



ANTONIO J. ALONSO UREBA
*Director, General Secretary
and Secretary to the Board of Directors*
TELEFÓNICA, S.A.

Telefónica S.A., as provided in article 82 of the Spanish Securities Market Act (*Ley del Mercado de Valores*) and in accordance with set forth in paragraph 4 of article 6 of Royal Decree 377/1991, of March 15th, regarding the announcement of significant participations in quoted companies, hereby reports the following

SIGNIFICANT EVENT

The Board of Directors of the Company, at its meeting held today, has accepted the resignation of Mr. José Fonollosa García from his position on the Board and has thanked him for his work and dedication as member of the Telefónica's Board.

Madrid, June 29th, 2005

SPANISH NATIONAL SECURITIES MARKET COMMISSION
- MADRID-