

News

Managed Connectivity



Telefónica and Etisalat join forces in digital services

Digital divisions of both companies to collaborate in areas including Machine-to-Machine (M2M), Financial Services, Cloud Computing, and Video

July 5th, 2012 . – Telefónica Digital and Etisalat today unveiled a wide ranging agreement that will see the two companies jointly develop business opportunities, license products and share knowledge across a range of digital services. The partnership increases Telefónica's addressable market for digital services by 17 countries and exceeding 170 million customers, and opens the door to close co-operation and collaboration with the Middle East's largest operator, which has recently formed its own Digital Services unit.

Under the terms of the agreement Telefónica and Etisalat will collaborate to develop business opportunities in M2M, financial services, device procurement, cloud computing, video services, digital advertising, eHealth and over-the-top communications. In addition, Etisalat recently joined Telefónica in supporting Mozilla's efforts to develop a new mobile ecosystem based on HTML5 called Firefox OS. The agreement further develops the strategic partnership signed between Telefónica Group and Etisalat in 2011.

Within the field of M2M, the two companies will share technical & platform expertise, co-operate in international M2M roaming and collaborate in bidding processes. Etisalat will become Telefónica's partner in the delivery of managed M2M services to common customers.

From a financial services perspective, Telefónica and Etisalat will work together to jointly develop m-commerce initiatives, including looking at ways to improve the customer experience around international mobile financial transactions.

The combined customer bases of the two companies and geographic reach creates a powerful negotiating position. As part of the agreement, Telefónica will jointly work with Etisalat in the acquisition of video content, while Etisalat will also participate in Telefónica's global device procurement process. The result will be better pricing for both companies.

Other aspects included in the agreement are commercial knowledge sharing across cloud, digital advertising, eHealth and over the top communications.

"Like us, Etisalat recognises the enormous potential of digital services for our sector," said Matthew Key, Chairman & CEO of Telefónica Digital. "We strongly believe that open collaboration and partnership is the best way of driving innovation and delivering the best products and services to customers across our combined footprints."

Commenting on the new partnership, Khalifa Al Shamsi, Chief Digital Services Officer for Etisalat Group said: "The Digital Unit at Etisalat Group aims to boost the group's position in the digital eco-system by driving innovation and advanced services to our customers across all areas of operation. This agreement with Telefonica places us in a strong position of industry alignment and best practice implementation of digital services to enterprise customers and consumers."

Earlier this year Etisalat announced the formation of a new Digital Services unit and the appointment of Khalifa Al Shamsi as chief digital services officer. The new division was set up to focus on several areas including M2M, cloud, commerce, digital advertising, advanced communications, digital entertainment and video services. Telefónica announced the creation of its new global, digital unit in October 2011.

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 and eHealth. It is also driving innovation in over the top communications services under a new umbrella brand called Tu. Telefónica Digital will deliver these new products and services to Telefónica's 309 million customers as well as leveraging the power of the internet to enter new markets. It is headquartered in London with regional centres in Silicon Valley, Sao Paulo, Spain and Tel Aviv. Jajah, Terra, Tuenti, Media Networks Latin America, 48 and giffgaff are all managed under the Telefónica Digital umbrella.

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About Etisalat

Strong commitment to excellence and innovation has seen Etisalat become one of the world's fastest-growing telecom groups, rapidly expanding across Asia and Africa. Its UAE operations, strategically located at the crossroads of East and West, enables Etisalat to be the major hub in the Middle East for Internet, voice, broadcast, roaming and corporate data services. Etisalat has been recognised as 'Best Operator' 10 times since 2006 and 'Best Wholesale Provider' four times in the last three years. Servicing over 170 million customers in 17 countries Etisalat continues to reach out to new customers and markets.

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