

The logo for Jazztel, featuring the word "JAZZTEL" in a bold, black, stylized script font. The letters are thick and have a slightly irregular, hand-drawn appearance. The logo is positioned in the upper right quadrant of the slide, set against a white background that is part of a larger grid of orange and brown squares.

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**1Q 2001 results
announcement**

April 26th, 2001

Certain statements in this conference call are forward-looking and are subject to material risks and uncertainties. Actual results could differ materially from those stated or implied by such forward-looking statements due to risks and uncertainties associated with Jazztel's business, which include among others, competitive developments, risks associated with the Company's growth, the development of the Company's markets, regulatory risks, dependence on its major customers and their spending patterns and other risks which are presented in the Company's filings with the Securities and Exchange Commission and certain European regulatory authorities.

Financial Highlights

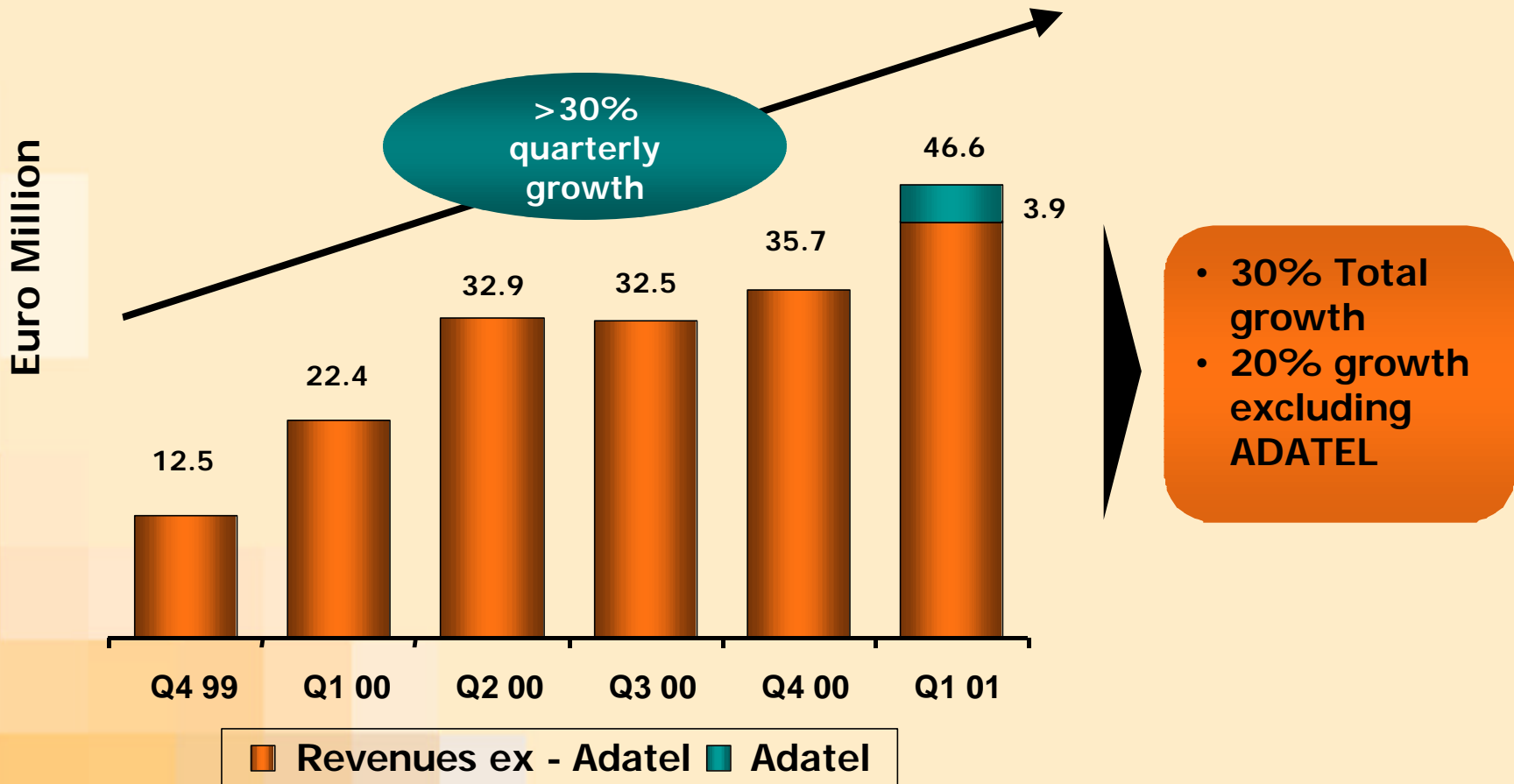
- First quarter revenues of Euro 46.6 million, an increase of 30.5% from the fourth quarter of 2000 and 108% over the same period last year.
- Gross margin of positive Euro 7.6 million, an increase of 35.7% over the fourth quarter and compared to the negative Euro 0.7 over the first period last year.
- Adjusted EBITDA, improved from negative Euro 34.9 million in the first quarter of 2000 to negative Euro 26.8 million in the first quarter of 2001. As a percentage of revenue, adjusted EBITDA improved from negative 88.5% in the fourth quarter of 2000, to negative 57.5% in the first quarter of 2001.
- In February, Jazztel sold the remaining stake of its T-Online holdings received in the sale of Yacom. Total proceeds from this transaction amounted to Euro 281 million.
- In April 2001, Jazztel entered into a Euro 200 million credit facility which gives the Company over Euro 840 million of liquidity and secures the total financing of Jazztel's business plan until it is cash flow positive.

