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SMALL & MID CAPS BSCH CONFERENCE

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Contents

- **TPI Snapshot**

- **Recurrent issues:**

- ✍ **Defensive Profile**

- ✍ **Mature business?**

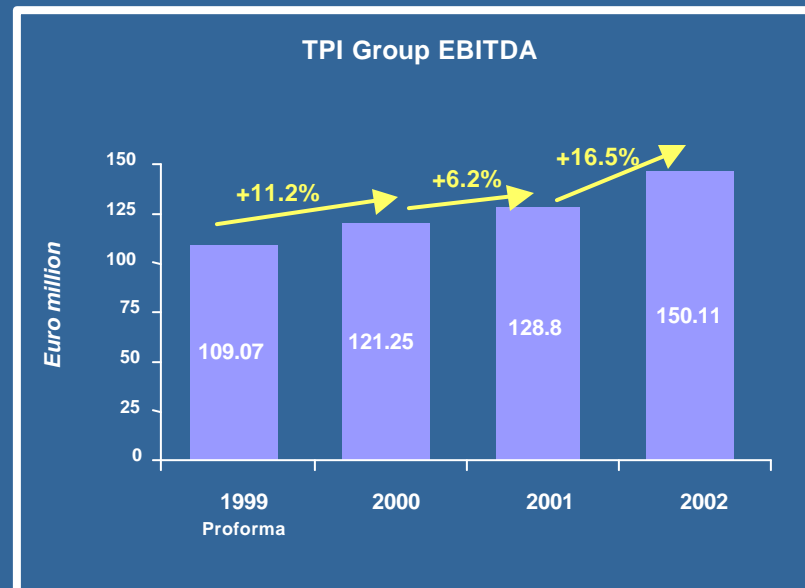
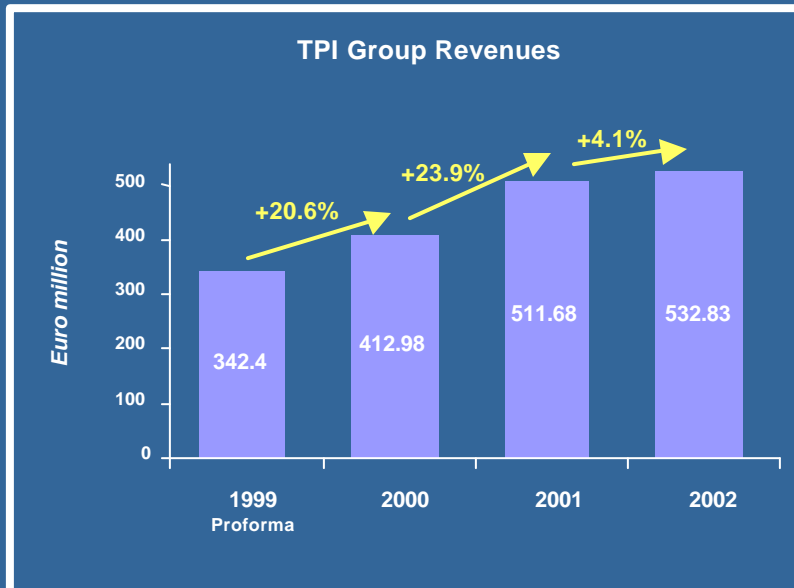
- ✍ **Financial position and cashflow generation**

- ✍ **Competition and market share**

- ✍ **Exposure to LatAm?**

- **Results visibility and financial projections**

Strong financial performance ...



- TPI Group has been growing at healthy rates since 1999 in revenues ...
- ... and it has registered significant growth at EBITDA level

... and presence in four countries, makes TPI leader in the Spanish/Portuguese speaking market

SPAIN

- Revenues 2002: €406* M
- EBITDA 2002: €134* M
- % EBITDA margin: 33%
- Market share: 88%



PERU

- Revenues 2002: €34 M
- EBITDA 2002: €4 M
- % EBITDA margin: 13%
- Market share: 100%**

CHILE

- Revenues 2002: €70 M
- EBITDA 2002: €25 M
- % EBITDA margin: 35%
- Market share: 95%



BRAZIL

- Revenues 2002: €24 M
- EBITDA 2002: €-13 M
- % EBITDA margin: -54%
- Market share (city of Sao Paulo): 27%

Revenue figures at 2002's average exchange rates

* Includes TPI Spain and Goodman Business Press

** After Bell South business closing in 2001

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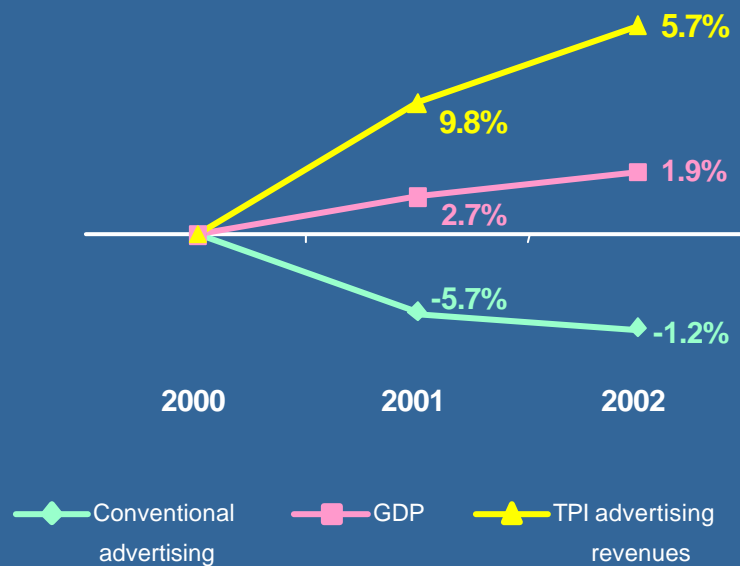
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Spanish directory market is less volatile and more resilient to changes in the economic cycle ...

