



Telmex summary

November 9, 2000

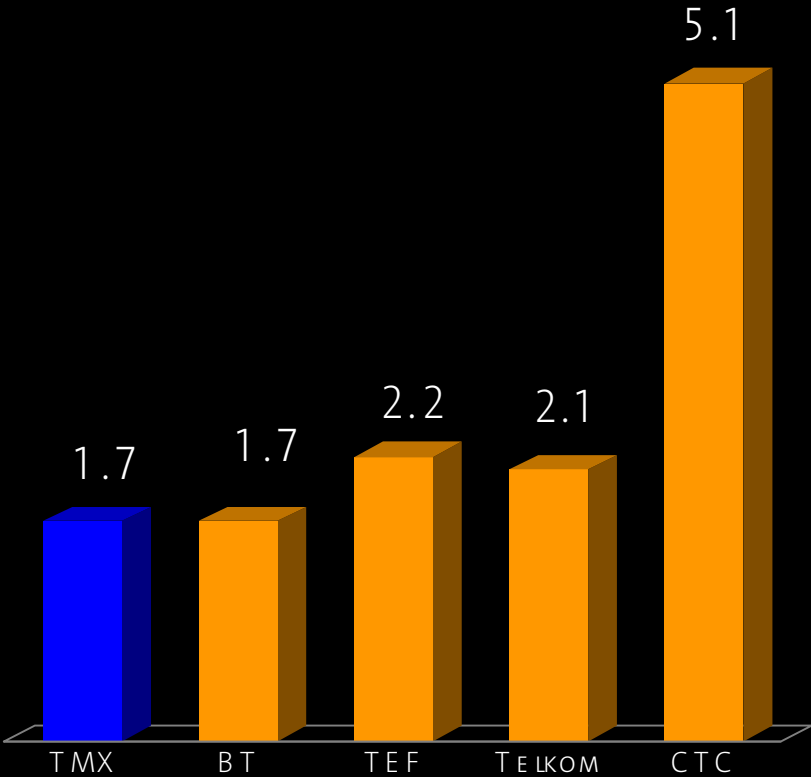
Reinventing Telmex

- **Government-controlled to telecommunications leader**
- **Long distance to local service**
- **Next: connectivity, colocation, content and e-commerce drive the revenue stream**

Financial Strength Creates Unique Platform for Growth

Total Debt/EBITDA (Times)

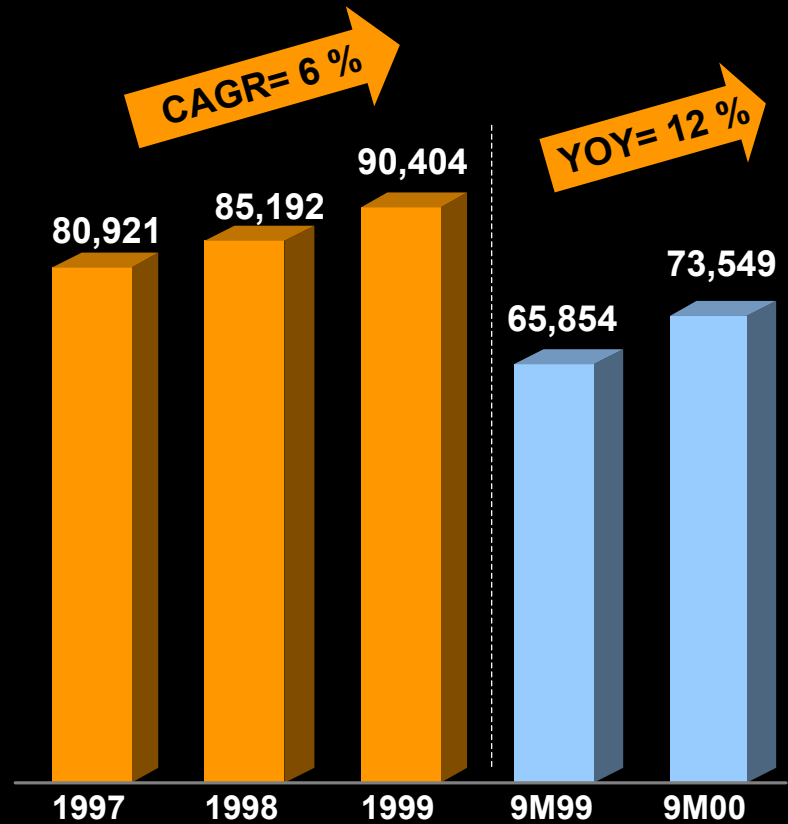
Conservative
Leverage
+
Cash Flow
Generation
=
Unique ability to
grow
aggressively,
opportunisticly
and selectively



