



Telefónica Publicidad e Información

January-December 2002 Results

Madrid, February 13th, 2003

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TPI Group achieved a Net Income increase of 16.2%.

- TPI outperform EBITDA growth projections and meet revenue growth forecasts.
- Group EBITDA growth of 16.5% and EBITDA Margin increase of 3.0 p.p.
- Despite weak Spanish advertising market, TPI Spain increases market share and grows its advertising revenues in every business line.
- Proposed dividend of Euro 40.15 million, maintaining a 60% payout over TPI Spain net income. Dividend yield of 3.54%⁽¹⁾
- Net debt decrease of 27.3%, which leaves debt to EBITDA ratio at 0.6x.

⁽¹⁾ Price of February 11th, 2003: Euro 3.08

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TPI Group 2002 Results meet revenue growth forecast and outperform EBITDA growth forecast previously announced

Main Financial Data (TPI Consolidated Accounts)

(Euro million)	2002	2001	Var. (%)	2002 Forecast ⁽²⁾
Revenues	532.83	511.68	4.1%	+3/5%
Advertising revenues	483.42	448.81	7.7%	+6/8%
-Publishing business	453.08	425.76	6.4%	+5/7%
-Internet business	25.71	19.28	33.4%	+25/30%
-OAYP	4.27	3.78	13.1%	+6/8%
-Other	0.36	-	nm	-
Telecom Operator	44.38	58.93	-24.7%	-22/-24%
Other revenues	5.03	3.94	27.6%	
EBITDA	150.11	128.80	16.5%	+13/16%
EBITDA margin	28.2%	25.2%	3 p.p.	-
Net Income	75.42	64.90	16.2%	-
Cash Earnings ⁽¹⁾	108.63	92.79	17.1%	-

nº. Shares (31st December 2002): 368,234,331

Average exchange rates Jan-Dec. 2002: $\left\{ \begin{array}{l} \text{Peso/Euro: 675.68} \\ \text{Reais/Euro: 2.75} \\ \text{Sol/Euro: 3.31} \end{array} \right.$

⁽¹⁾ Net Income+/- Extraordinary Results+/-Exchange Rates Differences+Depreciations

