



Telefónica Publicidad e Información

January-June 2002 Results

Madrid, July 25th, 2002

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Sustained growth in all business lines is behind the significant improvement in Group 1H02 results

- Sustainable growth in directory advertising revenues in Spain, underpinned by a significant increase in both paper and internet usage.
- TPI Peru publishes Lima's directory, and the company incorporates into Group accounts.
- TPI Brazil publishes Sao Paulo city second GuiaMais edition, and confirms its strong position in the market.
- First half results cannot be compared and extrapolated to year end.

Forecasts published in 1Q02, after incorporating 1H02 average exchange rates, remain unchanged

Year end forecasts - TPI Group		
(Euro million)	Forecasts 2002 *	FY2001
Advertising revenues	+11/13%	448.81
Editorial	+10/12%	425.76
Internet	+25/30%	19.27
Talking Yellow Pages	+10/12%	3.78
Telecom operator revenues	-18/-20%	58.93
Total Revenues	+7/9%	511.68
EBITDA	+13/16%	128.80

* Forecast according to present consolidation sphere

*Average exchange rates 1st Q02: {
 Peso/Euro: 574.71
 Reais/Euro: 2.0869
 Sol/Euro: 3.02

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*Average exchange rates 1st H02: {
 Peso/Euro: 617.28
 Reais/Euro: 2.1913
 Sol/Euro: 3.1492

- Results expected for 2002 year end, calculated with 1H02 average exchange rates, fall into the ranges provided in the 1Q02 forecast.
- Should currencies maintain actual exchange rates during the rest of the year, EBITDA projections will remain invariable while revenues might be affected.

1H02 revenues and EBITDA up by 25% and 153% respectively

Main Financial Data (TPI Consolidated Accounts)

(Euro million)	1H02	1H01	Var. (%)	2001
Revenues	190.99	152.79	25.0%	511.68
EBITDA	30.46	12.04	153.1%	128.80
EBITDA margin	15.9%	7.9%		25.2%
Net Income	13.15	7.77	69.3%	64.90
Cash Earnings ⁽¹⁾	29.14	16.35	78.2%	92.79

n°. Shares (30th Juny 2002): 368,234,331

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

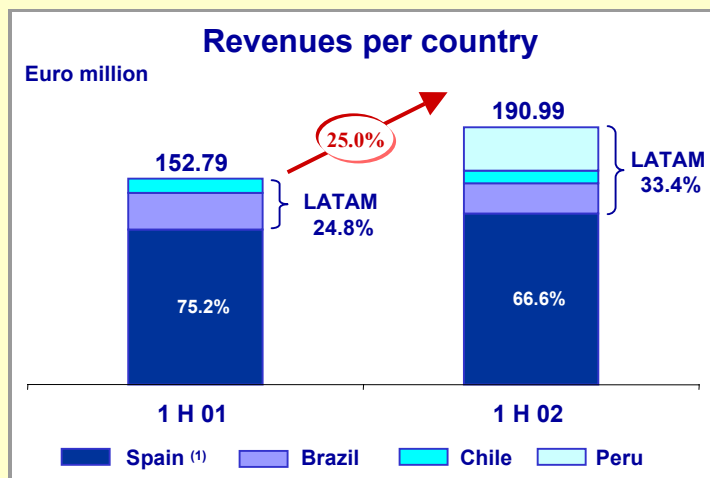
Average exchange rates for 1st H02 {
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	Revenues		EBITDA		EBITDA Margin %
	Euro million	Local currency % Var.	Euro million	Local currency % Var.	
TPI SPAIN*	127.11	+10.7%	36.65	+12.0%	28.8%
TPI PERU	31.73	+9.3%	9.10	+74.4%	28.7%
PUBLIGUIAS	10.01	+7.1%	-2.05	+48.6%	-20.5%
TPI BRAZIL	22.03	-9.6%	-13.18	+7.9%	-59.8%

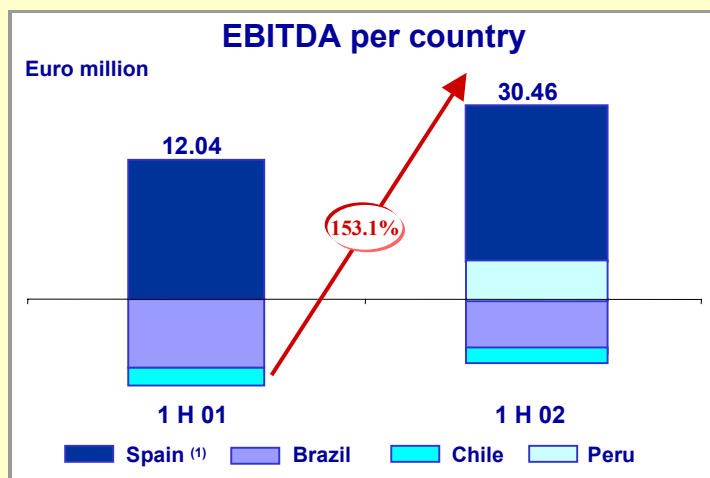
* Includes Goodman Business Press

Note: The rounding-off of figures might produce small differences in the partial totals shown to decimal points, and in the percentage changes stated

