



1Q'10 Webcast

April 29, 2010



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Where Telmex Internacional is now



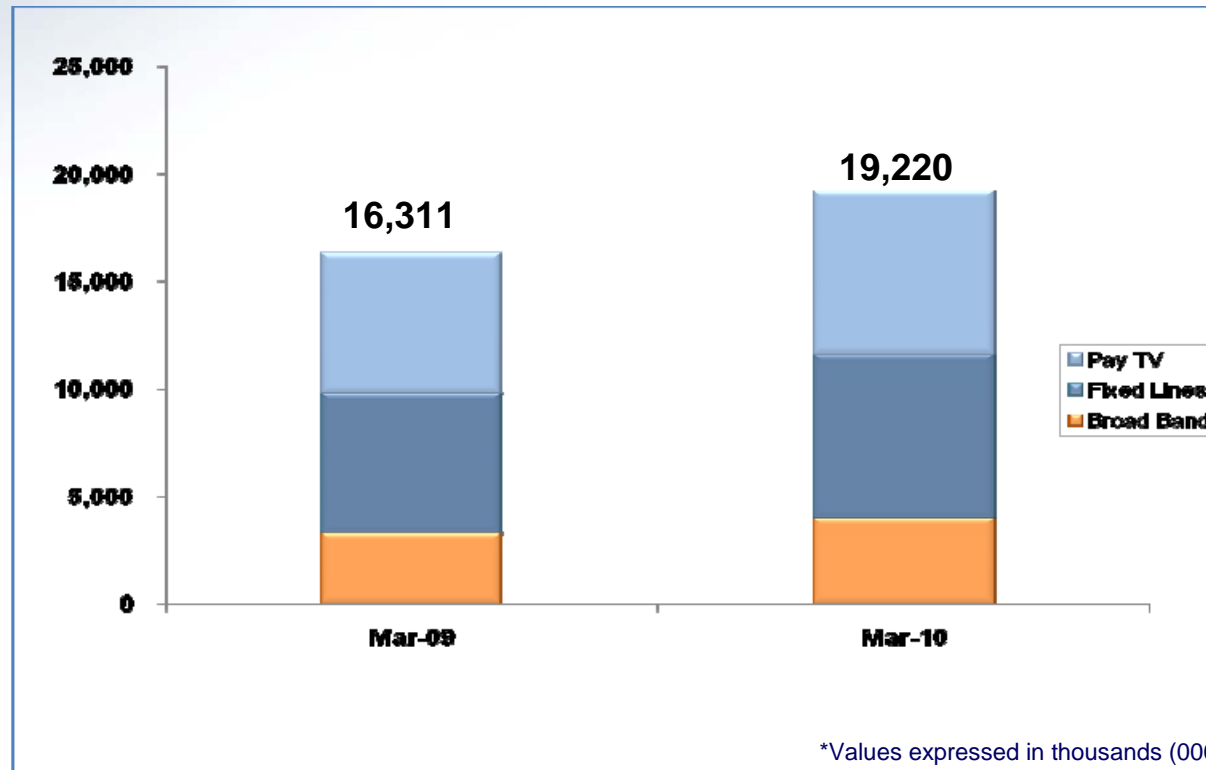
We continued to add customers across our markets and across our product portfolio

We are well positioned to deliver a broad range of voice, Internet, data, Cable and Satellite TV capabilities.

Telmex Internacional presence,

- **Seven countries**
- **Population of 338 million inhabitants**
- **88% of the population**
- **99 million homes**

Solid growth



Solid Progress RGUs

- Total RGUs 19.2 million
- 17.8% growth with respect to 1Q09
- 4.1% growth with respect to 4Q09

At the end of first quarter

- 4.0 million Broadband subscribers
- 7.6 million Fixed lines
- 7.6 million Pay TV services

Revenue Generating Units (RGUs)

At the end of March 2010

We achieved growth rates in RGUs as follows:

- Brazil, **15.1 million** RGUs, **18.8%** from a year earlier and **4.3%** ahead of year-end 2009
- Colombia, **2.8 million** RGUs, **4.2%** increase year-over-year and **2.2%** ahead of the fourth quarter. Growth occurred in broadband **21.5%** and voice **22.5%**

In the rest of the countries where we operate, the year-over-year RGUs increase was **46.2%** and **6.4%** since the end of 2009





Consolidated 1Q'10 Financials Results

Revenues increased by **18.4%** to **24.4 billion pesos** from the year- earlier period.

The **major contributors** were:

• Pay TV	68.2%	• Domestic LD	17.3%
• Local Service	32.9%	• Corporate Networks	13.3%
• Internet Access	29.1%	• International LD	-2.3%

By **country** revenue (in local currencies) growth was:

• Chile	16.2%	• Brazil	6.3%
• Colombia	12.0%	• Peru	2.0%
• Argentina	7.6%		

Cost and expenses totaled **21.3 billion pesos**, up **16.3%** from a year ago, mainly **due to a significant increase** in the number of **customers**, network maintenance costs, content costs particularly in Brazil, Chile and Peru, as well depreciation and amortization costs.