⁽²⁾ Forecast provided by TPI

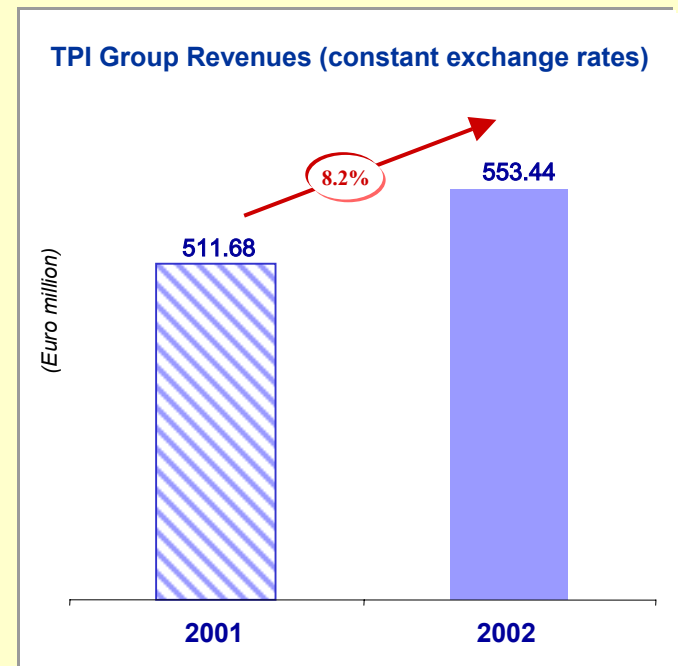
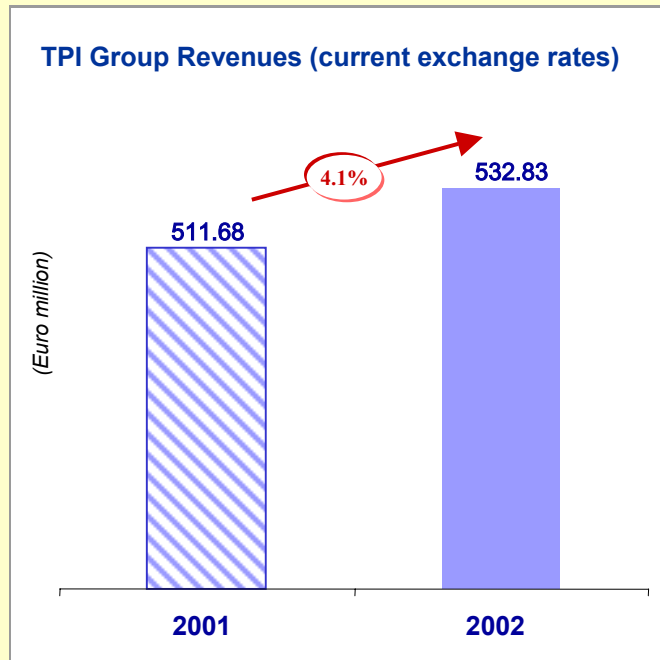
	SPAIN ^(*)		CHILE		BRAZIL		PERU ^(**)	
	2002	% Var.	2002	% Var.	2002	% Var.	2002	% Var.
	(Euro million)	(Local currency)	(Euro million)	(Local currency)	(Euro million)	(Local currency)	(Euro million)	(Local currency)
Revenues	405.64	4.8%	70.17	13.6%	23.69	-42.4%	33.90	4.4%
EBITDA	134.49	8.2%	24.57	33.2%	-12.88	-1.6%	4.42	69.9%
EBITDA margin	33.2%	1.1 p.p.	35.0%	5.2 p.p.	-54.4%	-23.5 p.p.	13.0%	5.0 p.p.

* Includes Goodman Business Press

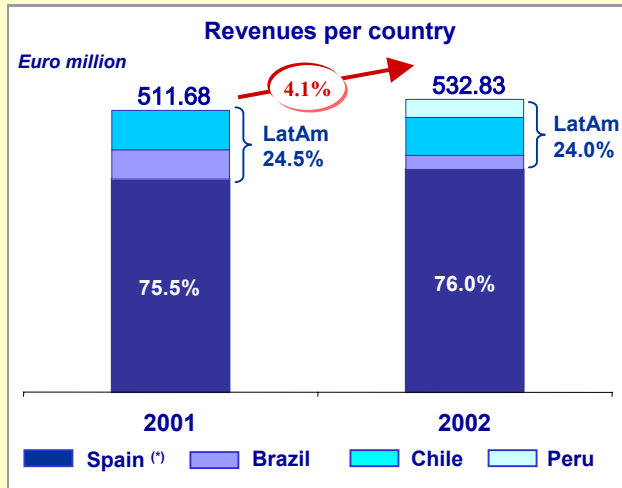
** Growth based on 2001 pro-forma numbers

Note: The rounding of figures and consolidation adjustments has originated small differences in the partial totals shown

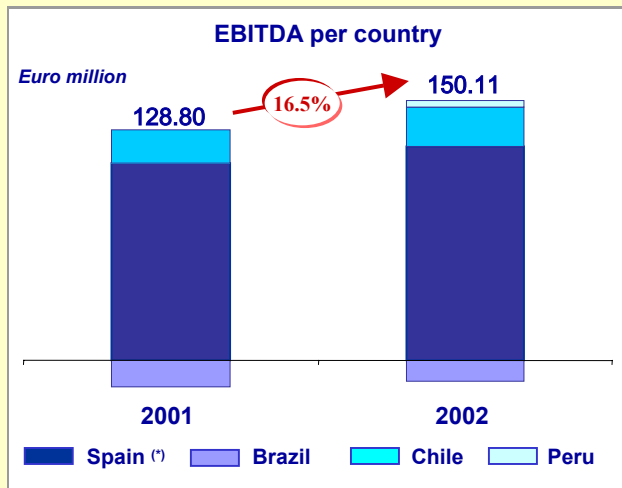
TPI Group revenues grew 8.2% at constant currencies



Spain represented 76% of revenues, while LATAM improved its contribution to EBITDA from Euro 4.72 million to Euro 16.09 mill.



