



**RAMIRO SÁNCHEZ DE LERÍN GARCÍA-OVIES**  
*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*), hereby reports the following

#### **SIGNIFICANT EVENT**

Following the significant event announced on June 20, 2014 (registered under number 207445), Telefonica hereby announces that its subsidiary Telefónica de Contenidos, S.A.U. has formalized today a stock purchase agreement for the acquisition of 22% of the share capital of Distribuidora de Televisión Digital, SA (DTS) owned by Mediaset España Comunicación, S.A. (MEDIASET) for an amount of EUR 295 million.

Moreover, a payment of an amount of EUR 30 million has been agreed as consideration for the waiver of its pre-emptive right relating the stake held by Promotora de Informaciones, S.A. (PRISA) in DTS.

Additionally, Mediaset will receive an amount of EUR 10 million in the event that Telefónica closes the acquisition of the 56% stake of DTS held by Promotora de Informaciones, S.A. (PRISA), and, in that case, an amount of up to EUR 30 million depending on the evolution of the pay-TV customers in Spain of the Telefónica Group during the 4 years following the closing of the acquisition by Telefónica of the 56% stake of DTS held by PRISA.

Madrid, July 4, 2014.

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