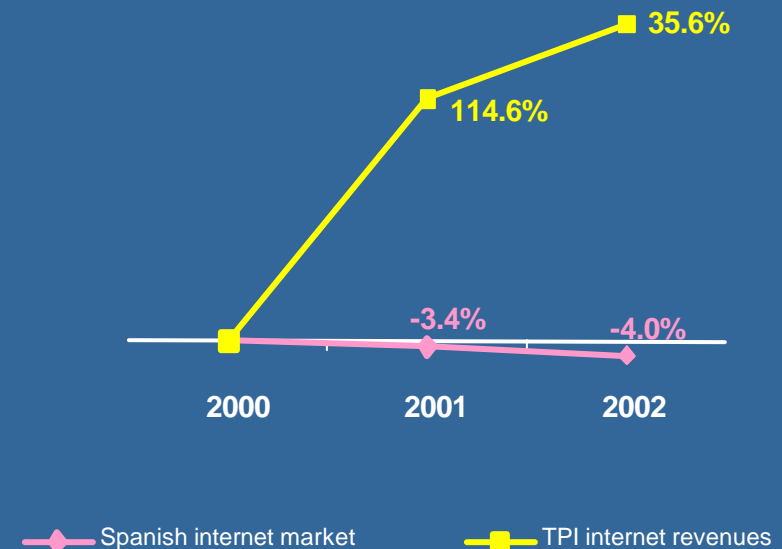
TPI vs GDP & Advertising market



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

Source: Infoadex, Banco de España, TPI

TPI internet revenues vs. Spanish internet market



Spanish internet market: Rich Media

Source: Infoadex and TPI

... the nature of our customers is behind this stability

Revenues split by type of client

For a big number of SMEs the advertising in directories is:

- The only advertising activity
- The source of a large proportion of their activity
- A high opportunity cost if not present (only one opportunity every year)

For large corporations, the advertising in directories represents a small part of their advertising budget

SMEs & Independent professionals 90.0%

(93.0% of clients)

Other 5.0%

(6.5% of clients)

Large corporations 5.0%

(0.5% of clients)

 **SMEs & Independent professionals:**
< Euro 6 million revenues or < 100 employees

 **Large corporations:** > Euro 6 million revenues or > 100 employees

 **Other:** Official Organisms, religious organizations, Associations, Collective Societies, etc.

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Even though there are signs of maturity in the market, Spain is a less developed market

Directory / Advertising expenditure

	Year 2000	CAGR 98-00
Non European average*	8.0%	-0.7%
Sweden	15.7%	-3.7%
Italy	11.4%	-6.3%
Belgium	11.4%	-9.0%
France	7.7%	-3.5%
Portugal	7.3%	-12.9%
Holland	6.1%	-5.3%
Germany	4.4%	-1.5%
United Kingdom	3.4%	-3.6%
Europe average**	8.4%	-6.2%
Spain	6.5%	5.1%

Directory expenditure / GDP

	Year 2000	CAGR 98-00
	0.118%	-1.8%
	0.125%	1.0%
	0.083%	-1.9%
	0.089%	-7.8%
	0.051%	0.0%
	0.125%	-0.5%
	0.065%	0.2%
	0.050%	1.8%
	0.061%	-0.1%
	0.081%	-1.2%
	0.065%	11.4%

Directory expenditure per capita (Euros)

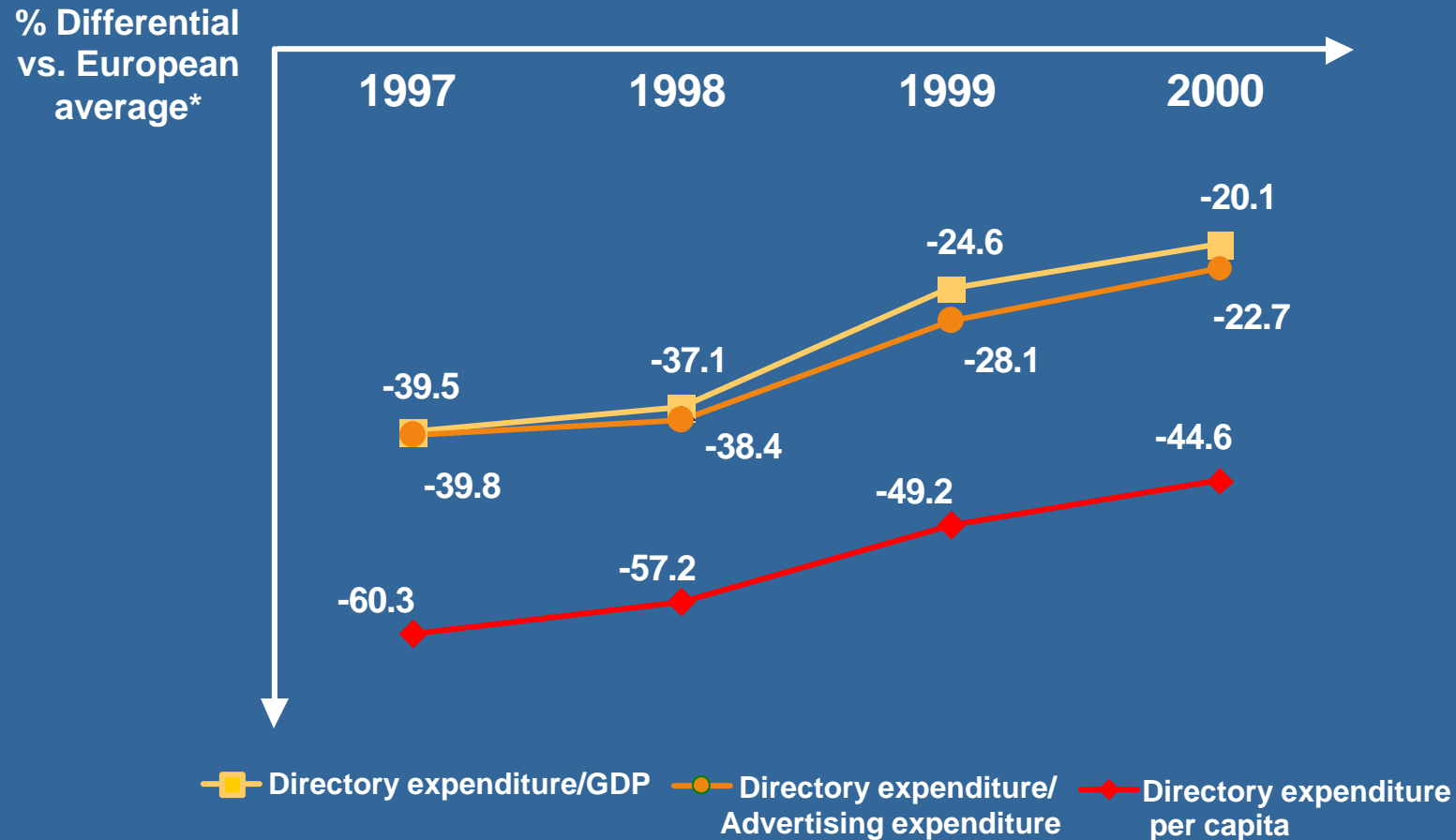
	Year 2000	CAGR 98-00
	31.39	13.6%
	33.04	9.1%
	16.71	2.4%
	21.52	-3.5%
	11.91	3.3%
	14.20	5.6%
	15.50	3.5%
	12.44	4.2%
	15.26	9.8%
	17.57	4.3%
	9.74	18.7%