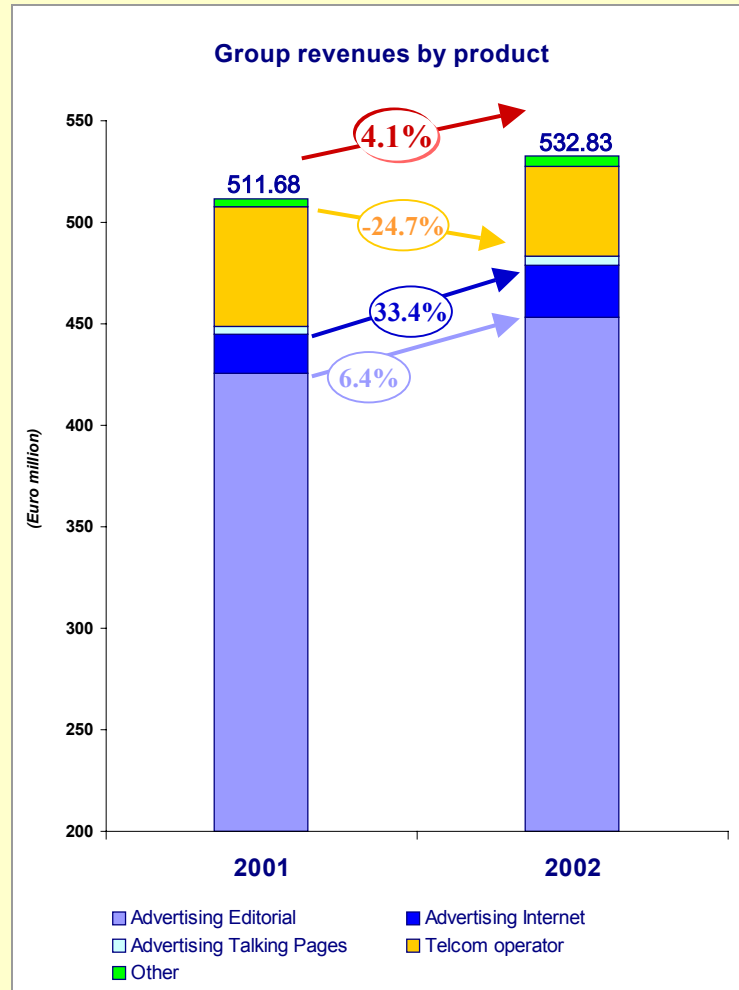
- TPI consolidated revenues increase 4.1% to Euro 532.83 million during 2002.
 - Spain^(*) remains the main contributor to Group revenues accounting for 76.0%.
 - LatAm maintains its contribution around 24.0% in 2002.



- TPI consolidated EBITDA reaches Euro 150.11 million, an increase of 16.5%.
 - Spain's EBITDA ^(*) up by 8.2%.
 - LatAm represents 10.7% of Group EBITDA, up from 3.7% a year earlier.

