

TELEFÓNICA
CONSOLIDATED INCOME STATEMENT
Unaudited figures (Euros in millions)

	January - December		% Chg		October - December		% Chg	
	2014	2013	Reported	Organic	2014	2013	Reported	Organic
Revenues	50.377	57.061	(11,7)	2,6	12.399	14.436	(14,1)	5,0
Internal exp. capitalized in fixed assets	774	794	(2,5)	1,0	238	215	10,6	11,8
Operating expenses	(36.149)	(39.112)	(7,6)	3,8	(9.663)	(9.822)	(1,6)	7,1
Supplies	(15.182)	(17.041)	(10,9)	(0,5)	(4.081)	(4.397)	(7,2)	4,1
Personnel expenses	(7.098)	(7.208)	(1,5)	5,2	(2.150)	(1.769)	21,5	7,7
Other operating expenses	(13.869)	(14.863)	(6,7)	8,0	(3.433)	(3.657)	(6,1)	10,4
Other net income (expense)	200	212	n.m.	n.m.	11	121	n.m.	n.m.
Gain (loss) on sale of fixed assets	327	161	n.m.	(39,5)	208	58	n.m.	n.m.
Impairment of goodwill and other assets	(13)	(39)	(65,8)	(66,5)	(2)	(30)	(92,0)	(91,8)
Operating income before D&A (OIBDA)	15.515	19.077	(18,7)	0,2	3.190	4.977	(35,9)	(0,0)
OIBDA Margin	30,8%	33,4%	(2,6 p.p.)	(0,8 p.p.)	25,7%	34,5%	(8,7 p.p.)	(1,6 p.p.)
Depreciation and amortization	(8.548)	(9.627)	(11,2)	(1,6)	(2.257)	(2.213)	2,0	6,0
Operating income (OI)	6.967	9.450	(26,3)	1,9	933	2.765	(66,2)	(5,0)
Share of profit (loss) of investments accounted for by the equity method	(510)	(304)	68,2	(442)	(186)	n.s.		
Net financial income (expense)	(2.822)	(2.866)	(1,6)	(708)	(737)	(4,0)		
Income before taxes	3.635	6.280	(42,1)	(216)	1.841	c.s.		
Income taxes	(383)	(1.311)	(70,8)	340	(206)	c.s.		
Income from continuing operations	3.252	4.969	(34,6)	124	1.635	(92,4)		
Non-controlling interests	(251)	(376)	(33,2)	28	(186)	c.s.		
Net income	3.001	4.593	(34,7)	152	1.448	(89,5)		
Weighted average number of ordinary shares outstanding during the period (millions)	4.606	4.628	(0,5)	4.665	4.643	0,5		
Basic earnings per share (euros)	0,61	0,99	(38,1)	0,02	0,31	(93,1)		

Notes:

- Basic earnings per share amounts are 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.

- For the basic earnings per share calculation purposes, the weighted average number of ordinary shares outstanding during the period has been obtained applying IAS rule 33 "Earnings per share". Thereby, the weighted average number of shares held as treasury stock during the period has not been taken into account as outstanding shares.

- For the purposes of calculating the earnings per share ratios (basic and diluted), the weighted average number of shares outstanding 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 issues carried out to meet the scrip dividends paid in 2014 and 2012, have been taken into account. Also, the ordinary shares that would be issued upon the conversion of the mandatorily convertible notes issued on September 24, 2014 are included in the calculation of basic earnings per share from that date.

- 2013 and 2014 reported figures include hyperinflationary adjustments in Venezuela in both years.

- Group consolidated results consolidate E-Plus' results from the fourth quarter 2014 and deconsolidated Telefónica Czech Republic's results from the first quarter 2014 and Telefónica Ireland's results from the third quarter 2014.

TELEFÓNICA

ACCESSES

Unaudited figures (thousands)

	2013				2014				% Chg
	March	June	September	December	March	June	September	December	
Final Clients Accesses	309.785,3	311.331,2	314.141,6	316.759,9	306.816,6	309.332,7	309.561,4	334.526,9	5,6
Fixed telephony accesses (1) (2) (3)	39.764,2	39.520,8	39.399,8	39.338,5	37.593,5	37.544,0	37.325,4	36.830,0	(6,4)
Internet and data accesses	19.404,6	19.023,3	19.112,4	19.102,0	18.121,9	18.168,2	18.168,1	18.151,7	(5,0)
Narrowband	618,2	590,0	567,7	510,8	421,0	411,9	397,8	373,1	(27,0)
Broadband (4)	18.633,7	18.287,3	18.395,6	18.447,8	17.585,5	17.642,6	17.657,9	17.668,5	(4,2)
Other (5)	152,7	145,9	149,1	143,4	115,4	113,6	112,4	110,1	(23,3)
Mobile accesses	247.312,0	249.460,0	252.188,1	254.717,2	247.534,1	249.428,6	249.417,9	274.458,0	7,8
Prepay (6) (7)	164.500,5	164.550,6	165.133,3	165.557,0	161.410,9	161.299,0	160.535,5	175.720,4	6,1
Contract (8)	82.811,5	84.909,4	87.054,9	89.160,3	86.123,3	88.129,6	88.882,5	98.737,6	10,7
M2M (9)	7.142,7	7.768,0	8.175,8	8.631,8	8.307,0	8.761,2	8.957,5	9.787,4	13,4
Pay TV (10)	3.304,5	3.327,1	3.441,2	3.602,2	3.567,1	4.191,9	4.650,0	5.087,2	41,2
Wholesale Accesses	5.866,1	6.003,2	6.173,9	6.358,5	6.327,7	6.438,6	6.585,6	6.521,6	2,6
Unbundled loops	3.404,8	3.522,0	3.665,4	3.833,4	3.910,8	3.979,1	4.034,1	4.087,3	6,6
Shared ULL	169,5	157,6	147,3	130,6	116,1	105,5	96,6	94,1	(27,9)
Full ULL	3.235,3	3.364,4	3.518,1	3.702,9	3.794,7	3.873,7	3.937,5	3.993,3	7,8
Wholesale ADSL	854,7	857,6	864,0	866,9	746,8	751,3	849,5	750,1	(13,5)
Other	1.606,7	1.623,6	1.644,5	1.658,2	1.670,1	1.708,1	1.702,0	1.684,1	1,6
Total Accesses	315.651,4	317.334,4	320.315,5	323.118,4	313.144,3	315.771,3	316.147,0	341.048,5	5,5

TELEFÓNICA

MOBILE ACCESSES

Unaudited figures (thousands)

	2013				2014				% Chg
	March	June	September	December	March	June	September	December	
Prepay percentage (%)	66,5%	66,0%	65,5%	65,0%	65,2%	64,7%	64,4%	64,0%	(1,0 p.p.)
Contract percentage (%)	33,5%	34,0%	34,5%	35,0%	34,8%	35,3%	35,6%	36,0%	1,0 p.p.
MBB accesses ('000)	55.249,2	63.300,5	67.420,1	72.844,0	76.191,3	81.304,4	89.112,6	98.220,5	34,8%
MBB penetration (%)	22%	25%	27%	29%	31%	33%	36%	36%	7,2 p.p.
Smartphones ('000)	46.925,1	55.083,3	59.370,6	65.029,9	68.907,0	74.171,9	82.282,2	90.365,7	39,0%
Smartphone penetration (%)	20%	24%	25%	27%	30%	32%	35%	35%	7,9 p.p.

Note:

- T. Czech Republic accesses are de-consolidated from the first quarter of 2014, T. Ireland accesses are de-consolidated from the third quarter of 2014 and E-Plus accesses are consolidated from the fourth quarter of 2014.

