

TELECOM ARGENTINA SA  
Form 6-K/A  
March 12, 2010  
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**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**FORM 6-K/A**

**Report of Foreign Issuer**

**Pursuant to Rule 13a-16 or 15d-16**

**of the Securities Exchange Act of 1934**

For the month of March, 2010

Commission File Number: 001-13464

**Telecom Argentina S.A.**

(Translation of registrant's name into English)

**Alicia Moreau de Justo, No. 50, 1107**

**Buenos Aires, Argentina**

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:

Form 20-F  X  Form 40-F \_\_\_\_\_

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Yes \_\_\_\_\_ No  X

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

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Yes \_\_\_\_\_ No  X

Indicate by check mark whether by furnishing the information contained in this Form, the Registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934:

Yes \_\_\_\_\_ No  X

If  Yes  is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b):  N/A

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**Telecom Argentina S.A.**

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**Item**

1. Press release, dated March 11, 2010, entitled Telecom Argentina S.A. announces consolidated annual period ( FY09 ) and fourth quarter results for fiscal year 2009 ( 4Q09 0)

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FOR IMMEDIATE RELEASE

Market Cap: P\$13.8 billion  
March 11, 2010Contacts:  
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**Telecom Argentina S.A. announces**  
**consolidated annual period ( FY09 ) and**  
**fourth quarter results for fiscal year 2009 ( 4Q09 )\***

**Consolidated Net Revenues** amounted to P\$12,226 million (+15% vs. FY08); **Internet +44% vs. FY08; Mobile business +16% vs. FY08.**

**Mobile subscribers: 16.3 million (+13% vs. FY08); Broadband subscribers: 1.2 million (+17% vs. FY08); Fixed lines in service: 4.4 million (+2% vs. FY08).**

**Operating Profit Before Depreciation and Amortization ( OPBDA )** reached P\$3,900 million (+17% vs. FY08), 32% of Net Revenues. Growth was mainly fueled by mobile services and broadband in Argentina.

**Operating Profit** amounted to P\$2,762 million (+35% vs. FY08), 23% of Net Revenues.

**Net Income** reached P\$1,405 million (+46% vs. FY08).

**Investments (excluding materials)** totaled P\$1,694 million.

**The Net Financial Position (before NPV effect)** reached P\$469 million in cash, cash equivalents and investments (a reduction in debt of P\$1,381 million vs. FY08). In 4Q09 Telecom Argentina S.A. has paid off all its outstanding financial debt.

|   | <b>As of December 31</b>                    |             | <b>D \$</b> | <b>D %</b> |
|---|---|-------------|-------------|------------|
|   | <b>2009</b>                                 | <b>2008</b> |             |            |
|   | <i>(in million P\$, except where noted)</i> |             |             |            |
| Consolidated Net Revenues   | 12,226                                      | 10,608      | 1,618       | 15%        |
| Voice, Data & Internet  | 4,157                                       | 3,653       | 504         | 14%        |
| Mobile  | 8,069                                       | 6,955       | 1,114       | 16%        |
| Operating Profit before D&A   | 3,900                                       | 3,330       | 570         | 17%        |
| Operating Profit  | 2,762                                       | 2,041       | 721         | 35%        |
| Net Income  | 1,405                                       | 961         | 444         | 46%        |
| Shareholder's equity  | 5,436                                       | 4,020       | 1,416       | 35%        |
| Net Financial Position - (cash) / Debt (Before NPV effect)                | (469)                                       | 912         | (1,381)     | -151%      |
| CAPEX (excluding materials)   | 1,694                                       | 1,599       | 95          | 6%         |
| Fixed lines in service (in thousand lines)                                | 4,364                                       | 4,299       | 65          | 2%         |
| Mobile customers (in thousand)  | 16,281                                      | 14,390      | 1,890       | 13%        |
| Personal (Argentina)  | 14,475                                      | 12,564      | 1,911       | 15%        |
| Núcleo (Paraguay)   | 1,806                                       | 1,826       | (20)        | -1%        |
| Broadband customers (in thousand)   | 1,223                                       | 1,042       | 181         | 17%        |
| Fixed line traffic (in MM minutes, Internet & Public Telephony not incl.) | 15,711                                      | 16,306      | (595)       | -4%        |
| Incoming/Outgoing cellular voice traffic in Arg.(in MM minutes)           | 16,461                                      | 14,209      | 2,252       | 16%        |

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|  |    |    |   |    |
|--|----|----|---|----|
| Average Revenue per user (ARPU) Fixed Telephony/voice (in P\$)   | 40 | 39 | - | 1% |
| Average Revenue per user (ARPU) Cellular Telephony Arg. (in P\$) | 41 | 41 | - | -  |
| (*) Unaudited non-financial data                                 |    |    |   |    |

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Buenos Aires, March 11, 2010 Telecom Argentina (NYSE: TEO; BASE: TECO2), one of Argentina's leading telecommunications groups, announces Net Income of P\$ 1,405 million for the fiscal year ended December 31, 2009 or +46% when compared to the same period last year.

|                          | FY09   | FY08   | D \$  | D % |
|--------------------------|--------|--------|-------|-----|
| Net Revenues (MMP\$)     | 12,226 | 10,608 | 1,618 | 15% |
| Net Income (MMP\$)       | 1,405  | 961    | 444   | 46% |
| Earnings per Share (P\$) | 1.43   | 0.98   | 0.45  |     |
| Earnings per ADR (P\$)   | 7.14   | 4.88   | 2.26  |     |
| OPBDA *                  | 32%    | 31%    |       |     |
| Operating Profit *       | 23%    | 19%    |       |     |
| Net Income*              | 11%    | 9%     |       |     |

\*As a percentage of Net Revenues

During FY09, Consolidated Net Revenues increased by 15% (+P\$1,618 million vs. FY08) to P\$12,226 million, mainly fueled by the Mobile and Broadband businesses. Moreover, Operating Profit increased by 35% (+P\$721 million vs. FY08) to P\$2,762 million.

## Consolidated Operating Revenues

### Fixed Telephony (Voice, Data Transmission & Internet)

During FY09, revenues generated by these services amounted to P\$4,157 million, +14% vs. FY08; in relative terms Internet revenues have grown the most (+44% vs. FY08).

### Voice

Total Revenues for this service reached P\$2,825 million in FY09 (+5% vs. FY08). The results of this line of business are still affected by frozen tariffs of regulated services.

Monthly Charges and Supplementary Services increased by P\$43 million, or 5% vs. FY08, to P\$842 million, as a consequence of a higher number of lines in service (+2%), which reached more than 4.36 million and a 15% of increase in supplementary services.

Revenues generated by traffic (Local Measured Service, Domestic Long Distance and International Telephony) totaled P\$1,275 million, an increase of 3% vs. FY08. In relative terms, revenues from International traffic increased the most with 9% vs. FY08 while local traffic revenues increased +5% vs. FY08 due to the incorporation of flat packs for calls. Otherwise, revenues from domestic long

distance traffic slightly decreased 2% vs. FY08.

