

PRESS RELEASE

TELEFÓNICA AND VODAFONE SIGN A COMMERCIAL AGREEMENT FOR WHOLESALE ACCESS TO FIBRE OPTICS

Madrid, 16 March 2017 - Telefónica and Vodafone have reached a commercial agreement for wholesale access to Telefónica's fibre optic network. . Through this agreement, Vodafone will be able to immediately access Telefónica's fibre, not only in certain municipalities that are subject to regulation, but also in others in which Telefónica has been freed of wholesale fibre access obligations.

This agreement allows Vodafone to count on Telefónica to supplement its fibre network coverage and significantly extend the footprint where it can offer ultra-fast broadband and Television services.

For Telefónica, this agreement is a milestone in its wholesale business strategy, as it enables it to take a more active role in offering its wholesale services in an increasingly dynamic and innovative business environment, and with more alternatives, in terms of provision of services by other operators or by using models of co-investment and self-provision.

The agreement, based on purchase commitments over five years, places value on the synergies that are generated by Vodafone accessing Telefónica's network, which increases its usage level and, therefore, the efficiency of the deployment and optimisation of the investment for both companies.

This agreement will also benefit the consumers, who will have access to improved coverage and alternatives in next generation networks at a national level and, consequently, greater availability of services associated with the digital economy.