(*) Non European average includes EE.UU., Japan, Canada and Australia. Non weighted average

(**) Non weighted average. It does not include Spain

Source of GDP and population: countries official information. Source of directory and advertising revenues: WorldWide SIMBA. Spain source: TPI

The gap between Spain and its European peers has been decreasing in the past, and we expect this trend to continue going forward



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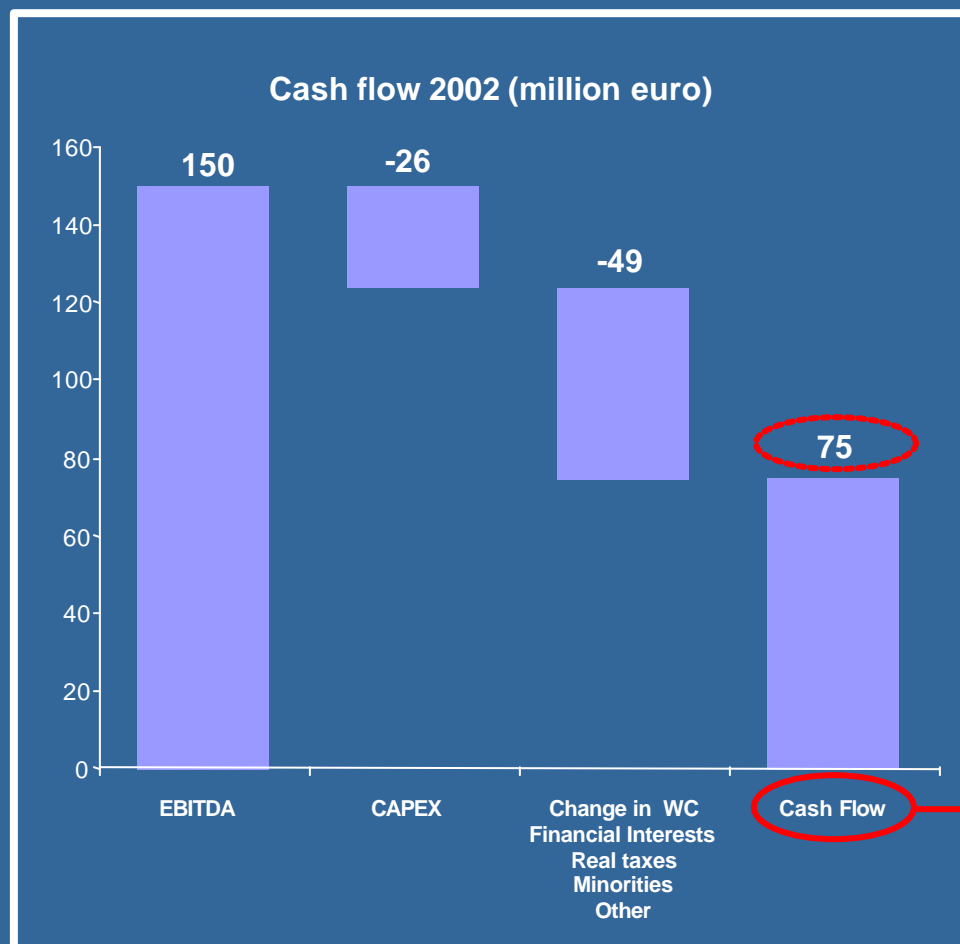
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Healthy financial position...



... backed by strong cashflow generation



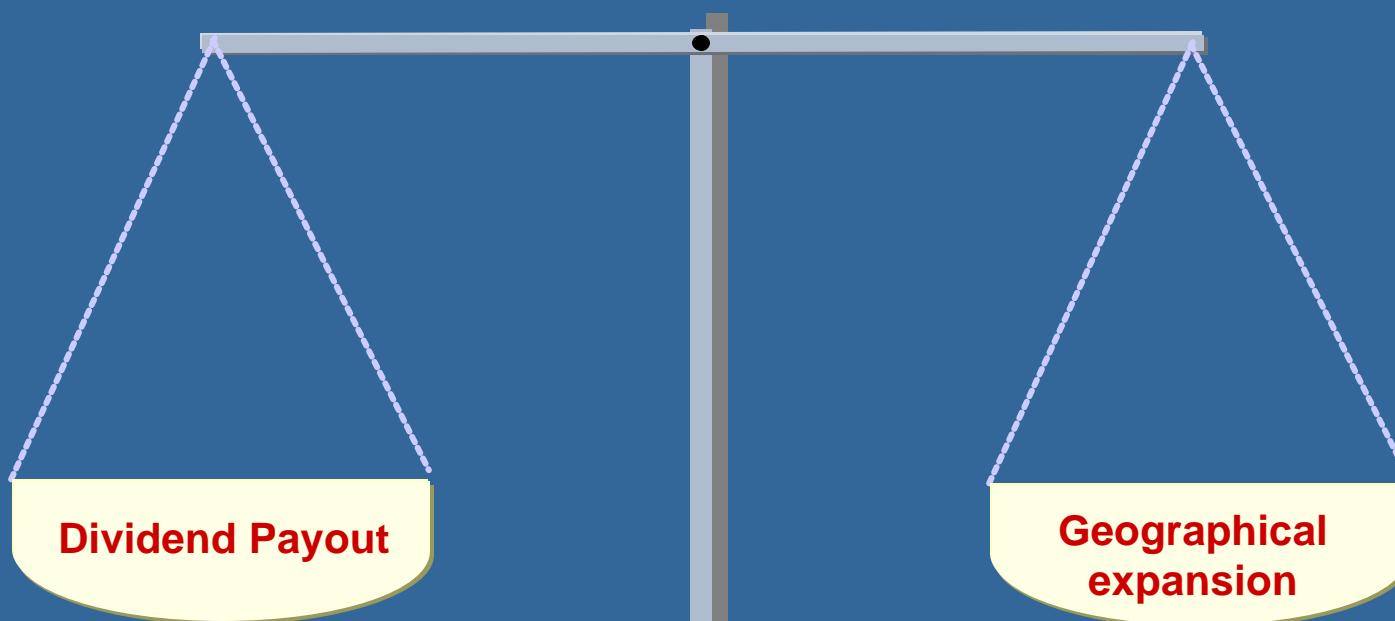
CASH FLOW AVAILABLE FOR:

- Debt amortisation
- Shareholders remuneration
- Investments

KEY RATIOS (2002):

- | | |
|----------------------------|-------|
| • CF/Revenues | 14.1% |
| • EBIT/Financial interests | 9.4x |
| • Debt/Equity | 52% |
| • Debt/EBITDA | 0.6x |

What will be the cash used for?