Interconnection revenues amounted to P\$448 million (+12% vs. FY08), mainly as a consequence of traffic originated in cellular lines from other operators but transported by and terminated in the Company's fixed-line network.

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Other revenues reached P\$260 million (-2% vs. FY08). This reduction was mainly a consequence of a decrease in Public Telephony revenues (-P\$16 million or -19% vs. FY08).

## Data Transmission and Internet

Data transmission revenues amounted to P\$274 million (+26% vs. FY08), generated by the offer of innovative solutions for the corporate market focused in both satisfying the enterprises' internal infrastructure needs and enhancing the offer of ICT services (connectivity, housing and hosting, among others).

Revenues related to Internet reached P\$1,058 million (+P\$323 million or 44% vs. FY08), mainly due to the substantial expansion of the broadband service, driven by an increase in the subscriber base due to commercial promotions with innovations in the service portfolio. In addition, ADSL ARPU reached P\$71 in 4Q09, +22% when compared to 4Q08, due to the implementation of an efficient pricing strategy together with the reduction of churn.

As of December 31, 2009, Telecom reached 1.2 million ADSL customers (+17% vs. FY08). These connections represent approximately 28% of Telecom's fixed lines in service.

Data Transmission and Internet both have significantly increased their contribution to net consolidated revenues, reaching 11% of participation (vs. 9% in FY08) and representing 32% of fixed telephony segment revenues (vs. 26% in FY08).

During 4Q09, Telecom continued enhancing value-added services for fixed lines that were supported by the features of Aladino terminals. In November SMS (short message service) traffic over the fixed network reached 1 million messages.

One of the core aspects of the development of Telecom's product and service portfolio is the bundling of Internet and local calls. As consequence of communicational campaigns occurred during this period to promote Pack Arnet product, more than 60% of the registered broadband subscriptions are packaged with free local calls.

## Commercial Initiatives



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Telecom continues accompanying the development and growth of the corporate clients; during 4Q09 increased sales of integrated products and services (Lines, Broadband and Minutes Plans, called Integral Solution Biz) resulted in an increase of 40% in this client base. Moreover, within the portfolio of Internet service, 70% of new adds included Arnet Biz PLUS service, which grants the client access to innovative value-added services previously oriented to corporate clients.

During 4Q09, the Company took advantage of the significant tourist and business flow and launched a service for travelers, which allows them to buy online cards for Arnet wi-fi navigation within Argentine airports.

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During the last quarter of 2009, the Company continued to expand the virtualization solutions: Virtual Hosting and Virtual Desktop. One of the main advantages of both propositions is the efficiency gains in IT infrastructure. Telecom virtualization solutions allow clients an average of 30% cost savings.

## **Mobile Services**

Clients have significantly increased in the quarter, reaching 16.3 million as of the end of December 2009, representing an increase of 0.5 million in the last quarter of 2009 and 1.9 million since December 2008.

During FY09, net revenues also increased considerably, reaching P\$8,069 million (+16% vs. FY08).

## **Telecom Personal in Argentina**

As of the end of December 2009, Personal reached 14.5 million subscribers in Argentina (+15% vs. FY08), which allowed the Company to enhance its market position and strengthen its potential for future revenues. It is worth noting the increase of net adds in 2009, since 1.9 million of new subscribers were incorporated.

Approximately 31% of the overall subscriber base is postpaid (including Cuentas claras plans) and 69% is prepaid.

Personal continued with sustained growth in Total Revenues (including handset sales) reaching P\$7,628 million (+16% vs. FY08), supported by the increase in overall voice traffic minutes (+16% vs. FY08) and in value-added services (VAS) revenues (+34% vs. FY08). Service revenues reached P\$6,832 million (+17% vs. FY08) with 34% corresponding to VAS revenues. Also noteworthy is SMS traffic performance, which climbed from a monthly average of 1,454 million messages in FY08 to 3,344 million in FY09 (+130% vs. FY08), with similar service quality levels.

As a consequence of the traffic increase and higher usage of value-added services (mainly due to a significant increase in SMS per client), Average Monthly Revenue per User ( ARPU ) remained stable at approximately P\$41 during FY09, despite operating with a high level of penetration. Meanwhile, ARPU in 4Q09 reached P\$42.

Personal's contribution to consolidated margins has improved since FY08 thanks to higher efficiencies in costs while expanding its subscriber base and retaining the high-value segment.

## Initiatives

During the last quarter of 2009, Personal continued offering services in the form of Packs. In addition to the current Packs, Personal presented the SMS Pack for

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international roaming for prepaid phones, offering an exclusive benefit to prepaid and Cuentas Claras clients travelling abroad.

The positioning and focus in innovation in the smartphones market, placed Personal as leader in 4Q09 in smartphones sold, with 69% participation of the total market, and potential to develop the ARPU and VAS. In the last quarter Personal presented a multiplatform Smartphone strategy offering certain premium devices in an exclusivity form.

As a result of this strategy, Personal has strengthened its focus on the use of the value-added services, making Personal the operator with the highest VAS participation in Latin America.

Personal brand ended the year being leader in top of mind and first in revenue share in the youth segment. Lastly, Personal organized its sixth edition of Personal Fest, Argentina's most important international music festival which attracted more than 50,000 people during a two-day period.

## **Telecom Personal in Paraguay**

By the end of December 2009, Nucleo's subscriber base reached approximately 1.8 million customers. During the year, Nucleo adopted the same client disconnection policy as in the Argentina market. Prepaid and Postpaid customers represented 89% and 11%, respectively.

Personal's controlled subsidiary in Paraguay generated revenues equivalent to P\$441 million during FY09 (+13% vs. FY08).

## **Consolidated Operating Costs**

The Cost of Services Provided, Administrative Expenses and Selling Expenses totaled P\$9,464 million in FY09, an increase of P\$897 million, or +10%, vs. FY08. The increase in costs is a consequence of a higher volume of revenues, inflationary effects on the cost structure, and greater expenses related to competition in mobile and internet businesses.

The cost breakdown is as follows:

- Salaries and Social Security Contributions totaled P\$1,504 million (+24% vs. FY08), affected by increases in salaries and higher social security charges. Regarding personnel, the decrease in headcount in fixed segment (-173 employees vs. FY08) was partially compensated by the incorporation of 112 employees in the same period in the mobile business. The total headcount at the end of FY09 was 15,300 employees.

- Taxes reached P\$999 million (+20% vs. FY08), influenced mainly by higher rates in turnover taxes, new municipal taxes and a higher volume of revenues.

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- Network access costs (includes TLRD, Roaming, Interconnection, international settlement charges and lease of circuits) amounted to P\$1,372 million, maintaining similar levels as of FY08. These costs are associated with traffic generated among mobile operators. It is remarkable that TLRD and roaming costs declined due to an increasing in on-net traffic and the deployment of the southern region network.

- Agents, prepaid card commissions and other commissions were P\$1,068 million (+15% vs. FY08), mainly due to the increase in commissions paid to commercial agents and card distribution costs, as higher subscriber volumes and sales of cards were registered.

