

Final Terms dated 16 July 2015

TELEFÓNICA EMISIONES, S.A.U.

Issue of EUR 67,000,000 Floating Rate Instruments due July 2022

Guaranteed by TELEFÓNICA, S.A.

under the EUR 40,000,000,000 Debt Issuance Programme

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 27 to 60, inclusive, of the Base Prospectus dated 5 June 2015 and the supplement to it dated 3 July 2015 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 as so supplemented.

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 supplemental Base Prospectuses are available for viewing at 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.

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| 1. | (i) Issuer: | Telefónica Emisiones, S.A.U. |
| | (ii) Guarantor: | Telefónica, S.A. |
| 2. | (i) Series Number: | 46 |
| | (ii) Tranche Number: | 1 |
| 3. | Specified Currency or Currencies: | Euro (" EUR ") |
| 4. | Aggregate Nominal Amount: | EUR 67,000,000 |
| | (i) Series: | EUR 67,000,000 |
| | (ii) Tranche: | EUR 67,000,000 |
| 5. | Issue Price: | 99.65 per cent. of the Aggregate Nominal Amount |

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| 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: | 21 July 2015 |
| | (ii) Interest Commencement Date: | Issue Date |
| 8. | Maturity Date: | Interest Payment Date falling in July 2022 |
| 9. | Interest Basis: | 6 month EURIBOR + 0.83 per cent. <i>per annum</i> Floating Rate

(further particulars specified below) |
| 10. | Redemption/Payment Basis: | Redemption at par |
| 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

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| 14. | Fixed Rate Instrument Provisions | Not applicable |
| 15. | Floating Rate Instrument Provisions | |
| | (i) Interest Period(s): | The period beginning on and including the Interest Commencement Date and ending on, but excluding, the First Interest Payment Date, and each successive period thereafter beginning on and including each Interest Payment Date and ending on, but excluding, the next succeeding Interest Payment Date. |
| | (ii) Specified Period: | Not applicable |

(iii) Specified Interest Payment Dates:	Interest shall be payable semi-annually in arrear on 21 January and 21 July in each year commencing on 21 January 2016, up to and including the Maturity Date, subject to adjustment in accordance with the Business Day Convention set out in (v) below.
(iv) First Interest Payment Date:	21 January 2016
(v) Business Day Convention:	Modified Following Business Day Convention
(vi) Additional Business Centre:	Not applicable
(vii) Manner in which the Rate of Interest is/are to be determined:	Screen Rate Determination
(viii) Party responsible for calculating the Rate of Interest and/or Interest Amount (if not the Issue and Paying Agent):	Not applicable
(ix) Screen Rate Determination:	Applicable
• Reference Rate:	EURIBOR
• Interest Determination Date:	The second Business Day prior to the first day of each Interest Period
• Relevant Screen Page:	Reuters Screen EURIBOR01 page
• Relevant Time:	11:00 am Brussels time
• Relevant Financial Centre:	TARGET2
(x) ISDA Determination:	Not applicable
(xi) Margin:	+ 0.83 per cent. <i>per annum</i>
(xii) Minimum Rate of Interest:	0.00 per cent. <i>per annum</i>
(xiii) Maximum Rate of Interest:	Not applicable
(xiv) Day Count Fraction:	Actual/360

PROVISIONS RELATING TO REDEMPTION

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| 16. | Call Option | Not applicable |
| 17. | Put Option | Not applicable |
| 18. | Final Redemption Amount of each Instrument | EUR 100,000 per Calculation Amount |
| 19. | Early Redemption Amount | |
| | Early Redemption Amount 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. | Early Termination Amount | EUR 100,000 per Calculation Amount |

GENERAL PROVISIONS APPLICABLE TO THE INSTRUMENTS

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| 21. | Form of Instruments: | Bearer Instruments: |
| | | 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 or other special provisions relating to payment dates: | Not applicable |
| 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 Partly Paid Instruments: amount of each payment comprising the Issue Price and date on which each payment is to be made: | Not applicable |

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| 26. | Details relating to Instalment Instruments: amount of each instalment, date on which each payment is to be made: | Not applicable |
| 27. | Redenomination, renominalisation and reconventioning provisions: | Not applicable |
| 28. | Consolidation provisions: | The provisions in Condition 15 (<i>Further Issues</i>) apply |
| 29. | Commissioner: | Not applicable |

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 is expected to 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 the Issue Date.
- (ii) Estimate of total expenses related to admission to trading: GBP 2,700

2. 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

Save as discussed in "Subscription and Sale", so far as the Issuer is aware, no person involved in the offer of the Instruments has an interest material to the offer.

5. OPERATIONAL INFORMATION

ISIN Code: XS1262975995

Common Code: 126297599

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

6. U.S. Selling Restrictions:

Reg. S Compliance Category 2

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