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Operational Highlights

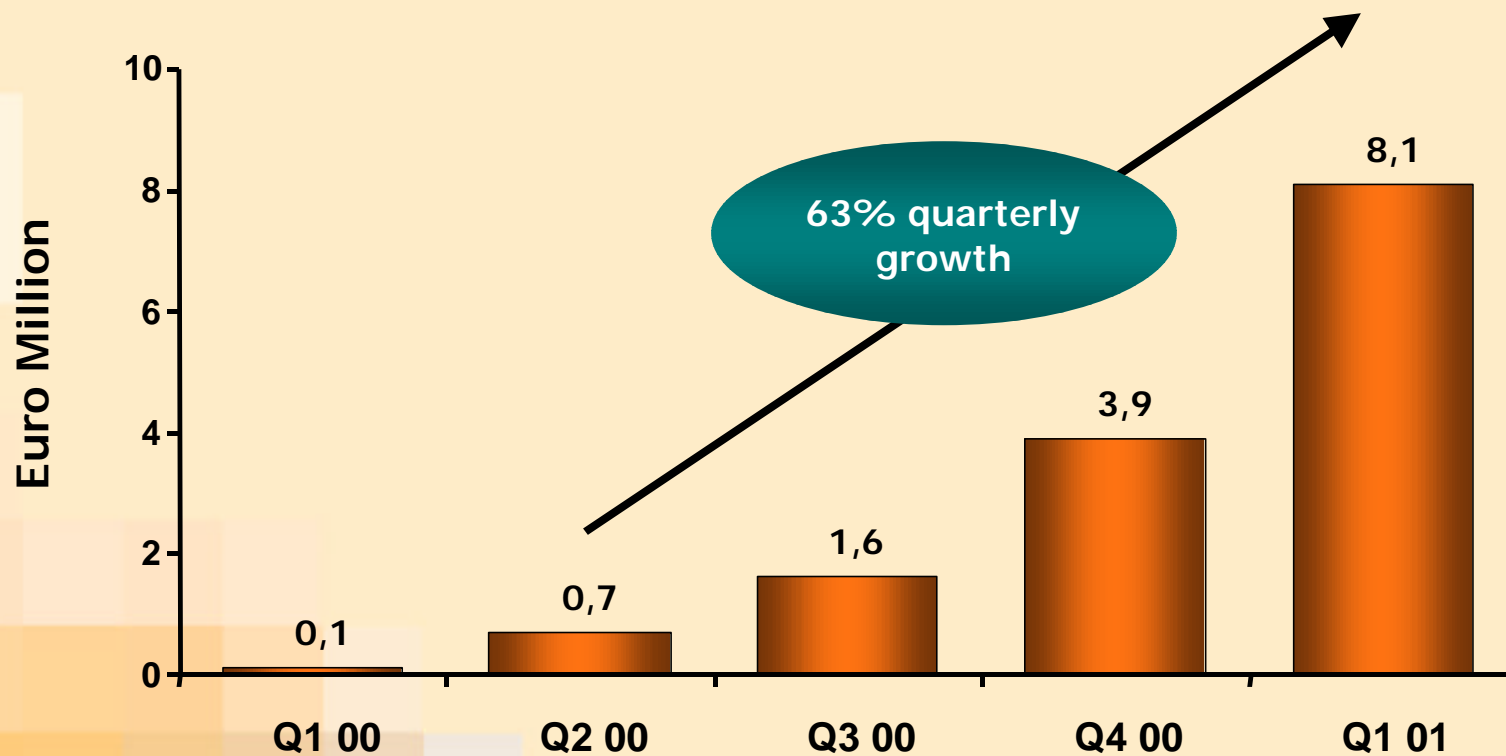
- Total traffic on the Jazztel network rose to 747 million minutes in the first quarter of 2001, an increase of 24.9% compared to the last period in 2000 and a 184% increase over the same period of 2000.
- Expansion of the local area network to 2,092 km, an increase of 361km from the previous quarter.
- Completion of the Spanish backbone through the deployment of the North-West ring with 1,496 km of additional operational fiber. Total backbone now comprises 5,733 km.
- Connection of 362 new sites to Jazztel's fiber network, increasing the number of provisioned sites to 943, a growth of 62.3% from the previous quarter, exceeding initial expectations.
- Signing up of 528 new direct access customers bringing the total of contracted on net customers to 1,786.

