

NOTA DE PRENSA

PRESS RELEASE

TELEFÓNICA AND ORANGE SIGN A COMMERCIAL WHOLESALE AGREEMENT FOR FIBER OPTIC NETWORK

Madrid, 22th February 2018.- Telefónica and Orange reached a new commercial wholesale deal to access Telefonica's FTTH network, representing an extension of the current 2016 agreement on which Orange could continue accessing Telefonica's network in no regulated areas defined by current regulation (April 2016).

On this agreement, Telefónica and Orange reinforce the mutual commitment of a long term wholesale relation in areas where Orange is not planning to deploy its own FTTH network. During next years, Orange will ensure wholesale revenues in all Telefonica's footprint (either in non-regulated as in regulated areas) in exchange of competitive prices in no regulated areas.

This way, Telefonica proves once again its will to reach commercial agreements with competitors, increasing long term profitability of its infrastructures investment. A similar agreement with Vodafone was reached last year, and Telefonica is open to negotiations with other players.

This agreement represents an alternative to co-investment with other players for Orange, while completing its current deployment.

The agreement is based on long term guaranteed sales and proves the synergies obtained from increasing the use of Telefonica's network which optimizes deployment efficiency and investment for both companies.

The agreement will also benefit subscribers that will dispose of a wider FTTH coverage, and alternative options in national NGN networks, being able to advance in accessing digital economy services.