	23.118,9	25.508,0	25.759,1	26.578,2	21,5
Contract	12.843,1	13.543,6	14.367,1	14.721,5	15.689,0	16.504,5	21,9
Smartphone penetration (%)	28,9%	33,0%	34,8%	36,7%	37,8%	39,3%	6,2 p.p.
Prepay	21,0%	25,3%	26,8%	29,1%	29,5%	30,5%	5,1 p.p.
Contract	61,9%	64,9%	67,5%	67,0%	70,3%	73,3%	8,4 p.p.
LTE ('000)	2.811,4	4.233,6	6.037,5	8.321,9	9.859,6	11.023,3	160,4
LTE penetration (%)	2,6%	3,9%	5,5%	7,5%	8,9%	9,9%	6,0 p.p.

TELEFÓNICA ARGENTINA
SELECTED FINANCIAL DATA

Unaudited figures (Euros in millions)	January - June				April - June			
	2016	2015	% Chg	% Chg Local Cur	2016	2015	% Chg	% Chg Local Cur
Revenues	1.398	1.916	(27,0)	18,5	709	981	(27,7)	17,3
Mobile Business	844	1.236	(31,8)	10,8	422	637	(33,7)	7,7
Mobile service revenues	744	1.086	(31,5)	11,2	373	557	(33,1)	8,6
Data revenues	353	488	(27,7)	17,4	181	287	(37,0)	2,4
Handset revenues	99	150	(33,8)	7,5	50	79	(37,7)	1,2
Fixed Business	555	680	(18,4)	32,4	287	344	(16,7)	35,2
FBB and new services (1)	347	386	(10,1)	45,9	178	196	(9,2)	47,4
Voice & access revenues	208	294	(29,3)	14,8	109	148	(26,6)	19,1
OIBDA	314	539	(41,7)	(5,5)	165	266	(38,0)	0,6
OIBDA margin (2)	22,2%	27,8%	(5,6 p.p.)		23,0%	26,8%	(3,8 p.p.)	
CapEx	311	510	(39,0)	(0,9)	152	363	(58,2)	(32,0)
Spectrum	-	204			-	204		
OpCF (OIBDA-CapEx)	3	30	(89,3)	(83,0)	13	(97)	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, ICT revenues, other services over connectivity and FBB equipment.

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

ACCESSES	2015				2016		% Chg
	March	June	September	December	March	June	
<i>Unaudited figures (Thousands)</i>							
Final Clients Accesses	26.318,5	26.236,0	26.375,5	26.910,7	26.430,8	26.242,8	0,0
Fixed telephony accesses (1)	4.693,2	4.669,3	4.662,2	4.635,2	4.599,7	4.550,5	(2,5)
Fixed wireless	285,9	286,4	295,1	288,0	276,0	256,2	(10,6)
Internet and data accesses	1.880,7	1.877,8	1.883,9	1.886,3	1.911,8	1.910,9	1,8
Broadband	1.871,8	1.869,9	1.877,5	1.881,2	1.880,6	1.878,5	0,5
Mobile accesses	19.744,6	19.688,9	19.829,4	20.389,2	19.919,2	19.781,5	0,5
Prepay	12.778,0	12.859,0	12.985,6	13.434,6	12.989,8	12.851,6	(0,1)
Contract	6.966,5	6.829,9	6.843,8	6.954,6	6.929,4	6.929,9	1,5
M2M	455,4	446,9	450,5	448,8	439,2	428,3	(4,2)
Wholesale Accesses	23,3	23,5	23,0	23,1	22,4	21,8	(6,9)
Total Accesses	26.341,7	26.259,5	26.398,6	26.933,8	26.453,2	26.264,7	0,0

(1) Includes fixed wireless and VoIP accesses.

SELECTED OPERATIONAL DATA	2015				2016		% Chg Local Cur
	Q1	Q2	Q3	Q4	Q1	Q2	
<i>Unaudited figures</i>							
Voice traffic (Million minutes)	16.463	16.641	16.592	16.382	14.882	15.587	(6,3)
Fixed voice traffic	6.612	6.916	7.003	6.768	6.066	6.341	(8,3)
Mobile voice traffic	9.851	9.725	9.590	9.614	8.816	9.246	(4,9)
Data traffic (TB)	117.077	167.451	172.826	165.947	175.385	198.738	18,7
Fixed data traffic (1)	107.008	155.961	158.290	146.912	151.868	170.316	9,2
Mobile data traffic	10.069	11.491	14.536	19.035	23.517	28.423	147,4
Mobile ARPU (EUR)	9,1	9,9	9,9	9,0	6,5	6,6	9,2
Prepay	2,7	2,9	2,9	2,7	1,9	2,0	11,7
Contract (2)	22,3	24,0	24,5	22,6	16,2	16,2	9,8
Data ARPU (EUR)	3,4	4,3	4,5	4,0	2,9	3,0	12,6
% non-SMS over data revenues	56,2%	78,1%	76,1%	79,2%	82,2%	90,4%	12,3 p.p.
Fixed telephony ARPU (EUR)	9,9	9,8	10,4	9,1	6,6	7,5	24,4
Broadband ARPU (EUR)	21,3	21,9	22,5	21,6	17,6	18,5	37,3
Churn	3,1%	2,9%	2,7%	1,9%	3,3%	3,1%	0,3 p.p.
Contract (2)	1,1%	1,5%	1,7%	1,3%	1,2%	1,4%	(0,1 p.p.)

	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Dec	Jan-Mar	Jan-Jun	% Chg Local Cur
Voice traffic (Million minutes)	16.463	33.104	49.697	66.079	14.882	30.469	(8,0)
Fixed voice traffic	6.612	13.528	20.531	27.299	6.066	12.407	(8,3)
Mobile voice traffic	9.851	19.576	29.166	38.780	8.816	18.062	(7,7)
Data traffic (TB)	117.077	284.529	457.355	623.302	175.385	374.123	31,5
Fixed data traffic (1)	107.008	262.969	421.259	568.171	151.868	322.183	22,5
Mobile data traffic	10.069	21.560	36.096	55.131	23.517	51.940	140,9
Mobile ARPU (EUR)	9,1	9,5	9,6	9,5	6,5	6,6	12,5
Prepay	2,7	2,8	2,9	2,8	1,9	2,0	13,1
Contract (2)	22,3	23,1	23,6	23,3	16,2	16,2	13,6
Data ARPU (EUR)	3,4	4,1	4,2	4,2	2,9	2,9	15,6
% non-SMS over data revenues	56,2%	68,8%	71,4%	73,5%	82,2%	86,4%	17,6 p.p.
Fixed telephony ARPU (EUR)	9,9	9,8	10,0	9,8	6,6	7,1	16,6
Broadband ARPU (EUR)	21,3	21,6	21,9	21,8	17,6	18,1	35,8
Churn	3,1%	3,0%	2,9%	2,6%	3,3%	3,2%	0,3 p.p.
Contract (2)	1,1%	1,3%	1,4%	1,4%	1,2%	1,3%	(0,0 p.p.)

