

TELEFÓNICA
CONSOLIDATED INCOME STATEMENT
Unaudited figures (Euros in millions)

	January - March		% Chg	
	2016	2015	Reported	Organic
Revenues	10.784	11.543	(6,6)	3,4
Internal exp. capitalized in fixed assets	179	170	5,2	1,3
Operating expenses	(7.651)	(8.185)	(6,5)	2,7
Supplies	(2.895)	(3.058)	(5,4)	(0,9)
Personnel expenses	(1.617)	(1.634)	(1,0)	7,1
Other operating expenses	(3.139)	(3.493)	(10,1)	3,9
Other net income (expense)	58	30	91,6	88,4
Gain (loss) on sale of fixed assets	6	61	(90,4)	(70,2)
Impairment of goodwill and other assets	1	(1)	c.s.	c.s.
Operating income before D&A (OIBDA)	3.376	3.618	(6,7)	5,5
OIBDA Margin	31,3%	31,3%	(0,0 p.p.)	0,6 p.p.
Depreciation and amortization	(2.036)	(2.107)	(3,4)	1,5
Operating income (OI)	1.340	1.511	(11,3)	11,4
Share of profit (loss) of investments accounted for by the equity method	(3)	(3)	(6,8)	
Net financial income (expense)	(661)	(644)	2,8	
Profit before taxes from continuing operations	675	864	(21,9)	
Corporate income tax	(269)	(385)	(30,2)	
Profit for the period from continuing operations	406	479	(15,2)	
Profit for the period from discontinued operations	377	1.304	(71,1)	
Profit for the period	784	1.783	(56,1)	
Non-controlling interests	(7)	19	c.s.	
Net Income	776	1.802	(56,9)	
Weighted average number of ordinary shares outstanding during the period (millions)	4.931	4.753	3,7	
Continuing operations earnings per share (euros)	0,07	0,09	(27,8)	
Discontinued operations earnings per share (euros)	0,08	0,27	(72,1)	
Basic earnings per share (euros)	0,14	0,37	(60,9)	

Notes:

- The January-March 2016 consolidated financial information uses the exchange rate of the Venezuelan bolivar set at the denominated DICOM (273 Venezuelan bolivars fuertes per dollar at 31 March 2016).

- From the first quarter of 2015 Telefónica UK's operations 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.

- 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.

- Continuing operations earnings per share is calculated dividing profit for the period from continuing operations including non-controlling interests, 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 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.

- 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

ACCESSES

Unaudited figures (thousands)

	2015				2016	% Chg
	March	June	September	December	March	
Final Clients Accesses	312.635,8	323.021,6	320.924,3	316.188,7	316.058,5	1,1
Fixed telephony accesses (1)	36.219,8	40.164,5	39.976,9	39.487,7	39.356,8	8,7
Internet and data accesses	18.195,7	21.229,3	21.410,4	21.344,3	21.486,2	18,1
Broadband	17.704,7	20.754,8	20.946,3	20.950,3	21.075,7	19,0
Fibre and VDSL	2.878,7	6.386,4	6.935,1	7.393,1	7.915,1	n.m.
Mobile accesses	252.753,8	253.597,5	251.382,7	247.085,1	246.850,2	(2,3)
Prepay	166.813,7	166.636,1	162.876,8	157.283,7	156.365,0	(6,3)
Contract	85.940,1	86.961,4	88.506,0	89.801,4	90.485,2	5,3
M2M	8.029,0	8.447,4	8.760,1	9.142,4	9.440,5	17,6
Pay TV	5.466,5	8.030,3	8.154,3	8.271,6	8.365,4	53,0
Wholesale Accesses	6.475,7	6.401,0	6.271,7	6.062,8	5.826,7	(10,0)
Total Accesses	319.111,5	329.422,6	327.196,0	322.251,5	321.885,2	0,9

Notes:

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

- O2 UK accesses are excluded from the first quarter of 2015 as a result of the discontinuation of the operation.

(1) Includes fixed wireless and VoIP accesses.

TELEFÓNICA

MOBILE ACCESSES

Unaudited figures (thousands)

	2015				2016	% Chg
	March	June	September	December	March	
Prepay percentage (%)	66,0%	65,7%	64,8%	63,7%	63,3%	(2,7 p.p.)
Contract percentage (%)	34,0%	34,3%	35,2%	36,3%	36,7%	2,7 p.p.
Smartphones ('000)	91.431,1	99.184,0	108.801,2	112.904,5	115.058,2	25,8
Prepay	46.368,5	51.139,4	56.510,6	58.547,6	59.781,4	28,9
Contract	45.062,5	48.044,6	52.290,6	54.356,9	55.276,8	22,7
Smartphone penetration (%)	38,3%	41,4%	45,9%	48,5%	49,4%	11,2 p.p.
Prepay	28,0%	30,9%	35,0%	37,5%	38,5%	10,5 p.p.
Contract	61,4%	64,8%	69,3%	71,0%	71,5%	10,1 p.p.
LTE ('000)	14.059,4	18.571,7	23.577,9	29.708,2	35.569,1	153,0
LTE penetration (%)	5,7%	7,6%	9,7%	12,5%	15,0%	9,2 p.p.

Notes:

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

- O2 UK accesses are excluded from the first quarter of 2015 as a result of the discontinuation of the operation.

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

	January - March		% Chg	
	2016	2015	Reported	Organic
Revenues	3.126	2.878	8,6	0,2
Mobile handset revenues	117	142	(18,2)	(18,2)
Revenues ex-mobile handset revenues	3.009	2.736	10,0	1,0
Consumer (1)	1.626	1.380	17,8	1,8
Fusión	979	776	26,2	26,2
Non-Fusión	647	604	7,1	(21,3)
Business	836	860	(2,8)	(2,8)
Communications	677	715	(5,3)	(5,3)
IT	158	145	9,5	9,5
Other (2)	548	496	10,4	5,1
Internal expenditure capitalized in fixed assets	87	88	(1,1)	(1,2)
Operating expenses	(1.954)	(1.735)	12,6	(1,3)
Supplies	(781)	(604)	29,2	0,2
Personnel expenses	(593)	(557)	6,5	3,0
Other operating expenses	(580)	(573)	1,1	(7,2)
Other net income (expense)	5	5	(6,1)	(15,8)
Gain (loss) on sale of fixed assets	4	46	(90,6)	(43,7)
Impairment of goodwill and other assets	(1)	(0)	n.m.	n.m.
Operating income before D&A (OIBDA)	1.266	1.282	(1,2)	2,0
<i>OIBDA Margin</i>	<i>40,5%</i>	<i>44,5%</i>	<i>(4,0 p.p.)</i>	<i>0,7 p.p.</i>
CapEx	427	414	3,2	7,3
Spectrum	-	22	-	-
OpCF (OIBDA-CapEx)	840	868	(3,3)	(0,5)

