



JANUARY - MARCH 2015 RESULTS

Disclaimer

Telefónica

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DISCLAIMER

The financial information related to the first quarter of 2015 contained in this document has been prepared under International Financial Reporting Standards (IFRS), as adopted by the European Union. This information is unaudited.

For comparative purposes only, 2014 quarterly figures have been revised from SICAD I to SICAD II 50 VEF/USD for Telefónica Group, Hispanoamérica and Venezuela & Central America following the adoption of SICAD II in the fourth quarter of 2014. The financial information for the first quarter of 2014 using the exchange rate in use at the time (SICAD I 10.70 VEF/USD), prepared under IFRS as adopted by the European Union, can be found in the tables "Addenda".

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

New information has been included from the first quarter 2015 and also is given for comparison purposes since January 2014: i) prepay/contract split for smartphone accesses and for smartphone penetration at group and business unit level, ii) LTE accesses and LTE penetration at group and business unit level, iii) fibre accesses for group and Chile, iv) Fusión accesses split between Fibre 100 and IPTV customers, along with Fusión ARPU and churn.

The following Addenda are included: i) the detailed Income Statement and Accesses and Selected Operational information for Telefónica UK, reported as per the perimeter of discontinued operation, ii) the detailed Income Statements for Telefónica, Telefónica Hispanoamérica and Telefónica Venezuela and Central America prepared under IFRS using in the first quarter 2014 the exchange rate in use at the time (SICAD I 10.70 VEF/USD).

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TELEFÓNICA

ACCESSES

Unaudited figures (thousands)

	2014				2015			
	March	June	September	December	March	June	September	December
Final Clients Accesses	283,012.7	285,331.4	285,237.0	309,800.5	312,635.8			
Fixed telephony accesses (1)	37,382.1	37,326.1	37,103.9	36,602.0	36,219.8			
Internet and data accesses	18,105.5	18,151.4	18,150.3	18,132.5	18,195.7			
Broadband (2)	17,569.1	17,625.9	17,640.2	17,649.3	17,704.7			
Fibre	975.9	1,181.6	1,447.1	1,755.0	2,062.6			
Mobile accesses	223,958.0	225,662.0	225,332.8	249,978.9	252,753.8			
Prepay	150,854.2	150,750.4	149,877.0	164,959.2	166,813.7			
Contract	73,103.9	74,911.6	75,455.7	85,019.6	85,940.1			
M2M	6,269.0	6,665.1	6,841.4	7,595.5	8,029.0			
Pay TV	3,567.1	4,191.9	4,650.0	5,087.2	5,466.5			
Wholesale Accesses	6,327.7	6,438.6	6,585.6	6,521.6	6,475.7			
Total Accesses	289,340.3	291,770.0	291,822.5	316,322.1	319,111.5			

Notes:

- T. Ireland accesses are excluded from the third quarter of 2014 and E-Plus accesses are consolidated from the fourth quarter of 2014.

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

(1) Includes fixed wireless and VoIP accesses.

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

TELEFÓNICA

MOBILE ACCESSES

Unaudited figures (thousands)

	2014				2015			
	March	June	September	December	March	June	September	December
Prepay percentage (%)	67.4%	66.8%	66.5%	66.0%	66.0%			
Contract percentage (%)	32.6%	33.2%	33.5%	34.0%	34.0%			
Smartphones ('000)	58,340.2	63,670.7	71,447.1	79,027.7	91,431.1			
Prepay	25,660.8	29,208.1	35,349.2	36,539.6	46,368.5			
Contract	32,679.4	34,462.6	36,097.9	42,488.1	45,062.5			
Smartphone penetration (%)	27.7%	30.0%	33.7%	33.6%	38.3%			
Prepay (%)	17.2%	19.6%	23.8%	22.4%	28.0%			
Contract (%)	53.2%	54.8%	56.8%	59.2%	61.4%			
LTE smartphones ('000)	2,758.5	3,982.1	5,505.8	9,830.7	14,059.4			
LTE penetration (%)	1.3%	1.8%	2.5%	4.1%	5.7%			

Notes:

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

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TELEFÓNICA
SELECTED FINANCIAL DATA
Unaudited figures (Euros in millions)

	Jan - Mar	% Chg	
	2015	Reported	Organic
Revenues	11,543	12.6	3.3
Telefónica España	2,878	(3.8)	(3.8)
Telefónica Deutschland (1)	1,901	69.4	2.9
Telefónica Brasil	2,794	4.8	4.3
Telefónica Hispanoamerica	3,665	19.6	9.7
Other companies & eliminations	305	(24.7)	
Telefónica Ireland (2)	-	n.m.	
OIBDA	3,618	7.7	2.4
Telefónica España	1,282	(8.6)	(8.4)
Telefónica Deutschland (1)	408	62.6	9.0
Telefónica Brasil	840	1.4	0.9
Telefónica Hispanoamerica	1,127	23.5	14.5
Other companies & eliminations	(38)	9.0	
Telefónica Ireland (2)	-	n.m.	
OIBDA margin	31.3%	(1.4 p.p.)	(0.3 p.p.)
Telefónica España	44.5%	(2.3 p.p.)	(2.1 p.p.)
Telefónica Deutschland (1)	21.5%	(0.9 p.p.)	1.2 p.p.
Telefónica Brasil	30.1%	(1.0 p.p.)	(1.0 p.p.)
Telefónica Hispanoamerica	30.8%	1.0 p.p.	1.3 p.p.
Operating Income (OI) (1)(2)	1,511	(5.0)	3.2
Net income (1)(2)	1,802	162.0	
Basic earnings per share (euros) (1)(2)	0.38	164.0	
Basic earnings per share from continuing operations (1)(2)	0.09	(22.3)	
CapEx	1,682	25.8	21.5
Telefónica España	414	55.0	46.7
Telefónica Deutschland (1)	221	67.3	2.9
Telefónica Brasil	395	27.4	26.8
Telefónica Hispanoamerica	622	7.4	13.7
Other companies & eliminations	31	(38.1)	
Telefónica Ireland (2)	-	n.m.	
Spectrum	161	(13.5)	(26.4)
Telefónica España	22	n.m.	n.m.
Telefónica Deutschland (1)	-	n.m.	n.m.
Telefónica Brasil	-	n.m.	n.m.
Telefónica Hispanoamerica	139	(25.4)	(38.3)
OpCF (OIBDA-CapEx)	1,937	(4.2)	(8.3)
Telefónica España	868	(23.6)	(21.9)
Telefónica Deutschland (1)	187	57.5	17.3
Telefónica Brasil	445	(14.2)	(14.6)
Telefónica Hispanoamerica	505	51.4	15.1
Other companies & eliminations	(69)	(18.6)	
Telefónica Ireland (2)	-	n.m.	

Notes:

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

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

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

- Organic criteria: Assumes constant exchange rates as of 2014 (average FX in 2014), excludes hyperinflationary accounting in Venezuela in both years, classifies O2 UK in both periods as a discontinued operation and considers constant perimeter of consolidation. In OIBDA and OI terms, excludes write-downs, capital gains/losses from the sale of companies, tower sales, material non-recurring impacts and restructuring charges mainly related to the integration processes in Germany and Brazil and the simplification programme. In addition, CapEx excludes investment in spectrum the real estate efficiency plan.

- OIBDA and OI are presented before brand fees and management fees.

- OIBDA margin calculated as OIBDA over revenues.

(1) E-Plus has been included in the consolidation perimeter from 1 October 2014.

(2) T. Ireland has been removed from the consolidation perimeter from 1 July 2014.

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TELEFÓNICA
CONSOLIDATED INCOME STATEMENT
Unaudited figures (Euros in millions)

	2014					2015				
	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec
Revenues	10,251	10,566	10,759	11,881	43,458	11,543				
Internal exp. capitalized in fixed assets	142	150	161	199	651	170				
Operating expenses	(7,124)	(7,353)	(7,395)	(8,912)	(30,783)	(8,185)				
Supplies	(2,733)	(2,847)	(2,865)	(3,306)	(11,750)	(3,058)				
Personnel expenses	(1,454)	(1,489)	(1,516)	(2,161)	(6,621)	(1,634)				
Other operating expenses	(2,937)	(3,016)	(3,014)	(3,445)	(12,412)	(3,493)				
Other net income (expense)	51	92	55	(9)	189	30				
Gain (loss) on sale of fixed assets	39	10	12	208	269	61				
Impairment of goodwill and other assets	0	1	(3)	(2)	(3)	(1)				
Operating income before D&A (OIBDA)	3,359	3,467	3,590	3,365	13,781	3,618				
OIBDA Margin	32.8%	32.8%	33.4%	28.3%	31.7%	31.3%				
Depreciation and amortization	(1,769)	(1,722)	(1,771)	(2,168)	(7,430)	(2,107)				
Operating income (OI)	1,590	1,744	1,819	1,197	6,350	1,511				
Share of profit (loss) of investments accounted for by the equity method	4	(58)	(7)	(437)	(498)	(3)				
Net financial income (expense)	(678)	(555)	(696)	(849)	(2,779)	(644)				
Profit before taxes from continuing operations	915	1,131	1,116	(89)	3,074	864				
Corporate income tax	(284)	54	(290)	260	(260)	(385)				
Profit for the period from continuing operations	632	1,185	826	171	2,814	479				
Profit for the period from discontinued operations	93	88	154	104	439	1,304				
Profit for the period	725	1,272	980	275	3,252	1,783				
Non-controlling interests	(37)	(163)	(80)	28	(251)	19				
Net Income	688	1,110	900	303	3,001	1,802				
Weighted average number of ordinary shares outstanding during the period (millions)	4,612	4,580	4,569	4,665	4,606	4,645				
Continuing operations earnings per share (euros)	0.12	0.21	0.15	0.03	0.52	0.09				
Discontinued operations earnings per share (euros)	0.02	0.02	0.03	0.02	0.10	0.28				
Basic earnings per share (euros)	0.14	0.23	0.19	0.05	0.61	0.38				

Notes:

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

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

- For the purposes of calculating the earnings per share ratios, the weighted average number of ordinary shares outstanding during the period has been obtained applying the IAS rule 33 "Earnings per share". Thereby, the weighted average of shares held as treasury stock have not been taken into account as outstanding shares. On the other hand, the denominator is retrospectively adjusted for transactions that have changed the number of shares outstanding without a corresponding change in equity (as if such transactions had occurred at the beginning of the earliest period presented). For instance, the bonus share issue carried out to meet the scrip dividends paid in 2014, has been taken into account. Also, the ordinary shares that would be issued upon the conversion of the mandatorily convertible notes issued on 24 September 2014 are included in the calculation of earnings per share from that date.

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

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

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

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

- Telefónica Group consolidated results consolidate E-Plus' results from the fourth quarter 2014 and deconsolidate T. Ireland's results from the third quarter 2014.

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TELEFÓNICA

REVENUE BREAKDOWN

Unaudited figures (Euros in millions)

	2014					2015				
	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec
T. ESPAÑA	2,992	3,000	2,993	3,038	12,023	2,878				
Wireless Business	1,155	1,144	1,118	1,138	4,556	1,024				
Wireline Business (1)	2,079	2,105	2,134	2,225	8,543	2,120				
T. DEUTSCHLAND (2)	1,122	1,162	1,219	2,019	5,522	1,901				
T. BRASIL	2,666	2,818	2,896	2,850	11,231	2,794				
Wireless Business	1,783	1,904	1,971	1,960	7,617	1,942				
Wireline Business (1)	883	914	926	890	3,613	852				
T. HISPANOAMÉRICA (3)	3,066	3,135	3,337	3,617	13,155	3,665				
T. ARGENTINA	716	718	773	855	3,063	935				
Wireless Business	467	470	509	561	2,007	599				
Wireline Business (1)	249	248	264	294	1,055	336				
T. CHILE	525	507	507	551	2,089	565				
Wireless Business	319	300	302	326	1,247	339				
Wireline Business (1)	205	207	205	225	842	226				
T. PERU	588	603	646	666	2,504	692				
Wireless Business (4)	331	336	373	386	1,427	394				
Wireline Business (1)	258	266	273	280	1,077	298				
T. COLOMBIA	403	428	451	438	1,719	398				
Wireless Business	254	269	286	281	1,090	251				
Wireline Business (1)	148	159	165	156	629	147				
T. MEXICO	390	403	403	452	1,649	444				
T. VENEZUELA AND CENTRAL AMERICA (3) (5)	274	305	379	462	1,420	426				
T. ECUADOR	119	121	128	138	508	149				
T. URUGUAY	59	55	56	62	232	65				
Other companies and eliminations	(9)	(6)	(5)	(7)	(27)	(10)				
Other companies and eliminations	405	452	314	357	1,528	305				
T. Ireland	130	129	-	-	259	-				
TOTAL GROUP (2) (3)	10,251	10,566	10,759	11,881	43,458	11,543				

Notes:

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

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

- Telefónica Group consolidated results consolidate E-Plus' results from the fourth quarter 2014 and deconsolidate T. Ireland's results from the third quarter 2014.

