

DISCLAIMER

The financial information related to 2016 contained in this document has been prepared under International Financial Reporting Standards (IFRS), as adopted by the European Union. This information is unaudited.

The following information has been revised:

- Telxius financials (Revenue, OIBDA and CapEx) will be reported in Other Companies & Eliminations in T. Group since 1 January 2017, reflecting the final integration of selected infrastructure assets from certain Telefónica Group segments (T. España, T. Deutschland, T. Brasil and T. Hispanoamérica) and Other Companies into Telxius, including mobile communications towers and international submarine fiber optic cable. In addition, 2017 reported figures for these segments will follow the same criteria. As a consequence, 2016 segment results have been revised to reflect the different dates of asset integration into Telxius, affecting T. España (since 1 January 2016), T. Deutschland (since 1 May 2016), T. Brasil (since 1 April 2016) and T. Hispanoamérica (T. Perú since 1 April 2016 and T. Chile since 1 May 2016). As a result, 2016 figures for Telxius, reported in Other Companies & Eliminations, reflect this calendar of asset integration. However, 2016 Telefónica Group consolidated figures are unaffected, as this is an intragroup change. The intragroup gains resulting from the sale of these infrastructure assets to Telxius are not included in the segments.

- In addition, since 1 January 2017, T. España will include the results of the data center business and the results of the companies T. Studios and T. Servicios Audiovisuales, which were before presented in Other Companies & Eliminations in Telefónica Group. Also since 1 January 2017, T. Chile will include the results of the data center business which were before presented in Other Companies & Eliminations of T. Group. For comparative purposes, the results of T. España and T. Hispanoamérica have been revised for the fiscal year 2016, accordingly. This change in the composition of the segments does not affect Telefónica Group consolidated results for 2016.

- T. Venezuela, T. Ecuador, T. Uruguay and T. Central America (including Guatemala, Panama, El Salvador, Nicaragua and Costa Rica) will be grouped as "Rest of countries of T. Hispanoamérica" since 1 January 2017 and thus operational KPIs are no longer provided separately for these countries. For comparative purposes, 2016 figures are reported using these same criteria.

- T. UK Mobile Service Revenues will include from 1 January 2017 revenues from MVNOs, which were previously accounted as "Handset Revenues and others"; this criteria is applied across Telefónica Group.

For comparative purposes, Mobile Services Revenues and Handset Revenues for 2016 are reported using these same criteria.

- Since 1 January 2016, Mobile Revenues and Fixed Revenues of T. Brasil, T. México, T. Argentina, T. Chile and "Rest of countries of T. Hispanoamérica" have been revised due to different allocation criteria. This change does not affect total revenue figure reported for 2016.

- Also since 1 January 2016, Mobile Data Revenues of T. Hispanoamérica and T. Brasil have been revised due to different allocation criteria between Mobile Data Revenues and Other Mobile Service Revenues. This change does not affect total Mobile Service Revenue figure reported for 2016.

- In T. Brasil "FTTx and cable" accesses have been revised since 1 January 2016 including cable accesses. This change also affects Telefónica Group "FTTx and cable" accesses.

- Finally in Telefónica Group P&L, "Net Income" has been renamed to "Profit for the Period attributable to equity holders of the Parent", which is located before the line "Profit for the period attributable to non-controlling interests" (previously named "Non-controlling interests").

New information will be included from the first quarter of 2017 and is also given for comparative purposes since January 2016.

- In T. Hispanoamérica:

i) Accesses: FTTx accesses (T. Argentina and T. Colombia), Wholesale accesses (T. México; since September 2016).

ii) Operational data (T. Argentina, T. Chile, T. Colombia, T. Perú and T. México): Contract percentage, Smartphones, Smartphone penetration, LTE and LTE penetration.

- In Other Companies & Eliminations of T. Group:

i) Telxius: Revenue, OIBDA and CapEx information provided since 1 January 2016.

The following information will be no longer provided in 2017, and has been eliminated in 2016 results:

- Mobile voice traffic.

- Quarterly data traffic.

- Quarterly ARPUs (except for Fusión).

- Prepay and contract smartphone accesses and penetration.

Changes in the perimeter of consolidation: Vocem (Other Companies & Eliminations) has been deconsolidated since 1 July 2016. Telefé (Other Companies & Eliminations) has been deconsolidated since 1 November 2016. T. Personalizadas (T. España) has been deconsolidated since 1 January 2017.

Since the second quarter of 2016 Telefónica's operations in the United Kingdom were no longer reported as discontinued operations within Telefónica Group and all its assets and liabilities ceased to be reported as "held for sale", and were reclassified back into full consolidation within Telefónica Group financial statements, in compliance with IFRS. For comparative purposes, Telefónica Group financial statements for the three-month period ended 31 March 2016 are reported using these same criteria.

TELEFÓNICA

ACCESSES

Unaudited figures (thousands)

	2016				2017			
	March	June	September	December	March	June	September	December
Final Clients Accesses	341,262.7	341,922.3	343,932.9	344,671.1				
Fixed telephony accesses (1)	39,606.5	39,262.1	38,914.0	38,280.1				
Internet and data accesses	21,507.7	21,641.4	21,738.4	21,652.1				
Broadband	21,097.2	21,195.9	21,266.5	21,194.9				
FTTx / Cable	7,933.6	8,378.1	8,704.0	9,137.6				
Mobile accesses	271,783.2	272,596.8	274,883.7	276,450.0				
Prepay	166,005.2	165,619.6	165,912.1	165,663.2				
Contract	105,778.0	106,977.2	108,971.6	110,786.8				
M2M	12,583.9	12,988.2	13,591.7	14,002.0				
Pay TV	8,365.4	8,422.0	8,396.7	8,289.0				
Wholesale Accesses	5,826.7	5,591.7	5,480.7	5,300.9				
Total Accesses	347,089.4	347,514.0	349,413.5	349,972.1				

Notes:

(1) Includes fixed wireless and VoIP accesses.

MOBILE ACCESSES

Unaudited figures (thousands)

	2016				2017			
	March	June	September	December	March	June	September	December
Contract percentage (%)	38.9%	39.2%	39.6%	40.1%				
Smartphones ('000)	128,326.0	130,058.4	144,588.9	147,161.8				
Smartphone penetration (%)	50.6%	51.1%	56.4%	57.1%				
LTE ('000)	43,870.2	50,077.3	57,342.4	66,295.7				
LTE penetration (%)	16.9%	19.3%	22.1%	25.3%				

TELEFÓNICA
CONSOLIDATED INCOME STATEMENT
Unaudited figures (Euros in millions)

	2016					2017				
	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec
Revenues	12,511	12,723	13,080	13,721	52,036					
Internal exp. capitalized in fixed assets	213	214	208	231	867					
Operating expenses	(8,943)	(9,067)	(9,181)	(10,852)	(38,043)					
Supplies	(3,675)	(3,748)	(3,685)	(4,134)	(15,242)					
Personnel expenses	(1,749)	(1,687)	(1,704)	(2,958)	(8,098)					
Other operating expenses	(3,519)	(3,632)	(3,791)	(3,760)	(14,703)					
Other net income (expense)	49	49	49	39	186					
Gain (loss) on sale of fixed assets	6	2	22	266	296					
Impairment of goodwill and other assets	1	(3)	(3)	(219)	(224)					
Underlying operating income before D&A (OIBDA)	3,859	3,965	4,232	4,464	16,519					
Operating income before D&A (OIBDA)	3,838	3,918	4,175	3,187	15,118					
OIBDA Margin	30.7%	30.8%	31.9%	23.2%	29.1%					
Depreciation and amortisation	(2,322)	(2,351)	(2,458)	(2,518)	(9,649)					
Operating income (OI)	1,516	1,567	1,718	669	5,469					
Share of profit (loss) of investments accounted for by the equity method	(3)	0	1	(2)	(5)					
Net financial income (expense)	(659)	(660)	(531)	(369)	(2,219)					
Profit before taxes	853	907	1,187	298	3,245					
Corporate income tax	(298)	(251)	(193)	(105)	(846)					
Profit for the period	555	656	995	193	2,399					
Attributable to equity holders of the Parent	548	693	983	145	2,369					
Attributable to non-controlling interests	7	(37)	11	49	30					
Weighted average number of ordinary shares outstanding during the period (millions)	5,073	5,053	5,052	5,053	5,061					
Basic and diluted earnings per share attributable to equity holders of the Parent (euros)	0.09	0.13	0.18	0.01	0.42					
Underlying basic and diluted earnings per share attributable to equity holders of the Parent (euros)	0.12	0.16	0.23	0.23	0.75					

Notes:

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

- The January-December 2016 consolidated financial statements also use DICOM (674 Venezuelan bolívares fuertes per dollar).

- 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 2016, 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 earnings per share from that date.