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	
Final Clients Accesses	35.882,6	36.958,2	36.868,1	36.935,6	36.791,3	2,5
Fixed telephony accesses (1)	10.321,9	10.126,6	10.064,9	10.005,6	9.910,6	(4,0)
Internet and data accesses	5.972,7	5.905,1	5.947,8	6.000,0	6.012,8	0,7
Broadband	5.928,3	5.861,0	5.906,1	5.962,0	5.978,6	0,8
Fibre	1.560,3	1.720,7	1.950,5	2.223,0	2.458,3	57,6
Mobile accesses	17.448,6	17.330,7	17.272,0	17.258,5	17.140,1	(1,8)
Prepay	3.122,6	2.989,1	2.881,1	2.777,1	2.675,7	(14,3)
Contract	14.325,9	14.341,6	14.390,9	14.481,4	14.464,5	1,0
M2M	1.662,4	1.726,5	1.705,6	1.778,8	1.827,2	9,9
Pay TV (2)	2.139,5	3.595,7	3.583,4	3.671,5	3.727,8	74,2
Wholesale Accesses	5.333,6	5.286,7	5.200,4	5.037,7	4.866,9	(8,7)
Fibre	74,0	115,9	149,9	178,0	218,5	195,1
Total Accesses	41.658,2	41.658,2	41.658,2	41.658,2	41.658,2	1,1

(1) Includes fixed wireless and VoIP accesses.

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

CONSUMER ACCESSES (Fusión + non-Fusión)

	2015				2016	% Var
	March	June	September	December	March	
Fixed telephony accesses	7.782,2	7.609,9	7.559,7	7.509,9	7.428,5	(4,5)
Internet and data accesses	5.119,0	5.049,6	5.089,0	5.135,8	5.145,4	0,5
Mobile accesses	12.240,0	12.049,3	12.001,3	11.920,1	11.759,7	(3,9)
Prepay	3.122,6	2.989,2	2.881,1	2.777,1	2.675,7	(14,3)
Contract	9.117,3	9.060,0	9.120,2	9.143,0	9.084,0	(0,4)
Pay TV	2.139,5	3.595,7	3.583,4	3.671,5	3.727,8	74,2
Total Consumer Accesses	27.280,6	28.304,5	28.233,5	28.237,2	28.061,4	2,9

TOTAL MOBILE ACCESSES

	2015				2016	% Var
	March	June	September	December	March	
Prepay percentage (%)	17,9%	17,2%	16,7%	16,1%	15,6%	(2,3 p.p.)
Contract percentage (%)	82,1%	82,8%	83,3%	83,9%	84,4%	2,3 p.p.
Smartphones ('000)	9.801,4	9.877,2	10.052,6	10.169,0	10.200,2	4,1
Prepay	365,7	351,4	348,8	383,5	366,3	0,2
Contract	9.435,7	9.525,8	9.703,8	9.785,5	9.833,9	4,2
Smartphone penetration (%)	62,8%	64,0%	65,2%	66,3%	67,2%	4,4 p.p.
Prepay (%)	11,7%	11,8%	12,1%	13,8%	13,7%	2,0 p.p.
Contract (%)	75,6%	76,5%	77,4%	77,9%	78,7%	3,1 p.p.
LTE ('000)	2.159,4	2.554,2	2.995,9	3.293,0	4.520,7	109,4
LTE penetration (%)	13,7%	16,4%	19,2%	21,3%	29,5%	15,8 p.p.

CONSUMER FUSIÓN

	2015				2016	% Var
	March	June	September	December	March	
Fusión Customers	3.866,2	3.880,7	4.002,7	4.140,3	4.209,1	8,9
Fibre 100/300	891,8	957,1	1.064,4	1.188,1	1.267,4	42,1
IPTV	1.926,6	2.035,7	2.339,1	2.600,2	2.768,6	43,7
Mobile add-ons	1.870,5	1.915,2	1.969,1	2.016,5	2.023,3	8,2

CONSUMER FUSIÓN

	2015				2016	% Var
	Q1	Q2	Q3	Q4	Q1	
Fusión ARPU (EUR)	68,6	71,3	73,8	73,2	78,2	14,1
Fusión churn	0,9%	1,4%	1,1%	1,1%	1,3%	0,4 p.p.

SELECTED OPERATIONAL DATA

	2015				2016	% Var
	Q1	Q2	Q3	Q4	Q1	
Total voice traffic (Million minutes)	42.519	41.490	41.490	41.490	38.139	(10,3)
Fixed voice traffic	23.895	22.866	22.866	22.866	20.456	(14,4)
Mobile voice traffic	18.624	18.624	18.624	18.624	17.683	(5,1)
Total data traffic (TB)	1.007.617	946.695	1.075.921	1.237.898	1.333.989	32,4
Fixed data traffic	982.743	916.869	1.037.339	1.200.768	1.291.860	31,5
Mobile data traffic	24.874	29.826	38.582	37.129	42.129	69,4

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 - March		% Chg	
	2016	2015	Reported	Organic
Revenues	1.858	1.901	(2,3)	(2,3)
Mobile Business	1.603	1.636	(2,0)	(2,0)
Mobile service revenues	1.336	1.354	(1,3)	(1,3)
Data revenues	729	692	5,4	5,4
Handset revenues	267	282	(5,5)	(5,5)
Fixed Business	253	261	(3,1)	(3,1)
FBB and new services (1)	192	198	(2,9)	(2,9)
Voice & access revenues	61	63	(3,8)	(3,8)
Internal expenditure capitalized in fixed assets	25	23	8,3	8,3
Operating expenses	(1.483)	(1.543)	(3,9)	(5,0)
Supplies	(629)	(659)	(4,6)	(4,6)
Personnel expenses	(173)	(179)	(3,1)	(13,2)
Other operating expenses	(681)	(705)	(3,4)	(3,4)
Other net income (expense)	(7)	10	c.s.	c.s.
Gain (loss) on sale of fixed assets	0	17	(99,1)	(99,1)
Impairment of goodwill and other assets	-	-	-	-
Operating income before D&A (OIBDA)	392	408	(3,8)	1,7
OIBDA Margin	21,1%	21,5%	(0,3 p.p.)	0,9 p.p.
CapEx	220	221	(0,5)	(1,2)
Spectrum	2	-		
OpCF (OIBDA-CapEx)	173	187	(7,8)	5,1