Notes:

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

- Voice traffic is defined as minutes per access used on the company's network, both outbound and inbound. 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 included. 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) Includes solely traffic related with FBB accesses, not Business customers.

(2) Excludes M2M.

TELEFÓNICA CHILE

SELECTED FINANCIAL DATA

Unaudited figures (Euros in millions)	January - June				April - June			
	2016	2015	% Chg	% Chg Local Cur	2015	2014	% Chg	% Chg Local Cur
Revenues	1.035	1.156	(10,4)	(0,6)	524	590	(11,3)	(0,5)
Mobile Business	591	686	(13,9)	(4,4)	294	347	(15,2)	(4,9)
Mobile service revenues	532	617	(13,8)	(4,4)	265	313	(15,3)	(5,0)
Data revenues	248	207	19,7	32,9	125	109	14,9	28,7
Handset revenues	59	69	(14,1)	(4,7)	29	34	(14,2)	(3,8)
Fixed Business	444	469	(5,4)	5,0	229	243	(5,7)	5,7
FBB and new services (1)	204	201	1,6	12,7	108	106	1,4	13,7
Voice & access revenues	113	120	(6,5)	3,8	58	64	(9,4)	1,5
Others	127	148	(14,0)	(4,6)	64	73	(12,8)	(2,1)
OIBDA	344	379	(9,3)	0,7	168	203	(17,4)	(7,5)
OIBDA margin	33,2%	32,8%	0,4 p.p.		32,1%	34,4%	(2,4 p.p.)	
CapEx	215	238	(9,6)	0,3	101	115	(12,2)	(1,5)
Spectrum	-	6	-	-	-	-	-	-
OpCF (OIBDA-CapEx)	128	141	(8,8)	1,4	66	88	(24,2)	(15,5)

Note:

- OIBDA is presented before management and brand fees.

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

ACCESSES	2015				2016		% Chg
	March	June	September	December	March	June	
<i>Unaudited figures (Thousands)</i>							
Final Clients Accesses	13.861,3	13.610,4	13.387,4	13.158,3	12.741,5	12.481,1	(8,3)
Fixed telephony accesses (1)	1.557,7	1.537,4	1.510,3	1.486,0	1.459,0	1.438,4	(6,4)
Internet and data accesses	1.067,9	1.093,6	1.106,4	1.112,0	1.109,1	1.150,8	5,2
Broadband	1.056,7	1.082,5	1.095,4	1.101,1	1.098,4	1.093,3	1,0
Fibre and VDSL	192,2	216,3	240,7	256,7	268,9	290,2	34,2
Mobile accesses	10.619,5	10.345,1	10.129,6	9.915,6	9.527,9	9.235,1	(10,7)
Prepay	7.817,5	7.503,0	7.268,0	6.995,3	6.524,9	6.150,1	(18,0)
Contract	2.802,0	2.842,1	2.861,7	2.920,3	3.002,9	3.085,0	8,5
M2M	293,0	291,0	294,3	310,0	331,2	354,8	21,9
Pay TV	616,2	634,3	641,0	644,7	645,6	656,8	3,5
Wholesale Accesses	5,9	5,9	5,8	5,7	5,2	5,1	(13,0)
Total Accesses	13.867,2	13.616,3	13.393,2	13.164,0	12.746,7	12.486,2	(8,3)

(1) Includes fixed wireless and VoIP accesses.

SELECTED OPERATIONAL DATA	2015				2016		% Chg Local Cur
	Q1	Q2	Q3	Q4	Q1	Q2	
<i>Unaudited figures</i>							
Voice traffic (Million minutes)	8.725	8.693	8.927	9.296	9.130	8.248	(5,1)
Fixed voice traffic	1.354	1.353	1.320	1.301	1.127	1.194	(11,7)
Mobile voice traffic	7.372	7.340	7.607	7.995	8.003	7.053	(3,9)
Data traffic (TB)	252.756	289.259	309.838	322.994	348.695	372.277	28,7
Fixed data traffic	238.140	269.957	288.230	296.880	321.246	344.595	27,6
Mobile data traffic	14.616	19.302	21.607	26.114	27.449	27.682	43,4
Mobile ARPU (EUR)	9,4	9,7	9,0	8,8	8,9	9,2	6,5
Prepay	3,8	3,8	3,3	3,1	3,0	2,9	(14,7)
Contract (1)	27,8	28,7	26,3	25,2	24,7	24,9	(2,8)
Data ARPU (EUR)	3,1	3,4	3,4	3,5	4,2	4,5	45,1
% non-SMS over data revenues	94,0%	93,5%	93,5%	93,7%	97,4%	97,8%	4,3 p.p.
Fixed telephony ARPU (EUR)	14,1	14,1	13,6	14,8	13,1	13,4	6,4
Pay TV ARPU (EUR)	29,1	30,4	26,1	26,1	24,4	24,8	(8,6)
Broadband ARPU (EUR)	17,9	18,1	16,9	16,8	16,2	17,0	5,9
Mobile churn	3,2%	3,7%	3,2%	3,4%	3,6%	3,7%	0,1 p.p.
Contract (1)	1,9%	1,9%	2,3%	2,2%	2,0%	2,1%	0,3 p.p.