Strong Revenue^(a) Growth



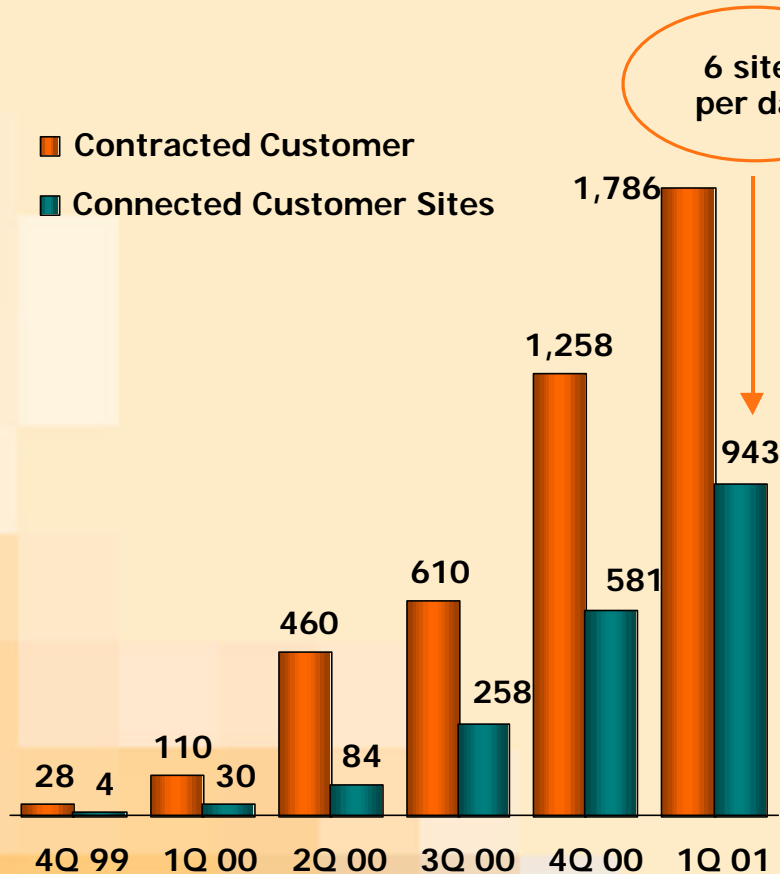
(a) Excludes the impact of Yacom Internet Factory and € 1.1million of other revenues in Q2 2000

Direct Access



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Direct Access Customer Take-Up