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	
Final Clients Accesses	46.572,8	46.981,4	47.627,2	47.391,2	47.341,7	1,7
Fixed telephony accesses (1)	2.022,0	2.009,7	1.999,9	1.997,8	2.002,8	(0,9)
Internet and data accesses	2.371,6	2.354,7	2.338,7	2.330,6	2.330,9	(1,7)
Broadband	2.128,3	2.115,2	2.102,7	2.098,0	2.101,5	(1,3)
VDSL	322,2	379,8	444,0	516,8	593,0	84,1
Mobile accesses	42.179,2	42.617,0	43.288,6	43.062,8	43.008,0	2,0
Prepay	23.264,2	23.500,9	24.003,7	23.979,4	23.743,5	2,1
Contract (2)	18.915,0	19.116,1	19.284,9	19.083,4	19.264,4	1,8
M2M	443,4	506,2	570,7	632,0	682,2	53,9
Wholesale Accesses	1.085,3	1.059,3	1.017,5	972,0	910,5	(16,1)
Total Accesses	47.658,1	48.040,7	48.644,7	48.363,2	48.252,2	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	
Prepay percentage (%)	55,2%	55,1%	55,5%	55,7%	55,2%	0,1 p.p.
Contract percentage (%)	44,8%	44,9%	44,5%	44,3%	44,8%	(0,1 p.p.)
Smartphones ('000)	20.364,1	21.153,4	22.145,5	22.594,3	23.083,0	13,4
Prepay	9.086,7	9.538,8	10.097,5	10.279,7	10.678,9	17,5
Contract	11.277,4	11.614,6	12.048,0	12.314,6	12.404,1	10,0
Smartphone penetration (%)	49,8%	51,3%	52,9%	54,2%	55,4%	5,6 p.p.
Prepay	39,6%	41,1%	42,6%	43,3%	45,4%	5,8 p.p.
Contract	63,0%	64,4%	66,4%	68,7%	68,6%	5,5 p.p.
LTE ('000)	5.146,0	6.093,0	7.002,2	7.883,5	8.690,5	68,9
LTE penetration (%)	12,3%	14,5%	16,4%	18,6%	20,5%	8,2 p.p.

SELECTED OPERATIONAL DATA

Unaudited figures

	2014				2015	% Chg
	Q1	Q2	Q3	Q4	Q1	
Voice traffic (Million minutes)	30.769	29.334	28.324	29.450	28.910	(6,0)
Fixed voice traffic	6.533	5.686	4.915	5.067	5.214	(20,2)
Mobile voice traffic	24.236	23.647	23.409	24.383	23.696	(2,2)
Data traffic (TB)	485.180	497.059	514.154	603.296	664.202	36,9
Fixed data traffic (1)	445.008	454.804	468.256	552.795	612.603	37,7
Mobile data traffic	40.172	42.255	45.898	50.501	51.599	28,4
Mobile ARPU (EUR)	11	11	11	11	10	(3,3)
Prepay	5,6	5,9	6,0	5,8	5,7	1,3
Contract (2)	17,2	17,2	17,4	16,9	16,6	(3,8)
Data ARPU (EUR)	5,5	5,6	5,6	5,5	5,6	3,1
% non-SMS over data revenues	70,5%	71,5%	71,9%	72,5%	75,4%	4,9 p.p.
Mobile churn	2,4%	2,1%	2,1%	2,8%	2,5%	0,1 p.p.
Contract (2)	1,7%	1,7%	1,7%	2,4%	1,8%	0,1 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 BRASIL
CONSOLIDATED INCOME STATEMENT
Unaudited figures (Euros in millions)

	January - March		% Chg	
	2016	2015	Reported	Organic
Revenues	2.431	2.794	(13,0)	0,6
Mobile Business	1.448	1.942	(25,4)	(0,3)
Mobile service revenues	1.378	1.836	(25,0)	0,4
Data revenues	667	718	(7,1)	24,0
Handset revenues	70	105	(33,2)	(10,9)
Fixed Business	983	852	15,4	2,0
FBB and new services (1)	352	310	13,4	2,8
Pay TV	111	52	111,5	21,1
Voice & access revenues	520	489	6,3	(1,8)
Internal exp. capitalized in fixed assets	25	10	144,7	10,5
Operating expenses	(1.656)	(1.933)	(14,3)	(1,0)
Supplies	(524)	(665)	(21,2)	(5,5)
Personnel expenses	(249)	(220)	13,0	4,6
Other operating expenses	(883)	(1.048)	(15,7)	0,4
Other net income (expense)	2	(28)	c.s.	c.s.
Gain (loss) on sale of fixed assets	1	(2)	c.s.	c.s.
Impairment of goodwill and other assets	2	(1)	c.s.	c.s.
Operating income before D&A (OIBDA)	805	840	(4,1)	8,2
<i>OIBDA Margin</i>	<i>33,1%</i>	<i>30,1%</i>	<i>3,0 p.p.</i>	<i>2,3 p.p.</i>
CapEx	348	395	(11,9)	(12,6)
Spectrum	-	-		
OpCF (OIBDA-CapEx)	457	445	2,8	32,1

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	
Final Clients Accesses	97.339,9	106.528,1	103.432,6	96.899,3	97.283,7	(0,1)
Fixed telephony accesses (1)	10.609,4	14.869,6	14.876,8	14.654,5	14.945,4	40,9
Internet and data accesses	4.066,5	7.224,0	7.319,5	7.195,5	7.294,2	79,4
Broadband	3.926,5	7.092,4	7.191,5	7.129,5	7.229,2	84,1
Fibre	428,5	3.640,8	3.788,6	3.779,9	3.913,5	n.m.
Mobile accesses	81.873,2	82.648,6	79.407,1	73.261,3	73.257,4	(10,5)
Prepay	52.972,3	53.068,7	48.978,8	42.194,4	42.011,5	(20,7)
Contract	28.900,8	29.580,0	30.428,3	31.066,9	31.245,8	8,1
M2M	3.687,5	3.935,2	4.105,7	4.234,7	4.390,0	19,1
Pay TV	790,9	1.785,9	1.829,2	1.787,9	1.786,7	125,9
Wholesale Accesses	25,4	23,6	22,9	22,3	21,0	(17,0)
Total Accesses T. Brasil	97.365,2	106.551,7	103.455,5	96.921,5	97.304,7	(0,1)
Terra Accesses	269,0	172,1	159,9	150,3	141,5	(47,4)

- 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	
Prepay percentage (%)	64,7%	64,2%	61,7%	57,6%	57,3%	(7,4 p.p.)
Contract percentage (%)	35,3%	35,8%	38,3%	42,4%	42,7%	7,4 p.p.
Smartphones ('000)	30.216,9	32.732,7	39.117,1	39.911,7	40.327,0	33,5
Prepay	18.710,6	19.372,1	22.945,3	22.376,4	22.977,1	22,8
Contract	11.506,3	13.360,6	16.171,8	17.535,4	17.349,9	50,8
Smartphone penetration (%)	40,3%	43,3%	54,2%	60,4%	61,0%	20,7 p.p.
Prepay	35,5%	36,7%	47,1%	53,4%	55,1%	19,6 p.p.
Contract	51,8%	58,8%	68,9%	72,7%	71,1%	19,3 p.p.
LTE ('000)	3.943,1	5.691,1	7.542,2	10.214,7	12.498,3	n.m.
LTE penetration (%)	5,0%	7,2%	10,0%	14,8%	18,1%	13,1 p.p.