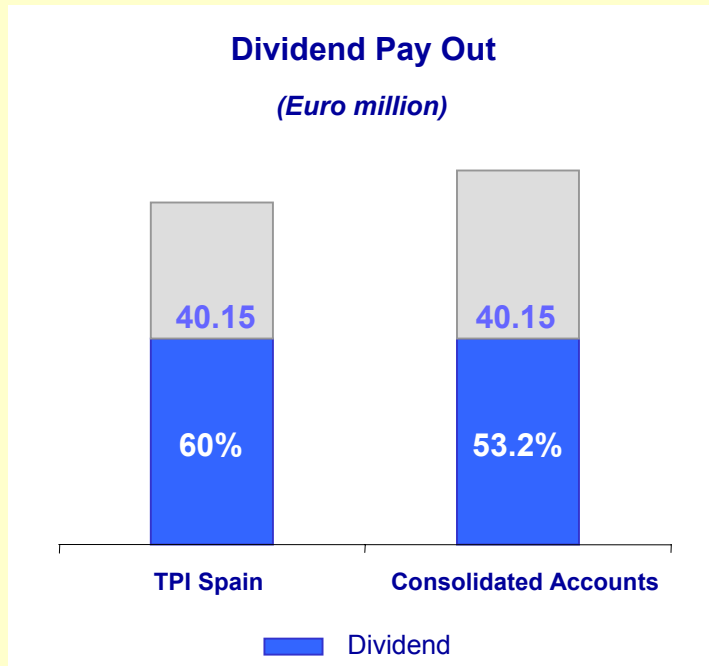
^(*) Includes Goodman Business Press

Good performance of advertising revenues, push Group revenues up 4.1%.



- TPI consolidated revenues increase 4.1% to Euro 532.83 million during 2002.
 - **Editorial advertising revenues** represented 93.7% of total advertising revenues and grew 6.4% to Euro 453.08 million.
 - **Internet** is the business line that shows higher growth (+33.4%), accounting for 4.8% of total revenues.
- The increase in every line of advertising revenues is supported by strong usage figures.
 - Leadership and high usage of **editorial products** in Spain, Chile, Peru and Sao Paulo city.
 - TPI's web sites are the most visited in every country where we are present.
 - Market share gains in every country.

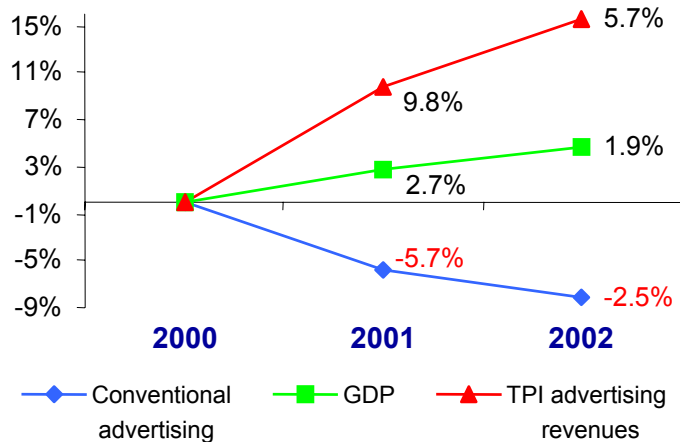
60% dividend payout sustains high dividend yield.



- The company maintains dividend payout at 60% of TPI Spain Net Income, or 53.2% of TPI Group consolidated Net Income.
- Dividend proposal allocation of Euro 40.15 million.
- Dividend yield of 3.54% at February 11th closing price (Euro 3.08)

In Spain, TPI outperformed the conventional and internet advertising market over the past two years

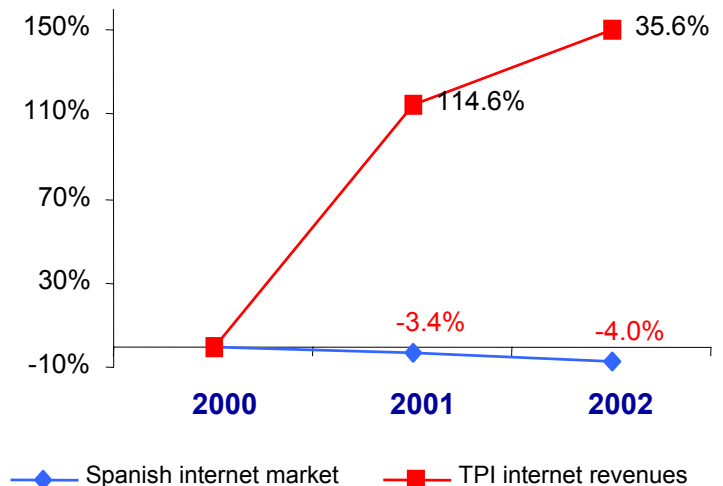
TPI vs GDP & Advertising market



TPI advertising revenues: Includes Yellow Pages, White Pages, Internet and Operated Assisted Yellow pages