- Advertising amounted to P\$360 million (-7% vs. FY08) oriented towards supporting the commercial activity in mobile services and Internet, and to strengthening the brand position of the Telecom Group. It is important to consider the absence of the effects of the costs related to the Sponsorship of the Argentine Olympic Committee incurred in 2008.

- Cost of handsets sold totaled P\$1,137 million (+11% vs. FY08) an increase in line with equipment revenue growth.

- Depreciation of Fixed and Intangible Assets reached P\$1,138 million (-12% vs. FY08). Fixed-line telephony totaled P\$663 million (-19% vs. FY08) and mobile services P\$475 million (+2% vs. FY08), mainly due to reestimation of the useful lives of certain technical assets done in 2Q09 and the ending of TDMA technology depreciation charges in 2008.

- Others Costs totaled P\$1,886 million (+24% vs. FY08). Such increase was mainly due to the inflationary effects on services such as fees for services, freight, transportation, maintenance, and in materials.

## **Consolidated Financial and Holding Results**

Financial and Holding Results resulted in a loss of P\$329 million, an increase of P\$64 million vs. FY08. This was mainly due to the loss registered in net foreign currency exchange equivalent to P\$310 million in FY09 (vs. -P\$158 million in FY08). The result was affected by losses from financial debt denominated in Euros and in US dollars. It is important to point out that since December 2008, the Argentine Peso devaluated against the US Dollar and Euro currencies 10% and 14% respectively. Moreover, the result as of FY09 includes losses of P\$103 million due to changes in market value of Financial Derivative Instruments.

Nevertheless, these results were partially compensated by lower net financial interest of -P\$16 million vs. -P\$146 million in FY08.

## **Consolidated Net Financial Debt**

As of December 31, 2009, Net Financial Position (Loans before the effect of NPV valuation, minus Cash, Cash Equivalents and Other credits from derivative

Financial and Holding Results  
(In million P\$)

|               | 2008           | 2009           |
|---------------|----------------|----------------|
| Net Interests | -\$ 146        | -\$ 16         |
| FX results    | -\$ 158        | -\$ 310        |
| Others        | \$39           | -\$ 3          |
| <b>Total</b>  | <b>-\$ 265</b> | <b>-\$ 329</b> |

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Investments for Notes) amounted to P\$469 million, that represented a reduction in debt of P\$1,381 million when compared to December 2008.

During FY09, Personal purchased a nominal amount of US\$ 19.5 million Series 3 Notes due 2010. These operations were made through market purchases and with liquid funds from the Company. The Notes acquired were cancelled according to the terms and conditions of the Indenture.

As of October 15, 2009 Telecom Argentina has paid off the remaining portion of the debt issued on August 31, 2005 for an amount equivalent to US\$ 1.9 billion in accordance with the terms and conditions of the *Acuerdo Preventivo Extrajudicial* (APE). The debt was prepaid 5 years in advance of the repayment schedule originally agreed upon with the financial creditors. Outstanding principal amount together with accrued interest equivalent to US\$ 352 million was paid.

## Consolidated Capital Expenditures

During FY09, the Company invested P\$1,694 million (excluding materials) in fixed and intangible assets. This amount was allocated to Voice, Data and Internet businesses (P\$803 million) and mobile services (P\$891 million). In relative terms, capex reached 14% of the revenues.

Main capex projects are related to the expansion of broadband services and to the upgrade of the network for next generation services (NGN), improvement of the network (capacity, coverage and 3G), and the launch of new and innovative value-added services that allow clients to increase and improve quality in their usage.

## Recent Relevant Matters

As of today, Telecom Personal purchased a nominal amount of US\$ 5.85 million Series 3 Notes due 2010. These operations were made through market purchases and with liquid funds of the Company. The Notes acquired were cancelled according to the terms and conditions of the Indenture.



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The Board of Directors of Telecom Argentina proposed to the Shareholders Meeting a cash dividend payment proposal of P\$1,053.3 million (equivalent to P\$1.07 per share).

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Telecom is the parent company of a leading telecommunications group in Argentina, where it offers directly or through its controlled subsidiaries local and long distance fixed-line telephony, cellular, data transmission and Internet services, among other services. Additionally, through a controlled subsidiary, the Telecom Group offers cellular services in Paraguay. The Company commenced operations on November 8, 1990, upon the Argentine government's transfer of the telecommunications system in the northern region of Argentina.

Nortel Inversora S.A. (Nortel), which acquired the majority of the Company from the Argentine government, holds 54.74% of Telecom's common stock. Nortel is a holding company where the common stock (approximately 68% of capital stock) is owned by Sofora Telecomunicaciones S.A. Additionally, Nortel capital stock is comprised of preferred shares that are held by minority shareholders.

As of December 31, 2009, Telecom had 984,380,978 shares outstanding.

(\*) Employee Stock Ownership Program

For more information, please contact the Investor Relations Department:

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This document may contain statements that could constitute forward-looking statements, including, but not limited to, the Company's expectations for its future performance, revenues, income, earnings per share, capital expenditures, dividends, liquidity and capital structure; the effects of its debt restructuring process; the impact of emergency laws enacted by the Argentine Government; and the impact of rate changes and competition on the Company's future financial performance. Forward-looking statements may be identified by words such as believes, expects, anticipates, projects, intends, should, seeks, estimates, future expressions. Forward-looking statements involve risks and uncertainties that could significantly affect the Company's expected results. The risks and uncertainties include, but are not limited to, the impact of emergency laws enacted by the Argentine government that have resulted in the repeal of Argentina's Convertibility law, devaluation of the peso, various changes in restrictions on the ability to exchange pesos into foreign currencies, and currency transfer policy generally, the pesification of tariffs charged for public services, the elimination of indexes to adjust rates charged for public services and the Executive branch announcement to renegotiate the terms of the concessions granted to public service providers, including Telecom. Due to extensive changes in laws and economic and business conditions in Argentina, it is difficult to predict the impact of these changes on the Company's financial condition. Other factors may include, but are not limited to, the evolution of the economy in Argentina, growing inflationary pressure and evolution in consumer spending and the outcome of certain legal proceedings. Readers are cautioned not to place undue reliance on forward-looking statements, which speak only as the date of this document. The Company undertakes no obligation to release publicly the results of any revisions to forward-looking statements which may be made to reflect events and circumstances after the date of this press release, including, without limitation, changes in the Company's business or to reflect the occurrence of unanticipated events. Readers are encouraged to consult the Company's Annual Report on Form 20-F, as well as periodic filings made on Form 6-K, which are filed with or furnished to the United States Securities and Exchange Commission for further information concerning risks and uncertainties faced by Telecom.