(1) PSTN (including Public Use Telephony) x1; ISDN Basic access x1; ISDN Primary access; 2/6 Digital Access x30. Company's accesses for internal use and voice fixed wireless included. Includes VoIP and Naked ADSL.

(2) In the first quarter of 2014, 45 thousand fixed wireless inactive accesses were disconnected in Mexico.

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

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

(5) Retail circuits other than broadband.

(6) In the first quarter of 2014, 1.9 million inactive accesses were disconnected in Mexico.

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

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

(9) In the first quarter of 2014, 569 thousand M2M inactive accesses were disconnected in Spain.

(10) In the second quarter of 2014, Pay TV accesses included 131 thousand "TV Mini" customers in Spain.

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

	January - December		% Chg		October - December		% Chg	
	2014	2013	Reported	Organic	2014	2013	Reported	Organic
Revenues	12.023	12.959	(7,2)	(7,2)	3.038	3.195	(4,9)	(4,9)
Revenues ex-handset revenues	11.355	12.417	(8,6)	(8,6)	2.832	3.015	(6,1)	(6,1)
Wireless Business	4.556	5.121	(11,0)	(11,0)	1.138	1.226	(7,1)	(7,1)
Mobile service revenues	3.888	4.580	(15,1)	(15,1)	932	1.046	(10,9)	(10,9)
Data revenues	1.508	1.606	(6,1)	(6,1)	379	394	(3,9)	(3,9)
Handset revenues	668	542	23,4	23,4	207	180	14,7	14,7
Wireline Business	8.543	8.861	(3,6)	(3,6)	2.225	2.243	(0,8)	(0,8)
FBB and new services (1)	4.368	4.289	1,8	1,8	1.141	1.091	4,6	4,6
Voice & access revenues	3.547	4.096	(13,4)	(13,4)	854	1.018	(16,2)	(16,2)
Other	627	476	31,9	31,9	230	134	71,3	71,3
Internal expenditure capitalized in fixed assets	316	286	10,5	10,5	92	87	6,2	6,2
Operating expenses	(6.965)	(7.042)	(1,1)	(1,1)	(1.783)	(1.784)	(0,1)	(0,1)
Supplies	(2.592)	(2.486)	4,2	4,2	(712)	(658)	8,1	8,1
Personnel expenses	(2.139)	(2.113)	1,2	1,2	(538)	(509)	5,7	5,7
Other operating expenses	(2.234)	(2.442)	(8,5)	(8,5)	(533)	(617)	(13,6)	(13,6)
Other net income (expense)	32	50	(35,7)	(30,2)	3	30	(88,7)	(79,8)
Gain (loss) on sale of fixed assets	268	97	n.m.	n.m.	202	81	n.m.	n.m.
Impairment of goodwill and other assets	(3)	(9)	(67,3)	(67,3)	(2)	(5)	(62,8)	(62,8)
Operating income before D&A (OIBDA)	5.671	6.340	(10,6)	(12,6)	1.551	1.604	(3,3)	(7,8)
OIBDA Margin	47,2%	48,9%	(1,8 p.p.)	(2,8 p.p.)	51,0%	50,2%	0,8 p.p.	(1,4 p.p.)
CapEx (2)	1.732	1.529	13,3	15,2	546	620	(12,0)	(13,0)
Spectrum	-	69	n.m.	n.m.	-	-	n.m.	n.m.
OpCF (OIBDA-CapEx) (2)	3.939	4.811	(18,1)	(21,0)	1.005	984	2,1	(4,3)

Note:

- OIBDA and OI before management and brand fees.

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

(2) In the third and the fourth quarter of 2014, CapEx organic variance also excludes the changes in the urban qualification of real estate properties.

TELEFÓNICA ESPAÑA

ACCESSES

Unaudited figures (Thousands)

	2013				2014				% Chg
	March	June	September	December	March	June	September	December	
Final Clients Accesses	38.196,6	37.695,5	37.171,2	36.663,6	35.588,4	35.702,4	35.845,3	35.836,7	(2,3)
Fixed telephony accesses (1)	11.587,2	11.420,3	11.261,3	11.089,8	10.883,9	10.715,4	10.595,2	10.447,8	(5,8)
Naked ADSL	22,9	22,5	22,4	22,8	22,1	21,9	21,9	21,3	(6,6)
Internet and data accesses	5.830,2	5.860,5	5.872,6	5.899,0	5.909,5	5.913,8	5.920,9	5.928,7	0,5
Narrowband	53,2	50,2	46,1	38,5	35,9	39,0	35,9	30,9	(19,6)
Broadband (2)	5.761,7	5.795,6	5.812,3	5.846,8	5.860,3	5.862,0	5.872,7	5.885,9	0,7
Fibre	372,0	430,9	494,0	593,7	701,3	861,0	1.068,9	1.316,8	n.m.
Other (3)	15,3	14,7	14,3	13,7	13,3	12,8	12,3	11,9	(13,7)
Mobile accesses	20.119,3	19.782,3	19.428,0	19.002,1	18.064,7	17.863,6	17.749,7	17.575,4	(7,5)
Prepay	4.966,5	4.769,5	4.560,0	4.262,7	3.996,7	3.767,8	3.559,2	3.328,1	(21,9)
Contract	15.152,7	15.012,8	14.867,9	14.739,3	14.068,0	14.095,8	14.190,5	14.247,3	(3,3)
M2M (4)	1.927,2	1.961,3	1.979,4	1.991,3	1.446,6	1.491,9	1.566,9	1.612,4	(19,0)
Pay TV (5)	659,9	632,5	609,3	672,7	730,3	1.209,5	1.579,4	1.884,7	n.m.
Wholesale Accesses	4.502,0	4.626,5	4.792,2	4.990,1	5.150,3	5.238,0	5.309,0	5.366,0	7,5
WLR (6)	485,9	488,6	506,6	525,8	541,7	556,0	564,0	570,6	8,5
Unbundled loops	3.358,1	3.475,3	3.619,0	3.787,1	3.910,8	3.979,1	4.034,1	4.087,3	7,9
Shared ULL	169,5	157,6	147,3	130,6	116,1	105,5	96,6	94,1	(27,9)
Full ULL (7)	3.188,6	3.317,6	3.471,7	3.656,5	3.794,7	3.873,7	3.937,5	3.993,3	9,2
Wholesale ADSL	657,6	662,2	666,2	676,8	697,5	702,5	710,6	707,8	4,6
Other (8)	0,4	0,4	0,4	0,4	0,4	0,3	0,3	0,3	(28,5)
Total Accesses	42.698,6	42.322,0	41.963,3	41.653,6	40.738,7	40.940,4	41.154,3	41.202,7	(1,1)

TELEFÓNICA ESPAÑA

MOBILE ACCESSES

Unaudited figures (thousands)

	2013				2014				% Chg
	March	June	September	December	March	June	September	December	
Prepay percentage (%)	24,7%	24,1%	23,5%	22,4%	22,1%	21,1%	20,1%	18,9%	(3,5 p.p.)
Contract percentage (%)	75,3%	75,9%	76,5%	77,6%	77,9%	78,9%	79,9%	81,1%	3,5 p.p.
MBB accesses ('000)	7.888,8	8.375,8	8.486,8	8.761,5	9.055,8	9.271,7	9.259,0	9.754,4	11,3%
MBB penetration (%)	39%	42%	44%	46%	50%	52%	52%	56%	9,4 p.p.
Smartphones ('000)	7.230,7	7.841,8	8.027,3	8.382,6	8.738,2	8.989,7	9.008,8	9.535,9	13,8%
Smartphone penetration (%)	41%	45%	47%	50%	54%	56%	57%	61%	10,2 p.p.