SELECTED OPERATIONAL DATA

Unaudited figures

	2015				2016	% Chg Local Cur
	Q1	Q2	Q3	Q4	Q1	
Voice traffic (Million minutes)	93.747	95.738	97.299	92.647	93.579	(0,2)
Fixed voice traffic	25.155	25.894	25.137	23.965	23.680	(5,9)
Mobile voice traffic	68.592	69.843	72.162	68.682	69.899	1,9
Data traffic (TB)	1.395.331	1.583.612	1.763.495	2.065.902	2.564.860	83,8
Fixed data traffic	1.330.287	1.514.813	1.695.219	1.995.403	2.485.715	86,9
Mobile data traffic	65.043	68.799	68.276	70.500	79.146	21,7
Mobile ARPU (EUR)	7,2	6,5	5,7	5,7	6,1	13,7
Prepay	3,8	3,3	2,8	2,9	3,2	15,2
Contract (1)	15,3	14,2	12,3	11,6	11,5	0,7
Data ARPU (EUR)	3,0	3,0	2,8	3,0	3,0	37,0
% non-SMS over data revenues	81,6%	82,5%	83,0%	84,5%	85,8%	4,2 p.p.
Fixed telephony ARPU (EUR)	15,0	14,5	13,2	12,0	11,3	(1,0)
Pay TV ARPU (EUR)	22,3	23,5	22,0	21,1	20,6	12,9
Broadband ARPU (EUR)	12,5	12,3	11,0	10,6	10,3	7,7
Mobile churn	2,9%	3,2%	4,7%	6,1%	3,3%	0,5 p.p.
Contract (1)	1,8%	1,9%	1,9%	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 - March		% Chg	
	2016	2015	Reported	Organic
Revenues	3,054	3,665	(16,7)	11,3
Mobile Business	2,173	2,668	(18,6)	11,4
Mobile service revenues	1,949	2,367	(17,6)	13,4
Data revenues (1)	851	889	(4,2)	32,5
Handset revenues	224	302	(25,9)	(4,5)
Fixed Business	886	1,007	(11,9)	13,1
FBB and new services revenues (2)	468	503	(7,0)	22,2
Pay TV revenues	140	133	5,3	18,2
Voice & access revenues	278	370	(24,8)	(1,0)
Internal exp. capitalized in fixed assets	27	27	1,1	20,2
Operating expenses	(2,237)	(2,583)	(13,4)	16,3
Supplies	(912)	(1,030)	(11,4)	11,5
Personnel expenses	(379)	(418)	(9,3)	31,5
Other operating expenses	(946)	(1,135)	(16,7)	14,9
Other net income (expense)	21	17	22,9	43,0
Gain (loss) on sale of fixed assets	0	0	42,8	c.s.
Impairment of goodwill and other assets	-	-	-	-
Operating income before D&A (OIBDA)	866	1,127	(23,2)	0,8
OIBDA Margin	28,3%	30,8%	(2,4 p.p.)	(2,9 p.p.)
CapEx	459	622	(26,1)	31,1
Spectrum	-	139	-	-
OpCF (OIBDA-CapEx)	406	505	(19,6)	(21,6)

Note:

- The January-March 2016 consolidated financial information uses the exchange rate of the Venezuelan bolivar set at the denominated DICOM (273 Venezuelan bolivars fuertes per dollar at 31 March 2016).

- 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	
Final Clients Accesses	132.461,8	132.247,2	132.672,7	134.612,4	134.274,3	1,4
Fixed telephony accesses (1)	13.266,5	13.158,7	13.035,3	12.829,8	12.497,9	(5,8)
Internet and data accesses	5.516,0	5.573,4	5.644,5	5.667,8	5.706,8	3,5
Broadband	5.452,7	5.514,1	5.586,1	5.610,4	5.624,8	3,2
Fibre and VDSL	413,2	501,6	619,2	751,1	835,4	n.m.
Mobile accesses	111.143,1	110.866,4	111.251,2	113.302,7	113.218,7	1,9
Prepay	87.454,6	87.077,4	87.013,2	88.332,8	87.934,3	0,5
Contract	23.688,6	23.789,1	24.238,1	24.969,8	25.284,4	6,7
M2M	2.125,9	2.144,8	2.214,3	2.296,9	2.315,1	8,9
Pay TV	2.536,2	2.648,6	2.741,7	2.812,2	2.850,9	12,4
Wholesale Accesses	31,4	31,4	31,0	30,9	28,2	(10,2)
Total Accesses T. Hispanoamerica	132.493,2	132.278,6	132.703,7	134.643,3	134.302,5	1,4

(1) Includes fixed wireless and VoIP accesses.

MOBILE ACCESSES

Unaudited figures (thousands)

	2015				2016	% Chg
	March	June	September	December	March	
Prepay percentage (%)	78,7%	78,5%	78,2%	78,0%	77,7%	(1,0 p.p.)
Contract percentage (%)	21,3%	21,5%	21,8%	22,0%	22,3%	1,0 p.p.
Smartphones ('000)	31.048,7	35.420,7	37.486,0	40.229,5	41.448,0	33,5
Prepay	18.205,6	21.877,1	23.118,9	25.508,0	25.759,1	41,5
Contract	12.843,1	13.543,6	14.367,1	14.721,5	15.689,0	22,2
Smartphone penetration (%)	28,9%	33,0%	34,8%	36,7%	37,8%	8,9 p.p.
Prepay	21,0%	25,3%	26,8%	29,1%	29,5%	8,5 p.p.
Contract	61,9%	64,9%	67,5%	67,0%	70,3%	8,4 p.p.
LTE ('000)	2.811,4	4.233,6	6.037,5	8.321,9	9.859,6	n.m.
LTE penetration (%)	2,6%	3,9%	5,5%	7,5%	8,9%	6,3 p.p.