TPI's Dividend Policy: Payout will be at least 50% of the Group's Net Profit (IPOs Offering Circular)

- | | | <u>Of Group's
Net Profit</u> | <u>Of TPI Spain
Net Profit</u> |
|--------------------|--------|----------------------------------|------------------------------------|
| • Dividend Payout: | ✍ 2002 | → 53.2% | 60% |
| | ✍ 2001 | → 54.8% | 60% |
| | ✍ 2000 | → 59.4% | 60% |
- Dividend Yield (*): 3.5%

- Past expansion:
 - ✍ Brazil -1999
 - ✍ Chile - 2000
 - ✍ Peru - 2002
- Future expansion

(* At 12/03/02 closing Price. Euro 3.12 per share)

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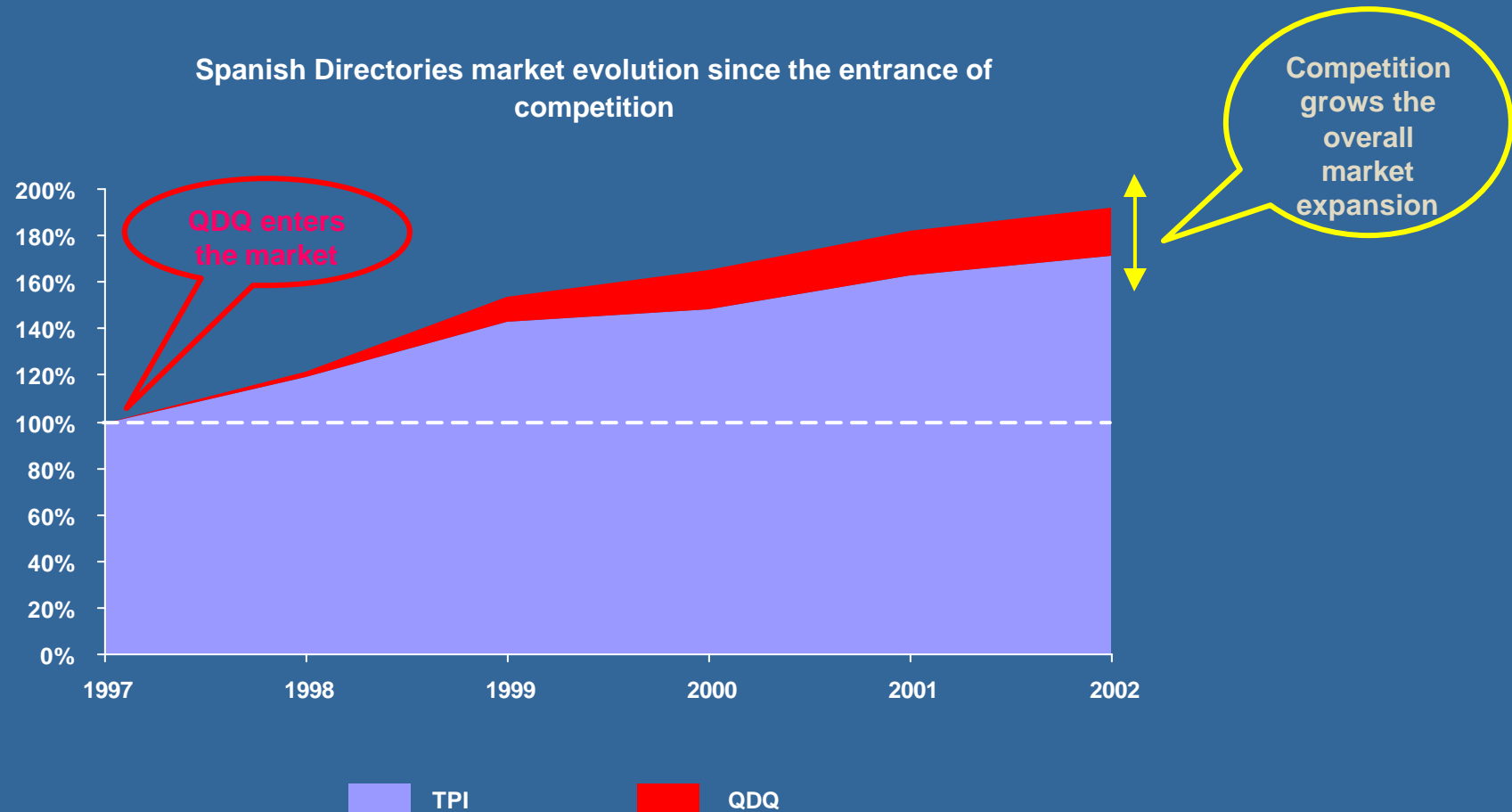
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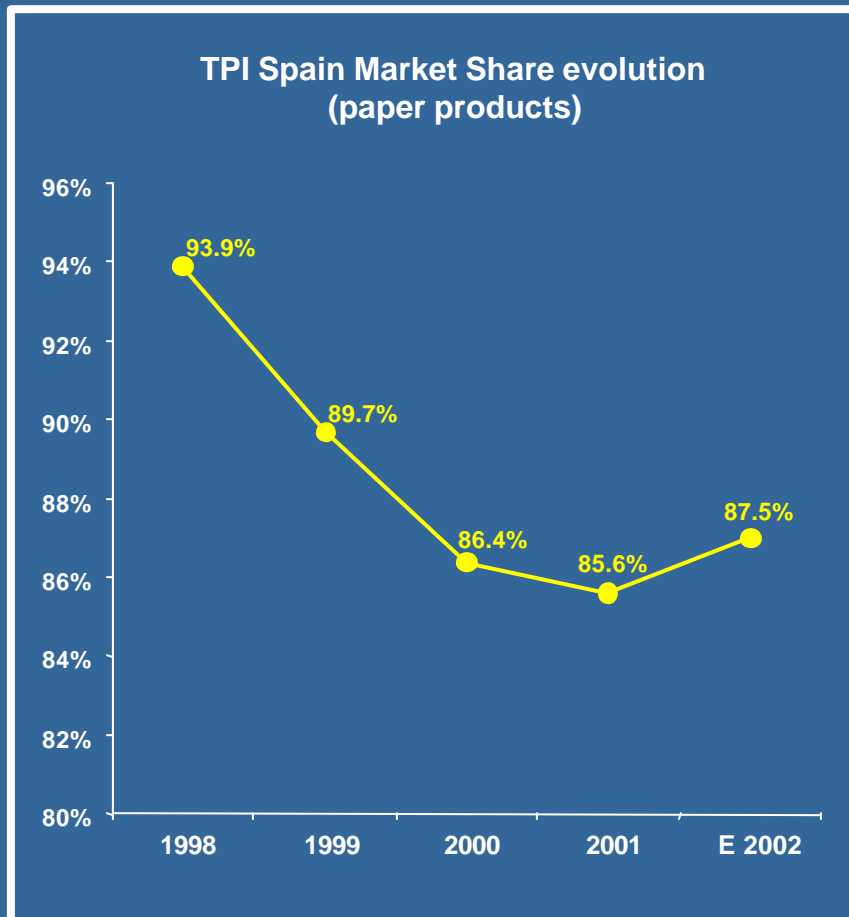
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Competition has contributed positively to market expansion ...