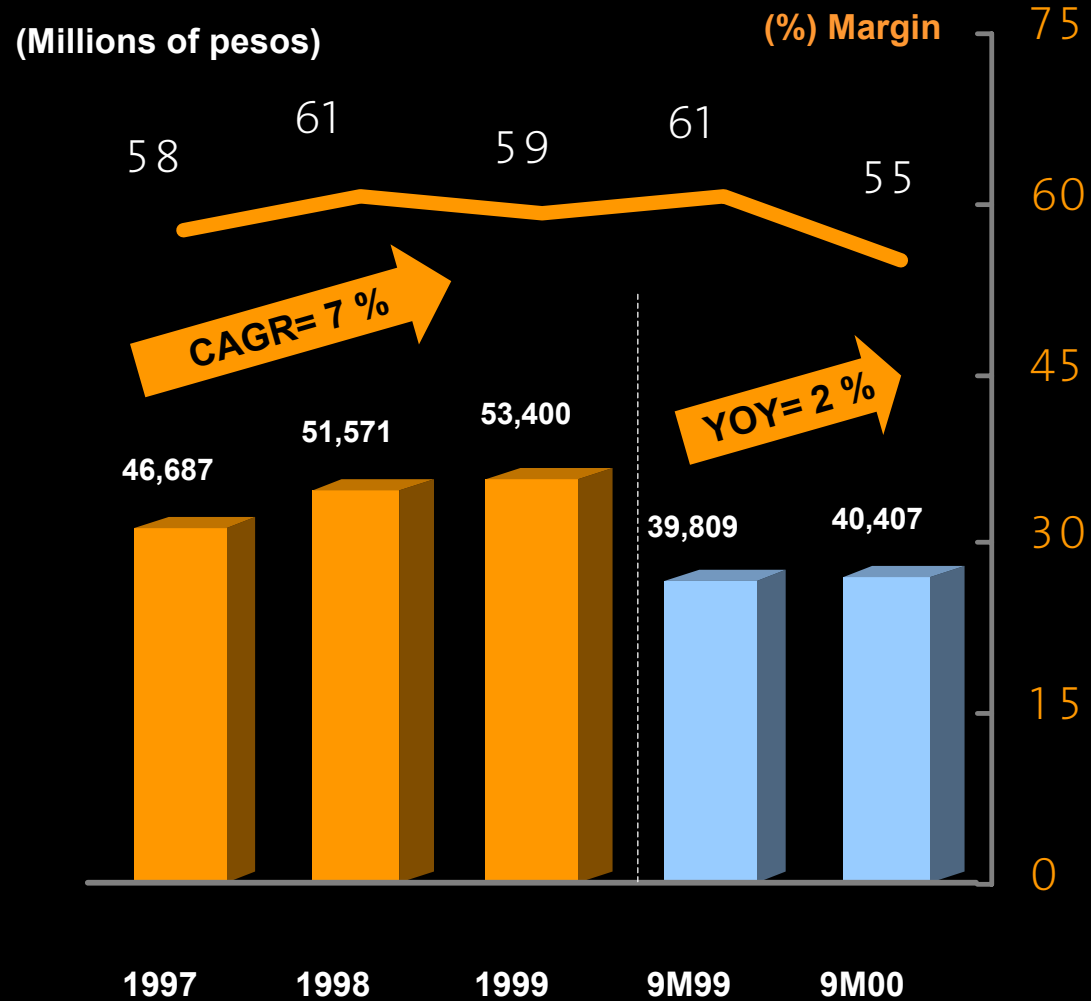
Strong Revenue Growth

(Million pesos)

- Solid customer growth in local
- LD driven by fast growing traffic
- Strong growth in Data with attractive margins