Source: Universal McCann, Banco de España, TPI

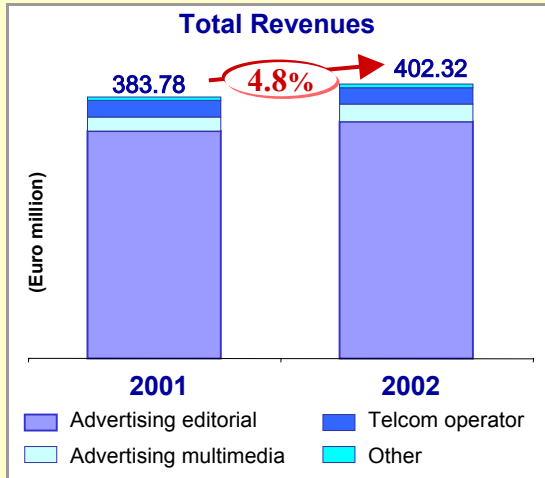
TPI internet revenues vs. Spanish internet market



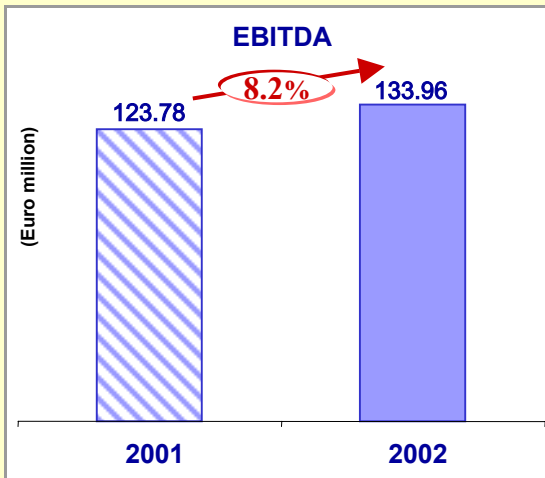
Spanish internet market: Rich Media

Source: Infoadex and TPI

SPAIN: 4.8% increase of total revenues and EBITDA growth of 8.2%



- **Advertising revenues** represent 93.0% of total revenues and grew 5.7% to Euro 373.86 million
 - **Editorial** advertising revenues grew 4.0% to Euro 347.35 million.
 - **Multimedia** advertising revenues increased 33.3% to Euro 26.50 million.
- **Telco operator** revenues decreased 5.4% to Euro 24.23 million.

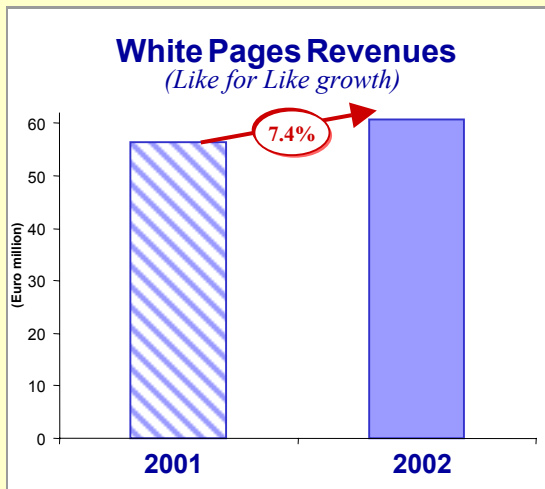


- 8.2% increase in EBITDA to 133.96 due cost control policies.
- Increase of EBITDA Margin in 1.0 p.p. to 33.3%

SPAIN: Sustained like for like growth of 4.0% in combined printed yellow and white pages revenues