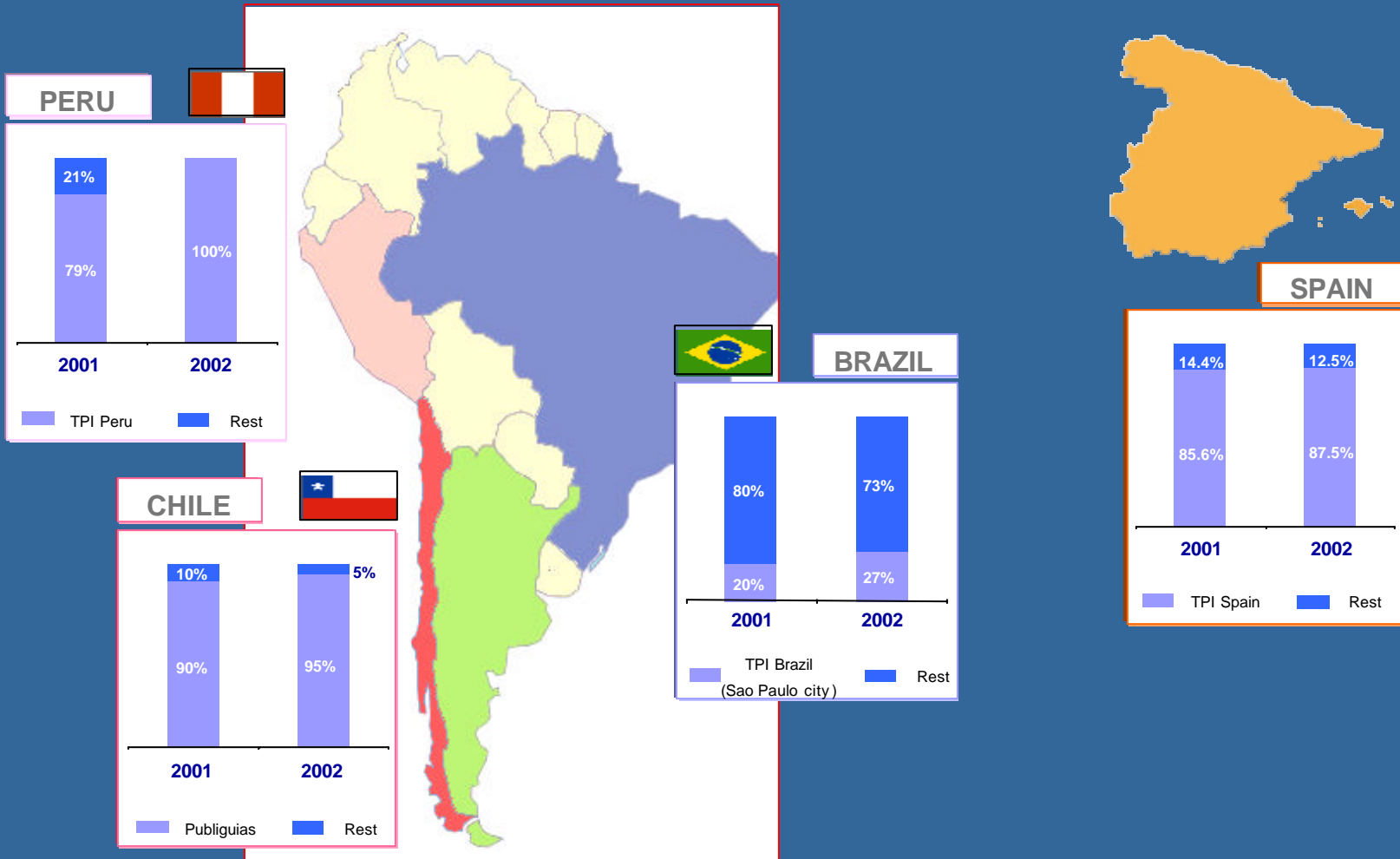
... and its effect on market share is very limited



TPI **Spain**' market share increased in 2002, mainly based on:

- QDQ reaching national coverage in 2001
- Telenor exiting the Spanish market
- Sustained increase in Yellow Pages usage.