TELEFÓNICA ARGENTINA
SELECTED FINANCIAL DATA

Unaudited figures (Euros in millions)	January - March			
	2016	2015	% Chg	% Chg Local Cur
Revenues	689	935	(26,3)	19,7
Mobile Business	421	599	(29,7)	14,1
Mobile service revenues	371	529	(29,8)	14,1
Data revenues	172	201	(14,4)	39,0
Handset revenues	50	71	(29,4)	14,7
Fixed Business	268	336	(20,2)	29,6
FBB and new services (1)	168	189	(11,0)	44,4
Voice & access revenues	99	146	(32,1)	10,3
OIBDA	149	273	(45,4)	(11,4)
OIBDA margin (2)	21,4%	28,8%	(7,5 p.p.)	
CapEx	159	146	8,9	76,8
Spectrum	-	-		
OpCF (OIBDA-CapEx)	(10)	127	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	
<i>Unaudited figures (Thousands)</i>						
Final Clients Accesses	26.318,5	26.236,0	26.375,5	26.910,7	26.430,8	0,4
Fixed telephony accesses (1)	4.693,2	4.669,3	4.662,2	4.635,2	4.599,7	(2,0)
Fixed wireless	285,9	286,4	295,1	288,0	276,0	(3,5)
Internet and data accesses	1.880,7	1.877,8	1.883,9	1.886,3	1.911,8	1,7
Broadband	1.871,8	1.869,9	1.877,5	1.881,2	1.880,6	0,5
Mobile accesses	19.744,6	19.688,9	19.829,4	20.389,2	19.919,2	0,9
Prepay	12.778,0	12.859,0	12.985,6	13.434,6	12.989,8	0,9
Contract	6.966,5	6.829,9	6.843,8	6.954,6	6.929,4	1,7
M2M	455,4	446,9	450,5	448,8	439,2	(0,5)
Wholesale Accesses	23,3	23,5	23,0	23,1	22,4	(3,6)
Total Accesses	26.341,7	26.259,5	26.398,6	26.933,8	26.453,2	(3,6)

(1) Includes fixed wireless and VoIP accesses.

SELECTED OPERATIONAL DATA	2015				2016	% Chg Local Cur
	Q1	Q2	Q3	Q4	Q1	
<i>Unaudited figures</i>						
Voice traffic (Million minutes)	16.463	16.641	16.592	16.382	14.882	(9,6)
Fixed voice traffic	6.612	6.916	7.003	6.768	6.066	(8,3)
Mobile voice traffic	9.851	9.725	9.590	9.614	8.816	(10,5)
Data traffic (TB)	117.077	167.451	172.826	165.947	175.385	49,8
Fixed data traffic (1)	107.008	155.961	158.290	146.912	151.868	41,9
Mobile data traffic	10.069	11.491	14.536	19.035	23.517	133,6
Mobile ARPU (EUR)	9,1	9,9	9,9	9,0	6,5	16,0
Prepay	2,7	2,9	2,9	2,7	1,9	14,5
Contract (2)	22,3	24,0	24,5	22,6	16,2	17,7
Data ARPU (EUR)	3,4	4,3	4,5	4,0	2,9	19,0
% non-SMS over data revenues	56,2%	78,1%	76,1%	79,2%	82,2%	26,0 p.p.
Fixed telephony ARPU (EUR)	9,9	9,8	10,4	9,1	6,6	8,8
Broadband ARPU (EUR)	21,3	21,9	22,5	21,6	17,6	34,3
Churn	3,1%	2,9%	2,7%	1,9%	3,3%	0,3 p.p.
Contract (2)	1,1%	1,5%	1,7%	1,3%	1,2%	0,1 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 CHILE
SELECTED FINANCIAL DATA

Unaudited figures (Euros in millions)	January - March			
	2016	2015	% Chg	% Chg Local Cur
Revenues	511	565	(9,5)	(0,7)
Mobile Business	297	339	(12,5)	(3,9)
Mobile service revenues	267	304	(12,3)	(3,7)
Data revenues	123	98	25,1	37,4
Handset revenues	30	35	(14,0)	(5,6)
Fixed Business	214	226	(5,1)	4,2
FBB and new services (1)	97	95	1,7	11,7
Voice & access revenues	55	57	(3,2)	6,3
Others	63	74	(15,2)	(6,9)
OIBDA	176	176	(0,0)	9,8
OIBDA margin	34,4%	31,1%	3,3 p.p.	
CapEx	114	123	(7,2)	1,9
Spectrum	-	6	-	-
OpCF (OIBDA-CapEx)	62	53	16,6	28,2

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	
<i>Unaudited figures (Thousands)</i>						
Final Clients Accesses	13.861,3	13.610,4	13.387,4	13.158,3	12.741,5	(8,1)
Fixed telephony accesses (1)	1.557,7	1.537,4	1.510,3	1.486,0	1.459,0	(6,3)
Internet and data accesses	1.067,9	1.093,6	1.106,4	1.112,0	1.109,1	3,9
Broadband	1.056,7	1.082,5	1.095,4	1.101,1	1.098,4	3,9
Fibre and VDSL	192,2	216,3	240,7	256,7	268,9	39,9
Mobile accesses	10.619,5	10.345,1	10.129,6	9.915,6	9.527,9	(10,3)
Prepay	7.817,5	7.503,0	7.268,0	6.995,3	6.524,9	(16,5)
Contract	2.802,0	2.842,1	2.861,7	2.920,3	3.002,9	7,2
M2M	293,0	291,0	294,3	310,0	331,2	13,0
Pay TV	616,2	634,3	641,0	644,7	645,6	4,8
Wholesale Accesses	5,9	5,9	5,8	5,7	5,2	(12,7)
Total Accesses	13.867,2	13.616,3	13.393,2	13.164,0	12.746,7	(8,1)

(1) Includes fixed wireless and VoIP accesses.