	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Dec	Jan-Mar	Jan-Jun	% Chg Local Cur
Voice traffic (Million minutes)	8.725	17.418	26.346	35.642	9.130	17.378	(0,2)
Fixed voice traffic	1.354	2.707	4.027	5.328	1.127	2.321	(14,2)
Mobile voice traffic	7.372	14.712	22.319	30.314	8.003	15.056	2,3
Data traffic (TB)	252.756	542.015	851.852	1.174.846	348.695	720.972	33,0
Fixed data traffic	238.140	508.097	796.327	1.093.208	321.246	665.841	31,0
Mobile data traffic	14.616	33.918	55.525	81.639	27.449	55.131	62,5
Mobile ARPU (EUR)	9,4	9,5	9,4	9,2	8,9	9,0	5,1
Prepay	3,8	3,8	3,6	3,5	3,0	3,0	(13,0)
Contract (1)	27,8	28,2	27,6	27,0	24,7	24,8	(2,7)
Data ARPU (EUR)	3,1	3,3	3,3	3,4	4,2	4,3	47,1
% non-SMS over data revenues	94,0%	93,7%	93,7%	93,7%	97,4%	97,6%	3,8 p.p.
Fixed telephony ARPU (EUR)	14,1	14,1	13,9	14,1	13,1	13,3	4,1
Pay TV ARPU (EUR)	29,1	29,8	28,5	27,9	24,4	24,6	(8,4)
Broadband ARPU (EUR)	17,9	18,0	17,6	17,4	16,2	16,6	2,7
Mobile churn	3,2%	3,4%	3,4%	3,4%	3,6%	3,7%	0,2 p.p.
Contract (1)	1,9%	1,9%	2,0%	2,1%	2,0%	2,1%	0,3 p.p.

Notes:

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

- Voice traffic is defined as minutes per access used on the company's network, both outbound and inbound. 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 included. 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			
	2016	2015	% Chg	% Chg Local Cur	2016	2015	% Chg	% Chg Local Cur
Revenues	1.245	1.376	(9,5)	(1,3)	620	684	(9,3)	(2,1)
Mobile Business	677	779	(13,1)	(5,2)	332	385	(13,7)	(6,9)
Mobile service revenues (1)	601	696	(13,7)	(5,8)	293	342	(14,2)	(7,5)
Data revenues (2)	298	302	(1,5)	7,5	152	155	(1,6)	6,3
Handset revenues	77	83	(7,9)	0,5	39	43	(9,9)	(2,7)
Fixed Business	567	597	(4,9)	3,8	288	299	(3,5)	4,2
FBB and new services (3)	289	306	(5,6)	3,0	150	155	(3,1)	4,6
Pay TV	140	125	12,2	22,4	71	64	11,2	20,1
Voice & access revenues	139	166	(16,4)	(8,8)	67	79	(16,0)	(9,5)
OIBDA	391	450	(13,0)	(5,1)	204	212	(3,7)	3,9
OIBDA margin	31,4%	32,7%	(1,3 p.p.)		32,9%	31,0%	1,9 p.p.	
CapEx	149	181	(18,0)	(10,5)	94	118	(20,6)	(13,9)
Spectrum	-	-			-	-		
OpCF (OIBDA-CapEx)	242	268	(9,7)	(1,4)	110	93	17,7	26,4

Note:

- OIBDA is presented before management and brand fees.

(1) Includes fixed wireless revenues.

(2) Since the first quarter 2015, data and voice revenues have been reassigned to homogenise the year-on-year comparison.

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

ACCESSES	2015				2016		% Chg
	March	June	September	December	March	June	
<i>Unaudited figures (Thousands)</i>							
Final Clients Accesses	22.083,4	22.104,2	22.184,3	22.231,0	21.791,0	21.638,3	(2,1)
Fixed telephony accesses (1)	2.641,4	2.605,8	2.634,9	2.596,6	2.452,1	2.491,0	(4,4)
Fixed wireless	191,2	229,8	208,5	191,9	127,7	117,6	(48,8)
Internet and data accesses	1.557,4	1.589,2	1.628,0	1.647,1	1.663,9	1.685,0	6,0
Broadband	1.529,7	1.564,4	1.602,5	1.621,2	1.639,2	1.660,3	6,1
VDSL	219,1	283,5	376,7	488,7	557,0	623,7	120,0
Mobile accesses	16.870,2	16.819,1	16.773,8	16.786,5	16.445,4	16.211,9	(3,6)
Prepay	11.645,3	11.450,4	11.255,3	11.013,3	10.530,0	10.228,5	(10,7)
Contract	5.224,8	5.368,7	5.518,5	5.773,1	5.915,5	5.983,4	11,5
M2M	118,0	98,4	99,8	103,3	81,7	79,7	(19,0)
Pay TV	1.014,5	1.090,1	1.147,7	1.200,8	1.229,6	1.250,3	14,7
Wholesale Accesses	0,3	0,2	0,2	0,1	0,1	0,1	(33,8)
Total Accesses	22.083,7	22.104,3	22.184,5	22.231,1	21.791,0	21.638,3	(2,1)

(1) Includes fixed wireless and VoIP accesses.

SELECTED OPERATIONAL DATA	2015				2016		% Chg Local Cur
	Q1	Q2	Q3	Q4	Q1	Q2	
<i>Unaudited figures</i>							
Voice traffic (Million minutes)	24.759	24.635	26.225	28.033	27.479	28.166	14,3
Fixed voice traffic	5.460	5.429	5.398	5.322	5.144	4.935	(9,1)
Mobile voice traffic	19.300	19.206	20.828	22.711	22.336	23.231	21,0
Data traffic (TB)	364.397	398.101	407.710	416.543	418.470	414.392	4,1
Fixed data traffic	359.357	391.712	399.478	405.927	407.019	402.357	2,7
Mobile data traffic	5.040	6.389	8.232	10.616	11.451	12.034	88,4
Mobile ARPU (EUR)	7,0	6,8	6,7	6,7	6,3	6,1	(1,0)
Prepay	4,2	3,9	3,7	3,6	2,8	3,2	(14,8)
Contract (1)	13,5	13,2	13,1	12,9	12,0	11,6	(1,5)
Data ARPU (EUR) (2)	2,9	3,1	3,1	3,2	2,9	3,1	9,6
% non-SMS over data revenues	94,1%	95,6%	96,2%	96,9%	99,1%	97,2%	1,6 p.p.
Fixed telephony ARPU (EUR)	10,8	9,8	10,0	8,5	9,4	8,8	(3,8)
Pay TV ARPU (EUR)	19,4	18,7	18,1	17,4	16,6	15,9	(8,4)
Broadband ARPU (EUR)	19,5	18,9	18,5	18,0	16,4	16,0	(9,4)
Mobile churn	4,0%	4,3%	4,4%	4,3%	4,8%	5,0%	0,7 p.p.
Contract (1)	2,2%	2,0%	2,2%	1,8%	2,5%	2,6%	0,6 p.p.