Competition: TPI market share, country by country



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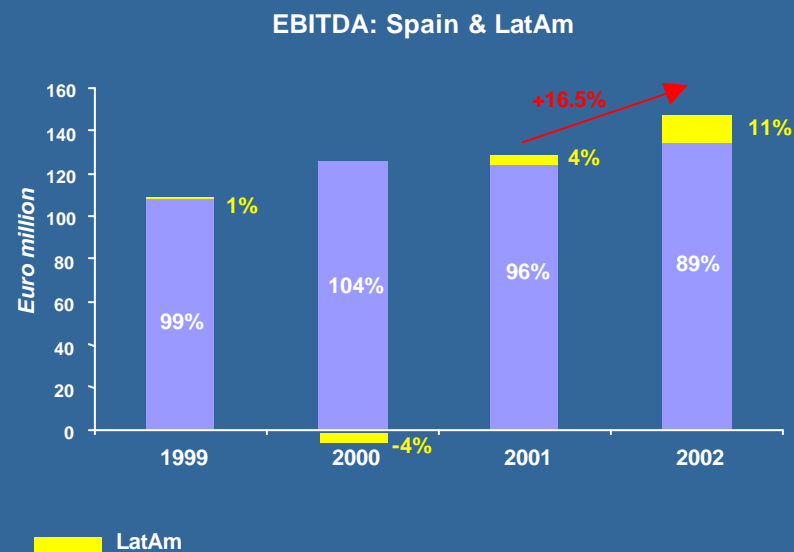
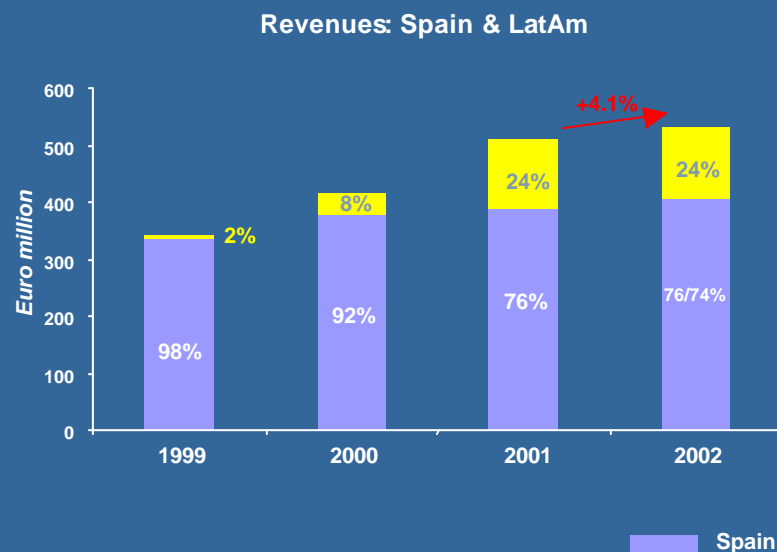
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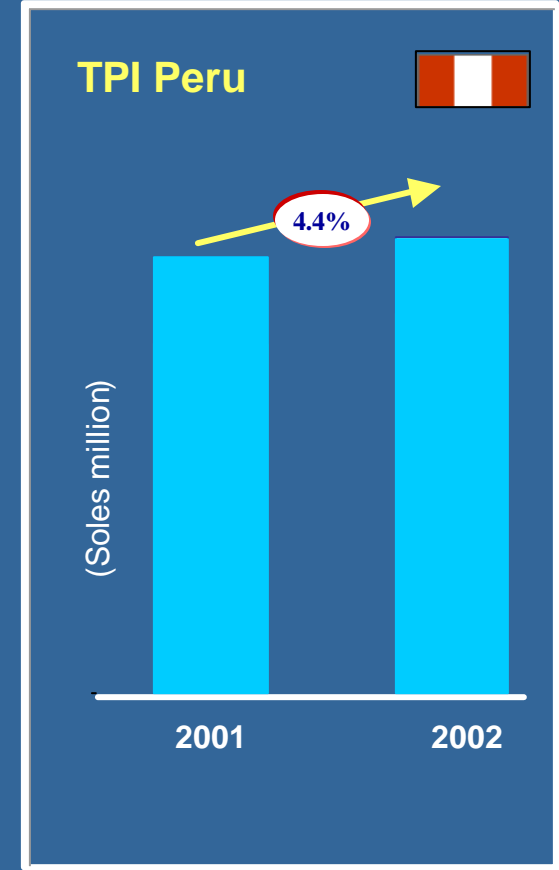
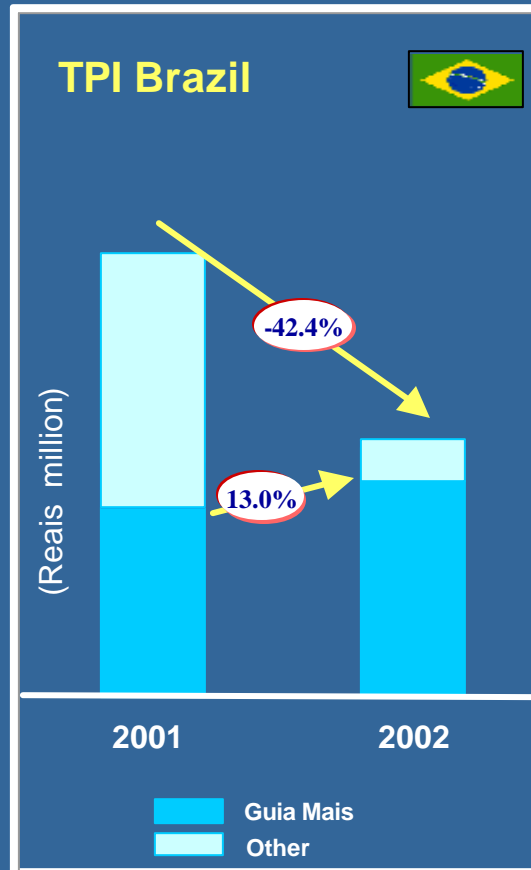
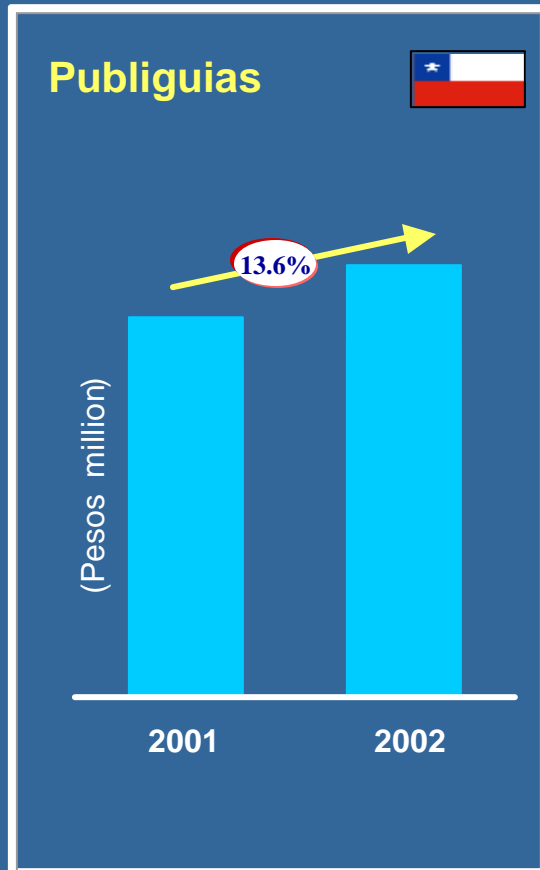
- Results visibility and financial projections

