

TELEFONICA GROUP: HIGHLIGHTS

	1993	1994	1995	1996	1997
Lines in service (thousands)	20,614.4	22,683.0	24,247.3	26,477.1	28,429.9
Basic telephony (1)	14,253.5	14,685.4	15,095.4	15,412.8	15,854.4
IBERCOM (1)	548.3	622.2	651.3	691.3	715.4
ISDN (1)	0.6	5.4	28.0	96.0	228.5
Abroad (2)	5,812.0	7,370.0	8,472.6	10,277.0	11,631.6
Cellular subscribers	419,543	726,242	1,375,519	3,329,398	5,053,404
MoviLine (analog) (1)	257,261	411,930	892,187	1,307,929	1,100,595
MoviStar (GSM) (1)	—	—	36,768	1,037,716	2,087,101
Abroad (3)	162,282	314,312	446,564	983,753	1,865,708
Cable TV subscribers	—	55,861	774,989	1,149,260	1,551,860
In Spain	—	—	—	—	—
Abroad (4)	—	55,861	774,989	1,149,260	1,551,860
Employees (5)	84,056	103,938	99,203	92,148	92,151
Revenue from operations (million pesetas)	1,297,437	1,578,850	1,740,557	2,006,058	2,363,102
Debt ratio (%)	53.1	49.8	47.9	44.7	47.3
Capital expenditure (million pesetas) (6)	445,274	810,655	663,851	867,197	1,231,326
Cash flow (million pesetas)	502,882	644,750	750,357	811,235	961,435
Net income (million pesetas.)	96,367	112,608	133,214	160,282	190,063

(1) Figures for Spain.

(2) Lines in service include those of TASA, CTC, Telefónica del Perú, CANTV and CRT.

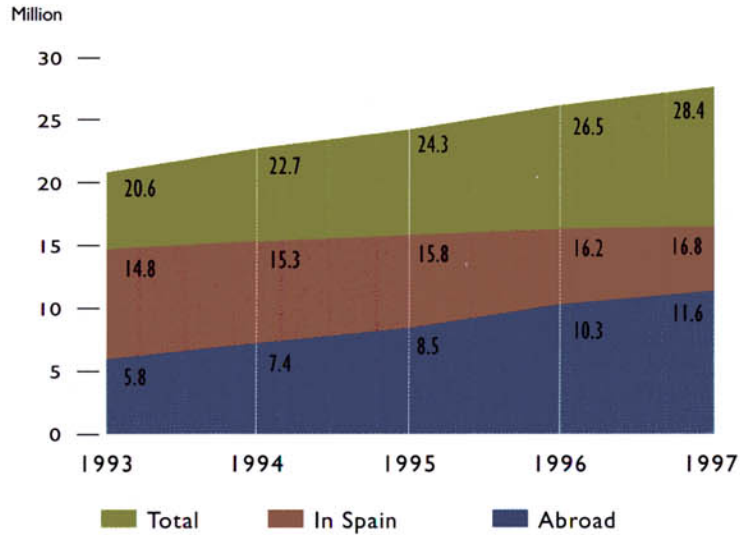
(3) Cellular subscribers included those of Cocolco and Telefonica Romania up to 1996. In 1997, these two companies are not included

(4) Cable TV customers in 1997 correspond to CTC, Telefónica del Perú and Cablevisión Argentina. In previous years, Multicanal was included but not Cablevisión.

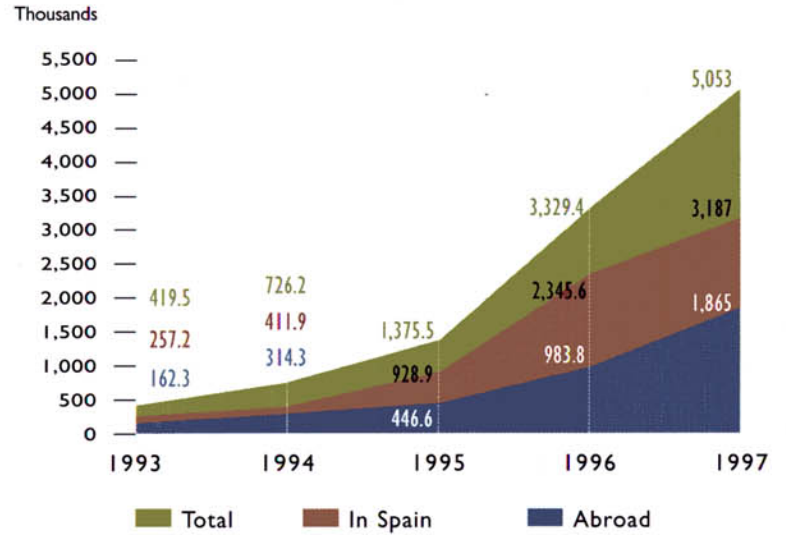
(5) Average number for the year. At year-end 1996 and 1997 the workforce totalled 91,389 and 92,022 employees, respectively.