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

(2) E-Plus has been included in the consolidation perimeter from the fourth quarter 2014.

(3) 2014 and 2015 reported figures include hyperinflationary adjustments in Venezuela.

(4) Includes fixed wireless revenues.

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

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TELEFÓNICA

OIBDA BREAKDOWN

Unaudited figures (Euros in millions)

	2014					2015				
	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec
T. ESPAÑA	1,402	1,342	1,376	1,551	5,671	1,282				
T. DEUTSCHLAND (1)	251	265	255	(38)	733	408				
T. BRASIL	828	904	881	929	3,543	840				
T. HISPANOAMÉRICA (2)	912	942	1,103	1,111	4,068	1,127				
T. ARGENTINA	187	169	199	248	802	273				
T. CHILE	167	170	179	192	708	176				
T. PERU	218	208	257	162	844	238				
T. COLOMBIA	139	143	174	170	627	150				
T. MEXICO	60	69	99	109	337	109				
T. VENEZUELA AND CENTRAL AMERICA (2) (3)	78	109	125	150	463	114				
T. ECUADOR	43	45	47	54	188	52				
T. URUGUAY	24	20	23	27	94	24				
Other companies and eliminations	(2)	9	(1)	(2)	5	(8)				
Other companies and eliminations	(35)	14	(25)	(188)	(233)	(38)				
T. Ireland	25	26	-	-	51	-				
TOTAL GROUP (1) (2)	3,359	3,467	3,590	3,365	13,781	3,618				

Notes:

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

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

- Telefónica Group consolidated results consolidate E-Plus' results from the fourth quarter 2014 and deconsolidate T. Ireland's results from the third quarter 2014.

- OIBDA figures exclude management and brand fees.

(1) E-Plus has been included in the consolidation perimeter from 1 October 2014.

(2) 2014 and 2015 reported figures include the hyperinflationary adjustments in Venezuela.

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

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TELEFÓNICA
CAPEX BREAKDOWN
Unaudited figures (Euros in millions)

	2014					2015				
	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec
T. ESPAÑA	267	436	484	546	1,732	414				
T. DEUTSCHLAND (1)	132	134	145	438	849	221				
T. BRASIL	310	523	515	1,585	2,933	395				
T. HISPANOAMÉRICA (2)	579	571	624	1,068	2,842	622				
T. ARGENTINA	114	115	99	349	676	146				
T. CHILE	91	116	111	111	429	123				
T. PERU	50	100	114	158	421	63				
T. COLOMBIA	178	123	90	105	496	48				
T. MEXICO	39	51	53	108	252	47				
T. VENEZUELA AND CENTRAL AMERICA (2) (3)	124	38	112	188	435	41				
T. ECUADOR	6	17	43	37	102	146				
T. URUGUAY	5	11	3	13	31	8				
Other companies and eliminations	50	60	89	126	325	31				
T. Ireland	14	13	-	-	27	-				
TOTAL GROUP	1,337	1,724	1,857	3,763	8,681	1,682				
Spectrum	187	3	3	1,102	1,294	161				

Notes:

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

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- Telefónica Group consolidated results consolidate E-Plus' results from the fourth quarter 2014 and deconsolidate T. Ireland's results from the third quarter 2014.

(1) E-Plus has been included in the consolidation perimeter from 1 October 2014.

(2) 2014 and 2015 reported figures include the hyperinflationary adjustments in Venezuela.

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

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TELEFÓNICA

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Unaudited figures (Euros in millions)

	2014				2015			
	March	June	September	December	March	June	September	December
Non-current assets	88,074	90,563	92,917	99,435	91,392			
Intangible assets	18,307	18,339	17,942	22,353	19,161			
Goodwill	23,445	24,042	24,142	25,111	19,626			
Property, plant and equipment and Investment properties	30,131	31,065	31,923	33,343	30,625			
Investments accounted for by the equity method	2,366	2,368	2,841	788	777			
Non-current financial assets	7,353	7,930	9,173	10,973	13,310			
Deferred tax assets	6,472	6,819	6,896	6,867	7,893			
Current assets	24,088	26,876	27,548	22,864	33,410			
Inventories	921	1,063	1,350	934	1,003			
Trade and other receivables	9,736	10,206	10,082	10,606	9,020			
Current financial assets	3,066	2,869	3,163	2,932	1,294			
Tax receivables	1,451	1,540	1,621	1,749	3,819			
Cash and cash equivalents	7,904	10,131	11,246	6,529	3,958			
Non-current assets classified as held for sale	1,010	1,067	86	114	14,316			
Total Assets = Total Equity and Liabilities	112,162	117,439	120,465	122,299	124,802			
Equity	27,198	27,736	30,619	30,289	32,670			
Equity attributable to equity holders of the parent and other holders of equity instruments	21,479	21,848	23,999	21,115	23,910			
Non-controlling interests	5,719	5,888	6,620	9,174	8,760			
Non-current liabilities	58,537	61,683	61,847	62,311	59,961			
Non-current interest-bearing debt	47,422	50,359	50,640	50,688	48,753			
Non-current trade and other payables	1,663	2,019	2,061	2,377	2,319			
Deferred tax liabilities	2,991	2,945	2,930	2,566	2,314			
Non-current provisions	6,461	6,360	6,216	6,680	6,575			
Current liabilities	26,427	28,020	27,999	29,699	32,171			
Current interest-bearing debt	8,609	9,374	9,156	9,094	11,576			
Current trade and other payables	14,170	14,765	15,273	16,943	13,195			
Current tax payables	1,986	2,184	2,306	2,026	1,867			
Current provisions	1,470	1,512	1,264	1,595	1,418			
Liabilities associated with non-current assets held for sale	192	185	-	41	4,116			
Financial Data								
Net Financial Debt (1)	42,724	43,791	41,200	45,087	45,627			

Notes:

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

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

(1) Figures in million euros. Net Financial Debt in March 2015 includes: Non-current interest-bearing debt + Non-current trade and other payables (1,220) + Current interest-bearing debt + Current trade and other payables (215)

- Non-current financial assets (8,046) - Current financial assets (3,819) - Current trade and other receivables (313) - Cash and cash equivalents.

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TELEFÓNICA
FREE CASH FLOW AND CHANGE IN DEBT
Unaudited figures (Euros in millions)

		2014				2015			
		Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec
I	Cash flows from operations	3,087	6,586	10,148	14,600	2,765			
II	Net interest payment (1)	(1,016)	(1,544)	(2,118)	(2,503)	(906)			
III	Payment for income tax	(57)	(382)	(644)	(1,106)	143			
A=I+II+III	Net cash provided by operating activities	2,015	4,660	7,387	10,990	2,003			
B	Net payment for investment in fixed and intangible assets o/w spectrum (2)	(1,835)	(3,526)	(5,368)	(8,000)	(2,297)			
C=A+B	Net free cash flow after CapEx	180	1,134	2,019	2,990	(294)			
D	Net Cash received from sale of Real Estate	2	4	6	5	1			
E	Net payment for financial investment (3)	1,864	2,026	3,299	(514)	(86)			
F	Net payment for operations with minority shareholders and treasury stock (4)	1,164	(935)	(122)	144	(63)			
G=C+D+E+F	Free cash flow after dividends from continuing operations	3,210	2,229	5,202	2,626	(442)			
L	Free cash flow after dividends from discontinued operations	3	207	544	346	362			
H	Effects of exchange rate changes on net financial debt	2,299	2,596	2,898	2,410	546			
I	Effects on net financial debt of changes in consolid. and others	(520)	(479)	(325)	268	(85)			
J	Net financial debt at beginning of period	45,381	45,381	45,381	45,381	45,087			
K=J-G+H+I	Net financial debt at end of period	43,947	45,062	42,207	45,087	45,627			

Notes:

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

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

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

(1) Including cash received from dividends paid by subsidiaries that are not fully consolidated.

(2) Figures in million euros. 2015 includes the following spectrum payments: 67 million in Ecuador, 22 in Spain 6 in Chile and 2 in Colombia. In 2014: 79 million in Panama and 13 in Brazil.

(3) In 2015 the proceeds include 68 million euros from the sale of Yourfone GmbH and the payment of 100 million euros for the purchase of the minority stake in Mediaset Premium. In 2014 the charges include 1,966 million euros from the sale of T. Czech Republic.

(4) Dividends paid by Telefónica S.A., operations with treasury stock, issuance of undated deeply subordinated securities, issuance of mandatorily convertible bonds into Telefónica S.A. shares and operations with minority shareholders from subsidiaries that are consolidated through the equity method.

		2014				2015			
		Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec
Net Free Cash Flow after CapEx		180	1,134	2,019	2,990	(294)			
+ Payments related to cancellation of commitments		158	405	546	704	266			
- Operations with minority shareholders		(119)	(254)	(271)	(327)	(26)			
= Free Cash Flow from continuing operations		219	1,286	2,294	3,368	(54)			
+ Free Cash Flow from discontinued operations		69	290	634	451	417			
= Free Cash Flow		289	1,576	2,928	3,819	363			
Weighted average number of ordinary shares outstanding during the period (millions)		4,612	4,596	4,584	4,606	4,645			
= Free Cash Flow per share from continuing operations (euros)		0.05	0.28	0.50	0.73	(0.01)			
= Free Cash Flow per share from discontinued operations (euros)		0.02	0.06	0.14	0.10	0.09			
= Free Cash Flow per share		0.06	0.34	0.64	0.83	0.08			

Notes:

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

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

- The concept "Free Cash Flow" reflects the amount of cash flow available to remunerate Telefónica S.A. Shareholders, to protect solvency levels (financial debt and commitments), and to accommodate strategic flexibility.

- The differences with the caption "Net Free Cash Flow after CapEx" included in the table presented above, are related to "Free Cash Flow" being calculated before payments related to commitments (payment of labour commitments) and after operations with minority shareholders, due to cash recirculation within the Group.

- For the purposes of calculating the Free Cash Flow per share ratios, 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 24 September 2014 are included in the calculation of Free Cash Flow per share from that date.

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

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TELEFÓNICA

RECONCILIATIONS OF CASH FLOW AND OIBDA MINUS CAPEX FROM CONTINUING OPERATIONS

Unaudited figures (Euros in millions)

	2014				2015			
	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec
OIBDA	3,359	6,825	10,415	13,781	3,618			
- CapEx accrued during the period	(1,337)	(3,061)	(4,918)	(8,681)	(1,682)			
- Payments related to cancellation of commitments	(158)	(405)	(546)	(704)	(266)			
- Net interest payment	(1,016)	(1,544)	(2,118)	(2,503)	(906)			
- Payment for tax	(57)	(382)	(644)	(1,106)	143			
- Gain (Loss) on sale of fixed assets and impairment of goodwill and other assets	(39)	(50)	(60)	(265)	(59)			
- Investment in working cap. and other deferred income and expenses	(572)	(248)	(111)	2,469	(1,142)			
= Net Free Cash Flow after CapEx	180	1,134	2,019	2,990	(294)			
+ Net Cash received from sale of Real Estate	2	4	6	5	1			
- Net payment for financial investment	1,864	2,026	3,299	(514)	(86)			
- Net payment for operations with minority shareholders and treasury stock	1,164	(935)	(122)	144	(63)			
= Free Cash Flow after dividends	3,210	2,229	5,202	2,626	(442)			

Notes:

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

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

- The concept "Free Cash Flow" reflects the amount of cash flow available to remunerate Telefónica S.A. Shareholders, to protect solvency levels (financial debt and commitments), and to accommodate strategic flexibility.

- The differences with the caption "Net Free Cash Flow after CapEx" included in the table presented above, are related to "Free Cash Flow" being calculated before payments related to commitments (payment of labour commitments) and after operations with minority shareholders, due to cash recirculation within the Group.

- For the purposes of calculating the Free Cash Flow per share ratios, 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 24 September 2014 are included in the calculation of Free Cash Flow per share from that date.

