

NOTA DE PRENSA

PRESS RELEASE

TELEFÓNICA, IDB AND IIC PROMOTE DIGITALIZATION OF THE ECONOMY IN LATIN AMERICA

Madrid, 13 January 2017.- Telefónica and the International Development Bank (IDB) signed today a renewal for their strategic alliance to continue promoting digital transformation and socio-economic development programs in Latin America through 2017-2020. Also pledging participation in the agreement is the Inter-American Investment Corporation (IIC), the IDB branch responsible for promoting development in Latin America and the Caribbean by means of the private sector. With this addition, the scope of the alliance noticeably broadens, as well as the possibilities for joint action on economic, social and digital development projects in countries where Telefónica, the IDB and the IIC operate, in collaboration with governments, civil agents and the private sector as well.

Participating at the signing today in Madrid were José María Álvarez-Pallete, Chairman and CEO of Telefónica, and Luis Alberto Moreno, president of the IDB.

With the signing of this new agreement, Telefónica, the IDB and the IIC will increase their collaboration projects along six different courses of action. These lines of action are framed within Smart Cities projects under the IDB's Emerging and Sustainable Cities Program; Big Data projects focused on data analysis and public interest solutions; digital economy; Internet accessibility and development of appropriate regulatory policies; entrepreneurial support as framed within the Telefónica Open Future program; and development initiatives including the areas of education, health and security.

During the first period of the Strategic Alliance (2012-2015), various development projects in diverse areas were implemented, such as ICTs and microfinance, education, Smart Cities, internationalisation of SMEs and social entrepreneurship, in addition to collaboration on regulatory studies and publications.

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. 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 21 countries and over 349 million accesses around the world. Telefónica has a strong presence in Spain, Europe and Latin America, where the company focuses an important part of its growth strategy.

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 the IDB

The Inter-American Development Bank is a leading source of long-term financing for economic, social and institutional projects in Latin America and the Caribbean. Besides loans, grants and guarantees, the IDB conducts cutting-edge research to offer innovative and sustainable solutions to our region's most pressing challenges. Founded in 1959 to help accelerate progress in its developing member countries, the IDB continues to work every day to improve lives.

About the IIC

The Inter-American Investment Corporation (IIC), a member of the Inter-American Development Bank (IDB) Group, is a multilateral development bank committed to supporting the private sector in Latin America and the Caribbean. The IIC finances sustainable enterprises and projects to achieve financial results that maximize social and environmental development for the region. With a current portfolio of US\$7 billion under management and 330 clients in 20 countries, the IIC works across sectors to provide innovative financial solutions and advisory services that meet the evolving demands of its clients.