SELECTED OPERATIONAL DATA	2015				2016	% Chg Local Cur
	Q1	Q2	Q3	Q4	Q1	
<i>Unaudited figures</i>						
Voice traffic (Million minutes)	8.725	8.693	8.927	9.296	9.130	4,6
Fixed voice traffic	1.354	1.353	1.320	1.301	1.127	(16,8)
Mobile voice traffic	7.372	7.340	7.607	7.995	8.003	8,6
Data traffic (TB)	252.756	289.259	309.838	322.994	348.695	38,0
Fixed data traffic	238.140	269.957	288.230	296.880	321.246	34,9
Mobile data traffic	14.616	19.302	21.607	26.114	27.449	87,8
Mobile ARPU (EUR)	9,4	9,7	9,0	8,8	8,9	3,8
Prepay	3,8	3,8	3,3	3,1	3,0	(11,4)
Contract (1)	27,8	28,7	26,3	25,2	24,7	(2,5)
Data ARPU (EUR)	3,1	3,4	3,4	3,5	4,2	49,3
% non-SMS over data revenues	94,0%	93,5%	93,5%	93,7%	97,4%	3,4 p.p.
Fixed telephony ARPU (EUR)	14,1	14,1	13,6	14,8	13,1	1,9
Pay TV ARPU (EUR)	29,1	30,4	26,1	26,1	24,4	(8,1)
Broadband ARPU (EUR)	17,9	18,1	16,9	16,8	16,2	(0,5)
Mobile churn	3,2%	3,7%	3,2%	3,4%	3,6%	0,4 p.p.
Contract (1)	1,9%	1,9%	2,3%	2,2%	2,0%	0,1 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 - March			
	2016	2015	% Chg	% Chg Local Cur
Revenues	624	692	(9,8)	(0,5)
Mobile Business	345	394	(12,4)	(3,4)
Mobile service revenues (1)	308	354	(13,2)	(4,2)
Data revenues (2)	146	148	(1,3)	8,8
Handset revenues	38	40	(5,7)	4,0
Fixed Business	279	298	(6,3)	3,3
FBB and new services (3)	138	151	(8,2)	1,2
Pay TV	69	61	13,2	24,8
Voice & access revenues	72	87	(16,7)	(8,2)
OIBDA	187	238	(21,3)	(13,2)
OIBDA margin	30,0%	34,4%	(4,4 p.p.)	
CapEx	55	63	(13,2)	(4,2)
Spectrum	-	-		
OpCF (OIBDA-CapEx)	133	175	(24,3)	(16,5)

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	
<i>Unaudited figures (Thousands)</i>						
Final Clients Accesses	22.083,4	22.104,2	22.184,3	22.231,0	21.791,0	(1,3)
Fixed telephony accesses (1)	2.641,4	2.605,8	2.634,9	2.596,6	2.452,1	(7,2)
Fixed wireless	191,2	229,8	208,5	191,9	127,7	(33,2)
Internet and data accesses	1.557,4	1.589,2	1.628,0	1.647,1	1.663,9	6,8
Broadband	1.529,7	1.564,4	1.602,5	1.621,2	1.639,2	7,2
VDSL	219,1	283,5	376,7	488,7	557,0	154,3
Mobile accesses	16.870,2	16.819,1	16.773,8	16.786,5	16.445,4	(2,5)
Prepay	11.645,3	11.450,4	11.255,3	11.013,3	10.530,0	(9,6)
Contract	5.224,8	5.368,7	5.518,5	5.773,1	5.915,5	13,2
M2M	118,0	98,4	99,8	103,3	81,7	(30,8)
Pay TV	1.014,5	1.090,1	1.147,7	1.200,8	1.229,6	21,2
Wholesale Accesses	0,3	0,2	0,2	0,1	0,0	n.m.
Total Accesses	22.083,7	22.104,3	22.184,5	22.231,1	21.791,0	(1,3)

(1) Includes fixed wireless and VoIP accesses.

SELECTED OPERATIONAL DATA	2015				2016	% Chg Local Cur
	Q1	Q2	Q3	Q4	Q1	
<i>Unaudited figures</i>						
Voice traffic (Million minutes)	24.759	24.635	26.225	28.033	27.479	11,0
Fixed voice traffic	5.460	5.429	5.398	5.322	5.144	(5,8)
Mobile voice traffic	19.300	19.206	20.828	22.711	22.336	15,7
Data traffic (TB)	119.624	130.167	133.338	141.780	140.739	17,7
Fixed data traffic	114.584	123.778	125.105	131.164	129.287	12,8
Mobile data traffic	5.040	6.389	8.232	10.616	11.451	127,2
Mobile ARPU (EUR)	7,0	6,8	6,7	6,7	6,3	(1,3)
Prepay	4,2	3,9	3,7	3,6	2,8	(28,7)
Contract (1)	13,5	13,2	13,1	12,9	12,0	(0,1)
Data ARPU (EUR) (2)	2,9	3,1	3,1	3,2	2,9	10,5
% non-SMS over data revenues	94,1%	95,6%	96,2%	96,9%	99,1%	5,0 p.p.
Fixed telephony ARPU (EUR)	10,8	9,8	10,0	8,5	9,4	(3,4)
Pay TV ARPU (EUR)	19,4	18,7	18,1	17,4	16,6	(5,4)
Broadband ARPU (EUR)	19,5	18,9	18,5	18,0	16,4	(7,3)
Mobile churn	4,0%	4,3%	4,4%	4,3%	4,8%	0,8 p.p.
Contract (1)	2,2%	2,0%	2,2%	1,8%	2,5%	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.

(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 - March			
	2016	2015	% Chg	% Chg Local Cur
Revenues	323	398	(19,0)	4,1
Mobile Business	198	251	(21,3)	1,1
Mobile service revenues	172	223	(23,1)	(1,1)
Data revenues	61	66	(7,3)	19,2
Handset revenues	26	28	(7,0)	19,5
Fixed Business	125	147	(15,0)	9,3
FBB and new services (1)	64	68	(5,6)	21,4
Pay TV	17	16	5,3	35,4
Voice & access revenues	44	63	(30,4)	(10,5)
OIBDA	107	150	(28,3)	(7,8)
OIBDA margin	33,3%	37,6%	(4,3 p.p.)	
CapEx	33	48	(30,6)	(10,8)
Spectrum	-	-		
OpCF (OIBDA-CapEx)	74	102	(27,2)	(6,4)

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	
<i>Unaudited figures (Thousands)</i>						
Final Clients Accesses	15.777,5	15.308,1	15.587,6	15.824,5	15.777,5	1,3
Fixed telephony accesses (1)	1.465,8	1.450,8	1.448,2	1.430,6	1.465,8	(3,5)
Internet and data accesses	997,3	999,8	1.012,8	1.008,7	997,3	1,1
Broadband	988,9	991,3	1.004,4	1.000,2	988,9	1,1
Mobile accesses	12.884,9	12.413,3	12.655,6	12.896,7	13.057,2	1,3
Prepay	9.633,2	9.158,6	9.341,8	9.510,9	9.625,1	(0,1)
Contract	3.251,7	3.254,7	3.313,7	3.385,8	3.432,1	5,5
M2M	438,7	444,4	456,4	467,5	471,0	7,4
Pay TV	429,4	444,2	471,0	488,6	497,4	15,8
Wholesale Accesses	1,9	1,9	1,9	1,9	0,6	(69,1)
Total Accesses	15.779,4	15.310,1	15.589,5	15.826,5	15.977,8	1,3

(1) Includes fixed wireless and VoIP accesses.