EBITDA increased 39.3% to **6.7 billion pesos** from the year-earlier period and **5%** compared with the **last quarter of 2009**, producing a margin of **27.5%**.



Consolidated 1Q'10 Financials Results

Operating Income:

3.1 billion pesos

12.8% Operating Margin.

Financing costs for the first quarter declined **almost 15% to 219 million pesos from the same period in 2009**

Net Income:

1.9 billion pesos, increased **17.9%** compared with the year- ago period

Earnings per **share** equal to **11 Mexican cents**.

Earnings per **ADR** equal to **17 U.S. cents**.

Total debt totaled the equivalent of **2.6 billion dollars: 36.8%** was dollar-denominated.

Hedges were in place for the equivalent of **446 million dollars**, or **47.2%** of the dollar-denominated **debt**.

Net debt totaled the equivalent of **1.817 billion dollars**.

Consolidated 1Q '10 Financials Results

During the first quarter **CAPEX** totaled the equivalent of **225 million dollars**, primarily in Brazil and Colombia.

During the quarter, we repurchased 2.5 million shares for an amount of 29.3 million pesos.





Revenue growth was 6.3% compared with the same quarter of a year earlier, mainly by:

- Local access 16.9%
- Data service 7.0%

Local Access }
Data Business } 54.6% of 1Q10 revenues
DTH }

Domestic long distance: Revenues increased 2.2% compared with the same period last year.

International long distance decrease 16.7% mainly due to an appreciation of the reais against the US dollar affecting incoming traffic.

Net Serviços

Offered the **Net Fone** service to **2.7 million** customers. This **network** passes **10.9 million homes** and is **80% bidirectional**. It covers **3.8 million Pay TV** customers and has **3 million broadband customers**.

Via Embratel

Sales of **79 million** reais during **1Q10**, more than **221 thousand** services. **441 thousand** services installed.

Cost and expenses were up **4.2%** from the first quarter of 2009.

EBITDA increased **22.7%** with a **margin** of **29.6%**

Operating margin was **16.0%**





The network passes **5.1 million homes** and is **63%** bidirectional.

2.8 million RGUs, an increased of **4.2%** compared with the same period last year, driven by strong growth in:

- Broadband **21.5%**
- Voice Service **22.5%**

Revenues increased 12.0% in the first quarter to **308.7 billion** Colombian pesos

Total costs and expenses increased **4.4%** due to higher depreciation, amortization and network maintenance costs.

EBITDA totaled 83.2 billion Colombian pesos, an increase of **93.8%** compared to the same period of last year, with a margin of **26.9%** reflecting an improvement of **11.3** percentage points year-over-year





RGUs totaled **699 thousand**, representing a **41%** increase compared with the same period of last year

Revenues totaled **39.9 billion** of Chilean pesos, an increase of **16.2%** compared with a year ago driven by strong performance in:

- Broadband **70.7%**
- Pay TV **25.8%**

Costs and expenses increased **14.1%** as a result of network maintenance and customer acquisition costs.

EBITDA totaled **6.5 billion** Chilean pesos, an increase of **116.1%** compared with the same period of the previous year, generating a **margin** of **16.2%**





Peru and Argentina



Peru

328 thousand RGUs an increase of **60.7%** compared with last year.

Revenues increased **2.0%** compared with the first quarter of last year, with the following gains:

- Video **73.5%**
- Long Distance **31.9%**
- Data **13.0%**

Costs and expenses decreased **-7.6%** compared with the first quarter of 2009.

EBITDA improve **69.0%** producing an **EBITDA margin** of **20.5%**

Argentina

We are focused on expanding relationships with existing corporate clients.

Revenues increased **7.6%** compared with a year ago.

Costs and expenses increased **3.4%** compared with a year ago.

EBITDA increased **29.4%** year over year, producing an **EBITDA margin** of **23.8%**

Yellow Pages

- The Yellow Pages business is present in México, Argentina, Peru, United States and Colombia
- Consolidated Revenues totaled 974 million pesos for 1Q10.





Concluding Remarks

- The positive developments in many parts of our business continue to create strong momentum for Telmex Internacional. We are acting on opportunities in attractive market segments as we leverage our strong network and grow relationships with customers.
- We will continue to emphasize growth, cost control, margin improvement and smart use of our resources. These actions will continue to create value for our shareholders.



Thank you!
Obrigado!
Gracias!
Merci!
Grazie!
Arigatô!
Vielen Dank!
Terima Kasih!
谢谢您!