Solid EBITDA and EBITDA Margins



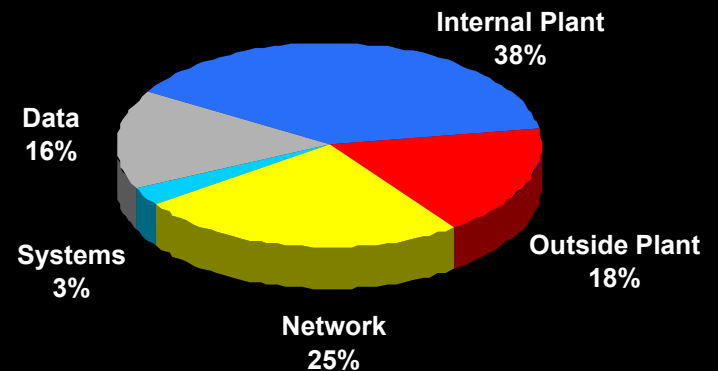
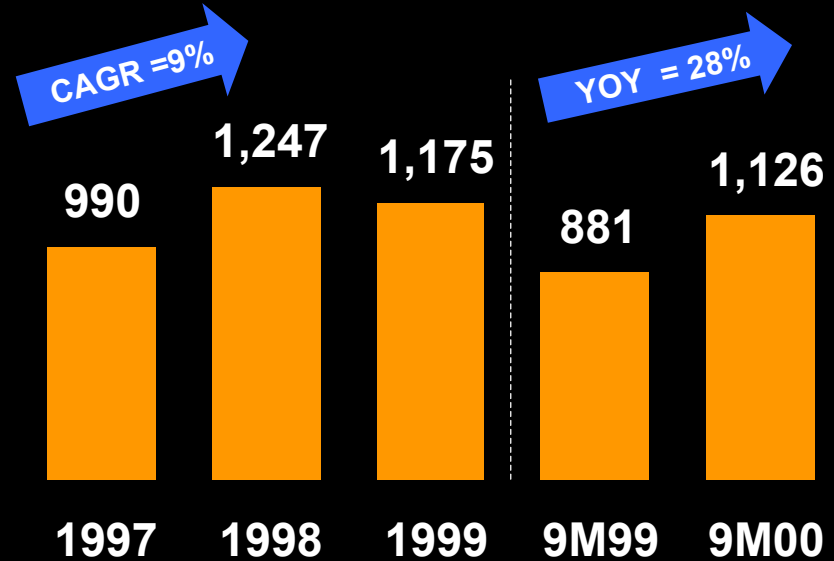


Capital Expenditures

- To support our high growth plans, we have invested heavily in the past and will continue to do so

Capital Expenditures⁽¹⁾

Historical Capex (million USD)



Note: (1) Translated into dollars at the rate of Ps. 9.43 per U.S. dollar from constant pesos with purchasing power as of September 30, 2000.

A woman with blonde hair, wearing a blue top, is smiling and has her arms raised in a celebratory gesture. She is positioned in front of a large, glowing blue globe. The globe is overlaid with a grid of white lines. Below the globe, there are several glowing blue and green lines that resemble data paths or circuitry, creating a sense of digital connectivity and global reach.

Strategic Emphasis

- **Follow a disciplined planning process**
- **Focus on emerging customer priorities**
- **Pursue exceptional opportunities in data capabilities**

Customer Focus

**Services recognize differing needs
of key market segments**

- **Individuals**
- **Major corporations**
- **Mid-sized businesses**
- **Small businesses**
- **Dot-coms**
- **Other carriers**



Market Opportunities

- **The Mexican telecommunications sector is outpacing growth in the economy as a whole**
- **Telecommunications will continue to grow with a strong economy**

A woman with blonde hair, wearing a white top, is smiling and looking towards the camera. She is positioned in front of a large, glowing blue globe. The globe is overlaid with a grid of white lines, and several bright blue and green lines resembling circuit traces or data paths flow across the scene. The background is dark, making the glowing elements stand out.

Recognizing Emerging Customer Priorities

- **Understand customers' needs**
- **Have products ready when customers are ready to use them**
- **Recognize the different priorities of customer segments**
 - **Business markets**
 - **Consumer markets**

A woman with blonde hair, wearing a blue jacket, is smiling and has her arms raised in a celebratory gesture. She is positioned in front of a large, glowing blue globe. The globe is overlaid with a grid of white lines. Below the globe, there are several glowing blue and green lines that resemble circuit board traces or data paths, creating a sense of technology and connectivity. The overall background is dark, making the glowing elements stand out.

Fair Competition

- **The same rules must apply to all competitors**
- **Commitment to customers and shareholders shapes Telmex's position**
- **Telmex opposes rules that negatively affect customer relationships**

The background of the slide is a dark blue and green gradient. On the left side, there is a semi-transparent image of a globe with a grid pattern. In the foreground, a woman with blonde hair is smiling and looking towards the camera. The overall aesthetic is professional and global.

Company Highlights

- **Integrated service provider**
- **Customer-oriented company**
- **Mexican market poised for growth**
- **Market leader in each of its segments**
- **Ability to generate new revenue sources**
- **Largest and most advanced network**
- **Proven and experienced management team**
- **Financial strength**