SELECTED OPERATIONAL DATA	2015				2016	% Chg Local Cur
	Q1	Q2	Q3	Q4	Q1	
<i>Unaudited figures</i>						
Voice traffic (Million minutes)	13.700	13.236	14.011	14.201	14.373	4,9
Fixed voice traffic	3.598	3.227	3.304	3.068	3.234	(10,1)
Mobile voice traffic	10.101	10.009	10.707	11.133	11.139	10,3
Data traffic (TB)	59.658	69.725	76.320	81.966	84.731	42,0
Fixed data traffic (1)	49.142	58.338	64.088	68.446	70.654	43,8
Mobile data traffic	10.516	11.387	12.232	13.520	14.077	33,9
Mobile ARPU (EUR)	5,5	5,5	4,7	4,6	4,2	(1,1)
Prepay	1,4	1,4	1,3	1,3	1,1	4,6
Contract (2)	19,9	19,6	16,4	16,0	14,6	(5,6)
Data ARPU (EUR)	1,7	1,8	1,6	1,6	1,6	18,5
% non-SMS over data revenues	96,9%	97,3%	97,7%	98,2%	98,7%	1,8 p.p.
Fixed telephony ARPU (EUR)	13,8	13,9	11,5	11,3	9,8	(8,7)
Pay TV ARPU (EUR)	12,4	12,5	10,8	11,0	11,0	14,6
Broadband ARPU (EUR)	10,4	10,8	9,0	8,8	8,2	0,7
Mobile churn	3,0%	4,5%	3,4%	3,3%	3,2%	0,2 p.p.
Contract (2)	2,2%	2,3%	2,0%	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 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 - March			
	2016	2015	% Chg	% Chg Local Cur
Revenues	409	444	(7,8)	8,6
Mobile service revenues	360	376	(4,3)	12,8
Data revenues (1)	155	163	(5,1)	11,9
Handset revenues	50	69	(27,3)	(14,3)
OIBDA	106	109	(2,4)	15,0
OIBDA margin	25,9%	24,5%	1,4 p.p.	
CapEx	42	47	(11,2)	4,7
Spectrum	-	-		
OpCF (OIBDA-CapEx)	65	62	4,1	22,7

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	
<i>Unaudited figures (Thousands)</i>						
Mobile accesses	22.536,6	23.048,8	23.405,0	24.895,0	25.655,4	13,8
Prepay	21.056,6	21.553,9	21.779,8	23.102,0	23.803,2	13,0
Contract	1.480,0	1.494,9	1.625,2	1.793,0	1.852,2	25,1
M2M	455,8	485,9	521,2	567,5	602,6	32,2
Fixed Wireless	1.545,6	1.553,8	1.468,9	1.382,9	1.296,9	(16,1)
Total Accesses	24.082,2	24.602,6	24.873,9	26.277,9	26.952,3	11,9

SELECTED MOBILE OPERATIONAL DATA	2015				2016	% Chg Local Cur
	Q1	Q2	Q3	Q4	Q1	
<i>Unaudited figures</i>						
Voice Traffic (Million minutes)	13.435	13.785	13.915	15.570	18.525	37,9
Data traffic (TB)	7.891	7.967	8.991	11.791	17.192	117,9
ARPU (EUR)	4,9	4,9	4,7	4,4	3,8	(8,3)
Prepay	4,3	4,3	4,3	3,9	3,3	(10,4)
Contract (1)	19,0	19,2	17,1	15,7	14,6	(9,3)
Data ARPU (EUR) (2)	1,3	1,3	1,4	1,2	2,0	(2,8)
% non-SMS over data revenues	80,2%	82,0%	76,2%	81,7%	91,1%	6,3 p.p.
Churn	2,8%	3,4%	3,6%	3,4%	3,5%	0,7 p.p.
Contract (1)	1,7%	2,2%	1,6%	1,7%	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) 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)		January - March			
SELECTED FINANCIAL DATA		2016	2015	% Chg	% Chg Local Cur
Unaudited figures (Euros in millions)					
Revenues		77	212	(63,7)	91,2
Mobile service revenues		75	184	(59,2)	115,5
Data revenues (2)		32	71	(54,6)	151,6
Handset revenues		2	28	(92,9)	(63,9)
OIBDA		22	53	(58,4)	101,6
OIBDA margin		28,5%	24,9%	3,6 p.p.	
CapEx		9	21	(54,7)	151,6
Spectrum		-	-		
OpCF (OIBDA-CapEx)		13	32	(60,7)	77,3

Note:

- The January-March 2016 consolidated financial information uses the exchange rate of the Venezuelan bolivar set at the denominated DICOM (273 Venezuelan bolivars fuertes per dollar at 31 March 2016).

- 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)		January - March			
SELECTED FINANCIAL DATA		2016	2015	% Chg	% Chg Local Cur
Unaudited figures (Euros in millions)					
Revenues		227	214	5,9	5,0
Mobile service revenues		213	202	5,6	4,8
Data revenues		85	71	20,1	19,1
Handset revenues		14	12	10,9	10,3
OIBDA		53	53	1,5	1,1
OIBDA margin		23,6%	24,6%	(1,0 p.p.)	
CapEx		32	20	56,7	54,9
Spectrum		-	-		
OpCF (OIBDA-CapEx)		22	32	(33,3)	(32,8)

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	
Fixed telephony accesses (1)	758,3	742,2	712,9	697,3	672,9	(11,3)
Internet and data accesses	8,2	8,3	8,5	8,5	8,3	0,5
Broadband	3,4	3,6	3,8	4,0	4,0	17,9
Mobile accesses	10.820,8	10.888,6	10.738,6	10.583,1	10.423,4	(3,7)
Prepay (2)	9.468,5	9.546,3	9.405,4	9.259,2	9.114,2	(3,7)
Contract	1.352,3	1.342,3	1.333,2	1.323,9	1.309,2	(3,2)
M2M	113,5	115,6	116,8	117,0	114,2	0,6
Pay TV	476,1	480,0	482,1	478,1	478,2	0,4
Total Accesses	12.063,4	12.119,1	11.942,0	11.767,0	11.582,8	(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	
Voice Traffic (Million minutes)	13.528	14.404	15.178	14.892	14.137	4,5
Data traffic (TB)	8.672	9.823	10.261	11.550	11.379	31,2
ARPU (EUR) (1)	4,5	n.m.	2,0	2,3	2,5	116,4
Prepay	4,1	n.m.	1,8	2,1	2,3	117,7
Contract (2)	8,0	n.m.	3,5	4,0	4,2	108,8
Data ARPU (EUR) (3)	2,1	n.m.	1,0	1,2	1,4	156,6
% non-SMS over data revenues	83,3%	n.m.	86,0%	87,0%	90,2%	6,9 p.p.
Churn	2,0%	2,2%	2,3%	2,2%	2,1%	0,1 p.p.
Contract (2)	0,8%	0,9%	0,9%	0,7%	0,8%	0,0 p.p.