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

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TELEFÓNICA

EXCHANGE RATES APPLIED TO P&L AND CAPEX

	2014				2015			
	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec
USA (US Dollar/Euro)	1.370	1.371	1.355	1.326	1.126			
United Kingdom (Sterling/Euro)	0.828	0.821	0.812	0.806	0.743			
Argentina (Argentinean Peso/Euro)	10.356	10.693	10.792	10.751	9.788			
Brazil (Brazilian Real/Euro)	3.230	3.142	3.097	3.117	3.215			
Chile (Chilean Peso/Euro)	754.848	757.650	759.994	756.710	703.349			
Colombia (Colombian Peso/Euro)	2,744.855	2,682.533	2,629.282	2,650.032	2,784.003			
Costa Rica (Colon/Euro)	728.863	746.269	738.007	722.022	610.128			
Guatemala (Quetzal/Euro)	10.658	10.652	10.527	10.255	8.599			
Mexico (Mexican Peso/Euro)	18.123	17.974	17.770	17.655	16.844			
Nicaragua (Cordoba/Euro)	34.905	35.143	34.958	34.445	30.140			
Peru (Peruvian Nuevo Sol/Euro)	3.848	3.838	3.804	3.767	3.444			
Uruguay (Uruguayan Peso/Euro)	30.325	30.863	31.013	30.779	27.880			
Venezuela (Bolivar Fuerte/Euro) (1)	14.753	14.477	15.100	60.691	56.057			

Note: These exchange rates are used to convert the P&L and CapEx accounts of Telefónica foreign subsidiaries from local currency to euros.

(1) After considering Venezuela as an hyperinflationary country, P&L and CapEx from the operations in the country are to be accounted at the closing exchange rate Bolivar Fuerte/Euro. The January-March 2015 consolidated financial statements use the exchange rate of the Venezuelan bolivar set at the previously denominated SICAD II, (set at 52 Venezuelan bolivar fuerte per dollar in the last auction), for the purpose of translating the transactions, cash flows and balances related to the investments in Venezuela.

EXCHANGE RATES APPLIED TO CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	2014				2015			
	March	June	September	December	March	June	September	December
USA (US Dollar/Euro)	1.379	1.366	1.258	1.214	1.076			
United Kingdom (Sterling/Euro)	0.828	0.801	0.777	0.779	0.727			
Argentina (Argentinean Peso/Euro)	11.033	11.108	10.607	10.382	9.492			
Brazil (Brazilian Real/Euro)	3.120	3.008	3.084	3.225	3.451			
Chile (Chilean Peso/Euro)	759.965	754.905	754.000	736.654	674.136			
Colombia (Colombian Peso/Euro)	2,715.480	2,569.327	2,544.283	2,904.688	2,795.576			
Costa Rica (Colon/Euro)	763.359	749.625	686.342	662.252	580.046			
Guatemala (Quetzal/Euro)	10.655	10.624	9.653	9.223	8.225			
Mexico (Mexican Peso/Euro)	18.000	17.716	16.903	17.898	16.423			
Nicaragua (Cordoba/Euro)	35.350	35.445	33.060	32.293	28.964			
Peru (Peruvian Nuevo Sol/Euro)	3.872	3.817	3.635	3.614	3.332			
Uruguay (Uruguayan Peso/Euro)	31.208	31.250	31.036	29.543	27.626			
Venezuela (Bolivar Fuerte/Euro) (1)	14.753	14.477	15.100	60.691	56.057			

Note: Exchange rates as of the end of the period.

(1) After considering Venezuela as an hyperinflationary country, P&L and CapEx from the operations in the country are to be accounted at the closing exchange rate Bolivar Fuerte/Euro. The January-March 2015 consolidated financial statements use the exchange rate of the Venezuelan bolivar set at the previously denominated SICAD II (set at 52 Venezuelan bolivar fuerte per dollar in the last auction) for the purpose of translating the transactions, cash flows and balances related to the investments in Venezuela.

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TELEFÓNICA
YEAR TO DATE MAIN FINANCING OPERATIONS
Unaudited figures

	Closing date	Amount (m)	Currency	Issuer			
EQUITY							
Capital increase	17-Apr-15	3,048	EUR	Telefónica, S.A.			
Capital increase	5-May-15	4,044	BRL	Telefônica Brasil, S.A.			
	Issue date	Amount (m)	Currency	Issuer	Coupon	Maturity date	ISIN code
DEBENTURES AND BONDS							
Schuldscheindarlehen/Namensschuldverschreibung	13-Mar-15	300	EUR	Telefónica Germany GmbH & Co	2.375% ¹	13-Mar-2032 ¹	
	Issue date	Amount (m)	Currency	Issuer	Coupon	First Call date	ISIN code
UNDATED DEEPLY SUBORDINATED RESET RATE SECURITIES							
Hybrid bond	30-Mar-15	500	USD	Colombia Telecomunicaciones, S.A. ESP	8.500%	30-Mar-20	USP28768AB86
	Signing Date	Amount (m)	Currency	Borrower	Maturity Date		
INTEREST-BEARING DEBT							
Syndicated facility	19-Feb-15	2,500	EUR	Telefónica, S.A.	19-Feb-20		
Syndicated facility	19-Feb-15	3,000	EUR	Telefónica, S.A.	18-Feb-19		

¹ Maximum coupon and maturity date

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TELEFÓNICA

RECONCILIATION OF REPORTED VS. ORGANIC GROWTH

Unaudited figures (Euros in millions)

REVENUES	2014				2015				%
	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec	Jan - Mar
T. ESPAÑA									
REPORTED DATA	2,992	5,992	8,985	12,023	2,878				(3.8)
T. ESPAÑA ORGANIC	2,992	5,992	8,985	12,023	2,878				(3.8)
T. DEUTSCHLAND									
REPORTED DATA	1,122	2,284	3,503	5,522	1,901				69.4
Changes in the consolidation perimeter	725	1,488	2,271	2,271					
T. DEUTSCHLAND ORGANIC	1,847	3,772	5,774	7,793	1,901				2.9
T. BRASIL									
REPORTED DATA	2,666	5,484	8,380	11,231	2,794				4.8
Forex impact					(12)				
T. BRASIL ORGANIC	2,666	5,484	8,380	11,231	2,781				4.3
T. HISPAM									
REPORTED DATA	3,066	6,200	9,538	13,155	3,665				19.6
Forex impact					(282)				
Hyperinflation in Venezuela	(2)	(29)	(96)	(180)	(23)				
T. HISPAM ORGANIC	3,063	6,172	9,441	12,975	3,360				9.7
TELEFÓNICA									
REPORTED DATA	10,251	20,817	31,577	43,458	11,543				12.6
Forex impact					(308)				
Changes in the consolidation perimeter	603	1,244	2,025	2,025					
Hyperinflation in Venezuela	(3)	(29)	(98)	(183)	(23)				
TELEFÓNICA ORGANIC	10,852	22,032	33,504	45,300	11,212				3.3

OIBDA	2014				2015				%
	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec	Jan - Mar
T. ESPAÑA									
REPORTED DATA	1,402	2,745	4,121	5,671	1,282				(8.6)
Tower sales	(46)	(54)	(54)	(191)	(38)				
T. ESPAÑA ORGANIC	1,357	2,690	4,066	5,480	1,243				(8.4)
T. DEUTSCHLAND									
REPORTED DATA	251	515	770	733	408				62.6
Restructuring charges			8	415					
Changes in the consolidation perimeter	123	271	373	367					
T. DEUTSCHLAND ORGANIC	374	786	1,152	1,515	408				9.0
T. BRASIL									
REPORTED DATA	828	1,732	2,613	3,543	840				1.4
Forex impact					(4)				
Tower sales			(1)	(1)	0				
Restructuring charges				68					
T. BRASIL ORGANIC	828	1,732	2,613	3,610	836				0.9
T. HISPAM									
REPORTED DATA	912	1,854	2,957	4,068	1,127				23.5
Forex impact					(85)				
Hyperinflation in Venezuela	0	(11)	(40)	(68)	3				
Tower sales	0	0	(3)	(4)	(1)				
Restructuring charges				99					
T. HISPAM ORGANIC	912	1,843	2,914	4,094	1,044				14.5
TELEFÓNICA									
REPORTED DATA	3,359	6,825	10,415	13,781	3,618				7.7
Forex impact					(87)				
Hyperinflation in Venezuela	0	(12)	(42)	(71)	3				
Tower sales	(46)	(55)	(58)	(196)	(39)				
Changes in the consolidation perimeter	101	226	329	323					
Restructuring charges			8	658					
TELEFÓNICA ORGANIC	3,414	6,985	10,652	14,495	3,495				2.4

OPERATING INCOME	2014				2015				%
	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec	Jan - Mar
TELEFÓNICA									
REPORTED DATA	1,590	3,334	5,153	6,350	1,511				(5.0)
Forex impact					(42)				
Hyperinflation in Venezuela	7	14	(1)	(3)	28				
Tower sales	(46)	(55)	(58)	(196)	(39)				
Changes in the consolidation perimeter	(139)	(267)	(442)	(449)					
Restructuring charges			8	658					
TELEFÓNICA ORGANIC	1,413	3,026	4,660	6,361	1,458				3.2

CAPEX	2014				2015				%
	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec	Jan - Mar
T. ESPAÑA									
REPORTED DATA	267	703	1,186	1,732	414				55.0
Spectrum acquisition					(22)				
Real estate efficiency plan			(43)	(49)					
T. ESPAÑA ORGANIC	267	703	1,144	1,683	392				46.7
T. DEUTSCHLAND									
REPORTED DATA	132	266	411	849	221				67.3
Changes in the consolidation perimeter	83	172	313	313					
T. DEUTSCHLAND ORGANIC	215	438	724	1,161	221				2.9
T. BRASIL									
REPORTED DATA	310	833	1,348	2,933	395				27.4
Forex impact					(2)				
Spectrum acquisition				(889)					
T. BRASIL ORGANIC	310	833	1,348	2,044	393				26.8
T. HISPAM									
REPORTED DATA	579	1,150	1,774	2,842	622				7.4
Forex impact					(58)				
Hyperinflation in Venezuela		(2)	(12)	(34)	(2)				
Spectrum acquisition	(187)	(189)	(192)	(401)	(115)				
T. HISPAM ORGANIC	392	959	1,569	2,407	446				13.7
TELEFÓNICA									
REPORTED DATA	1,337	3,061	4,918	8,681	1,682				25.8
Forex impact					(61)				
Hyperinflation in Venezuela		(2)	(12)	(34)	(2)				
Spectrum acquisition	(187)	(189)	(192)	(1,290)	(137)				
Changes in the consolidation perimeter	68	145	286	286					
Real estate efficiency plan			(72)	(78)					
TELEFÓNICA ORGANIC	1,219	3,015	4,927	7,564	1,481				21.5

OpCF (OIBDA-CapEx)	2014				2015				%
	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec	Jan - Mar
T. ESPAÑA									
REPORTED DATA	1,136	2,042	2,934	3,939	868				(23.6)
Tower sales	(46)	(54)	(54)	(191)	(38)				
Spectrum acquisition					22				
Real estate efficiency plan			43	49					
T. ESPAÑA ORGANIC	1,090	1,988	2,923	3,797	852				(21.9)
T. DEUTSCHLAND									
REPORTED DATA	119	249	360	(116)	187				57.5
Changes in the consolidation perimeter	41	99	61	55					
Restructuring charges			8	415					
T. DEUTSCHLAND ORGANIC	159	348	428	353	187				17.3
T. BRASIL									
REPORTED DATA	518	899	1,265	610	445				(14.2)
Forex impact					(2)				
Tower sales		0	(1)	(1)					
Spectrum acquisition				889					
Restructuring charges				68					
T. BRASIL ORGANIC	518	899	1,265	1,566	443				(14.5)
T. HISPAM									
REPORTED DATA	334	705	1,183	1,226	505				51.4
Forex impact					(27)				
Hyperinflation in Venezuela	0	(9)	(28)	(34)	6				
Tower sales	0	0	(3)	(4)	(1)				
Spectrum acquisition	187	189	192	401	115				
Restructuring charges				99					
T. HISPAM ORGANIC	520	884	1,345	1,688	598				15.1
TELEFÓNICA									
REPORTED DATA	2,022	3,764	5,498	5,100	1,937				(4.2)
Forex impact					(27)				
Hyperinflation in Venezuela		(10)	(30)	(37)	6				
Tower sales	(46)	(55)	(58)	(196)	(39)				
Changes in the consolidation perimeter	33	82	43	37					
Spectrum acquisition	187	189	192	1,290	137				
Restructuring charges			8	658					
Real estate efficiency plan			72	78					
TELEFÓNICA ORGANIC	2,195	3,970	5,725	6,930	2,014				(8.3)

Notes:

- The breakdown of the effects for the reconciliation of reported vs. organic 2015 excludes forex impacts and therefore it assumes average constant exchange rates as of March 2014. Forex impact on those effects is fully included under the "Forex impact" epigraph.

