



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

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

#### **SIGNIFICANT EVENT**

On February 26<sup>th</sup>, 2010, and in compliance with the conditions stated in the Prospectus for the Debentures Issue “February 90 F Zero Coupon” (ISIN code number ES0278430683), registered with the Spanish National Securities Market Commission (*Comisión Nacional del Mercado de Valores*) on February 1<sup>st</sup>, 1990, the 4,671 debentures of the Issue will be totally redeemed through the repayment of the 1,069.47 % of their nominal value of Euros 300.51 each.

Madrid, January 29<sup>th</sup>, 2010