

Final Terms dated 10 September 2015

TELEFÓNICA EMISIONES, S.A.U.

Issue of EUR 1,000,000,000 1.477 per cent. Instruments due September 2021 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 27 to 60, inclusive, of the Base Prospectus dated 5 June 2015 and the supplements to it dated 3 July 2015 and 30 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.

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 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: | 47 |
| | (ii) | Tranche Number: | 1 |
| 3. | | Specified Currency or Currencies: | Euro (" EUR ") |
| 4. | | Aggregate Nominal Amount: | |
| | (i) | Series: | EUR 1,000,000,000 |
| | (ii) | Tranche: | EUR 1,000,000,000 |
| 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:	14 September 2015
	(ii)	Interest Commencement Date:	Issue Date
8.		Maturity Date:	14 September 2021
9.		Interest Basis:	1.477 per cent. <i>per annum</i> Fixed Rate (See paragraph 14 below)
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.		Fixed Rate Instrument Provisions	Applicable
	(i)	Rate of Interest:	1.477 per cent. <i>per annum</i> payable annually in arrear
	(ii)	Interest Payment Date(s):	14 September in each year not adjusted
	(iii)	Fixed Coupon Amount:	EUR 1,477 per Calculation Amount
	(iv)	Broken Amount(s):	Not applicable
	(v)	Day Count Fraction:	Actual/Actual (ICMA)
	(vi)	Determination Dates:	Not Applicable

15. **Floating Rate Instrument Provisions** Not applicable

PROVISIONS RELATING TO REDEMPTION

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(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. **Early Termination Amount** EUR 100,000 per Calculation Amount

GENERAL PROVISIONS APPLICABLE TO THE INSTRUMENTS

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(s) 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 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:** The provisions in Condition 15 (*Further*

Issues) apply

28. Instruments where the Specified Currency is Renminbi: Party responsible for calculating the Spot Rate: Not Applicable

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 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 Joint Lead Managers, so far as the Issuer is aware, no person involved in the offer of the Instruments has an interest material to the offer. The Joint Lead Managers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and the Guarantor and their affiliates in the ordinary course of business.

4. *Fixed Rate Instruments only* – YIELD

Indication of yield: 1.477 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.

5. OPERATIONAL INFORMATION

ISIN: XS1290729208

Common Code: 129072920

Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société Not Applicable

anonyme and the relevant
identification number(s):

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 TEFRA D