Notes:

- The January-March 2016 consolidated financial information uses the exchange rate of the Venezuelan bolivar set at the denominated DICOM (273 Venezuelan bolivars fuertes per dollar at 31 March 2016).

- 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.

TELEFÓNICA CENTROAMÉRICA
ACCESSES

Unaudited figures (Thousands)	2015				2016	% Chg
	March	June	September	December	March	
Fixed telephony accesses (1)	556,4	555,6	561,2	567,8	567,0	1,9
Fixed Wireless	335,2	336,0	343,1	334,9	355,6	6,1
Internet and data accesses	4,4	4,7	4,9	5,1	5,4	21,9
Broadband	2,2	2,4	2,6	2,7	2,7	25,4
Mobile accesses	11.078,8	11.273,2	11.577,6	12.083,4	12.453,4	12,4
Prepay (2)	10.204,4	10.396,8	10.692,7	11.186,5	11.536,6	13,1
Contract	874,5	876,3	884,9	896,9	916,7	4,8
M2M	34,4	32,1	31,5	32,7	34,3	(0,3)
Total Accesses	11.639,7	11.833,5	12.143,8	12.656,3	13.025,7	11,9

(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	
Voice Traffic (Million minutes)	6.851	6.938	6.896	7.247	6.939	1,3
Data traffic (TB)	5.628	6.648	7.587	9.948	10.960	94,8
ARPU (EUR)	5,8	5,9	6,0	5,7	5,6	(4,2)
Prepay	4,6	4,6	4,5	4,6	4,4	(5,3)
Contract (1)	21,1	21,8	24,2	20,1	22,4	5,6
Data ARPU (EUR)	2,1	2,1	2,5	2,3	2,3	8,0
% non-SMS over data revenues	76,5%	77,7%	80,5%	86,3%	84,3%	7,8 p.p.
Churn	3,2%	3,5%	3,4%	3,6%	3,2%	0,0 p.p.
Contract (1)	1,6%	1,6%	1,4%	1,5%	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		January - March			
SELECTED FINANCIAL DATA		2016	2015	% Chg	% Chg Local Cur
<i>Unaudited figures (Euros in millions)</i>					
Revenues		145	149	(2,8)	(4,8)
Mobile service revenues		133	133	(0,1)	(2,2)
Data revenues		53	45	15,9	13,4
Handset revenues		11	15	(26,3)	(27,9)
OIBDA		45	52	(13,7)	(15,5)
OIBDA margin		31,0%	35,0%	(3,9 p.p.)	
CapEx		12	146	(91,6)	(91,7)
Spectrum		-	133	-	-
OpCF (OIBDA-CapEx)		33	(94)	c.s.	c.s.

- OIBDA is presented before management and brand fees.

TELEFÓNICA URUGUAY		January - March			
SELECTED FINANCIAL DATA		2016	2015	% Chg	% Chg Local Cur
<i>Unaudited figures (Euros in millions)</i>					
Revenues		54	65	(17,0)	3,4
Mobile service revenues		51	61	(17,3)	3,2
Data revenues		25	26	(3,2)	20,6
Handset revenues		4	4	(13,9)	7,4
OIBDA		20	24	(19,4)	0,7
OIBDA margin		36,1%	37,2%	(1,1 p.p.)	
CapEx		3	8	(62,3)	(53,0)
Spectrum		-	-		
OpCF (OIBDA-CapEx)		17	16	2,0	27,5

- OIBDA is presented before management and brand fees.

TELEFÓNICA ECUADOR
ACCESSES

Unaudited figures (Thousands)	2015				2016	% Chg
	March	June	September	December	March	
Mobile accesses	4.675,3	4.545,3	4.355,5	4.000,9	4.009,1	(14,2)
Prepay	3.545,6	3.380,8	3.135,8	2.738,8	2.759,3	(22,2)
Contract	1.129,7	1.164,6	1.219,7	1.262,2	1.249,8	10,6
M2M	173,3	182,7	191,5	196,4	184,2	6,3
Fixed Wireless	48,1	43,8	36,7	33,4	36,2	(24,7)
Total Accesses	4.723,4	4.589,1	4.392,1	4.034,4	4.045,3	(14,4)

SELECTED MOBILE OPERATIONAL DATA

Unaudited figures	2015				2016	% Chg Local Cur
	Q1	Q2	Q3	Q4	Q1	
Voice Traffic (Million minutes)	2.852	2.970	3.018	3.081	2.955	3,6
Data traffic (TB)	1.786	2.213	2.950	3.857	4.303	140,9
ARPU (EUR)	8,3	8,9	9,3	10,1	10,4	22,6
Prepay	4,6	4,8	5,2	5,6	5,7	22,0
Contract (1)	24,5	24,6	23,8	24,1	24,2	(3,6)
Data ARPU (EUR)	3,0	3,6	3,8	4,3	4,2	38,7
% non-SMS over data revenues	82,5%	85,1%	85,8%	87,8%	88,7%	6,2 p.p.
Churn	5,7%	4,6%	5,3%	4,6%	4,4%	(1,2 p.p.)
Contract (1)	1,6%	1,5%	1,5%	1,5%	1,9%	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	
Mobile accesses	1.912,5	1.844,1	1.786,1	1.752,3	1.727,7	(9,7)
Prepay	1.305,3	1.228,4	1.148,7	1.092,3	1.051,2	(19,5)
Contract	607,1	615,7	637,4	660,0	676,5	11,4
M2M	43,7	47,8	52,3	53,7	56,9	30,1
Total Accesses	1.912,5	1.844,1	1.786,1	1.752,3	1.727,7	(9,7)

SELECTED MOBILE OPERATIONAL DATA

Unaudited figures	2015				2016	% Chg Local Cur
	Q1	Q2	Q3	Q4	Q1	
Voice Traffic (Million minutes)	1.242	1.140	1.167	1.175	1.068	(14,1)
Data traffic (TB)	1.704	1.937	2.345	2.682	3.233	89,7
ARPU (EUR)	10,0	9,8	9,5	9,8	9,3	15,9
Prepay	4,5	4,6	4,4	4,6	4,3	17,4
Contract (1)	23,2	22,2	20,8	20,2	18,8	1,1
Data ARPU (EUR)	4,5	4,5	4,4	4,6	4,8	32,3
% non-SMS over data revenues	67,3%	67,5%	70,0%	69,0%	78,0%	10,7 p.p.
Churn	1,4%	3,0%	3,0%	2,7%	2,5%	1,1 p.p.
Contract (1)	0,7%	0,7%	0,9%	0,7%	0,7%	(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) Excludes M2M.