*Telefonica* m2m





## Telefónica and Avea to cooperate globally in M2M business

The collaboration agreement will cover, among other areas, the provision of global M2M solutions, international roaming agreements and the development of technological standards

**Madrid/Istanbul, 11 April 2012.** – Telefónica, through its Telefónica Digital unit, and the Turkish mobile operator, Avea (part of Turk Telekom group), have signed an agreement through which the two companies will develop business opportunities in the M2M sector. The alliance covers technological cooperation, as well as the development of joint commercial and marketing endeavours. This will allow them to create economies of scale, with significant cost reductions, and obtain new sources of income thanks to the opening of new markets.

As regards commercial initiatives, the two companies will unite their efforts to develop joint marketing and market analysis strategies and to offer solutions in different geographical regions through the provision of a single SIM card.

The scope of the agreement also covers the development of in novel fields such as transportation, smart cities, home automation, energy efficiency, mobile healthcare and industry.

Both operators will cooperate to promote open standards and the interoperability of M2M systems at an international level. This collaboration will also extend to the field of research and development of M2M technologies and to the joint certification of devices.

Among the objectives of the alliance between Telefónica and Avea is also the widening of the collaboration framework to include a large number of markets, and thus the agreement is open to creating future alliances with other operators. By increasing the scope of the initiative, the goal is to stimulate the sale of this type of services, facilitate their deployment and simplify rates so as to offer a better quality range across the globe.

Mr. Carlos Morales, Director of M2M at Telefónica Digital said on this agreement: "There is a huge potential behind the M2M business. This cooperation with Avea will help us in further developing novel vertical solutions and widen our coverage. Telefónica will gain privilege access to the Turkish market whereas Avea will leverage on Telefónica's capabilities of network coverage, long experience of providing wireless M2M communication solutions and its leading market position in core UE markets and Latin-America."

Mr. Kadir Boysan, the Chief Strategy Officer of Avea, commented as follows about the agreement; "The cooperation will provide all Avea customers, individual and corporate, with access to M2M services at global standards, and ensure the launching of brand new products and services to the market through the support of the R&D activities in Turkey. Being a prominent technology provider in Turkey; we intend to open up a new era in M2M communications for all our customers, individual and corporate, by means of our corporation with Telefónica, a gigantic global telecommunications service provider."

## **About Telefónica Digital**

Telefónica Digital is a global business division of Telefónica. Its mission is to seize the opportunities within the digital world and deliver new growth for Telefónica through research & development, venture capital, global partnerships and digital services such as cloud computing, mobile advertising, M2M solutions and eHealth. Telefónica Digital will deliver these innovative products and services to Telefónica's 300 million customers as well as leveraging the power of the internet to enter new markets. It is headquartered in London with regional centers in Silicon Valley, Sao Paolo, Spain and Tel Aviv. Jajah, Terra, Tuenti, giffgaff and 48 are all part of the Telefónica Group.

## **About Avea**

Avea, the sole GSM 1800 mobile operator of Turkey, was founded in 2004. Being driven by a spirit of innovation, Avea, the youngest operator of Turkey, has a nationwide customer base of 12.8 million as of the end of 2011. Offering services to 97.4% of Turkey's population through its next generation network, the company is growing fast both in the corporate and individual services with the brand "Avea" and constantly investing in technology and infrastructure as well as in its management and around 2,700 employees. Having roaming agreements with 656 operators in 201 countries, the company continues to expand its roaming partnerships.

As GSM sector's youngest, most dynamic and the alternative operator, Avea brought a new competitive environment to Turkish GSM market. The privatization of 55% of Türk Telekom's shares was completed in November 2005, by Oger Telecom's acquisition 55% of Türk Telekom's shares. In September 2006, Türk Telekom acquired Telecom Italia's shares of 40.6% in Avea. Turk Telekom now holds 81.37% of the shares in Avea. The remaining 18.63% belongs to is Bankası..