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

- 2016 reported figures include hyperinflationary adjustments in Venezuela.

- Vocem has been deconsolidated since 1 July 2016. Telefé has been deconsolidated since 1 November 2016.

TELEFÓNICA

REVENUES BREAKDOWN

Unaudited figures (Euros in millions)

	2016					2017				
	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec
T. ESPAÑA (1)	3,149	3,224	3,195	3,246	12,815					
T. DEUTSCHLAND (1)	1,858	1,834	1,876	1,936	7,503					
T. UK	1,752	1,712	1,676	1,721	6,861					
T. BRASIL (1)	2,431	2,654	2,950	3,055	11,090					
T. HISPANOAMÉRICA (1, 2)	3,054	2,961	3,129	3,435	12,579					
T. ARGENTINA	689	709	750	852	3,000					
T. CHILE (1)	511	523	537	590	2,163					
T. PERU (1)	624	620	619	635	2,499					
T. COLOMBIA	323	347	364	375	1,409					
T. MEXICO	409	337	316	347	1,410					
Rest of countries of T. HISPANOAMÉRICA (2, 3)	503	428	548	642	2,121					
Others and eliminations	(6)	(5)	(6)	(7)	(23)					
Other companies and eliminations (4)	267	339	255	328	1,189					
Telxius (1)	138	153	168	186	645					
TOTAL GROUP	12,511	12,723	13,080	13,721	52,036					

Notes:

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

(1) Since 1 January 2016, T. Spain reflects all the charges related to the tower transfer to Telxius, which are now presented in Telxius (Other Companies & Eliminations), and include the results of the data center business, of T. Studios and of T. Servicios Audiovisuales, which were before presented in Other Companies & Eliminations. Also since 1 January 2016, T. Chile includes the results of the data center business, which were before presented in Other Companies & Eliminations.

- Since 1 April 2016, T. Brasil and T. Peru reflect all the charges related to the tower transfer to Telxius, which are now presented in Telxius (Other Companies & Eliminations).

- Since 1 May 2016, T. Deutschland and T. Chile reflect all the charges related to the tower transfer to Telxius, which are now presented in Telxius (Other Companies & Eliminations).

(2) 2016 reported figures include hyperinflationary adjustments in Venezuela.

(3) Rest of T. Hispanoamérica includes: Venezuela, Ecuador, Uruguay and Central America (including Guatemala, Panama, El Salvador, Nicaragua and Costa Rica).

(4) Vocem has been deconsolidated since 1 July 2016. Telefé has been deconsolidated since 1 November 2016.

TELEFÓNICA

OIBDA BREAKDOWN

Unaudited figures (Euros in millions)

	2016					2017				
	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec
T. ESPAÑA (1)	1,250	1,302	1,354	496	4,403					
T. DEUTSCHLAND (1)	392	451	456	472	1,771					
T. UK	461	456	458	334	1,709					
T. BRASIL (1)	805	838	978	1,081	3,702					
T. HISPANOAMÉRICA (1, 2)	866	834	969	804	3,474					
T. ARGENTINA	149	165	211	272	797					
T. CHILE (1)	176	168	181	180	704					
T. PERU (1)	187	202	215	175	779					
T. COLOMBIA	107	108	123	126	464					
T. MEXICO	106	62	81	60	309					
Rest of countries of T. HISPANOAMÉRICA (2, 3)	140	117	159	207	623					
Others and eliminations	0	12	0	(215)	(203)					
Other companies and eliminations (4)	63	36	(40)	0	59					
Telxius (1)	27	74	75	90	266					
TOTAL GROUP	3,838	3,918	4,175	3,187	15,118					

Notes:

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

- OIBDA figures exclude management and brand fees.

(1) Since 1 January 2016, T. Spain reflects all the charges related to the tower transfer to Telxius, which are now presented in Telxius (Other Companies & Eliminations), and include the results of the data center business, of T. Studios and of T. Servicios Audiovisuales, which were before presented in Other Companies & Eliminations. Also since 1 January 2016, T. Chile includes the results of the data center business, which were before presented in Other Companies & Eliminations.

- Since 1 April 2016, T. Brasil and T. Peru reflect all the charges related to the tower transfer to Telxius, which are now presented in Telxius (Other Companies & Eliminations).

- Since 1 May 2016, T. Deutschland and T. Chile reflect all the charges related to the tower transfer to Telxius, which are now presented in Telxius (Other Companies & Eliminations).

(2) 2016 reported figures include hyperinflationary adjustments in Venezuela.

(3) Rest of T. Hispanoamérica includes: Venezuela, Ecuador, Uruguay and Central America (including Guatemala, Panama, El Salvador, Nicaragua and Costa Rica).

(4) Vocem has been deconsolidated since 1 July 2016. Telefé has been deconsolidated since 1 November 2016.

TELEFÓNICA

CAPEX BREAKDOWN

Unaudited figures (Euros in millions)

	2016					2017				
	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec
T. ESPAÑA (1)	431	463	395	563	1,852					
T. DEUTSCHLAND (1)	220	213	315	360	1,107					
T. UK	192	223	238	278	931					
T. BRASIL (1)	348	444	577	768	2,137					
T. HISPANOAMÉRICA (1, 2)	461	557	782	815	2,615					
T. ARGENTINA	159	152	136	130	577					
T. CHILE (1)	116	102	70	121	409					
T. PERU (1)	55	94	361	207	717					
T. COLOMBIA	33	83	98	116	330					
T. MEXICO	42	54	34	88	219					
Rest of countries of T. HISPANOAMÉRICA (2, 3)	57	71	83	152	363					
Other companies and eliminations (4)	43	58	54	130	286					
Telxius (1)	20	24	20	55	119					
TOTAL GROUP	1,695	1,959	2,362	2,912	8,928					
Spectrum	2	8	331	5	345					

Notes:

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

(1) Since 1 January 2016, T. Spain reflects all the charges related to the tower transfer to Telxius, which are now presented in Telxius (Other Companies & Eliminations), and include the results of the data center business, of T. Studios and of T. Servicios Audiovisuales, which were before presented in Other Companies & Eliminations. Also since 1 January 2016, T. Chile includes the results of the data center business, which were before presented in Other Companies & Eliminations.

- Since 1 April 2016, T. Brasil and T. Peru reflect all the charges related to the tower transfer to Telxius, which are now presented in Telxius (Other Companies & Eliminations).

- Since 1 May 2016, T. Deutschland and T. Chile reflect all the charges related to the tower transfer to Telxius, which are now presented in Telxius (Other Companies & Eliminations).

(2) 2016 reported figures include hyperinflationary adjustments in Venezuela.

(3) Rest of T. Hispanoamérica includes: Venezuela, Ecuador, Uruguay and Central America (including Guatemala, Panama, El Salvador, Nicaragua and Costa Rica).

(4) Vocem has been deconsolidated since 1 July 2016. Telefé has been deconsolidated since 1 November 2016.

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

	2016					2017				
	Jan - Mar	Apr - Jun	Jul- Sep	Oct - Dec	Jan - Dec	Jan - Mar	Apr - Jun	Jul- Sep	Oct - Dec	Jan - Dec
Revenues	3,149	3,224	3,195	3,246	12,815					
Mobile handset revenues	117	121	117	142	497					
Revenues ex-mobile handset revenues	3,033	3,103	3,078	3,104	12,318					
Consumer (1)	1,626	1,636	1,644	1,631	6,536					
Fusión	979	1,015	1,049	1,053	4,096					
Non-Fusión	647	621	595	578	2,440					
Business	839	881	835	889	3,445					
Communications	681	694	668	678	2,721					
IT	159	187	167	211	724					
Other (2)	568	586	600	584	2,337					
Internal expenditure capitalized in fixed assets	87	82	74	81	324					
Operating expenses	(1,994)	(2,003)	(1,950)	(2,865)	(8,813)					
Supplies	(788)	(877)	(833)	(909)	(3,406)					
Personnel expenses	(600)	(531)	(529)	(1,363)	(3,022)					
Other operating expenses	(606)	(596)	(589)	(594)	(2,384)					
Other net income (expense)	5	(7)	0	(28)	(30)					
Gain (loss) on sale of fixed assets	4	6	37	64	111					
Impairment of goodwill and other assets	(1)	(1)	(1)	(2)	(4)					
Operating income before D&A (OIBDA)	1,250	1,302	1,354	496	4,403					
OIBDA Margin	39.7%	40.4%	42.4%	15.3%	34.4%					
CapEx	431	463	395	563	1,852					
Spectrum	-	7	-	-	7					
OpCF (OIBDA-CapEx)	820	839	958	(66)	2,551					

Notes:

- Since 1 January 2016, T. Spain reflects all the charges related to the tower transfer to Telxius, which are now presented in Telxius (Other Companies & Eliminations), and includes the results of the data center business, of T. Studios and of T. Servicios Audiovisuales, which were before presented in Other Companies & Eliminations.