- **Organic criteria:** Assumes constant exchange rates as of 2014 (average FX in 2014), excludes hyperinflationary accounting in Venezuela in both years and O2 UK results for both years after being classified as "discontinued operations", and considers constant perimeter of consolidation. In OIBDA and OI terms, excludes write-downs, capital gains/losses from the sale of companies, tower sales, material non-recurring impacts and restructuring charges mainly related to the integration processes in Germany and Brazil and the simplification programme. In addition, CapEx excludes investment in spectrum and the Real Estate efficiency plan.

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TELEFÓNICA

REPORTED VS. UNDERLYING

Unaudited figures (Euros in millions)

	January - March			%	
	2015 Reported	2015 Underlying	2014 Underlying	Underlying Change y-o-y	Reported Change y-o-y
Net income	1,802	1,922	849	126.3	162.0
Basic earnings per share (euros)	0.38	0.40	0.18	126.4	164.0
	2015		2014		
Reported Net Income	1,802		688		
PPAs	147		103		
Tower sales	(28)		(32)		
Provision of net financial assets in Venezuelan Bolivar			90		
Underlying Net Income	1,922		849		

- **Underlying criteria** : Considers reported figures excluding the impact on net income of write-downs, capital gains/losses from companies' disposals, tower sales, material non-recurring impacts and restructuring costs mainly related to the integration processes in Germany and Brazil and the simplification programme, as well as depreciation and amortisation charges arising from purchase price allocation processes.

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

	2014					2015				
	Jan - Mar	Apr - Jun	Jul- Sep	Oct - Dec	Jan - Dec	Jan - Mar	Apr - Jun	Jul- Sep	Oct - Dec	Jan - Dec
Revenues	2,992	3,000	2,993	3,038	12,023	2,878				
Revenues ex-handset revenues	2,851	2,824	2,848	2,832	11,355	2,752				
Wireless Business	1,155	1,144	1,118	1,138	4,556	1,024				
Mobile service revenues	1,014	968	974	932	3,888	897				
Data revenues	377	373	379	379	1,508	376				
Handset revenues	141	176	144	207	668	126				
Wireline Business	2,079	2,105	2,134	2,225	8,543	2,120				
FBB and new services (1)	1,040	1,073	1,115	1,141	4,368	1,149				
Voice & access revenues	921	897	876	854	3,547	779				
Other	119	134	144	230	627	192				
Internal expenditure capitalized in fixed assets	75	75	73	92	316	88				
Operating expenses	(1,714)	(1,755)	(1,714)	(1,783)	(6,965)	(1,735)				
Supplies	(587)	(649)	(644)	(712)	(2,592)	(604)				
Personnel expenses	(526)	(531)	(544)	(538)	(2,139)	(557)				
Other operating expenses	(602)	(575)	(525)	(533)	(2,234)	(573)				
Other net income (expense)	5	8	15	3	32	5				
Gain (loss) on sale of fixed assets	43	13	11	202	268	46				
Impairment of goodwill and other assets	0	1	(1)	(2)	(3)	0				
Operating income before D&A (OIBDA)	1,402	1,342	1,376	1,551	5,671	1,282				
OIBDA Margin	46.9%	44.7%	46.0%	51.0%	47.2%	44.5%				
CapEx	267	436	484	546	1,732	414				
Spectrum	-	-	-	-	-	22				
OpCF (OIBDA-CapEx)	1,136	907	892	1,005	3,939	868				

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.

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TELEFÓNICA ESPAÑA
ACCESSES
Unaudited figures (Thousands)

	2014				2015			
	March	June	September	December	March	June	September	December
Final Clients Accesses	35,588.4	35,702.4	35,845.3	35,836.7	35,882.6			
Fixed telephony accesses (1)	10,883.9	10,715.4	10,595.2	10,447.8	10,321.9			
Internet and data accesses	5,909.5	5,913.8	5,920.9	5,928.7	5,972.7			
Broadband (2)	5,860.3	5,862.0	5,872.7	5,885.9	5,928.3			
Fibre	701.3	861.0	1,068.9	1,316.8	1,560.3			
Mobile accesses	18,064.7	17,863.6	17,749.7	17,575.4	17,448.6			
Prepay	3,996.7	3,767.8	3,559.2	3,328.1	3,122.6			
Contract	14,068.0	14,095.8	14,190.5	14,247.3	14,325.9			
M2M (3)	1,446.6	1,491.9	1,566.9	1,612.4	1,662.4			
Pay TV (4)	730.3	1,209.5	1,579.4	1,884.7	2,139.5			
Wholesale Accesses	5,150.3	5,238.0	5,309.0	5,366.0	5,333.6			
Unbundled loops	3,910.8	3,979.1	4,034.1	4,087.3	4,007.1			
Wholesale circuits and line rentals	1,239.5	1,258.9	1,274.9	1,278.7	1,326.5			
Total Accesses	40,738.7	40,940.4	41,154.3	41,202.7	41,216.2			

(1) Includes fixed wireless and VoIP accesses.

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

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

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

MOBILE ACCESSES
Unaudited figures (thousands)

	2014				2015			
	March	June	September	December	March	June	September	December
Prepay percentage (%)	22.1%	21.1%	20.1%	18.9%	17.9%			
Contract percentage (%)	77.9%	78.9%	79.9%	81.1%	82.1%			
Smartphones ('000)	8,738.2	8,989.7	9,008.8	9,535.9	9,801.4			
Prepay	567.2	590.4	442.5	404.2	365.7			
Contract	8,171.0	8,399.3	8,566.3	9,131.7	9,435.7			
Smartphone penetration (%)	53.6%	55.9%	56.5%	60.6%	62.8%			
Prepay (%)	14.2%	15.7%	12.4%	12.2%	11.7%			
Contract (%)	66.4%	68.1%	69.2%	73.5%	75.6%			
LTE ('000)	959.2	1,205.7	1,409.6	1,792.6	2,159.0			
LTE penetration (%)	5.8%	7.4%	8.7%	11.2%	13.7%			

FUSIÓN ACCESSES
Unaudited figures (thousands)

	2014				2015			
	March	June	September	December	March	June	September	December
Fusión Customers	3,221.3	3,389.3	3,557.5	3,716.9	3,905.9			
Fibre 100	505.3	577.1	649.2	774.8	910.3			
IPTV	538.7	922.0	1,320.7	1,660.2	1,935.9			
Mobile add-ons	1,245.0	1,303.6	1,352.9	1,394.9	1,436.2			

	2014				2015			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Fusión ARPU (EUR)	70.2	68.8	69.7	69.3	69.6			
Fusión churn	1.3%	1.1%	1.0%	1.1%	0.9%			

	2014				2015			
	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dic	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dic
Fusión ARPU (EUR)	70.2	69.4	69.5	69.5	69.6			
Fusión churn	1.3%	1.2%	1.1%	1.1%	0.9%			

SELECTED OPERATING MOBILE BUSINESS DATA
Unaudited figures

	2014				2015			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Voice traffic (Million minutes)	8,588	8,988	8,992	9,033	8,869			
Data traffic (TB)	14,058	15,197	18,295	22,278	24,874			
ARPU (EUR) (1)	16.1	16.0	16.0	15.5	15.0			
Prepay	6.3	6.0	6.6	5.9	5.5			
Contract (2)	21.0	20.8	20.6	20.0	19.2			
Data ARPU (EUR) (1)	6.9	6.9	7.1	7.1	7.2			
% non-SMS over data revenues	94.8%	95.4%	94.5%	95.3%	95.5%			
Churn (1)	3.5%	2.0%	1.8%	1.9%	1.8%			
Contract (2)	2.2%	1.7%	1.5%	1.5%	1.5%			
	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Dec	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Dec
Voice traffic (Million minutes)	8,588	17,575	26,567	35,600	8,869			
Data traffic (TB)	14,058	29,255	47,549	69,827	24,874			
ARPU (EUR) (1)	16.1	16.0	16.0	15.9	15.0			
Prepay	6.3	6.1	6.3	6.2	5.5			
Contract (2)	21.0	20.9	20.8	20.6	19.2			
Data ARPU (EUR) (1)	6.9	6.9	7.0	7.0	7.2			
% non-SMS over data revenues	94.8%	95.1%	94.9%	95.0%	95.5%			
Churn (1)	3.5%	2.8%	2.5%	2.3%	1.8%			
Contract (2)	2.2%	1.9%	1.8%	1.7%	1.5%			

Notes:

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

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

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

(1) Impacted by the disconnection of 569 thousand inactive M2M accesses in the first quarter of 2014.

(2) Excludes M2M.

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

	2014					2015				
	Jan - Mar	Apr - Jun	Jul- Sep	Oct - Dec	Jan - Dec	Jan - Mar	Apr - Jun	Jul- Sep	Oct - Dec	Jan - Dec
Revenues	1,122	1,162	1,219	2,019	5,522	1,901				
Wireless Business	827	872	934	1,742	4,375	1,636				
Mobile service revenues	707	728	754	1,391	3,580	1,354				
Data revenues	350	354	366	723	1,793	692				
Handset revenues	120	144	180	350	795	282				
Wireline Business	293	287	283	274	1,138	261				
FBB and new services (1)	209	205	205	197	815	197				
Voice & access revenues	81	78	75	72	306	63				
Other	4	5	4	5	18	1				
Internal expenditure capitalized in fixed assets	17	18	23	34	92	23				
Operating expenses	(898)	(916)	(997)	(2,006)	(4,817)	(1,543)				
Supplies	(427)	(455)	(499)	(762)	(2,144)	(659)				
Personnel expenses	(108)	(105)	(116)	(498)	(828)	(179)				
Other operating expenses	(362)	(356)	(383)	(745)	(1,846)	(705)				
Other net income (expense)	9	1	11	(85)	(64)	10				
Gain (loss) on sale of fixed assets	0	0	0	0	0	17				
Impairment of goodwill and other assets	0	0	0	0	0	-				
Operating income before D&A (OIBDA)	251	265	255	(38)	733	408				
OIBDA Margin	22.3%	22.8%	20.9%	-1.9%	13.3%	21.5%				
CapEx	132	134	145	438	849	221				
Spectrum	-	-	-	-	-	-				
OpCF (OIBDA-CapEx)	119	130	110	(476)	(116)	187				

Note:

- The consolidated income statement of T. Deutschland includes E-Plus from the fourth quarter 2014.

- OIBDA and OI before management and brand fees.

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

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TELEFÓNICA DEUTSCHLAND
ACCESSES
Unaudited figures (Thousands)

	2014				2015			
	March	June	September	December	March	June	September	December
Final Clients Accesses	23,875.7	23,964.3	24,113.2	46,548.3	46,572.8			
Fixed telephony accesses (1)	2,109.1	2,078.2	2,050.9	2,036.4	2,022.0			
Internet and data accesses	2,491.7	2,450.2	2,413.4	2,387.0	2,371.6			
Broadband	2,225.9	2,191.4	2,160.8	2,143.8	2,128.3			
Mobile accesses	19,274.9	19,435.9	19,648.9	42,124.9	42,179.2			
Prepay	8,910.9	8,919.7	8,989.3	23,350.7	23,264.2			
Contract (2)	10,364.0	10,516.1	10,659.6	18,774.1	18,915.0			
M2M	94.6	97.5	106.0	414.0	443.4			
Pay TV	-	-	-	-	-			
Wholesale Accesses	1,128.0	1,151.8	1,137.6	1,113.3	1,085.3			
Total Accesses	25,003.7	25,116.1	25,250.8	47,661.5	47,658.1			

Note:

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

(1) Includes fixed wireless and VoIP accesses.

