FINAL TERMS

MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES ONLY TARGET MARKET – Solely for the purposes of each manufacturer’s product approval process, the target market assessment in respect of the Instruments has led to the conclusion that: (i) the target market for the Instruments is eligible counterparties and professional clients only, each defined in Directive 2014/65/EU (as amended, “MiFID II”); and (ii) all channels for distribution of the Instruments to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Instruments (a “distributor”) should take into consideration the manufacturers’ target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Instruments (by either adopting or refining the manufacturers’ target market assessment) and determining appropriate distribution channels.

Final Terms dated 9 November 2018

TELEFÓNICA EMISIONES, S.A.U.

Issue of EUR 55,000,000 Floating Rate Instruments Due December 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 2006 Conditions (the “Conditions”) incorporated by reference in the Base Prospectus dated 19 June 2018. This document constitutes the Final Terms relating to the issue of Instruments described herein for the purposes of the Prospectus Directive and must be read in conjunction with the Base Prospectus dated 19 June 2018 and the supplements to it dated 26 July 2018 and 31 October 2018 which together constitute a base prospectus (the “Base Prospectus”) for the purposes the Prospectus Directive, save in respect of the Conditions which are set forth in the base prospectus dated 5 July 2006 and are incorporated by reference in the Base Prospectus.


Full information on the Issuer, the Guarantor and the offer of the Instruments is only available on the basis of the combination of these Final Terms and the Base Prospectus dated 19 June 2018 and the supplements to it dated 26 July 2018 and 31 October 2018. 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 SA/NV, Luxembourg Branch 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: 9
   (ii) Tranche Number: 1
   (iii) Date on which the Instruments become fungible: Not Applicable

3. Specified Currency or Currencies: Euro ("EUR")
4. Aggregate Nominal Amount:
   (i) Series: EUR 55,000,000
   (ii) Tranche: EUR 55,000,000

5. Issue Price: 100 per cent. of the Aggregate Principal Amount

6. (i) Specified Denominations: EUR 50,000
   (ii) Calculation Amount: EUR 50,000

7. (i) Issue Date: 31 January 2007
   (ii) Interest Commencement Date: Issue Date

8. Maturity Date: 30 December 2021

9. Interest Basis: 6 month EURIBOR + 0.83 per cent.
   (See paragraph 15 below)

10. Redemption/Payment Basis: Redemption at par

11. Change of Interest or Redemption/Payment Basis: Not Applicable

12. Put/Call Options: Put Option: Not Applicable
    Call Option: Not Applicable

13. (i) Status of the Instruments: Senior
    (ii) Status of the Guarantee: Senior
    (iii) Date Board approval for issuance of Instruments obtained: Not Applicable

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14. Fixed Rate Instrument Provisions Not Applicable

15. Floating Rate Instrument Provisions Applicable
   (i) Interest Period(s): Each successive period beginning on and including a Specified Interest Payment Date and ending on but excluding the next succeeding Specified Interest Payment Date.
   (ii) Specified Period: Not Applicable
   (iii) Specified Interest Payment Dates: 30 June and 30 December in each year from (and including) 30 June 2007 to (and including) the Maturity Date. There will be a short first Interest Period from (and including) 31 January 2007 to (but excluding) 30 June 2007, in accordance with the Modified Following Business Day Convention.
   (iv) First Interest Payment Date: 30 June 2007
   (v) Business Day Convention: Modified Following Business Day Convention
   (vi) Additional Business Centre(s): Not Applicable
(vii) Manner in which the Rate(s) of Interest is/are to be determined: Screen Rate Determination

(viii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Issue and Paying Agent): JP Morgan Chase Bank, N.A.

(ix) Screen Rate Determination: Applicable
  - Reference Rate: 6-month EURIBOR
  - Interest Determination Date(s): Second day on which the TARGET System is open prior to the start of each Interest Period
  - Relevant Screen Page: EURIBOR01
  - Relevant Time: Not Applicable
  - Relevant Financial Centre: Not Applicable

(x) ISDA Determination: Not Applicable

(xi) Linear Interpolation: Not Applicable

(xii) Margin(s): 0.83 per cent. per annum

(xiii) Minimum Rate of Interest: Not Applicable

(xiv) Maximum Rate of Interest: Not Applicable

(xv) Day Count Fraction: Actual/360

PROVISIONS RELATING TO REDEMPTION

16. Call Option Not Applicable

17. Put Option Not Applicable

18. Final Redemption Amount of each Instrument EUR 50,000 per Instrument of EUR 50,000 specified denomination

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: Outstanding Principal Amount

20. Early Termination Amount Outstanding Principal Amount

21. Substantial Purchase Event Not Applicable

22. Residual Maturity Call Option Not Applicable

GENERAL PROVISIONS APPLICABLE TO THE INSTRUMENTS

23. Form of Instruments: Bearer Instruments:

   Temporary Global Instrument exchangeable for a Permanent Global Instrument which is exchangeable for Definitive Instruments in the limited
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<tr>
<td><strong>24.</strong></td>
<td>New Global Instrument:</td>
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<td></td>
<td>Not Applicable</td>
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<td><strong>25.</strong></td>
<td>Relevant Financial Centre(s) or other special provisions relating to payment dates:</td>
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<td></td>
<td>Not Applicable</td>
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<td><strong>26.</strong></td>
<td>Talons for future Coupons or Receipts to be attached to Definitive Instruments (and dates on which such Talons mature):</td>
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<td></td>
<td>No</td>
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<td><strong>27.</strong></td>
<td>Details relating to Instalment Instruments: amount of each instalment, date on which each payment is to be made:</td>
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<td>Not Applicable</td>
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<td><strong>28.</strong></td>
<td>Redenomination, renominalisation and reconventioning provisions:</td>
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<td></td>
<td>Not Applicable</td>
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<td><strong>29.</strong></td>
<td>Instruments where the Specified Currency is Renminbi: Party responsible for calculating the Spot Rate:</td>
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<td>Not Applicable</td>
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<td><strong>30.</strong></td>
<td>Commissioner:</td>
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<td>Eduardo Álvarez Gómez</td>
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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 has been made by the issuer (or on its behalf) for the instruments to be admitted to trading on Euronext Dublin's Main Securities Market with effect from the business day following date of Final Terms.

(ii) Estimate of total expenses related to admission to trading:  
EUR 1,000

2. RATINGS

Ratings: Not Applicable

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

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.

4. REASONS FOR THE OFFER

As described in "Use of Proceeds" in the Base Prospectus.

5. YIELD

Indication of yield: Not Applicable

6. OPERATIONAL INFORMATION

ISIN: XS0283060324
Common Code: 0283060324
CFI: Not Applicable
FISN: Not Applicable
Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking, S.A. and the relevant identification number(s): Not Applicable
Delivery: Delivery against payment
Names and addresses of initial Paying Agent(s): JPMorgan Chase Bank N.A., London Branch
Trinity Tower
9 Thomas More Street
London E1W 1YT
Names and addresses of additional Paying Agent(s) (if any): Not Applicable

7. DISTRIBUTION

(i) US Selling Restrictions  
TEFRA D

(ii) Prohibition of Sales to EEA Retail Investors  
Not Applicable

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