- OIBDA before management and brand fees.

(1) Consumer revenues include residential and SOHO revenues.

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

TELEFÓNICA ESPAÑA
ACCESSES
Unaudited figures (Thousands)

	2016				2017			
	March	June	September	December	March	June	September	December
Final Clients Accesses	36,791.3	36,765.2	36,769.8	36,709.4				
Fixed telephony accesses (1)	9,910.6	9,854.2	9,783.7	9,720.2				
Internet and data accesses	6,012.8	6,061.6	6,076.6	6,094.5				
Broadband	5,978.6	6,030.2	6,045.3	6,067.3				
Fibre	2,458.3	2,675.7	2,830.7	2,998.3				
Mobile accesses	17,140.1	17,094.4	17,198.2	17,237.7				
Prepay	2,675.7	2,579.7	2,466.1	2,329.3				
Contract	14,464.5	14,514.7	14,732.1	14,908.4				
M2M	1,827.2	1,890.5	1,968.8	2,006.3				
Pay TV	3,727.8	3,755.0	3,711.4	3,657.0				
Wholesale Accesses	4,866.9	4,693.3	4,589.3	4,525.5				
Fibre	176.6	210.3	259.7	324.9				
Total Accesses	41,658.2	41,458.6	41,359.2	41,234.9				

(1) Includes fixed wireless and VoIP accesses.

CONSUMER ACCESSES (Fusión + non-Fusión)
Unaudited figures (thousands)

	2016				2017			
	March	June	September	December	March	June	September	December
Fixed telephony accesses	7,428.5	7,382.1	7,319.0	7,260.4				
Internet and data accesses	5,145.4	5,186.4	5,195.5	5,207.8				
Mobile accesses	11,759.7	11,676.5	11,691.5	11,732.3				
Prepay	2,675.7	2,579.7	2,466.1	2,329.3				
Contract	9,084.0	9,096.8	9,225.4	9,403.0				
Pay TV	3,727.8	3,755.0	3,711.4	3,657.0				
Total Consumer Accesses	28,061.4	28,000.0	27,917.4	27,857.6				

TOTAL MOBILE ACCESSES
Unaudited figures (thousands)

	2016				2017			
	March	June	September	December	March	June	September	December
Contract percentage (%)	84.4%	84.9%	85.7%	86.5%				
Smartphones ('000)	10,200.2	10,295.8	10,500.3	10,715.8				
Smartphone penetration (%)	67.2%	68.3%	69.5%	70.9%				
LTE ('000)	4,520.7	5,050.0	5,444.0	6,073.0				
LTE penetration (%)	29.5%	33.2%	35.7%	39.9%				

CONSUMER FUSIÓN
Unaudited figures (thousands)

	2016				2017			
	March	June	September	December	March	June	September	December
Fusión Customers	4,209.1	4,268.8	4,286.1	4,333.2				
Fibre 100/300	1,267.4	1,345.9	1,491.0	1,593.5				
IPTV/ Satellite	2,768.6	2,873.6	2,914.9	2,943.1				
Mobile add-ons	2,023.3	2,084.1	2,302.7	2,542.0				

CONSUMER FUSIÓN
Unaudited figures

	2016				2017			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Fusión ARPU (EUR)	78.2	79.8	81.8	81.6				
Fusión churn	1.3%	1.1%	1.3%	1.4%				
	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dic	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dic
Fusión ARPU (EUR)	78.2	79.0	79.9	80.4				
Fusión churn	1.3%	1.2%	1.2%	1.3%				

SELECTED OPERATIONAL DATA
Unaudited figures

	2016				2017			
	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec
Fixed data traffic (TB)	1,291,860	2,610,901	3,991,793	5,479,375				
Mobile data traffic (TB)	42,129	86,712	148,338	210,765				

Notes:

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

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

	2016					2017				
	Jan - Mar	Apr - Jun	Jul- Sep	Oct - Dec	Jan - Dec	Jan - Mar	Apr - Jun	Jul- Sep	Oct - Dec	Jan - Dec
Revenues	1,858	1,834	1,876	1,936	7,503					
Mobile Business	1,603	1,584	1,621	1,690	6,498					
Mobile service revenues	1,336	1,358	1,394	1,349	5,437					
Data revenues	729	749	767	746	2,992					
Handset revenues	267	226	227	341	1,061					
Fixed Business	253	245	245	238	981					
FBB and new services revenues (1)	192	187	187	182	748					
Voice & access revenues	61	58	59	56	233					
Internal expenditure capitalized in fixed assets	25	26	28	25	104					
Operating expenses	(1,483)	(1,439)	(1,439)	(1,497)	(5,859)					
Supplies	(629)	(578)	(572)	(674)	(2,452)					
Personnel expenses	(173)	(160)	(155)	(157)	(646)					
Other operating expenses	(681)	(701)	(712)	(666)	(2,761)					
Other net income (expense)	(7)	30	(9)	9	23					
Gain (loss) on sale of fixed assets	-	-	(0)	(0)	(0)					
Impairment of goodwill and other assets	-	1	2	3	4					
Operating income before D&A (OIBDA)	392	451	456	472	1,771					
OIBDA Margin	21.1%	24.6%	24.3%	24.4%	23.6%					
CapEx	220	213	315	360	1,107					
Spectrum	2	1	2	1	6					
OpCF (OIBDA-CapEx)	173	238	141	112	664					

Note:

- Since 1 May 2016, T. Deutschland relects all the charges related to the tower transfer to Telxius, which are now presented in Telxius (Other Companies & Eliminations)

- OIBDA before management and brand fees.

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

TELEFÓNICA DEUTSCHLAND
ACCESSES
Unaudited figures (Thousands)

	2016				2017			
	March	June	September	December	March	June	September	December
Final Clients Accesses	47,341.7	47,754.9	48,404.8	48,655.5				
Fixed telephony accesses (1)	2,002.8	2,007.4	2,006.5	2,010.3				
Internet and data accesses	2,330.9	2,329.8	2,324.8	2,324.5				
Broadband	2,101.5	2,103.9	2,101.6	2,104.0				
VDSL	593.0	669.3	731.8	805.5				
Mobile accesses	43,008.0	43,417.8	44,073.5	44,320.7				
Prepay	23,743.5	23,814.2	23,872.8	23,784.0				
Contract	19,264.4	19,603.6	20,200.7	20,536.6				
M2M	682.2	704.3	748.0	787.8				
Wholesale Accesses	910.5	850.1	790.8	691.0				
Total Accesses	48,252.2	48,605.0	49,195.6	49,346.4				

(1) Includes fixed wireless and VoIP accesses.

SELECTED OPERATIONAL DATA
Unaudited figures

	2016				2017			
	March	June	September	December	March	June	September	December
Contract percentage (%)	44.8%	45.2%	45.8%	46.3%				
Smartphones ('000)	23,083.0	23,707.1	25,353.5	25,623.1				
Smartphone penetration (%)	55.4%	56.2%	59.2%	59.5%				
LTE ('000)	8,690.5	9,399.8	10,566.3	12,063.1				
LTE penetration (%)	20.5%	22.0%	24.4%	27.7%				
Mobile churn (quarterly)	2.5%	2.1%	2.1%	2.3%				
Contract (1)	1.8%	1.6%	1.5%	1.6%				
Mobile churn (cumulative YTD)	2.5%	2.3%	2.2%	2.3%				
Contract (1)	1.8%	1.7%	1.5%	1.6%				
Mobile ARPU (EUR) (cumulative YTD)	10.3	10.3	10.4	10.3				
Prepay	5.7	5.7	5.8	5.7				
Contract (1)	16.6	16.6	16.6	16.5				
Fixed data traffic (TB) (cumulative YTD)	612,603	1,216,470	1,811,886	2,518,545				
Mobile data traffic (TB) (cumulative YTD)	51,599	113,324	187,685	269,326				

Notes:

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

- Data traffic is defined as Terabytes used by the company's 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 UK
CONSOLIDATED INCOME STATEMENT
Unaudited figures (Euros in millions)

	2016					2017				
	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec
Revenues	1,752	1,712	1,676	1,721	6,861					
Mobile service revenues (1)	1,384	1,376	1,325	1,278	5,363					
Data revenues	787	790	779	738	3,094					
Handset revenues and other (1)	367	336	351	443	1,497					
Internal expenditure capitalized in fixed assets	34	36	37	34	141					
Operating expenses	(1,317)	(1,285)	(1,253)	(1,421)	(5,276)					
Supplies	(806)	(787)	(774)	(858)	(3,226)					
Personnel expenses	(132)	(135)	(116)	(145)	(528)					
Other operating expenses	(379)	(362)	(363)	(418)	(1,522)					
Other net income (expense)	(8)	(4)	(1)	(2)	(16)					
Gain (loss) on sale of fixed assets	0	(2)	0	1	(1)					
Impairment of goodwill and other assets										
Operating income before D&A (OIBDA)	461	456	458	334	1,709					
OIBDA Margin	26.3%	26.6%	27.3%	19.4%	24.9%					
CapEx	192	223	238	278	931					
Spectrum	-	-	-	-	-					
OpCF (OIBDA-CapEx)	269	233	219	56	778					

Notes:

- OIBDA before management and brand fees.