TELEFÓNICA ESPAÑA

FUSIÓN ACCESSES

Unaudited figures (thousands)

	2013				2014				% Chg
	March	June	September	December	March	June	September	December	
Fusión Customers	1.733,7	2.190,7	2.566,2	2.916,3	3.221,3	3.389,3	3.557,5	3.716,9	27,5
Mobile add-ons	704,2	864,6	1.012,2	1.139,9	1.245,0	1.303,6	1.352,9	1.394,9	22,4

(1) PSTN (including Public Use Telephony) x1; ISDN Basic access x1; ISDN Primary access; 2/6 Digital Access x30. Company's accesses for internal use included. Includes VoIP and Naked ADSL.

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

(3) Leased lines.

(4) In the first quarter of 2014, 569 thousand inactive accesses were disconnected.

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

(6) Wholesale Line Rental.

(7) Includes naked shared loops.

(8) Wholesale circuits.

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

	January - December		% Chg		October - December		% Chg	
	2014	2013	Reported	Organic	2014	2013	Reported	Organic
Revenues	7.062	6.692	5,5	0,2	1.913	1.742	9,8	3,2
Mobile service revenues	5.397	5.461	(1,2)	(6,2)	1.361	1.338	1,7	(4,5)
Data revenues	3.096	2.897	6,9	1,5	781	725	7,7	1,1
Handset revenues and other	1.665	1.231	35,3	28,4	552	404	36,7	28,8
Internal expenditure capitalized in fixed assets	122	113	8,6	3,1	39	31	24,6	17,5
Operating expenses	(5.485)	(5.256)	4,4	(0,9)	(1.490)	(1.343)	10,9	4,3
Supplies	(3.520)	(3.403)	3,4	(1,8)	(976)	(887)	10,0	3,5
Personnel expenses	(460)	(543)	(15,3)	(19,6)	(120)	(115)	5,0	(1,2)
Other operating expenses	(1.505)	(1.310)	14,9	9,1	(393)	(341)	15,3	8,2
Other net income (expense)	(4)	(0)	n.m.	n.m.	(6)	(0)	n.m.	n.m.
Gain (loss) on sale of fixed assets	59	88	(33,8)	(37,1)	0	12	(96,6)	c.s.
Impairment of goodwill and other assets	(10)	0	n.m.	c.s.	(0)	0	n.m.	c.s.
Operating income before D&A (OIBDA)	1.744	1.637	6,5	1,1	457	442	3,4	(3,0)
<i>OIBDA Margin</i>	<i>24,7%</i>	<i>24,5%</i>	<i>0,2 p.p.</i>		<i>23,9%</i>	<i>25,4%</i>	<i>(1,5 p.p.)</i>	
CapEx	755	1.385	(45,5)	7,5	181	147	23,3	17,7
Spectrum	-	719	n.m.	n.m.	-	2	n.m.	n.m.
OpCF (OIBDA-CapEx)	989	252	n.m.	(3,2)	276	295	(6,5)	(12,9)

Note:
- OIBDA and OI before management and brand fees.

TELEFÓNICA UK

ACCESSES

Unaudited figures (Thousands)

	2013				2014				% Chg
	March	June	September	December	March	June	September	December	
Final Clients Accesses	23.814,0	23.326,8	23.639,5	23.872,0	23.803,9	24.001,3	24.324,5	24.726,4	3,6
Fixed telephony accesses (1)	384,5	192,7	198,7	208,2	211,4	217,9	221,5	228,0	9,5
Internet and data accesses	519,4	10,4	13,6	14,8	16,4	16,8	17,8	19,2	29,8
Broadband	519,4	10,4	13,6	14,8	16,4	16,8	17,8	19,2	29,8
Mobile accesses	22.910,1	23.123,7	23.427,2	23.649,0	23.576,1	23.766,6	24.085,2	24.479,1	3,5
Prepay	10.758,0	10.680,0	10.764,7	10.764,7	10.556,7	10.548,6	10.658,4	10.761,2	(0,0)
Contract	12.152,1	12.443,7	12.662,4	12.884,3	13.019,4	13.218,0	13.426,7	13.717,9	6,5
M2M	1.750,5	1.872,3	1.943,3	1.974,5	2.038,0	2.096,1	2.116,2	2.192,0	11,0
Wholesale Accesses (2)	42,4	36,8	40,7	31,6	-	-	-	-	-
Total Accesses	23.856,4	23.363,6	23.680,2	23.903,6	23.803,9	24.001,3	24.324,5	24.726,4	3,4

TELEFÓNICA UK

MOBILE ACCESSES

Unaudited figures (thousands)

	2013				2014				% Chg
	March	June	September	December	March	June	September	December	
Prepay percentage (%)	47,0%	46,2%	45,9%	45,5%	44,8%	44,4%	44,3%	44,0%	(1,6 p.p.)
Contract percentage (%)	53,0%	53,8%	54,1%	54,5%	55,2%	55,6%	55,7%	56,0%	1,6 p.p.
MBB accesses ('000)	10.214,3	10.354,3	10.647,7	10.955,8	11.044,9	10.979,5	11.338,9	11.880,2	8,4%
MBB penetration (%)	45%	45%	45%	46%	47%	46%	47%	49%	2,2 p.p.
Smartphones ('000)	9.718,0	9.866,1	10.158,3	10.478,0	10.566,8	10.501,2	10.835,1	11.338,0	8,2%
Smartphone penetration (%)	47%	48%	48%	49%	50%	50%	50%	52%	2,7 p.p.

(1) PSTN (including Public Use Telephony) x1; ISDN Basic access x1; ISDN Primary access; 2/6 Digital Access x30. Company's accesses for internal use included. Includes VoIP and Naked ADSL.

(2) From the first quarter of 2014, the company stopped offering a wholesale service.

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

	January - December		% Chg		October - December		% Chg	
	2014	2013	Reported	Organic	2014	2013	Reported	Organic
Revenues	5.522	4.914	12,4	(3,5)	2.019	1.243	62,4	(0,4)
Wireless Business	4.375	3.673	19,1	(2,2)	1.742	944	84,5	1,6
Mobile service revenues	3.580	2.989	19,8	(2,3)	1.391	743	87,3	(1,4)
Data revenues	1.793	1.443	24,3	(1,6)	723	364	98,9	(3,9)
Handset revenues	795	684	16,2	(1,7)	350	201	74,0	13,0
Wireline Business	1.138	1.235	(7,8)	(7,8)	274	297	(7,7)	(7,5)
FBB and new services (1)	815	869	(6,2)	(6,2)	197	205	(4,1)	(4,1)
Voice & access revenues	306	355	(13,8)	(13,7)	72	88	(18,0)	(17,3)
Other	18	11	61,6	61,6	5	4	32,1	32,1
Internal expenditure capitalized in fixed assets	92	74	24,3	9,3	34	22	56,9	5,3
Operating expenses	(4.817)	(3.799)	26,8	0,8	(2.006)	(968)	n.m.	5,9
Supplies	(2.144)	(1.958)	9,5	(3,9)	(762)	(507)	50,4	(1,2)
Personnel expenses	(828)	(419)	97,7	5,6	(498)	(107)	n.m.	13,2
Other operating expenses	(1.846)	(1.423)	29,7	5,7	(745)	(355)	n.m.	13,8
Other net income (expense)	(64)	43	c.s.	c.s.	(85)	17	c.s.	c.s.
Gain (loss) on sale of fixed assets	0	76	(99,6)	(99,6)	(0)	76	c.s.	c.s.
Impairment of goodwill and other assets	0	0	-	-	0	0	-	-
Operating income before D&A (OIBDA)	733	1.308	(44,0)	(22,1)	(38)	390	c.s.	(38,2)
OIBDA Margin	13,3%	26,6%	(13,4 p.p.)	(5,1 p.p.)	(1,9%)	31,4%	(33,2 p.p.)	(11,9 p.p.)
CapEx	849	666	27,5	(6,4)	438	198	n.m.	7,1
Spectrum	-	-	n.m.	-	-	-	n.m.	-
OpCF (OIBDA-CapEx)	(116)	642	c.s.	(38,3)	(476)	192	c.s.	(85,0)

Note:

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

- OIBDA and OI before management and brand fees.

