

Lima, March 2012

To whom it may concern:

We hereby would like to express our recognition of the work performed by London Consulting Group during the efficiency and productivity project carried out by Telefonica's Office of Management Control and the Office of Management and Purchasing from August 01, 2011 to March 30, 2012.

During the above mentioned project, 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:

- A 100% increase in the personnel's activities within the different areas of management, achieving a detailed volume per hour of each of the processes which facilitated its analysis.
- During the process and activity analysis stage, which focused on workloads, an opportunity for availability in man-hours was identified equivalent to 18% of the operative head count.
- Likewise, opportunities and scenarios of probable value generating initiatives were analyzed for the VP, identifying the supplier's and contractor's activities in which Telefonica's personnel could develop and then relocate considering their experience and knowledge in order to ensure their appointment and to maintain a good working environment.
- During the project the, new scope for the Office of Management Control was redefined, reviewing everything from the area's macro overview through success guidelines to activity details per person which allowed the release of 43% of the head count in Management and to obtain an efficiency of 18% of the resources.
- We were able to identify 100% of the people selected to be relocated within the different managements, and 88% of the relocations were performed, taking training and implementation plans into consideration to carry out the initiatives.
- The aforementioned will generate savings of \$1,415,000 USD during the first year which represents a return on investment of 2.33 to 1.
- Lastly, workshops for the Development of Management Skills were provided for 85 executives within the three different management areas 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,


Pedro Cortez
VP de Finanzas y Control