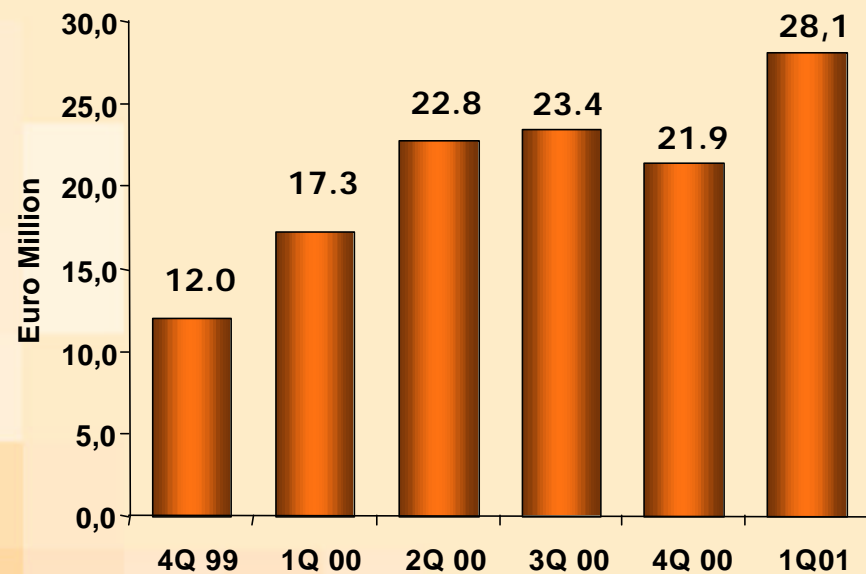


- 362 new clients with service provisioned
- Focus on optimizing the provisioning process with initial results already apparent as the number of connected sites per day improved from 5 to 6 in the last quarter
- Adatel acquisition as a major catalyst to improve the process further

In line to reach target of connected sites by year-end 2001

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Indirect Service Revenues



Pick up in revenues due to:

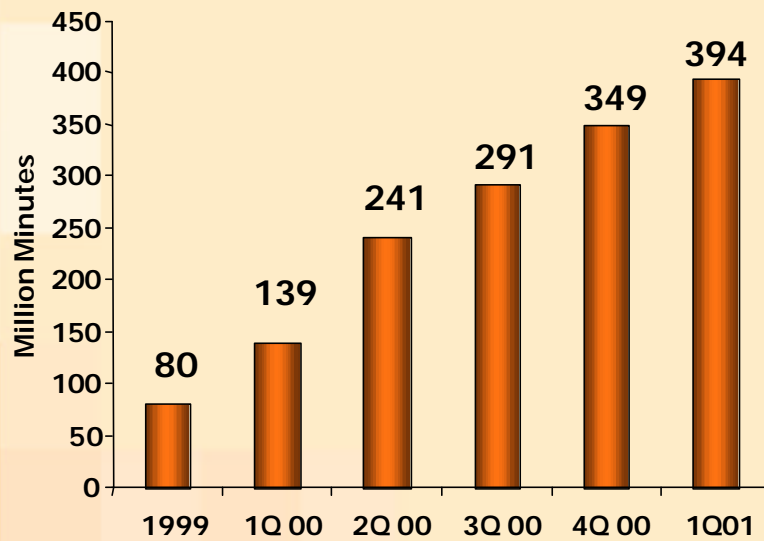
- Launch of local calls
- Lower competitive pressure
- Preselection

- Over 708,000 clients: 40% business
- Over 1,150,000 lines: 61 % business
- 3.1 million min/day: 63% business

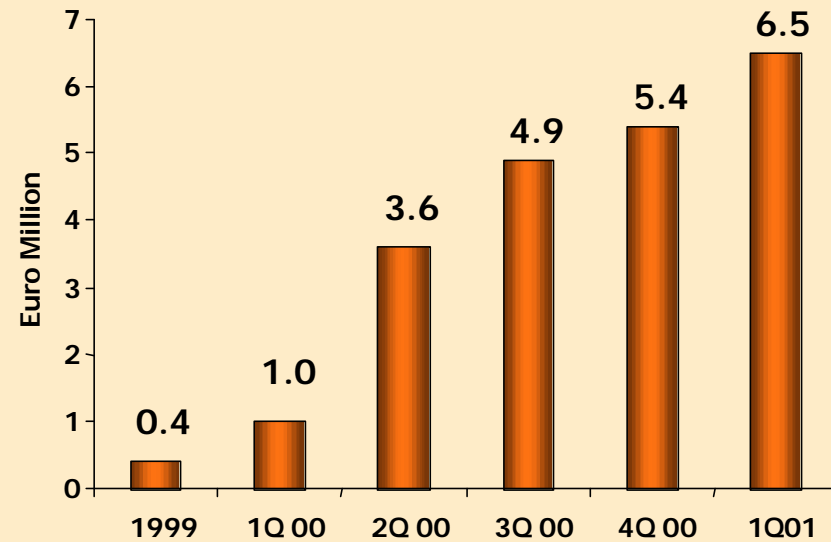
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Internet Services