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

TELEFÓNICA DEUTSCHLAND

ACCESSES

Unaudited figures (Thousands)

	2013				2014				% Chg
	March	June	September	December	March	June	September	December	
Final Clients Accesses	24.218,9	24.216,2	24.306,2	24.042,0	23.875,7	23.964,3	24.113,2	46.548,3	93,6
Fixed telephony accesses (1)	2.212,8	2.176,0	2.144,9	2.124,9	2.109,1	2.078,2	2.050,9	2.036,4	(4,2)
Internet and data accesses	2.630,2	2.583,1	2.543,5	2.516,1	2.491,7	2.450,2	2.413,4	2.387,0	(5,1)
Narrowband	294,6	287,9	277,2	271,7	265,8	258,8	252,5	243,2	(10,5)
Broadband	2.335,6	2.295,1	2.266,2	2.244,3	2.225,9	2.191,4	2.160,8	2.143,8	(4,5)
Mobile accesses	19.324,5	19.411,1	19.576,4	19.401,0	19.274,9	19.435,9	19.648,9	42.124,9	117,1
Prepay	9.123,6	9.150,6	9.260,7	9.114,9	8.910,9	8.919,7	8.989,3	23.350,7	156,2
Contract (2)	10.200,9	10.260,5	10.315,7	10.286,1	10.364,0	10.516,1	10.659,6	18.774,1	82,5
M2M	82,9	84,7	89,9	90,5	94,6	97,5	106,0	414,0	n.m.
Pay TV (3)	51,3	46,0	41,5	-	-	-	-	-	-
Wholesale Accesses	1.112,9	1.127,2	1.130,4	1.125,0	1.128,0	1.151,8	1.137,6	1.113,3	(1,0)
Total Accesses	25.331,8	25.343,3	25.436,6	25.166,9	25.003,7	25.116,1	25.250,8	47.661,5	89,4

TELEFÓNICA DEUTSCHLAND

MOBILE ACCESSES

Unaudited figures (thousands)

	2013				2014				% Chg
	March	June	September	December	March	June	September	December	
Prepay percentage (%)	47,2%	47,1%	47,3%	47,0%	46,2%	45,9%	45,7%	55,4%	8,5 p.p.
Contract percentage (%)	52,8%	52,9%	52,7%	53,0%	53,8%	54,1%	54,3%	44,6%	(8,5 p.p.)
MBB accesses ('000)	6.142,9	6.339,2	6.559,5	6.780,1	6.994,0	7.120,5	7.341,7	13.697,5	102,0%
MBB penetration (%)	32%	33%	34%	35%	36%	37%	37%	33%	(2,4 p.p.)
Smartphones ('000)	5.059,8	5.260,5	5.491,4	5.738,0	5.957,2	6.057,2	6.230,7	11.422,2	99,1%
Smartphone penetration (%)	28%	29%	30%	31%	33%	33%	34%	29%	(2,4 p.p.)

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

(1) PSTN (including Public Use Telephony) x1; ISDN Basic access x1; ISDN Primary access; 2/6 Digital Access x30. Company's accesses for internal use included. Includes VoIP and Naked ADSL.

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

(3) From the fourth quarter of 2013, the company stopped offering a TV service.

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

	January - December		% Chg		October - December		% Chg	
	2014	2013	Reported	Organic	2014	2013	Reported	Organic
Revenues	11.231	12.217	(8,1)	0,5	2.850	2.941	(3,1)	(0,3)
Wireless Business	7.617	8.092	(5,9)	2,9	1.960	1.982	(1,1)	1,9
Mobile service revenues	7.228	7.608	(5,0)	3,8	1.865	1.873	(0,4)	2,7
Data revenues	2.478	2.259	9,7	19,9	666	572	16,5	20,3
Handset revenues	390	484	(19,4)	(11,9)	94	109	(13,4)	(11,3)
Wireline Business	3.613	4.125	(12,4)	(4,2)	890	960	(7,2)	(4,8)
FBB and new services (1)	1.465	1.540	(4,8)	4,0	368	371	(0,9)	2,1
Voice & access revenues	2.113	2.545	(17,0)	(9,2)	514	579	(11,2)	(9,0)
Others	34	40	(14,6)	(6,6)	8	10	(13,9)	(11,2)
Internal exp. capitalized in fixed assets	48	47	1,7	11,1	12	12	0,8	4,2
Operating expenses	(7.742)	(8.378)	(7,6)	0,1	(1.952)	(1.943)	0,5	(0,5)
Supplies	(2.680)	(3.128)	(14,3)	(6,3)	(664)	(729)	(8,9)	(6,4)
Personnel expenses	(976)	(1.036)	(5,8)	(4,2)	(292)	(246)	18,8	(6,3)
Other operating expenses	(4.085)	(4.213)	(3,0)	6,0	(996)	(968)	2,9	5,5
Other net income (expense)	7	3	n.m.	n.m.	15	35	(58,0)	(52,7)
Gain (loss) on sale of fixed assets	(6)	53	c.s.	c.s.	1	1	(17,6)	(74,2)
Impairment of goodwill and other assets	4	(2)	c.s.	c.s.	4	2	92,0	n.s.
Operating income before D&A (OIBDA)	3.543	3.940	(10,1)	0,9	929	1.049	(11,4)	(1,3)
OIBDA Margin	31,5%	32,3%	(0,7 p.p.)	0,1 p.p.	32,6%	35,7%	(3,1 p.p.)	(0,4 p.p.)
CapEx	2.933	2.127	37,9	15,0	1.585	740	114,3	(0,7)
Spectrum	889	185	n.m.	n.m.	889	(5)	n.m.	n.m.
OpCF (OIBDA-CapEx)	610	1.813	(66,4)	(13,0)	(656)	309	(312,0)	(2,7)

Note:

- OIBDA and OI before management and brand fees.