(Financial tables follow)

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(In millions of Argentine pesos, except statistical data )

**1- Consolidated Balance Sheet**

|  | 12/31/2009    | 12/31/2008   | D \$         | D %         |
|--|---------------|--------------|--------------|-------------|
| Cash, equivalents and investments                      | 1,289         | 1,125        | 164          | 15%         |
| Trade receivables                                      | 1,163         | 1,009        | 154          | 15%         |
| Other current assets                                   | 491           | 466          | 25           | 5%          |
| <b>Total Current Assets</b>                            | <b>2,943</b>  | <b>2,600</b> | <b>343</b>   | <b>13%</b>  |
| Fixed & Intangible assets                              | 7,612         | 6,960        | 652          | 9%          |
| Other non-current assets                               | 78            | 97           | (19)         | -20%        |
| <b>Total Non Current Assets</b>                        | <b>7,690</b>  | <b>7,057</b> | <b>633</b>   | <b>9%</b>   |
| <b>Total Assets</b>                                    | <b>10,633</b> | <b>9,657</b> | <b>976</b>   | <b>10%</b>  |
| Accounts payable                                       | 2,212         | 1,769        | 443          | 25%         |
| Loans  | 763           | 1,355        | (592)        | -44%        |
| Taxes payable  | 769           | 626          | 143          | 23%         |
| Reserves   | 73            | 36           | 37           | 103%        |
| Other current liabilities                              | 352           | 283          | 69           | 24%         |
| <b>Total Current Liabilities</b>                       | <b>4,169</b>  | <b>4,069</b> | <b>100</b>   | <b>2%</b>   |
| Accounts payable                                       | 24            | 27           | (3)          | -11%        |
| Loans  | 58            | 688          | (630)        | -92%        |
| Taxes payable  | 212           | 224          | (12)         | -5%         |
| Reserves   | 374           | 319          | 55           | 17%         |
| Other non-current liabilities                          | 268           | 229          | 39           | 17%         |
| <b>Total Non Current Liabilities</b>                   | <b>936</b>    | <b>1,487</b> | <b>(551)</b> | <b>-37%</b> |
| <b>Total Liabilities</b>                               | <b>5,105</b>  | <b>5,556</b> | <b>(451)</b> | <b>-8%</b>  |
| Minority Interest                                      | 92            | 81           | 11           | 14%         |
| Shareholders' equity                                   | 5,436         | 4,020        | 1,416        | 35%         |
| <b>Total Liabilities, Minority Interest and Equity</b> | <b>10,633</b> | <b>9,657</b> | <b>976</b>   | <b>10%</b>  |

**2- Consolidated Loans**

|   | 12/31/2009 | 12/31/2008   | D \$           | D %         |
|---|------------|--------------|----------------|-------------|
| Corporate Bonds                         | 685        | 1,255        | (570)          | -45%        |
| Banks and other financial institutions  | 72         | 89           | (17)           | -19%        |
| Accrued interest                        | 3          | 20           | (17)           | -85%        |
| Derivatives                             | 3          | -            | 3              | -           |
| <b>Total Current Loans</b>              | <b>763</b> | <b>1,364</b> | <b>(601)</b>   | <b>-44%</b> |
| Corporate Bonds                         | -          | 688          | (688)          | -100%       |
| Banks and other financial institutions  | 58         | -            | 58             | -           |
| <b>Total Non Current Loans</b>          | <b>58</b>  | <b>688</b>   | <b>(630)</b>   | <b>-92%</b> |
| <b>Total Loans (without NPV effect)</b> | <b>821</b> | <b>2,052</b> | <b>(1,231)</b> | <b>-60%</b> |

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|  |       |       |         |       |
|--|-------|-------|---------|-------|
| Derivatives valuation effect for notes (Other Current Credits) | 1     | 9     | (8)     | -89%  |
| Cash and cash equivalents                                      | 1,289 | 1,131 | 158     | 14%   |
| <br>   |       |       |         |       |
| NET FINANCIAL POSITION (Cash) / Debt (without NPV effect)      | (469) | 912   | (1,381) | -151% |

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|  | 12/31/2009   | 12/31/2008   | D \$         | D %        |
|--|--------------|--------------|--------------|------------|
| Net revenues                             | 12,226       | 10,608       | 1,618        | 15%        |
| Cost of services                         | (6,099)      | (5,712)      | (387)        | 7%         |
| <b>Gross Profit</b>                      | <b>6,127</b> | <b>4,896</b> | <b>1,231</b> | <b>25%</b> |
| Administrative expenses                  | (449)        | (364)        | (85)         | 23%        |
| Selling expenses                         | (2,916)      | (2,491)      | (425)        | 17%        |
| <b>Operating Profit</b>                  | <b>2,762</b> | <b>2,041</b> | <b>721</b>   | <b>35%</b> |
| Equity income from related companies     | 13           | -            | 13           | -          |
| Financial and holding results            | (329)        | (265)        | (64)         | 24%        |
| Other expenses, net                      | (229)        | (268)        | 39           | -15%       |
| <b>Results from ordinary operations</b>  | <b>2,217</b> | <b>1,508</b> | <b>709</b>   | <b>47%</b> |
| Taxes on income                          | (797)        | (535)        | (262)        | 49%        |
| Minority interest                        | (15)         | (12)         | (3)          | 25%        |
| <b>Net Income</b>                        | <b>1,405</b> | <b>961</b>   | <b>444</b>   | <b>46%</b> |
| <br>                                     |              |              |              |            |
| <b>Operating Profit before D &amp; A</b> | <b>3,900</b> | <b>3,330</b> | <b>570</b>   | <b>17%</b> |
| <br>                                     |              |              |              |            |
| <i>As a % of Net Revenues</i>            | <i>32%</i>   | <i>31%</i>   |              |            |

**Financial and Holding results**

|   | 12/31/2009   | 12/31/2008   | D \$        | D %        |
|---|--------------|--------------|-------------|------------|
| <i>Financial results generated by assets</i>            |              |              |             |            |
| Interest on short term investments                      | 130          | 90           | 40          | 44%        |
| Foreign currency exchange results                       | 103          | 104          | (1)         | -1%        |
| Holding results generated by inventories                | (7)          | 2            | (9)         | -          |
| Other financial results                                 | -            | 3            | (3)         | -100%      |
| <b>Total Financial results generated by assets</b>      | <b>226</b>   | <b>199</b>   | <b>27</b>   | <b>14%</b> |
| <i>Financial results generated by liabilities</i>       |              |              |             |            |
| Interest  | (146)        | (236)        | 90          | -38%       |
| Foreign currency exchange results                       | (413)        | (262)        | (151)       | 58%        |
| Others  | 4            | 34           | (30)        | -88%       |
| <b>Total Financial results generated by liabilities</b> | <b>(555)</b> | <b>(464)</b> | <b>(91)</b> | <b>20%</b> |
| <b>Total Financial and holding results</b>              | <b>(329)</b> | <b>(265)</b> | <b>(64)</b> | <b>24%</b> |

**4- Consolidated Income Statement****Three Months Comparison****(In million of Argentine pesos)**

|                         | 12/31/2009   | 12/31/2008   | D \$       | D %        |
|-------------------------|--------------|--------------|------------|------------|
| Net revenues            | 3,365        | 2,819        | 546        | 19%        |
| Cost of services        | (1,679)      | (1,526)      | (153)      | 10%        |
| <b>Gross Profit</b>     | <b>1,686</b> | <b>1,293</b> | <b>393</b> | <b>30%</b> |
| Administrative expenses | (136)        | (102)        | (34)       | 33%        |
| Selling expenses        | (823)        | (690)        | (133)      | 19%        |
| <b>Operating Profit</b> | <b>727</b>   | <b>501</b>   | <b>226</b> | <b>45%</b> |

