

**Final Terms dated 8 October 2014**

**TELEFÓNICA EMISIONES, S.A.U.**

**Issue of EUR 800,000,000 2.932 per cent. Instruments due October 2029  
Unconditionally and Irrevocably Guaranteed by TELEFÓNICA, S.A.  
under the EUR 40,000,000,000 Programme for the Issuance of Debt Instruments**

**PART A – CONTRACTUAL TERMS**

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth on pages 24 to 57, inclusive, of the Base Prospectus dated 10 June 2014 and the supplements to it dated 31 July 2014 and 26 September 2014, which together constitute a base prospectus (the "**Base Prospectus**") for the purposes of Directive 2003/71/EC (the "**Prospectus Directive**"). This document constitutes the Final Terms of the Instruments described herein for the purposes of Article 5.4 of the Prospectus Directive. These Final Terms contain the final terms of the Instruments and must be read in conjunction with such Base Prospectus.

Full information on the Issuer, the Guarantor and the offer of the Instruments described herein is only available on the basis of the combination of these Final Terms and the Base Prospectus as so supplemented. The Base Prospectus and the supplements to it are available for viewing at [www.telefonica.com](http://www.telefonica.com) and copies may be obtained from Gran Vía, 28, 28013 Madrid (being the registered office of the Issuer), at the offices of The Bank of New York Mellon, London Branch at One Canada Square, London E14 5AL and at the offices of The Bank of New York Mellon (Luxembourg), S.A. at Vertigo Building – Polaris, 2-4 rue Eugène Ruppert, L-2453 Luxembourg.

1.	(i)	Issuer:	Telefónica Emisiones, S.A.U.
	(ii)	Guarantor:	Telefónica, S.A.
2.	(i)	Series Number:	44
	(ii)	Tranche Number:	1
	(iii)	Date on which the Instruments become fungible:	Not Applicable
3.		Specified Currency or Currencies:	Euro (" <b>EUR</b> ")
4.		Aggregate Nominal Amount:	
	(i)	Series:	EUR 800,000,000
	(ii)	Tranche:	EUR 800,000,000
5.		Issue Price:	100 per cent. of the Aggregate Nominal Amount
6.	(i)	Specified Denominations:	EUR 100,000 and integral multiples of EUR 100,000 thereafter
	(ii)	Calculation Amount:	EUR 100,000
7.	(i)	Issue Date:	17 October 2014
	(ii)	Interest Commencement Date:	Issue Date
8.		Maturity Date:	17 October 2029
9.		Interest Basis:	2.932 per cent. <i>per annum</i> Fixed Rate
10.		Redemption/Payment Basis:	Subject to any purchase and cancellation or early redemption, the Instruments will be redeemed on the Maturity Date at 100 per cent. of their

		nominal amount.
11.	Change of Interest or Redemption/Payment Basis:	Not Applicable
12.	Put/Call Options:	Not Applicable
13.	(i) Status of the Instruments:	Senior
	(ii) Status of the Guarantee:	Senior

#### PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14.	<b>Fixed Rate Instrument Provisions</b>	Applicable
	(i) Rate of Interest:	2.932 per cent. <i>per annum</i> payable annually in arrear
	(ii) Interest Payment Date(s):	17 October in each year from and including 17 October 2015 to and including the Maturity Date, not adjusted
	(iii) Fixed Coupon Amount:	EUR 2,932 per Calculation Amount
	(iv) Broken Amount(s):	Not applicable
	(v) Day Count Fraction:	Actual/Actual (ICMA)
	(vi) Determination Dates:	Not Applicable
15.	<b>Floating Rate Instrument Provisions</b>	Not applicable

#### PROVISIONS RELATING TO REDEMPTION

16.	<b>Call Option</b>	Not Applicable
17.	<b>Put Option</b>	Not Applicable
18.	<b>Final Redemption Amount of each Instrument</b>	EUR 100,000 per Calculation Amount
19.	<b>Early Redemption Amount</b>	
	Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default or other early redemption:	EUR 100,000 per Calculation Amount
20.	<b>Early Termination Amount</b>	EUR 100,000 per Calculation Amount

#### GENERAL PROVISIONS APPLICABLE TO THE INSTRUMENTS

21.	<b>Form of Instruments:</b>	<b>Bearer Instruments:</b>
		Temporary Global Instrument exchangeable for a Permanent Global Instrument which is exchangeable for Definitive Instruments in the limited circumstances specified in the Permanent Global Instrument
22.	New Global Instrument:	Yes
23.	Relevant Financial Centre(s) or other special	Not Applicable

provisions relating to payment dates:

- |     |   |                              |
|-----|---|------------------------------|
| 24. | Talons for future Coupons or Receipts to be attached to Definitive Instruments (and dates on which such Talons mature): | No                           |
| 25. | Details relating to Instalment Instruments: amount of each instalment, date on which each payment is to be made:        | Not Applicable               |
| 26. | Redenomination, renominatisation and reconventioning provisions:  | Not applicable               |
| 27. | Consolidation provisions:   | Not applicable               |
| 28. | Instruments where the Specified Currency is Renminbi: Party responsible for calculating the Spot Rate:                  | Not applicable               |
| 29. | Commissioner:   | Daniel Rodríguez-Malo García |

**SIGNED** on behalf of  
**TELEFÓNICA EMISIONES, S.A.U.:**

By: .....  
Duly authorised

**SIGNED** on behalf of  
**TELEFÓNICA, S.A.:**

By: .....  
Duly authorised

## PART B – OTHER INFORMATION

### 1. LISTING

- (i) Admission to trading Application will be made by the Issuer (or on its behalf) for the Instruments to be admitted to trading on the Regulated Market of the London Stock Exchange with effect from 17 October 2014.
- (ii) Estimate of total expenses related to admission to trading: GBP 3,650

### 2. RATINGS

- Ratings: The Instruments to be issued have been rated:
- Standard & Poor's Credit Market Services France SAS: BBB
- Moody's Investors Service España, S.A.: Baa2
- Fitch Ratings Limited: BBB+

### 3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER

Save for any fees payable to the Managers, so far as the Issuer is aware, no person involved in the offer of the Instruments has an interest material to the offer.

### 4. REASONS FOR THE OFFER

Not Applicable

### 5. YIELD

- Indication of yield: 2.932 per cent. *per annum*
- The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

### 6. OPERATIONAL INFORMATION

- ISIN: XS1120892507
- Common Code: 112089250
- Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s): Not Applicable
- Delivery: Delivery against payment
- Names and addresses of initial Paying Agent(s): Bank of New York Mellon, London Branch  
One Canada Square,  
London E14 5AL
- Names and addresses of additional Paying Agent(s) (if any): Not Applicable

**DISTRIBUTION**

7. U.S. Selling Restrictions: Reg. S Compliance Category 2 TEFRA D