	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Dec	Jan-Mar	Jan-Jun	% Chg Local Cur
Voice traffic (Million minutes)	24.759	49.395	75.620	103.653	27.479	55.646	12,7
Fixed voice traffic	5.460	10.889	16.287	21.608	5.144	10.078	(7,4)
Mobile voice traffic	19.300	38.506	59.334	82.045	22.336	45.567	18,3
Data traffic (TB)	364.397	762.498	1.170.209	1.586.752	418.470	832.862	9,2
Fixed data traffic	359.357	751.069	1.150.547	1.556.474	407.019	809.376	7,8
Mobile data traffic	5.040	11.429	19.662	30.278	11.451	23.486	105,5
Mobile ARPU (EUR)	7,0	6,9	6,8	6,8	6,3	6,2	(1,0)
Prepay	4,2	4,0	3,9	3,9	2,8	3,0	(22,0)
Contract (1)	13,5	13,3	13,3	13,2	12,0	11,8	(1,5)
Data ARPU (EUR)(2)	2,9	3,0	3,0	3,1	2,9	3,0	10,0
% non-SMS over data revenues	94,1%	94,9%	95,3%	95,8%	99,1%	98,1%	3,3 p.p.
Fixed telephony ARPU (EUR)	10,8	10,3	10,2	9,8	9,4	9,1	(3,7)
Pay TV ARPU (EUR)	19,4	19,1	18,7	18,4	16,6	16,3	(6,9)
Broadband ARPU (EUR)	19,5	19,2	19,0	18,7	16,4	16,2	(8,4)
Mobile churn	4,0%	4,1%	4,2%	4,3%	4,8%	4,9%	0,7 p.p.
Contract (1)	2,2%	2,1%	2,2%	2,1%	2,5%	2,6%	0,4 p.p.

Notes:

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

- Voice traffic is defined as minutes per access used on the company's network, both outbound and inbound. 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 included. 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.

(2) Since the first quarter 2015, data and voice revenues have been reassigned to homogenise the year-on-year comparison.

TELEFÓNICA COLOMBIA
SELECTED FINANCIAL DATA

Unaudited figures (Euros in millions)	January - June				April - June			
	2016	2015	% Chg	% Chg Local Cur	2016	2015	% Chg	% Chg Local Cur
Revenues	670	798	(16,0)	5,3	347	400	(13,1)	6,4
Mobile Business	406	500	(18,7)	2,0	209	249	(16,0)	2,8
Mobile service revenues	352	445	(20,9)	(0,8)	180	221	(18,7)	(0,5)
Data revenues	131	133	(1,8)	23,1	69	67	3,5	27,0
Handset revenues	55	55	(0,7)	24,5	29	27	5,6	29,5
Fixed Business	264	299	(11,6)	10,8	138	151	(8,4)	12,3
FBB and new services (1)	139	138	0,3	25,8	74	70	6,0	30,1
Pay TV	35	33	6,0	33,0	18	17	6,7	30,7
Voice & access revenues	90	127	(29,3)	(11,3)	46	64	(28,2)	(12,1)
OIBDA	215	296	(27,2)	(8,7)	108	146	(26,1)	(9,6)
OIBDA margin	32,1%	37,0%	(4,9 p.p.)		31,0%	36,5%	(5,5 p.p.)	
CapEx	117	159	(26,8)	(8,2)	83	111	(25,2)	(7,1)
Spectrum	-	-			-	-		
OpCF (OIBDA-CapEx)	99	136	(27,7)	(9,3)	25	35	(29,1)	(17,9)

Note:

- OIBDA is presented before management and brand fees.

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

ACCESSES	2015				2016		% Chg
	March	June	September	December	March	June	
<i>Unaudited figures (Thousands)</i>							
Final Clients Accesses	15.777,5	15.308,1	15.587,6	15.824,5	15.977,2	16.161,0	5,6
Fixed telephony accesses (1)	1.465,8	1.450,8	1.448,2	1.430,6	1.414,2	1.402,7	(3,3)
Internet and data accesses	997,3	999,8	1.012,8	1.008,7	1.008,4	1.011,6	1,2
Broadband	988,9	991,3	1.004,4	1.000,2	999,9	1.003,2	1,2
Mobile accesses	12.884,9	12.413,3	12.655,6	12.896,7	13.057,2	13.226,3	6,5
Prepay	9.633,2	9.158,6	9.341,8	9.510,9	9.625,1	9.730,2	6,2
Contract	3.251,7	3.254,7	3.313,7	3.385,8	3.432,1	3.496,1	7,4
M2M	438,7	444,4	456,4	467,5	471,0	464,3	4,5
Pay TV	429,4	444,2	471,0	488,6	497,4	520,4	17,1
Wholesale Accesses	1,9	1,9	1,9	1,9	0,6	0,6	(69,1)
Total Accesses	15.779,4	15.310,1	15.589,5	15.826,5	15.977,8	16.161,6	5,6

(1) Includes fixed wireless and VoIP accesses.

SELECTED OPERATIONAL DATA	2015				2016		% Chg Local Cur
	Q1	Q2	Q3	Q4	Q1	Q2	
<i>Unaudited figures</i>							
Voice traffic (Million minutes)	13.700	13.236	14.011	14.201	14.373	14.884	12,5
Fixed voice traffic	3.598	3.227	3.304	3.068	3.234	3.049	(5,5)
Mobile voice traffic	10.101	10.009	10.707	11.133	11.139	11.835	18,2
Data traffic (TB)	59.658	69.725	76.320	81.966	84.731	94.467	35,5
Fixed data traffic (1)	49.142	58.338	64.088	68.446	70.654	79.143	35,7
Mobile data traffic	10.516	11.387	12.232	13.520	14.077	15.324	34,6
Mobile ARPU (EUR)	5,5	5,5	4,7	4,6	4,2	4,3	(3,2)
Prepay	1,4	1,4	1,3	1,3	1,1	1,2	1,1
Contract (2)	19,9	19,6	16,4	16,0	14,6	15,0	(6,3)
Data ARPU (EUR)	1,7	1,8	1,6	1,6	1,6	1,8	21,4
% non-SMS over data revenues	96,9%	97,3%	97,7%	98,2%	98,7%	98,9%	1,6 p.p.
Fixed telephony ARPU (EUR)	13,8	13,9	11,5	11,3	9,8	10,4	(8,4)
Pay TV ARPU (EUR)	12,4	12,5	10,8	11,0	11,0	11,5	12,2
Broadband ARPU (EUR)	10,4	10,8	9,0	8,8	8,2	8,9	1,2
Mobile churn	3,0%	4,5%	3,4%	3,3%	3,2%	3,2%	(1,4 p.p.)
Contract (2)	2,2%	2,3%	2,0%	1,8%	1,8%	1,7%	(0,5 p.p.)