Traffic



Revenues

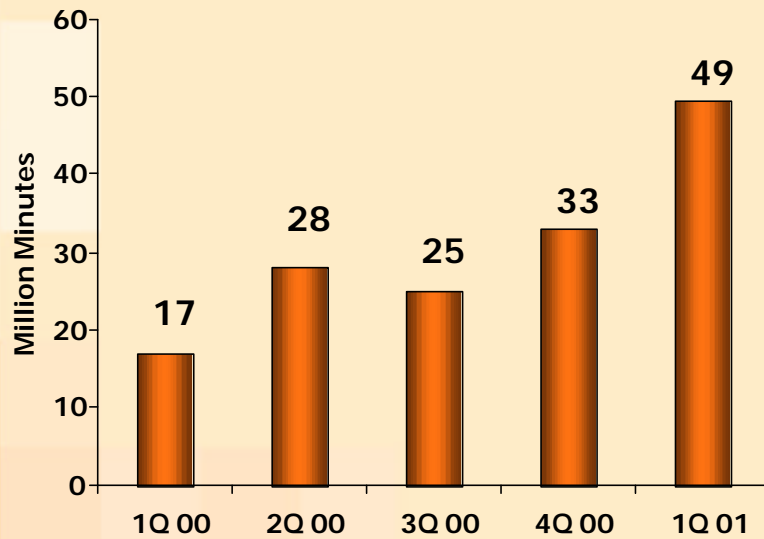


- 7,546 active Jazznet customers
- 594 active ADSL customers

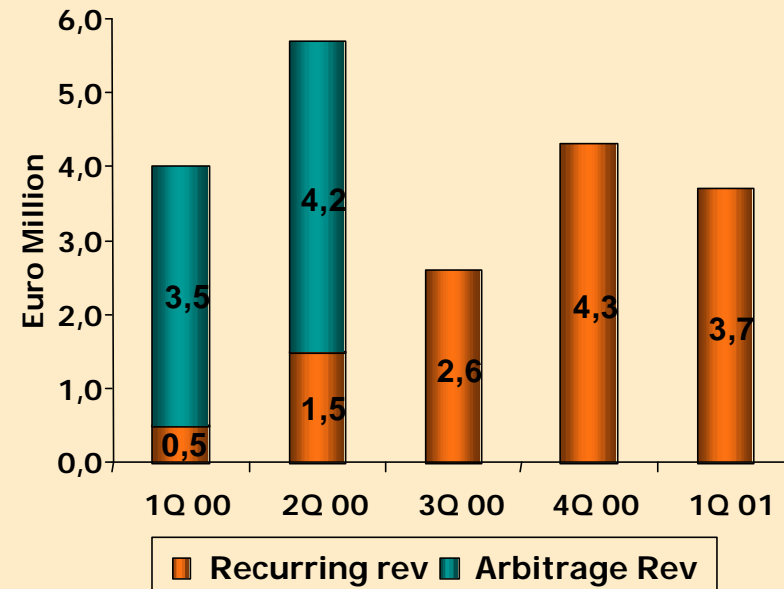
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Carrier Services