(1) T. UK Mobile Service Revenues include revenues from MVNOs since 1 January 2017, which were previously accounted as "Handset Revenues and others"; these criteria are applied across Telefónica Group. For comparative purposes, Mobile Service Revenues and Handset Revenues for 2016 are reported using the same criteria.

TELEFÓNICA UK

ACCESSES

Unaudited figures (Thousands)

	2016				2017			
	March	June	September	December	March	June	September	December
Fixed telephony accesses (1)	249.8	257.7	264.7	272.6				
Internet and data accesses	21.5	22.3	23.1	23.7				
Broadband	21.5	22.3	23.1	23.7				
Mobile accesses	24,933.0	25,172.5	25,404.2	25,462.7				
Prepay (2)	9,640.1	9,745.8	9,778.0	9,701.4				
Contract	15,292.8	15,426.7	15,626.2	15,761.3				
M2M (3)	3,143.4	3,176.8	3,250.9	3,266.9				
Total Accesses	25,204.2	25,452.6	25,692.0	25,759.0				

(1) Includes fixed wireless and VoIP accesses.

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

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

SELECTED OPERATIONAL DATA

Unaudited figures

	2016				2017			
	March	June	September	December	March	June	September	December
Contract percentage (%)	61.3%	61.3%	61.5%	61.9%				
Smartphones ('000)	13,267.7	13,301.8	14,130.8	14,680.8				
Smartphone penetration (%)	62.8%	62.4%	65.9%	68.4%				
LTE ('000) (1)	9,460.3	10,783.4	11,530.3	12,092.4				
LTE penetration (%)	43.4%	49.0%	52.0%	54.5%				
Mobile churn (quarterly)	2.0%	1.5%	1.8%	2.1%				
Contract (2)	0.9%	0.8%	0.9%	1.0%				
Mobile churn (cumulative YTD)	2.0%	1.8%	1.8%	1.9%				
Contract (2)	0.9%	0.9%	0.9%	0.9%				
Mobile ARPU (EUR) (cumulative YTD)	17.9	17.7	17.3	17.0				
Prepay	7.8	7.7	7.5	7.5				
Contract (2)	30.1	29.9	29.3	28.8				
Mobile data traffic (TB) (cumulative YTD)	49,648	105,368	170,977	244,957				

Notes:

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

- 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) giffgaff accesses included since 1 January 2017, and also given for comparative purposes since January 2016.

(2) Excludes M2M.

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

	2016					2017				
	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec
Revenues	2,431	2,654	2,950	3,055	11,090					
Mobile Business	1,448	1,589	1,775	1,851	6,663					
Mobile service revenues	1,378	1,511	1,690	1,772	6,351					
Data revenues	725	856	991	1,096	3,667					
Handset revenues	70	78	85	79	312					
Fixed Business	983	1,065	1,175	1,205	4,428					
FBB and new services revenues (1)	356	401	465	473	1,695					
Pay TV revenues	111	122	135	137	504					
Voice & access revenues	516	543	575	595	2,229					
Internal exp. capitalized in fixed assets	25	27	29	32	114					
Operating expenses	(1,656)	(1,819)	(1,998)	(2,031)	(7,504)					
Supplies	(524)	(538)	(594)	(603)	(2,260)					
Personnel expenses	(249)	(290)	(302)	(325)	(1,165)					
Other operating expenses	(883)	(991)	(1,102)	(1,102)	(4,079)					
Other net income (expense)	2	(21)	(3)	24	2					
Gain (loss) on sale of fixed assets	1	0	0	(2)	(1)					
Impairment of goodwill and other assets	2	(2)	(1)	3	1					
Operating income before D&A (OIBDA)	805	838	978	1,081	3,702					
OIBDA Margin	33.1%	31.6%	33.2%	35.4%	33.4%					
CapEx	348	444	577	768	2,137					
Spectrum	-	-	47	1	48					
OpCF (OIBDA-CapEx)	457	394	402	313	1,566					

Notes:

- Since 1 April 2016, T. Brasil reflects all the charges related to the tower transfer to Telxius, which are now presented in Telxius (Other Companies & Eliminations)

- OIBDA before management and brand fees.

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

TELEFÓNICA BRASIL

ACCESSES

Unaudited figures (thousands)

	2016				2017			
	March	June	September	December	March	June	September	December
Final Clients Accesses	97,283.7	97,121.4	97,276.6	97,204.2				
Fixed telephony accesses (1)	14,945.4	14,742.1	14,629.9	14,338.4				
Internet and data accesses	7,294.2	7,321.8	7,397.5	7,383.2				
Broadband	7,229.2	7,263.5	7,325.3	7,311.0				
FTTx/cable	3,954.5	4,023.2	4,115.4	4,145.8				
Mobile accesses	73,257.4	73,296.1	73,486.9	73,769.8				
Prepay	42,011.5	41,669.4	40,995.6	40,387.2				
Contract	31,245.8	31,626.7	32,491.3	33,382.6				
M2M	4,390.0	4,590.3	4,770.4	5,005.1				
Pay TV	1,786.7	1,761.4	1,762.2	1,712.7				
Wholesale Accesses	21.0	20.7	18.7	17.9				
Total Accesses	97,304.7	97,142.1	97,295.4	97,222.2				
Terra Accesses	141.5	133.8	125.4	118.2				

(1) Includes fixed wireless and VoIP accesses.

SELECTED OPERATIONAL DATA

Unaudited figures

	2016				2017			
	March	June	September	December	March	June	September	December
Contract percentage (%)	42.7%	43.1%	44.2%	45.3%				
Smartphones ('000)	40,327.0	39,670.8	49,573.1	50,008.2				
Smartphone penetration (%)	61.0%	60.0%	74.8%	75.2%				
LTE ('000)	12,498.3	15,115.2	18,295.7	22,240.9				
LTE penetration (%)	18.1%	22.0%	26.6%	32.3%				
Mobile churn (quarterly)	3.3%	3.1%	3.4%	3.5%				
Contract (1)	1.8%	1.9%	1.8%	1.7%				
Mobile churn (cumulative YTD)	3.3%	3.2%	3.3%	3.4%				
Contract (1)	1.8%	1.8%	1.8%	1.8%				
Mobile ARPU (EUR) (cumulative YTD)	6.1	6.4	6.8	7.1				
Prepay	3.2	3.3	3.5	3.4				
Contract (1)	11.5	12.1	12.9	12.9				
Mobile data traffic (TB) (cumulative YTD)	79,146	164,803	265,603	379,541				
Fixed telephony ARPU (EUR) (cumulative YTD)	11.3	11.7	12.2	12.3				
Pay TV ARPU (EUR) (cumulative YTD)	20.6	21.6	23.0	23.8				
Broadband ARPU (EUR) (cumulative YTD)	10.3	10.8	11.3	11.7				
Fixed data traffic (TB) (cumulative YTD)	2,485,715	5,215,363	8,031,104	11,164,483				

Notes:

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

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

(1) Excludes M2M.

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

	2016					2017				
	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec
Revenues	3,054	2,961	3,129	3,435	12,579					
Mobile Business	2,101	1,969	2,132	2,378	8,580					
Mobile service revenues	1,877	1,760	1,915	2,074	7,627					
Data revenues	920	876	925	1,000	3,721					
Handset revenues	224	209	216	304	953					
Fixed Business	952	991	998	1,057	3,999					
FBB and new services revenues (1)	476	518	517	559	2,070					
Pay TV revenues	144	149	156	161	610					
Voice & access revenues	333	324	325	337	1,319					
Internal exp. capitalized in fixed assets	27	28	29	42	126					
Operating expenses	(2,237)	(2,172)	(2,223)	(2,505)	(9,137)					
Supplies	(916)	(897)	(910)	(995)	(3,718)					
Personnel expenses	(380)	(365)	(360)	(482)	(1,587)					
Other operating expenses	(940)	(911)	(953)	(1,028)	(3,832)					
Other net income (expense)	21	18	36	28	104					
Gain (loss) on sale of fixed assets	-	(1)	(2)	20	18					
Impairment of goodwill and other assets (2)	-	-	-	(215)	(215)					
Operating income before D&A (OIBDA)	866	834	969	804	3,474					
OIBDA Margin	28.4%	28.2%	31.0%	23.4%	27.6%					
CapEx	461	557	782	815	2,615					
Spectrum	-	-	282	2	284					
OpCF (OIBDA-CapEx)	404	277	187	(10)	859					

Notes:

- T. Hispanoamérica results reflects all the charges related to the tower transfer to Telxius (T. Peru since 1 April 2016 and T. Chile since 1 May 2016), which are now presented in Telxius (Other Companies & Eliminations of T. Group), and also since 1 January 2017, includes the results of the data center business in T. Chile which were before presented in Other Companies & Eliminations of T. Group (for comparative purposes, the results of T. Hispanoamérica have been revised for the fiscal year 2016, accordingly).

