

Press Release Number 33/2015

Mexico City, April 30th, 2015.

IFT Plenary authorizes and conditions¹ the purchase in Mexico of Grupo Nextel by AT&T

- **Yesterday, unanimously, the concentration was authorized subject to conditions**
- **As a result of the transaction, AT&T will be the third operator in the provision of services of mobile telecommunications, measured in terms of end users**
- **AT&T must submit a formal written acceptance of the conditions imposed**

The Plenary of the Federal Telecommunications Institute (*Instituto Federal de Telecomunicaciones*, IFT) decided to authorize, subject to compliance conditions, the concentration by which AT&T acquired the company Grupo Nextel in Mexico. As a result, mobile telecommunications service, AT &T will be established as: the third operator with the largest number of users; the second with higher incomes; and the first with possession of radio spectrum allocated to date. In terms of end users, the main competitor is Telcel, whose participation is six times greater than what AT&T acquired with the Grupo Nextel acquisition.

AT&T, through the acquisition of mobile business Iusacell/Unefon held in January 2015 of determined concentration yesterday, will accumulate on average 42% of the radio spectrum allocated to date for mobile telecommunications services.

The concessioned spectrum to companies of Grupo Nextel that AT&T will acquire through concentration, approximately 41.1% are located in the frequency band called “trunking”.

To use this portion of the acquired spectrum in the provision of commercial mobile telecommunications services, on terms comparable to those offered in other bands, AT&T will have to make significant changes in the infrastructure and technology of the existing network acquired from Grupo Nextel.

¹ Due to constitute confidential information is not possible to describe the conditions under which the operation is held.

Press Release Number 33/2015

Therefore, incentives are identified for AT&T to make investments in the deployment and modernization of existing networks that purchases of Grupo Nextel, which improvements are planned in the supply of mobile telecommunications services in Mexico.

In addition, it was identified that in the short and medium term the current and potential participants, the interested in providing wholesale mobile telecommunications services and to end users can access to radio spectrum will be allocated as follows: 90 MHz in the frequency band 700 MHz (digital dividend); 80 MHz in the band known as AWS and its extension, and 130 MHz in 2.5 GHz band.

Therefore, the Institute determined that the accumulation of spectrum arising from the concentration analyzed does not limit or restrict the possibility that, in the short and medium term, other participants, current and potential have access to this input.

-----*****-----

The Federal Institute of Telecommunications (IFT) is the autonomous body entrusted with the regulation, promotion and supervision of the efficient performance of broadcasting and telecommunications sectors in Mexico, and also exercises, in exclusive manner, the authorities in matters of economic competition of such sectors pursuant to the Decree whereby several provisions of Articles 6, 7, 27, 28, 94 and 105 of the Political Constitution of the United Mexican States are amended and supplemented in telecommunications matters, published in the Official Gazette of the Federation on June 11th of 2013.

Media Relations Department
Insurgentes Sur 1143 1st floor, Col. Nochebuena,
Benito Juárez. C.P. 03720
50 15 40 21 and 50 15 42 00
www.ift.org.mx