Spain represented 66.6% of revenues, while LATAM improved its contribution to EBITDA from -20.6 million Euro to -6.13 million Euro



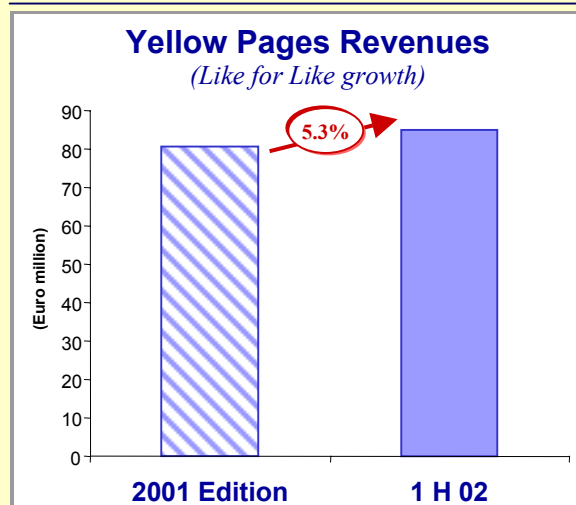
- TPI consolidated revenues increase 25.0% to Euro 190.99 million during 1H02.
 - Spain⁽¹⁾ remains the main contributor to Group revenues accounting for 66.6%.
 - LATAM increases its contribution from 24.8% in 1H01, to 33.4% in 1H02.



- TPI consolidated EBITDA reaches Euro 30.46 million, an increase of 153.1%.
 - Spain's EBITDA⁽¹⁾ up by 12.0%.
 - TPI Peru, contributes with Euro 9.10 million of positive EBITDA.
 - Publiguías and TPI Brazil improve their contribution to Group's EBITDA by 26%.

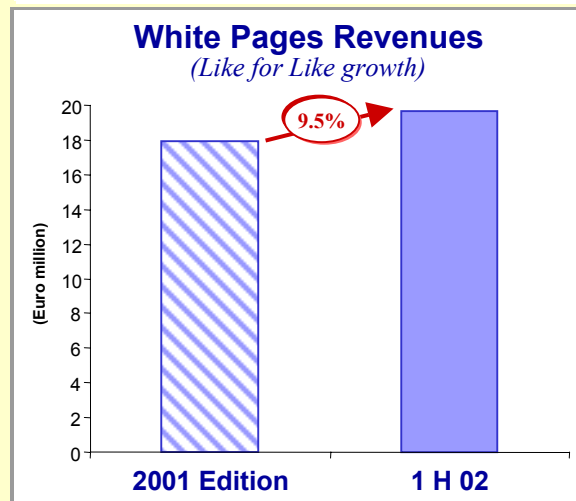
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SPAIN: Editorial advertising revenues (like for like growth)