- Since 1 January 2016 Mobile Revenues and Fixed revenues have been revised due to different allocation criteria. This change does not affect total revenue figure reported for 2016.

- Also since 1 January 2016 Mobile Data Revenues have been revised due to different allocation criteria between Mobile Data revenues and Other Mobile Service revenues. This change does not affect total Mobile Service Revenue figure reported for 2016.

- After considering Venezuela as an hyperinflationary country, the P&L and CapEx for Telefónica's operations in the country are to be converted at the closing exchange rate Bolivar Fuerte/Euro. The January-December 2016 consolidated financial statements use the exchange rate of the Venezuelan bolivar set at the denominated DICOM (674 Venezuelan bolivars fuertes per dollar).

- OIBDA before management and brand fees.

- 2016 reported figures include the hyperinflationary adjustments in Venezuela.

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

(2) Includes goodwill impairments of 91 million euros in Mexico and 124 million euros in Venezuela in October-December 2016.

TELEFÓNICA HISPANOAMÉRICA
ACCESSES

Unaudited figures (thousands)

	2016				2017			
	March	June	September	December	March	June	September	December
Final Clients Accesses	134,274.3	134,422.4	135,343.0	135,850.3				
Fixed telephony accesses (1)	12,497.9	12,400.6	12,229.2	11,938.6				
Internet and data accesses	5,706.8	5,772.1	5,791.0	5,707.9				
Broadband	5,624.8	5,642.2	5,645.8	5,570.7				
FTTx/cable	835.4	923.8	946.2	1,109.1				
Mobile accesses	113,218.7	113,344.0	114,399.7	115,284.5				
Prepay	87,934.3	87,810.5	88,799.5	89,461.2				
Contract (2)	25,284.4	25,533.6	25,600.2	25,823.3				
M2M	2,315.1	2,354.3	2,532.4	2,561.3				
Pay TV	2,850.9	2,905.6	2,923.1	2,919.2				
Wholesale Accesses	28.2	27.5	81.8	66.5				
Total Accesses	134,302.5	134,449.9	135,424.8	135,916.8				

(1) Includes fixed wireless and VoIP accesses.

(2) Since September 16, 55 thousand wholesale accesses have been reclassified from Mobile contract to Wholesale accesses in Mexico.

MOBILE ACCESSES

Unaudited figures

	2016				2017			
	March	June	September	December	March	June	September	December
Contract percentage (%)	22.3%	22.5%	22.4%	22.4%				
Smartphones ('000)	41,448.0	43,082.8	45,031.3	46,134.0				
Smartphone penetration (%)	37.8%	39.3%	40.7%	41.3%				
LTE ('000)	9,859.6	11,023.3	12,998.2	15,493.4				
LTE penetration (%)	8.9%	9.9%	11.9%	13.8%				

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

	2016					2017				
	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec
Revenues	689	709	750	852	3,000					
Mobile Business	424	426	465	552	1,867					
Mobile service revenues	374	377	410	466	1,628					
Data revenues	186	196	226	253	861					
Handset revenues	50	50	55	85	239					
Fixed Business	265	283	285	300	1,133					
FBB and new services revenues (1)	169	179	178	187	714					
Voice & access revenues	96	104	107	113	419					
OIBDA	149	165	211	272	797					
OIBDA margin	21.6%	23.3%	28.1%	32.0%	26.6%					
CapEx	159	152	136	130	577					
Spectrum	-	-	-	-	-					
OpCF (OIBDA-CapEx)	(10)	13	75	142	220					

Note:

- Since 1 January 2016 Mobile Revenues and Fixed Revenues have been revised due to different allocation criteria. This change does not affect total revenue figure reported for 2016.
- Also since 1 January 2016 Mobile Data Revenues have been revised due to different allocation criteria between Mobile Data revenues and Other Mobile Service revenues. This change does not affect total Mobile Service Revenue figure reported for 2016.
- OIBDA is presented before management and brand fees.
- (1) Includes broadband connectivity services (retail and wholesale), including value-added services, data and ICT revenues, other services over connectivity and FBB equipment.

TELEFÓNICA ARGENTINA
ACCESSES

Unaudited figures (Thousands)

	2016				2017			
	March	June	September	December	March	June	September	December
Final Clients Accesses	26,430.8	26,242.8	26,755.4	27,096.0				
Fixed telephony accesses (1)	4,599.7	4,550.5	4,503.3	4,447.7				
Fixed wireless	276.0	256.2	243.5	237.2				
Internet and data accesses	1,911.8	1,910.9	1,907.7	1,882.9				
Broadband	1,880.6	1,878.5	1,875.6	1,851.5				
FTTx/cable	9.1	9.8	13.8	35.1				
Mobile accesses	19,919.2	19,781.5	20,344.4	20,765.4				
Prepay	12,989.8	12,851.6	13,258.6	13,579.8				
Contract	6,929.4	6,929.9	7,085.8	7,185.6				
M2M	439.2	428.3	501.3	521.3				
Wholesale Accesses	22.4	21.8	21.3	21.1				
Total Accesses	26,453.2	26,264.7	26,776.7	27,117.1				

(1) Includes fixed wireless and VoIP accesses.

SELECTED OPERATIONAL DATA

Unaudited figures

	2016				2017			
	March	June	September	December	March	June	September	December
Contract percentage (%)	34.8%	35.0%	34.8%	34.6%				
Smartphones ('000)	7,700.6	8,328.3	9,286.3	8,953.5				
Smartphone penetration (%)	39.8%	43.4%	47.1%	44.5%				
LTE ('000)	2,213.3	2,462.0	3,130.3	3,744.8				
LTE penetration (%)	11.4%	12.7%	15.8%	18.5%				
Mobile churn (quarterly)	3.3%	3.1%	2.7%	2.7%				
Contract (2)	1.2%	1.4%	0.8%	1.3%				
Mobile churn (cumulative YTD)	3.3%	3.2%	3.1%	3.0%				
Contract (1)	1.2%	1.3%	1.1%	1.1%				
Mobile ARPU (EUR) (cumulative YTD)	6.5	6.6	6.6	7.1				
Prepay	1.9	2.0	1.9	1.9				
Contract (1)	16.2	16.2	16.1	15.7				
Mobile data traffic (TB) (cumulative YTD)	23,517	51,940	87,337	126,846				
Fixed telephony ARPU (EUR) (cumulative YTD)	6.6	7.1	9.2	8.5				
Broadband ARPU (EUR) (cumulative YTD)	17.6	18.1	22.0	18.4				
Fixed data traffic (TB) (cumulative YTD) (1)	203,887	449,311	723,644	1,011,610				

Notes:

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

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

(1) Includes solely traffic related with FBB accesses, not Business customers.

(2) Excludes M2M.

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

	2016					2017				
	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec
Revenues	511	523	537	590	2,163					
Mobile Business	298	296	309	333	1,236					
Mobile service revenues	268	267	276	291	1,102					
Data revenues	130	133	140	147	550					
Handset revenues	30	29	33	42	135					
Fixed Business	213	227	229	257	926					
FBB and new services revenues (1)	96	107	109	127	439					
Pay TV revenues	55	58	59	61	233					
Voice & access revenues	62	62	61	68	254					
OIBDA	176	168	181	180	704					
OIBDA margin	34.4%	32.0%	33.6%	30.4%	32.5%					
CapEx	116	102	70	121	409					
Spectrum	-	-	-	-	-					
OpCF (OIBDA-CapEx)	60	66	110	59	295					

Notes:

- Since 1 May 2016, T. Chile reflects all the charges related to the tower transfer to Telxius, which are now presented in Telxius (Other Companies & Eliminations of T. Group), and also since 1 January 2017, includes the results of the data center business which were before presented in Other Companies & Eliminations of T. Group (for comparative purposes, the results of T. Chile have been revised for the fiscal year 2016, accordingly).

- Since 1 January 2016 Mobile Revenues and Fixed revenues have been revised due to different allocation criteria. This change does not affect total revenue figure reported for 2016.

- Also since 1 January 2016 Mobile Data Revenues have been revised due to different allocation criteria between Mobile Data revenues and Other Mobile Service revenues. This change does not affect total Mobile Service Revenue figure reported for 2016.