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|   |            |            |            |             |
|---|------------|------------|------------|-------------|
| Financial and holding results           | (12)       | (153)      | 141        | -92%        |
| Other expenses, net                     | (72)       | (127)      | 55         | -43%        |
| <b>Results from ordinary operations</b> | <b>643</b> | <b>221</b> | <b>422</b> | <b>191%</b> |
| Taxes on income                         | (237)      | (89)       | (148)      | 166%        |
| Minority interest                       | (7)        | (2)        | (5)        | -           |
| <b>Net Income</b>                       | <b>399</b> | <b>130</b> | <b>269</b> | <b>207%</b> |

|  |              |            |            |            |
|--|--------------|------------|------------|------------|
| <b>Operating Profit before D &amp; A</b> | <b>1,045</b> | <b>828</b> | <b>217</b> | <b>26%</b> |
|--|--------------|------------|------------|------------|

|                               |            |            |
|-------------------------------|------------|------------|
| <i>As a % of Net Revenues</i> | <i>31%</i> | <i>29%</i> |
|-------------------------------|------------|------------|

**Table of Contents****5- Consolidated Revenues Breakdown**  
(In million of Argentine pesos)

|   | Annual Comparison |               | D \$         | D %        |
|---|-------------------|---------------|--------------|------------|
|   | 12/31/2009        | 12/31/2008    |              |            |
| <b>Fixed Telephony</b>                  | <b>2,531</b>      | <b>2,432</b>  | <b>99</b>    | <b>4%</b>  |
| Measured service Local                  | 486               | 463           | 23           | 5%         |
| Measured service DLD                    | 495               | 505           | (10)         | -2%        |
| Monthly charges                         | 842               | 799           | 43           | 5%         |
| Public telephones                       | 70                | 86            | (16)         | -19%       |
| Interconnection                         | 448               | 400           | 48           | 12%        |
| Others                                  | 190               | 179           | 11           | 6%         |
| <b>International Telephony</b>          | <b>294</b>        | <b>269</b>    | <b>25</b>    | <b>9%</b>  |
| <b>Data transmission &amp; Internet</b> | <b>1,332</b>      | <b>952</b>    | <b>380</b>   | <b>40%</b> |
| Data                                    | 274               | 217           | 57           | 26%        |
| Internet                                | 1,058             | 735           | 323          | 44%        |
| Measured service                        | 60                | 53            | 7            | 13%        |
| Monthly charges                         | 993               | 678           | 315          | 46%        |
| Modems                                  | 5                 | 4             | 1            | 25%        |
| <b>Mobile Telephony</b>                 | <b>8,069</b>      | <b>6,955</b>  | <b>1,114</b> | <b>16%</b> |
| <b>Telecom Personal</b>                 | <b>7,628</b>      | <b>6,565</b>  | <b>1,063</b> | <b>16%</b> |
| Monthly fee and measured service        | 1,644             | 1,410         | 234          | 17%        |
| Pre-paid                                | 1,110             | 952           | 158          | 17%        |
| Calling Party Pays                      | 575               | 560           | 15           | 3%         |
| TLRD *                                  | 773               | 786           | (13)         | -2%        |
| VAS                                     | 2,331             | 1,736         | 595          | 34%        |
| Handset sales                           | 796               | 712           | 84           | 12%        |
| Others (Includes Roaming)               | 399               | 409           | (10)         | -2%        |
| <b>Núcleo</b>                           | <b>441</b>        | <b>390</b>    | <b>51</b>    | <b>13%</b> |
| Monthly fee and measured service        | 65                | 47            | 18           | 38%        |
| Pre-paid                                | 135               | 137           | (2)          | -1%        |
| Calling Party Pays                      | 10                | 22            | (12)         | -55%       |
| TLRD *                                  | 40                | 49            | (9)          | -18%       |
| VAS                                     | 139               | 95            | 44           | 46%        |
| Internet                                | 19                | 13            | 6            | 46%        |
| Handset sales                           | 6                 | 8             | (2)          | -25%       |
| Others (Includes Roaming)               | 27                | 19            | 8            | 42%        |
| <b>Total net revenues</b>               | <b>12,226</b>     | <b>10,608</b> | <b>1,618</b> | <b>15%</b> |

\* Charges for the termination of calls of the cellular operators.

**6- Consolidated Revenues Breakdown**  
(In million of Argentine pesos)

|   | Three Months Comparison |              | D \$       | D %        |
|---|-------------------------|--------------|------------|------------|
|   | 12/31/2009              | 12/31/2008   |            |            |
| <b>Fixed Telephony</b>                  | <b>673</b>              | <b>627</b>   | <b>46</b>  | <b>7%</b>  |
| Measured service Local                  | 128                     | 117          | 11         | 9%         |
| Measured service DLD                    | 128                     | 129          | (1)        | -1%        |
| Monthly charges                         | 214                     | 204          | 10         | 5%         |
| Public telephones                       | 17                      | 20           | (3)        | -15%       |
| Interconnection                         | 129                     | 113          | 16         | 14%        |
| Others                                  | 57                      | 44           | 13         | 30%        |
| <b>International Telephony</b>          | <b>74</b>               | <b>72</b>    | <b>2</b>   | <b>3%</b>  |
| <b>Data transmission &amp; Internet</b> | <b>367</b>              | <b>271</b>   | <b>96</b>  | <b>35%</b> |
| Data                                    | 77                      | 58           | 19         | 33%        |
| Internet                                | 290                     | 213          | 77         | 36%        |
| Measured service                        | 16                      | 13           | 3          | 23%        |
| Monthly charges                         | 273                     | 199          | 74         | 37%        |
| Modems                                  | 1                       | 1            | -          | 0%         |
| <b>Mobile Telephony</b>                 | <b>2,251</b>            | <b>1,849</b> | <b>402</b> | <b>22%</b> |
| <b>Telecom Personal</b>                 | <b>2,112</b>            | <b>1,785</b> | <b>327</b> | <b>18%</b> |
| Monthly fee and measured service        | 431                     | 396          | 35         | 9%         |
| Pre-paid card                           | 322                     | 263          | 59         | 22%        |
| Calling Party Pays                      | 155                     | 147          | 8          | 5%         |
| TLRD *                                  | 200                     | 209          | (9)        | -4%        |
| VAS                                     | 648                     | 479          | 169        | 35%        |
| Handset sales                           | 248                     | 189          | 59         | 31%        |
| Others (Includes Roaming)               | 108                     | 102          | 6          | 6%         |



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| Núcleo                           | 139          | 64           | 75         | 117%       |
|----------------------------------|--------------|--------------|------------|------------|
| Monthly fee and measured service | 21           | 6            | 15         | -          |
| Pre-paid card                    | 48           | 16           | 32         | 200%       |
| Calling Party Pays               | 3            | 2            | 1          | 50%        |
| TLRD *                           | 11           | 8            | 3          | 38%        |
| VAS                              | 38           | 24           | 14         | 58%        |
| Internet                         | 6            | 3            | 3          | 100%       |
| Handset sales                    | 1            | 2            | (1)        | -50%       |
| Others (Includes Roaming)        | 11           | 3            | 8          | -          |
| <b>Total net Revenues</b>        | <b>3,365</b> | <b>2,819</b> | <b>546</b> | <b>19%</b> |

\* Charges for the termination of calls of the cellular operators.