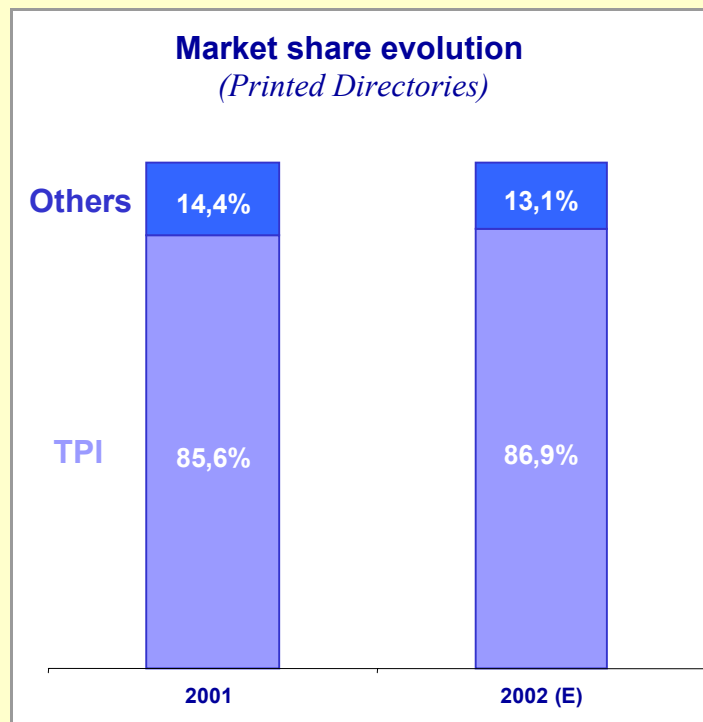
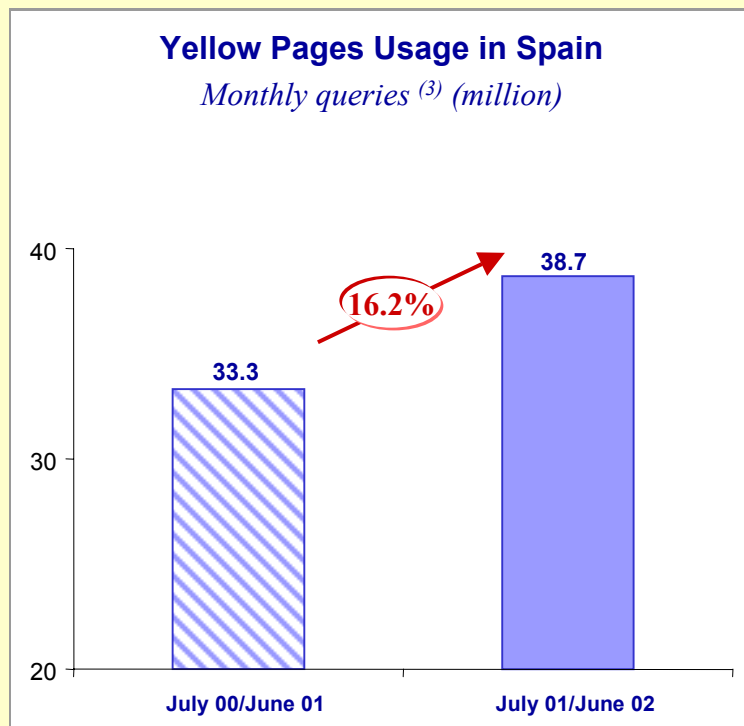
- Yellow Pages 1H02 total **revenues**: 85.43 million Euro. Like for like growth² +5.3%.
- Average **revenue per client** up 5.3% to more than 750 Euro.
- N° of **clients** sustained at 104.000.
- 29 directories published, 3 more than in the same period of 2001.
- **Colour** represented **68.5%** of total YP revenues.

²Like for like growth comparison could only be obtained in 24 directories. Madrid guide was split into business/residential, and only the five books corresponding to the residential edition were published



- White Pages 1H02 total **revenues**: 19.62 million Euro. Like for like growth +9.5%.
- Average **revenue per client** up by 16.4%.
- N° **clients** dropped by 5.9% to 100,000.
- N° Directories published: 24 (17 in 1H01).
- **Colour** represented 46.4% of total WP revenues.

Double digit growth in monthly queries to printed Yellow Pages supports market share in Spain



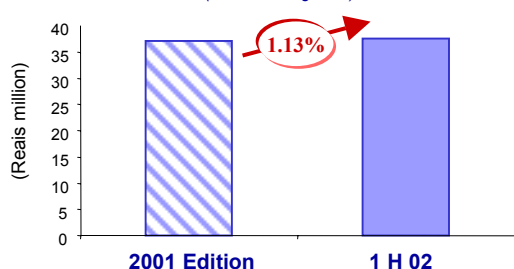
Source: GFK – Emer (June 2002)

⁽³⁾ Calculated as a mobile average of last 12 months

- 16.2% monthly usage increase to 38.7 million queries per month.
- Sustained usage growth allows market share maintenance.

LATAM: Editorial advertising revenues (like for like growth)

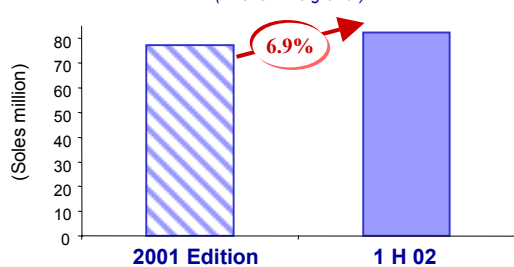
Yellow Pages Revenues (*)
(Like for Like growth)



BRAZIL (YP only)

- Total **revenues**: 37.53 Reais million (+1.13%).
- Average **revenue per client** dropped 7.1% to 2,500 Reais.
- **Nº clients** increased 8.8% to over 14,700.
- **Nº Directories** published: 5 (Sao Paulo city).