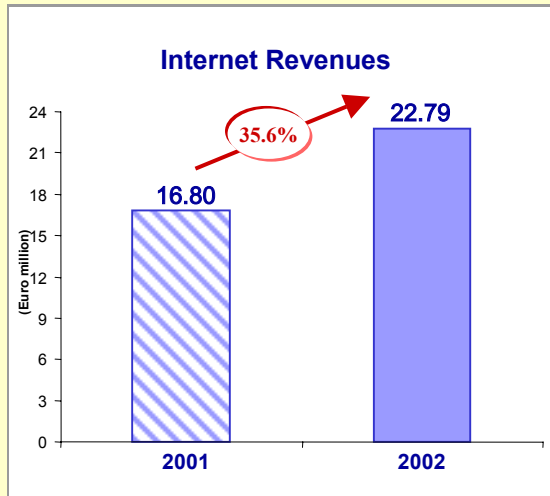


- YP 2002 total **revenues**: Euro 285.67 million. Like for like growth +3.3%.
- Average **revenue per client** close to Euro 945 (+4.5%).
- N° of **clients** 302,200 (-1.1%).
- 78 directories published, 11 more than in the same period of 2001.
- **Colour**: 69.6% of total YP revenues vs 67.1% in 2001.

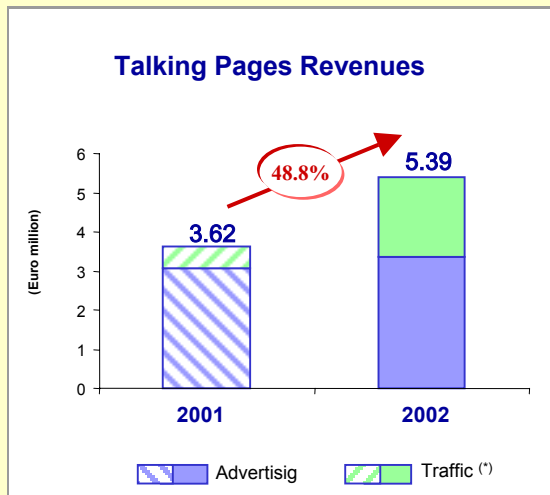


- WP 2002 total **revenues**: Euro 60.64 million. Like for like growth +7.4%.
- Average **revenue per client** over Euro 218.5 (+9.7%).
- N° **clients** 277,500 (-2.1%).
- N° Directories published: 61 (same directories as in 2001).
- **Colour**: 41.9% of total WP revenues vs 29.2% in 2001.

Strong multimedia revenue performance in Spain, which represents 7.1% of advertising revenues, compared to 5.6% in 2001



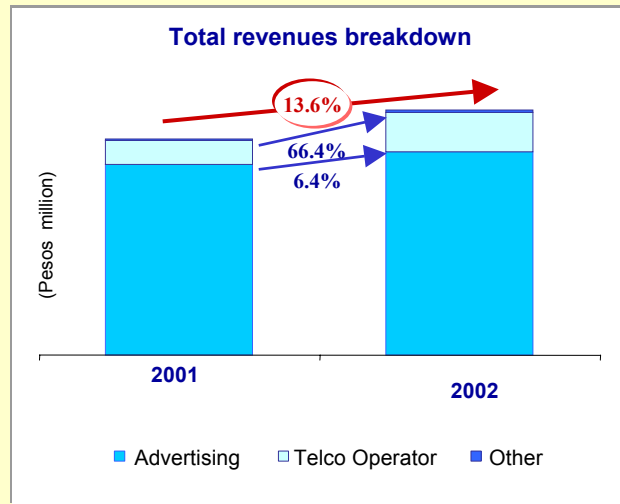
- Internet revenues grew 35.6% to Euro 22.79 million.
 - Yellow Pages Online revenues up 35.9% to Euro 19.6 million.
 - Other internet revenues: Euro 3.19 million.
- Clients up 12.7% to 276,000.



- Talking pages revenues reached Euro 5.39 million (+48.8%).
 - Advertising revenues up 9.1% to Euro 3.36 million.
 - Traffic (*) revenues up 273.4% to Euro 2.03 million.