**Table of Contents****7- Consolidated Income Statement by segments**

Annual period - Fiscal Year 2009

(In million of Argentine pesos)

|   | Voice, Data<br>and Internet | Segments<br>Mobile<br>Telephony | Consolidated   | Variation vs FY08 |            |
|---|-----------------------------|---------------------------------|----------------|-------------------|------------|
|   |                             |                                 |                | D \$              | D %        |
| <b>Net Revenues</b>                                   | <b>4,157</b>                | <b>8,069</b>                    | <b>12,226</b>  | <b>1,618</b>      | <b>15%</b> |
| Salaries and social security contributions            | (1,151)                     | (353)                           | (1,504)        | (287)             | 24%        |
| Taxes   | (266)                       | (733)                           | (999)          | (167)             | 20%        |
| Materials and supplies                                | (408)                       | (189)                           | (597)          | (69)              | 13%        |
| Bad debt expenses                                     | (33)                        | (98)                            | (131)          | (64)              | 96%        |
| Interconnection cost                                  | (180)                       | -                               | (180)          | (24)              | 15%        |
| Settlement charges                                    | (152)                       | -                               | (152)          | (7)               | 5%         |
| Lease of lines and circuits                           | (83)                        | (59)                            | (142)          | (18)              | 15%        |
| Service fees  | (214)                       | (286)                           | (500)          | (100)             | 25%        |
| Advertising   | (118)                       | (242)                           | (360)          | 28                | -7%        |
| Agent, Prepaid card commissions and other commissions | (105)                       | (963)                           | (1,068)        | (140)             | 15%        |
| Cost of voice, data and cellular handsets             | (46)                        | (1,091)                         | (1,137)        | (109)             | 11%        |
| Roaming and TLRD                                      | -                           | (898)                           | (898)          | 43                | -5%        |
| Others  | (322)                       | (336)                           | (658)          | (134)             | 26%        |
| <b>Total Costs before D&amp;A</b>                     | <b>(3,078)</b>              | <b>(5,248)</b>                  | <b>(8,326)</b> | <b>(1,048)</b>    | <b>14%</b> |
| <b>Operating Profit before D&amp;A</b>                | <b>1,079</b>                | <b>2,821</b>                    | <b>3,900</b>   | <b>570</b>        | <b>17%</b> |
| Depreciation of fixed assets                          | (646)                       | (473)                           | (1,119)        | 148               | -12%       |
| Amortization of intangible assets                     | (17)                        | (2)                             | (19)           | 3                 | -14%       |
| <b>Operating Profit</b>                               | <b>416</b>                  | <b>2,346</b>                    | <b>2,762</b>   | <b>721</b>        | <b>35%</b> |
| Equity income from related companies                  | -                           | 13                              | 13             | 13                | -          |
| Financial and Holding Income                          | (172)                       | (157)                           | (329)          | (64)              | 24%        |
| Other expenses, net                                   | (148)                       | (81)                            | (229)          | 39                | -15%       |
| <b>Income from ordinary operations</b>                | <b>96</b>                   | <b>2,121</b>                    | <b>2,217</b>   | <b>709</b>        | <b>47%</b> |
| Taxes on income                                       | (271)                       | (526)                           | (797)          | (262)             | 49%        |
| Minority interest                                     | -                           | (15)                            | (15)           | (3)               | 25%        |
| <b>Net Income / (Loss)</b>                            | <b>(175)</b>                | <b>1,580</b>                    | <b>1,405</b>   | <b>444</b>        | <b>46%</b> |

**8- Consolidated Income Statement by segments**

Annual period - Fiscal Year 2008

(In million of Argentine pesos)

|   | Voice, Data<br>and Internet | Segments<br>Mobile<br>Telephony | Consolidated   | Variation vs FY08 |            |
|---|-----------------------------|---------------------------------|----------------|-------------------|------------|
|   |                             |                                 |                | D \$              | D %        |
| <b>Net Revenues</b>                                   | <b>3,653</b>                | <b>6,955</b>                    | <b>10,608</b>  | <b>1,618</b>      | <b>15%</b> |
| Salaries and social security contributions            | (931)                       | (286)                           | (1,217)        | (287)             | 24%        |
| Taxes   | (230)                       | (602)                           | (832)          | (167)             | 20%        |
| Materials and supplies                                | (371)                       | (157)                           | (528)          | (69)              | 13%        |
| Bad debt expenses                                     | (10)                        | (57)                            | (67)           | (64)              | 96%        |
| Interconnection cost                                  | (156)                       | -                               | (156)          | (24)              | 15%        |
| Settlement charges                                    | (145)                       | -                               | (145)          | (7)               | 5%         |
| Lease of lines and circuits                           | (67)                        | (57)                            | (124)          | (18)              | 15%        |
| Service fees  | (181)                       | (219)                           | (400)          | (100)             | 25%        |
| Advertising   | (137)                       | (251)                           | (388)          | 28                | -7%        |
| Agent, Prepaid card commissions and other commissions | (94)                        | (834)                           | (928)          | (140)             | 15%        |
| Cost of voice, data and cellular handsets             | (40)                        | (988)                           | (1,028)        | (109)             | 11%        |
| Roaming and TLRD                                      | -                           | (941)                           | (941)          | 43                | -5%        |
| Others  | (257)                       | (267)                           | (524)          | (134)             | 26%        |
| <b>Total Costs before D&amp;A</b>                     | <b>(2,619)</b>              | <b>(4,659)</b>                  | <b>(7,278)</b> | <b>(1,048)</b>    | <b>14%</b> |
| <b>Operating Profit before D&amp;A</b>                | <b>1,034</b>                | <b>2,296</b>                    | <b>3,330</b>   | <b>570</b>        | <b>17%</b> |
| Depreciation of fixed assets                          | (806)                       | (461)                           | (1,267)        | 148               | -12%       |
| Amortization of intangible assets                     | (16)                        | (6)                             | (22)           | 3                 | -14%       |
| <b>Operating Profit</b>                               | <b>212</b>                  | <b>1,829</b>                    | <b>2,041</b>   | <b>721</b>        | <b>35%</b> |
| Equity income from related companies                  | -                           | 13                              | 13             | 13                | -          |
| Financial and Holding Income                          | (166)                       | (99)                            | (265)          | (64)              | 24%        |
| Other expenses, net                                   | (212)                       | (56)                            | (268)          | 39                | -15%       |
| <b>Income (loss) from ordinary operations</b>         | <b>(166)</b>                | <b>1,674</b>                    | <b>1,508</b>   | <b>709</b>        | <b>47%</b> |
| Taxes on income                                       | (143)                       | (392)                           | (535)          | (262)             | 49%        |
| Minority interest                                     | -                           | (15)                            | (15)           | (3)               | 25%        |

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|                            |              |              |            |
|----------------------------|--------------|--------------|------------|
| Minority interest          | -            | (12)         | (12)       |
| <b>Net Income / (Loss)</b> | <b>(309)</b> | <b>1,270</b> | <b>961</b> |

This exposition of the financial statements is not coincident with the individual financial statements for each company due to the eliminations of intercompany operations.