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

TELEFÓNICA BRASIL
ACCESSES

Unaudited figures (thousands)

	2013				2014				% Chg
	March	June	September	December	March	June	September	December	
Final Clients Accesses	91.064,4	91.335,8	91.907,9	92.730,0	94.028,1	95.071,1	95.601,5	95.528,6	3,0
Fixed telephony accesses (1)	10.550,2	10.563,5	10.624,1	10.747,8	10.828,1	10.929,1	10.942,1	10.743,4	(0,0)
Internet and data accesses	3.961,0	4.035,2	4.081,8	4.102,0	4.094,5	4.103,5	4.114,8	4.082,6	(0,5)
Narrowband	116,5	108,2	105,6	92,1	88,1	86,4	82,0	73,7	(19,9)
Broadband (2)	3.767,9	3.852,1	3.898,0	3.936,7	3.933,0	3.944,9	3.961,6	3.939,8	0,1
Fibre	125,1	144,6	170,9	204,1	235,8	273,3	322,1	374,6	83,5
Other (3)	76,5	74,9	78,2	73,2	73,3	72,1	71,2	69,0	(5,8)
Mobile accesses	75.987,5	76.199,6	76.614,3	77.240,2	78.460,8	79.350,7	79.817,0	79.932,1	3,5
Prepay	56.469,6	55.515,1	54.476,4	53.551,9	53.552,8	53.188,5	52.639,8	51.582,4	(3,7)
Contract	19.517,9	20.684,5	22.138,0	23.688,3	24.908,0	26.162,3	27.177,2	28.349,7	19,7
M2M	1.444,6	1.839,9	2.071,2	2.358,2	2.629,0	2.920,1	3.197,5	3.506,9	48,7
Pay TV	565,7	537,5	587,7	640,1	644,8	687,8	727,6	770,6	20,4
Wholesale Accesses	23,1	23,0	19,7	18,8	27,5	27,0	26,2	25,9	37,5
Total Accesses T. Brasil	91.087,5	91.358,8	91.927,6	92.748,9	94.055,6	95.098,1	95.627,7	95.554,5	3,0
Terra Accesses	540,4	500,9	467,7	412,5	379,3	361,8	329,9	329,9	(20,0)

TELEFÓNICA BRASIL

MOBILE ACCESSES

Unaudited figures (thousands)

	2013				2014				% Chg
	March	June	September	December	March	June	September	December	
Prepay percentage (%)	74,3%	72,9%	71,1%	69,3%	68,3%	67,0%	66,0%	64,5%	(4,8 p.p.)
Contract percentage (%)	25,7%	27,1%	28,9%	30,7%	31,7%	33,0%	34,0%	35,5%	4,8 p.p.
MBB accesses ('000)	13.477,3	15.752,8	18.005,4	20.546,5	23.790,3	26.710,3	32.342,0	33.352,1	62,3%
MBB penetration (%)	18%	21%	24%	27%	30%	34%	41%	42%	15,1 p.p.
Smartphones ('000)	10.184,8	12.340,0	14.513,3	16.976,1	20.227,6	23.190,9	28.950,0	30.076,8	77,2%
Smartphone penetration (%)	14%	17%	20%	24%	28%	32%	40%	41%	17,3 p.p.

(1) PSTN (including Public Use Telephony) x1; ISDN Basic access x1; ISDN Primary access; 2/6 Digital Access x30. Company's accesses for internal use included. Voice fixed wireless accesses included.

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

(3) Retail circuits other than broadband.

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

	January - December		% Chg		October - December		% Chg	
	2014	2013	Reported	Organic	2014	2013	Reported	Organic
Revenues	13.155	16.855	(22,0)	14,6	2.244	4.434	(49,4)	18,2
Internal exp. capitalized in fixed assets	104	109	(4,9)	8,3	28	28	1,0	12,9
Operating expenses	(9.284)	(11.498)	(19,3)	13,6	(1.813)	(2.943)	(38,4)	18,5
Supplies	(3.841)	(4.983)	(22,9)	4,9	(857)	(1.322)	(35,2)	13,9
Personnel expenses	(1.525)	(1.746)	(12,7)	21,1	(341)	(430)	(20,7)	23,9
Other operating expenses	(3.918)	(4.769)	(17,9)	19,9	(614)	(1.191)	(48,4)	21,6
Other net income (expense)	89	58	52,6	(20,5)	39	28	n.m.	c.s.
Gain (loss) on sale of fixed assets	4	6	(39,1)	c.s.	4	(1)	c.s.	c.s.
Impairment of goodwill and other assets	0	0	-	-	0	0	-	-
Operating income before D&A (OIBDA)	4.068	5.531	(26,5)	16,4	503	1.545	(67,5)	15,6
OIBDA Margin	30,9%	32,8%	(1,9 p.p.)	0,5 p.p.	22,4%	34,9%	(12,4 p.p.)	(0,8 p.p.)
CapEx	2.842	3.118	(8,8)	29,1	827	1.434	(42,3)	10,4
Spectrum	405	251	n.m.	n.m.	213	228	n.m.	n.m.
OpCF (OIBDA-CapEx)	1.226	2.413	(49,2)	2,2	(324)	111	c.s.	39,3

Note:

- OIBDA before management and brand fees.

- 2013 and 2014 reported figures include the hyperinflationary adjustments in Venezuela in both years.

TELEFÓNICA HISPANOAMÉRICA
SELECTED FINANCIAL DATA BY COUNTRY (1)

Unaudited figures (Euros in millions)

	January - December				October - December			
	2014	2013	% Chg	% Chg Local Cur	2014	2013	% Chg	% Chg Local Cur
ARGENTINA (1)								
Revenues	3.063	3.681	(16,8)	23,8	855	920	(7,1)	22,2
Wireless Business	2.007	2.434	(17,5)	22,7	561	616	(8,8)	20,1
Mobile service revenues	1.697	2.118	(19,8)	19,3	479	529	(9,4)	19,1
Data revenues	790	1.023	(22,8)	14,8	195	250	(22,2)	1,8
Handset revenues	310	316	(2,1)	45,7	82	86	(5,0)	26,3
Wireline Business	1.055	1.247	(15,4)	25,9	294	305	(3,5)	26,4
FBB and new services (2)	564	600	(6,0)	39,9	164	155	6,1	40,2
Voice & access revenues	442	594	(25,7)	10,6	118	136	(13,4)	12,3
Others	50	53	(6,1)	39,6	12	14	(14,4)	13,4
OIBDA	802	977	(17,9)	22,1	248	282	(12,2)	24,3
OIBDA margin (3)	25,8%	26,1%	(0,3 p.p.)		28,6%	30,1%	(1,5 p.p.)	
CapEx	676	574	17,8	75,2	349	220	58,2	120,4
Spectrum	168	-	-	-	168	-	-	-
OpCF (OIBDA-CapEx)	126	403	(68,8)	(53,5)	(101)	62	(263,0)	c.s.
CHILE (1)								
Revenues	2.089	2.483	(15,9)	(3,0)	551	614	(10,2)	(4,1)
Wireless Business	1.247	1.495	(16,6)	(3,8)	326	365	(10,8)	(4,8)
Mobile service revenues	1.113	1.346	(17,3)	(4,7)	284	334	(14,9)	(9,1)
Data revenues	318	281	13,4	30,7	85	69	22,6	31,0
Handset revenues	134	149	(10,0)	3,8	42	31	33,5	41,0
Wireline Business	842	988	(14,8)	(1,7)	225	248	(9,4)	(3,0)
FBB and new services (2)	530	562	(5,7)	8,7	145	146	(0,7)	6,6
Voice & access revenues	295	403	(26,9)	(15,7)	76	97	(22,2)	(17,1)
Others	17	23	(25,1)	(13,7)	4	5	(13,1)	(8,5)
OIBDA	708	818	(13,5)	(0,2)	192	207	(7,2)	(0,6)
OIBDA margin	33,9%	32,9%	0,9 p.p.		34,9%	33,8%	1,1 p.p.	
CapEx	429	488	(12,1)	1,4	111	156	(28,9)	(22,6)
Spectrum	-	-	-	-	-	-	-	-
OpCF (OIBDA-CapEx)	279	330	(15,6)	(2,6)	81	51	59,4	62,5
PERU (1)								
Revenues	2.504	2.454	2,0	7,3	666	607	9,8	6,4
Wireless Business	1.427	1.333	7,0	12,6	386	332	16,3	12,8
Mobile service revenues (4)	1.250	1.159	7,8	13,4	342	290	18,1	14,7
Data revenues	335	265	26,3	32,9	100	73	36,4	33,7
Handset revenues	177	174	1,8	7,1	44	43	3,8	0,3
Wireline Business	1.077	1.121	(3,9)	1,0	280	275	1,9	(1,4)
FBB and new services (2)	705	702	0,4	5,6	182	176	3,8	0,6
Voice & access revenues	351	399	(12,1)	(7,6)	92	95	(2,6)	(5,9)
Others	21	19	9,2	14,8	6	4	25,1	20,4
OIBDA	844	875	(3,5)	1,4	162	221	(26,7)	(29,9)
OIBDA margin	33,7%	35,6%	(1,9 p.p.)		24,3%	36,3%	(12,1 p.p.)	
CapEx	421	479	(12,1)	(7,6)	158	273	(42,2)	(41,1)
Spectrum	-	120	n.m.	n.m.	-	120	n.m.	n.m.
OpCF (OIBDA-CapEx)	423	396	6,9	12,4	4	(53)	c.s.	(99,5)
COLOMBIA								
Revenues	1.719	1.705	0,8	7,8	438	432	1,3	5,8
Wireless Business	1.090	1.052	3,6	10,7	281	271	3,7	8,4
Mobile service revenues	985	969	1,7	8,8	250	248	1,0	5,5
Data revenues	258	240	7,5	15,0	67	60	10,2	15,0
Handset revenues	104	84	24,9	33,6	31	23	32,6	38,6
Wireline Business	629	652	(3,6)	3,1	156	161	(2,8)	1,4
FBB and new services (2)	356	349	2,1	9,1	90	88	2,7	7,3
Voice & access revenues	271	300	(9,6)	(3,4)	66	72	(9,0)	(5,1)
Others	1	3	(54,6)	(51,5)	0	1	(61,3)	(59,3)
OIBDA	627	580	8,2	15,7	170	153	11,8	16,8
OIBDA margin	36,5%	34,0%	2,5 p.p.		39,0%	35,3%	3,7 p.p.	
CapEx	496	457	8,5	16,0	105	257	(59,0)	(55,5)
Spectrum	111	109	n.m.	n.m.	(1)	109	n.m.	n.m.
OpCF (OIBDA-CapEx)	132	123	7,2	14,6	65	(104)	c.s.	c.s.