- OIBDA is presented before management and brand fees.

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

TELEFÓNICA CHILE

ACCESSES

Unaudited figures (Thousands)

	2016				2017			
	March	June	September	December	March	June	September	December
Final Clients Accesses	12,741.5	12,481.1	12,430.0	12,301.3				
Fixed telephony accesses (1)	1,459.0	1,438.4	1,422.8	1,406.5				
Internet and data accesses	1,109.1	1,150.8	1,146.2	1,140.5				
Broadband	1,098.4	1,093.3	1,096.7	1,090.3				
FTTx	268.9	290.2	312.2	324.3				
Mobile accesses	9,527.9	9,235.1	9,199.8	9,093.9				
Prepay	6,524.9	6,150.1	6,070.5	5,956.0				
Contract	3,002.9	3,085.0	3,129.2	3,137.9				
M2M	331.2	354.8	378.0	369.4				
Pay TV	645.6	656.8	661.3	660.5				
Wholesale Accesses	5.2	5.1	5.1	5.1				
Total Accesses	12,746.7	12,486.2	12,435.2	12,306.5				

(1) Includes fixed wireless and VoIP accesses.

SELECTED OPERATIONAL DATA

Unaudited figures

	2016				2017			
	March	June	September	December	March	June	September	December
Contract percentage (%)	31.5%	33.4%	34.0%	34.5%				
Smartphones ('000)	2,957	2,864	2,883	2,902				
Smartphone penetration (%)	32.9%	33.0%	33.5%	34.2%				
LTE ('000)	1,180	1,341	1,583	1,744				
LTE penetration (%)	12.8%	15.1%	17.9%	20.0%				
Mobile churn (quarterly)	3.6%	3.7%	3.2%	3.6%				
Contract (1)	2.0%	2.1%	2.2%	2.4%				
Mobile churn (cumulative YTD)	3.6%	3.7%	3.5%	3.6%				
Contract (1)	2.0%	2.1%	2.3%	2.4%				
Mobile ARPU (EUR) (cumulative YTD)	8.9	9.0	9.1	9.5				
Prepay	3.0	3.0	2.9	2.6				
Contract (1)	24.7	24.8	24.9	23.9				
Mobile data traffic (TB) (cumulative YTD)	27,449	55,131	90,932	131,081				
Fixed telephony ARPU (EUR) (cumulative YTD)	13.1	13.3	14.8	14.5				
Pay TV ARPU (EUR) (cumulative YTD)	24.4	24.6	24.8	25.2				
Broadband ARPU (EUR) (cumulative YTD)	16.2	16.6	18.0	17.5				
Fixed data traffic (TB) (cumulative YTD)	321,246	665,841	1,050,624	1,490,584				

Notes:

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

- Data traffic is defined as Terabytes used by the company's 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 PERÚ
SELECTED FINANCIAL DATA
Unaudited figures (Euros in millions)

	2016					2017				
	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec
Revenues	624	620	619	635	2,499					
Mobile Business	351	338	340	344	1,373					
Mobile service revenues (1)	313	299	300	294	1,206					
Data revenues	161	164	158	155	638					
Handset revenues	38	38	41	50	167					
Fixed Business	273	283	279	291	1,126					
FBB and new services revenues (2)	133	145	138	151	568					
Pay TV revenues	69	71	73	75	288					
Voice & access revenues	71	67	68	65	271					
OIBDA	187	202	215	175	779					
OIBDA margin	30.0%	32.6%	34.7%	27.5%	31.2%					
CapEx	55	94	361	207	717					
Spectrum	-	-	282	2	284					
OpCF (OIBDA-CapEx)	133	108	(146)	(32)	62					

Note:

- Since 1 April 2016, T. Perú reflects all the charges related to the tower transfer to Telxius, which are now presented in Telxius (Other Companies & Eliminations of T. Group).

- Also since 1 January 2016 Mobile Data Revenues have been revised due to different allocation criteria between Mobile Data revenues and Other Mobile Service revenues. This change does not affect total Mobile Service Revenue figure reported for 2016.

- OIBDA is presented before management and brand fees.

(1) Includes fixed wireless revenues.

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

TELEFÓNICA PERÚ

ACCESSES

Unaudited figures (Thousands)

	2016				2017			
	March	June	September	December	March	June	September	December
Final Clients Accesses	21,791.0	21,638.3	21,398.8	20,909.8				
Fixed telephony accesses (1)	2,452.1	2,491.0	2,486.8	2,445.1				
Fixed wireless	127.7	117.6	95.5	72.3				
Internet and data accesses	1,663.9	1,685.0	1,696.5	1,691.1				
Broadband	1,639.2	1,660.3	1,666.8	1,660.9				
FTTx/cable	557.0	623.7	620.1	722.7				
Mobile accesses	16,445.4	16,211.9	15,954.2	15,498.5				
Prepay	10,530.0	10,228.5	10,214.7	9,807.8				
Contract	5,915.5	5,983.4	5,739.5	5,690.7				
M2M	81.7	79.7	90.1	85.1				
Pay TV	1,229.6	1,250.3	1,261.3	1,275.1				
Wholesale Accesses	0.1	0.1	0.1	0.1				
Total Accesses	21,791.0	21,638.3	21,398.8	20,909.8				

(1) Includes fixed wireless and VoIP accesses.

SELECTED OPERATIONAL DATA

Unaudited figures

	2016				2017			
	March	June	September	December	March	June	September	December
Contract percentage (%)	36.0%	36.9%	36.0%	36.7%				
Smartphones ('000)	4,652.9	4,867.0	4,951.9	4,900.5				
Smartphone penetration (%)	28.6%	30.3%	31.4%	32.0%				
LTE ('000)	1,464.1	1,851.4	2,095.7	2,348.3				
LTE penetration (%)	8.9%	11.5%	13.2%	15.2%				
Mobile churn (quarterly)	4.8%	5.0%	5.2%	5.4%				
Contract (1)	2.5%	2.6%	3.5%	3.1%				
Mobile churn (cumulative YTD)	4.8%	4.9%	5.0%	5.1%				
Contract (1)	2.5%	2.6%	3.1%	3.3%				
Mobile ARPU (EUR) (cumulative YTD)	6.3	6.2	6.1	6.3				
Prepay	2.8	3.0	2.5	2.5				
Contract (1)	12.0	11.8	12.5	11.3				
Mobile data traffic (TB) (cumulative YTD)	11,451	23,486	39,758	77,864				
Fixed telephony ARPU (EUR) (cumulative YTD)	9.4	9.1	7.6	8.3				
Pay TV ARPU (EUR) (cumulative YTD)	16.6	16.3	17.6	17.8				
Broadband ARPU (EUR) (cumulative YTD)	16.4	16.2	19.3	15.9				
Fixed data traffic (TB) (cumulative YTD)	407,019	809,376	1,317,625	1,968,734				

Notes:

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

- Data traffic is defined as Terabytes used by the company's 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 COLOMBIA
SELECTED FINANCIAL DATA
Unaudited figures (Euros in millions)

	2016					2017				
	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec
Revenues	323	347	364	375	1,409					
Mobile Business	198	209	220	234	861					
Mobile service revenues	172	180	193	198	743					
Data revenues	68	76	87	92	323					
Handset revenues	26	29	27	37	118					
Fixed Business	125	138	144	140	548					
FBB and new services revenues (1)	65	74	75	70	284					
Pay TV revenues	17	18	21	21	77					
Voice & access revenues	44	46	48	49	187					
OIBDA	107	108	123	126	464					
OIBDA margin	33.3%	31.0%	33.8%	33.7%	33.0%					
CapEx	33	83	98	116	330					
Spectrum	-	-	-	-	-					
OpCF (OIBDA-CapEx)	74	25	25	10	134					

Note:

- Since 1 January 2016 Mobile Data Revenues have been revised due to different allocation criteria between Mobile Data revenues and Other Mobile Service revenues. This change does not affect total Mobile Service Revenue figure reported for 2016.

- OIBDA is presented before management and brand fees.

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

TELEFÓNICA COLOMBIA
ACCESSES

Unaudited figures (Thousands)

	2016				2017			
	March	June	September	December	March	June	September	December
Final Clients Accesses	15,977.2	16,161.0	16,503.1	16,573.4				
Fixed telephony accesses (1)	1,414.2	1,402.7	1,389.4	1,353.4				
Internet and data accesses	1,008.4	1,011.6	1,025.1	977.2				
Broadband	999.9	1,003.2	1,003.2	964.1				
FTTx/cable	-	-	-	27.1				
Mobile accesses	13,057.2	13,226.3	13,556.9	13,725.3				
Prepay	9,625.1	9,730.2	10,019.0	10,136.8				
Contract	3,432.1	3,496.1	3,537.9	3,588.5				
M2M	471.0	464.3	481.3	478.7				
Pay TV	497.4	520.4	531.7	517.5				
Wholesale Accesses	0.6	0.6	0.6	0.5				
Total Accesses	15,977.8	16,161.6	16,503.7	16,573.9				

(1) Includes fixed wireless and VoIP accesses.