Traffic



Revenues

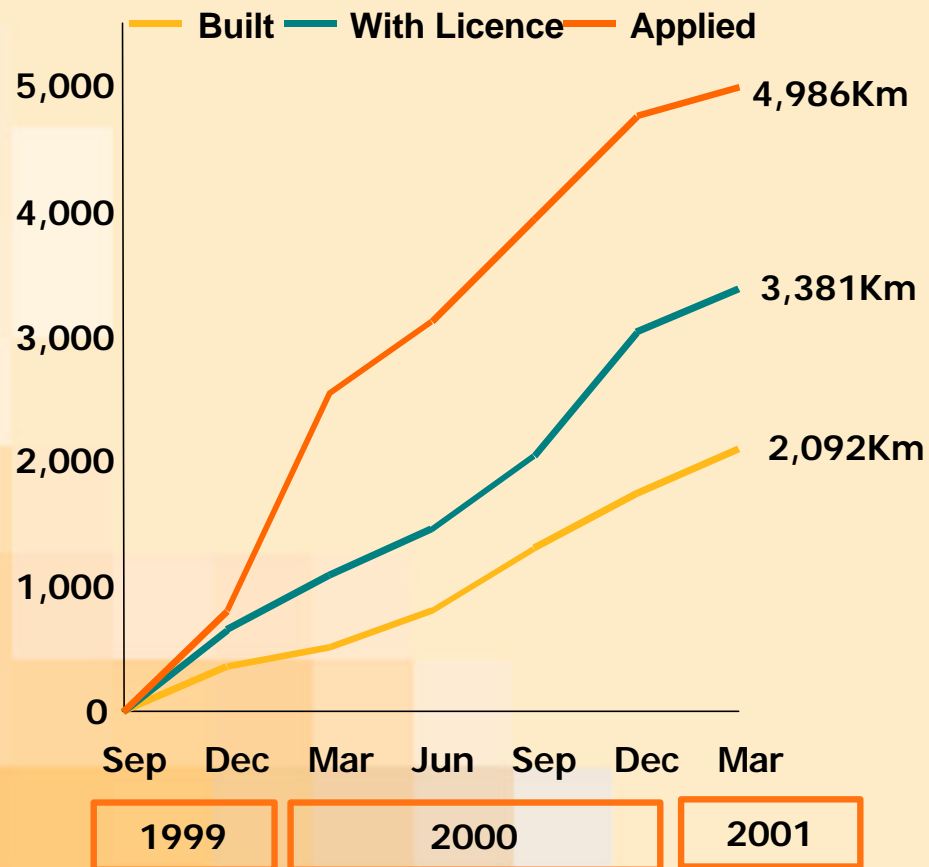


- 34 traffic termination contracts
- 18 wholesale capacity contracts

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Network Deployment Update

Route kms.



- Network development on target to reach 3,000 km by year-end 2001
- Backbone completed with total 5,733 km

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Management priorities for 2001

Managing profitable Growth

- Concentrate network deployment efforts on maximizing fiber lighting
- Maximize the number of customer connections through owned infrastructure
- Focus Indirect Access on generating profitability
- Maximize the contribution of higher value revenue lines:
 - Corporate Internet services
 - Capacity sales

