



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

In accordance with the provisions of article 82 of the Spanish Securities Market Act, TELEFÓNICA, S.A. ("TELEFÓNICA") hereby discloses the following

### **SIGNIFICANT EVENT**

Yesterday, Telefónica de España, S.A.U., a Telefónica Group subsidiary, agreed a package with the unions which includes, among others, the implementation of a Redundancy Plan affecting up to 6,500 jobs. The Redundancy Plan will be presented to the employment authorities for approval.

Telefónica will meet all the costs relating to the aforementioned Redundancy Plan.

Madrid, 8 July 2011.

**SPANISH NATIONAL SECURITIES MARKET COMMISSION**  
**- MADRID-**