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“César Alierta, chairman of Telefónica, during his speech at the “Hispano-German ICT (Information Communication Technologies) Conference” at CeBIT 2010 in Hannover:

“We aim to become a benchmark operator in Germany”

- **Telefónica O₂ Germany was the fastest growing mobile operator in 2009 in terms of net customer adds and increased revenue**
- **Telefónica has invested a total of 4,000 million euros in Germany over the past four years**
- **The company took first place in the independent survey on workplace culture by the Great Place to Work Institute® Germany, becoming the first German telecommunications company to receive this accolade**
- **ICTs are a strategic sector for Spain and telecoms operators are essential to convert diversity, talent and the openness of Europe into a competitive advantage, growth and success**

MUNICH/HANNOVER. “Telefónica and Germany go back a long way. The company has been present here for 10 years, investing 4,000 million euros in the past four years alone and employing around 8,000 people directly.” These factors give Telefónica a particularly German feel declared César Alierta during his speech at CeBIT in Hannover. Looking ahead, César Alierta reiterated the company’s long-term strategy and commitment to continue developing the best telecommunications services in Germany ”to consolidate Telefónica’s position here as a benchmark operator”.

Germany has become one of the leading examples of the success of the Telefónica Group’s slogan: “Think globally, act locally”. Proof of this is that Telefonica O₂ Germany currently has about 16 million customers and in 2009 was the fastest growing mobile operator in terms of net customer adds and increased revenue.

*A **Telefonica** company*

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In this regard, the company has taken first place in an independent survey on workplace culture “Great Place to Work” for companies employing over 5,000 people. This award is given annually by the Great Place to Work Institute® Germany and makes Telefónica O₂ Germany the first German telecommunications operator to receive this honour. While presenting this accolade, Frank Hauser of the Institute, cited Telefónica O₂ Germany as a clear example that mergers “can be done well”.

Europe is key for Telefónica. Its headquarters are located here and it has sizeable operations in six markets: Germany, Spain, Slovakia, Ireland, the UK and the Czech Republic. In Europe alone Telefónica boasts 94 million customers, 80,000 employees and 14,000 suppliers with a presence in 24 of the 27 EU member countries.

During his speech, the Telefónica chairman also highlighted the strategic nature of telecommunications for Europe. The sector has withstood turbulent times and today exerts the greatest influence on the economy, with robust growth forecasts.

According to César Alierta, “the worst has passed and the time has come to build future prosperity for businesses and the people”. In this regard, he noted that “telecommunications are one of the cornerstones for creating the new economic model needed for Europe to be able to grow quicker and emerge stronger from the recent economic turmoil”.

Telecommunications are playing an increasingly larger role in the economy. In the ICT sector, telecommunications have invested and continue to invest heavily in Europe, with total CAPEX of 37,000 million euros. Also, with two million direct jobs, it is one of the largest employers in Europe, well ahead of the 10,000 jobs created by the Internet sector.

Nevertheless, César Alierta recalled that, even though the telecommunications market is hugely competitive in Europe, with over 170 operators it is also highly fragmented and subject to very uneven regulatory conditions, which do not provide the necessary security and confidence which are essential in encouraging investment at a time when Europe needs it most.

In this regard, César Alierta called for all parties in the sector (manufacturers, regulators and operators) to work together under a European Digital Agenda framework to maximise the benefits generated by the ICT sector and turn Europe into the leader of the digital economy benefitting all European citizens.

About Telefónica

Telefónica is one of the world's largest telecommunications companies by market capitalisation. 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 265 million globally. Telefónica's growth strategy is focused on the markets in which it has a strong foothold: Spain, Europe and Latin America, where it largely concentrates its growth strategy. Telefónica is a 100% private company, with more than 1.5 million direct shareholders. Its share capital consists of 4,704,996,485 ordinary shares traded on the continuous market on the Spanish Stock Exchanges (Madrid, Barcelona, Bilbao and Valencia) and on those of London, Tokyo, New York, Lima, Buenos Aires and São Paulo.

Telefónica O₂ Germany GmbH & Co. OHG belongs to Telefónica Europe and is part of the Spanish telecommunication group Telefónica S.A. The Company offers its German private and business customers postpaid and prepaid mobile telecom products as well as innovative mobile data services based on the GPRS and UMTS technologies. In addition, the integrated communications provider also offers DSL fixed network telephony and high-speed internet. Telefónica Europe has 49 million mobile and fixed network customers in Great Britain, Ireland, the Czech Republic, Slovakia and Germany.

Further Information

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