



PRESS RELEASE PRESS RELEASE

The agreement entails the union of two major Spanish international brands

MOVISTAR, REAL MADRID "CONNECTING PARTNER"

- The alliance, which is already in effect, will last for the remainder of the 2016-2017 season, and the next 2017-2018 season.
- Through this agreement, Movistar wants to 'accompany' and connect the more than 500 million Real Madrid fans all over the world with the club's day-to-day activities.
- The agreement includes Real Madrid's first football and basketball squads, whose rosters attended the presentation act this morning.

Madrid, March 30, 2017.- The Chairman and CEO of Telefónica, José María Álvarez-Pallete, and the President of Real Madrid C.F., Florentino Pérez, presented this morning the collaboration and sponsorship agreement through which Movistar becomes a "Connecting Partner" of the white club for the remainder of the 2016-2017 season, and the following 2017-2018 season. The scope of the agreement includes Telefónica's most relevant business areas: Spain, Germany, United Kingdom, and Latin America.

In this way, Movistar will accompany and 'connect' the more than 500 million Real Madrid football and basketball aficionados and fans with the day-to-day activities of the club through different activities. In this first phase the agreement considers marketing, advertising, and hospitality actions, events with players, and image rights.

Movistar will also be part of Real Madrid's social network actions before, during, and after each match with the #RMMovistar hashtag, and joint contents will be created for sharing among the followers of both brands.

In addition, Telefónica will provide Real Madrid with its technological capabilities applied to sport, as it has already done in other activities, such as cycling and winter sports, as a result of the big data analysis conducted within Telefónica, in the unit known as LUCA.

Also present at the presentation act celebrated this morning in the Santiago Bernabéu Stadium together with the presidents of both entities were the Real Madrid football and basketball player rosters.

José Mª, Chairman and CEO of Telefónica, underscored the connection between the values that represent Telefónica and Real Madrid "from the leadership of being the best club in history, to the dignity that has always characterized its players; from the humility and respect for the rival, to the trust in its own possibilities of victory; from teamwork, to the courage of assuming responsibility in the last minute of the match".

In his intervention, Álvarez-Pallete took the opportunity to detail the new focus of the company's sponsorships which will now be focused on the benefits for Movistar customers in Spain.

Through the new www.movistarlikes.es space, company customers will be able to live unforgettable experiences linked to Movistar sponsorships in all fields. This website brings together the benefits available to the public in all fields of Telefónica sponsorship, both related to sports and culture, without forgetting Telefónica's three great ambassadors: Chef Ferran Adrià, tennis star Rafa Nadal, and tenor Juan Diego Flórez.

These customer-aimed experiences range from tickets to events, to the possibility of gaining access to areas restricted to the public in cultural institutions, or the option of accompanying sponsored athletes and teams during their training sessions. Of course, some of the most attractive Movistar Likes proposals are linked to this agreement with Real Madrid as a 'Connecting Partner'.

About Telefónica

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. With a significant presence in 21 countries and 350 million accesses around the world, Telefónica focuses an important part of its growth strategy in Spain, Europe and Latin America.

Telefónica is a 100% listed company, with more than 1.5 million direct shareholders. Its share capital currently comprises 5,037,804,990 ordinary shares traded on the Spanish Stock Market and on those in London, New York, Lima, and Buenos Aires.

About Real Madrid C.F.

Real Madrid is the most successful club of all time. With its 115 years of history it has a truly amazing record of success: 11 European Cup Titles, 2 World Club Titles, 3 Intercontinental Cup Titles, 3 European Supercup Titles, and 32 national league titles, among others. FIFA also recognized it as the Best Club of the XX Century.

The successes and values that make it recognizable as a universal brand have lead Real Madrid to be admired by millions of followers on every continent, and its name is associated to the sponsorship of major global companies, leaders in their respective industries, that wish to be linked to the values represented by the club.

Thus, the value of the brand and the club's desire to guarantee the complete satisfaction of millions of fans, have lead to the development of a wide range of products, services, and channels of communication specifically designed for its followers.

Graphic material available at www.telefonica.com/saladeprensa