

Lima, June 10, 2011

To whom it may concern:

We hereby would like to express our recognition of the worked performed by London Consulting Group during the efficiency and productivity project carried out by Telefonica's Office of Network and Service Management in Peru from October 2010 to May 2011.

During this third project carried out internally at Telefonica in Peru, London assigned a team of consultants who worked in conjunction with our personnel and took the necessary measures to achieve the project's results. Among the most relevant outcomes were the following:

- An 85% increase in the personnel's activities within the different areas of management, including operations in Lima as well as in other main provinces, achieving a detailed volume per hour of each of the processes which facilitated its analysis.
- During the process and workload analysis stage an opportunity for a decrease in man-hours was identified equivalent to 18% of the operative head count in Lima and 16% at a provincial level.
- Subsequently, our personnel using the knowledge of the tools and methodology were able to incorporate their field technical knowledge into opportunities for synergy which increased the results of people being released in Lima from 18% to 21% exceeding the set objective.
- Opportunities and scenarios of probable value generating initiatives were analyzed for Management and the Company, analyzing where people could be relocated, considering their experience and knowledge in order to ensure their appointment and maintain a good work environment.
- The majority of the initiatives were included in the management's strategic plan, which resulted in the perfect opportunity to make them viable and execute them in order to achieve several of our strategic objectives for 2011 by the end of the project as well as to ensure the fulfillment of the budgetary objectives for 2011 and 2012.
- We were able to mobilize 100% of the people selected within the different managements and relocate them to their new positions, taking training plans and necessary tools into consideration to carry out the initiatives.
- The start of these initiatives will generate savings of \$4,750,000 USD during the next three years, which represents a return on investment of 6.5 to 1.
- Lastly, workshops for the Development of Management Skills were provided for 145 executives and group supervisors with the objective of teaching leaders change management strategies, communication, work systems, time management, teamwork and human resources management.

Based on the aforementioned and the dedication and responsibility of their team of consultants, we highly recommend London Consulting Group as a committed and professional company which always works towards results.

Sincerely,

Maria Jesús Herrea
Director of Network and Service Management