

PROSEGUR AND TELEFÓNICA CLOSE THE DEAL FOR THE JOINT MANAGEMENT OF THE ALARM BUSINESS IN SPAIN

- **The price of the transaction, subject to standard adjustments, totals €305,614,004. Full amount paid in Telefónica shares.**
- **The collaboration between the two companies aims to lead the security sector with innovative features for residential and small business customers**
- **In the context of this pioneering association the presence of Prosegur among Telefónica's shareholders will reinforce the determination to build a strategic relationship that generates value for the partners.**

Madrid, 28 February 2020. Prosegur and Telefónica have completed the transaction whereby the latter has acquired 50% of Prosegur's alarm business in Spain. The final amount of the transaction totals €305,614,004, subject to the standard adjustments related to debt, working capital and existing customers.

The telecommunications company paid the total of this transaction in 49,545,262 Telefónica shares. In order to implement the usual protection mechanisms for transactions of this kind, Prosegur has undertaken, among other obligations, to accept certain restrictions on the transferability of the Telefónica shares.

The purpose of the partnership between Prosegur and Telefónica is to capitalise on the opportunity for growth provided by the alarm market in Spain, based on the excellent strategic fit and the complementary nature of the two partners. Telefónica will provide a high degree of distribution capability, resources and capillarity. As for Prosegur, it will contribute its own operational assets and a management team with extensive experience in the security market.

This is a pioneering association with the aim of leadership, driven by two partners who are major players in their sectors. Within this context, the presence of Prosegur among Telefónica's shareholders will reinforce the determination to build a strategic relationship that generates value for the partners.

Within the next few days the company will present the brand under which it will operate and its new range of products.

Telefónica is one of the largest telecommunications companies in the world by market capitalization and number of customers with a comprehensive offering and quality of connectivity that is delivered over world class fixed, mobile and broadband networks. As a growing company it prides itself on providing a differential experience based both on its corporate values and a public position that defends customer interests.

The company has a significant presence in 14 countries in Europe and Latin America and over 344 million accesses.

Telefónica is a 100% listed company and its shares are traded on the Spanish Stock Market and on those in New York and Lima.

Contact

Juan Emilio Maíllo

Telephone number: +34.689.86.90.34

email: prensatelefonica@telefonica.com

About Prosegur

Prosegur is a global leader in the private security sector. Across its three business lines - Prosegur Security, Prosegur Cash and Prosegur Alarms - Prosegur provides companies and households with reliable security services using the most advanced market solutions. With a global presence, Prosegur reported sales of 4.198 billion euros in 2019 and is listed on the Spanish stock exchanges under the ticker code PSG, with a team that currently numbers more than 160,000 employees.

The company's social initiatives are directed through the Prosegur Foundation, which, with 31,111 beneficiaries in 2019, focuses on four key pillars: education, employment inclusion for people with intellectual disabilities, corporate volunteering and cultural development.

For more information, visit www.prosegur.com

Contact:

Pablo de Santiago

Telephone number: +34.915.898.431

Email: comunicacion.corporativa@prosegur.com