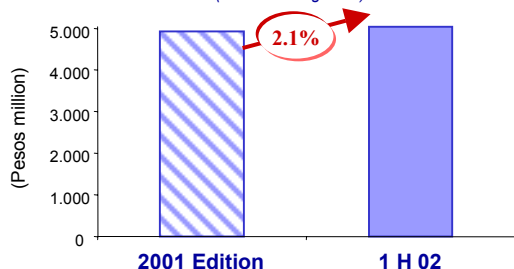
Yellow & White Pages Revenues (*)
(Like for Like growth)



PERU (YP + WP)

- Total **revenues**: 82.41 Soles million (+6.9%).
- Average **revenue per client** up 8.9% to 2,500 Soles.
- **Nº clients** dropped 1.9% to 32,600.
- **Nº Directories** published: 3 (Lima and Sur).

Yellow & White Pages Revenues (*)
(Like for Like growth)



CHILE (YP + WP)

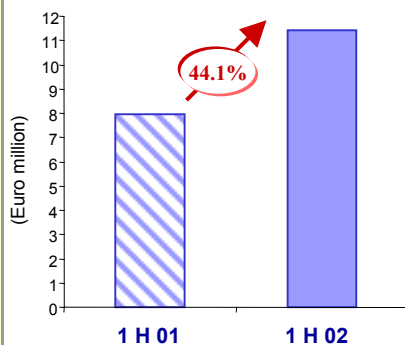
- Total **revenues**: 5,020.60 P\$ million (+2.1%).
- Average **revenue per client** remained at 318,000 P\$.
- **Nº clients** increased 2.2% to over 15,800.
- **Nº Directories** published: 4 yellow and white pages.

* Local currency

Multimedia revenue performance

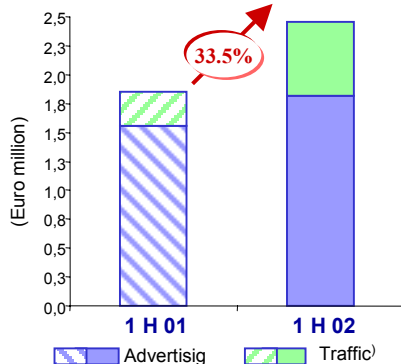
SPAIN

Internet Revenues



- Internet revenues grew 44.1% to 11.44 million euros.
 - Yellow Pages Online revenues: 10.06 million euros.
 - Other internet revenues: 1.38 million euros.
- Clients up 10.3% to 160,000.

Talking Pages Revenues (*)

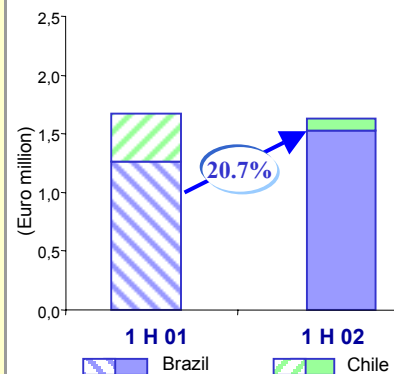


- Talking pages revenues reached 2.47 million euros (+33.5%).
 - Advertising revenues up 17.0% to 1.82 million euros.
 - Traffic revenues of 0.64 million euros (26.1% of total revenues).

* Includes 098 DA traffic revenues

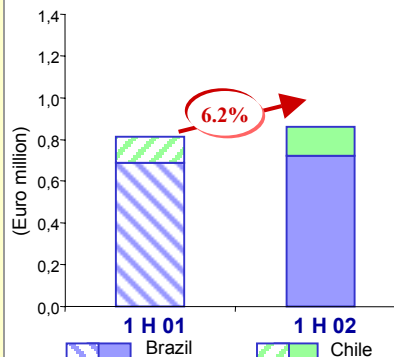
LATAM ⁽⁴⁾

Internet Revenues



- Internet revenues of 1.64 million euros.
- Brazil represented 93.2% of Latam's total internet revenues.
- Slow down of internet sales in Chile.