+

Minimize Cash Burn

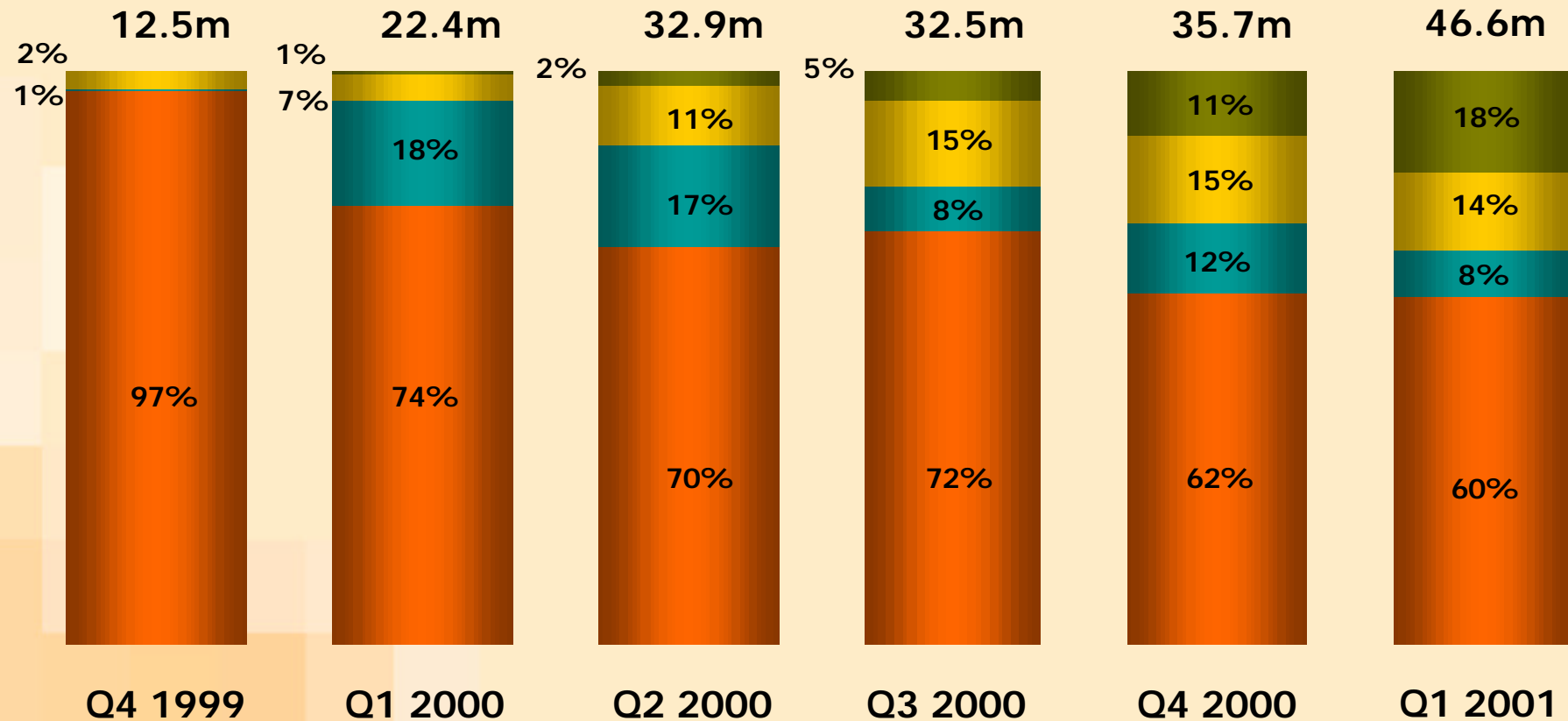
- Optimize capital expenditures, integrating all access technologies to ensure maximum return on investment
- Tight control over SG&A and network operations costs

P&L Comparison

| Euro millions | Q1 2000 | Q4 2000 | Q1 2001 |
|--------------------------------------|-------------------|------------------|------------------|
| Revenues | 22.4 | 35.7 | 46.6 |
| Cost of Sales | (23.1) | (30.1) | (39.0) |
| Gross Margin <i>as % of sales</i> | (0.7) -3.1% | 5.6 15.6% | 7.6 16.3% |
| SG&A | (34.2) | (37.2) | (34.4) |
| EBITDA <i>as % of sales</i> | (34.9) -155.8% | (31.6) -88.5% | (26.8) -57.5% |

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Favourable Revenue mix evolution



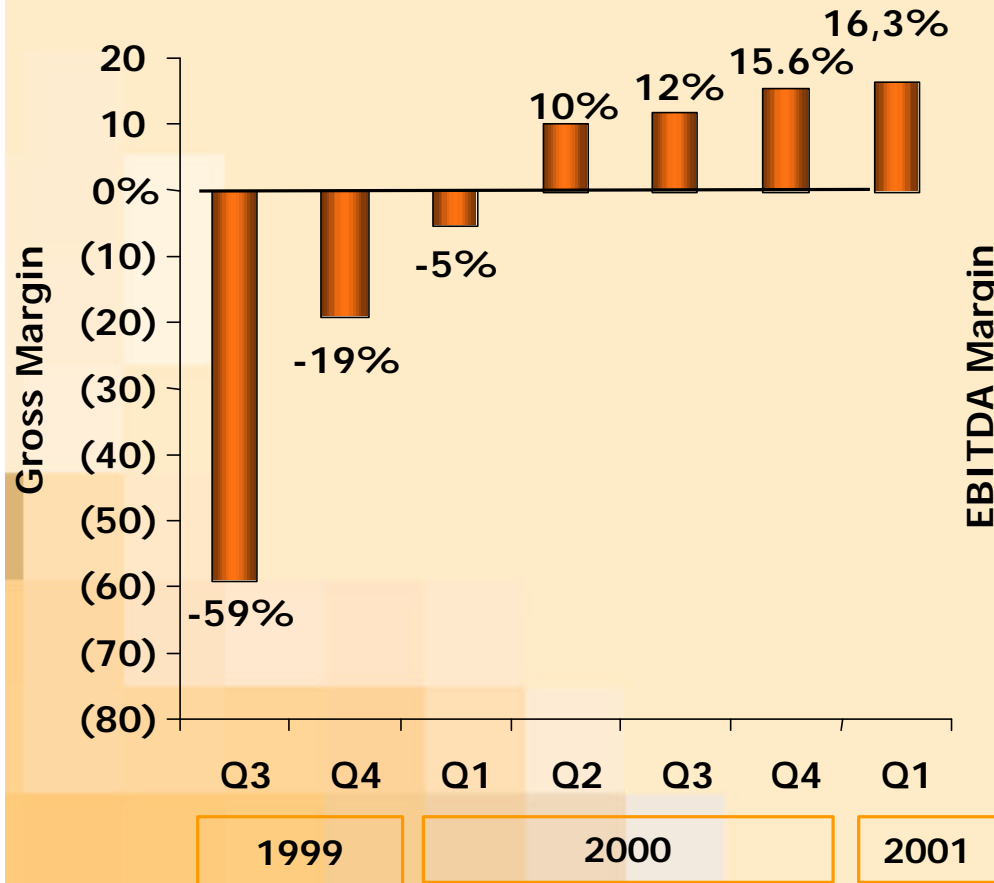
Indirect ■ Carrier's Carrier ■ Internet ■ Direct Services ■