**Table of Contents****9- Consolidated Income Statement by segments****Fourth Quarter - FY 2009**

(In million of Argentine pesos)

|   | Voice, Data<br>and Internet | Segments<br>Mobile<br>Telephony | Consolidated   | Variation vs 4Q08 |             |
|---|-----------------------------|---------------------------------|----------------|-------------------|-------------|
|   |                             |                                 |                | D \$              | D %         |
| <b>Net Revenues</b>                                   | <b>1,114</b>                | <b>2,251</b>                    | <b>3,365</b>   | <b>546</b>        | <b>19%</b>  |
| Salaries and social security contributions            | (325)                       | (104)                           | (429)          | (84)              | 24%         |
| Taxes   | (77)                        | (202)                           | (279)          | (66)              | 31%         |
| Materials and supplies                                | (109)                       | (50)                            | (159)          | (11)              | 7%          |
| Bad debt expenses                                     | (9)                         | (27)                            | (36)           | (19)              | 112%        |
| Interconnection cost                                  | (49)                        | -                               | (49)           | (12)              | 32%         |
| Settlement charges                                    | (31)                        | -                               | (31)           | 6                 | -16%        |
| Lease of lines and circuits                           | (23)                        | (16)                            | (39)           | (7)               | 22%         |
| Service fees  | (61)                        | (86)                            | (147)          | (25)              | 20%         |
| Advertising   | (36)                        | (77)                            | (113)          | (15)              | 15%         |
| Agent, Prepaid card commissions and other commissions | (30)                        | (260)                           | (290)          | (34)              | 13%         |
| Cost of voice, data and cellular handsets             | (16)                        | (317)                           | (333)          | (36)              | 12%         |
| Roaming and TLRD                                      | -                           | (238)                           | (238)          | 6                 | -2%         |
| Others  | (87)                        | (90)                            | (177)          | (32)              | 22%         |
| <b>Total Costs before D&amp;A</b>                     | <b>(853)</b>                | <b>(1,467)</b>                  | <b>(2,320)</b> | <b>(329)</b>      | <b>17%</b>  |
| <b>Operating Profit before D&amp;A</b>                | <b>261</b>                  | <b>784</b>                      | <b>1,045</b>   | <b>217</b>        | <b>26%</b>  |
| Depreciation of fixed assets                          | (169)                       | (144)                           | (313)          | 8                 | -2%         |
| Amortization of intangible assets                     | (4)                         | (1)                             | (5)            | 1                 | -17%        |
| <b>Operating Profit</b>                               | <b>88</b>                   | <b>639</b>                      | <b>727</b>     | <b>226</b>        | <b>45%</b>  |
| Financial and Holding Income                          | (11)                        | (1)                             | (12)           | 141               | -92%        |
| Other expenses, net                                   | (54)                        | (18)                            | (72)           | 55                | -43%        |
| <b>Income from ordinary operations</b>                | <b>23</b>                   | <b>620</b>                      | <b>643</b>     | <b>422</b>        | <b>191%</b> |
| Taxes on income                                       | (67)                        | (170)                           | (237)          | (148)             | 166%        |
| Minority interest                                     | -                           | (7)                             | (7)            | (5)               | -           |
| <b>Net Income / (Loss)</b>                            | <b>(44)</b>                 | <b>443</b>                      | <b>399</b>     | <b>269</b>        | <b>207%</b> |

**10- Consolidated Income Statement by Segments****Fourth Quarter - FY 2008**

(In million of Argentine pesos)

|   | Voice, Data<br>and Internet | Segments<br>Mobile<br>Telephony | Consolidated   | Variation vs 4Q08 |            |
|---|-----------------------------|---------------------------------|----------------|-------------------|------------|
|   |                             |                                 |                | D \$              | D %        |
| <b>Net Revenues</b>                                   | <b>970</b>                  | <b>1,849</b>                    | <b>2,819</b>   | <b>546</b>        | <b>19%</b> |
| Salaries and social security contributions            | (267)                       | (78)                            | (345)          | (84)              | 24%        |
| Taxes   | (54)                        | (159)                           | (213)          | (66)              | 31%        |
| Materials and supplies                                | (104)                       | (44)                            | (148)          | (11)              | 7%         |
| Bad debt expenses                                     | (3)                         | (14)                            | (17)           | (19)              | 112%       |
| Interconnection cost                                  | (37)                        | -                               | (37)           | (12)              | 32%        |
| Settlement charges                                    | (37)                        | -                               | (37)           | 6                 | -16%       |
| Lease of lines and circuits                           | (20)                        | (12)                            | (32)           | (7)               | 22%        |
| Service fees  | (55)                        | (67)                            | (122)          | (25)              | 20%        |
| Advertising   | (40)                        | (58)                            | (98)           | (15)              | 15%        |
| Agent, Prepaid card commissions and other commissions | (27)                        | (229)                           | (256)          | (34)              | 13%        |
| Cost of cellular handsets                             | (11)                        | (286)                           | (297)          | (36)              | 12%        |
| Roaming and TLRD                                      | -                           | (244)                           | (244)          | 6                 | -2%        |
| Others  | (76)                        | (69)                            | (145)          | (32)              | 22%        |
| <b>Total Costs before D&amp;A</b>                     | <b>(731)</b>                | <b>(1,260)</b>                  | <b>(1,991)</b> | <b>(329)</b>      | <b>17%</b> |
| <b>Operating Profit before D&amp;A</b>                | <b>239</b>                  | <b>589</b>                      | <b>828</b>     | <b>217</b>        | <b>26%</b> |

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|   |              |            |            |
|---|--------------|------------|------------|
| Depreciation of fixed assets                  | (212)        | (109)      | (321)      |
| Amortization of intangible assets             | (4)          | (2)        | (6)        |
| <b>Operating Profit</b>                       | <b>23</b>    | <b>478</b> | <b>501</b> |
| Financial and Holding Income                  | (103)        | (50)       | (153)      |
| Other expenses, net                           | (109)        | (18)       | (127)      |
| <b>Income (loss) from ordinary operations</b> | <b>(189)</b> | <b>410</b> | <b>221</b> |
| Taxes on income                               | 1            | (90)       | (89)       |
| Minority interest                             | -            | (2)        | (2)        |
| <b>Net Income / (Loss)</b>                    | <b>(188)</b> | <b>318</b> | <b>130</b> |

This exposition of the financial statements is not coincident with the individual financial statements for each company due to the eliminations of intercompany operations.