SELECTED OPERATIONAL DATA
Unaudited figures

	2016				2017			
	March	June	September	December	March	June	September	December
Contract percentage (%)	26.3%	26.4%	26.1%	26.1%				
Smartphones ('000)	4,391.3	4,516.1	4,744.8	5,043.4				
Smartphone penetration (%)	35.5%	36.0%	36.8%	38.6%				
LTE ('000)	1,375.6	1,667.1	1,943.0	2,340.6				
LTE penetration (%)	10.9%	13.1%	14.9%	17.7%				
Mobile churn (quarterly)	3.2%	3.2%	2.9%	3.5%				
Contract (1)	1.8%	1.7%	1.7%	1.6%				
Mobile churn (cumulative YTD)	3.2%	3.2%	3.1%	3.2%				
Contract (1)	1.8%	1.8%	1.6%	1.5%				
Mobile ARPU (EUR) (cumulative YTD)	4.2	4.3	4.3	4.4				
Prepay	1.1	1.2	1.1	1.0				
Contract (1)	14.6	14.8	15.0	14.2				
Mobile data traffic (TB) (cumulative YTD)	14,077	29,400	46,343	66,085				
Fixed telephony ARPU (EUR) (cumulative YTD)	9.8	10.1	10.7	10.7				
Pay TV ARPU (EUR) (cumulative YTD)	11.0	11.3	11.9	12.2				
Broadband ARPU (EUR) (cumulative YTD)	8.2	8.5	10.3	9.2				
Fixed data traffic (TB) (cumulative YTD)	70,654	149,797	234,125	319,800				

Notes:

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

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

(1) Includes solely traffic pertaining to FBB accesses, not Business customers.

(2) Excludes M2M.

TELEFÓNICA MÉXICO
SELECTED FINANCIAL DATA

Unaudited figures (Euros in millions)

	2016					2017				
	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec
Revenues	409	337	316	347	1,410					
Service revenues	360	303	286	298	1,246					
Data revenues	167	133	111	119	516					
Handset revenues	50	33	30	50	164					
OIBDA (1)	106	62	81	60	309					
OIBDA margin	25.9%	18.4%	25.6%	17.3%	21.9%					
CapEx	42	54	34	88	219					
Spectrum	-	-	-	-	-					
OpCF (OIBDA-CapEx)	65	8	47	(28)	90					

Note:

- Since 1 January 2016 Data Revenues have been revised due to different allocation criteria between Data revenues and other service revenues. This change does not affect total Service Revenue figure reported for 2016.

- OIBDA is presented before management and brand fees.

(1) Goodwill impairment of 91 million euros in October-December 2016 not included in T. México results, but in T. Hispanoamérica.

TELEFÓNICA MÉXICO

ACCESSES

Unaudited figures (Thousands)

	2016				2017			
	March	June	September	December	March	June	September	December
Mobile accesses	25,655.4	25,928.8	25,937.5	26,557.2				
Prepay	23,803.2	24,069.1	24,081.0	24,620.1				
Contract (1)	1,852.2	1,859.7	1,856.5	1,937.2				
M2M	602.6	629.2	658.3	668.4				
Fixed wireless	1,296.9	1,252.9	1,176.8	1,057.4				
Wholesale Accesses (1)	-	-	54.8	39.8				
Total Accesses	26,952.3	27,181.7	27,169.1	27,654.4				

(1) Since September 2016, 55 thousand wholesale accesses have been reclassified from mobile contract to wholesale accesses.

SELECTED OPERATIONAL DATA

Unaudited figures

	2016				2017			
	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec
Contract percentage (%)	7.2%	7.2%	7.2%	7.3%				
Smartphones ('000)	10,916	11,489	11,570	11,961				
Smartphone penetration (%)	43.8%	45.6%	45.8%	46.3%				
LTE ('000) (2)	2,155	2,478	2,777	3,312				
LTE penetration (%)	8.6%	9.8%	11.0%	12.8%				
Mobile churn (quarterly)	3.5%	3.3%	3.6%	3.7%				
Contract (1)	1.7%	2.9%	1.7%	1.9%				
Mobile churn (cumulative YTD)	3.5%	3.4%	3.5%	3.6%				
Contract (1)	1.7%	2.4%	1.7%	1.4%				
Mobile ARPU (EUR) (cumulative YTD)	3.8	3.5	3.3	3.3				
Prepay	3.3	3.0	2.8	2.1				
Contract (1)	14.6	14.2	14.2	12.8				
Mobile data traffic (TB) (cumulative YTD)	17,192	37,369	60,088	86,315				

Notes:

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

- Data traffic is defined as Terabytes used by the company's 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.

REST OF COUNTRIES OF T. HISPANOAMÉRICA

SELECTED FINANCIAL DATA

Unaudited figures (Euros in millions)

	2016					2017				
	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Dec
Revenues	503	428	548	642	2,122					
Telefónica Venezuela	77	21	138	196	432					
Telefónica Central America	227	220	221	244	912					
Telefónica Ecuador	145	135	132	139	551					
Telefónica Uruguay	54	52	57	63	226					
Service Revenues	472	398	519	603	1,991					
Telefónica Venezuela	75	21	134	191	420					
Telefónica Central America	213	205	209	229	856					
Telefónica Ecuador	133	124	123	125	506					
Telefónica Uruguay	51	48	53	58	210					
OIBDA	140	117	159	207	623					
Telefónica Venezuela (1)	22	4	35	51	111					
Telefónica Central America	53	57	62	82	254					
Telefónica Ecuador	45	38	42	52	177					
Telefónica Uruguay	20	17	20	23	80					
CapEx	57	71	83	152	363					
Telefónica Venezuela	9	13	27	42	91					
Telefónica Central America	32	35	25	48	139					
Telefónica Ecuador	12	18	24	45	99					
Telefónica Uruguay	3	6	7	18	34					
Spectrum	-	-	-	-	-					
Telefónica Venezuela	-	-	-	-	-					
Telefónica Central America	-	-	-	-	-					
Telefónica Ecuador	-	-	-	-	-					
Telefónica Uruguay	-	-	-	-	-					
OpCF (OIBDA-CapEx)	83	45	76	55	259					
Telefónica Venezuela	13	(9)	8	8	20					
Telefónica Central America	22	22	38	34	116					
Telefónica Ecuador	33	20	18	7	78					
Telefónica Uruguay	17	12	13	5	46					

- After considering Venezuela as a hyperinflationary country, the P&L and CapEx for Telefónica's operations in the country are to be converted at the closing exchange rate Bolivar Fuerte/Euro. The January-December 2016 consolidated financial statements use the exchange rate of the Venezuelan bolivar set at the denominated DICOM (674 Venezuelan bolivars fuertes per dollar).

- OIBDA is presented before management and brand fees.

- Reported figures include the hyperinflationary adjustments in Venezuela in both years.

- Central America includes Guatemala, Panama, El Salvador, Nicaragua and Costa Rica.

(1) Goodwill impairment of 124 million euros in October-December 2016 not included in T. Venezuela results, but in T. Hispanoamérica.

SELECTED OPERATIONAL DATA

Unaudited figures

	2016				2017			
	March	June	September	December	March	June	September	December
Fixed telephony accesses (1)	1,276.1	1,263.7	1,250.3	1,229.8				
Internet and data accesses	13.7	13.7	13.0	13.3				
Broadband	6.7	6.9	2.8	3.0				
Mobile accesses	28,613.6	28,960.4	29,407.0	29,644.2				
Prepay	24,461.3	24,780.9	25,155.7	25,360.7				
Contract	4,152.2	4,179.5	4,251.4	4,283.5				
M2M	389.6	397.9	423.5	438.6				
Pay TV	478.2	478.1	468.7	466.1				
Total Accesses	30,381.6	30,715.9	31,139.0	31,353.4				

(1) Includes fixed wireless and VoIP accesses.