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

MOBILE ACCESSES
Unaudited figures (thousands)

	2014				2015			
	March	June	September	December	March	June	September	December
Prepay percentage (%)	46.2%	45.9%	45.7%	55.4%	55.2%			
Contract percentage (%)	53.8%	54.1%	54.3%	44.6%	44.8%			
Smartphones ('000) (1)	5,957.2	6,057.2	6,230.7	11,422.2	20,364.1			
Prepay	792.1	773.1	791.0	1,450.6	9,086.7			
Contract	5,165.1	5,284.1	5,439.6	9,971.6	11,277.4			
Smartphone penetration (%) (1)	32.8%	33.1%	33.8%	29.0%	49.8%			
Prepay (%)	9.4%	9.1%	9.3%	6.4%	39.6%			
Contract (%)	53%	54%	55%	59%	63.0%			
LTE ('000) (1)	464.0	667.2	963.3	3,098.0	5,146.0			
LTE penetration (%) (1)	2.6%	3.6%	5.2%	6.7%	12.3%			

Note:

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

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

SELECTED OPERATING MOBILE BUSINESS DATA

Unaudited figures

	2014				2015			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Voice traffic (Million minutes)	7,572	7,775	7,398	18,441	15,837			
Data traffic (TB)	10,569	11,247	12,898	37,159	40,172			
ARPU (EUR)	12.1	12.5	12.7	10.9	10.6			
Prepay	5.0	5.2	5.3	5.6	5.6			
Contract (1)	18.5	18.8	19.1	17.7	17.2			
Data ARPU (EUR)	6.0	6.1	6.2	5.7	5.5			
% non-SMS over data revenues	72.0%	72.5%	73.8%	68.9%	70.5%			
Churn	2.4%	1.9%	1.9%	2.9%	2.4%			
Contract (1)	1.6%	1.3%	1.5%	2.7%	1.7%			
	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Dec	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Dec
Voice traffic (Million minutes)	7,572	15,347	22,745	41,186	15,837			
Data traffic (TB)	10,569	21,815	34,714	71,873	40,172			
ARPU (EUR)	12.1	12.3	12.4	11.8	10.6			
Prepay	5.0	5.1	5.2	5.4	5.6			
Contract (1)	18.5	18.7	18.8	18.4	17.2			
Data ARPU (EUR)	6.0	6.1	6.1	5.9	5.5			
% non-SMS over data revenues	72.0%	72.3%	72.8%	71.2%	70.5%			
Churn	2.4%	2.1%	2.1%	2.4%	2.4%			
Contract (1)	1.6%	1.4%	1.5%	1.9%	1.7%			

Notes:

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

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

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

(1) Excludes M2M.

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

	2014					2015				
	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec
Revenues	2,666	2,818	2,896	2,850	11,231	2,794				
Wireless Business	1,783	1,904	1,971	1,960	7,617	1,942				
Mobile service revenues	1,686	1,808	1,868	1,865	7,228	1,836				
Data revenues	547	612	654	666	2,478	718				
Handset revenues	97	96	102	94	390	105				
Wireline Business	883	914	926	890	3,613	852				
FBB and new services (1)	343	372	383	368	1,465	363				
Voice & access revenues	532	533	534	514	2,113	481				
Others	9	8	9	8	34	8				
Internal exp. capitalized in fixed assets	12	12	11	12	48	10				
Operating expenses	(1,835)	(1,939)	(2,016)	(1,952)	(7,742)	(1,933)				
Supplies	(654)	(666)	(696)	(664)	(2,680)	(665)				
Personnel expenses	(216)	(230)	(238)	(292)	(976)	(220)				
Other operating expenses	(965)	(1,043)	(1,082)	(996)	(4,085)	(1,048)				
Other net income (expense)	(13)	14	(9)	15	7	(28)				
Gain (loss) on sale of fixed assets	(4)	(2)	(1)	1	(6)	(2)				
Impairment of goodwill and other assets	1	1	(1)	4	4	(1)				
Operating income before D&A (OIBDA)	828	904	881	929	3,543	840				
OIBDA Margin	31.1%	32.1%	30.4%	32.6%	31.5%	30.1%				
CapEx	310	523	515	1,585	2,933	395				
Spectrum	-	-	-	889	889	-				
OpCF (OIBDA-CapEx)	518	381	366	(656)	610	445				

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.

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TELEFONICA BRASIL

ACCESSES

Unaudited figures (thousands)

	2014				2015			
	March	June	September	December	March	June	September	December
Final Clients Accesses	94,028.1	95,071.1	95,601.5	95,528.6	97,339.9			
Fixed telephony accesses (1)	10,828.1	10,929.1	10,942.1	10,743.4	10,609.4			
Internet and data accesses	4,094.5	4,103.5	4,114.8	4,082.6	4,066.5			
Broadband (2)	3,933.0	3,944.9	3,961.6	3,939.8	3,926.5			
Fibre	235.8	273.3	322.1	374.6	428.5			
Mobile accesses	78,460.8	79,350.7	79,817.0	79,932.1	81,873.2			
Prepay	53,552.8	53,188.5	52,639.8	51,582.4	52,972.3			
Contract	24,908.0	26,162.3	27,177.2	28,349.7	28,900.8			
M2M	2,629.0	2,920.1	3,197.5	3,506.9	3,687.5			
Pay TV	644.8	687.8	727.6	770.6	790.9			
Wholesale Accesses	27.5	27.0	26.2	25.9	25.4			
Total Accesses T. Brasil	94,055.6	95,098.1	95,627.7	95,554.5	97,365.2			
Terra Accesses	379.3	361.8	329.9	329.9	269.0			

(1) Includes fixed wireless and VoIP accesses.

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

MOBILE ACCESSES

Unaudited figures (thousands)

	2014				2015			
	March	June	September	December	March	June	September	December
Prepay percentage (%)	68.3%	67.0%	66.0%	64.5%	64.7%			
Contract percentage (%)	31.7%	33.0%	34.0%	35.5%	35.3%			
Smartphones ('000)	20,227.6	23,190.9	28,950.0	30,076.8	30,216.9			
Prepay	12,117.3	14,231.3	18,758.7	18,997.3	18,710.6			
Contract	8,110.3	8,959.6	10,191.3	11,079.5	11,506.3			
Smartphone penetration (%)	28.0%	31.8%	39.5%	41.1%	40.3%			
Prepay (%)	22.7%	26.8%	35.8%	37.0%	35.5%			
Contract (%)	43.0%	45.1%	49.1%	50.9%	51.8%			
LTE ('000)	858.0	1,281.2	1,768.0	3,506.9	3,943.1			
LTE penetration (%)	1.2%	1.8%	2.4%	4.8%	5.0%			

SELECTED MOBILE BUSINESS OPERATING DATA

Unaudited figures

	2014				2015			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Voice traffic (Million minutes)	31,500	30,503	31,536	33,872	31,398			
Data traffic (TB)	43,342	48,337	56,879	64,154	65,043			
ARPU (EUR)	7.0	7.3	7.5	7.4	7.2			
Prepay	3.8	3.9	4.0	4.0	3.8			
Contract (1)	15.3	15.8	16.0	15.6	15.3			
Data ARPU (EUR)	2.3	2.6	2.7	2.8	3.0			
% non-SMS over data revenues	75.1%	76.3%	78.0%	79.8%	81.6%			
Churn	3.4%	3.5%	3.7%	4.0%	2.9%			
Contract (1)	1.5%	1.5%	1.8%	1.7%	1.8%			
	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Dec	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Dec
Voice traffic (Million minutes)	31,500	62,004	93,540	127,412	31,398			
Data traffic (TB)	43,342	91,679	148,558	212,712	65,043			
ARPU (EUR)	7.0	7.1	7.2	7.3	7.2			
Prepay	3.8	3.9	3.9	3.9	3.8			
Contract (1)	15.3	15.5	15.7	15.7	15.3			
Data ARPU (EUR)	2.3	2.5	2.6	2.6	3.0			
% non-SMS over data revenues	75.1%	75.7%	76.5%	77.4%	81.6%			
Churn	3.4%	3.5%	3.6%	3.7%	2.9%			
Contract (1)	1.5%	1.5%	1.6%	1.6%	1.8%			

Notes:

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

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

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

- Average smartphone traffic is defined as the monthly average traffic divided by the average number accesses for the period.

(1) Excludes M2M.

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

	2014					2015				
	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec
Revenues	3,066	3,135	3,337	3,617	13,155	3,665				
Internal exp. capitalized in fixed assets	24	27	23	30	104	27				
Operating expenses	(2,193)	(2,246)	(2,276)	(2,569)	(9,284)	(2,583)				
Supplies	(925)	(923)	(927)	(1,066)	(3,841)	(1,030)				
Personnel expenses	(338)	(344)	(363)	(480)	(1,525)	(418)				
Other operating expenses	(930)	(979)	(985)	(1,023)	(3,918)	(1,135)				
Other net income (expense)	17	27	15	29	89	17				
Gain (loss) on sale of fixed assets	(1)	(1)	2	4	4	0				
Impairment of goodwill and other assets	-	-	-	-	-	-				
Operating income before D&A (OIBDA)	912	942	1,103	1,111	4,068	1,127				
OIBDA Margin	29.8%	30.0%	33.0%	30.7%	30.9%	30.8%				
CapEx	579	571	624	1,068	2,842	622				
Spectrum	187	3	3	213	405	139				
OpCF (OIBDA-CapEx)	334	371	479	42	1,226	505				

- Notes:
- For comparative purposes, the quarterly data for 2014 are reported adjusting the exchange rate in Venezuela from SICAD I to SICAD II 50 VEF/USD for the Telefónica Group, Hispanoamérica and Venezuela and Central America following the adoption of SICAD II 50 VEF/USD in the fourth quarter of 2014.
 - OIBDA and OI before management and brand fees.
 - 2014 and 2015 reported figures include the hyperinflationary adjustments in Venezuela in both years.

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TELEFÓNICA HISPANOAMÉRICA

ACCESSES

Unaudited figures (thousands)

	2014				2015			
	March	June	September	December	March	June	September	December
Final Clients Accesses	127,595.0	128,691.4	129,347.1	131,586.6	132,461.8			
Fixed telephony accesses (1) (2) (3)	13,561.0	13,603.4	13,515.7	13,374.4	13,266.5			
Internet and data accesses	5,194.5	5,285.0	5,371.3	5,433.8	5,516.0			
Broadband (4)	5,134.5	5,228.7	5,315.1	5,379.4	5,452.7			
Mobile accesses	106,647.6	107,508.3	108,117.1	110,346.5	111,143.1			
Prepay (5) (6)	83,703.0	84,197.0	84,688.7	86,698.0	87,454.6			
Contract	22,944.6	23,311.3	23,428.4	23,648.5	23,688.6			
M2M	1,873.3	1,923.3	1,970.9	2,062.2	2,125.9			
Pay TV	2,192.0	2,294.6	2,343.0	2,431.9	2,536.2			
Wholesale Accesses	21.8	21.8	112.7	16.4	31.4			
Total Accesses T. Hispanoamerica	127,616.8	128,713.1	129,459.8	131,603.0	132,493.2			

(1) Includes fixed wireless and VoIP accesses.

(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, fiber, cable modem and broadband circuits.

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

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

MOBILE ACCESSES

Unaudited figures (thousands)

	2014				2015			
	March	June	September	December	March	June	September	December
Prepay percentage (%)	78.5%	78.3%	78.3%	78.6%	78.7%			
Contract percentage (%)	21.5%	21.7%	21.7%	21.4%	21.3%			
Smartphones ('000)	23,057.9	25,092.5	27,257.6	27,992.8	31,048.7			
Prepay	12,002.8	13,445.2	15,356.9	15,687.5	18,205.6			
Contract	11,055.1	11,647.3	11,900.7	12,305.3	12,843.1			
Smartphone penetration (%)	22.4%	24.2%	26.1%	26.3%	28.9%			
Prepay (%)	14.5%	16.1%	18.3%	18.3%	21.0%			
Contract (%)	55.2%	57.1%	58.0%	59.4%	61.9%			
LTE ('000)	348.3	632.8	1,113.3	1,989.8	2,811.4			
LTE penetration (%)	0.3%	0.6%	1.1%	1.8%	2.6%			

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TELEFÓNICA ARGENTINA
SELECTED FINANCIAL DATA

Unaudited figures (Euros in millions)

	2014					2015				
	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec
Revenues	716	718	773	855	3,063	935				
Wireless Business	467	470	509	561	2,007	599				
Mobile service revenues	404	392	422	479	1,697	529				
Data revenues	201	195	199	195	790	201				
Handset revenues	64	78	86	82	310	71				
Wireline Business	249	248	264	294	1,055	336				
FBB and new services (1)	129	130	141	164	564	189				
Voice & access revenues	108	105	111	118	442	131				
Others	12	13	13	12	50	15				
OIBDA	187	169	199	248	802	273				
OIBDA margin (2)	25.6%	23.1%	25.3%	28.6%	25.8%	28.8%				
CapEx	114	115	99	349	676	146				
Spectrum	-	-	-	168	168	-				
OpCF (OIBDA-CapEx)	73	54	100	(101)	126	127				

Notes:

- OIBDA is presented before management and brand fees.