- Note:
- OIBDA is presented before management and brand fees.
 - (1) As a result of management integration, revenue breakdown has been reclassified in 2013 according to a proforma criteria, allocating "inter-company" eliminations within fixed and mobile businesses. With this, all companies in Hispanoamérica are under this criteria.
 - (2) Includes FBB connectivity services (retail and wholesale), including value added services, TV services, ICT revenues and other services over connectivity.
 - (3) Margin over revenues includes fixed to mobile interconnection.
 - (4) Includes revenues from fixed wireless.

TELEFÓNICA HISPANOAMÉRICA
 SELECTED FINANCIAL DATA BY COUNTRY (II)
 Unaudited figures (Euros in millions)

	January - December				October - December			
	2014	2013	% Chg	% Chg Local Cur	2014	2013	% Chg	% Chg Local Cur
MEXICO								
Revenues	1.649	1.580	4,3	8,8	452	402	12,6	10,6
Mobile service revenues	1.413	1.340	5,4	10,0	380	330	15,2	12,9
Data revenues	340	375	(9,2)	(5,4)	91	83	9,7	6,7
Handset revenues	236	240	(1,8)	2,4	72	72	0,7	(0,0)
OIBDA	337	266	26,7	32,1	109	60	82,7	78,7
OIBDA margin	20,5%	16,9%	3,6 p.p.		24,1%	14,9%	9,3 p.p.	
CapEx	252	242	4,0	8,4	108	118	(8,5)	(6,8)
Spectrum	-	-	-	-	-	-	-	-
OpCF (OIBDA-CapEx)	86	24	n.m.	n.m.	1	(58)	n.m.	n.m.
VENEZUELA AND CENTRAL AMERICA (1) (2)								
Revenues	1.420	4.228	(66,4)	30,5	(912)	1.281	n.m.	46,6
Mobile service revenues	1.305	3.738	(65,1)	36,8	(876)	1.153	n.m.	43,6
Data revenues (3)	397	1.117	(64,5)	40,5	(293)	300	n.m.	52,3
Handset revenues	114	490	(76,6)	(9,3)	(36)	129	n.m.	84,0
OIBDA	463	1.739	(73,4)	21,1	(455)	558	n.m.	11,0
OIBDA margin	32,6%	41,1%	(8,5 p.p.)		n.s.	43,5%	n.m.	
CapEx	435	739	(41,1)	n.m.	(54)	357	n.m.	n.m.
Spectrum (4)	126	-	n.m.	n.m.	46	-	n.m.	n.m.
OpCF (OIBDA-CapEx)	27	1.000	(97,3)	(56,6)	(401)	201	n.m.	c.s.
ECUADOR								
Revenues	508	505	0,5	0,4	138	122	13,2	3,9
Mobile service revenues	471	460	2,5	2,5	126	113	11,9	2,6
Data revenues	151	145	4,4	4,3	40	36	10,7	1,4
Handset revenues	36	45	(20,3)	(20,3)	12	9	28,3	19,0
OIBDA	188	182	3,1	3,0	54	47	14,1	5,5
OIBDA margin	37,0%	36,1%	0,9 p.p.		39,0%	38,7%	0,3 p.p.	
CapEx	102	94	9,4	9,4	37	45	(17,9)	(21,7)
Spectrum	-	-	-	-	-	-	-	-
OpCF (OIBDA-CapEx)	85	89	(3,6)	(3,7)	17	2	n.m.	n.m.
URUGUAY								
Revenues	232	256	(9,7)	2,8	62	63	(1,6)	2,1
Mobile service revenues	218	244	(10,6)	1,7	58	59	(3,0)	0,5
Data revenues	88	93	(5,0)	8,1	24	22	7,7	11,5
Handset revenues	14	13	9,2	24,3	4	3	26,0	31,2
OIBDA	94	105	(10,0)	2,4	27	27	1,6	6,1
OIBDA margin	40,7%	40,9%	(0,1 p.p.)		44,2%	42,8%	1,4 p.p.	
CapEx	31	46	(31,7)	(22,3)	13	8	68,2	69,1
Spectrum	-	22	n.m.	n.m.	-	(1)	n.m.	n.m.
OpCF (OIBDA-CapEx)	63	59	7,0	21,7	14	19	(25,0)	(20,8)

- Note:
 - OIBDA is presented before management and brand fees.
- (1) Reported figures include the hyperinflationary adjustments in Venezuela in both years. For comparison purposes and to facilitate the interpretation of the year-on-year changes vs. 2013, variations in local currency of the headings affected by the hyperinflation adjustments are reported excluding the impact of this adjustment.
- (2) Central America includes Guatemala, Panama, El Salvador, Nicaragua and Costa Rica.
- (3) Data revenues do not include hyperinflationary adjustments.
- (4) Corresponds to Panama.