**Table of Contents****TELECOM ARGENTINA S.A.****Unconsolidated Information****Annual period and Fourth Quarter - Fiscal Year 2009**

(In million of Argentine pesos)

**11- Balance Sheet**

|  | 12/31/2009   | 12/31/2008   | D \$         | D %         |
|--|--------------|--------------|--------------|-------------|
| Cash, equivalents and investments        | 578          | 571          | 7            | 1%          |
| Trade receivables                        | 724          | 487          | 237          | 49%         |
| Other current assets                     | 85           | 83           | 2            | 2%          |
| <b>Total Current Assets</b>              | <b>1,387</b> | <b>1,141</b> | <b>246</b>   | <b>22%</b>  |
| Other Trade receivables                  | 46           | 55           | (9)          | -16%        |
| Fixed & Intangible assets                | 4,346        | 4,069        | 277          | 7%          |
| Investments                              | 1,915        | 1,825        | 90           | 5%          |
| Other non-current assets                 | 3            | 3            | -            | 0%          |
| <b>Total Non current Assets</b>          | <b>6,310</b> | <b>5,952</b> | <b>358</b>   | <b>6%</b>   |
| <b>Total Assets</b>                      | <b>7,697</b> | <b>7,093</b> | <b>604</b>   | <b>9%</b>   |
| Accounts payable                         | 931          | 813          | 118          | 15%         |
| Loans                                    | -            | 1,263        | (1,263)      | -           |
| Taxes Payable                            | 263          | 59           | 204          | -           |
| Reserves                                 | 57           | 25           | 32           | 128%        |
| Other current liabilities                | 283          | 231          | 52           | 23%         |
| <b>Total Current Liabilities</b>         | <b>1,534</b> | <b>2,391</b> | <b>(857)</b> | <b>-36%</b> |
| Accounts payable                         | 24           | 27           | (3)          | -11%        |
| Compensation and social benefits payable | 81           | 82           | (1)          | -1%         |
| Taxes Payable                            | 202          | 212          | (10)         | -5%         |
| Others liabilities                       | 153          | 116          | 37           | 32%         |
| Reserves                                 | 267          | 245          | 22           | 9%          |
| <b>Total Non Current Liabilities</b>     | <b>727</b>   | <b>682</b>   | <b>45</b>    | <b>7%</b>   |
| <b>Total Liabilities</b>                 | <b>2,261</b> | <b>3,073</b> | <b>(812)</b> | <b>-26%</b> |
| Shareholders equity                      | 5,436        | 4,020        | 1,416        | 35%         |
| <b>Total Liabilities and Equity</b>      | <b>7,697</b> | <b>7,093</b> | <b>604</b>   | <b>9%</b>   |

**12- Income Statement  
Annual Comparison**

|   | 12/31/2009   | 12/31/2008   | D \$       | D %        |
|---|--------------|--------------|------------|------------|
| Net revenues                            | 4,816        | 4,226        | 590        | 14%        |
| Cost of services                        | (2,498)      | (2,355)      | (143)      | 6%         |
| <b>Gross Profit</b>                     | <b>2,318</b> | <b>1,871</b> | <b>447</b> | <b>24%</b> |
| Administrative expenses                 | (285)        | (233)        | (52)       | 22%        |
| Selling expenses                        | (981)        | (856)        | (125)      | 15%        |
| <b>Operating Profit</b>                 | <b>1,052</b> | <b>782</b>   | <b>270</b> | <b>35%</b> |
| Equity income from related companies    | 937          | 694          | 243        | 35%        |
| Financial & holding results             | (171)        | (162)        | (9)        | 6%         |
| Other incomes & expenses net            | (143)        | (210)        | 67         | -32%       |
| <b>Results from ordinary operations</b> | <b>1,675</b> | <b>1,104</b> | <b>571</b> | <b>52%</b> |
| Taxes on income                         | (270)        | (143)        | (127)      | 89%        |
| <b>Net Income</b>                       | <b>1,405</b> | <b>961</b>   | <b>444</b> | <b>46%</b> |
| <b>Operating Profit before D&amp;A</b>  | <b>1,711</b> | <b>1,598</b> | <b>113</b> | <b>7%</b>  |
| As a % of Net Revenues                  | 36%          | 38%          |            |            |

**Financial and Holding results**

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| <i>Financial results generated by assets</i>            | <b>12/31/2009</b> | <b>12/31/2008</b> | <b>D \$</b> | <b>D %</b> |
|---|-------------------|-------------------|-------------|------------|
| Interest on short term investments                      | 82                | 61                | 21          | 34%        |
| Foreign currency exchange results                       | 72                | 67                | 5           | 7%         |
| Other financial results                                 | 1                 | 1                 | -           | 0%         |
| <b>Total Financial results generated by assets</b>      | <b>155</b>        | <b>129</b>        | <b>26</b>   | <b>20%</b> |
| <i>Financial results generated by liabilities</i>       |                   |                   |             |            |
| Interest  | (55)              | (144)             | 89          | -62%       |
| Foreign currency exchange results                       | (271)             | (174)             | (97)        | 56%        |
| Other financial results                                 | -                 | 27                | (27)        | -          |
| <b>Total Financial results generated by liabilities</b> | <b>(326)</b>      | <b>(291)</b>      | <b>(35)</b> | <b>12%</b> |
| <b>Total Financial and holding results</b>              | <b>(171)</b>      | <b>(162)</b>      | <b>(9)</b>  | <b>6%</b>  |

**Table of Contents****TELECOM ARGENTINA S.A.****Unconsolidated Information****13- Income Statement****Three Months Comparison****(In million of Argentine pesos)**

|   | <b>12/31/2009</b> | <b>12/31/2008</b> | <b>D \$</b> | <b>D %</b>  |
|---|-------------------|-------------------|-------------|-------------|
| Net revenues                            | 1,291             | 1,127             | 164         | 15%         |
| Cost of services                        | (671)             | (633)             | (38)        | 6%          |
| <b>Gross Profit</b>                     | <b>620</b>        | <b>494</b>        | <b>126</b>  | <b>26%</b>  |
| Administrative expenses                 | (83)              | (67)              | (16)        | 24%         |
| Selling expenses                        | (280)             | (244)             | (36)        | 15%         |
| <b>Operating Profit</b>                 | <b>257</b>        | <b>183</b>        | <b>74</b>   | <b>40%</b>  |
| Equity income from related companies    | 272               | 155               | 117         | 75%         |
| Financial & holding results             | (11)              | (101)             | 90          | -89%        |
| Other incomes & expenses net            | (52)              | (108)             | 56          | -52%        |
| <b>Results from ordinary operations</b> | <b>466</b>        | <b>129</b>        | <b>337</b>  | <b>261%</b> |
| Taxes on income                         | (67)              | 1                 | (68)        | -6800%      |
| <b>Net Income</b>                       | <b>399</b>        | <b>130</b>        | <b>269</b>  | <b>207%</b> |
| <b>Operating Profit before D&amp;A</b>  | <b>429</b>        | <b>396</b>        | <b>33</b>   | <b>8%</b>   |
| As a % of Net Revenues                  | 33%               | 35%               |             |             |



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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**Telecom Argentina S.A.**

Date: March 12, 2010

By: /s/ Franco Bertone

Name: Franco Bertone

Title: Chief Executive Officer