



# Spin-off process

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November 9, 2000

# Objectives

- The purpose of the spin-off is to improve the ability of Telmex and América Móvil to address the distinct challenges and opportunities that each company faces. In particular:
  - Focus management on specialized circumstances of each business
  - Execute independent operating strategies
  - Pursue financial strategies that reflect each company's risks and potential returns
  - Allow expansion of the wireless business

# Process/ Mechanics

- **Timing of spin-off**

<b>Date</b>	
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<b>September 6, 2000</b>	<b>Telmex announced the spin-off of its wireless operations and most of its international operations into a new company called América Móvil</b>
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<b>September 25, 2000</b>	<b>Shareholders approved the spin-off</b>
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<b>Before Year End</b>	<b>América Móvil shares are expected to be listed and trading</b>
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- **The spin-off of América Móvil should be tax free for the Company's shareholders**
- **Specified assets of Telmex will be transferred to América Móvil**
- **Telmex shareholders will receive an equivalent number of América Móvil shares**

# Organizational Structure



Local Service	Long Distance	Data	Related Businesses	Mobile	Fixed	Others
<ul style="list-style-type: none"> <li>Local</li> <li>Digital Services</li> <li>Customer Service Centers</li> <li>Interconnection</li> <li>Public Telephony</li> <li>Rural Telephony</li> </ul>	<ul style="list-style-type: none"> <li>DLD</li> <li>ILD</li> </ul>	<ul style="list-style-type: none"> <li>Prodigy</li> <li>T1msn</li> <li>E-commerce</li> <li>Hosting</li> </ul>	<ul style="list-style-type: none"> <li>Yellow Pages</li> <li>Paging</li> <li>Trunking</li> <li>Call Centers</li> <li>Real Estate</li> <li>Construction</li> </ul>	<ul style="list-style-type: none"> <li>Telcel</li> <li>ATL</li> <li>Tracfone</li> <li>CCPR</li> <li>Americel</li> <li>Telet</li> <li>Comcel</li> <li>Conecel</li> <li>PCS Guatemala</li> </ul>	<ul style="list-style-type: none"> <li>Telgua</li> <li>Techtel</li> <li>Genesis</li> <li>Comm South</li> </ul>	<ul style="list-style-type: none"> <li>Cablevision</li> <li>CompUSA</li> <li>Canbras</li> <li>First Mark</li> </ul>