(6) Tangible, intangible and financial.

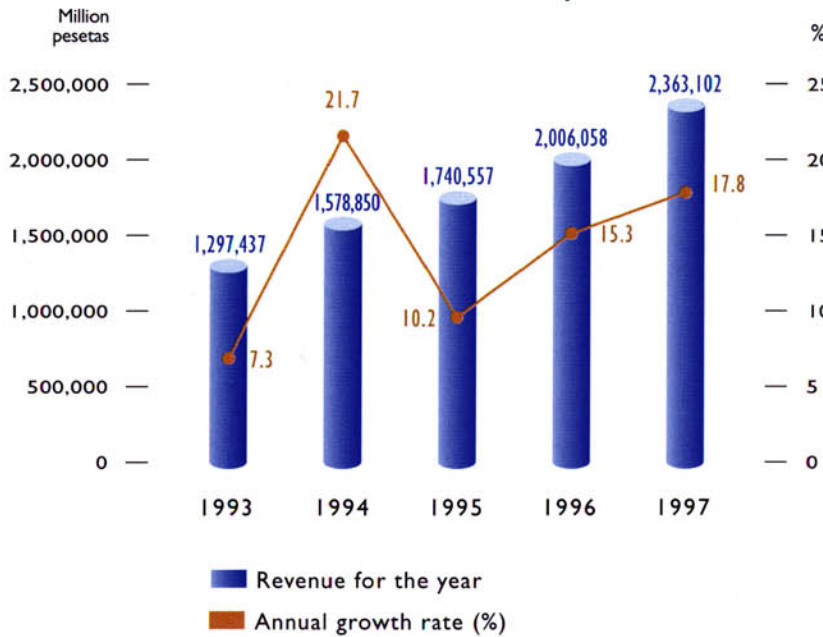
Performance of lines in service



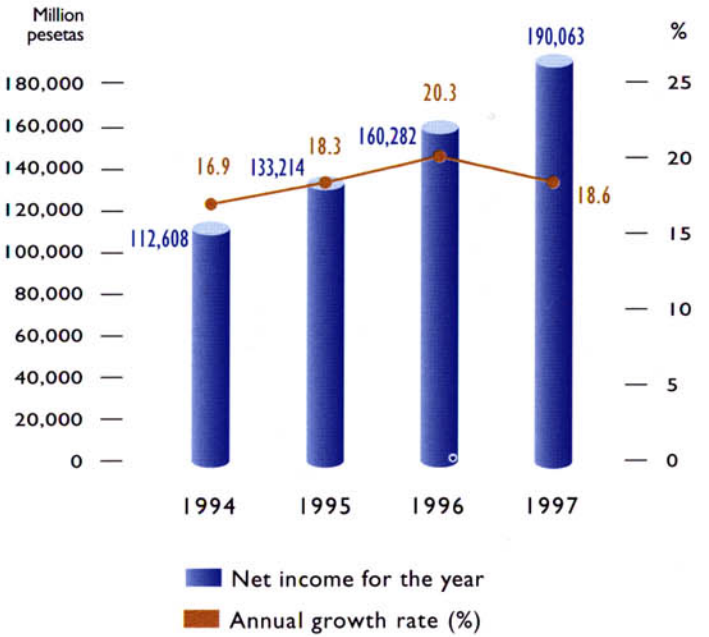
Performance of cellular subscribers



Performance of revenue from operations



Performance of net income





Telefónica