(a) Excludes the impact of Yacom Internet Factory in year 2000 and € 0.2million of other revenues

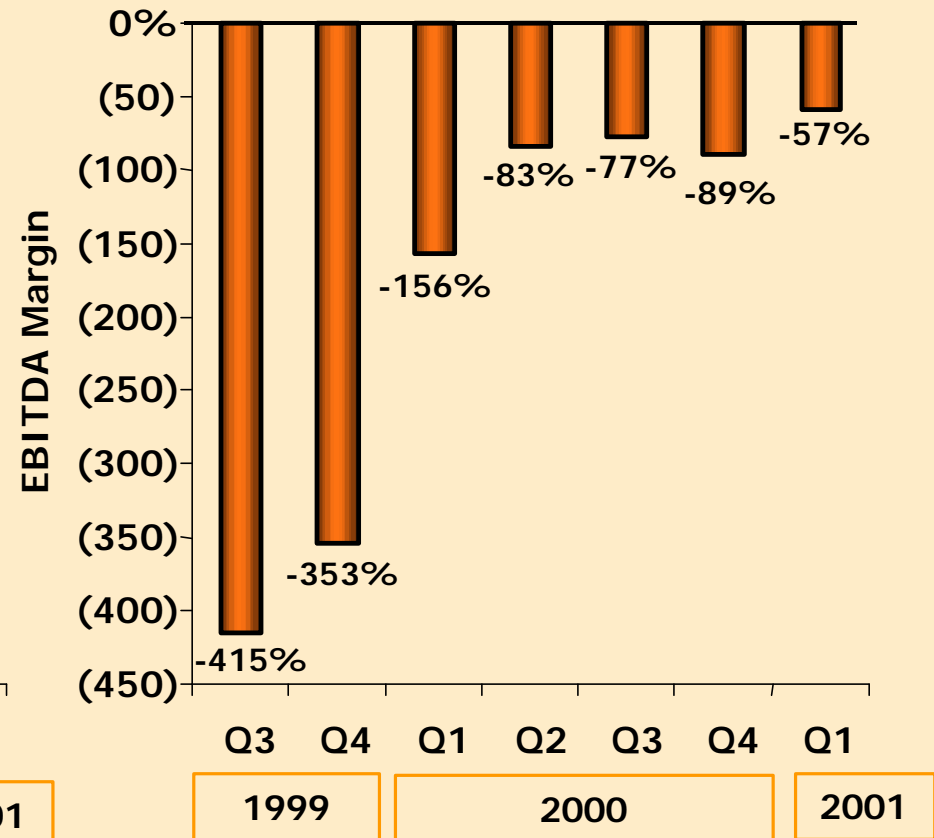
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Leading to Improvement in Gross Margins

Gross Margin as % of Sales excluding YIF



EBITDA Margin as % of Sales excluding YIF



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Fully funded Business Plan

Funding position to cash flow break even