	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Dec	Jan-Mar	Jan-Jun	% Chg Local Cur
Voice traffic (Million minutes)	13.700	26.936	40.947	55.148	14.373	29.257	8,6
Fixed voice traffic	3.598	6.825	10.129	13.196	3.234	6.283	(7,9)
Mobile voice traffic	10.101	20.111	30.818	41.951	11.139	22.973	14,2
Data traffic (TB)	59.658	129.382	205.702	287.668	84.731	179.197	38,5
Fixed data traffic (1)	49.142	107.480	171.568	240.014	70.654	149.797	39,4
Mobile data traffic	10.516	21.902	34.134	47.654	14.077	29.400	34,2
Mobile ARPU (EUR)	5,5	5,5	5,2	5,2	4,2	4,3	(2,1)
Prepay	1,4	1,4	1,4	1,4	1,1	1,2	2,9
Contract (2)	19,9	19,8	18,7	18,0	14,6	14,8	(6,0)
Data ARPU (EUR)	1,7	1,7	1,7	1,7	1,6	1,7	20,0
% non-SMS over data revenues	96,9%	97,1%	97,3%	97,6%	98,7%	98,8%	1,7 p.p.
Fixed telephony ARPU (EUR)	13,8	13,9	13,1	12,6	9,8	10,1	(8,6)
Pay TV ARPU (EUR)	12,4	12,5	11,9	11,7	11,0	11,3	13,4
Broadband ARPU (EUR)	10,4	10,6	10,1	9,8	8,2	8,5	0,9
Mobile churn	3,0%	3,8%	3,6%	3,6%	3,2%	3,2%	(0,6 p.p.)
Contract (2)	2,2%	2,2%	2,1%	2,1%	1,8%	1,8%	(0,4 p.p.)

Notes:

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

- Voice traffic is defined as minutes per access used on the company's network, both outbound and inbound. 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 included. 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) Includes solely traffic pertaining to FBB accesses, not Business customers.

(2) Excludes M2M.

TELEFÓNICA MÉXICO
SELECTED FINANCIAL DATA

Unaudited figures (Euros in millions)	January - June				April - June			
	2016	2015	% Chg	% Chg Local Cur	2016	2015	% Chg	% Chg Local Cur
Revenues	746	903	(17,3)	(1,4)	337	458	(26,5)	(11,0)
Mobile service revenues	663	766	(13,5)	3,2	303	391	(22,4)	(6,0)
Data revenues (1)	279	328	(14,8)	1,6	124	164	(24,5)	(8,6)
Handset revenues	83	136	(38,8)	(27,0)	33	68	(50,6)	(39,9)
OIBDA	168	214	(21,4)	(6,2)	62	105	(41,0)	(28,1)
OIBDA margin	22,5%	23,7%	(1,2 p.p.)		18,4%	22,9%	(4,5 p.p.)	
CapEx	96	109	(12,3)	4,6	54	63	(13,1)	4,6
Spectrum	-	-			-	-		
OpCF (OIBDA-CapEx)	72	104	(30,9)	(17,6)	8	42	(82,3)	(76,4)

Note:

- OIBDA is presented before management and brand fees.

(1) Since the first quarter 2015, data and voice revenues have been reassigned to homogenise the year-on-year comparison.

ACCESSES	2015				2016		% Chg
	March	June	September	December	March	June	
<i>Unaudited figures (Thousands)</i>							
Mobile accesses	22.536,6	23.048,8	23.405,0	24.895,0	25.655,4	25.928,8	12,5
Prepay	21.056,6	21.553,9	21.779,8	23.102,0	23.803,2	24.069,1	11,7
Contract	1.480,0	1.494,9	1.625,2	1.793,0	1.852,2	1.859,7	24,4
M2M	455,8	485,9	521,2	567,5	602,6	629,2	29,5
Fixed Wireless	1.545,6	1.553,8	1.468,9	1.382,9	1.296,9	1.252,9	(19,4)
Total Accesses	24.082,2	24.602,6	24.873,9	26.277,9	26.952,3	27.181,7	10,5

SELECTED MOBILE OPERATIONAL DATA	2015				2016		% Chg Local Cur
	Q1	Q2	Q3	Q4	Q1	Q2	
<i>Unaudited figures</i>							
Voice Traffic (Million minutes)	13.435	13.785	13.915	15.570	18.525	20.055	45,5
Data traffic (TB)	7.891	7.967	8.991	11.791	17.192	20.177	153,2
ARPU (EUR)	4,9	4,9	4,7	4,4	3,8	3,2	(19,6)
Prepay	4,3	4,3	4,3	3,9	3,3	2,7	(23,5)
Contract (1)	19,0	19,2	17,1	15,7	14,6	13,9	(12,5)
Data ARPU (EUR) (2)	2,3	2,3	2,3	2,4	2,0	1,6	(19,3)
% non-SMS over data revenues	84,8%	86,0%	82,4%	89,2%	91,1%	91,5%	5,4 p.p.
Churn	2,8%	3,4%	3,6%	3,4%	3,5%	3,3%	(0,1 p.p.)
Contract (1)	1,7%	2,2%	1,6%	1,7%	1,7%	2,9%	0,8 p.p.

	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Dec	Jan-Mar	Jan-Jun	% Chg Local Cur
Voice Traffic (Million minutes)	13.435	27.221	41.136	56.706	18.525	38.580	41,7
Data traffic (TB)	7.891	15.858	24.849	36.640	17.192	37.369	135,6
ARPU (EUR)	4,9	4,9	4,8	4,7	3,8	3,5	(13,9)
Prepay	4,3	4,3	4,3	4,2	3,3	3,0	(17,0)
Contract (1)	19,0	19,1	18,4	17,6	14,6	14,2	(10,9)
Data ARPU (EUR)(2)	2,3	2,3	2,3	2,3	2,0	1,8	(11,0)
% non-SMS over data revenues	84,8%	85,4%	84,4%	85,7%	91,1%	91,3%	5,8 p.p.
Churn	2,8%	3,1%	3,3%	3,3%	3,5%	3,4%	0,3 p.p.
Contract (1)	1,7%	1,9%	1,8%	1,8%	1,7%	2,4%	0,5 p.p.

