



Telefónica and Masternaut agree to jointly market fleet management services

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Madrid, 12 September 2011. – Telefónica and Masternaut have reached an agreement to jointly market telematics-enabled fleet management services that allow businesses to make dramatic cost savings, whilst delivering improvements in customer service and employee safety. Both Telefónica and Masternaut will share product roadmaps to create market-leading future products.

The agreement, which gives Telefónica's professional teams access to Masternaut's world leading telematics products and services, helps the company advance towards its goal of boosting revenue generation beyond connectivity. These M2M (machine to machine) products add incremental layers of value to customers in efficiency and sustainability, as they seek to gain competitive advantage.

According to the terms of the agreement, the two companies will market joint products designed to target the growing sustainable fleet market, where customers can benefit from fuel savings of up to 20% through driver behaviour management. This product suite enables businesses to grow thanks to increased competitive advantage through improved cost reduction, while ensuring service levels and strategic carbon emissions targets are maintained.

Masternaut will provide fleet management services, applications, platforms and technical support, while Telefónica will contribute with its commercial network, including pre- and post-sales support, and customer care. Everything deployed over the best in class global networks of Telefónica.

The products, distributed under the Telefónica brand, also include Fleet optimisation applications that allow for the more efficient deployment of mobile resources, telematics-enabled products for the insurance market and the dynamic management of corporate risk.

"With this agreement, Telefonica demonstrates the capacity for responding to customer's needs in the growing M2M market. We are convinced that Masternaut's leading products will enable us to offer top quality and comprehensive solutions covering all elements of the value-chain" said Carlos Morales, Global M2M Director of Telefónica.

Bill Henry, CEO of Masternaut added "this innovative partnership with Telefonica represents the next step in the evolution of the global fleet management market. Together we will leverage Masternaut's leading products and Telefonica's strong commercial capabilities to deliver valuable solutions for both large enterprise and mid-sized companies."

About Telefónica

Telefónica is one of the world's largest telecommunications network operators by market capitalisation and number of customers. It centres its activities mainly on the fixed and mobile telephony businesses, while its broadband business is the key growth driver underpinning both.

It operates in 25 countries and its customer base exceeds 295 million globally. Telefónica has a strong foothold in Spain, Europe and Latin America, the latter region being the lynchpin of its growth strategy.

Telefónica is a 100% private company with more than 1.5 million direct shareholders. Its share capital consists of 4,563,996,485 ordinary shares traded on the Spanish stock exchanges (Madrid, Barcelona, Bilbao and Valencia), as well as on the London, Tokyo, New York, Lima, Buenos Aires and São Paulo stock exchanges.

About Masternaut

Masternaut designs and delivers innovative solutions for managing the mobile workforce that enable customers and partners to achieve evolutionary step-changes in their performance and service delivery. Formed through the combination of established telematics providers, Cybit and Masternaut, the new Masternaut boasts the broadest range of telematics products, services and R&D capability in Europe.

The companies represented some of the fastest-growing private technology firms in Europe and were ranked 13th in the Sunday Times International Fast Track, having achieved more than 150% growth in sales during 2007-2010; whilst Masternaut was also featured in the 2007, 2008 and 2009 Sunday Times Tech Track 100, and was also recognised on the Deloitte Fast 500 EMEA in 2009.

Masternaut has more than 550 employees and 10,000 customers across Europe and has been recognised by Berg Insight as Europe's largest telematics provider.