* Includes Talking Pages and 098 DA traffic revenues

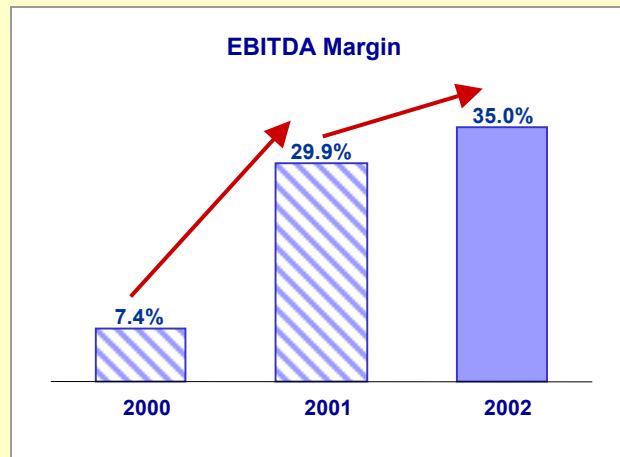
Increase in Publiguias EBITDA margin from 29.9% to 35.0%



- Total revenues increased 13.6% in local currency up to Euro 70.17 million.

- Advertising revenues increased 6.4% in local currency to Euro 58.17 million.
- Telco operator revenues increased 66.4% in local currency to Euro 11.36 million mainly due to:
 - Change in nature of contract with telco operators
 - Recognition of 50% of the complete Residential Santiago directory, compared to the reduced version of this directory published last year

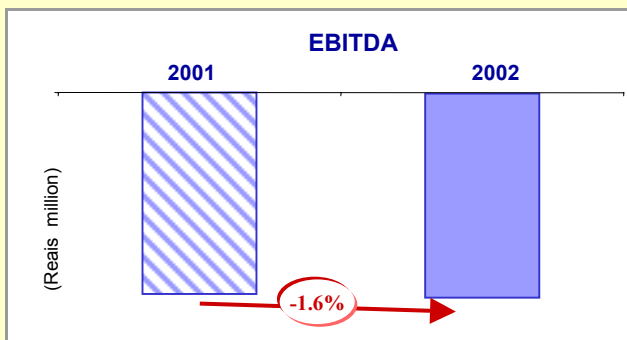
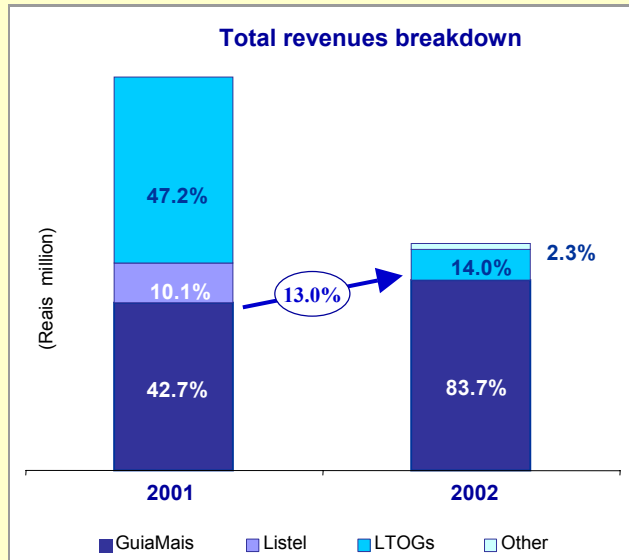
- Like for like revenue growth of 6.0% in local currency.



- Continuous incremental margin since time of acquisition explained by:

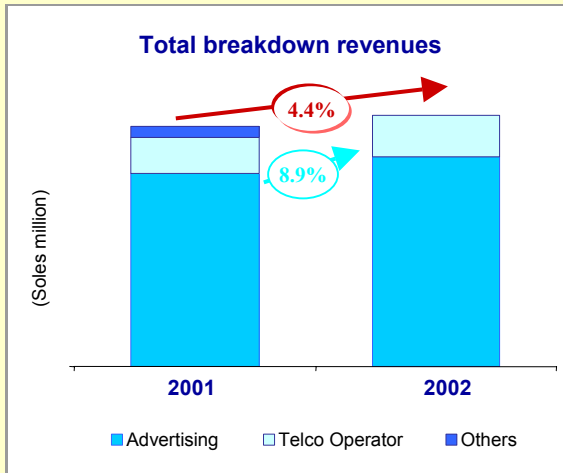
- More beneficial contracts negotiated with TCTC.
- Increase in revenues, which shows a change in trend in yellow and white pages.
- Implementation of efficiency measures.