Notes:

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

- Voice traffic is defined as minutes per access used on the company's network, both outbound and inbound. 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 included. 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.

(2) Since the first quarter 2015, data and voice revenues have been reassigned to homogenise the year-on-year comparison.

TELEFÓNICA VENEZUELA (1)

SELECTED FINANCIAL DATA

Unaudited figures (Euros in millions)	January - June				April - June			
	2016	2015	% Chg	% Chg Local Cur	2016	2015	% Chg	% Chg Local Cur
Revenues	98	141	(30,4)	93,5	21	(71)	c.s.	95,4
Mobile service revenues	96	121	(20,9)	120,7	21	(63)	c.s.	124,9
Data revenues (2)	33	40	(18,8)	156,7	-	(31)	c.s.	160,8
Handset revenues	3	20	(87,5)	(68,3)	1	(8)	c.s.	(71,3)
OIBDA	26	27	(4,1)	116,5	4	(26)	c.s.	132,0
OIBDA margin	26,4%	19,1%	7,2 p.p.		18,5%	36,3%	(17,8 p.p.)	
CapEx	22	22	2,0	195,4	13	1	n.m.	n.m.
Spectrum	-	-			-	-		
OpCF (OIBDA-CapEx)	3	5	(31,1)	(34,5)	(9)	(27)	(66,2)	n.m.

Note:

- After considering Venezuela as an hyperinflationary country, P&L and CapEx from the operations in the country are to be accounted at the closing exchange rate Bolivar Fuerte/Euro. The January-June 2016 consolidated financial statements use the exchange rate of the Venezuelan bolivar set at the denominated DICOM (628 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 comparative purposes and to facilitate the interpretation of the year-on-year changes vs. 2015, variations in local currency of the headings affected by the hyperinflation adjustments are reported excluding the impact of this adjustment.

(2) Data revenues do not include hyperinflationary adjustments.

TELEFÓNICA CENTRAL AMERICA (1)

SELECTED FINANCIAL DATA

Unaudited figures (Euros in millions)	January - June				April - June			
	2016	2015	% Chg	% Chg Local Cur	2016	2015	% Chg	% Chg Local Cur
Revenues	447	435	2,6	4,1	220	221	(0,5)	3,2
Mobile service revenues	419	409	2,5	4,0	206	207	(0,6)	2,3
Data revenues	170	142	19,5	21,3	85	71	18,9	22,4
Handset revenues	29	27	5,7	7,4	15	15	1,3	4,2
OIBDA	110	109	1,7	3,6	57	56	1,9	6,0
OIBDA margin	24,7%	24,9%	(0,2 p.p.)		25,9%	25,3%	0,6 p.p.	
CapEx	67	66	0,1	1,6	35	46	(24,9)	(24,9)
Spectrum	-	-			-	-		
OpCF (OIBDA-CapEx)	44	42	4,3	6,8	22	10	127,8	151,0

Note:

- OIBDA is presented before management and brand fees.

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

TELEFÓNICA VENEZUELA
ACCESSES

Unaudited figures (Thousands)	2015				2016		% Chg
	March	June	September	December	March	June	
Fixed telephony accesses (1)	758,3	742,2	712,9	697,3	672,9	654,0	(11,9)
Internet and data accesses	8,2	8,3	8,5	8,5	8,3	8,1	(2,2)
Broadband	3,4	3,6	3,8	4,0	4,0	4,0	11,2
Mobile accesses	10.820,8	10.888,6	10.738,6	10.583,1	10.423,4	10.492,3	(3,6)
Prepay (2)	9.468,5	9.546,3	9.405,4	9.259,2	9.114,2	9.195,3	(3,7)
Contract	1.352,3	1.342,3	1.333,2	1.323,9	1.309,2	1.297,0	(3,4)
M2M	113,5	115,6	116,8	117,0	114,2	110,6	(4,3)
Pay TV	476,1	480,0	482,1	478,1	478,2	478,1	(0,4)
Total Accesses	12.063,4	12.119,1	11.942,0	11.767,0	11.582,8	11.632,5	(4,0)

(1) Includes fixed wireless and VoIP accesses.

(2) Includes prepay M2M accesses.

SELECTED MOBILE OPERATIONAL DATA

Unaudited figures	2015				2016		% Chg Local Cur
	Q1	Q2	Q3	Q4	Q1	Q2	
Voice Traffic (Million minutes)	13.528	14.404	15.178	14.892	14.137	14.240	(1,1)
Data traffic (TB)	8.672	9.823	10.261	11.550	11.379	10.848	10,4
ARPU (EUR) (1)(4)	4,5	n.m.	2,0	2,3	2,5	1,8	148,3
Prepay	4,1	n.m.	1,8	2,1	2,3	1,5	137,6
Contract (2)	8,0	n.m.	3,5	4,0	4,2	3,7	185,5
Data ARPU (EUR) (3)(4)	2,1	n.m.	1,0	1,2	1,4	0,9	172,0
% non-SMS over data revenues	83,3%	n.m.	86,0%	87,0%	90,2%	91,8%	74,8 p.p.
Churn	2,0%	2,2%	2,3%	2,2%	2,1%	2,0%	(0,2 p.p.)
Contract (2)	0,8%	0,9%	0,9%	0,7%	0,8%	0,8%	(0,1 p.p.)

	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Dec	Jan-Mar	Jan-Jun	% Chg Local Cur
Voice Traffic (Million minutes)	13.528	27.932	43.110	58.001	14.137	28.378	1,6
Data traffic (TB)	8.672	18.495	28.756	40.306	11.379	22.226	20,2
ARPU (EUR) (1)	4,5	2,2	2,1	2,2	2,5	2,1	133,3
Prepay	4,1	2,0	1,9	2,0	2,3	1,9	128,1
Contract (2)	8,0	3,8	3,7	3,8	4,2	4,0	149,8
Data ARPU (EUR) (3)	2,1	1,0	1,0	1,1	1,4	1,1	164,7
% non-SMS over data revenues	83,3%	84,0%	84,9%	85,6%	90,2%	91,1%	7,1 p.p.
Churn	2,0%	2,1%	2,2%	2,2%	2,1%	2,0%	(0,1 p.p.)
Contract (2)	0,8%	0,8%	0,9%	0,8%	0,8%	0,8%	(0,1 p.p.)