TELEFÓNICA HISPANOAMÉRICA

ACCESSES

Unaudited figures (thousands)

	2013				2014				% Chg
	March	June	September	December	March	June	September	December	
Final Clients Accesses	121.318,7	123.609,4	125.990,1	128.316,6	127.595,0	128.691,4	129.347,1	131.586,6	2,5
Fixed telephony accesses (1) (2) (3)	13.561,0	13.729,6	13.758,7	13.778,5	13.561,0	13.603,4	13.515,7	13.374,4	(2,9)
Internet and data accesses	4.876,2	4.998,6	5.106,0	5.137,7	5.194,5	5.285,0	5.371,3	5.433,8	5,8
Narrowband	69,5	62,6	61,0	33,4	31,2	27,6	27,3	25,2	(24,5)
Broadband (4)	4.777,3	4.906,7	5.015,6	5.074,9	5.134,5	5.228,7	5.315,1	5.379,4	6,0
Other (5)	29,3	29,4	29,4	29,4	28,8	28,7	28,9	29,2	(0,6)
Mobile accesses	100.994,9	102.912,8	105.070,4	107.266,9	106.647,6	107.508,3	108.117,1	110.346,5	2,9
Prepay (6) (7)	79.801,2	81.080,9	82.734,1	84.524,1	83.703,0	84.197,0	84.688,7	86.698,0	2,6
Contract	21.193,7	21.831,9	22.336,3	22.742,7	22.944,6	23.311,3	23.428,4	23.648,5	4,0
M2M	1.565,5	1.622,8	1.693,9	1.791,4	1.873,3	1.923,3	1.970,9	2.062,2	15,1
Pay TV	1.886,6	1.968,4	2.055,1	2.133,5	2.192,0	2.294,6	2.343,0	2.431,9	14,0
Wholesale Accesses	22,3	23,2	22,4	22,7	21,8	21,8	112,7	16,4	(27,6)
Total Accesses T. Hispanoamerica	121.341,0	123.632,6	126.012,5	128.339,3	127.616,8	128.713,1	129.459,8	131.603,0	2,5

TELEFÓNICA HISPANOAMÉRICA

MOBILE ACCESSES

Unaudited figures (thousands)

	2013				2014				% Chg
	March	June	September	December	March	June	September	December	
Prepay percentage (%)	79,0%	78,8%	78,7%	78,8%	78,5%	78,3%	78,3%	78,6%	(0,2 p.p.)
Contract percentage (%)	21,0%	21,2%	21,3%	21,2%	21,5%	21,7%	21,7%	21,4%	0,2 p.p.
MBB accesses ('000)	15.450,9	20.195,1	21.284,0	23.078,5	24.813,7	26.753,7	28.831,0	29.536,3	28,0%
MBB penetration (%)	15%	20%	20%	22%	23%	25%	27%	27%	5,3 p.p.
Smartphones ('000)	13.169,4	17.965,0	19.194,4	21.170,8	23.057,9	25.092,5	27.257,6	27.992,8	32,2%
Smartphone penetration (%)	14%	18%	19%	20%	22%	24%	26%	26%	5,8 p.p.

(1) PSTN (including Public Use Telephony) x1; ISDN Basic access x1; ISDN Primary access; 2/6 Digital Access x30. Company's accesses for internal use included. Voice fixed wireless accesses included.

(2) In the first quarter of 2014, 45 thousand fixed wireless inactive accesses were disconnected in Mexico.

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

(4) Includes ADSL, optical fiber, cable modem and broadband circuits.

(5) Retail circuits other than broadband.

(6) In the first quarter of 2014, 1.9 million inactive accesses were disconnected in Mexico.

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

TELEFÓNICA HISPANOAMÉRICA
ACCESSES BY COUNTRY (1)
Unaudited figures (Thousands)

	2013				2014				% Chg
	March	June	September	December	March	June	September	December	
ARGENTINA									
Final Clients Accesses	24.781,4	25.706,4	26.985,6	26.636,7	26.300,0	26.159,9	25.910,5	26.629,1	(0,0)
Fixed telephony accesses (1)	4.765,0	4.786,7	4.819,3	4.833,5	4.812,7	4.779,6	4.750,4	4.726,8	(2,2)
Fixed wireless	255,4	283,3	315,6	342,7	342,8	323,0	304,5	296,0	(13,6)
Internet and data accesses	1.772,0	1.806,1	1.835,2	1.848,5	1.845,4	1.854,5	1.870,7	1.880,2	1,7
Narrowband	16,0	17,4	16,4	12,9	11,2	12,2	11,8	9,8	(24,4)
Broadband (2)	1.755,9	1.788,6	1.818,8	1.835,5	1.834,2	1.842,3	1.859,0	1.870,5	1,9
Mobile accesses	18.244,4	19.113,6	20.331,0	19.954,7	19.641,9	19.525,8	19.289,4	20.022,1	0,3
Prepay	11.502,3	12.268,2	13.389,8	12.916,6	12.649,6	12.522,0	12.337,2	12.957,6	0,3
Contract	6.742,1	6.845,5	6.941,3	7.038,1	6.992,3	7.003,8	6.952,1	7.064,5	0,4
M2M	376,5	389,4	406,2	427,4	452,6	454,9	470,8	470,7	10,1
Wholesale Accesses	13,8	14,7	13,9	14,0	14,0	13,9	104,9	8,4	(39,8)
Total Accesses	24.795,2	25.721,1	26.999,4	26.650,7	26.314,0	26.173,9	26.015,4	26.637,6	0,0%
CHILE									
Final Clients Accesses	13.330,8	13.497,8	13.447,4	13.625,2	13.566,9	13.576,0	13.586,1	13.888,1	1,9
Fixed telephony accesses (1)	1.715,0	1.696,2	1.674,5	1.654,2	1.631,0	1.616,8	1.593,9	1.579,0	(4,6)
Internet and data accesses	945,0	960,0	972,5	977,5	984,5	1.005,3	1.030,5	1.047,7	7,2
Narrowband	10,2	5,3	5,2	5,2	5,1	4,4	4,9	4,8	(7,7)
Broadband (2)	932,3	952,2	964,9	969,9	977,0	998,7	1.023,4	1.040,7	7,3
Other (3)	2,5	2,5	2,4	2,4	2,4	2,3	2,3	2,3	(4,8)
Mobile accesses	10.229,0	10.377,1	10.319,8	10.490,3	10.424,3	10.394,0	10.381,4	10.660,2	1,6
Prepay	7.624,9	7.722,9	7.656,1	7.806,5	7.693,6	7.595,2	7.563,7	7.856,6	0,6
Contract	2.604,1	2.654,2	2.663,8	2.683,8	2.730,7	2.798,7	2.817,7	2.803,6	4,5
M2M	238,8	253,0	263,2	281,6	306,5	322,0	319,9	307,3	9,1
Pay TV	441,8	464,5	480,5	503,2	527,1	559,9	580,3	601,3	19,5
Wholesale Accesses	4,8	4,8	4,8	5,0	5,4	5,4	5,4	5,6	12,7
Total Accesses	13.335,6	13.502,6	13.452,2	13.630,2	13.572,3	13.581,4	13.591,5	13.893,8	1,9%
PERU									
Final Clients Accesses	20.268,0	20.548,6	20.896,9	20.897,6	21.081,6	21.287,9	21.632,6	21.976,4	5,2
Fixed telephony accesses (1)	2.874,0	2.872,6	2.844,2	2.801,5	2.725,7	2.776,9	2.749,3	2.714,7	(3,1)
Fixed wireless (4)	346,4	339,4	328,8	313,5	251,4	292,8	280,2	262,7	(16,2)
Internet and data accesses	1.359,8	1.397,4	1.425,5	1.437,1	1.457,2	1.490,7	1.505,2	1.523,4	6,0
Narrowband	5,5	5,5	5,4	5,0	4,9	1,1	1,2	1,2	(77,0)
Broadband (2)	1.333,7	1.371,3	1.399,2	1.411,1	1.431,8	1.468,8	1.483,2	1.501,3	6,4
Other (3)	20,5	20,7	20,8	21,0	20,5	20,7	20,8	21,0	0,0
Mobile accesses	15.126,4	15.366,1	15.722,4	15.762,0	16.012,9	16.133,1	16.489,0	16.790,2	6,5
Prepay	11.303,9	11.310,7	11.385,5	11.258,7	11.377,8	11.288,6	11.450,9	11.676,3	3,7
Contract	3.822,5	4.055,4	4.336,8	4.503,3	4.635,2	4.844,5	5.038,1	5.113,9	13,6
M2M	74,5	74,8	80,5	82,6	82,8	85,6	87,8	86,2	4,4
Pay TV	907,8	912,5	904,8	897,1	885,7	887,3	889,1	948,0	5,7
Wholesale Accesses	0,4	0,4	0,4	0,4	0,4	0,4	0,4	0,4	9,6
Total Accesses	20.268,4	20.549,0	20.897,2	20.898,0	21.082,1	21.288,4	21.633,0	21.976,8	5,2%
COLOMBIA									
Final Clients Accesses	14.001,6	14.227,4	14.247,6	14.778,7	15.128,7	15.052,5	15.403,9	15.689,7	6,2
Fixed telephony accesses (1)	1.427,5	1.435,0	1.445,8	1.447,1	1.459,9	1.464,0	1.468,6	1.461,0	1,0
Internet and data accesses	758,8	798,0	836,2	862,2	895,1	922,4	952,9	970,2	12,5
Narrowband	8,4	8,5	8,5	8,5	8,5	8,5	8,5	8,5	(0,7)
Broadband (2)	750,4	789,5	827,7	853,7	886,7	913,9	944,5	961,7	12,6
Mobile accesses	11.516,3	11.680,1	11.633,5	12.121,7	12.409,8	12.281,9	12.581,6	12.842,5	5,9
Prepay	8.446,9	8.490,1	8.369,6	8.818,5	9.105,9	8.982,4	9.313,3	9.582,6	8,7
Contract	3.069,4	3.190,1	3.263,8	3.303,2	3.303,9	3.299,5	3.268,3	3.259,9	(1,3)
M2M	351,0	356,9	372,4	392,9	404,7	416,2	421,5	427,8	8,9
Pay TV	299,1	314,2	332,1	347,6	363,8	384,1	400,8	416,0	19,7
Wholesale Accesses	3,3	3,3	3,3	3,3	1,9	1,9	1,9	1,9	(41,1)
Total Accesses	14.004,9	14.230,7	14.250,9	14.782,0	15.130,6	15.054,4	15.405,9	15.691,6	6,2%