TPI Brasil increases Guia Mais revenues 13% in local currency and reduces the level of negative EBITDA to Euro –12.88 million.

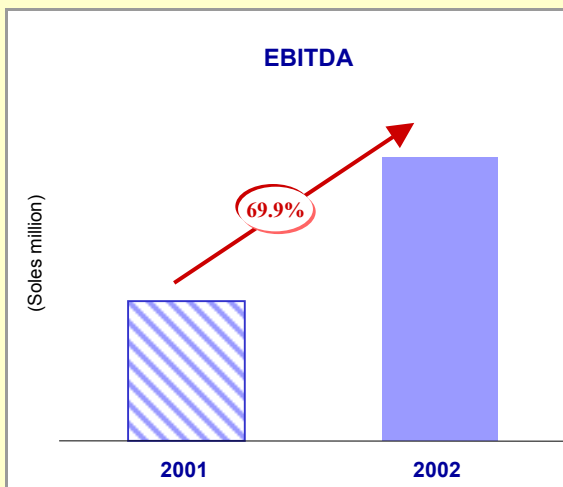


- In 2002 Guia Mais is the main business line of TPI Brazil (83.7% of total revenues) and increases 13% in local currency from 2001 to Euro 19.83 million.
 - Two new directories published in 2002 (ABC and Osasco/Barueri) which contribute with Euro 1.87 million.
 - Like for like revenue growth of –0.8% (Sao Paulo city directory increased revenues 0.6% in local currency) and clients up 4.3% to 18,434.
- Cancellation of the contract with Listel whose advertising revenues represented 10.1% of total revenues in 2001.
- 83.0% decrease in operator revenues due to a reduced version of LTOGs published for Telesp.
- EBITDA remains in line in local currency (increase of 22.4% in euros to –12.88 million) compared to last year despite:
 - The cancellation of the contract with Listel.
 - Less LTOGs published for Telesp.

TPI Peru shows a strong local growth of editorial advertising revenues and EBITDA in its first year of consolidation within TPI Group



- Total revenues increased 4.4% in local currency
 - Advertising revenues showed a higher increase of 8.9% in local currency.
 - 4.4% growth in total revenues, explained by the lack of other revenues (Euro 1.6 million in 2001) coming from the sale of software to telco operators.
- Like for like revenues growth of 7.6% in local currency.



- Absolute EBITDA increases 69.9% in local currency to Euro 4.42 million due mainly to:
 - The good performance of the directories published.
 - The new contractual framework signed with Telefonica del Peru at time of acquisition.
- EBITDA margin improvement from 8.0% to 13.0%.

11888 ... TPI's new DA telephone number

- The liberalization of the telephone information services business, took place in march 2002, establishing the change of all information numbers into five digit numbers.
- TPI's new five digit number service (11888) was launched the 6th of February 2003.
- The 906 365 024 number will continue to be offered until customers migration to 11888 is completed.
- TPI is the first company providing this new service in Spain, which offers users access to all telecom operators customers data (individuals, professionals and companies).
- Interconnection and billing agreements are being signed with fixed and mobile operators representing over 70% of total telephone traffic.
- The 11888 number brings a more solid business model, based on a non regulated prices scenario.
- TPI will be open to supply with, either content or information services, based on the new five digit numbers, to other institutions.

Conclusions

- TPI Group met revenue growth forecast and outperformed EBITDA growth guidance given in 2002.
- The Group's EBITDA margin continues improving thanks to cost control policies and efficiency measures implemented.
- Spanish advertising revenue kept its pace up despite the negative evolution of the Spanish advertising market.
- Latam continues improving its contribution to the Group figures, in a negative currency market environment.
- TPI maintains its 60% dividend payout over TPI Spain net income.