

# Telefónica

TELEFÓNICA INTERACTIVA S.A.

## PRESS RELEASE

### **Telefónica Interactiva and Amadeus to form joint venture for travel e-commerce**

- **Soon, Internet users in Spain, Portugal and Latin America will be able to make their own travel arrangements using the Web**

Madrid, September 22, 1999—Telefónica Interactiva, Telefónica's Internet unit, and Amadeus, the global distribution and marketing system for travel, announced today their intent to join forces in the area of travel e-commerce.

The two companies will create a 50:50 joint venture to sell travel and related services to consumers in the Spanish and Portuguese speaking markets, both in Europe and Latin America.

The joint venture will provide information and booking services for air travel, hotel accommodation and car rental, enhanced by guides, destination services, bargain finder functionality and other travel related services. As an interactive site, it will also incorporate travelers' feedback.

"Soon, Internet users in Spain, Portugal and Latin America will be able to make their own travel arrangements using the Web," says Juan Perea, Chairman & CEO of Telefónica Interactiva. "With Amadeus—the best possible partner for a project of this magnitude—we aim to provide our customers with a world-class purchasing experience."

"While the Internet is a global phenomenon, consumers still have strongly expressed local preferences," says José Antonio Tazón, Amadeus President & CEO. "We wish to cater to these consumers in an optimal way by partnering with companies who, like Telefónica Interactiva, are recognized local players and fully understand local purchasing habits."

The joint venture web sites will be closely associated with Telefónica Interactiva's offerings, such as portals and e-commerce ventures, but may be individually branded by market and customer segment. The joint venture owners are looking to incorporate local value-added partners, such as travel agencies and travel service providers, for each one of the local markets.

Telefónica and Amadeus will also target the mobile phone users in the region through WAP (Wireless Access Protocol) technology, which permits Internet access directly from a cellular phone.

For Amadeus, the joint venture with Telefónica Interactiva is the second partnership of this nature, since signing an agreement with Grupo l'Espresso, Italy's largest newspaper publisher, in May 1999.

Telefónica Interactiva is the leading provider of Internet access (ISP) and local-language interactive content and services in the Spanish- and Portuguese-speaking world. Telefónica Interactiva currently provides Internet access services in Spain, Brazil, Mexico, Chile, Guatemala and Peru and operates Internet portals serving a total of ~~half a dozen of countries~~. Telefónica Interactiva has more than ~~700,000~~ customers in the ISP business and more than ~~300~~ million pages viewed per month in its portal business. The company is a unit of Telefónica S.A., the parent company of the Telefónica Group.

Amadeus today distributes travel products to the more than 10,000 travel agencies in 20 markets in the region of the joint venture. Active in more than 130 markets worldwide, Amadeus is the most global of the CRS companies, serving 55,000 travel agencies and sales offices of more than 100 airlines.