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

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

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TELEFÓNICA ARGENTINA

ACCESSES

Unaudited figures (Thousands)

	2014				2015			
	March	June	September	December	March	June	September	December
Final Clients Accesses	26,300.0	26,159.9	25,910.5	26,629.1	26,318.5			
Fixed telephony accesses (1)	4,812.7	4,779.6	4,750.4	4,726.8	4,693.2			
Fixed wireless	342.8	323.0	304.5	296.0	285.9			
Internet and data accesses	1,845.4	1,854.5	1,870.7	1,880.2	1,880.7			
Broadband (2)	1,834.2	1,842.3	1,859.0	1,870.5	1,871.8			
Mobile accesses	19,641.9	19,525.8	19,289.4	20,022.1	19,744.6			
Prepay	12,649.6	12,522.0	12,337.2	12,957.6	12,778.0			
Contract	6,992.3	7,003.8	6,952.1	7,064.5	6,966.5			
M2M	452.6	454.9	470.8	470.7	455.4			
Wholesale Accesses	14.0	13.9	104.9	8.4	23.3			
Total Accesses	26,314.0	26,173.9	26,015.4	26,637.6	26,341.7			

(1) Includes fixed wireless and VoIP accesses.

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

SELECTED MOBILE BUSINESS OPERATING DATA

Unaudited figures

	2014				2015			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Voice traffic (Million minutes)	5,480	5,773	5,870	5,959	5,674			
Data traffic (TB)	5,836	6,549	7,284	8,541	10,069			
ARPU (EUR)	7.0	6.8	7.4	8.3	9.1			
Prepay	2.1	2.2	2.3	2.7	2.7			
Contract (1)	16.7	15.9	17.6	19.4	22.3			
Data ARPU (EUR)	3.4	3.3	3.4	3.3	3.4			
% non-SMS over data revenues	57.9%	59.1%	61.5%	57.3%	56.2%			
Churn	3.2%	3.2%	3.1%	2.6%	3.1%			
Contract (1)	1.1%	1.2%	1.2%	1.0%	1.1%			
	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Dec	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Dec
Voice traffic (Million minutes)	5,480	11,253	17,123	23,081	5,674			
Data traffic (TB)	5,836	12,385	19,669	28,210	10,069			
ARPU (EUR)	7.0	6.9	7.1	7.4	9.1			
Prepay	2.1	2.2	2.2	2.3	2.7			
Contract (1)	16.7	16.3	16.7	17.4	22.3			
Data ARPU (EUR)	3.4	3.4	3.4	3.4	3.4			
% non-SMS over data revenues	57.9%	58.5%	59.5%	59.0%	56.2%			
Churn	3.2%	3.2%	3.2%	3.0%	3.1%			
Contract (1)	1.1%	1.1%	1.1%	1.1%	1.1%			

Notes:

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

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

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

(1) Excludes M2M.

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TELEFÓNICA CHILE

SELECTED FINANCIAL DATA

Unaudited figures (Euros in millions)

	2014					2015				
	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec
Revenues	525	507	507	551	2,089	565				
Wireless Business	319	300	302	326	1,247	339				
Mobile service revenues	287	269	273	284	1,113	304				
Data revenues	72	76	86	85	318	98				
Handset revenues	32	31	29	42	134	35				
Wireline Business	205	207	205	225	842	226				
FBB and new services (1)	125	129	132	145	530	152				
Voice & access revenues	76	74	69	76	295	70				
Others	4	4	4	4	17	4				
OIBDA	167	170	179	192	708	176				
OIBDA margin	31.8%	33.5%	35.4%	34.9%	33.9%	31.1%				
CapEx	91	116	111	111	429	123				
Spectrum	-	-	-	-	-	6				
OpCF (OIBDA-CapEx)	76	54	68	81	279	53				

*Notes:**- OIBDA is presented before management and brand fees.**(1) Includes FBB connectivity services (retail and wholesale), including value added services, TV services, ICT revenues and other services over connectivity.*[back to Index](#)

TELEFÓNICA CHILE
ACCESSES
Unaudited figures (Thousands)

	2014				2015			
	March	June	September	December	March	June	September	December
Final Clients Accesses	13,566.9	13,576.0	13,586.1	13,888.1	13,861.3			
Fixed telephony accesses (1)	1,631.0	1,616.8	1,593.9	1,579.0	1,557.7			
Internet and data accesses	984.5	1,005.3	1,030.5	1,047.7	1,067.9			
Broadband (2)	977.0	998.7	1,023.4	1,040.7	1,056.7			
Fibre	38.8	47.3	55.9	63.7	73.8			
Mobile accesses	10,424.3	10,394.0	10,381.4	10,660.2	10,619.5			
Prepay	7,693.6	7,595.2	7,563.7	7,856.6	7,817.5			
Contract	2,730.7	2,798.7	2,817.7	2,803.6	2,802.0			
M2M	306.5	322.0	319.9	307.3	293.0			
Pay TV	527.1	559.9	580.3	601.3	616.2			
Wholesale Accesses	5.4	5.4	5.4	5.6	5.9			
Total Accesses	13,572.3	13,581.4	13,591.5	13,893.8	13,867.2			

(1) Includes fixed wireless and VoIP accesses.

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

SELECTED MOBILE BUSINESS OPERATING DATA

Unaudited figures

	2014				2015			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Voice traffic (Million minutes)	3,151	3,107	3,095	3,239	3,148			
Data traffic (TB)	11,510	13,550	14,686	15,895	14,616			
ARPU (EUR)	8.9	8.4	8.6	9.0	9.4			
Prepay	3.9	3.6	3.6	3.7	3.8			
Contract (1)	25.8	24.4	24.7	26.1	27.8			
Data ARPU (EUR)	2.3	2.4	2.7	2.7	3.1			
% non-SMS over data revenues	89.2%	91.6%	93.3%	93.4%	94.0%			
Churn	3.3%	3.1%	3.2%	3.3%	3.2%			
Contract (1)	1.7%	1.7%	2.0%	2.1%	1.9%			

	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Dec	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Dec
Voice traffic (Million minutes)	3,151	6,259	9,354	12,593	3,148			
Data traffic (TB)	11,510	25,059	39,745	55,640	14,616			
ARPU (EUR)	8.9	8.7	8.6	8.7	9.4			
Prepay	3.9	3.7	3.7	3.7	3.8			
Contract (1)	25.8	25.1	24.9	25.2	27.8			
Data ARPU (EUR)	2.3	2.4	2.5	2.5	3.1			
% non-SMS over data revenues	89.2%	90.4%	91.5%	91.9%	94.0%			
Churn	3.3%	3.2%	3.2%	3.2%	3.2%			
Contract (1)	1.7%	1.7%	1.8%	1.9%	1.9%			

Notes:

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

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

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

(1) Excludes M2M.

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TELEFÓNICA PERÚ
SELECTED FINANCIAL DATA
Unaudited figures (Euros in millions)

	2014					2015				
	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec
Revenues	588	603	646	666	2,504	692				
Wireless Business	331	336	373	386	1,427	394				
Mobile service revenues (1)	290	296	322	342	1,250	354				
Data revenues	73	74	87	100	335	110				
Handset revenues	40	41	51	44	177	40				
Wireline Business	258	266	273	280	1,077	298				
FBB and new services (2)	166	177	180	182	705	207				
Voice & access revenues	88	83	88	92	351	87				
Others	4	6	5	6	21	4				
OIBDA	218	208	257	162	844	238				
OIBDA margin	37.0%	34.4%	39.7%	24.3%	33.7%	34.4%				
CapEx	50	100	114	158	421	63				
Spectrum	-	-	-	-	-	-				
OpCF (OIBDA-CapEx)	168	108	143	4	423	175				

Notes:

- OIBDA is presented before management and brand fees.

(1) Includes fixed wireless revenues.

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

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TELEFÓNICA PERÚ

ACCESSES

Unaudited figures (Thousands)

	2014				2015			
	March	June	September	December	March	June	September	December
Final Clients Accesses	21,081.6	21,287.9	21,632.6	21,976.4	22,083.4			
Fixed telephony accesses (1)	2,725.7	2,776.9	2,749.3	2,714.7	2,641.4			
Fixed wireless (2)	251.4	292.8	280.2	262.7	191.2			
Internet and data accesses	1,457.2	1,490.7	1,505.2	1,523.4	1,557.4			
Broadband (3)	1,431.8	1,468.8	1,483.2	1,501.3	1,529.7			
Mobile accesses	16,012.9	16,133.1	16,489.0	16,790.2	16,870.2			
Prepay	11,377.8	11,288.6	11,450.9	11,676.3	11,645.3			
Contract	4,635.2	4,844.5	5,038.1	5,113.9	5,224.8			
M2M	82.8	85.6	87.8	86.2	118.0			
Pay TV	885.7	887.3	889.1	948.0	1,014.5			
Wholesale Accesses	0.4	0.4	0.4	0.4	0.3			
Total Accesses	21,082.1	21,288.4	21,633.0	21,976.8	22,083.7			

(1) Includes fixed wireless and VoIP accesses.

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

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

SELECTED MOBILE BUSINESS OPERATING DATA

Unaudited figures

	2014				2015			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Voice traffic (Million minutes)	7,886	6,762	7,177	7,607	8,001			
Data traffic (TB)	2,901	3,078	3,599	4,206	5,040			
ARPU (EUR)	6.1	6.2	6.7	6.9	7.0			
Prepay	3.9	3.8	4.1	4.2	4.2			
Contract (1)	12.0	11.9	12.6	13.4	13.5			
Data ARPU (EUR)	1.5	1.6	1.8	2.0	2.2			
% non-SMS over data revenues	85.5%	88.4%	88.6%	85.9%	92.1%			
Churn	3.8%	4.0%	3.8%	3.7%	4.0%			
Contract (1)	2.1%	1.5%	1.4%	1.9%	2.2%			
	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Dec	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Dec
Voice traffic (Million minutes)	7,886	14,648	21,825	29,432	8,001			
Data traffic (TB)	2,901	5,979	9,578	13,784	5,040			
ARPU (EUR)	6.1	6.1	6.3	6.5	7.0			
Prepay	3.9	3.8	3.9	4.0	4.2			
Contract (1)	12.0	11.9	12.1	12.4	13.5			
Data ARPU (EUR)	1.5	1.5	1.6	1.7	2.2			
% non-SMS over data revenues	85.5%	86.9%	87.5%	87.1%	92.1%			
Churn	3.8%	3.9%	3.9%	3.8%	4.0%			
Contract (1)	2.1%	1.5%	1.5%	1.6%	2.2%			

Notes:

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

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

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

(1) Excludes M2M.

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TELEFÓNICA COLOMBIA

SELECTED FINANCIAL DATA

Unaudited figures (Euros in millions)

	2014					2015				
	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec
Revenues	403	428	451	438	1,719	398				
Wireless Business	254	269	286	281	1,090	251				
Mobile service revenues	231	244	260	250	985	223				
Data revenues	59	64	68	67	258	66				
Handset revenues	23	25	25	31	104	28				
Wireline Business	148	159	165	156	629	147				
FBB and new services (1)	83	89	95	90	356	84				
Voice & access revenues	66	70	70	66	271	63				
Others	0	0	0	0	1	0				
OIBDA	139	143	174	170	627	150				
OIBDA margin	34.6%	33.5%	38.6%	39.0%	36.5%	37.6%				
CapEx	178	123	90	105	496	48				
Spectrum	108	2	2	(1)	111	-				
OpCF (OIBDA-CapEx)	(38)	20	84	65	132	102				

Notes:

- OIBDA is presented before management and brand fees.