Notes:

- After considering Venezuela as an hyperinflationary country, P&L and CapEx from the operations in the country are to be accounted at the closing exchange rate Bolivar Fuerte/Euro. The January-June 2016 consolidated financial statements use the exchange rate of the Venezuelan bolivar set at the denominated DICOM (628 Venezuelan bolivars fuertes per dollar).

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

- Voice traffic is defined as minutes per access used on the company's network, both outbound and inbound. 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 included. 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) For comparative purposes and in order to facilitate the interpretation of the year-on-year change versus 2015 results, the variation in local currency of the ARPU in Venezuela is reported excluding the impact of the hyperinflation adjustment.

(2) Excludes M2M.

(3) Does not include hyperinflation adjustment.

(4) As a consequence of modifying the conversion of Venezuela June 2015 results to the exchange rate of 197 VEF/USD (SIMADI) vs. 50 VEF/USD (SICAD II) in the first quarter of 2015, ARPU figure in euros is "n.m."

TELEFÓNICA CENTROAMÉRICA

Unaudited figures (Thousands)	2015				2016		% Chg
	March	June	September	December	March	June	
Fixed telephony accesses (1)	556,4	555,6	561,2	567,8	567,0	573,5	3,2
Fixed Wireless	335,2	336,0	343,1	334,9	355,6	354,8	5,6
Internet and data accesses	4,4	4,7	4,9	5,1	5,4	5,6	19,9
Broadband	2,2	2,4	2,6	2,7	2,7	2,9	22,0
Mobile accesses	11.078,8	11.273,2	11.577,6	12.083,4	12.453,4	12.584,8	11,6
Prepay (2)	10.204,4	10.396,8	10.692,7	11.186,5	11.536,6	11.666,5	12,2
Contract	874,5	876,3	884,9	896,9	916,7	918,3	4,8
M2M	34,4	32,1	31,5	32,7	34,3	35,8	11,6
Total Accesses	11.639,7	11.833,5	12.143,8	12.656,3	13.025,7	13.163,9	11,2

(1) Includes fixed wireless and VoIP accesses.

(2) Includes prepay M2M accesses.

SELECTED MOBILE OPERATIONAL DATA

Unaudited figures	2015				2016		% Chg Local Cur
	Q1	Q2	Q3	Q4	Q1	Q2	
Voice Traffic (Million minutes)	6.851	6.938	6.896	7.247	6.939	7.024	1,2
Data traffic (TB)	5.628	6.648	7.587	9.948	10.960	12.295	84,9
ARPU (EUR)	5,8	5,9	6,0	5,7	5,6	5,3	(5,9)
Prepay	4,6	4,6	4,5	4,6	4,4	4,1	(8,2)
Contract (1)	21,1	21,8	24,2	20,1	22,4	22,8	8,4
Data ARPU (EUR)	2,1	2,1	2,5	2,3	2,3	2,2	9,1
% non-SMS over data revenues	76,5%	77,7%	80,5%	86,3%	84,3%	84,6%	7,8 p.p.
Churn	3,2%	3,5%	3,4%	3,6%	3,2%	3,4%	(0,0 p.p.)
Contract (1)	1,6%	1,6%	1,4%	1,5%	1,3%	1,2%	(0,4 p.p.)

	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Dec	Jan-Mar	Jan-Jun	% Chg Local Cur
Voice Traffic (Million minutes)	6.851	13.790	20.686	27.933	6.939	13.962	1,3
Data traffic (TB)	5.628	12.276	19.863	29.812	10.960	23.256	89,4
ARPU (EUR)	5,8	5,9	5,9	5,8	5,6	5,5	(5,0)
Prepay	4,6	4,6	4,5	4,6	4,4	4,2	(6,8)
Contract (1)	21,1	21,4	22,4	21,8	22,4	22,9	8,5
Data ARPU (EUR)	2,1	2,1	2,2	2,2	2,3	2,3	8,6
% non-SMS over data revenues	76,5%	77,1%	78,4%	80,6%	84,3%	84,5%	7,8 p.p.
Churn	3,2%	3,3%	3,3%	3,4%	3,2%	3,3%	(0,0 p.p.)
Contract (1)	1,6%	1,6%	1,5%	1,5%	1,3%	1,3%	(0,3 p.p.)

Notes:

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

- Voice traffic is defined as minutes per access used on the company's network, both outbound and inbound. 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 included. 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 ECUADOR
SELECTED FINANCIAL DATA

Unaudited figures (Euros in millions)	January - June				April - June			
	2016	2015	% Chg	% Chg Local Cur	2016	2015	% Chg	% Chg Local Cur
Revenues	280	297	(5,9)	(5,8)	135	149	(9,0)	(6,8)
Mobile service revenues	258	266	(3,1)	(3,1)	124	133	(6,2)	(4,0)
Data revenues	103	96	7,8	7,8	51	50	0,5	2,7
Handset revenues	22	31	(29,2)	(29,1)	11	16	(31,9)	(30,3)
OIBDA	83	97	(14,4)	(14,4)	38	45	(15,3)	(13,1)
OIBDA margin	29,7%	32,7%	(3,0 p.p.)		28,3%	30,4%	(2,1 p.p.)	
CapEx	30	174	(82,6)	(82,6)	18	28	(35,8)	(31,7)
Spectrum	-	135			-	1		
OpCF (OIBDA-CapEx)	53	(76)	c.s.	c.s.	20	17	17,9	14,1

- OIBDA is presented before management and brand fees.

TELEFÓNICA URUGUAY
SELECTED FINANCIAL DATA

Unaudited figures (Euros in millions)	January - June				April - June			
	2016	2015	% Chg	% Chg Local Cur	2016	2015	% Chg	% Chg Local Cur
Revenues	106	126	(15,8)	3,1	52	61	(14,5)	2,8
Mobile service revenues	99	118	(16,2)	2,6	48	57	(15,0)	2,1
Data revenues	51	51	(0,3)	22,1	26	26	2,6	23,5
Handset revenues	7	8	(10,6)	9,5	4	4	(7,3)	11,5
OIBDA	37	44	(16,3)	3,1	17	20	(12,5)	4,8
OIBDA margin	34,8%	35,0%	(0,2 p.p.)		33,4%	32,7%	0,7 p.p.	
CapEx	9	14	(36,6)	(22,3)	6	6	(0,4)	18,4
Spectrum	-	-			-	-		
OpCF (OIBDA-CapEx)	28	30	(7,1)	14,7	12	14	(17,5)	(0,8)

- OIBDA is presented before management and brand fees.