TELEFÓNICA
RECONCILIATION OF REPORTED VS. ORGANIC GROWTH
Unaudited figures (Euros in millions)

REVENUES	2016				2017				%
	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec	Jan - Mar
T. ESPAÑA									
REPORTED DATA	3,149	6,374	9,569	12,815					
Changes in the consolidation perimeter	(2)	(4)	(5)	(7)					
T. ESPAÑA ORGANIC	3,148	6,370	9,563	12,807					
T. DEUTSCHLAND									
REPORTED DATA	1,858	3,691	5,567	7,503					
T. DEUTSCHLAND ORGANIC	1,858	3,691	5,567	7,503					
T. UK									
REPORTED DATA	1,752	3,464	5,140	6,861					
Forex impact	-	-	-	-					
T. UK ORGANIC	1,752	3,464	5,140	6,861					
T. BRASIL									
REPORTED DATA	2,431	5,085	8,035	11,090					
Forex impact	-	-	-	-					
Changes in the consolidation perimeter	(2)	(2)	(2)	(2)					
T. BRASIL ORGANIC	2,430	5,084	8,033	11,089					
T. HISPAM									
REPORTED DATA	3,054	6,014	9,144	12,579					
Forex impact	-	-	-	-					
Hyperinflation in Venezuela	15	53	(26)	(148)					
Changes in the consolidation perimeter	0	0	0	0					
T. HISPAM ORGANIC	3,068	6,068	9,117	12,431					
TELEFÓNICA									
REPORTED DATA	12,511	25,235	38,315	52,036					
Forex impact	-	-	-	-					
Hyperinflation in Venezuela	15	52	(26)	(145)					
Changes in the consolidation perimeter	(30)	(82)	(133)	(158)					
TELEFÓNICA ORGANIC	12,496	25,204	38,156	51,734					
OIBDA	2016				2017				%
	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec	Jan - Mar
T. ESPAÑA									
REPORTED DATA	1,250	2,553	3,907	4,403					
Changes in the consolidation perimeter	(2)	(3)	(5)	(6)					
Restructuring charges	-	-	-	837					
Distribution channel reorganisation plan	-	-	-	18					
Capital gains/losses on sale of companies	-	-	-	(29)					
T. ESPAÑA ORGANIC	1,249	2,549	3,902	5,223					
T. DEUTSCHLAND									
REPORTED DATA	392	843	1,299	1,771					
Changes in the consolidation perimeter	(9)	(12)	(12)	(12)					
Restructuring charges	23	37	59	89					
T. DEUTSCHLAND ORGANIC	406	868	1,346	1,848					
T. UK									
REPORTED DATA	461	918	1,375	1,709					
Forex impact	-	-	-	-					
Restructuring charges	1	1	1	37					
T. UK ORGANIC	462	918	1,377	1,746					
T. BRASIL									
REPORTED DATA	805	1,643	2,621	3,702					
Forex impact	-	-	-	-					
Tower sales	0	0	0	0					
Changes in the consolidation perimeter	(4)	(4)	(4)	(4)					
Restructuring charges	-	25	26	40					
T. BRASIL ORGANIC	801	1,664	2,643	3,739					
T. HISPAM									
REPORTED DATA	866	1,700	2,669	3,474					
Forex impact	-	-	-	-					
Hyperinflation in Venezuela	7	19	(1)	(29)					
Tower sales	0	0	0	0					
Changes in the consolidation perimeter	(2)	(3)	(3)	(3)					
Restructuring charges	(1)	3	3	84					
Capital gains/losses on sale of companies	-	-	-	(15)					
Impairments	-	-	-	215					
T. HISPAM ORGANIC	869	1,719	2,668	3,726					
TELEFÓNICA									
REPORTED DATA	3,838	7,756	11,931	15,118					
Forex impact	-	-	-	-					
Hyperinflation in Venezuela	11	23	4	(25)					
Tower sales	0	0	0	(1)					
Changes in the consolidation perimeter	6	(9)	(20)	(29)					
Restructuring charges	22	68	108	1,380					
Distribution channel reorganisation plan	-	-	-	18					
Capital gains/losses on sale of companies	-	-	16	(212)					
Impairments	-	-	-	215					
TELEFÓNICA ORGANIC	3,877	7,838	12,040	16,465					

OPERATING INCOME	2016				2017				%
	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec	
TELEFÓNICA									
REPORTED DATA	1,516	3,083	4,800	5,469					
Forex impact	-	-	-	-					
Hyperinflation in Venezuela	24	42	69	198					
Tower sales	0	0	0	(1)					
Changes in the consolidation perimeter	7	(7)	(17)	(26)					
Restructuring charges	22	68	108	1,380					
Distribution channel reorganisation plan	-	-	-	18					
Capital gains/losses on sale of companies	-	-	16	(212)					
Impairments	-	-	-	215					
TELEFÓNICA ORGANIC	1,569	3,186	4,977	7,043					
CAPEX									
	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec	
T. ESPAÑA									
REPORTED DATA	431	894	1,289	1,852					
Spectrum acquisition	-	(7)	(7)	(7)					
T. ESPAÑA ORGANIC	431	887	1,282	1,845					
T. DEUTSCHLAND									
REPORTED DATA	220	432	748	1,107					
Spectrum acquisition	(2)	(3)	(4)	(6)					
Changes in the consolidation perimeter	(1)	(1)	(1)	(1)					
T. DEUTSCHLAND ORGANIC	217	429	743	1,101					
T. UK									
REPORTED DATA	192	415	654	931					
Forex impact	-	-	-	-					
T. UK ORGANIC	192	415	654	931					
T. BRASIL									
REPORTED DATA	348	792	1,369	2,137					
Forex impact	-	-	-	-					
Spectrum acquisition	-	-	(47)	(48)					
T. BRASIL ORGANIC	348	792	1,322	2,088					
T. HISPAM									
REPORTED DATA	461	1,018	1,800	2,615					
Forex impact	-	-	-	-					
Spectrum acquisition	-	-	(282)	(284)					
Hyperinflation in Venezuela	2	17	(1)	(21)					
Changes in the consolidation perimeter	0	0	0	0					
T. HISPAM ORGANIC	463	1,035	1,517	2,310					
TELEFÓNICA									
REPORTED DATA	1,695	3,654	6,016	8,928					
Forex impact	-	-	-	-					
Spectrum acquisition	(2)	(10)	(341)	(345)					
Hyperinflation in Venezuela	2	17	(1)	(21)					
Changes in the consolidation perimeter	(3)	(6)	(10)	(11)					
TELEFÓNICA ORGANIC	1,693	3,655	5,664	8,552					

OpCF (OIBDA-CapEx)	2016				2017				%
	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec	
T. ESPAÑA									
REPORTED DATA	820	1,659	2,617	2,551					
Spectrum acquisition	-	7	7	7					
Changes in the consolidation perimeter	(2)	(3)	(5)	(6)					
Restructuring charges	-	-	-	837					
Distribution channel reorganisation plan	-	-	-	18					
Capital gains/losses on sale of companies	-	-	-	(29)					
T. ESPAÑA ORGANIC	818	1,663	2,620	3,379					
T. DEUTSCHLAND									
REPORTED DATA	173	411	552	664					
Spectrum acquisition	2	3	4	6					
Changes in the consolidation perimeter	(8)	(11)	(11)	(11)					
Restructuring charges	23	37	59	89					
T. DEUTSCHLAND ORGANIC	189	440	604	747					
T. UK									
REPORTED DATA	269	502	721	778					
Forex impact	-	-	-	-					
Restructuring charges	1	1	1	37					
T. UK ORGANIC	270	503	723	815					
T. BRASIL									
REPORTED DATA	457	851	1,253	1,566					
Forex impact	-	-	-	-					
Tower sales	0	0	0	0					
Changes in the consolidation perimeter	(4)	(4)	(4)	(4)					
Spectrum acquisition	-	-	47	48					
Restructuring charges	-	25	26	40					
T. BRASIL ORGANIC	454	872	1,322	1,651					
T. HISPAM									
REPORTED DATA	404	682	869	859					
Forex impact	-	-	-	-					
Hyperinflation in Venezuela	4	1	0	(8)					
Tower sales	0	0	0	0					
Spectrum acquisition	-	-	282	284					
Changes in the consolidation perimeter	(2)	(2)	(2)	(2)					
Restructuring charges	(1)	3	3	84					
Capital gains/losses on sale of companies	-	-	-	(15)					
Impairments	-	-	-	215					
T. HISPAM ORGANIC	406	684	1,151	1,416					
TELEFÓNICA									
REPORTED DATA	2,143	4,102	5,915	6,190					
Forex impact	-	-	-	-					
Hyperinflation in Venezuela	8	6	4	(5)					
Tower sales	0	0	0	(1)					
Spectrum acquisition	2	10	341	345					
Changes in the consolidation perimeter	9	(3)	(10)	(19)					
Restructuring charges	22	68	108	1,380					
Distribution channel reorganisation plan	-	-	-	18					
Capital gains/losses on sale of companies	-	-	16	(212)					
Impairments	-	-	-	215					
TELEFÓNICA ORGANIC	2,184	4,183	6,375	7,913					

Note:

- **Organic base for 2017**: Excludes the impact from hyperinflation in Venezuela and considers constant perimeter of consolidation. In OIBDA terms, excludes write-downs, capital gains/losses from the sale of companies, tower sales, material non-recurring impacts and restructuring costs. CapEx also excludes investment in spectrum.