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

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TELEFÓNICA COLOMBIA

ACCESSES

Unaudited figures (Thousands)

	2014				2015			
	March	June	September	December	March	June	September	December
Final Clients Accesses	15,128.7	15,052.5	15,403.9	15,689.7	15,777.5			
Fixed telephony accesses (1)	1,459.9	1,464.0	1,468.6	1,461.0	1,465.8			
Internet and data accesses	895.1	922.4	952.9	970.2	997.3			
Broadband (2)	886.7	913.9	944.5	961.7	988.9			
Mobile accesses	12,409.8	12,281.9	12,581.6	12,842.5	12,884.9			
Prepay	9,105.9	8,982.4	9,313.3	9,582.6	9,633.2			
Contract	3,303.9	3,299.5	3,268.3	3,259.9	3,251.7			
M2M	404.7	416.2	421.5	427.8	438.7			
Pay TV	363.8	384.1	400.8	416.0	429.4			
Wholesale Accesses	1.9	1.9	1.9	1.9	1.9			
Total Accesses	15,130.6	15,054.4	15,405.9	15,691.6	15,779.4			

(1) Includes fixed wireless and VoIP accesses.

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

SELECTED MOBILE BUSINESS OPERATING DATA

Unaudited figures

	2014				2015			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Voice traffic (Million minutes)	5,603	5,525	5,607	5,781	5,591			
Data traffic (TB)	6,670	7,454	8,708	9,410	10,516			
ARPU (EUR)	6.1	6.4	6.6	6.2	5.5			
Prepay	1.7	1.7	1.8	1.8	1.4			
Contract (1)	20.4	21.4	22.6	21.5	19.9			
Data ARPU (EUR)	1.6	1.7	1.8	1.7	1.7			
% non-SMS over data revenues	93.7%	94.7%	95.4%	97.5%	96.9%			
Churn	3.0%	3.8%	2.7%	3.0%	3.0%			
Contract (1)	2.3%	2.1%	2.2%	2.1%	2.2%			
	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Dec	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Dec
Voice traffic (Million minutes)	5,603	11,128	16,735	22,516	5,591			
Data traffic (TB)	6,670	14,124	22,832	32,242	10,516			
ARPU (EUR)	6.1	6.2	6.3	6.3	5.5			
Prepay	1.7	1.7	1.8	1.8	1.4			
Contract (1)	20.4	20.9	21.5	21.5	19.9			
Data ARPU (EUR)	1.6	1.7	1.7	1.7	1.7			
% non-SMS over data revenues	93.7%	94.2%	94.6%	95.3%	96.9%			
Churn	3.0%	3.4%	3.2%	3.1%	3.0%			
Contract (1)	2.3%	2.2%	2.2%	2.2%	2.2%			

Notes:

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

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

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

(1) Excludes M2M.

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TELEFÓNICA MÉXICO
SELECTED FINANCIAL DATA

Unaudited figures (Euros in millions)

	2014					2015				
	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec
Revenues	390	403	403	452	1,649	444				
Mobile service revenues	330	346	357	380	1,413	376				
Data revenues	81	84	84	91	340	90				
Handset revenues	61	57	46	72	236	69				
OIBDA	60	69	99	109	337	109				
OIBDA margin	15.3%	17.2%	24.6%	24.1%	20.5%	24.5%				
CapEx	39	51	53	108	252	47				
Spectrum	-	-	-	-	-	-				
OpCF (OIBDA-CapEx)	20	18	46	1	86	62				

Note:

- OIBDA is presented before management and brand fees.

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TELEFÓNICA MÉXICO
ACCESSES
Unaudited figures (Thousands)

	2014				2015			
	March	June	September	December	March	June	September	December
Mobile accesses	19,324.8	20,244.2	20,561.0	21,673.4	22,536.6			
Prepay (1)	17,862.0	18,777.4	19,127.6	20,207.5	21,056.6			
Contract	1,462.8	1,466.8	1,433.4	1,465.8	1,480.0			
M2M	351.0	354.1	362.1	433.7	455.8			
Fixed wireless (2)	1,504.8	1,530.6	1,540.4	1,551.3	1,545.6			
Total Accesses	20,829.6	21,774.8	22,101.5	23,224.7	24,082.2			

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

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

SELECTED MOBILE BUSINESS OPERATING DATA
Unaudited figures

	2014				2015			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Voice traffic (Million minutes)	6,626	7,723	7,454	8,807	8,485			
Data traffic (TB)	4,460	4,590	6,497	6,832	7,891			
ARPU (EUR)	4.6	5.0	5.0	5.2	4.9			
Prepay (1)	3.9	4.3	4.4	4.6	4.3			
Contract (2)	20.0	19.1	19.2	19.3	19.0			
Data ARPU (EUR) (1)	1.3	1.4	1.4	1.4	1.3			
% non-SMS over data revenues	65.4%	68.2%	70.2%	73.4%	80.2%			
Churn (1)	5.7%	2.9%	3.5%	3.4%	2.8%			
Contract (2)	1.1%	1.4%	1.4%	1.6%	1.7%			

	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Dec	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Dec
Voice traffic (Million minutes)	6,626	14,349	21,804	30,611	8,485			
Data traffic (TB)	4,460	9,050	15,547	22,379	7,891			
ARPU (EUR)	4.6	4.8	4.9	5.0	4.9			
Prepay (1)	3.9	4.1	4.2	4.3	4.3			
Contract (2)	20.0	19.5	19.4	19.4	19.0			
Data ARPU (EUR) (1)	1.3	1.4	1.4	1.4	1.3			
% non-SMS over data revenues	65.4%	66.8%	67.9%	69.3%	80.2%			
Churn (1)	5.7%	4.3%	4.0%	3.9%	2.8%			
Contract (2)	1.1%	1.3%	1.4%	1.4%	1.7%			

Notes:

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

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

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

(1) Impacted by the disconnection of 1.9 million inactive accesses in the first quarter of 2014.

(2) Excludes M2M.

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TELEFÓNICA VENEZUELA AND CENTRAL AMERICA (1) (2)

SELECTED FINANCIAL DATA

Unaudited figures (Euros in millions)

	2014					2015				
	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec
Revenues	274	305	379	462	1,420	426				
Mobile service revenues	258	285	353	409	1,305	385				
Data revenues (3)	82	87	107	121	397	142				
Handset revenues	16	20	26	53	114	41				
OIBDA	78	109	125	150	463	105				
OIBDA margin	28.6%	35.8%	33.1%	32.5%	32.6%	24.7%				
CapEx	97	38	112	188	435	41				
Spectrum (4)	79	0	1	46	126	-				
OpCF (OIBDA-CapEx)	(19)	71	13	(38)	27	64				

Notes:

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

- OIBDA is presented before management and brand fees.

(1) The figures for Venezuela include adjustments for hyperinflation in both periods.

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

(3) Data revenues do not include hyperinflation adjustments.

(4) Spectrum payment corresponds to Panama, Nicaragua and Venezuela.

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TELEFÓNICA VENEZUELA AND CENTRAL AMERICA (1)

ACCESSES

Unaudited figures (Thousands)

	2014				2015			
	March	June	September	December	March	June	September	December
Fixed telephony accesses (2)	1,377.3	1,386.0	1,361.8	1,288.4	1,314.7			
Fixed wireless	1,127.4	1,138.2	1,128.7	1,065.0	1,093.5			
Internet and data accesses	12.2	12.1	11.9	12.3	12.6			
Broadband (3)	4.8	4.9	5.1	5.3	5.6			
Mobile accesses	21,813.8	21,919.5	21,947.2	21,471.9	21,899.6			
Prepay (4) (5)	19,602.9	19,676.2	19,721.3	19,242.6	19,672.9			
Contract	2,210.9	2,243.3	2,225.9	2,229.2	2,226.7			
M2M	123.8	129.8	134.9	141.7	147.9			
Pay TV	415.3	463.2	472.8	466.6	476.1			
Total Accesos	23,618.6	23,780.9	23,793.7	23,239.2	23,703.0			

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

(2) Includes fixed wireless and VoIP accesses.

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

(4) Includes prepaid M2M accesses.

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

SELECTED MOBILE BUSINESS OPERATING DATA (1)

Unaudited figures

	2014				2015			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Voice traffic (Million minutes)	9,173	9,262	9,413	9,627	10,125			
Data traffic (TB)	9,993	10,434	11,848	13,400	14,300			
ARPU (EUR)	3.6	3.7	4.1	4.6	5.2			
Prepay (2)	3.0	2.9	3.3	3.8	4.4			
Contract (3)	10.2	10.8	11.7	12.9	13.4			
Data ARPU (EUR) (2) (4)	1.3	1.3	1.5	1.7	2.1			
% non-SMS over data revenues	66.7%	80.9%	84.5%	85.1%	79.9%			
Churn (2)	2.6%	2.8%	3.1%	4.8%	2.6%			
Contract (3)	1.1%	1.2%	1.3%	1.2%	1.1%			

	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Dec	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Dec
Voice traffic (Million minutes)	9,173	18,435	27,848	37,475	10,125			
Data traffic (TB)	9,993	20,427	32,274	45,675	14,300			
ARPU (EUR)	3.6	3.6	3.8	4.0	5.2			
Prepay (2)	3.0	3.0	3.1	3.3	4.4			
Contract (3)	10.2	10.5	10.9	11.4	13.4			
Data ARPU (EUR) (2) (4)	1.3	1.3	1.3	1.4	2.1			
% non-SMS over data revenues	66.7%	74.0%	77.8%	80.0%	79.9%			
Churn (2)	2.6%	2.7%	2.9%	3.3%	2.6%			
Contract (3)	1.1%	1.1%	1.2%	1.2%	1.1%			

Notes:

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

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

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

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

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

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

(3) Excludes M2M.

(4) Does not include hyperinflation adjustment.

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TELEFÓNICA ECUADOR
SELECTED FINANCIAL DATA
Unaudited figures (Euros in millions)

	2014					2015				
	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec
Revenues	119	121	128	138	508	149				
Mobile service revenues	112	115	119	126	471	133				
Data revenues	36	38	37	40	151	45				
Handset revenues	8	6	10	12	36	15				
OIBDA	43	45	47	54	188	52				
OIBDA margin	35.7%	36.7%	36.3%	39.0%	37.0%	35.0%				
CapEx	6	17	43	37	102	146				
Spectrum	-	-	-	-	-	133				
OpCF (OIBDA-CapEx)	37	28	4	17	85	(94)				

TELEFÓNICA URUGUAY
SELECTED FINANCIAL DATA
Unaudited figures (Euros in millions)

	2014					2015				
	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec
Revenues	59	55	56	62	232	65				
Mobile service revenues	56	52	53	58	218	61				
Data revenues	22	21	22	24	88	26				
Handset revenues	3	3	3	4	14	4				
OIBDA	24	20	23	27	94	24				
OIBDA margin	39.8%	36.8%	41.7%	44.2%	40.7%	37.2%				
CapEx	5	11	3	13	31	8				
Spectrum	-	-	-	-	-	-				
OpCF (OIBDA-CapEx)	19	10	20	14	63	16				

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TELEFÓNICA ECUADOR
ACCESSES
Unaudited figures (Thousands)

	2014				2015			
	March	June	September	December	March	June	September	December
Mobile accesses	5,174.5	5,155.4	4,995.9	5,002.5	4,675.3			
Prepay	4,165.4	4,111.9	3,915.1	3,897.8	3,545.6			
Contract	1,009.1	1,043.5	1,080.9	1,104.7	1,129.7			
M2M	116.4	124.2	136.9	154.2	173.3			
Fixed Wireless	49.5	49.5	51.3	53.1	48.1			
Total Accesses	5,224.0	5,204.9	5,047.3	5,055.6	4,723.4			

SELECTED MOBILE BUSINESS OPERATING DATA
Unaudited figures

	2014				2015			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Voice traffic (Million minutes)	1,175	1,203	1,212	1,201	1,172			
Data traffic (TB)	1,142	1,223	1,315	1,485	1,786			
ARPU (EUR)	6.8	7.0	7.3	7.8	8.3			
Prepay	4.0	3.9	4.1	4.4	4.6			
Contract (1)	21.1	22.1	21.8	22.3	24.5			
Data ARPU (EUR)	2.3	2.4	2.4	2.6	3.0			
% non-SMS over data revenues	76.8%	78.6%	78.5%	80.6%	82.5%			
Churn	2.5%	2.8%	3.7%	3.2%	5.7%			
Contract (1)	1.3%	1.3%	1.3%	1.7%	1.6%			

	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Dec	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Dec
Voice traffic (Million minutes)	1,175	2,378	3,589	4,790	1,172			
Data traffic (TB)	1,142	2,366	3,680	5,165	1,786			
ARPU (EUR)	6.8	6.9	7.0	7.2	8.3			
Prepay	4.0	3.9	4.0	4.1	4.6			
Contract (1)	21.1	21.7	21.7	21.9	24.5			
Data ARPU (EUR)	2.3	2.3	2.3	2.4	3.0			
% non-SMS over data revenues	76.8%	77.7%	78.0%	78.6%	82.5%			
Churn	2.5%	2.6%	3.0%	3.0%	5.7%			
Contract (1)	1.3%	1.3%	1.3%	1.4%	1.6%			

Notes:

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

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

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

(1) Excludes M2M.