TELEFÓNICA ECUADOR
ACCESSES

Unaudited figures (Thousands)	2015				2016		% Chg
	March	June	September	December	March	June	
Mobile accesses	4.675,3	4.545,3	4.355,5	4.000,9	4.009,1	4.174,1	(8,2)
Prepay	3.545,6	3.380,8	3.135,8	2.738,8	2.759,3	2.886,4	(14,6)
Contract	1.129,7	1.164,6	1.219,7	1.262,2	1.249,8	1.287,7	10,6
M2M	173,3	182,7	191,5	196,4	184,2	186,5	2,1
Fixed Wireless	48,1	43,8	36,7	33,4	36,2	37,7	(13,9)
Total Accesses	4.723,4	4.589,1	4.392,1	4.034,4	4.045,3	4.211,8	(8,2)

SELECTED MOBILE OPERATIONAL DATA

Unaudited figures	2015				2016		% Chg Local Cur
	Q1	Q2	Q3	Q4	Q1	Q2	
Voice Traffic (Million minutes)	2.852	2.970	3.018	3.081	2.955	3.137	5,6
Data traffic (TB)	1.786	2.213	2.950	3.857	4.303	4.902	121,5
ARPU (EUR)	8,3	8,9	9,3	10,1	10,4	9,5	9,8
Prepay	4,6	4,8	5,2	5,6	5,7	4,9	3,9
Contract (1)	24,5	24,6	23,8	24,1	24,2	22,9	(5,1)
Data ARPU (EUR)	3,0	3,6	3,8	4,3	4,2	4,0	15,0
% non-SMS over data revenues	82,5%	85,1%	85,8%	87,8%	88,7%	89,4%	4,2 p.p.
Churn	5,7%	4,6%	5,3%	4,6%	4,4%	4,4%	(0,7 p.p.)
Contract (1)	1,6%	1,5%	1,5%	1,5%	1,9%	1,1%	(0,4 p.p.)

Unaudited figures	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Dec	Jan-Mar	Jan-Jun	% Chg Local Cur
	Voice Traffic (Million minutes)	2.852	5.822	8.840	11.921	2.955	
Data traffic (TB)	1.786	3.999	6.949	10.806	4.303	9.205	130,2
ARPU (EUR)	8,3	8,6	8,8	9,1	10,4	10,0	16,1
Prepay	4,6	4,7	4,9	5,0	5,7	5,3	12,8
Contract (1)	24,5	24,6	24,3	24,3	24,2	23,5	(4,3)
Data ARPU (EUR)	3,0	3,3	3,4	3,6	4,2	4,1	26,3
% non-SMS over data revenues	82,5%	83,9%	84,5%	85,5%	88,7%	89,0%	5,2 p.p.
Churn	5,7%	5,2%	5,2%	5,1%	4,4%	4,4%	(1,0 p.p.)
Contract (1)	1,6%	1,6%	1,5%	1,5%	1,9%	1,3%	(0,3 p.p.)

Notes:

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

- Voice traffic is defined as minutes per access used on the company's network, both outbound and inbound. 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 included. 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 URUGUAY
ACCESSES

Unaudited figures (Thousands)	2015				2016		% Chg
	March	June	September	December	March	June	
Mobile accesses	1.912,5	1.844,1	1.786,1	1.752,3	1.727,7	1.709,2	(7,3)
Prepay	1.305,3	1.228,4	1.148,7	1.092,3	1.051,2	1.032,7	(15,9)
Contract	607,1	615,7	637,4	660,0	676,5	676,5	9,9
M2M	43,7	47,8	52,3	53,7	56,9	65,0	36,1
Total Accesses	1.912,5	1.844,1	1.786,1	1.752,3	1.727,7	1.709,2	(7,3)

SELECTED MOBILE OPERATIONAL DATA

Unaudited figures	2015				2016		% Chg Local Cur
	Q1	Q2	Q3	Q4	Q1	Q2	
Voice Traffic (Million minutes)	1.242	1.140	1.167	1.175	1.068	1.082	(5,2)
Data traffic (TB)	1.704	1.937	2.345	2.682	3.233	3.530	82,3
ARPU (EUR)	10,0	9,8	9,5	9,8	9,3	9,2	13,6
Prepay	4,5	4,6	4,4	4,6	4,3	4,1	6,6
Contract (1)	23,2	22,2	20,8	20,2	18,8	18,7	1,4
Data ARPU (EUR)	4,5	4,5	4,4	4,6	4,8	5,1	36,9
% non-SMS over data revenues	67,3%	67,5%	70,0%	69,0%	78,0%	81,3%	13,8 p.p.
Churn	1,4%	3,0%	3,0%	2,7%	2,5%	2,1%	(0,9 p.p.)
Contract (1)	0,7%	0,7%	0,9%	0,7%	0,7%	1,5%	0,8 p.p.

Unaudited figures	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Dec	Jan-Mar	Jan-Jun	% Chg Local Cur
	Voice Traffic (Million minutes)	1.242	2.383	3.550	4.725	1.068	
Data traffic (TB)	1.704	3.641	5.986	8.668	3.233	6.763	85,8
ARPU (EUR)	10,0	9,9	9,8	9,8	9,3	9,3	14,7
Prepay	4,5	4,6	4,5	4,5	4,3	4,2	11,9
Contract (1)	23,2	22,7	22,1	21,6	18,8	18,8	1,2
Data ARPU (EUR)	4,5	4,5	4,5	4,5	4,8	4,9	34,6
% non-SMS over data revenues	67,3%	67,4%	68,3%	68,5%	78,0%	79,7%	12,3 p.p.
Churn	1,4%	2,2%	2,5%	2,5%	2,5%	2,3%	0,1 p.p.
Contract (1)	0,7%	0,7%	0,8%	0,7%	0,7%	1,1%	0,4 p.p.

Notes:

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

- Voice traffic is defined as minutes per access used on the company's network, both outbound and inbound. 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 included. 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.