

NOTA DE PRENSA

PRESS RELEASE

TELEFÓNICA ESPAÑA WINS 50 MHz IN THE SPECTRUM AUCTION, INVESTING 107.4 MILLION EUROS

- **With this new spectrum acquisition, Movistar will continue to lead the mobile communications market in Spain, both in the voice and broadband segments.**
- **The new frequencies allow Telefónica to offer high speed data services, with wide coverage and the best technology available at all times.**
- **Telefónica will deploy 5G technology in the new acquired frequencies, with advanced mobile communications services available from 2020.**

Madrid, July 25th 2018.- Telefónica has obtained ten blocks of frequencies (50 MHz in total) in the auction held by the Ministry of Economy and Business which ended today, and it has expanded its holding in the priority frequencies for 5G. The new spectrum obtained, which adds to the 40 MHz which Telefónica already has in this band, represents an investment of 107.4 million Euros, payable in twenty instalments. The concession period of this new spectrum extends to 2038.

Specifically, Telefónica has acquired 10x5 MHz in the 3600-3800 MHz sub-band, which will support the deployment of a nationwide network for the 5G technology from 2020. This spectrum adds to the spectrum available in other bands for the provision of advanced mobile communications services, providing capacity and an extensive coverage of superfast broadband.

Telefónica has applied rationality criteria at the auction and obtained the desired spectrum paying the lowest price per MHz of all the bidders in the auction.

The new frequencies cement Telefónica's technological and commercial leadership through its Movistar brand in the Spanish mobile communications market, reinforcing its commitment for the development of mobile broadband, and providing

convergent solutions to its customers, supported on networks with the most innovative technologies and the most extensive coverage.

This technological commitment will allow Telefónica to face, with all the necessary guarantees, the foreseeable increase in demand for data in mobility, as a result of the generalization of new connected devices, the Internet of Things, and the new applications in the connected car, augmented reality, or 4.0 industry environments, all of which demand high bandwidth and low latency connectivity solutions.

The success achieved by the company in the auction makes it possible to guarantee the commercial launch of the new 5G services from 2020.