TELEFÓNICA URUGUAY
ACCESSES
Unaudited figures (Thousands)

	2014				2015			
	March	June	September	December	March	June	September	December
Mobile accesses	1,845.7	1,854.4	1,871.6	1,883.8	1,912.5			
Prepay	1,245.8	1,243.2	1,259.6	1,276.9	1,305.3			
Contract	599.9	611.2	612.0	606.9	607.1			
M2M	35.5	36.6	37.0	40.6	43.7			
Total Accesses	1,845.7	1,854.4	1,871.6	1,883.8	1,912.5			

SELECTED MOBILE BUSINESS OPERATING DATA
Unaudited figures

	2014				2015			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Voice traffic (Million minutes)	850	845	862	864	840			
Data traffic (TB)	1,045	1,118	1,318	1,499	1,704			
ARPU (EUR)	9.5	9.1	9.2	9.8	10.0			
Prepay	4.6	4.3	4.2	4.6	4.5			
Contract (1)	20.8	20.1	20.6	21.8	23.2			
Data ARPU (EUR)	3.9	3.8	3.9	4.2	4.5			
% non-SMS over data revenues	51.5%	54.0%	56.7%	60.8%	67.3%			
Churn	1.9%	1.6%	1.4%	1.5%	1.4%			
Contract (1)	0.6%	0.6%	0.7%	0.9%	0.7%			

	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Dec	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Dec
Voice traffic (Million minutes)	850	1,695	2,557	3,421	840			
Data traffic (TB)	1,045	2,163	3,482	4,981	1,704			
ARPU (EUR)	9.5	9.3	9.2	9.4	10.0			
Prepay	4.6	4.4	4.4	4.4	4.5			
Contract (1)	20.8	20.4	20.5	20.8	23.2			
Data ARPU (EUR)	3.9	3.8	3.9	4.0	4.5			
% non-SMS over data revenues	51.5%	52.7%	54.0%	55.7%	67.3%			
Churn	1.9%	1.7%	1.6%	1.6%	1.4%			
Contract (1)	0.6%	0.6%	0.7%	0.7%	0.7%			

Notes:

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

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

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

(1) Excludes M2M.

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ADDENDA

The financial information contained in the addenda has been prepared under International Financial Reporting Standards (IFRS). This financial information is unaudited.

The following Addenda are included: i) the detailed Income Statement and Accesses and Selected Operational information for Telefónica UK, reported as per the perimeter of discontinued operation, ii) the detailed Income Statements for Telefónica, Telefónica Hispanoamérica and Telefónica Venezuela and Central America prepared under IFRS using in the first quarter 2014 the exchange rate in use at the time (SICAD I 10.70 VEF/USD).

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O2 UK

CONSOLIDATED INCOME STATEMENT

Unaudited figures (Euros in millions)

	2014					2015				
	Jan - Mar	Apr - Jun	Jul- Sep	Oct - Dec	Jan - Dec	Jan - Mar	Apr - Jun	Jul- Sep	Oct - Dec	Jan - Dec
Revenues	1,644	1,701	1,806	1,914	7,065	1,851				
Mobile service revenues	1,307	1,340	1,389	1,361	5,397	1,379				
Data revenues	747	773	794	781	3,096	804				
Handset revenues and other	337	361	417	553	1,668	472				
Internal expenditure capitalized in fixed assets	20	29	33	40	123	35				
Operating expenses	(1,262)	(1,333)	(1,416)	(1,506)	(5,516)	(1,425)				
Supplies	(805)	(838)	(930)	(988)	(3,561)	(909)				
Personnel expenses	(118)	(115)	(120)	(128)	(481)	(129)				
Other operating expenses	(339)	(379)	(367)	(390)	(1,475)	(387)				
Other net income (expense)	0	5	6	4	14	(7)				
Gain (loss) on sale of fixed assets	9	0	49	0	59	0				
Impairment of goodwill and other assets	(10)	0	0	0	(10)	0				
Operating income before D&A (OIBDA)	402	402	478	452	1,734	453				
OIBDA Margin	24.5%	23.6%	26.5%	23.6%	24.5%	24.5%				
CapEx	192	186	202	189	767	212				
Spectrum	-	-	-	-	-	-				
OpCF (OIBDA-CapEx)	210	216	276	264	967	241				

Notes:

- OIBDA and OI before management and brand fees.

- Figures are reported as per the perimeter of discontinued operation.

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O2 UK

ACCESSES

Unaudited figures (Thousands)

	2014				2015			
	March	June	September	December	March	June	September	December
Final Clients Accesses	23,803.9	24,001.3	24,324.5	24,726.4	24,869.2			
Fixed telephony accesses (1)	211.4	217.9	221.5	228.0	232.1			
Internet and data accesses	16.4	16.8	17.8	19.2	19.9			
Broadband	16.4	16.8	17.8	19.2	19.9			
Mobile accesses	23,576.1	23,766.6	24,085.2	24,479.1	24,617.1			
Prepay	10,556.7	10,548.6	10,658.4	10,761.2	10,766.1			
Contract	13,019.4	13,218.0	13,426.7	13,717.9	13,851.1			
M2M	2,038.0	2,096.1	2,116.2	2,192.0	2,201.1			
Wholesale Accesses (2)	-	-	-	-	-			
Total Accesses	23,803.9	24,001.3	24,324.5	24,726.4	24,869.2			

Notes:

(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.

MOBILE ACCESSES

Unaudited figures (thousands)

	2014				2015			
	March	June	September	December	March	June	September	December
Prepay percentage (%)	44.8%	44.4%	44.3%	44.0%	43.7%			
Contract percentage (%)	55.2%	55.6%	55.7%	56.0%	56.3%			
Smartphones ('000)	10,566.8	10,501.2	10,835.1	11,338.0	10,784.8			
Prepay	3,317.0	3,268.0	3,358.1	3,566.0	3,343.9			
Contract	7,249.8	7,233.2	7,477.1	7,772.0	7,440.9			
Smartphone penetration (%)	50.2%	49.6%	50.5%	52.1%	49.3%			
Prepay (%)	31.9%	31.5%	32.0%	33.6%	31.4%			
Contract (%)	67.9%	67.0%	68.2%	69.9%	66.4%			
LTE ('000)	1,096.6	2,198.7	2,995.9	4,121.8	4,906.0			
LTE penetration (%)	5.2%	10.4%	14.0%	19.0%	22.4%			

SELECTED OPERATING MOBILE BUSINESS DATA

Unaudited figures

	2014				2015			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Voice Traffic (Million minutes)	11,973	12,361	12,252	12,510	12,504			
Data traffic (TB)	15,978	20,550	24,199	27,524	30,928			
ARPU (EUR)	18.5	18.9	19.3	18.6	18.8			
Prepay	7.0	7.3	7.6	7.4	7.4			
Contract (1)	32.8	33.3	33.7	32.5	32.7			
Data ARPU (EUR)	10.6	10.9	11.1	10.7	10.9			
% non-SMS over data revenues	56.5%	58.0%	58.5%	58.7%	58.6%			
Churn	2.1%	1.8%	1.9%	1.8%	1.7%			
Contract (1)	1.1%	1.0%	1.0%	1.0%	1.0%			

	2014				2015			
	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Dec	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Dec
Voice Traffic (Million minutes)	11,973	24,334	36,587	49,096	12,504			
Data traffic (TB)	15,978	36,528	60,727	88,251	30,928			
ARPU (EUR)	18.5	18.7	18.9	18.8	18.8			
Prepay	7.0	7.2	7.3	7.3	7.4			
Contract (1)	32.8	33.0	33.3	33.1	32.7			
Data ARPU (EUR)	10.6	10.7	10.8	10.8	10.9			
% non-SMS over data revenues	56.5%	57.3%	57.7%	57.9%	58.6%			
Churn	2.1%	2.0%	1.9%	1.9%	1.7%			
Contract (1)	1.1%	1.0%	1.0%	1.0%	1.0%			

Notes:

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

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

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

(1) Excludes M2M.

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TELEFÓNICA
CONSOLIDATED INCOME STATEMENT
Unaudited figures (Euros in millions)

	January-March		
	2015	2014	%Var.
Revenues	11,543	10,627	8.6
Internal exp. capitalized in fixed assets	170	142	19.8
Operating expenses	(8,185)	(7,330)	11.7
Supplies	(3,058)	(2,808)	8.9
Personnel expenses	(1,634)	(1,496)	9.2
Other operating expenses	(3,493)	(3,026)	15.4
Other net income (expense)	30	49	(38.8)
Gain (loss) on sale of fixed assets	61	39	57.6
Impairment of goodwill and other assets	(1)	0	c.s.
Operating income before D&A (OIBDA)	3,618	3,527	2.6
OIBDA Margin	31.3%	33.2%	(1.8 p.p.)
Depreciation and amortization	(2,107)	(1,818)	15.9
Operating income (OI)	1,511	1,709	(11.6)
Share of profit (loss) of investments accounted for by the equity method	(3)	4	c.s.
Net financial income (expense)	(644)	(788)	(18.4)
Profit before taxes from continuing operations	864	925	(6.6)
Corporate income tax	(385)	(289)	33.4
Profit for the period from continuing operations	479	636	(24.7)
Profit for the period from discontinued operations	1,304	93	n.m.
Profit for the period	1,783	729	n.m.
Non-controlling interests	19	(37)	c.s.
Net Income	1,802	692	n.m.
Weighted average number of ordinary shares outstanding during the period (millions)	4,645	4,612	0.7
Continuing operations earnings per share (euros)	0.09	0.12	(23.1)
Discontinued operations earnings per share (euros)	0.28	0.02	n.m.
Basic earnings per share (euros)	0.38	0.14	n.m.

Notes:

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

- For the purposes of calculating the earnings per share ratios, the weighted average number of ordinary shares outstanding during the period has been obtained applying the IAS rule 33 "Earnings per share". Thereby, the weighted average of shares held as treasury stock have not been taken into account as outstanding shares. On the other hand, the denominator is retrospectively adjusted for transactions that have changed the number of shares outstanding without a corresponding change in equity (as if such transactions had occurred at the beginning of the earliest period presented). For instance, the bonus share issue carried out to meet the scrip dividends paid in 2014, has been taken into account. Also, the ordinary shares that would be issued upon the conversion of the mandatorily convertible notes issued on 24 September 2014 are included in the calculation of earnings per share from that date.

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

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

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

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

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

	January-March		
	2015	2014	%Var.
Revenues	3,665	3,436	6.7
Internal exp. capitalized in fixed assets	27	24	14.6
Operating expenses	(2,583)	(2,400)	7.6
Supplies	(1,030)	(1,006)	2.3
Personnel expenses	(418)	(374)	11.7
Other operating expenses	(1,135)	(1,019)	11.4
Other net income (expense)	17	16	10.9
Gain (loss) on sale of fixed assets	0	(1)	c.s.
Impairment of goodwill and other assets	-	0	c.s.
Operating income before D&A (OIBDA)	1,127	1,075	4.9
OIBDA Margin	30.8%	31.3%	(0.5 p.p.)
CapEx	622	605	2.8
Spectrum	139	187	(25.4)
OpCF (OIBDA-CapEx)	505	470	7.6

Notes:

- OIBDA and OI before management and brand fees.
- 2014 and 2015 reported figures include hyperinflationary adjustments in Venezuela.

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TELEFÓNICA VENEZUELA AND CENTRAL AMERICA (1)(2)

CONSOLIDATED INCOME STATEMENT

Unaudited figures (Euros in millions)

	January-March		
	2015	2014	%Var.
Revenues	426	645	(34.0)
Mobile service revenues	385	612	(37.0)
Data revenues (3)	142	211	(32.7)
Handset revenues	41	33	22.1
OIBDA	105	239	(55.9)
OIBDA margin	24.7%	37.0%	(12.3 p.p.)
CapEx	41	124	(66.8)
Spectrum (4)	-	79	n.m.
OpCF (OIBDA-CapEx)	64	115	(44.1)

Notes:

- OIBDA is presented before management and brand fees.

(1) The figures for Venezuela include adjustments for hyperinflation in both periods.

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

(3) Data revenues do not include hyperinflation adjustments.

(4) Spectrum payment corresponds to Panama.

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