TELEFONICA AND FORTINET ANNOUNCE STRATEGIC ALLIANCE AGREEMENT TO OFFER MANAGED SECURITY SERVICES

- **Agreement Extends 15 Year Relationship to Deliver Seamless and Adaptive Security from IoT to Cloud Networks.**

SUNNYVALE, Calif. – June 15, 2016 –

News Summary: Telefonica (NYSE: VIV), one of the world's leading providers of communications services and solutions, and Fortinet® (NASDAQ: FTNT), a global leader in high-performance cyber security solutions, today announced a strategic alliance agreement that will add Fortinet's Security Fabric architecture into Telefonica's portfolio of managed security services.

- The agreement underscores Fortinet as a strategic security infrastructure partner to deliver solutions integrated with some of Telefonica's key managed security services, which include, the CleanPipes service, ElevenPath's FAAST persistent pentesting and virtual patching solution, and ElevenPath's Metashield Protector service.
- Fortinet is the security infrastructure provider used for all Telefonica's CleanPipes deployments worldwide today and will continue to be a part of the evolution of the service architecture.
- Telefonica customers will benefit from the combination of Telefonica's strategic security services and Fortinet's Security Fabric, which delivers pervasive and adaptive cybersecurity from IoT to the cloud.

Security Without Compromise Designed to Provide Peace of Mind for Customers
Increasing awareness of the cybersecurity risks facing businesses, a security talent challenge, and growing compliance enforcement are prompting businesses of all sizes to migrate risk out of their IT departments and into the hands of professionals.

While technology trends like IoT and cloud computing are blurring the edges of the network today, Fortinet's Security Fabric, combined with ElevenPaths' products and security services from Telefonica enables customers to benefit from a scalable, broad threat protection solution without compromising agility or performance. Telefonica customers can leverage highly advanced hardware and software, enabling direct communication between security solutions for a unified and rapid response to threats. In addition, the Fortinet Security Fabric, powered by the FortiASIC content processor and FortiOS security operating system enables customers to implement internal segmentation and other innovative security strategies to deliver comprehensive threat protection across the expanding attack surface.

Telefonica's comprehensive security approach leverages the services and technology that have gained them recognition as a security solutions thought leader. In-house innovations are combined with strategic partnerships to deliver a complete managed information security offering. This allows customers to achieve business-critical security objectives while keeping operating costs predictable and helping busy IT teams stay ahead of security issues.

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Supporting Quotes

Patrice Perche, senior executive vice president, Worldwide Sales and Support, Fortinet
"We have worked together with Telefonica for nearly 15 years. This successful partnership is the result of our shared goal – to provide the security technologies customers need to protect and grow their businesses. As Telefonica expands their coverage areas, network service offerings, and customer base, they need a security partner to help them still maintain high performance at scale without business disruption. Their extensive experience in security and communication networks, expert workforce and development of intelligence-driven managed security services means their customers are in safe hands."

Pedro Pablo Pérez, ElevenPaths' CEO and Telefonica Global Security Managing Director
"Our customers face a shortage in security talent today as well as stringent regulations and compliance requirements. This is compounded by an ever-changing cyber threat landscape. In order to succeed, they are turning to partners to help them implement the processes and technology required. A critical differentiation that Telefonica and Fortinet provide to customers is adaptive and intelligent security technology. Fortinet's Security Fabric combined with Telefonica's ElevenPaths products provides a cohesive, intelligent security offering that sees and protects distributed environments, which means they can build and enforce seamless and consistent security policy on local and cloud networks, or across advanced architectures."

About Telefonica
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 322 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 4,975,199,197 ordinary shares traded on the Spanish Stock Market and on those in London, New York, Lima, and Buenos Aires.

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About ElevenPaths
At ElevenPaths we believe in the idea of challenging the current state of security, an attribute that must always be present in technology. We're always redefining the relationship between security and people, with the aim of creating innovative security products which can transform the concept of security, thus keeping us one step ahead of attackers, who are increasingly present in our digital life.

More information:
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About Fortinet
Fortinet (NASDAQ: FTNT) secures the largest enterprise, service provider, and government organizations around the world. Fortinet empowers its customers with intelligent, seamless protection across the expanding attack surface and the power to take on ever-increasing performance requirements of the borderless network - today and into the future. Only the Fortinet Security Fabric architecture can deliver security without compromise to address the most critical security challenges, whether in networked, application, cloud or mobile environments. More 270,000 customers worldwide trust Fortinet to protect their businesses.

Learn more at http://www.fortinet.com, the Fortinet Blog, or FortiGuard Labs.
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