



RAMIRO SÁNCHEZ DE LERÍN GARCÍA-OVIES
General Secretary
and Secretary to the Board of Directors
TELEFÓNICA, S.A.

As provided in article 82 of the Spanish Stock Market Act (*Ley del Mercado de Valores*),
TELEFÓNICA S.A. hereby reports the following

NOTICE

According to the notification filed today with the Spanish National Securities Market Commission, (Comisión Nacional del Mercado de Valores), TELEFÓNICA, S.A. holds a total of 132,069,212 treasury shares, representing 2.767% of the share capital of the Company. From the start of the year, the Company has executed 67.6% of the total share buyback programme (for a total amount of 100 million shares) in force during 2008.

Madrid, July 17th, 2008.

SPANISH NATIONAL SECURITIES MARKET COMMISSION
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