Today LatAm generates 24% of revenues and contributes 16.09 million euros of positive EBITDA

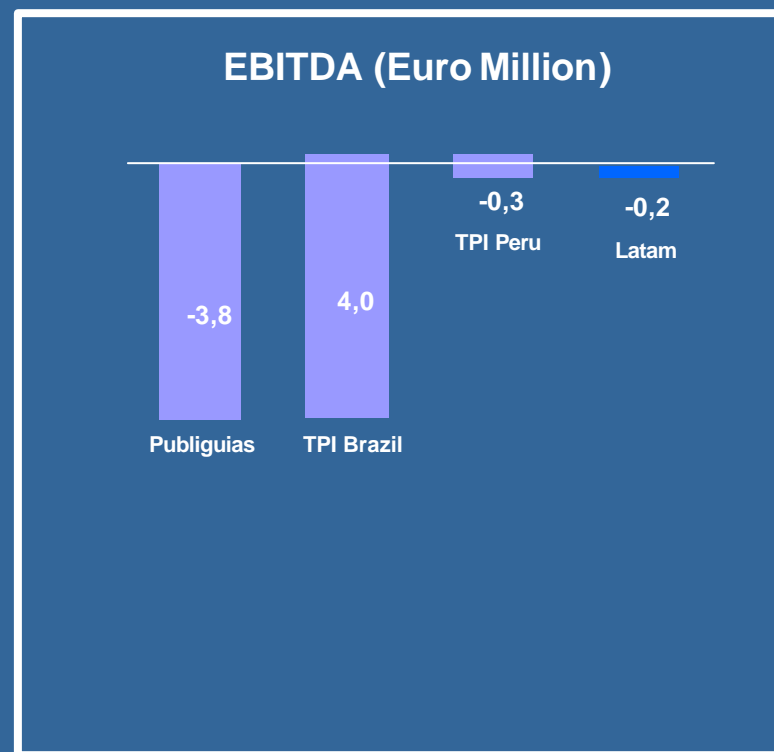
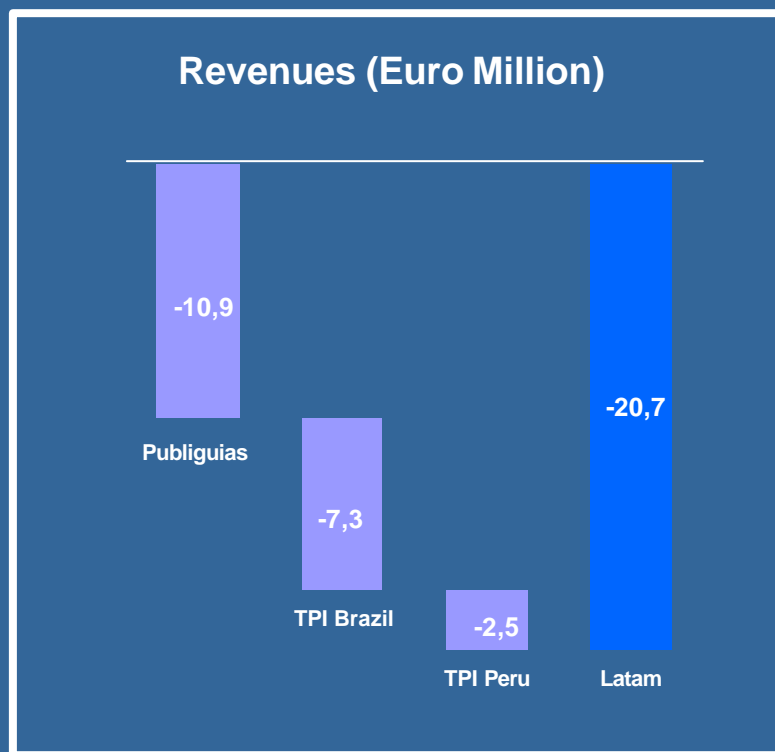
LatAm historical contribution to Group accounts



Advertising revenues in Latam are showing healthy growth rates.



Depreciation of LatAm currencies effect during 2002



- The depreciation of LatAm currencies during 2002 has reduced LatAm revenues and EBITDA by Euros 20.7 and 0.2 million respectively.
- TPI Group revenues grew 8.2% at constant currencies in 2002.

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Business visibility allow us to achieve our targets...



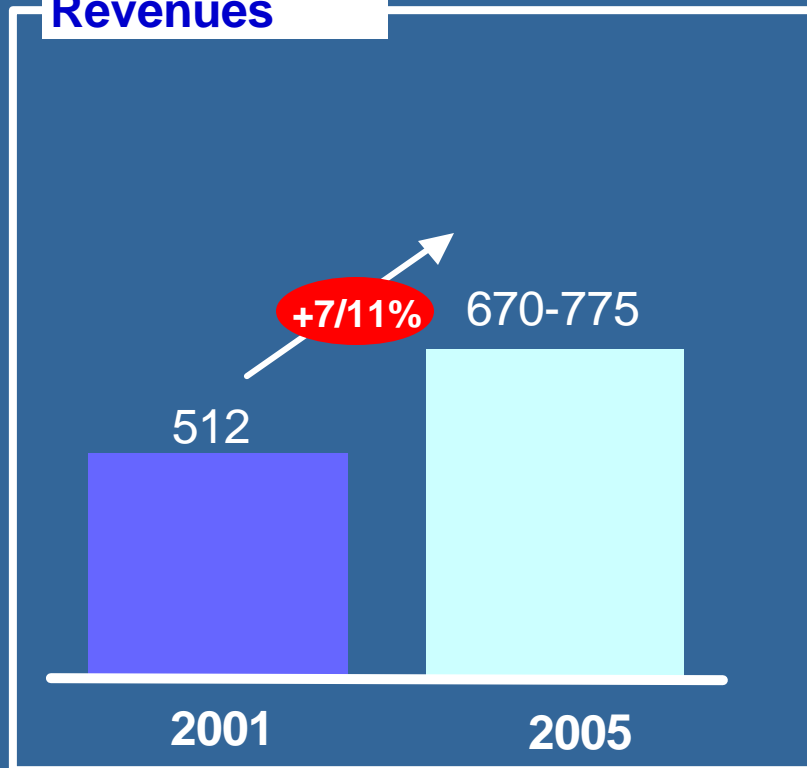
... this strategy will translate into superior profitable growth for TPI for the next four years