(1) PSTN (including Public Use Telephony) x1; ISDN Basic access x1; ISDN Primary access; 2/6 Digital Access x30. Company's accesses for internal use included. Voice fixed wireless accesses included.

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

(3) Retail circuits other than broadband.

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

TELEFÓNICA HISPANOAMÉRICA
ACCESSES BY COUNTRY (1)
Unaudited figures (Thousands)

	2013				2014				% Chg
	March	June	September	December	March	June	September	December	
MEXICO									
Mobile accesses	19,251,7	19,086,8	19,145,8	20,332,8	19,324,8	20,244,2	20,561,0	21,673,4	6,6
Prepay (1)	17,663,6	17,545,7	17,662,4	18,863,2	17,862,0	18,777,4	19,127,6	20,207,5	7,1
Contract	1,588,1	1,541,1	1,483,4	1,469,7	1,462,8	1,466,8	1,433,4	1,465,8	(0,3)
M2M	322,5	329,3	333,0	349,9	351,0	354,1	362,1	433,7	24,0
Fixed wireless (2)	1,259,0	1,403,1	1,476,3	1,558,9	1,504,8	1,530,6	1,540,4	1,551,3	(0,5)
Total Accesses	20,510,7	20,489,9	20,622,1	21,891,7	20,829,6	21,774,8	22,101,5	23,224,7	6,1%
VENEZUELA AND CENTRAL AMERICA (3)									
Fixed telephony accesses (4)	1,475,4	1,483,3	1,445,2	1,426,7	1,377,3	1,386,0	1,361,8	1,288,4	(9,7)
Fixed wireless	1,248,9	1,249,9	1,194,6	1,168,7	1,127,4	1,138,2	1,128,7	1,065,0	(8,9)
Internet and data accesses	40,7	37,1	36,6	12,4	12,2	12,1	11,9	12,3	(0,8)
Narrowband	29,4	25,8	25,4	1,7	1,6	1,4	1,1	1,0	(40,0)
Broadband (5)	5,0	5,1	5,0	4,7	4,8	4,9	5,1	5,3	13,7
Other (6)	6,3	6,2	6,2	6,0	5,9	5,8	5,8	5,9	(1,0)
Mobile accesses	19,796,1	20,419,9	21,029,2	21,666,8	21,813,8	21,919,5	21,947,2	21,471,9	(0,9)
Prepay (7) (8)	17,827,0	18,331,4	18,892,5	19,485,4	19,602,9	19,676,2	19,721,3	19,242,6	(1,2)
Contract	1,969,1	2,088,4	2,136,7	2,177,0	2,210,9	2,243,3	2,225,9	2,229,2	2,4
M2M	97,6	105,3	112,9	119,8	123,8	129,8	134,9	141,7	18,3
Pay TV	237,9	277,2	337,6	385,6	415,3	463,2	472,8	466,6	21,0
Total Accesses	21,550,1	22,217,5	22,848,6	23,491,6	23,618,6	23,780,9	23,793,7	23,239,2	(1,1)
ECUADOR									
Mobile accesses	4,988,3	5,025,5	5,042,8	5,094,6	5,174,5	5,155,4	4,995,9	5,002,5	(1,8)
Prepay	4,148,4	4,138,6	4,117,2	4,120,9	4,165,4	4,111,9	3,915,1	3,897,8	(5,4)
Contract	839,9	886,9	925,6	973,7	1,009,1	1,043,5	1,080,9	1,104,7	13,4
M2M	80,8	88,4	95,4	104,2	116,4	124,2	136,9	154,2	48,0
Fixed Wireless	45,0	52,7	53,4	56,6	49,5	49,5	51,3	53,1	(6,1)
Total Accesses	5,033,3	5,078,2	5,096,1	5,151,3	5,224,0	5,204,9	5,047,3	5,055,6	(1,9)
URUGUAY									
Mobile accesses	1,842,8	1,843,6	1,845,9	1,843,9	1,845,7	1,854,4	1,871,6	1,883,8	2,2
Prepay	1,284,3	1,273,2	1,261,0	1,250,0	1,245,8	1,243,2	1,259,6	1,276,9	2,2
Contract	558,5	570,4	584,9	593,9	599,9	611,2	612,0	606,9	2,2
M2M	23,8	25,8	30,3	33,1	35,5	36,6	37,0	40,6	22,8
Total Accesses	1,842,8	1,843,6	1,845,9	1,843,9	1,845,7	1,854,4	1,871,6	1,883,8	2,2%

(1) In the first quarter of 2014, 1.9 million thousand inactive accesses were disconnected.

(2) In the first quarter of 2014, 45 thousand inactive accesses were disconnected.

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

(4) PSTN (including Public Use Telephony) x1; ISDN Basic access x1; ISDN Primary access; 2/6 Digital Access x30. Company's accesses for internal use included. Voice fixed wireless accesses included.

(5) Includes ADSL, optical fiber, cable modem and broadband circuits.

(6) Retail circuits other than broadband.

(7) Includes prepaid M2M accesses.

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