Talking Pages Revenues

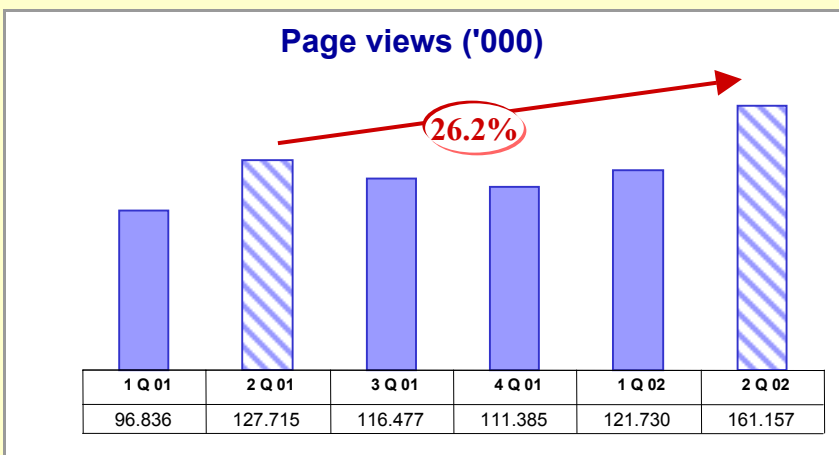
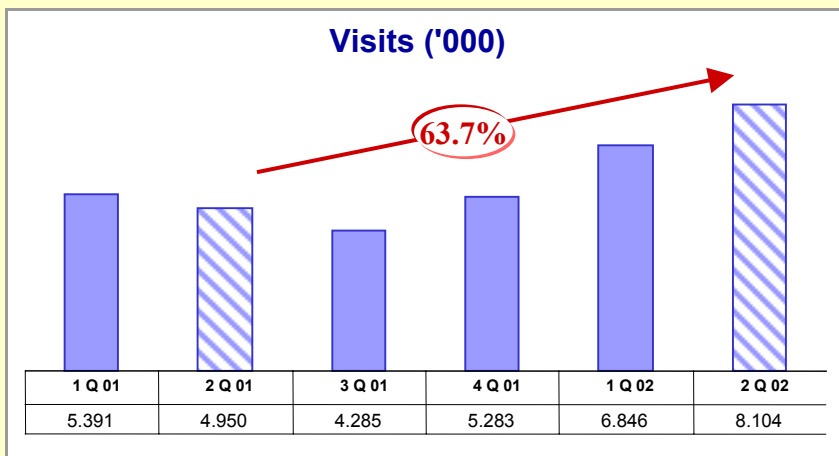


- Talking Pages revenues reached 0.86 million euros.
- Brazil contributed to 83.6% of Latam's total revenues in this business line.

⁴ Include Brazil and Chile

Continuous growth in usage is behind internet performance in Spain

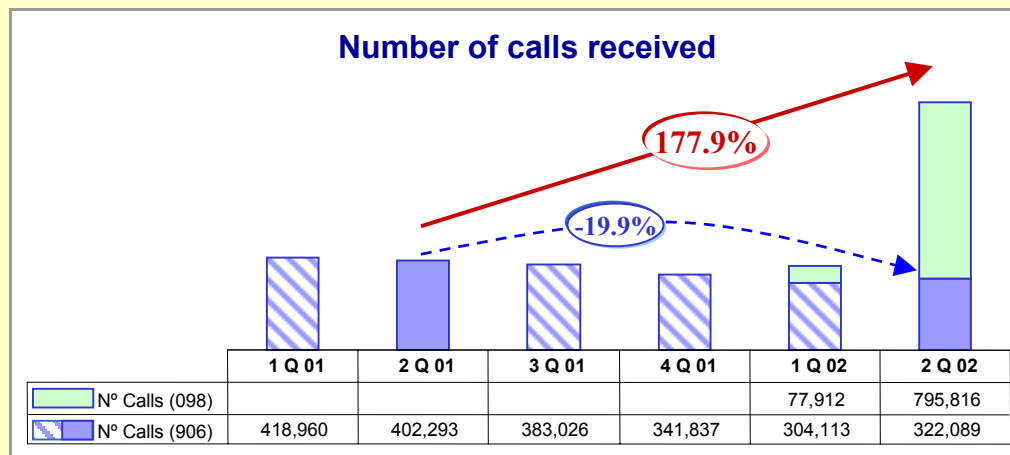
Internet traffic performance: SPAIN



- Multimedia new services for broadband.
- Location based services.
- New content syndication agreements.

Source: OJD (Oficina de Justificación de la Difusión)

The incorporation of 098 DA information service, has lifted traffic significantly



- Incorporation of the 098 DA information service since May ⁽⁵⁾
- Total calls received up by 177.9%.
- Calls completed in Talking Yellow Pages represented 13.8% of total calls, compared to 12.4% a year earlier.
- Lack of advertising investments triggered by new DA service regulation, explains declining in coming calls in Talking Pages.

⁵ Service test during 1Q02

Conclusions

- Performance in every business line meeting first quarter 02 guidance.
- Improved LATAM's first half 02 EBITDA contribution.
- Consistent organic growth in Spain.