CONSTANT EUROS 2001

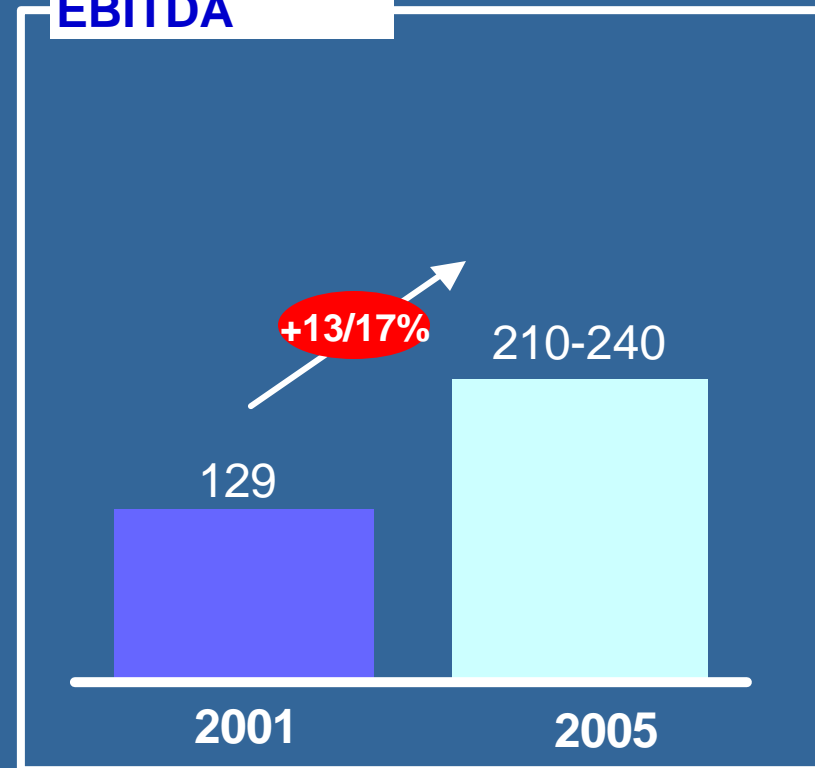
● CAGR

Euro million

Revenues



EBITDA



Growth strategy

PATHS FOR GROWTH

OBJECTIVES

ACTIONS

Core business

- ✍ Usage increase
- ✍ Fully exploit advertisers potential expenditure

- ✍ New advertising objects
 - ✍ New Home Pack,
 - ✍ samples distributions,
 - ✍ vertical guides within Yellow Pages
- ✍ Value pricing strategy
- ✍ Discount strategy
- ✍ URM (Users Relation Management)
- ✍ B2B and B2C Splits
- ✍ Free listings treatment

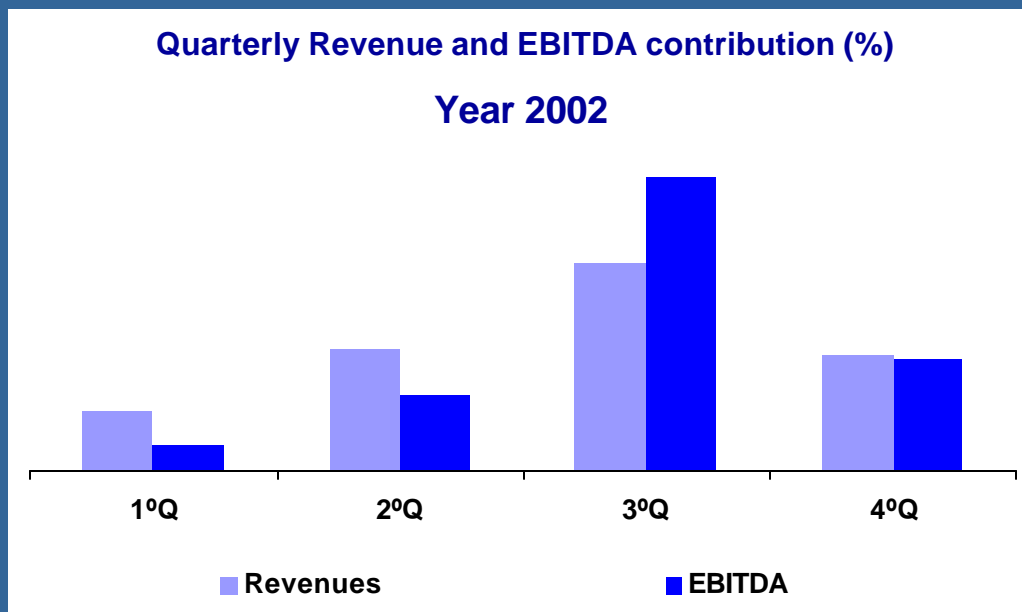
Diversification

- ✍ New products launching
- ✍ Development of new businesses

- ✍ New Directory Assistance service
- ✍ Pocket guides
- ✍ Directories specialised by sector (Building Guide)



Group's quarterly results are not comparable and can not be extrapolated to year-end



- Lack of proportionality in quarterly results
- Revenues and EBITDA quarterly contribution in 2003 will not change significantly from 2002, due to similar directories publication schedules.

Conclusions

- ✍ **TPI holds a strong cash flow generation**
- ✍ **TPI, as a directory company, is resilient but not immune to the economic cycle.**
- ✍ **TPI's businesses in LatAm, represent an opportunity, not a risk.**
- ✍ **TPI registers one of the highest revenue growth rates among its European Peers**