



PRESS RELEASE

NOTA DE PRENSA

MTN GROUP AND TELEFONICA ANNOUNCE STRATEGIC PARTNERSHIP

- **MTN and Telefonica, two leading telecommunication Groups, will join forces in a strategic partnership under the Telefonica Partners Program**
- **The partnership will have a strong focus on all areas related to the Enterprise customer segment, including Multinational Corporations, Machine-to-Machine, Business-to-Business Products and Services, as well as knowledge sharing and innovation.**
- **Furthermore, the Groups will also focus on capturing new opportunities in digital services.**

Johannesburg, South Africa & Madrid, Spain, December 14th, 2015.- South African headquartered MTN Group and Spain's Telefónica Group jointly announce the signing of a Strategic Partnership Agreement, which enables both telecommunications operators to work together to benefit from their joint scale, combined expertise and market access. The Strategic Partnership is supported by the Telefónica Partners Program, an initiative launched by Telefónica in 2011, which includes other leading telcos covering a total of 35 markets in Europe, Latin America, Asia and Middle East.

Under the terms of the Agreement, both companies have agreed to work together to capture synergies in a number of strategic areas. Many of the initial areas are aiming to improve both companies' stand in regards to Enterprise customers, including services to multinational companies in each other's footprint, collaboration in M2M and new digital products and services targeting the B2B segment. Additionally, the Groups will also cooperate in various strategic initiatives and exchange best practices to capture the new industry opportunities. Both companies will also enter in discussions on how to engage effectively in International Wholesale, Devices and Network/IT Procurement.

MTN Group and Telefónica teams may also engage in other business areas under the scope of the strategic Agreement, such as alignment in key technology projects in network and IT, new initiatives (such as Mobile Money or Big Data projects), and collaborate on commercial and marketing strategies. Companies will collaborate bilaterally on these and other selected areas.

The mutual collaboration is expected to provide a stronger basis to compete globally in the changing telecommunications industry.



Commenting on the partnership, Herman Singh, Group Chief Digital Officer, said that "MTN Group believes this strategic partnership with Telefónica, one of the biggest and most advanced operators in the world, will bring great benefits to MTN in enabling future growth delivery. The development scope includes our innovation process and new product offerings as we move into the New Digital World, as well as leveraging our combined scale in areas such as procurement. We are really looking forward to developing this relationship to our mutual benefit". For Telefonica, Mario Martin, Industrial Alliances Group Director, said that "Telefónica has a strong belief in the advantages of scale and pooling of skills that industry partnerships can bring. And we are especially proud of having MTN Group, a player with outstanding track record, joining forces with Telefonica under the Partners Program. We are confident that this agreement will bring important benefits to both our Groups".

About MTN Group

Launched in 1994, the MTN Group is a leading emerging market operator, connecting subscribers in 22 countries in Africa, Asia and the Middle East. The MTN Group is listed on the JSE Securities Exchange in South Africa under the share code: "MTN." As of June 2015, MTN recorded 231 million subscribers across its operations in Afghanistan, Benin, Botswana, Cameroon, Cote d'Ivoire, Cyprus, Ghana, Guinea Bissau, Guinea Republic, Iran, Liberia, Nigeria, Republic of Congo (Congo-Brazzaville), Rwanda, South Africa, Sudan, South Sudan, Swaziland, Syria, Uganda, Yemen and Zambia. Visit us at www.mtnbusiness.com, www.mtn.com and www.mtnmmo.com

About Telefónica

Telefónica is one of the largest telecommunications companies in the world in terms of market capitalisation and number of customers. With its best in class mobile, fixed and broadband networks, and innovative portfolio of digital solutions, Telefónica is transforming itself into a 'Digital Telco', a company that will be even better placed to meet the needs of its customers and capture new revenue growth.

The company has a significant presence in 21 countries and a customer base of over 327 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 4.864.341. 251 ordinary shares traded on the Spanish Stock Market and on those in London, New York, Lima, and Buenos Aires.